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housing, health & safety

**One Minneapolis**  
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## 2009 CITY OF MINNEAPOLIS BUDGET-IN-BRIEF

### BUDGET PROCESS

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*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.

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# 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 75 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 \$1.4 billion 2009 revised budget, most of the big spending decisions occur within the City’s \$364 million General Fund.

## REVENUES AND EXPENDITURES - CITYWIDE AND GENERAL FUND

### CITYWIDE

#### Police and Fire

The Police and Fire Departments make up 12.3 percent (\$173 million) of the City’s budget. The City’s 2009 revised budget funds 892 police officers in five different precincts and 424 firefighters at 19 stations.

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The Community Planning and Economic Development (CPED) Department accounts for about 8.9 percent (\$125 million) of the City’s budget. CPEDs 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.

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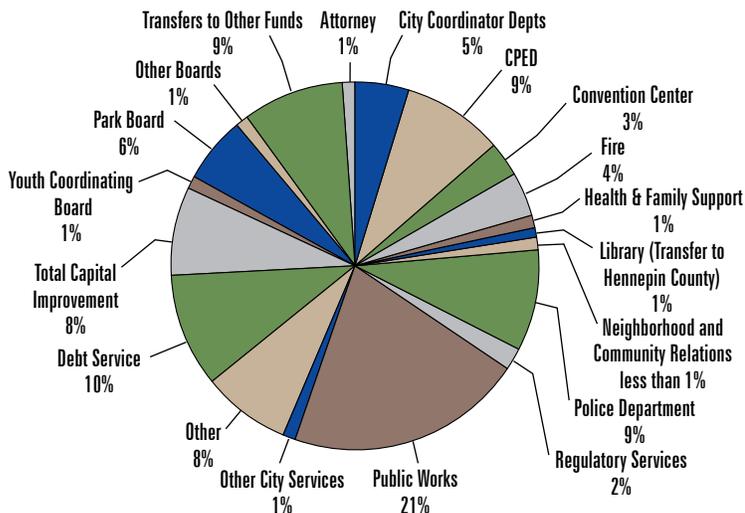
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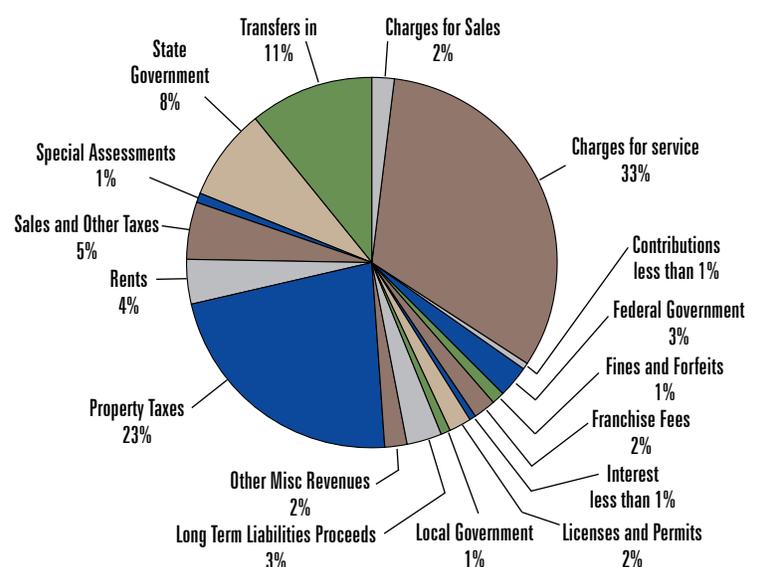
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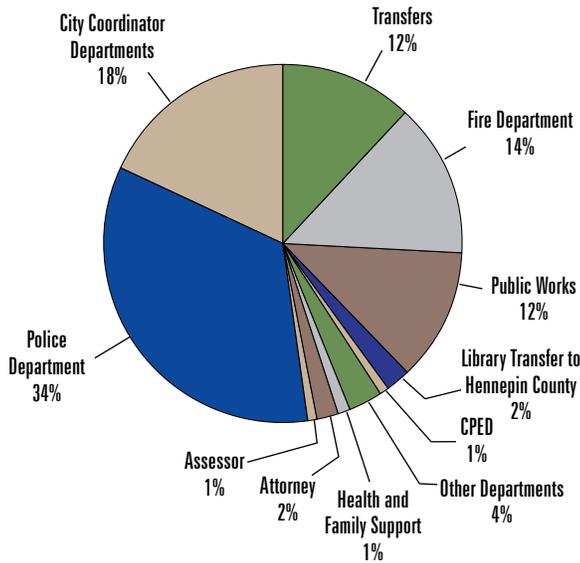
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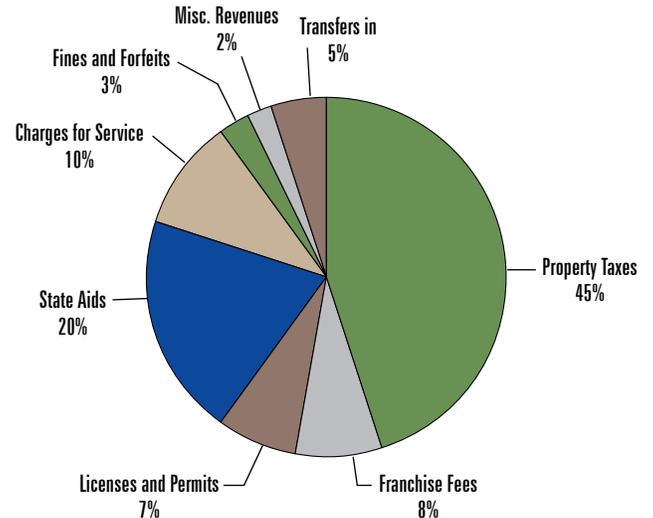
## GENERAL FUND

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 \$364 million, about 26 percent of the citywide budget. Here is a more detailed look at the General Fund:

**General Fund Expense Budget – Expenditures by Services**  
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**General Fund Revenue Budget – Sources of Funds**  
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<sup>1</sup> Property tax and local government aid for libraries are included.

## CAPITAL PLAN

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include projects such as bridge repair, street construction and park improvements. Capital projects tend to be costly, so the City issues bonds to help cover the cost. The City sells bonds to investors, uses the money from the bond sale to fund capital projects, and repays the investors over time at an interest rate that was negotiated at the time the bonds were issued. This process is very similar to a homeowner taking out a home improvement loan to complete a major home repair project.

The 2009 revised budget includes the 2009-2013 capital budget. The five-year total for the capital budget is \$521.7 million, with 90 percent of it within the Public Works Department. The three biggest capital expenses included in the budget are water (\$119 million), street paving (\$140 million), and stormwater sewers (\$71 million).

### Debt Service and Bonds

Right now, the City's total outstanding debt is about \$1.1 billion. The most common type of debt is called general obligation debt, which uses future property tax payments as a guarantee for payment. Some types of debt, such as maintaining the water plant, are repaid using specific revenue sources like utility payments.

The City's bonds receive ratings from 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 a low interest rate.

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

Elected officials need 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.

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Library Operations .....	\$56.56
Other Independent Boards.....	\$33.50
<b>TOTAL of City portion .....</b>	<b>\$1,223.59</b>

### 2009 Adopted 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 2009 Revised Budget, utility rates for a home with the average consumption will increase 5 percent from 2008 rates.

### Average Utilities

	2008	2009	% change	\$ change
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Sanitary Sewer	\$176	\$188	7%	\$ 12
Solid Waste/Recycling	\$276	\$288	4%	\$ 12
<b>Total Utilities</b>	<b>\$839</b>	<b>\$885</b>	<b>5%</b>	<b>\$ 46</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 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/resultsminneapolis.asp>.

**City of Minneapolis  
FY 2009 Revised Budget**

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April 2009

## LETTER OF TRANSMITTAL

Dear Residents of the City of Minneapolis:

We are submitting to you revisions to the City of Minneapolis' 2009 Budget, which reflect the Governor's recommended cuts to the Local Government Aid (LGA) program. Although we continue to work with our friends at the Legislature to reduce the size of these cuts, we believe it is prudent to plan for the 2009 reductions at the proposed level because we will not know the final cuts until halfway through the calendar year. Early action will allow City leadership as much time as possible to implement the reduced spending levels and help minimize the impact on our employees.

The revised budget document reflects cuts for the 2009 budget that was adopted in December. The individual department narratives include the implications of the cuts to local government aid on the services they provide.

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

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 will share in the solution, we will continue our practice of long-term 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.

Respectfully Submitted,

A stylized, handwritten signature in black ink, appearing to be "R. Rybak".

R.T. Rybak  
Mayor

A handwritten signature in black ink, appearing to be "Barbara Johnson".

Barbara Johnson  
Council President

A handwritten signature in black ink, appearing to be "Paul Ostrow".

Paul Ostrow  
Chair, Ways & Means







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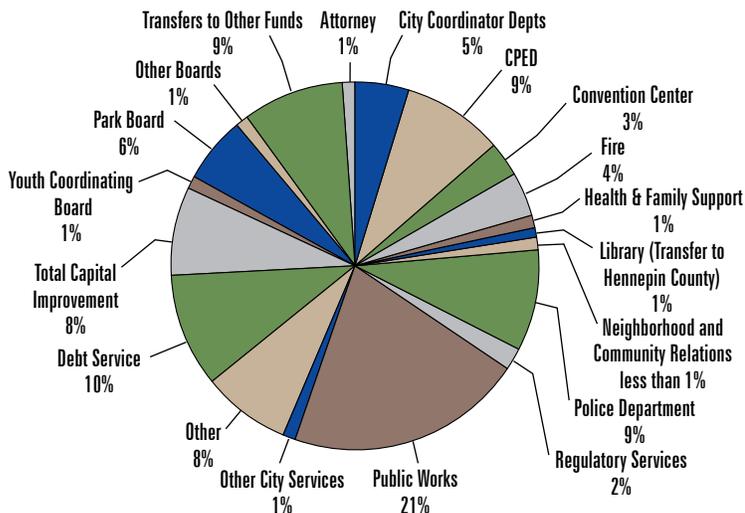
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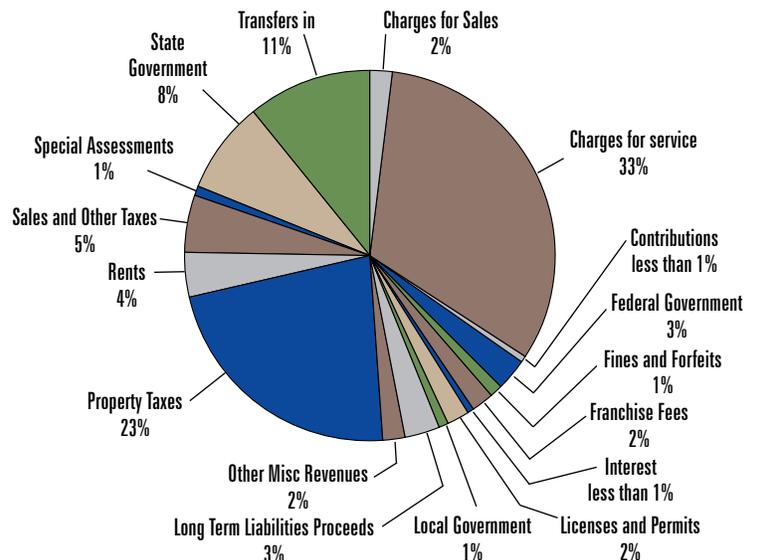
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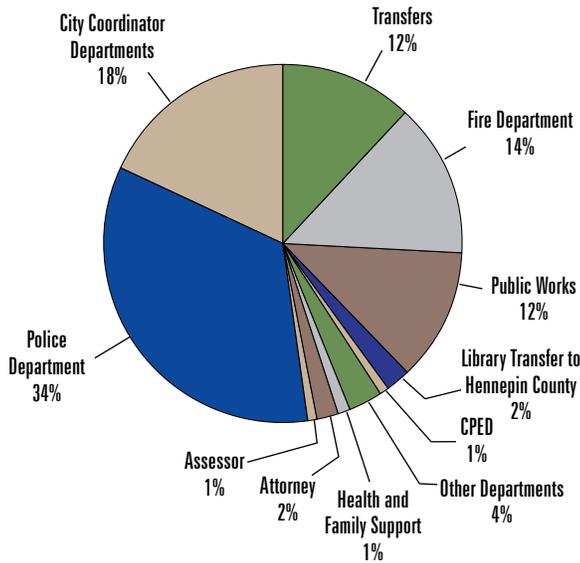
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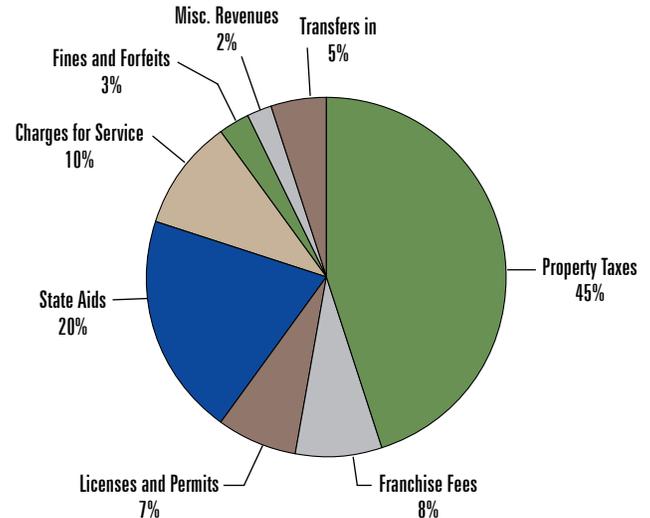
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# City of Minneapolis FY 2009 Budget

## 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 2009 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 2009-2013 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 between 2008 and 2009.</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 (2002), and the resolutions which set priorities on the City's development resources (2003).

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<b>Section 6: Financial Plans</b>	<p>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.</p> <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 2009 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 2009 Revised Budget  
Elected and Public Officials**

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**Mayor**

R.T. Rybak

**City Council**

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

**Board of Estimate and Taxation**

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

**Minneapolis Park and Recreation Board**

Tom Nordyke	President, Commissioner District 2
Mary Merrill Anderson	Commissioner at Large
Jon Olson	Commissioner at Large
M. Annie Young	Commissioner at Large
Walt Dziejczak	Commissioner District 1
Scott Vreeland	Commissioner District 3
Tracy Nordstrom	Commissioner District 4
Carol Kummer	Commissioner District 5
Robert B. Fine	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
Steve Ristuben	Interim City Clerk
Steven Bosacker	City Coordinator
Michael Jordan	Civil Rights Director
Sara Dietrich	Communications Director
Mike Christenson	Community Planning and Economic Development Director
Steve Ethier	Convention Center Director
Alex Jackson	Fire Chief
Gretchen Musicant	Health Commissioner
Pamela French	Human Resources Director
Gene Ranieri	Intergovernmental Relations Director
John Dejung	911/311 Director
Rocco Forte	Operations / Regulatory Services Director
Timothy Dolan	Police Chief
Steve Kotke	Public Works Director/City Engineer

## **Independent Boards/Agencies**

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



**City of Minneapolis  
FY 2009 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.

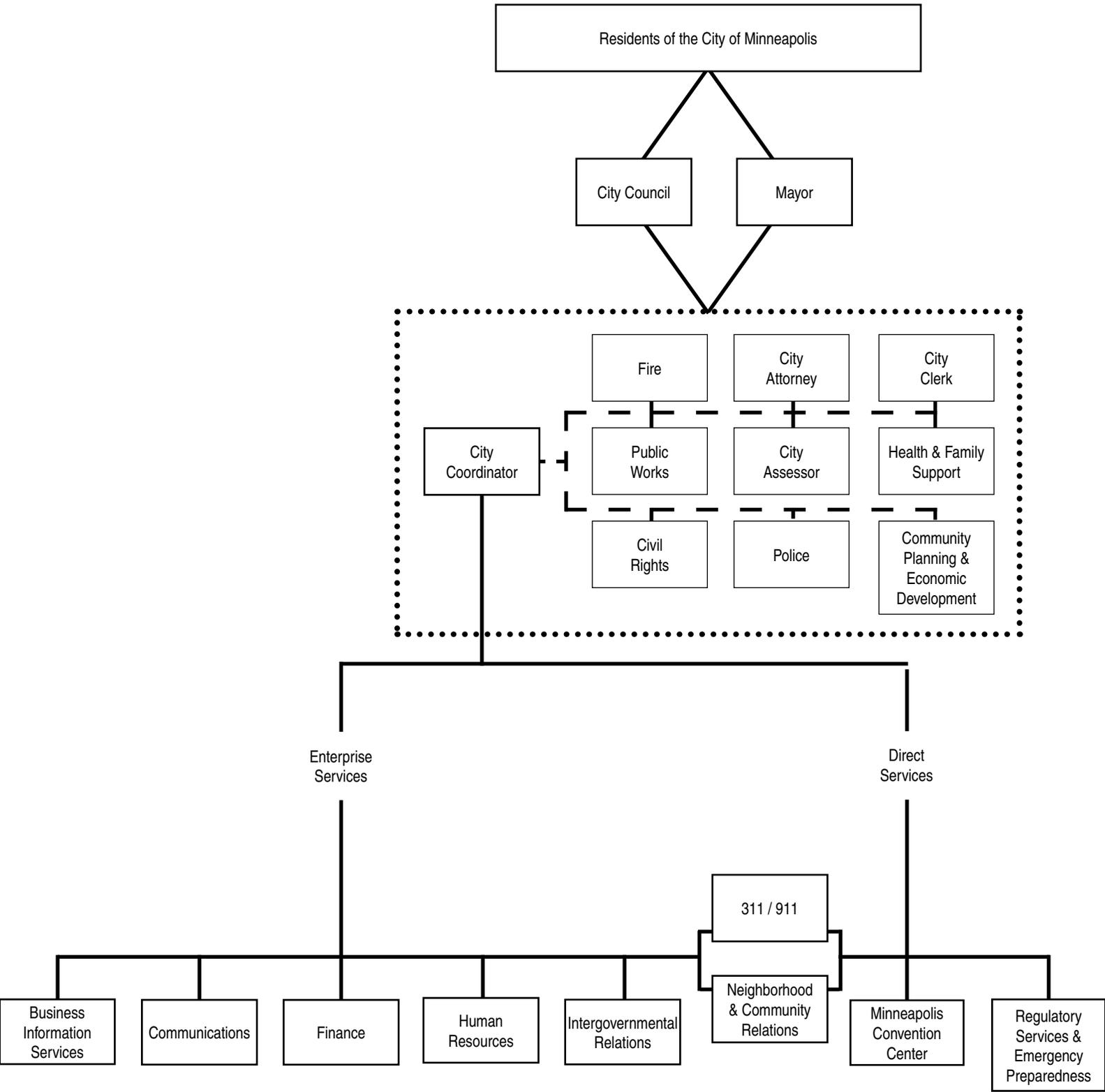
**7. Demand accountability.**

- ◆ 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

City Coordinator

Organizational Chart





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Minneapolis  
Minnesota**

**Special Performance Measures Recognition**

For the Fiscal Year Beginning

**January 1, 2008**

Handwritten signature of Oliver S. Cox in cursive.

President

Handwritten signature of Jeffrey R. Snow in cursive.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Minneapolis, Minnesota for the Annual Budget beginning in January 1, 2008. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one year. The City believes the current budget continues to conform to program requirements, and will submit the 2009 Adopted Budget to GFOA to determine its eligibility for another award.

In 2008, the City received “special performance measurement recognition.” This recognition means the City was rated outstanding in its presentation of performance measurement information, department goals and objectives and at least proficient on its presentation of long-term goals and objectives. This is the first such recognition by the GFOA of the City.

The award for 2008 is the seventh such honor the City has received in consecutive years. Prior to the 2002 award, the City was last recognized by the GFOA for distinguished budget presentation in 1986. The City has received the GFOA’s Certificate of Achievement for Excellence in Financial reporting for the Comprehensive Annual Financial Report (CAFR) for thirty-four years.

**City of Minneapolis  
FY 2009 Budget**

**Background Information**

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➤ Communities and Neighborhoods Map	7
➤ Form of Government	8
➤ Chronology of Financial Decision Making	11
➤ Fund Descriptions	12

# City of Minneapolis FY 2009 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.



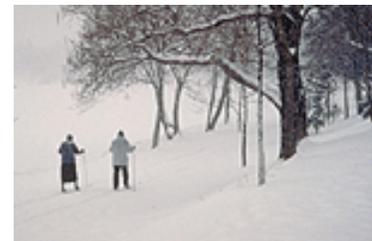
### Location

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 longest river, the Mississippi.



### Climate

Minneapolis has an average annual temperature of 45° F (7° C). Average temperatures during winters are 16° F (-9° C). Minneapolis has four distinct seasons, with moderate spring and fall weather. Summer is comfortable because lakes and trees serve as natural air conditioners.



### Population

Minneapolis is home to an estimated 388,020 as of April 2007. Males comprise 50.2% of the population, while the 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 the population that is Hispanic is

7.6% of the City. Amongst all the cities in the USA, Minneapolis has the largest number of “households with one individual” – 40.3% of all households fit that description.

**Economy**

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

Employer	Approximate Total Number of Employees
University of Minnesota	25,000
3M Company	12,200
Fairview University Medical Center	8,000
Methodist Hospital	7,000
Park Nicollet Health Services	6,000
Thompson West	6,000
UPS	5,400
Piper Breast Center	5,300
Fairview Southdale Hospital	5,000
Andersen Corporation	5,000

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). 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 the driving force of a strong economy. The University of Minnesota’s highly acclaimed medical school and the City’s seven hospitals have also made Minneapolis a leader in the medical field.



Abbott Northwestern Hospital  
(Piper Breast Center)

The City’s unemployment rate decreased from 4.1% in 2005 to 3.9% in 2006 but increased to 5.7% in November 2008 compared to 4.3% in 2007. Details follow:

	2005	2006	2007	Nov 2008
Total Labor Force	216,990	214,155	215,966	216,160
Employment	208,167	205,874	206,784	203,743
Unemployment	8,823	8,281	9,182	12,417
Unemployment rate	4.1%	3.9%	4.3%	5.7%

Per capita income for Minneapolis residents is as follows:

	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:

Taxpayer	Type of Business	Net Tax Capacity	Percentage of Total Tax Capacity
Northern States Power Co.	Utilities	\$6.3 million	1.32%
Target Corporation	Office Buildings and retail	\$5.3 million	1.11%
MB Mpls. 8 <sup>th</sup> Street LLC	Office Buildings	\$4.4 million	0.92%
NWC Limited Partnership	Commercial/Industrial Buildings	\$3.8 million	0.80%
Minneapolis 225 Holdings LLC	Office Buildings	\$3.7 million	0.78%
City Center Associates	Office Buildings	\$3.4 million	0.72%
First Minneapolis-Hines Co.	Banks	\$3.4 million	0.71%
Wells Operating Partnership LP I	Office Buildings	\$3.2 million	0.68%
Byte Investment Partnership I	Office Buildings	\$2.8 million	0.59%
American Express Financial Corp.	Investment Advisor	\$2.8 million	0.59%
<b>Total</b>		<b>\$ 39.1 million</b>	<b>8.21%</b>

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

Retail sales in Minneapolis for the years 2002 to 2005 follow:

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



### Neighborhoods

Minneapolis has 81 residential neighborhoods offering 173,799 residential housing units. 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. On Nicollet Mall, visitors will find the Gaviidae Commons, City Center, and the Crystal Court.



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

### The Arts

The Twin Cities is second only to New York in per capita attendance at theater and arts events. Minneapolis has more than 30 theaters. The Guthrie Theater and the Children's Theatre Company are recognized as two of the country's best. In June of

2006, the Guthrie Theater celebrated the opening of its brand new \$125 million theater on the banks of the Mississippi River on the northeastern edge of downtown. The City also boasts two world-class art museums, the Minneapolis Institute of Art and the new Walker Art Center, and is home to the internationally acclaimed Minnesota Orchestra. Neighborhood arts activities—festivals, galleries and events—play a growing role in resident art participation.



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

### Education

Thirty-nine thousand students are enrolled in Minneapolis primary and secondary schools. Non-public primary and secondary school enrollment is about 7,000. The City offers several vocational training and specialty schools. The main campus of the University of Minnesota sits on the banks of the Mississippi just minutes from downtown. It is a major landgrant research institution with a long tradition of community and public service, and it ranks among the top 20 universities in the U.S. It is also one of the largest. Total enrollment in the twin-city campus in 2007 was 50,883. Other institutions of higher education within Minneapolis proper include the 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. Several more colleges and universities can be found in St. Paul and the suburbs.

### Sports and Outdoor Recreation

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



Hubert H. Humphrey Metrodome



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," and Minneapolis was identified as the number two bicycling city in the country based on the percentage of the population that commutes by bicycle. The City's Park and Recreation Board maintain 87 miles of walking and biking paths. The City also maintains 396 sports fields, 183 tennis courts, 6 golf courses, and 11 supervised beaches. In the winter, residents enjoy ice skating, ice fishing,



hockey, downhill and Nordic skiing, and ice sailing. The City maintains 34 outdoor ice rinks. Early in Minneapolis' development, the land around five large lakes was dedicated to the public as parkland. With one acre of parkland for every 60 residents, outdoor recreation is an important part of life, and it is estimated that a City park is ready for fun no more than six to eight blocks from every home.

### **Nationally Recognized**

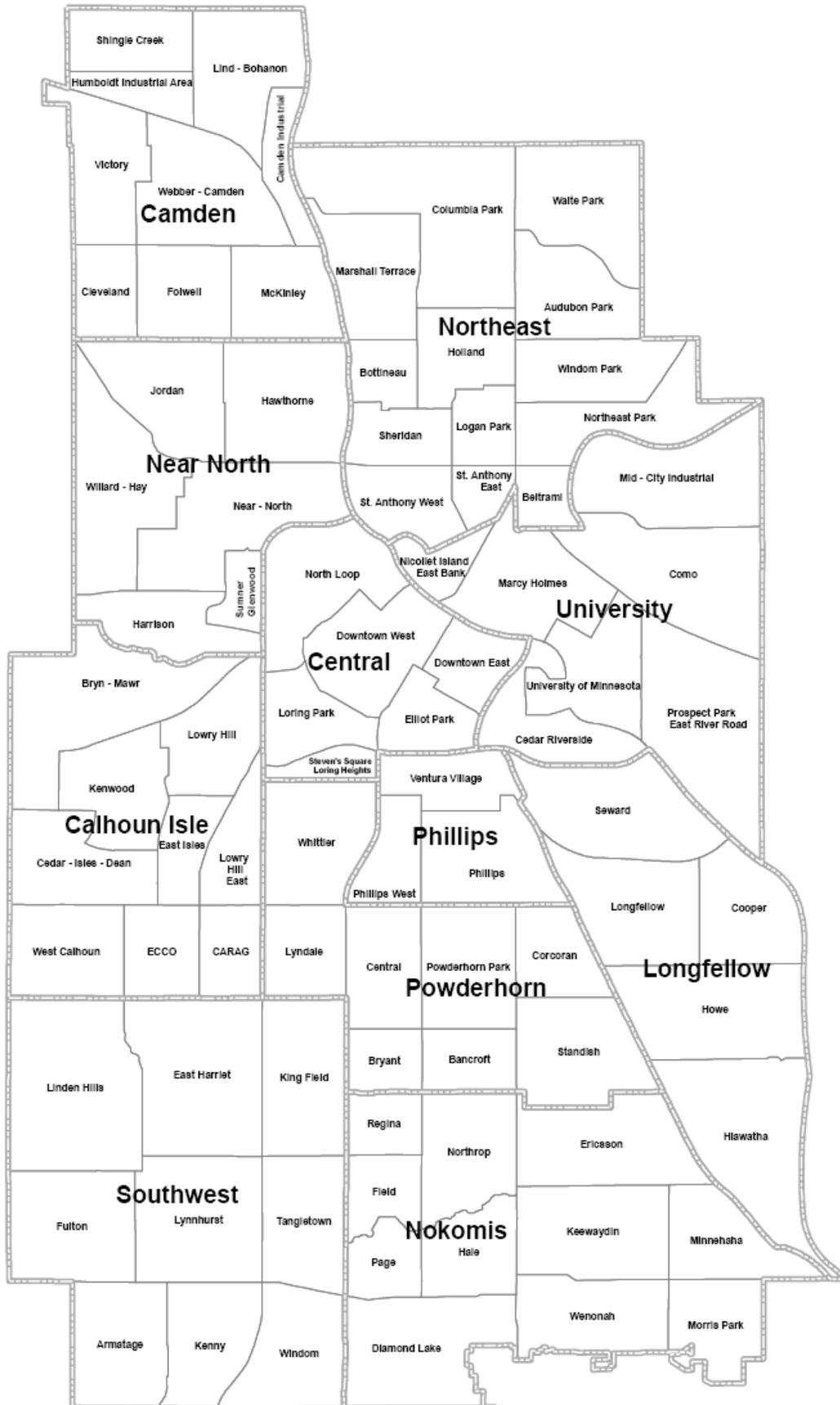
Minneapolis received national recognition in 2007 - 2008 as being a great place to visit, live well, run a business, and forge community connections. The following is a sample of some of the City's honors for 2007 and 2008:

- 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*



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/).

# MINNEAPOLIS COMMUNITIES AND NEIGHBORHOODS



Generated by the City of Minneapolis CPED Department, Planning Division

# City of Minneapolis FY 2009 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 six 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 and maintains responsibility for the internal audit function for the City, including boards and commissions that are component units of the City.

### Discretely Presented Component Units

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



## Joint ventures

The City is a participant in several joint ventures in which it retains an ongoing financial interest or an ongoing financial responsibility. 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 2009 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.
2001	Stock market falls – convention center and parking fund suffer directly from economic downturn; pension obligations escalate.
2002	Adoption of maximum property tax increase policy; negative outlook from Fitch rating agency.
2003	Adoption of Five-Year Financial Direction and Commitment to Business Planning; 2% Wage Policy; Local Government Aid reductions.
2003	City uses 8% tax increase and 2% wage policy to manage employment costs during budget shortfalls.
2004	Departments bring forward first five-year business plans.
2006	Fitch removes negative outlook; Moody's maintains Aa1 citing pent up internal demands for spending.
2007	Compensation philosophy replaces the 2% wage policy; MERF prepayment (liquidity trigger) eliminated by the State Legislature; sale of six parking ramps.
2008	Minneapolis Library System merges with Hennepin County Library System on January 1; State Legislature imposes levy limits on local governments for 2009 – 2011; Governor uses unallotment authority to cut Local Government Aid for 2008 by \$13.2 million; stock market falls in fourth quarter – pension obligations escalate; sale of one parking ramp.

**City of Minneapolis  
FY 2009 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 fund for 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 is used to account for the operation, maintenance and construction projects related to the sanitary sewer system.

**Stormwater Fund.** This fund is 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 Testing.** 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 costs 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 Funds are 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 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**  
**(Total Number of Funds = 305)**

	<b>General Fund</b>	<b>Enterprise Funds</b>	<b>Internal Service Funds</b>	<b>Special Revenue Funds</b>
<b>Number of Funds</b>	1	42	9	164
<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>Number of Funds</b>	41	34	14
<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 2009 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 2006 FOR 2006 TO 2010)**

#### **A SAFE PLACE TO CALL HOME**

##### HOUSING, HEALTH AND SAFETY

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

##### STRATEGIC DIRECTIONS

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

#### **ONE MINNEAPOLIS**

##### EQUAL ACCESS, EQUAL OPPORTUNITY, EQUAL INPUT

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

##### STRATEGIC DIRECTIONS

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

#### **LIFELONG LEARNING SECOND TO NONE**

##### SCHOOLS, LIBRARIES AND INNOVATION

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

##### STRATEGIC DIRECTIONS

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

## **CONNECTED COMMUNITIES**

### **GREAT SPACES & PLACES, THRIVING NEIGHBORHOODS**

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

#### **STRATEGIC DIRECTIONS**

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

## **ENRICHED ENVIRONMENT**

### **GREENSPACE, ARTS, SUSTAINABILITY**

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

#### **STRATEGIC DIRECTIONS**

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

## **A PREMIER DESTINATION**

### **VISITORS, INVESTMENT AND VITALITY**

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

#### **STRATEGIC DIRECTIONS**

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

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

**City of Minneapolis  
FY 2009 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 city-wide strategic planning every four years to develop city-wide goals and strategic directions. These city-wide goals and strategic directions set guidelines for each department to develop its business plan. In 2006, 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 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, Mayor meets representatives from CLIC before finalizing the capital budget recommendation.

## **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" 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. Such hearings are held in late November or early December as required by State law.

## **December**

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

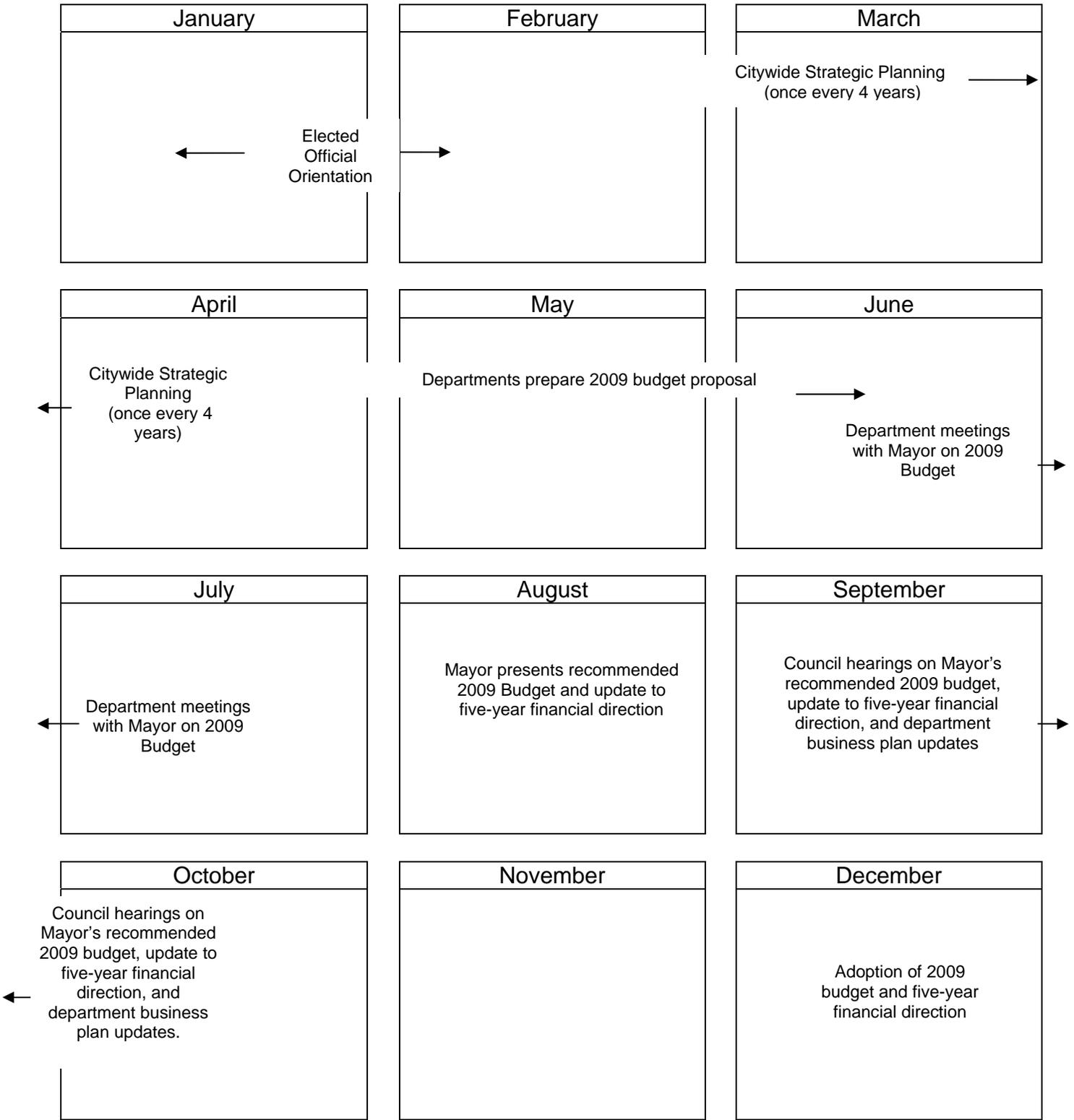
The City Council adopts final budget that reflects any and all changes made to the Mayor's recommended budget. Once the final budget resolutions are adopted, all the requests from departments for additional funds or positions made throughout the year are brought as amendments to the original budget resolutions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



**Specific significant dates for 2009 budget adoption are as follows:**

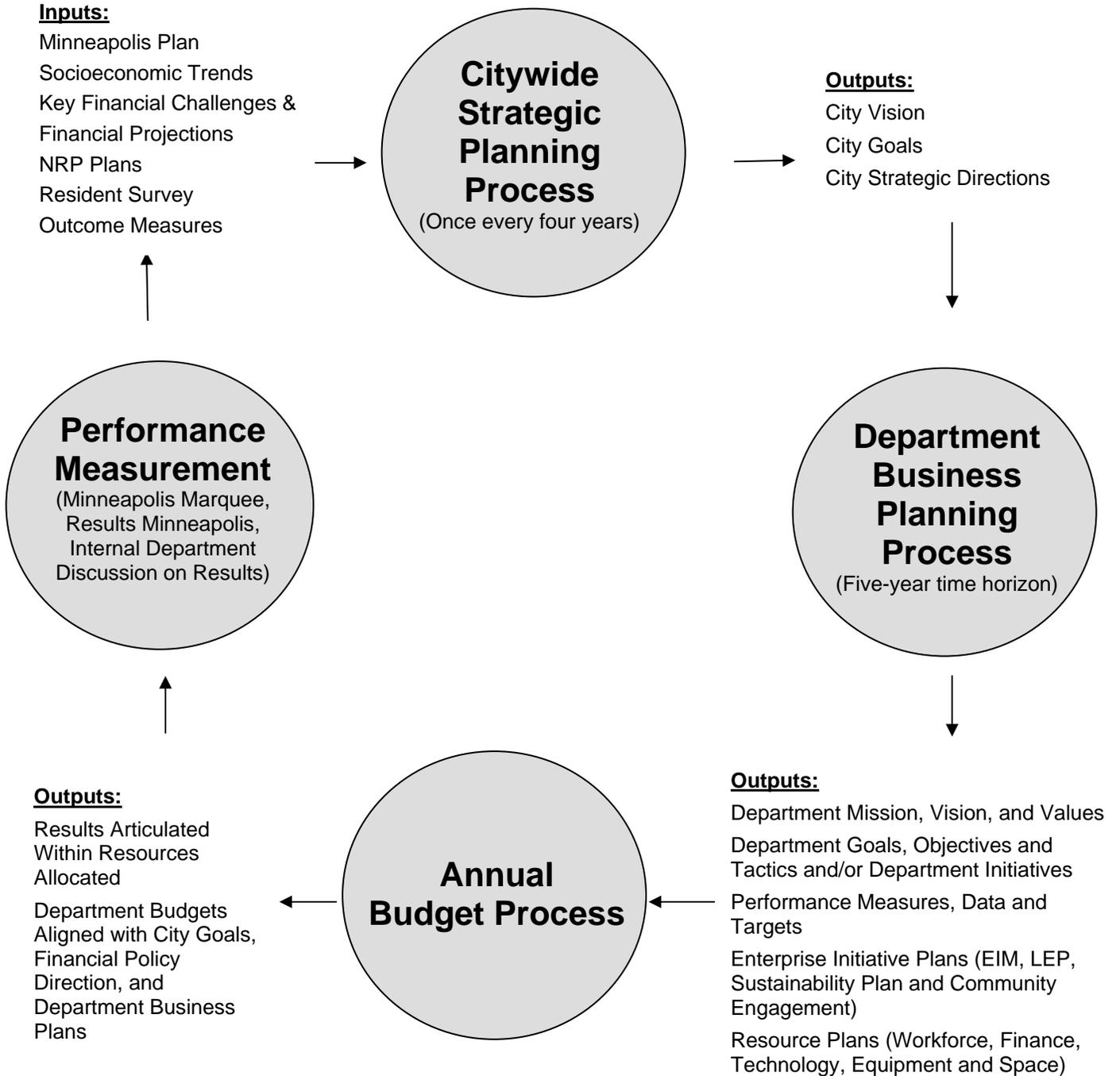
- Mar 5 State of the City Speech
- Mar 31 Capital project requests due for Capital Long Range Improvement Committee (CLIC) consideration
- Apr 19-  
May 2 CLIC review and presentations of capital proposals
- June-July Mayor met with each city department and the independent boards to review budget and business plan proposals.
- June 5 Joint public hearing of CLIC and Planning Commission on 2009 Capital Plan
- July-Aug Mayor finalizes budget recommendation
- Third Week  
In July CLIC report distributed to Mayor and Council Members
- By Aug 14 Mayor's budget Recommendation presented to Council
- Sept 3 Board of Estimate public hearing on maximum property tax levies
- Sept 10 Board of Estimate meeting to set the maximum property tax levies
- Sept -  
Oct Ways and Means/Budget Hearings on the budget and business plan updates (schedule determined by City Council)
- Dec 1 Truth in Taxation public hearing (Tentative) 5:05 pm
- Dec 5 Mark-up by Ways and Means/Budget Committee, with all Council Members invited to attend
- Dec 11 Truth in Taxation continuation hearing (if needed) (Tentative) 5:05 pm  
Official Council budget adoption 5:05 pm

# FINANCIAL/BUSINESS DECISIONS CALENDAR



## INTEGRATING KEY CITY PROCESSES

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## City of Minneapolis FY 2009 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 June 2006 the Mayor and the City Council adopted a new set of City Goals and Strategic Directions. This work builds on previous City goals and a resolution establishing commitment to business planning and five-year financial direction. This strategic policy direction serves as a guide by which all other policy decisions should be assessed. As elected officials and departments make decisions throughout the year, they should be asking: "Does this support the City's strategic plan?"

#### **Department Business Planning**

The development of the Citywide strategic plan is intended to provide clear direction for departments' business planning efforts. Through the 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 2007-2011 Business Plan followed by expanded annual budget submissions beginning in 2007 (for the 2008 budget cycle). The annual budget submissions beginning in 2007 will include annual business plan status reports and serve as departments' annual articulation of progress and focus.

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

**The Annual Budget Process**

Minneapolis’ annual budget process is when the Mayor and City Council articulate their priorities for the upcoming year by allocating City financial resources accordingly. 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 –business 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 departments’ most critical outcome measures.



### **What is “Results Minneapolis?”**

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

**A SAFE PLACE TO CALL HOME** - HOUSING, HEALTH AND SAFETY

**ONE MINNEAPOLIS** - EQUAL ACCESS, EQUAL OPPORTUNITY, EQUAL INPUT

**LIFELONG LEARNING SECOND TO NONE** - SCHOOLS, LIBRARIES AND INNOVATION

**CONNECTED COMMUNITIES** - GREAT SPACES & PLACES, THRIVING NEIGHBORHOODS

**ENRICHED ENVIRONMENT** - GREENSPACE, ARTS, SUSTAINABILITY

**A PREMIER DESTINATION** - VISITORS, INVESTMENT AND VITALITY

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 *Results Minneapolis* has been largely inward facing to date, the City is currently in the early stages of developing an externally facing performance measurement website, *Minneapolis Marquee*. While performance data has for years been in the publicly available City’s budget document, we see the need to develop a more public “friendly” approach to sharing the City’s key performance information. When complete, *Minneapolis Marquee* is envisioned to be the residents’ window for monitoring our progress on the critical areas that residents care about most.

**City of Minneapolis  
FY 2009 Budget**

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

**CITY GOALS REFERENCE KEY:**

Goal 1 Safe Place to Call Home



Goal 2 One Minneapolis



Goal 3 Lifelong Learning Second to None



Goal 4 Connected Communities



Goal 5 Enriched Environment



Goal 6 A Premier Destination



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

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



	achievement of the City's goals and strategic directions	
	The City's management practices are continuously improving, and outcome and customer focused.	 
	Convene, coordinate and strategically manage multi-jurisdictional and inter-departmental efforts to successful outcomes.	 
<b>CPED</b>	Promote private sector growth to build a healthy economy	 
	Plan and develop a vibrant, sustainable community	
	Develop and preserve life-cycle housing throughout the City	
	Promote economic self-sufficiency for individuals and families	
	Partner effectively to promote regional growth and investment	
<b>Finance</b>	Ensure the City's financial stability through informed decision making, aligning with the City priorities	 
	Improve efficiency and effectiveness of Finance department by improving the business processes and the workforce	 
<b>Fire</b>	Provide effective customer service	
	Reduce risk to employees	
	Reduce risk in the community	
	Provide good value to the taxpayers	
<b>Health &amp; Family</b>	Improve infant & child health	
	Youth development and violence prevention	
	Improve teen & young adult sexual health	

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

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

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

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

**(January 31, 2003)**

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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 time-line for completion of business plans.
- The City departments' business plans will reflect the allocation of general city revenues and property tax revenue provided for in the financial schedules.

**City of Minneapolis  
FY 2009 Council Revised Budget**

**Financial Overview**

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**City of Minneapolis  
FY 2009 Revised Budget**

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

The 2009 revised budget for all City funds remains at \$1.4 billion, a constant spending level from the 2008 adopted budget. The revised budget recommends a property tax revenue increase of 8% over 2008 levels, consistent with the adopted 8% property tax revenue policy.

**2008 Reduction to the Budget Reserve**

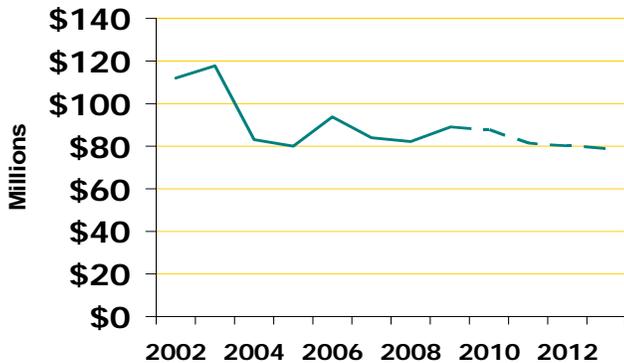
In December 2008, the Governor exercised his authority to “unallot” or unilaterally reduce various state appropriations. The appropriation directly impacting the City of Minneapolis is Local Government Aid (LGA). The City’s LGA was reduced by \$13.2 million as a result of these actions. Because the action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

The budget reserve serves as both the City’s budgetary reserve and cash flow reserve. The City’s adopted financial policies require a budget reserve equal to 15 percent of the following year’s revenue budget amount, which would be approximately \$55 million at the end of fiscal year 2008. The unallotment action resulted in a reserve below the stated policy. The City took action in 2009 to rebuild reserves which were significantly depleted as a result of the unallotment.

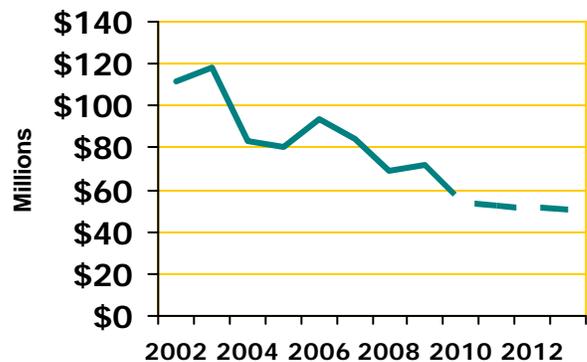
**2009 Supplemental Budget Recommendations**

In February, the Governor released his budget recommendations to balance the state’s projected deficit. The recommendations included a reduction in LGA of \$16.9 million in 2009 and an additional \$18 million in 2010, for an ongoing impact over the next two years of \$35 million. The following tables show the historical LGA appropriations, both the certified amounts and with the Governor’s proposed revisions:

**Certified LGA 2002-2013**



**Citywide LGA 2002-2013  
(with reductions)**



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: 2009 LGA Reduction Distribution**

City General Fund	-\$14,821,308
Park Board	-\$ 1,990,069
Municipal Building Commission	-\$ 50,755
<b>Total 2009 Proposed Reduction</b>	<b>-\$16,862,131</b>

The revised budget does not impact the independent boards that are not included in the distribution of LGA. These boards include the Minneapolis Public Housing Authority, the Youth Coordinating Board and the Neighborhood Revitalization Program Policy Board.

### Major Highlights

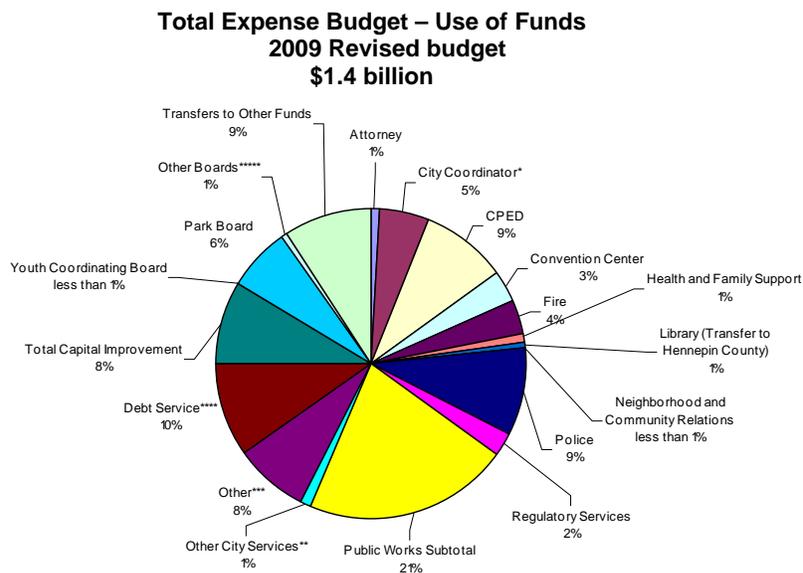
The 2009 revised budget builds on many of the significant organizational and financial changes that have occurred in recent years. It is important to be aware of these major changes when making comparisons between budget years.

The major changes include:

- The Council approves additional capital funding for the Infrastructure Acceleration Program, which includes paving projects, street lighting, parkway paving, parkway lighting, pavement and bikeway maintenance and park infrastructure improvements (\$5.5 million annually for 5 years).
- The five-year financial direction adopted in December 2008 was balanced in all five years. Due to the extraordinary circumstances and short timeline for consideration of solutions, expenditures for 2010-2014 have not yet been adjusted for shortfalls related to the additional pension costs and proposed reductions in local government aid pending final legislative action. Estimated changes related to revenue loss from the decertification of TIF districts are included in 2011 and beyond.
- The 2009 revised budget includes establishment of a department of Neighborhood and Community Relations, including funding for neighborhood investment and innovation, neighborhood administration and City infrastructure.

### City Spending

Below is a summary of the 2009 revised budget by major spending categories, which includes transfers between funds and the independent boards.



## Expenditures by Service

(In Millions of Dollars)

	2008 Adopted Budget	2009 Revised Budget
Attorney	12.8	13.5
City Coordinator*	69.6	71.2
CPED	155.7	125.3
Convention Center	40.4	45.7
Fire	50.8	51.3
Health and Family Support	13.6	13.4
Library (Transfer to Hennepin County)	22.1	7.5
Neighborhood and Community Relations	0.0	1.0
Police	127.5	128.4
Regulatory Services	30.0	32.7
PW - Administrative Services	2.9	2.6
PW - Eng. Materials & Testing	2.9	1.7
PW - Fleet	33.2	42.1
PW - Property Services	16.4	21.9
PW - Solid Waste	31.3	32.5
PW - Traffic and Parking	50.8	50.1
PW - Transportation Maintenance and Repair	32.2	32.6
PW - Transportation Planning and Engineering	10.8	14.3
PW - Water Treatment & Distribution	44.8	47.9
Surface Water & Sewers	53.9	55.3
<b>Public Works Subtotal</b>	<b>279.2</b>	<b>301.1</b>
<i>Other City Services**</i>	<i>16.0</i>	<i>17.0</i>
<i>Other***</i>	<i>102.1</i>	<i>107.0</i>
Debt Service****	137.6	138.3
Total Capital Improvement	134.2	119.2
<b>Subtotal</b>	<b>380.2</b>	<b>372.7</b>
Youth Coordinating Board	1.9	1.9
Park Board	88.3	90.3
<i>Other Boards*****</i>	<i>8.3</i>	<i>10.2</i>
<b>Subtotal</b>	<b>98.5</b>	<b>102.5</b>
Total Expenditures Without Transfers	1,291.6	1,276.5
Transfers to Other Funds	118.6	128.1
<b>TOTAL DEPARTMENTS</b>	<b>1,410.2</b>	<b>1,404.6</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 Neighborhood Revitalization Program, Board of Estimate and Taxation and Municipal Building Commission

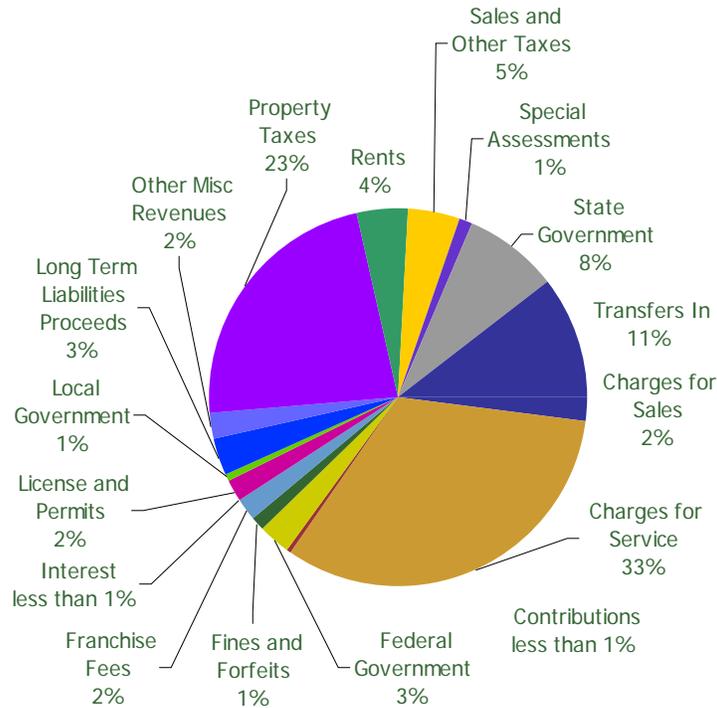
**Note:** See "City Council Operating Departments" and "Independent Boards and Agencies" sections in the budget document for further explanation of changes between years.



## City Sources of Revenue

Below is a summary of the 2009 revised budget revenues by major category.

**Total City Revenue Budget – Source of Funds**  
**2009 Revised budget**  
**\$1.4 billion**



In 2009, the City forecasts \$1.4 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.

**REVENUES BY MAJOR CATEGORY**  
(in millions of dollars)

	2008 Adopted Budget	2009 Council Revised
Charges for Sales	30.9	28.8
Charges for Service	422.3	447.0
Contributions	3.0	2.1
Federal Government	68.1	41.4
Fines and Forfeits	12.3	12.1
Franchise Fees	27.1	28.1
Gains	0.2	0.2
Interest	3.6	3.3
License and Permits	27.6	28.2
Local Government	11.2	8.6
Long Term Liabilities Proceeds	49.0	54.8
Other Misc Revenues	29.2	29.4
Property Taxes	330.0	323.1
Rents	57.6	60.9
Sales and Other Taxes	58.0	59.5
Special Assessments	10.8	17.9
State Government	119.0	118.1
Transfers In	121.2	158.1
<b>Total Revenues</b>	<b>1,381.3</b>	<b>1,421.5</b>

LGA is reflected in the State Government line. Please note that a technical correction in other State Government items offsets the LGA loss.

**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 2009 revised budget anticipates the total franchise fee revenue to increase slightly from the 2008 adopted budget, from \$27.1 million in 2008 to \$28.1 million in 2009.

There are four franchise agreements that provide revenue for the City. The franchise agreement with Xcel Energy for electricity (Xcel does not provide natural gas services in Minneapolis) requires the company to pay the City 5 percent of its gross revenues for Minneapolis residential service customers, 3 percent of gross revenues for Minneapolis commercial/industrial customers, and 5 percent 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. For 2009, the revised budget anticipates Xcel will pay the City \$14.5 million from this agreement.

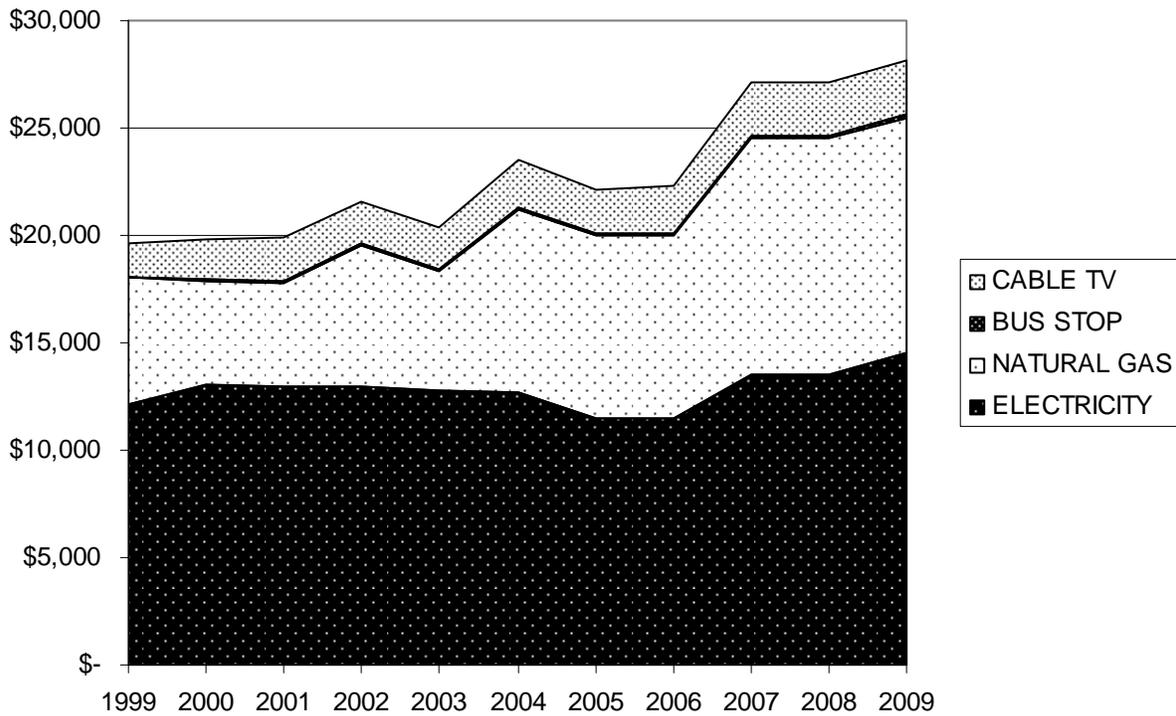
The franchise agreement with CenterPoint Energy for natural gas requires the company to pay the City 4.25 percent of gross revenues for Minneapolis residential buildings with four units or less, 5 percent for small commercial/industrial/firm or "interruptible" customers (customers who have agreements to allow their service to be interrupted, generally during peak loads), and 3 percent for large volume interruptible customers. This franchise agreement expires on Dec. 31, 2015. For 2009, the revised budget anticipates CenterPoint Energy will pay the City \$11 million from this agreement.

The city also has two smaller franchises. The bus stop advertising franchise will generate approximately \$110,000 in revenues for the City in 2009, and the City's cable television franchise is anticipated to generate more than \$2.5 million for the City in 2009. 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 2009. 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 during cable installations, provides continuous availability of PEG access channels and protects consumer rights.

**Franchise Fee Revenue 1999-2009**  
(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 26 percent of the 2009 revised budget.

**Enterprise Funds** include services that the City provides that operate more like a “business” in that they are expected to generate a profit to cover capital purchases and related debt service requirements. Enterprise services of the City include sanitary sewer services, stormwater management 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. However, Internal Service Funds’ primary customers are other City departments. Internal services include such services as information technology,

equipment rental (e.g. police squad cars and fire equipment), facility fees and workers compensation insurance.

**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.

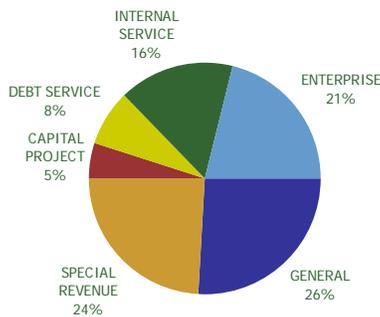
**Debt service funds** are used to pay interest and principal on City debt.

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

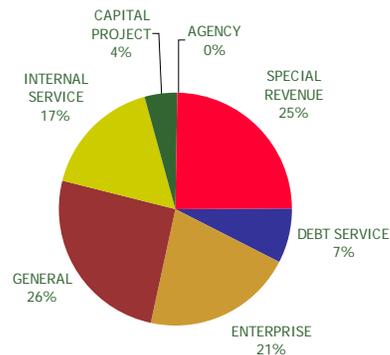
	2008 Adopted Budget	2009 Revised Budget	Pct Increase
<b>Expense:</b>			
GENERAL	360.7	363.8	0.9%
SPECIAL REVENUE	365.1	338.9	-7.2%
CAPITAL PROJECT	79.5	70.0	-11.9%
DEBT SERVICE	114.4	110.0	-3.9%
INTERNAL SERVICE	205.1	223.5	9.0%
ENTERPRISE	285.4	298.3	4.5%
<b>Total</b>	<b>1,410.2</b>	<b>1,404.6</b>	<b>-0.4%</b>

	2008 Adopted Budget	2009 Revised Budget	Pct Increase
<b>Revenue:</b>			
AGENCY	0.0		0.0%
GENERAL	360.7	363.8	0.9%
SPECIAL REVENUE	359.2	351.9	-2.0%
CAPITAL PROJECT	76.3	63.5	-16.7%
DEBT SERVICE	77.7	105.6	35.9%
INTERNAL SERVICE	216.9	240.2	10.7%
ENTERPRISE	290.6	297.3	2.3%
<b>Total</b>	<b>1,381.3</b>	<b>1,422.3</b>	<b>3.0%</b>

**Total City Expense Budget by Fund  
2009 Revised budget  
\$1.4 Billion**



**Total City Revenue Budget by Fund  
2009 Revised budget  
\$1.4 Billion**

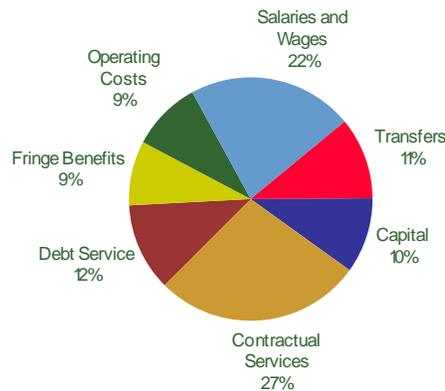


A significant amount of the City’s budget is spent on personnel, \$410 million or nearly 30 percent of the total budget. The 2009 revised budget includes an overall decrease of 69 budgeted full-time equivalent positions.

### Spending by Major Categories

	2008 Adopted Budget	2009 Council Revised
Fringe Benefits	105.9	113.9
Salaries and Wages	294.4	295.7
Capital	185.1	165.0
Contractual Services	365.7	368.5
Debt Service	173.8	175.7
Operating Costs	120.3	126.1
Transfers	164.8	159.7
<b>TOTAL</b>	<b>\$1,410.2</b>	<b>1,404.6</b>

**Total City Budget – Expenditures by Category  
2009 Revised budget  
\$1.4 billion**



### Major Budget Pressures:

➤ **Funding for physical infrastructure**

**Five-Year Capital Program Totals:** For 2009 – 2013, the five-year capital program for City departments, independent boards and commissions totals \$521.7 million including all funding sources. The 2009 portion of this program is \$107.6 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 property tax supported funding indicated, this budget includes an expanded capital program of \$31.85 million over the five years to provide additional investment in paving projects, street lighting, parkway paving, parkway lighting, pavement and bikeway maintenance and park infrastructure improvements. Funding for this expansion is coming from the use of Hilton Trust funds, net debt bonds and related assessments – see details later in the document. The Park Board is receiving 10% of new capital expansion funding because its assets are approximately 10% of the City’s total assets.

	2009	2010	2011	2012	2013	Totals
Paving	\$4.85	\$4.85	\$4.85	\$4.85	\$4.15	\$23.55
Lighting	\$1.06	\$1.06	\$1.06	\$1.06	\$1.06	\$5.30
Bike Trail Maintenance	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.50
Park Infrastructure	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$2.50
Total New Capital Expansion	\$6.51	\$6.51	\$6.51	\$6.51	\$5.81	\$31.85

**Property Tax Supported – Public Works:** The 2009 budget includes \$12.47 million in property tax supported (NDB) funding for Public Works capital. Below is a summary of the 2009 -2013 NDB allocation for the Public Works infrastructure program, including some Park related assets.

	2009	2010	2011	2012	2013
<b>Net Debt Bond funding</b>	\$12.47	\$10.41	\$9.81	\$14.05	\$13.97

**Park Board Infrastructure Funding:** The 2009 budget includes \$2.14 million for Park Board Infrastructure improvements including \$1.5 million of Park capital levy dollars, \$0.14 million of net debt bonds and \$0.5 million of capital expansion funding. Also shown are \$2.99 million of net debt bonds, assessments 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 2009–2013 funding for park board capital improvements. The Park Capital Infrastructure line includes \$1.5 million of capital levy, \$0.5 million of expansion funding and the balance for each year is net debt bonds.

	2009	2010	2011	2012	2013
Park Capital Infrastructure	\$2.14	\$2.35	\$2.40	\$2.00	\$2.00
Parkway Paving	\$2.71	\$0.16	\$0.16	\$0.71	\$0.71
Parkway Lighting	\$0.29	\$0.30	\$0.30	\$0.30	\$0.30
Total Park Board Capital Improvements	\$5.14	\$2.81	\$2.86	\$3.01	\$3.01

**Property Tax Supported – Miscellaneous and BIS Technology Projects:** The 2009 budget includes \$4.50 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 utilize 22.3% of the available net debt bond funds in the five-year plan. Below is a summary of the 2009 -2013 net debt funding for miscellaneous and technology projects.

	2009	2010	2011	2012	2013
<b>Net Debt Bond funding</b>	\$4.50	\$3.21	\$5.28	\$3.42	\$3.91

**Utility Fee Supported Capital:** The 2009 - 2013 budget includes funding for additional water and sewer related infrastructure expenditures. The utility rates proposed for 2009 – 2013 are higher than last year’s adopted plan primarily due to increasing the inflation assumption for future operating cost increases from 3% to 4% to reflect the unique cost increases in these activities. 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 25 points out of 310 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.

➤ **State authorized financing for Target Center and neighborhoods**

**Background**

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

During the 2008 session, the Minnesota Legislature authorized the City to establish a non-contiguous redevelopment tax increment finance (TIF) district. If established, this district will be comprised of properties commonly know as “pre-1979” TIF districts, which are scheduled to end in 2009. The earliest year the tax increment revenue can be realized is in 2011. Without further action by the City, the current districts will go back into the tax base during 2009, increasing the tax base in 2010, resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the district may be expended only 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 states that the certification of the district does not impact the City’s “property wealth” factors in the Local Government Aid program. An estimated \$9 million drop in the City’s LGA will occur in 2011, whether or not the City uses the special legislation. Much of the impact is anticipated in the general fund (\$8 million).

**Overall Recommended Funding from the District**

Consistent with the recommendations in the “Framework for the Future” from the Neighborhood Revitalization Program (NRP) Work Group, the Mayor recommended and the Council approved certification of a redevelopment tax increment finance district to pay principal and interest on Target Center bonds and to fund neighborhood revitalization programs and administration. Further, the Mayor recommended and the Council approved establishment of this new City department in the Coordinator’s group, with transition funding allocated.

The Council direction is to certify districts to generate \$24 million dollars in 2011, the earliest year allowed under the special legislation. The Council allocates these funds 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 leads to certifying 100% of the tax capacity of the district. If none of the districts were certified, residential taxpayers would see an estimated reduction in their individual tax bills from \$61 to \$307 annually. The district would last for ten years (through 2020).

***Financial recommendation for Target Center principal and interest***

The current Target Center financial plan (before the 2008 State legislation) is not structurally balanced. In addition to \$61.3 million in fixed rate debt at an interest rate higher than the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.7 million annually) and necessary capital refurbishment of the arena (\$2-3 million annually).

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.
- *Minnesota Amateur Sports Commission* - \$750,000 in 2009 only
- *Tax Increment* from the Common Project – around \$5 million annually through 2013. 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, these amounts could be used to reduce financial pressures in the general fund or the parking fund.

The Council direction funded the principal and interest payments for the Target Center financial plan at \$10 million each year. Additionally, the Council allocated \$2 million for expedited debt payments. This direction provides the opportunity to redirect resources to the unfunded capital and operating needs. The finance department will prepare an updated finance plan for the arena based upon this Council direction by July 2009.

***Financial impact for neighborhood operations and programming***

The Council direction specifies \$8.5 million per year for general neighborhood revitalization purposes. In addition, the direction includes \$3.5 million for community revitalization. In the current neighborhood revitalization program, neighborhood groups identify administrative funding from within the overall program funding.

This direction demonstrates City support for a long-term funding source for neighborhood groups tied to the length of the new district as defined in state law. Neighborhood groups may decide to reallocate administrative funding to programmatic funding as needed. The following is the summary of this direction:



**Neighborhood and Community Relations Proposed Sources and Uses (in thousands)**

	2008	2009 Adopted Budget	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	428	420	416	185	182	179
NRP central admin funds - admin set aside	1,670	1,428	350	0	0	0
Property Tax (including revenue from new district in 2011)	590	1,110	984	8,314	8,334	8,355
<b>Total Sources</b>	<b>2,688</b>	<b>2,958</b>	<b>1,750</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Uses</b>						
(1) Neighborhood Investment & Community Innovation Funds, neighborhood operations, and department of Neighborhood and Community Relations	0	298	1,100	7,905	7,905	7,905
(2) Existing Citizen Participation Program	333	328	328			
(3) Existing Homelessness Program	225	225	75	75	75	75
(4) Existing Multicultural Services	380	392	407	424	441	459
(5) Existing NRP - Central Administration	1,250	1,428	350	0	0	0
(6) Existing City Community Engagement	80	85	90	95	95	95
<b>Total Uses</b>	<b>2,268</b>	<b>2,756</b>	<b>2,350</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Difference</b>	<b>420</b>	<b>0</b>	<b>-600</b>	<b>0</b>	<b>0</b>	<b>0</b>

➤ **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 2005-2008, property tax supported contributions to three closed funds totaled: \$60.7 million. For two of the plans (Minneapolis Police Relief Association, Minneapolis Fire Relief Association), the City is responsible for making up for stock market underperformance of state law assumptions (6% investment return), increasing the liabilities by millions of dollars during economic downturns. In these 2 plans, the combination of an approximate 2008 market return of -30%, combined with legislatively approved changes, City payments will increase from \$7.8 million in 2009 to \$27.6 million (estimated) in 2010. The City is currently exploring merging these three funds into the larger statewide plans, which will 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 City issued \$61 million in general obligation pension bonds from 2002-03 to cover part of the cost of MERF retirements. In 2007, the City successfully pursued legislation related to the MERF "liquidity trigger" which provided relief from the City prepaying the state's obligations to this fund and eliminated the need for the issuance of additional MERF bonds. Due to this legislation, the projected 2007 City obligation to MERF, previously anticipated to be approximately \$33.5 million, was reduced to \$9.9 million. This was financed through the property tax levy (\$2.4 million) and other City sources (\$7.5 million).

The 2009 obligation to MERF is \$4.3 million, of which \$2.3 million is financed through the property tax levy and \$2.0 million financed through nontax funds. The 2009 budget also allocates funds necessary for the debt service on bonds issued during 2002-03. Debt service in 2009 is \$3.2 million, of which \$2.0 million is financed through tax funds and \$1.2 million in nontax funds.

***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 is \$3.0 million. An additional \$2.9 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. In 2010, because of poor market performance and a change in actuarial assumptions approved by the State, Minneapolis' contribution rises to approximately \$22.5 million (estimated).

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

In 2005, the City resumed contributions to the MFRA. The MFRA was previously 100 percent 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 is provided by a property tax levy of \$1.9 million. This increases to \$5.1 million (estimated) in 2010 due to poor market returns in 2008.

**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 2009 the employer's contribution level in the coordinated plan moves from 6.5% to 6.75%. The police and fire plans' employer's contribution level moves from 12.9% to 14.1%. The estimated incremental cost to the City in 2009 is \$26.2 million, which is covered in the budgets of the departments where the employees work.

	2008	2009	Change
PERA	\$11.3	\$13.1	\$1.8
PERA P&F	\$10.8	\$13.1	\$2.3
<b>Total</b>	<b>\$22.1</b>	<b>\$26.2</b>	<b>\$4.1</b>

➤ **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. While the combined balance is still negative, the position of the funds is showing marked improvement over the 2000 net asset deficit of \$61.7 million. At year-end 2007, the City's three internal services funds with long-term financial plans had combined negative net assets of \$18.3 million. Additionally, all three internal service funds that implemented long-term financial plans (equipment, intergovernmental services & self-insurance), had positive cash balances at 2007 year-end, most of them ahead of schedule.

### Status of Workout Plans (in millions)

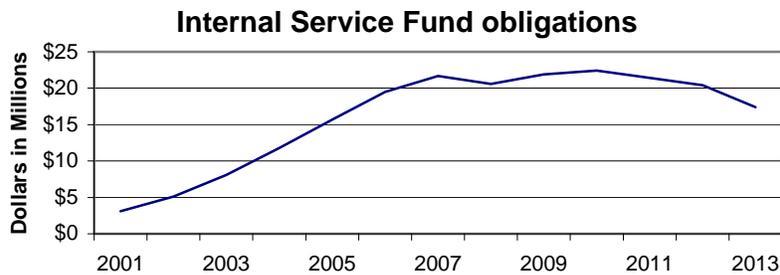
	Adopted	Original Cash Deficit (2000)	Original Net Asset Deficit (2000)	2007 Year-End Net Assets	Target Date for Positive Cash Balance	2007 Year-End Cash Balance
Self-Insurance	2003	\$ (8.1)	\$ (49.5)	\$ (26.4)	2008	\$ 9.0
Equipment*	2001	(16.6)	0	21.7	2006	0.2
BIS	2000	(12.9)	(12.2)***	(13.6)	2009	0.1
<b>Internal Service Fund Total</b>		<b>\$ (37.6)</b>	<b>\$ (61.7)</b>	<b>\$ (18.3)</b>		<b>\$ 9.3</b>
<b>Parking Fund**</b>	2004	\$ (8.6)	\$ 75.7	\$125.7	2010	\$ 42.7

\*Status excludes bond cash.

\*\*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.

The 2009 Mayor's recommended budget included \$1.5 million in pre-payment of internal service fund obligations for 2012, reducing pressure on the general fund in that year. The Mayor's budget also included \$1.0 million to repay this fund for capital costs related to completing the City's wireless network that will be incurred in 2008. Council approved the Mayor's recommendations and directs that an additional \$135,000 should offset the unmet wireless internet buying commitment. (These expenses are in addition to the City's annual \$1.25M buying commitment.)



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). As the graph below demonstrates, the obligations in these plans continue to grow, but at a slower rate.

#### ➤ Parking fund financial plan

The 2009 transfer from the City's municipal parking fund to the general fund declines from the 2008 funding level by \$800,000. 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. The adopted budget reflects the sale of six City-owned parking ramps for \$73.2 million in 2007, and one in 2008 for \$2.5 million.

#### ➤ Growth in personnel costs

- **Salary and Wages.** The 2009 revised budget includes a slight increase in total personnel expenditures from \$402 million to \$410 million. For City positions, not including the

independent boards, growth in salary and wages are budgeted at 2.5 percent for bargaining units without settled labor contracts. In July of 2007, the Council and Mayor removed the two percent salary cap that was implemented in 2003 and adopted a compensation philosophy to provide strategic guidance for future decisions.

- **Benefits.** Health and dental insurance expenditures are budgeted to increase from \$50 million to \$56 million. This estimate is based on experiences related to current plan design and competitive procurement processes. The anticipated premium increase in 2009 is 16%.

- **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 2009, that contribution is over \$7.5 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 2032.

(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 2009, 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 \$4.5 million dollars.

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 legislatively approved changes to longevity combined with poor market returns.

### *Demographic Changes*

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

### *Technological Complexity and Increased Demand for Technological Solutions*

Departments note an increased technological savvy of customers, and as a result, increased demand of technological approaches to customer service. 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." 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 time and energy of City managers from administering programs to ensure the best outcomes possible.

Health programs have also faced state and federal cuts recently. Medicare eligibility cuts, State of Minnesota public health care cuts, and reduced funding in early childhood and youth development affects the ability of City departments to project the health of residents.

#### *Homeland Security*

Ensuring adequate physical security, health security, electronic security (prevention of viruses, worms, and other system security threats), information backups, and emergency planning consumes resources of nearly every department. Departments continue to build and strengthen relationships with other governmental entities to maximize the effectiveness of security planning.

#### *City Workforce Trends*

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

#### *Stadiums*

Construction of several major stadiums - the 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 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 it reaches the end of the useful life cycle. The city hall and courthouse were in need of upgrading its mechanical and safety system. 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.

#### *Other Trends*

The downtown real estate market continues to have an oversupply of office space available due to the weak commercial market from 2003-2004. 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 2009 Council revised budget**

**911/311** - The Mayor's revised budget included a reduction of \$280,000. Council concurs with the Mayor's recommendation.

**Assessor** - The Mayor's revised budget included no reduction. Council concurs with the Mayor's recommendation.

**Attorney** - The Mayor's revised budget included a reduction of \$330,000. Council further reduces the budget by \$75,000 in one-time funds for a youth prostitution prevention pilot program. Please refer to the departmental narrative for information regarding staff directions.

**BIS** - In the revised budget, the Mayor recommended and Council approves a reduction of \$580,000 from the general fund to BIS, and a reduction of \$145,000 in other funds, for a total reduction of \$725,000. These changes should be reflected the rate model charges to departments, and departmental appropriations will be reduced accordingly. Please refer to the departmental narrative for information regarding staff directions.

**City Clerk/Elections/City Council** - In the revised budget, the Mayor recommended and Council approves a reduction of \$320,000. Please refer to the departmental narrative for information regarding staff directions.

**City Coordinator Administration** - In the revised budget, the Mayor recommended and Council approves a reduction of \$56,000.

**Civil Rights** - In the revised budget, the Mayor recommended and Council approves a reduction of \$180,000. Please refer to the departmental narrative for information regarding staff directions.

**Communications** - In the revised budget, the Mayor recommended and Council approves a reduction of \$80,000. Please refer to the departmental narrative for information regarding staff directions.

**Convention Center** - In the revised budget, the Mayor recommended and Council approves a reduction of \$280,000.

**CPED** - The Mayor's revised budget recommended a reduction \$150,000. The Council concurs with the Mayor's recommendation and further reduces \$100,000, for a total reduction of \$250,000. The \$100,000 was one-time funding for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112).

**Finance** - In the revised budget, the Mayor recommended and Council approves a reduction of \$570,000. Please refer to the departmental narrative for information regarding staff directions.

**Fire** - The Mayor's revised recommendation included a reduction of \$2,647,000. The Mayor also recommended the implementation of a commercial inspection program and to increase its revenue budget by \$800,000, which serves to offset these reductions. The Council approves the Mayor's recommendations. Please refer to the departmental narrative for information regarding staff directions.

**Health and Family Support** - In the revised budget, the Mayor recommended and Council approves a reduction of \$210,000. Please refer to the departmental narrative for information regarding staff directions.

**Human Resources** - In the revised budget, the Mayor recommended and Council approves a reduction of \$320,000. Please refer to the departmental narrative for information regarding staff directions.

**IGR** - In the revised budget, the Mayor recommended and Council approves a reduction of \$55,000. Please refer to the departmental narrative for information regarding staff directions.

**Mayor** - In the revised budget, the Mayor recommended and Council approves a reduction of \$60,000.

**Neighborhood and Community Relations** - The Mayor's revised budget includes no reduction. Council concurs with the Mayor's recommendation.

**Police** - The Mayor recommended a reduction of \$6,510,000 in the general fund. This reduction will be temporarily offset by the receipt of up to \$4.7 million in federal grant resources in 2009, and an additional amount in 2010. The remaining \$1.8 million will be achieved through the reduction of non-personnel expenditures, including overtime. The Council concurs with the Mayor's recommendations. Please refer to the departmental narrative for information regarding staff directions.

**Public Works** - The Mayor's revised budget recommended a reduction of \$2,225,000. In addition to reducing expenditures, the Mayor directs the Public Works department to introduce a street lighting utility fee for both residential and non-residential properties. For a typical residential property, the street lighting utility fee will be no more than \$20.00 a year.

The Council concurs with the amount of reduction and directs Public Works to decrease the revenue budget by \$850,000 to reflect removal of the street light fee implementation in 2009. Public Works is to decrease the proposed expenditure appropriation by \$850,000. To offset this \$850,000 reduction, the following one-time funding allocations are to be eliminated:

- CPED: \$100,000 for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112)
- Capital project: \$250,000 for the Hiawatha LRT Signal Improvements project (TR019)
- Attorney: \$75,000 for a youth prostitution prevention pilot program
- Regulatory Services: \$25,000 for contract spay and neuter services
- Public Works: \$400,000 for ballpark area pedestrian improvements

Please refer to the departmental narrative for information regarding staff directions.

**Public Works Administration** - The Mayor recommended and Council approves no changes to this division.

**Public Works Central Stores** - The Mayor recommended and Council approves no changes to this division.

**Public Works Fleet Services** - The Mayor recommended and Council approves no changes to this division.

**Public Works Property Services** - The Mayor recommended and Council approves no changes to this division.



**Public Works Solid Waste and Recycling Services** - The Mayor recommended and Council approves no changes to this division.

**Public Works Surface Water and Sanitary Sewer** - The Mayor recommended and Council approves no changes to this division.

**Public Works Traffic & Parking Services**

The Mayor recommended and Council approves no changes to this division.

**Public Works Transportation Maintenance and Repair** - The Mayor recommended and Council approves no changes to this division in addition to those mentioned above related to the ballpark area pedestrian improvements and the Hiawatha LRT signal improvements.

**Public Works Transportation Planning and Engineering** - The Mayor recommended and Council approves no changes to this division.

**Public Works Water Treatment and Distribution Services** - The Mayor recommended and Council approves no changes to this division.

**Regulatory Services** - The Mayor's revised budget included a reduction of \$130,000. The Council further reduces the budget by \$25,000 in one-time funds for contract spay and neuter services.

**Citywide**

The revised budget includes \$1.5 million in pre-payment of internal service fund obligations for 2012. This strategy reduces pressures on the general fund that year.

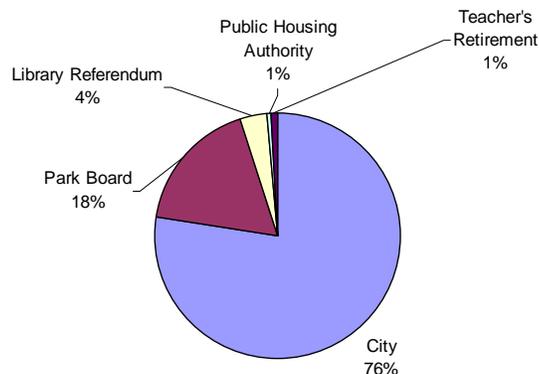
All departments are directed to amend their business plans to include the conversion of existing services to wireless internet and to implement new services using wireless internet as a key initiative in department business plans.

**Property Tax and Fee Changes**

➤ **Property tax revenue**

The 2009 revised budget includes an estimated net tax capacity rate of 57.129 percent; this rate is the combined rate for the City, board of estimate and taxation, park and recreation board, 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 .02460 percent for 2009 and is not included in the net tax capacity rate. This estimated net tax capacity rate will levy an additional \$18.4 million in property taxes, a 8.0 percent increase over the 2008 adopted budget after adjusting out for the \$13.9 library board levy transfer to the County. The City's net tax capacity (after reductions for tax increment and fiscal disparities) is projected to increase by 0.9 percent for taxes payable 2009, from \$410.6 million to \$414.1 million.

**Property Tax Allocation by Fund \$248.6 Million**



Of the \$18.4 million increase in property tax revenue, \$16.5 million will be used by the City and \$1.8 million by the Park Board. The City will use its share to increase funding for internal service fund obligations (\$3.0 million), pension obligations (\$3.0 million), pension debt management plan (\$2.6 million), ballpark area pedestrian improvements (\$2.0 million), and for other general fund changes (\$5.9 million).

The Park Board revenue increase of \$1.8 million is the net result of a 4 percent increase in adopted tax policy and \$0.2 million of additional funding for a capital infrastructure gap (for a total increase of 4.4%).

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. It is anticipated that in 2011 the City will need to use its special levy for community development to support Community Planning and Economic Development’s general fund supported resources, an authority not used since 2004. Levy limits result in reduced flexibility in terms of how the City allocates property tax revenue within the City’s 8% tax policy.

### Uses of new property tax revenue - \$18.4 million in 2009

Internal Service Fund Debt:  
**\$1.5 million**

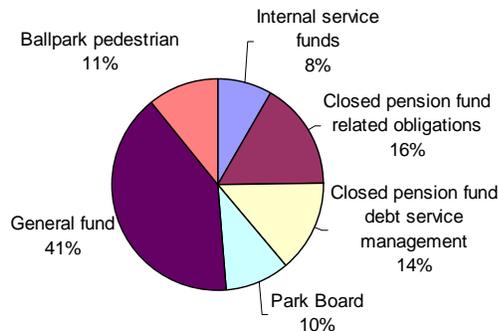
Ballpark area pedestrian improvements  
(one-time):  
**\$2.0 million**

Increased pension obligations:  
**\$3.0 million**

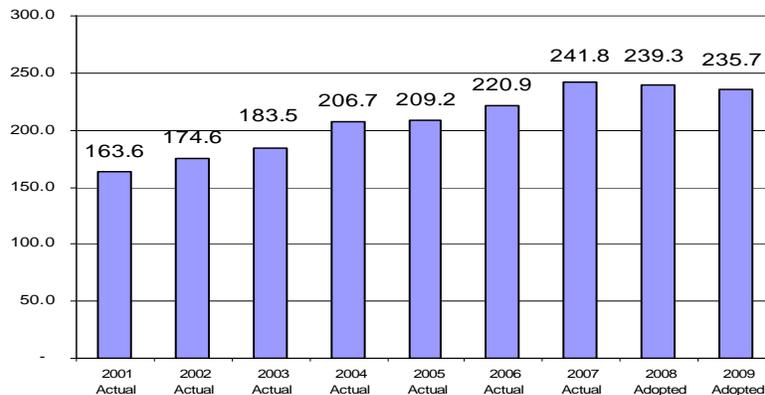
Debt service management for closed  
pension funds  
**\$2.6 million**

Increased cost to provide General Fund  
City services:  
**\$7.4 million**

Increased cost to provide existing Park  
Board services:  
**\$1.8 million**



### Property Tax revenue in constant 2008 dollars\*



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

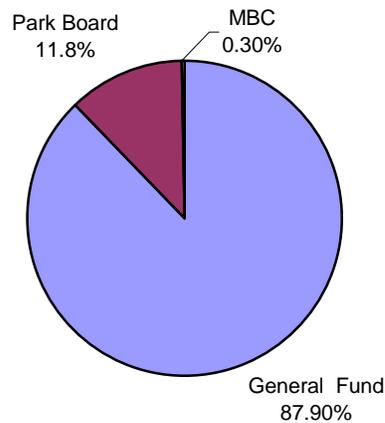
➤ **State Aid**

The State Legislature certified an increase to the City's LGA allocation for 2009 to \$88.8 million, a \$6.6 million increase from last year. Prior to a \$13 million unallotment of LGA in December 2008, the State certified the following LGA amounts for 2008 and 2009.

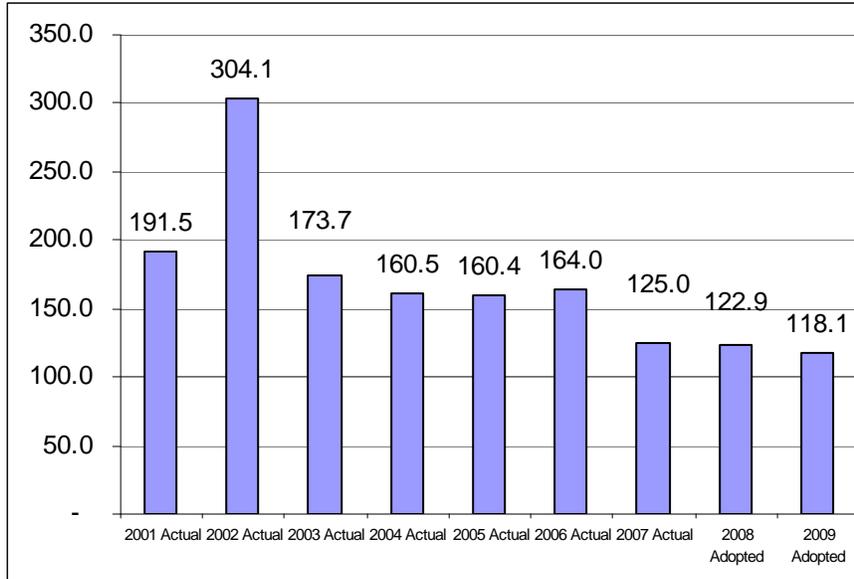
	LGA \$ Distribution %	2008 LGA \$ Distribution	2009 LGA \$ Certification	% Change from 2008	\$ Change from 2008
General Fund	87.897%	\$72,278,486	\$78,043,592	8.0%	\$5,765,106
Park Board	11.802%	\$9,704,890	\$10,478,975	8.0%	\$774,085
MBC	0.301%	\$247,515	\$267,257	8.0%	\$19,742
<b>Totals</b>	<b>100.000%</b>	<b>\$82,230,891</b>	<b>\$88,789,824</b>	<b>8.0%</b>	<b>\$6,558,933</b>

After unallotment, the 2008 totals were reduced as follows.

	LGA \$ Distribution %	2008 Certified LGA Distribution	Actual 2008 LGA Distribution	2009 Certified LGA Distribution	Expected 2009 LGA Distribution	\$ Change from 2009 Certification	% Change from 2009 Certification
General Fund	87.897%	\$72,278,486	\$60,699,335	\$78,043,592	\$63,222,284	-\$14,821,308	-19.0%
Park Board	11.802%	\$9,704,890	\$8,150,148	\$10,478,975	\$8,488,906	-\$1,990,069	-19.0%
MBC	0.301%	\$247,515	\$207,863	\$267,257	\$216,502	-\$50,755	-19.0%
<b>Totals</b>	<b>100.000%</b>	<b>\$82,230,891</b>	<b>\$69,057,346</b>	<b>\$88,789,824</b>	<b>\$71,927,693</b>	<b>-\$16,862,131</b>	<b>-19.0%</b>



**State Government revenue in constant 2008 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 2009 revised budget includes an increase in utility rates of \$0.16 per 100 cubic feet for water, \$0.16 per 100 cubic feet for sanitary sewer, \$0.51 per equivalent stormwater unit for stormwater services, and \$1.00 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 5.8% increase for water fees, a 6.8% increase for sanitary sewer services, a 5.1% increase for stormwater, and a 4.4% increase for solid waste and recycling. The average monthly charge per residential dwelling is \$23.28 (based on average usage of 800 cubic feet) for water, \$15.66 (based on average usage of 600 cubic feet) for sewer, \$10.77 for stormwater, and \$24.00 for solid waste and recycling.

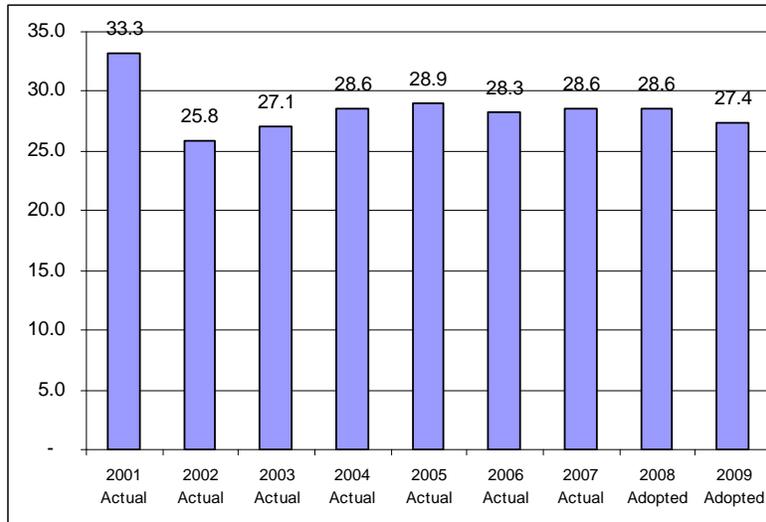
**Combined utility bill  
Monthly and annual cost for average consumer**

	2008	2009 Monthly Average	2009 Annual Average	2009 monthly dollar change	2009 % change
<b>Sanitary Sewer</b>	\$14.67	\$15.66	\$188	\$0.99	6.77%
<b>Storm Water</b>	\$10.25	\$10.77	\$129	\$0.52	5.07%
<b>Water</b>	\$22.00	\$23.28	\$279	\$1.28	5.82%
<b>Solid Waste/Recycling</b>	\$23.00	\$24.00	\$288	\$1.00	4.35%
<b>Total</b>	\$69.92	\$73.71	\$885	\$3.79	5.43%

- **Solid waste and recycling fee:** The 2009 revised budget increased the solid waste and recycling fee by \$1.00 to \$24.00, the average monthly charge per dwelling.
- **Franchise fees:** The 2009 revised budget anticipates the total franchise fee revenue to increase from the 2008 level to \$28.1 million.
- **Community development block grant:** The 2009 CDBG budget anticipates a 2% reduction in funding from the 2008 actual funding level from the U.S. Department of Housing and Urban Development.

- **Other fee changes:** The licenses and permit fee revenue is expected to increase from \$27.6 million to approximately \$28.3 million in 2009 due to increases in the rates charged for some of the licenses and permits. (The graph below represents 2008 and 2009 numbers adjusted for inflation). The 2009 revised budget is structured so as to prevent the property taxpayers from having to subsidize fee-based services.

**License and permit revenue in constant 2008 dollars**

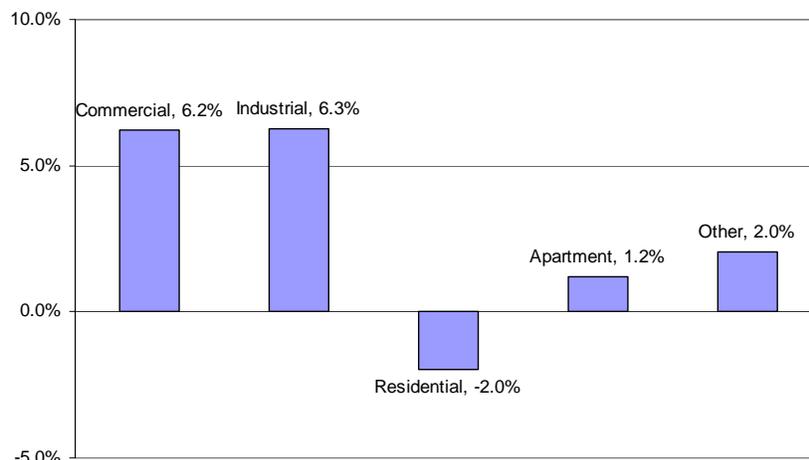


\*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

### 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 January 30, 2009.

Group	2008 Estimated Market Value Real Estate	% of Total	% Change	Tax Capacity Real Estate	% of Total	% Change
Commercial	\$7,286,749,800	19.3%	0.0%	\$143,151,834	30.1%	6.2%
Industrial	1,424,852,200	3.8%	6.2%	28,000,367	5.9%	6.3%
Residential	25,506,913,100	67.6%	-4.5%	261,673,221	55.1%	-2.0%
Apartment	3,490,527,300	9.3%	1.2%	41,896,963	8.8%	1.2%
Other	24,022,300	0.1%	2.2%	322,288	0.1%	2.0%
<b>Total</b>	<b>\$37,733,064,700</b>	<b>100.0%</b>	<b>-1.4%</b>	<b>\$475,044,673</b>	<b>100.0%</b>	<b>1.4%</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 \$378.9 million and a corresponding tax capacity of \$7.2 million for taxes payable 2009. With personal property included, gross tax capacity is estimated to increase from the prior year by approximately 2.1 percent.

The following table provides the estimated changes in tax increment financing, fiscal disparities contribution, and fiscal disparities distribution for taxes payable 2009:

<b>For Taxes Payable in 2009</b>	
Real Estate Tax Capacity	\$475,044,673
Personal Property Tax Capacity	\$7,179,861
<b>Gross Tax Capacity</b>	<b>\$482,224,534</b>
- Less Increment Financing	(\$73,308,233)
- Less Fiscal Disparities Contribution	(\$51,148,718)
+ Plus Fiscal Disparities Distribution	\$56,167,749
<b>Net Tax Capacity</b>	<b>\$413,935,332</b>

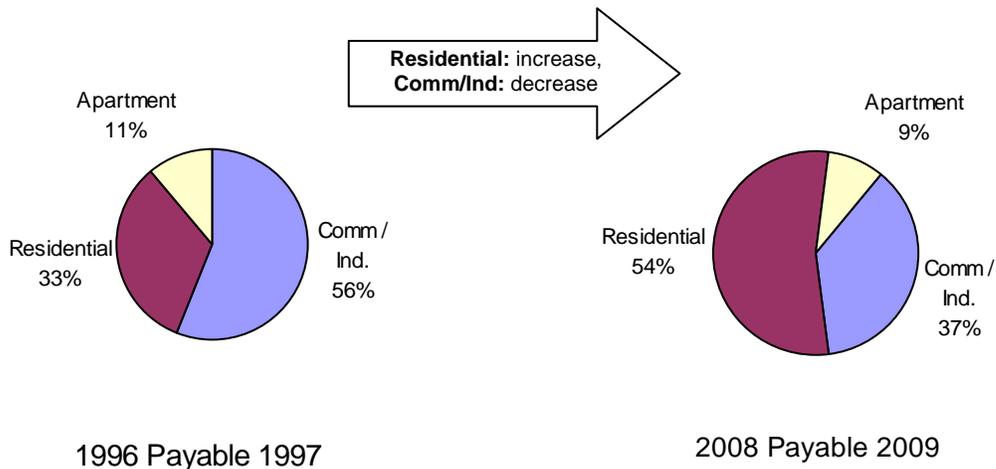
### Property Values and Tax Trends

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 taken 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.

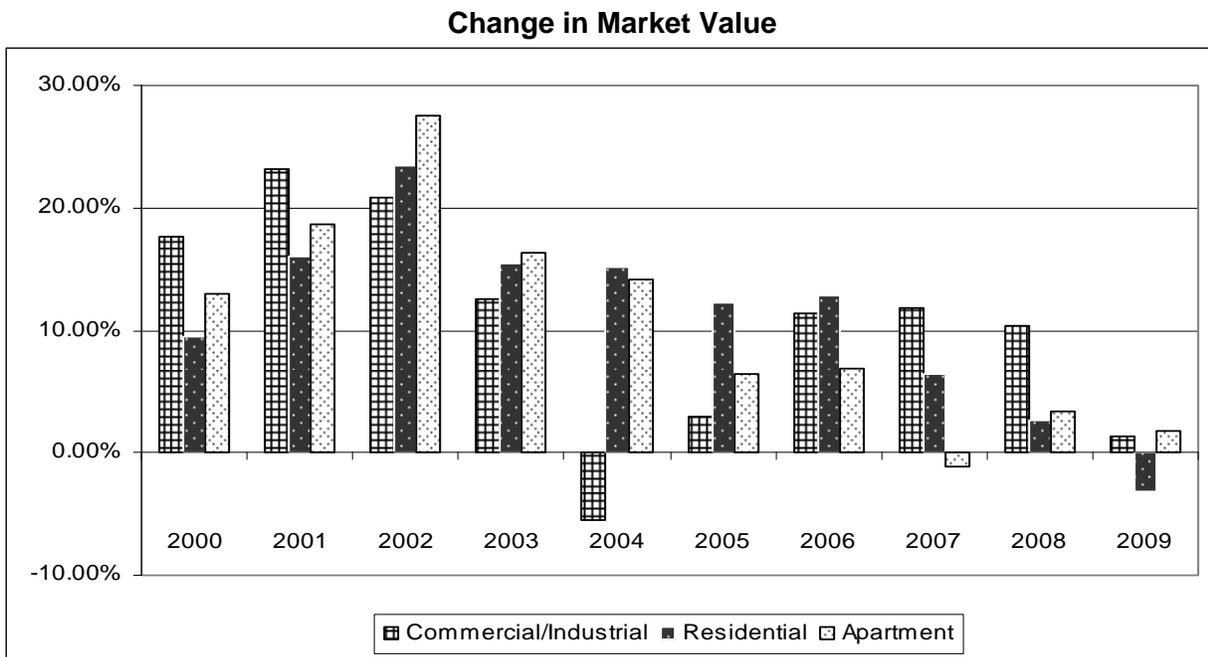
In 2001, the State Legislature enacted a statewide property tax on commercial, industrial and seasonal-residential recreational properties. The State of Minnesota now receives approximately 26% of the property taxes paid on those property types. Until the 2001 property tax reform, property taxes were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

Minneapolis has historically had a strong commercial and industrial tax base. For taxes payable in 1997, Minneapolis commercial and industrial property paid 56 percent of the total taxes for the City with the central business district alone paying almost 40 percent; for taxes payable 2008 this declined to 34 percent of the City total with the central business district paying approximately 24 percent. Corresponding percentages for Residential property owners (defined as 1-3 dwelling units) paid 32 percent of the City’s taxes in 1997, and an estimated 57 percent for payable 2008. This represents a reversal in the share of the City’s tax burden between the two property types. For taxes payable 2009, as a result of ongoing positive growth in the commercial property sector coupled with the recent downward adjustment in residential property values, the property tax burden shifted slightly to commercial property owners.



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 2008 pay 2009:

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%



Increases in residential taxes were buffered because of the enactment of the limited market value (LMV) law. This law limited the percentage increases in taxes on residential property by establishing a lower (*i.e.*, limited) market value to which the tax rate was applied instead of the higher actual market value of the property. Originally, the 2001 legislature initiated a phase-out of the limited market value program over a six-year period, with the last year of the program occurring in 2008. More recently, the 2005 legislature extended the phase-out of the LMV program two additional years to 2009. This two year extension resulted in a more gradual recapture schedule of the LMV program. The final two years of the LMV program mirror the original phase-out schedule approved by the 2001 legislature.

At the time of the 2008 assessment, only 4 percent of the eligible residential property had value deferred in the Limited Market Value program as the program enters its final year of the seven year phase-out schedule.

The central business district (CBD) grew moderately in 2008 with minimal impact from the residential foreclosure market to date. The impact from foreclosures and tighter lending requirements on commercial property will be closely watched in 2009. Although vacancy rates have not dropped to the level where a new Class "A" development is imminent, investors continue to place their faith and pocket book in the CBD. While commercial sales activity in the CBD was slower than prior years, the quantity and quality of the sales still indicate a healthy CBD commercial market.

Residential property values for 2008 ranged from an overall average neighborhood increase of less than 1 percent to average decreases of up to 15 percent. There was a close correlation between the number foreclosures and vacant and boarded buildings in a neighborhood and the decline in property values. We anticipate recent actions by Federal, State and local agencies to fund programs targeted at foreclosure mitigation, neighborhood stabilization and revitalization.



**2009 Adopted Budget  
Property Tax Levies**

	2008 Adopted Levies	2009 Adopted Budget		
		2009 Adopted Levies	% Change from 2008	\$ Change from 2008
<b>By Major Funds</b>				
General Levies	\$240,553,497	\$242,399,279	0.8%	\$1,845,782
Less Library Levy Trf	(\$13,912,246)			
General Levies Adj	\$226,641,251	\$242,399,279	7.0%	\$15,758,028
Special Levies Other*	\$3,515,319	\$3,565,932	1.4%	\$50,613
<b>Grand Totals</b>	\$244,068,816	\$245,965,211	0.8%	\$1,896,395
Less Library Levy Trf	(\$13,912,246)			
<b>Grand Totals Adj</b>	\$230,156,570	\$245,965,211	6.9%	\$15,808,641
<b>By Entity</b>				
City**	\$175,563,230	\$189,491,737	7.9%	\$13,928,507
Park Board	\$41,778,021	\$43,607,542	4.4%	\$1,829,521
Library Board***	\$13,912,246	\$0	-100.0%	(\$13,912,246)
Library Referendum****	\$9,300,000	\$9,300,000	0.0%	\$0
Public Housing Authority	\$1,265,319	\$1,315,932	4.0%	\$50,613
Teachers' Retirement	\$2,250,000	\$2,250,000	0.0%	\$0
<b>Grand Totals</b>	\$244,068,816	\$245,965,211	0.8%	\$1,896,395

\* 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 was part of the General Fund Levy in 2008, starting in 2009 this is a County responsibility

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

**2009 Adopted Budget  
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				
Home with Estimated Market Value of		\$138,100		
	2008	2009	% Change	\$ Change
Assessed Market Value ( MV )	\$145,500	\$134,000	-7.9%	(\$11,500)
Taxable Value	\$145,500	\$134,000	-7.9%	(\$11,500)
Tax Capacity	\$1,455	\$1,340	-7.9%	(\$115)
City Property Taxes				
Tax Capacity based Taxes	\$716	\$652	-8.9%	(\$63)
MV Referendum Tax	\$36	\$33	-8.3%	(\$3)
Total City Property Taxes	\$751	\$685	-8.8%	(\$66)
Utility Fees				
Water	\$264		-100.0%	(\$264)
Storm	\$123		-100.0%	(\$123)
Sanitary Sewer	\$176		-100.0%	(\$176)
Solid Waste/Recycling	\$285		-100.0%	(\$285)
Total Utilities	\$848	\$0	-100.0%	(\$848)
Total Property Taxes & Utilities	\$1,599	\$685	-57.2%	(\$914)

Residential Property				
Home with Estimated Market Value of		\$216,000		
	2008	2009	% Change	\$ Change
Assessed Market Value ( MV )	\$225,500	\$216,000	-4.2%	(\$9,500)
Taxable Value	\$225,500	\$216,000	-4.2%	(\$9,500)
Tax Capacity	\$2,255	\$2,160	-4.2%	(\$95)
City Property Taxes				
Tax Capacity based Taxes	\$1,208	\$1,159	-4.1%	(\$49)
MV Referendum Tax	\$56	\$53	-4.6%	(\$3)
Total City Property Taxes	\$1,263	\$1,212	-4.1%	(\$52)
Utility Fees				
Water	\$264		-100.0%	(\$264)
Storm	\$123		-100.0%	(\$123)
Sanitary Sewer	\$176		-100.0%	(\$176)
Solid Waste/Recycling	\$285		-100.0%	(\$285)
Total Utilities	\$848	\$0	-100.0%	(\$848)
Total Property Taxes & Utilities	\$2,111	\$1,212	-42.6%	(\$900)

Residential Property				
Home with Estimated Market Value of		\$536,000		
	2008	2009	% Change	\$ Change
Assessed Market Value ( MV )	\$564,000	\$536,000	-5.0%	(\$28,000)
Taxable Value	\$564,000	\$536,000	-5.0%	(\$28,000)
Tax Capacity	\$5,800	\$5,450	-6.0%	(\$350)
City Property Taxes				
Tax Capacity based Taxes	\$3,314	\$3,133	-5.5%	(\$181)
MV Referendum Tax	\$139	\$132	-5.4%	(\$7)
Total City Property Taxes	\$3,453	\$3,265	-5.5%	(\$188)
Utility Fees				
Water	\$264		-100.0%	(\$264)
Storm	\$123		-100.0%	(\$123)
Sanitary Sewer	\$176		-100.0%	(\$176)
Solid Waste/Recycling	\$285		-100.0%	(\$285)
Total Utilities	\$848	\$0	-100.0%	(\$848)
Total Property Taxes & Utilities	\$4,301	\$3,265	-24.1%	(\$1,036)

Residential Property				
Home with Estimated Market Value of		\$1,417,500		
	2008	2009	% Change	\$ Change
Assessed Market Value ( MV )	\$1,350,000	\$1,417,500	5.0%	\$67,500
Taxable Value	\$1,346,600	\$1,417,500	5.3%	\$70,900
Tax Capacity	\$15,583	\$16,469	5.7%	\$886
City Property Taxes				
Tax Capacity based Taxes	\$8,903	\$9,467	6.3%	\$564
MV Referendum Tax	\$332	\$348	4.8%	\$16
Total City Property Taxes	\$9,235	\$9,815	6.3%	\$580
Utility Fees				
Water	\$264		-100.0%	(\$264)
Storm	\$123		-100.0%	(\$123)
Sanitary Sewer	\$176		-100.0%	(\$176)
Solid Waste/Recycling	\$285		-100.0%	(\$285)
Total Utilities	\$848	\$0	-100.0%	(\$848)
Total Property Taxes & Utilities	\$10,083	\$9,815	-2.7%	(\$268)

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

<b>Commercial/Industrial Property</b>				
<b>with Estimated Market Value of</b>		<b>\$325,000</b>		
	<b>2008</b>	<b>2009</b>	<b>% Change</b>	<b>\$ Change</b>
Assessed Market Value ( MV )	\$415,000	\$325,000	-21.7%	(\$90,000)
Tax Capacity	\$7,550	\$5,750	-23.8%	(\$1,800)
City Property Taxes				
Tax Capacity based Taxes	\$3,152	\$2,416	-23.3%	(\$736)
Less Library Bd Tax Trf to Co <sup>1</sup>	(\$187)			
	\$2,965	\$2,416	-18.5%	(\$549)
MV Referendum Tax	\$102	\$80	-22.0%	(\$23)
<b>Total City Property Taxes</b>	<b>\$3,068</b>	<b>\$2,496</b>	<b>-18.6%</b>	<b>(\$572)</b>

<b>Commercial/Industrial Property</b>				
<b>with Estimated Market Value of</b>		<b>\$10,250,000</b>		
	<b>2008</b>	<b>2009</b>	<b>% Change</b>	<b>\$ Change</b>
Assessed Market Value ( MV )	\$10,250,000	\$10,250,000	0.0%	\$0
Tax Capacity	\$204,250	\$204,250	0.0%	\$0
City Property Taxes				
Tax Capacity based Taxes	\$85,280	\$85,830	0.6%	\$550
Less Library Bd Tax Trf to Co <sup>1</sup>	(\$5,054)			
	\$80,226	\$85,830	7.0%	\$5,604
MV Referendum Tax	\$2,527	\$2,516	-0.4%	(\$10)
<b>Total City Property Taxes</b>	<b>\$82,753</b>	<b>\$88,346</b>	<b>6.8%</b>	<b>\$5,593</b>

<b>Apartment Property</b>				
<b>with Estimated Market Value of</b>		<b>\$400,000</b>		
	<b>2008</b>	<b>2009</b>	<b>% Change</b>	<b>\$ Change</b>
Assessed Market Value ( MV )	\$503,500	\$400,000	-20.6%	(\$103,500)
Tax Capacity	\$6,294	\$5,000	-20.6%	(\$1,294)
City Property Taxes				
Tax Capacity based Taxes	\$3,596	\$2,874	-20.1%	(\$722)
Less Library Bd Tax Trf to Co <sup>1</sup>	(\$213)			
	\$3,383	\$2,874	-15.0%	(\$509)
MV Referendum Tax	\$124	\$98	-20.9%	(\$26)
<b>Total City Property Taxes</b>	<b>\$3,507</b>	<b>\$2,973</b>	<b>-15.2%</b>	<b>(\$534)</b>

<b>Apartment Property</b>				
<b>with Estimated Market Value of</b>		<b>\$686,000</b>		
	<b>2008</b>	<b>2009</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	\$4,899	\$4,929	0.6%	\$30
Less Library Bd Tax Trf to Co <sup>1</sup>	(\$290)			
	\$4,609	\$4,929	7.0%	\$320
MV Referendum Tax	\$169	\$168	-0.4%	(\$1)
<b>Total City Property Taxes</b>	<b>\$4,778</b>	<b>\$5,098</b>	<b>6.7%</b>	<b>\$320</b>

<sup>1</sup>Library Board levy will now appear in Hennepin County

**City of Minneapolis  
FY 2009 Budget**

**Financial Policies**

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**City of Minneapolis  
FY 2009 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, which established an 8-percent maximum annual revenue increase in the property tax levy. 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.



## REVENUE POLICIES

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

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

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

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

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

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

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

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

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

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

**Administrative Fees.** Administrative fees shall be assessed on all non-General Fund supported capital projects. These fees allocate the proportionate share of general government services to those projects so that the General Fund is not required to subsidize infrastructure or economic development projects.

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

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

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

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

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

**Special Assessments.** The City Council has the authority to levy special assessments for approximately 65 different types of projects. There are 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 2005, section 429.061, Subd. 2*). The first installment shall be payable in the year following completion of the project and in the same manner as real estate taxes.

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

**\*[New in 2008] 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.

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\* Proceeds of a sale of the Public Works Yards at 44th and Snelling Ave will first be available for public improvements, or property acquisition to implement public improvements, within two blocks of the Yards site in order to carry out the community and regional vision for transit-oriented development and circulation improvements around the 46th Street Light Rail Transit Station, as adopted in Minneapolis' Comprehensive Plan.

## RESERVE POLICIES

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

**Cash Flow and Contingency.** The City shall maintain a minimum unallocated General Fund balance of 10 percent of the following year's revenue budget amount to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, or to meet unexpected increases in service delivery costs. Until such time that the aggregate internal service funds net asset position is positive, the City shall maintain a 15 percent fund balance in the General Fund.

To the extent that unusual contingencies exist as a result of state or federal aid uncertainties, or other highly variable factors, a balance larger than this minimum amount may be maintained. 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.

**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 city-wide property tax revenues and where maximum allowable guarantees are obtained.

The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment is either fully constructed or is underway and subject to the terms and conditions of a development agreement with the City. Alternatives, such as “pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues, are preferable to bond financing and are to be considered and used when appropriate.

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

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

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

## CAPITAL BUDGET POLICIES

The objective of the capital budget policies is to ensure maintenance of 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* 2005, 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 city-wide 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**

#### **Revenue Related**

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

**Work for 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.

### ***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***

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

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

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

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

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

**MECC Staffing Authorization.** The Minneapolis Emergency Communications Center (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 2008 appropriations for the following grant funds are hereby re-appropriated in the year 2009:

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 2008 appropriations for administration in the CDBG/UDAG Grant fund (01400) shall be re-appropriated to the Non-Departmental Agency in 2009, except for the administrative portion of Way to Grow in Health.

***NRP carryover authorization.*** With the exception of NRP Administration, the balance of the 2008 appropriations for NRP projects within Fund 01CNR (NRP) are hereby appropriated for said purposes in 2009. Specific amounts re-appropriated will be determined after the close of the 2008 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-2008 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.

**Encumbrances.** The Finance Officer has the authority to encumber funds, provided that the total encumbrance does not exceed the total department appropriation by City Council. When a contract has been signed or a purchase order executed, encumbrance of funds may be carried forward into the next fiscal year. The Finance Officer is responsible for certifying that an encumbrance is valid at the end of the fiscal year. Exceptions may be granted when no official document exists, as is the case by Internal Service Funds. Additionally, the Finance Officer may reject carryover based on the financial health of the fund or other extenuating circumstances. This policy change does not impact the requirement for a formal Request for Proposal for contracts over \$50,000.

### **Year-end Report**

[Amended to include revenues in 2008] 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 Ways and Means/Budget Committee will receive a list of requests, prepared by the Finance Department, to increase 2009 appropriation for goods and services encumbered in 2008 but not yet paid for that meet the following criteria:

- 1) a valid encumbrance;
- 2) a one-time expenditure (not recurring budget item);
- 3) a purpose consistent with the department's business plan;
- 4) the 2008 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 2008 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.

### ***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 2009, this allocation is as follows:

City General Fund	\$78,043,592
Park Board	\$10,478,975
<u>Building Commission</u>	<u>\$ 267,257</u>
Total	\$88,789,824

***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 value of gift, date received and special designations on gift, if any); and
- 4) Funding strings for revenue and expense appropriation increases.

For any gifts with a value exceeding \$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 2009 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 new percentage breakdown of LGA is 87.897% to City Council, 11.802% to the Park Board, and 0.301% for the Municipal Building Commission for 2009.*

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

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

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

**(B) Management Support Charges**

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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.

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.

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

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

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

**(D) Infrastructure Gap Funding**

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

The City's adopted *2002-2006 Capital Improvement Plan (CIP)* provides for closing 27% of Public Works infrastructure "gap", supported by property taxes, by year 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

**(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 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.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**419.30. Neighborhood revitalization program.**

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

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

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

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

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

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

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

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

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

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

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

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

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

**419.35. Common project priorities for phase II.**

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

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

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

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

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

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

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

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

**419.40. Commitment of city neighborhood revitalization program funds.**

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

**(b) Phase II.** In furtherance of the goals stated in section 419.30(b), and subject to the priorities established by section 419.35, the city hereby commits to reserve the phase II funds for phase II neighborhood action plans, commencing in 2001 through and including 2009, to the extent that such

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

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

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

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

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

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

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

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

(5) To rehabilitate existing housing and encourage homeownership.

(6) To construct new housing, where appropriate.

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

(8) To remove vacant and boarded up houses.

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

**(b) Phase II funds; distribution and restrictions.**

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

- (i) for a purpose listed in section 419.55(a); or
- (ii) as provided in subdivision 4 of the neighborhood revitalization program law, including the promotion of neighborhood safety and stability through community crime prevention programs and activities such as neighborhood block and police patrols, block clubs and community outreach; or
- (iii) to cover administrative costs attached to implementation of strategies contained in approved neighborhood action plans.

(2) Phase II funds may not be used in those project areas of the city where the city determines that private investment will be sufficient to provide for development and redevelopment of the project area without public sector assistance, except in cases where phase II funds are

being used to remove or rehabilitate structurally substandard or obsolete buildings in a manner consistent with the neighborhoods' priorities as reflected in an approved neighborhood action plan.

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

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

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

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

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

(1) The social needs of neighborhood residents, particularly lower income residents, must be addressed to provide a safe and healthy environment for neighborhood residents, provide for the self-sufficiency of families, and increase the economic and social stability of neighborhoods.

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

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

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

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

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

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

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

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

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

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

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

**419.70. Program recommendations.**

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

- (1) Demonstrated public purpose of the strategies.
  - (2) Demonstrated need for the strategies.
  - (3) Short-term or long-term needs of the neighborhood.
  - (4) Benefiting population.
  - (5) Ability of the strategies to provide a return on the investment.
  - (6) Coordination with programming elements or providers.
  - (7) Availability of operating or maintenance funds.
  - (8) Lack of alternative sources of revenue.
  - (9) One-time or ongoing capital requirement.
  - (10) Multijurisdictional benefits of the strategies.
  - (11) Neighborhood revitalization benefits of the strategies.
  - (12) Demonstrated ability of the neighborhood revitalization program as a whole to meet the 52.5 percent funding requirement for housing programs and related purposes.
  - (13) The extent to which the strategies leverage existing city programs and funds to accomplish city housing and development objectives in the neighborhoods that carry out the purposes of the neighborhood revitalization program.
- (b) Concurrent with approval of each neighborhood action plan, the city council will appropriate reserve city neighborhood revitalization program phase I or phase II funds of the Minneapolis Community Development Agency, as appropriate, for appropriation and expenditure consistent with such action plan.

(c) Because of the acknowledged substantial unmet need and severe lack of resources available for disadvantaged youth in the City of Minneapolis, beginning in 1990 and continuing through 2003, the city council, at the request of the policy board, shall appropriate two hundred thousand dollars (\$200,000) of the city neighborhood revitalization program funds each year to the multi-jurisdictional youth coordinating board from non-tax increment sources.

(d) With respect to phase I only, The amounts made available during the first phase of the neighborhood revitalization program to Special School District No. 1 and to Hennepin County for education programs and services and for social services, respectively, must be expended as part of an approved neighborhood

action plan, as required by subdivision 4 of the neighborhood revitalization program law. The boards of Special School District No. 1 and Hennepin County shall each approve appropriations from the funds available to them from the neighborhood revitalization program and shall forward proposed strategies to the policy board for approval.

Adopted 8/22/03.

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

Resolved by the City Council of the City of Minneapolis:

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

#### **Section 2. Definitions.**

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

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

**2.03. "Brookfield Loan"** means that certain MCDA loan for the Gaviidae II project to BCED Minnesota, Inc. in the original principal amount of \$15,000,000 maturing December 19, 2008, which was extended one year to December 19, 2009 by the borrower pursuant to an option in the loan documents.

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

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

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

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

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

**2.09. "Saks Parcel"** means that portion of the Gaviidae I project currently owned by MCDA, subject

to certain legal claims by Brookfield Market, Inc., and leased to Saks and M & I Bank.

### **Section 3. Loan Authorization.**

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

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

### **Section 4. Loan Repayment.**

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

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

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

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

### **Section 5. Further Actions.**

**5.01. Annual Process.** Subject to Section 4.04 above, the Mayor and City Council and/or the MCDA Board of Commissioners, as appropriate, shall act annually as part of their budget process to set the

amount of the annual installment and shall direct staff to transfer funds from the Legacy Fund to the appropriate City or MCDA fund as part of the adopted budget.

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

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

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

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

Nays - Niziole



**City of Minneapolis  
FY 2009 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 2010-2014</b>	<b>103</b>
➤ <b>Demands on the Property Tax 10 Year Projection</b>	<b>123</b>
➤ <b>Special Revenue Funds</b>	<b>125</b>
- Convention Center Special Revenue Fund	125
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➤ <b>Enterprise Funds</b>	<b>137</b>
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- Solid Waste and Recycling Fund	142
- Stormwater Fund	145
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➤ <b>Internal Service Funds</b>	<b>157</b>
- Public Works Stores Fund	157
- Engineering Materials and Testing Fund	160
- Intergovernmental Services Fund	162
- Fleet Services Fund	166
- Property Services Fund	169
- Self-Insurance Fund	173

# City of Minneapolis 2009 Budget

## Five-year Financial Direction 2010-2014 (Including detailed information on the City's General Fund)

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### **Introduction**

In keeping with the January, 2003 five-year financial direction and commitment to business planning resolution, this document reflects Council's adopted five-year financial direction. The purpose of adopting a 2010-2014 financial direction is to provide guidance for departments in updating their business plans and to provide a long-term view of financial pressures.

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 \$394.2 million in the financial direction, \$363.8 million is in the general fund.

The five-year financial direction adopted in December 2008 was balanced in all five years. Due to the extraordinary circumstances and short timeline for consideration of solutions, expenditures for 2010-2014 have not yet been adjusted for shortfalls related to the additional pension costs and proposed reductions in local government aid pending final legislative action. Because it is a known liability, estimates of pension liabilities are based on actuarial estimates completed in February 2009 for Minneapolis Police Relief Association (MPRA) and Minneapolis Fire Relief Association (MFRA) funds and reflect the significant market decline experienced in 2008.

### **General Fund**

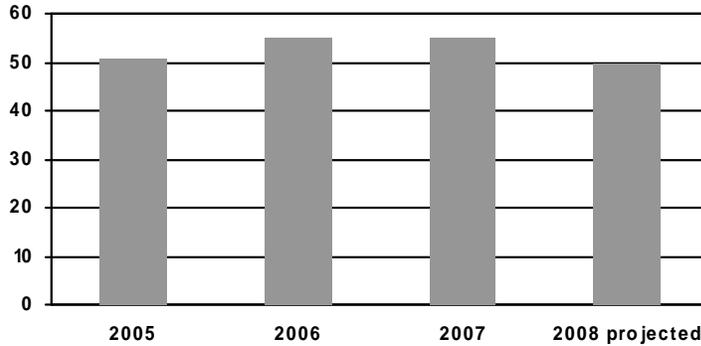
The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Combined, the two largest revenues (state aids and property tax) have historically accounted for approximately 60-70% of total sources of funds for the general fund. The top four sources of funds account for more than 80% of the general fund's annual financial inflows.

### **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%. Further, the City's financial policies place a priority on debt buy-down or debt avoidance for spending of excess fund balance.

The general fund began 2008 with a fund balance of \$55.2 million. The unaudited year-end fund balance in the General Fund was \$49.8 million, which is below the stated fund balance requirement of 15% of the following years' revenue budget. In December 2008, the State of Minnesota unallotted over \$13 million in Local Government Aid (LGA) from Minneapolis, of which \$11.6 million was the General Fund's share. The City took action in 2009 to rebuild reserves which were significantly depleted as a result of the unallotment.

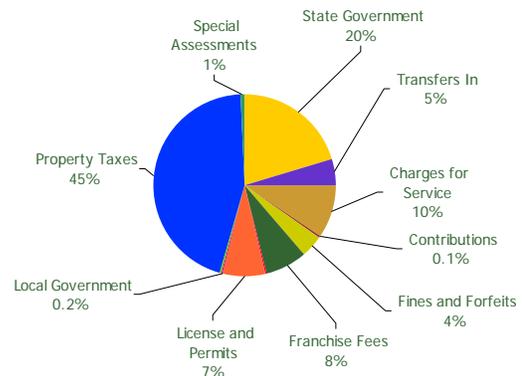
**Fund Balance  
(in millions of dollars)**



**2009 General Fund Revenue Budget**

The 2009 budget includes a total of \$363.8 million of revenues and other sources for services included in the financial direction, including \$17.9 million in transfers from other funds. Budgeted revenues are 0.9% higher than 2008 budget due partly to the adoption of a City-wide rate charge for City Hall space (see Public Works – Property Services and Schedule 13 for more detailed information).

Budgeted Revenue by Source  
\$363.8 million



Revenue Source	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Chg from 2008 Adopted	2007 Budget as % of Total	2008 Budget as % of Total
State Aids	81.1	82.8	73.4	-9.4%	22.9%	20.2%
Property Tax	121.3	152.2	165.4	36.3%	42.2%	45.5%
Franchise Fees	29.5	27.1	28.1	-4.9%	7.5%	7.7%
Licenses and Permits	25.2	26.4	26.4	4.6%	7.3%	7.2%
Charges for Services	35.9	36.1	35.0	-2.7%	10.0%	9.6%
Fund Transfers	15.0	19.6	18.0	19.9%	5.4%	4.9%
Fines & Forfeits	8.5	11.4	11.0	29.3%	3.1%	3.0%
Misc. Revenues	9.0	5.0	6.7	-25.6%	1.4%	1.8%
<b>Total</b>	<b>325.5</b>	<b>360.7</b>	<b>363.8</b>	<b>0.9%</b>	<b>100.0%</b>	<b>100.0%</b>

*State Aids (including Local Government Aid):*

In 2008, the State Legislature certified an increase to the City's LGA allocation for 2009 to \$88.8 million, a \$6.6 million increase over the 2008 certified amount of \$82.2 million. In December of 2008, the Governor unallotted LGA to the City of Minneapolis by \$13.2 million, reducing 2008 LGA to \$69.1 million, which affected reserves. The following chart details the 2009 LGA cuts expected from the Governor's FY 2010-2011 proposed budget:

	LGA \$ Distribution %	2008 Certified LGA Distribution	Actual 2008 LGA Distribution	2009 Certified LGA Distribution	Expected 2009 LGA Distribution	\$ Change from 2009 Certification	% Change from 2009 Certification
General Fund	87.897%	\$72,278,486	\$60,699,335	\$78,043,592	\$63,222,284	-\$14,821,308	-19.0%
Park Board	11.802%	\$9,704,890	\$8,150,148	\$10,478,975	\$8,488,906	-\$1,990,069	-19.0%
MBC	0.301%	\$247,515	\$207,863	\$267,257	\$216,502	-\$50,755	-19.0%
<b>Totals</b>	<b>100.000%</b>	<b>\$82,230,891</b>	<b>\$69,057,346</b>	<b>\$88,789,824</b>	<b>\$71,927,693</b>	<b>-\$16,862,131</b>	<b>-19.0%</b>

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. With these changes, total state aids in the General Fund are estimated at \$73 million including \$63 million of LGA which is about 87.9% of the total LGA allocation received by the City. Park Board receives about 11.8%, or \$8.5 million, of the allocation and Municipal Building Commission receives the remaining 0.3%, or \$217,000.

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 begins in 2011, estimated at \$8 million for the general fund. The effect of these conditions means that the City's 2009 gain in LGA will be offset by state aid losses in 2011.

*Franchise fees* are paid by various utility companies for their use of City rights-of-way. Franchise fees are a percentage of total utility revenues. 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 2009, the City is anticipating \$14.5 million in revenues from this franchise agreement.
- The franchise agreement with Center Point Energy/Minnegasco requires payment of 4.25% of gross revenues for residential buildings with four units or less, 5% for small commercial/industrial or interruptible customers, and 3% for large-volume interruptible customers. This franchise agreement expires on December 31, 2015. For 2009, the City is anticipating \$11 million in revenues from this franchise agreement.
- The City also has two smaller franchises:
  - The bus stop advertising franchise generates approximately \$110,000 in revenues.
  - The City's cable franchise is anticipated to generate \$2.5 million in 2009.

The 2009 budget anticipates the total franchise fee revenue to be \$28.1 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 2009 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.

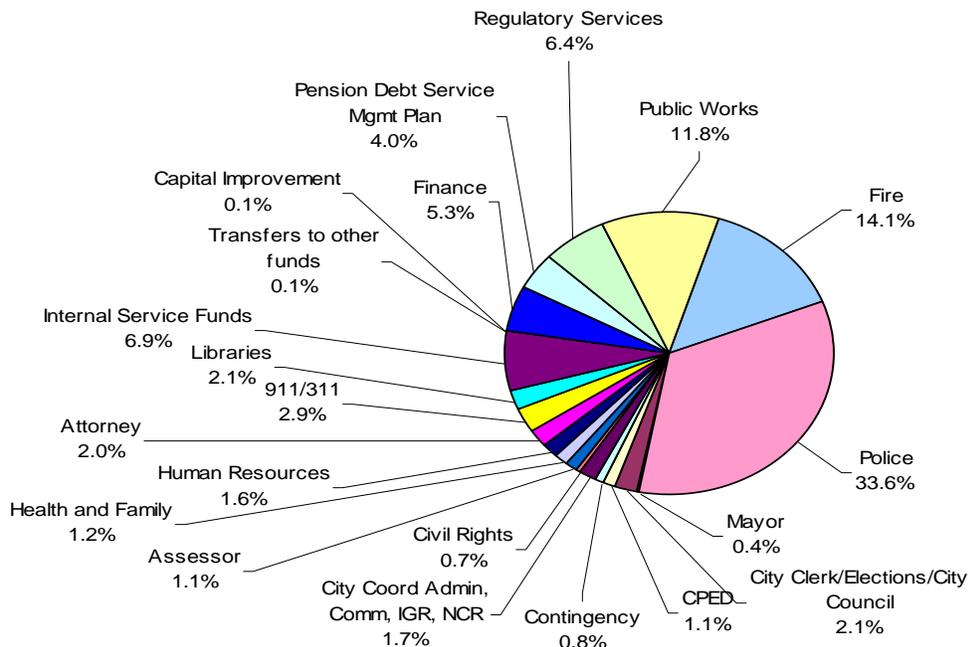
### **2009 General Fund Expenditure Budget**

The 2009 budget for services included in the financial direction is \$363.8 million, which includes \$42.7 million in transfers to other funds.

Several cost increases are anticipated in the 2009 budget. These include:

- Salary and wage expenditures increased 2.4%, from \$166.3 million to \$170.4 million. This increase reflects settled contracts to date and additional positions.
- Employer health insurance costs increased about 16%, or \$3.8 million. The budget is based on an anticipated 16% increase to employer costs.
- Non-personnel line items increased by 3%.

### Expenditures by Service Area \$363.8 million



### Budget Decisions

Each annual budget is framed by the ability to make one-time expenditures while remaining prepared for future cost impacts.

The 2009 revised budget recommends the following major changes:

**911/311** - The Mayor's revised budget included a reduction of \$280,000. Council concurs with the Mayor's recommendation.

**Assessor** - The Mayor's revised budget included no reduction. Council concurs with the Mayor's recommendation.

**Attorney** - The Mayor's revised budget included a reduction of \$330,000. Council further reduces the budget by \$75,000 in one-time funds for a youth prostitution prevention pilot program. Please refer to the departmental narrative for information regarding staff directions.

**BIS** - In the revised budget, the Mayor recommended and Council approves a reduction of \$580,000 from the general fund to BIS, and a reduction of \$145,000 in other funds, for a total reduction of \$725,000. These changes should be reflected the rate model charges to

departments, and departmental appropriations will be reduced accordingly. Please refer to the departmental narrative for information regarding staff directions.

**City Clerk/Elections/City Council** - In the revised budget, the Mayor recommended and Council approves a reduction of \$320,000. Please refer to the departmental narrative for information regarding staff directions.

**City Coordinator Administration** - In the revised budget, the Mayor recommended and Council approves a reduction of \$56,000.

**Civil Rights** - In the revised budget, the Mayor recommended and Council approves a reduction of \$180,000. Please refer to the departmental narrative for information regarding staff directions.

**Communications** - In the revised budget, the Mayor recommended and Council approves a reduction of \$80,000. Please refer to the departmental narrative for information regarding staff directions.

**Convention Center** - In the revised budget, the Mayor recommended and Council approves a reduction of \$280,000.

**CPED** - The Mayor's revised budget recommended a reduction \$150,000. The Council concurs with the Mayor's recommendation and further reduces \$100,000, for a total reduction of \$250,000. The \$100,000 was one-time funding for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112).

**Finance** - In the revised budget, the Mayor recommended and Council approves a reduction of \$570,000. Please refer to the departmental narrative for information regarding staff directions.

**Fire** - The Mayor's revised recommendation included a reduction of \$2,647,000. The Mayor also recommended the implementation of a commercial inspection program and to increase its revenue budget by \$800,000. The Council approves the Mayor's recommendations. Please refer to the departmental narrative for information regarding staff directions.

**Health and Family Support** - In the revised budget, the Mayor recommended and Council approves a reduction of \$210,000. Please refer to the departmental narrative for information regarding staff directions.

**Human Resources** - In the revised budget, the Mayor recommended and Council approves a reduction of \$320,000. Please refer to the departmental narrative for information regarding staff directions.

**IGR** - In the revised budget, the Mayor recommended and Council approves a reduction of \$55,000. Please refer to the departmental narrative for information regarding staff directions.

**Mayor** - In the revised budget, the Mayor recommended and Council approves a reduction of \$60,000.

**Neighborhood and Community Relations** - The Mayor's revised budget includes no reduction. Council concurs with the Mayor's recommendation.

**Police** - The Mayor recommended a reduction of \$6,510,000 in the general fund. This reduction will be temporarily offset by the receipt of up to \$4.7 million in federal grant resources in 2009, and an additional amount in 2010. The remaining \$1.8 million will be achieved through the reduction of non-personnel expenditures, including overtime. The Council concurs with the Mayor's recommendations. Please refer to the departmental narrative for information regarding staff directions.

**Public Works** - The Mayor's revised budget recommended a reduction of \$2,225,000. In addition to reducing expenditures, the Mayor directs the Public Works department to introduce a street lighting utility fee for both residential and non-residential properties. For a typical residential property, the street lighting utility fee will be no more than \$20.00 a year.

The Council concurs with the amount of reduction and directs Public Works to decrease the revenue budget by \$850,000 to reflect removal of the street light fee implementation in 2009. Public Works is to decrease the proposed expenditure appropriation by \$850,000. To offset this \$850,000 reduction, the following one-time funding allocations are to be eliminated:

- CPED: \$100,000 for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112)
- Capital project: \$250,000 for the Hiawatha LRT Signal Improvements project (TR019)
- Attorney: \$75,000 for a youth prostitution prevention pilot program
- Regulatory Services: \$25,000 for contract spay and neuter services
- Public Works: \$400,000 for ballpark area pedestrian improvements

Please refer to the departmental narrative for information regarding staff directions.

**Public Works Administration** - The Mayor recommended and Council approves no changes to this division.

**Public Works Central Stores** - The Mayor recommended and Council approves no changes to this division.

**Public Works Fleet Services** - The Mayor recommended and Council approves no changes to this division.

**Public Works Property Services** - The Mayor recommended and Council approves no changes to this division.

**Public Works Solid Waste and Recycling Services** - The Mayor recommended and Council approves no changes to this division.

**Public Works Surface Water and Sanitary Sewer** - The Mayor recommended and Council approves no changes to this division.

**Public Works Traffic & Parking Services** - The Mayor recommended and Council approves no changes to this division.

**Public Works Transportation Maintenance and Repair** - The Mayor recommended and Council approves no changes to this division in addition to those mentioned above related to the ballpark area pedestrian improvements and the Hiawatha LRT signal improvements.

**Public Works Transportation Planning and Engineering** - The Mayor recommended and Council approves no changes to this division.

**Public Works Water Treatment and Distribution Services** - The Mayor recommended and Council approves no changes to this division.

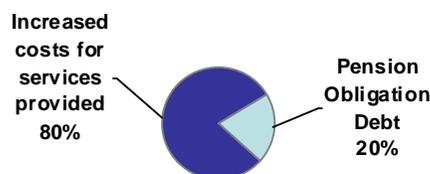
**Regulatory Services** - The Mayor's revised budget included a reduction of \$130,000. The Council further reduces the budget by \$25,000 in one-time funds for contract spay and neuter services.

**Five-Year Financial Direction**

*Property tax estimates are based upon adopted tax policy.* No changes to the maximum tax revenue increase of 8% over the prior year are included. .

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 within the City's 8% tax policy. These limits also served to accelerate reductions to growth that had been anticipated in the prior year's financial direction. From 2010 to 2014, these increases (\$112 million) are estimated to cover the following purposes:

*The 2009 budget is the basis for future projections:* In other words, the starting place for the 2010-2014 department budget estimates is what is included in the 2009 budget. One-time 2009 supplemental items are removed from department budgets in 2010 and beyond. Since the Council did not adopt additional reductions to growth for 2010-2014 in the revised budget, the five-year financial direction reflects the annual amounts that will need to be reduced to be in balance.



<b>Summary of Five-Year Financial Direction 2010-2014</b> (dollars in millions)			
<b>Department</b>	<b>2014 Resources</b>	<b>Reductions to growth 2010-2014</b>	<b>Reductions to growth in previous plan</b>
Police	\$152.1	(\$3.2)	\$0
Fire	62.3	(1.3)	0
Public Works	50.1	(1.0)	(1.9)
Regulatory Services	28.9	(0.6)	0
Health and Family Support (HFS)	5.4	(0.1)	0
Civil Rights	2.9	(0.1)	0
Capital Plan (pay-go and debt)	24.6	0	0
Pensions	65.5	0	0
All Other Spending	104.1	(2.1)	(1.2)
<b>Total</b>	<b>\$ 495.9</b>	<b>(\$8.4)</b>	<b>(3.1)</b>

*The financial direction from 2010 to 2014 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 2009. The out years of the plan assume a 20% annual increase.

*Reductions are removed for all departments in 2012.* This is the first year within the plan where the elimination of all reductions is possible.

*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.

**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

In 2009, the Mayor recommended and the Council approved resetting the five-year financial direction so that more departments take reductions to growth. As displayed in the detailed financial schedules at the end of this plan, departments that had previously been exempt from cuts are now taking cuts proportional to their share of the budget.

**State authorized financing for Target Center and neighborhoods**

***Background***

Established in 1990, the twenty-year Neighborhood Revitalization Program and its funding source ended in 2009, a provision that has been in place 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 finance (TIF) district. If established, this district will be comprised of properties commonly know as “pre-1979” TIF districts, which are scheduled to end in 2009. The earliest year the tax increment revenue can be realized is in 2011. Without further action by the City, the current districts will go back into the tax, increasing the overall size of the tax base, resulting in property tax relief for many property owners beginning in 2010.

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

The legislation also explicitly states that the certification of the district does 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 the impact is anticipated in the general fund (\$8 million).

**Overall Recommended Funding from the District**

Consistent with the recommendations in the “Framework for the Future” from the Neighborhood Revitalization Program (NRP) Work Group, the Mayor recommended and the Council approved certification of a redevelopment tax increment finance district to pay principal and interest on Target Center bonds and to fund neighborhood revitalization programs and administration. Further, the Mayor recommended and the Council approved establishment of this new City department in the Coordinator’s group, with transition funding allocated.

The Council direction would certify districts so that \$24 million dollars is generated in 2011, the earliest year allowed under the special legislation. The Council allocates these funds 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
<b>Total</b>	<b>\$24 million</b>

This direction leads to certifying 100% of the tax capacity of the district. If none of the districts were certified, residential taxpayers would see an estimated reduction in their tax bills from \$61 to \$307 annually. The district would last for ten years (through 2020).

**Financial recommendation for Target Center principal and interest**

The current Target Center financial plan (before the 2008 State legislation) is not structurally balanced. In addition to \$61.3 million in fixed rate debt at an interest rate higher than the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.7 million annually) and necessary capital refurbishment of the arena (an estimated \$3 million annually).

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.
- *Minnesota Amateur Sports Commission* - \$750,000 in 2009 only

- *Tax Increment* from the Common Project – around \$5 million annually through 2013. 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, these amounts could be used to reduce financial pressures in the general fund or the parking fund.

The Council direction funds the principal and interest payments for the Target Center financial plan at \$10 million each year. Additionally, the Council allocates \$2 million for expedited debt payments. This direction provides the opportunity to redirect resources to the unfunded capital and operating needs. The finance department will prepare an updated finance plan for the arena based upon this Council direction by July 2009.

***Financial impact for neighborhood operations and programming***

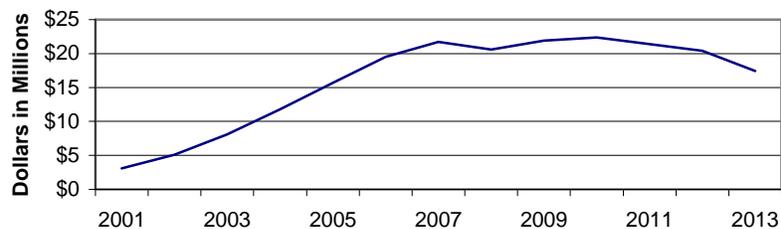
The Council direction specifies \$8.5 million per year for general neighborhood revitalization purposes. In addition, the direction includes \$3.5 million for community revitalization. In the current neighborhood revitalization program, neighborhood groups identify administrative funding from within the overall program funding.

This direction demonstrates City support for a long-term funding source for neighborhood groups tied to the length of the new district as defined in state law. Neighborhood groups may decide to reallocate administrative funding to programmatic funding as needed.

**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 beyond 2010 in order to begin planning for expanded capital needs. This level of increase does not keep up with inflation. Further, considerable pent up demand for public works and technology infrastructure exists. The Mayor recommended and Council approved an expansion of capital programming from one-time revenue – please see further details in the capital plan section of this document.

*Funding for internal service fund long-term financial plans.* In 2009, \$3 million of property tax increase will go to fund long-term financial plans for these funds. 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 2010 when these expenditures begin to decrease.

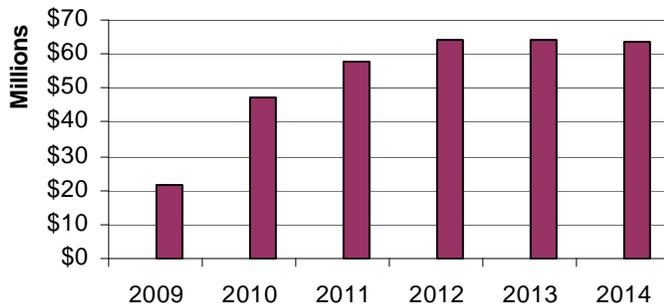


In addition, as one-time resources have become available, the elected officials have prioritized the avoidance and pay down of debt. The following table highlights these important decisions:

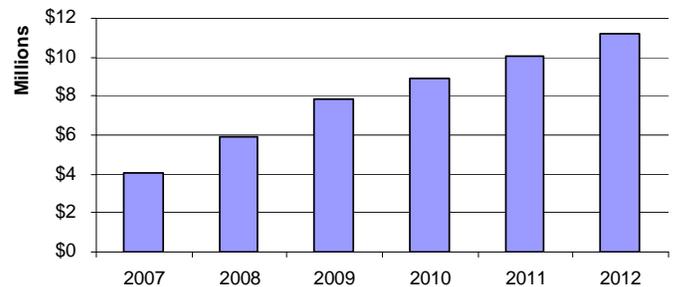
Description (year decided)	Amount (millions)
Hilton Legacy Fund (2003) – proceeds from the sale of the City's share in the downtown hotel.	\$12.5
Year-end savings from 2004 (2005)	\$15.0
One-time LGA, general fund resources (2005 for 2006)	\$10.0
2007 one-time resources	\$3.0
Pre-payment of BIS workout plan obligations for 2012 (2009)	\$1.5
<b>Total</b>	<b>\$42.0</b>

*Funding for increasing pension liabilities.* The property tax needed to support closed pension fund-related debt service will be \$14.9 million and \$7.1 million direct payments in 2009 and is estimated to grow to \$47.4 million in total obligations in 2010. The closed pension fund obligations are based on an approximately -30% return experienced in 2008. The City also has increasing obligations for the pension plan most City employees are in, the Public Employees Retirement Association (PERA).

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



**PERA Pension Obligations: Annual Increase**



**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 8% tax policy and department reductions, a cushion exists for adverse circumstances. Examples of adverse circumstances the City has encountered include reductions in LGA and increased pension obligations.

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*
2005 (adopted)	4.5	n/a	n/a	n/a	n/a	n/a
2006 (adopted)	12.5	4.6	n/a	n/a	n/a	n/a
2007 (adopted)	20.5	9.2	0.3	n/a	n/a	n/a
2008 (adopted)	27.5	11.8	0.3	2.3	n/a	n/a
2009 (adopted)	37.1	17.4	1.4	2.1	7.5	n/a
2010 (estimate)	n/a	23.9	4.8	5.7	3.5	-29.7
2011 (estimate)	n/a	n/a	4.9	2.2	0.0	-39.4
2012 (estimate)	n/a	n/a	n/a	4.0	0.5	-42.6
2013 (estimate)	n/a	n/a	n/a	n/a	0.7	-40.4
2014 (estimate)	n/a	n/a	n/a	n/a	n/a	-30.4

\*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 reflects the amount of permanent cuts needed to balance the 2010 budget. Once the decisions about 2010 have been made, the magnitude of the additional cuts needed in years 2011-2014 will be lessened.

### 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 8% property tax increases to support future services – reducing the growth in property taxes in the face of declining LGA 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. The Mayor's recommendation provides an increase to the Park Board's capital program. This increase represents 10% of the overall expansion of the capital program, a rough representation of the share of the infrastructure which is Park Board owned.
- *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.
- *Public Works Operating Budget:* The department will undertake a major reassessment of services and how they are provided in light of planned reductions.
- *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.
- *Regulatory Services:* The department will become a net drawer on the general fund in 2013 based on current revenue and expense assumptions.
- *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 2010-2014**

- Council will need to take action in the 2010 budget to offset increased pension costs via general fund reductions.
- No more than a 2.5% salary increase is funded by new resources.
- 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 2011-2014. 2010 reflects the Governor's proposed LGA reduction of \$16.1 million.
- 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.
- The level of revenue from the parking fund is reduced according to the Council adopted financial workout plan.
- Base entertainment tax from the Convention Center fund flows at the same rate as in the past (about \$8 million annually), with increases for the Target Field revenue beginning in 2010.
- 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).

Five-Year Summary of Property Tax Supported Budgets										
	2009 Expense	5-Year Projected Growth in Spending	5-Year Reduction to Growth in Spending	2014 Expense	Avg Annual % Incr over 5-yr period	Allocated Revenues for Presentation Purposes <i>These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>				
						2014 Direct Revenue	2014 General City Revenues (Non-Direct)	2014 Local Government Aid	2014 Property Tax Revenue	2014 Total Revenues
Mayor	1.494	0.389	(0.035)	1.847	4.7%	-	0.430	0.197	1.220	1.847
City Clerk/Elections/City Council	7.647	1.912	(0.178)	9.381	4.5%	0.051	2.170	0.997	6.163	9.381
CPED	3.879	1.358	(0.091)	5.147	6.5%	1.842	0.769	0.353	2.183	5.147
Contingency	2.878	0.089	(0.052)	2.915	0.3%	-	0.678	0.312	1.926	2.915
City Coord Admin, Comm, IGR, NCR	6.332	1.559	(0.133)	7.758	4.5%	2.929	1.123	0.516	3.189	7.758
Civil Rights	2.367	0.489	(0.064)	2.791	3.6%	-	0.649	0.298	1.844	2.791
Assessor	3.901	0.969	(0.097)	4.774	4.5%	0.066	1.095	0.503	3.109	4.774
Health and Family	4.476	0.758	(0.100)	5.134	2.9%	0.555	-	-	4.578	5.134
Human Resources	5.948	1.601	(0.155)	7.393	4.9%	0.005	1.718	0.790	4.880	7.393
Attorney	7.427	2.008	-	9.436	5.4%	0.020	2.190	1.006	6.219	9.436
911/311	10.704	2.789	(0.275)	13.218	4.7%	-	-	-	13.218	13.218
Libraries	7.500	(4.300)	-	3.200	-11.5%	-	-	3.200	-	3.200
<i>Internal Service Funds</i>	25.110	(10.751)	-	14.359	-8.6%	-	-	-	14.359	14.359
<i>Transfers to other funds</i>	0.470	(0.010)	-	0.459	-0.4%	-	-	-	0.459	0.459
<i>Capital Improvement</i>	0.203	-	-	-	-20.0%	-	-	-	-	-
Finance	19.208	5.073	(0.489)	23.792	4.8%	0.021	5.529	2.541	15.701	23.792
BIS	-	-	(0.643)	-	-	-	-	-	-	-
Pension Debt Service	14.568	1.201	-	15.769	1.6%	-	-	-	15.769	15.769
Regulatory Services	23.460	6.008	(0.599)	28.868	4.6%	27.996	-	-	0.872	28.868
Public Works	42.836	9.072	(1.020)	50.887	3.8%	14.338	8.501	3.907	24.141	50.887
Fire	51.226	12.968	(1.292)	62.901	4.6%	4.597	13.561	6.232	38.511	62.901
Police	122.196	33.034	(3.177)	152.053	4.9%	15.055	31.865	14.644	90.489	152.053
<b>Total General Fund</b>	<b>363.827</b>	<b>66.214</b>	<b>(8.400)</b>	<b>422.082</b>	<b>3.2%</b>	<b>67.475</b>	<b>70.279</b>	<b>35.497</b>	<b>248.830</b>	<b>422.082</b>
Capital - Permanent Improvement	1.587	-	-	2.450	10.9%	-	-	-	2.450	2.450
Debt Service	21.799	-	-	22.207	0.4%	-	-	-	22.207	22.207
Subtotal	23.386	-	-	24.657	1.1%	-	-	-	24.657	24.657
<b>Total City (not incl special levies)</b>	<b>387.213</b>	<b>66.214</b>	<b>(8.400)</b>	<b>446.739</b>	<b>3.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>273.487</b>	<b>446.739</b>
Pensions - Direct Levy	6.992	1.271	-	49.694	122.1%	-	-	-	49.694	49.694
<b>Total</b>	<b>394.205</b>	<b>67.485</b>	<b>(8.400)</b>	<b>496.433</b>	<b>5.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>323.181</b>	<b>496.433</b>
									2009 Max	187.999
									2014 Max	292.733
Difference between maximum and needed amount to balance										30.448

Estimates of pension liabilities are based on actuarial estimates completed in February 2009 for Minneapolis Police Relief Association (MPRA) and Minneapolis Fire Relief Association (MFRA) funds and reflect the significant market decline experienced in 2008.

The five-year financial direction adopted in December 2008 was balanced in all five years. Due to the extraordinary circumstances and short timeline for consideration of solutions, expenditures for 2010-2014 have not yet been adjusted for shortfalls related to the additional pension costs and proposed reductions in local government aid pending final legislative action.

2009 Property Tax Supported Budgets						
	Council's Revised 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	
Mayor	1.494	-	0.473	0.332	0.685	1.490
City Clerk/Elections/City Council	7.647	0.051	2.405	1.686	3.484	7.626
CPED	3.879	1.589	0.725	0.508	1.050	3.873
Contingency	2.878	-	0.911	0.639	1.320	2.870
City Coord Admin, Comm, IGR, NCR	6.332	2.929	1.077	0.756	1.561	6.323
Civil Rights	2.367	-	0.749	0.525	1.086	2.360
Assessor	3.901	0.066	1.214	0.851	1.759	3.891
Health and Family	4.476	0.555	1.241	0.870	1.798	4.465
Human Resources	5.948	0.005	1.881	1.319	2.726	5.932
Attorney	7.427	0.020	2.345	1.645	3.398	7.407
911/311	10.704	-	3.389	2.376	4.910	10.675
Libraries	7.500	-	-	6.800	0.700	7.500
<i>Internal Service Funds</i>	25.110	-	-	-	25.110	25.110
<i>Transfers to other funds</i>	0.470	-	-	-	0.470	0.470
<i>Capital Improvement</i>	0.203	-	-	-	0.203	0.203
Finance	19.208	0.021	6.074	4.260	8.801	19.155
BIS	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	14.568	-	-	-	14.568	14.568
Regulatory Services	23.460	24.149	-	-	-	24.149
Public Works	42.836	13.488	9.291	6.515	13.461	42.756
Fire	51.226	4.597	14.762	10.352	21.388	51.099
Police	122.196	15.055	33.920	23.786	49.144	121.905
<b>Total General Fund</b>	<b>363.827</b>	<b>62.526</b>	<b>80.458</b>	<b>63.222</b>	<b>157.621</b>	<b>363.827</b>
Capital - Permanent Improvement	1.587	-	-	-	1.587	1.587
Debt Service	21.799	-	-	-	21.799	21.799
Subtotal	23.386	-	-	-	23.386	23.386
Pensions - direct levy	6.992	-	-	-	6.992	6.992
<b>Total</b>	<b>394.205</b>	<b>62.526</b>	<b>80.458</b>	<b>63.222</b>	<b>187.999</b>	<b>394.205</b>

(Expense greater than revenues)/expense less than revenues (0.000)

*Estimates of pension liabilities are based on actuarial estimates completed in February 2009 for Minneapolis Police Relief Association (MPRA) and Minneapolis Fire Relief Association (MFRA) funds and reflect the significant market decline experienced in 2008.*

*The five-year financial direction adopted in December 2008 was balanced in all five years. Due to the extraordinary circumstances and short timeline for consideration of solutions, expenditures for 2010-2014 have not yet been adjusted for shortfalls related to the additional pension costs and proposed reductions in local government aid pending final legislative action.*



2010 Property Tax Supported Budgets										
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Allocated Revenues for Presentation Purposes - These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.					Total Revenues
					Direct Revenue	General City Revenues (Non-Direct)	Local Government Aid	Property Tax Revenue		
Mayor	1.494	0.062	(0.010)	1.546	-	0.441	0.239	0.866	1.546	
City Clerk/Elections/City Council	7.647	0.245	(0.051)	7.841	0.051	2.222	1.206	4.363	7.841	
CPED	3.879	(0.097)	(0.026)	3.756	1.637	0.608	0.330	1.182	3.756	
Contingency	2.878	(0.411)	(0.015)	2.452	-	0.699	0.379	1.374	2.452	
City Coord Admin, Comm, IGR, NCR	6.332	0.768	(0.038)	7.062	2.929	1.182	0.641	2.310	7.062	
Civil Rights	2.367	(0.051)	(0.018)	2.298	-	0.656	0.356	1.285	2.298	
Assessor	3.901	0.139	(0.028)	4.013	0.066	1.126	0.611	2.209	4.013	
Health and Family	4.476	(0.137)	(0.029)	4.310	0.555	1.072	0.582	2.101	4.310	
Human Resources	5.948	0.250	(0.044)	6.153	0.005	1.755	0.952	3.441	6.153	
Attorney	7.427	0.322	-	7.749	0.020	2.190	1.189	4.351	7.749	
911/311	10.704	0.449	(0.079)	11.074	-	3.160	1.715	6.199	11.074	
Libraries	7.500	(0.800)	-	6.700	-	-	6.700	-	6.700	
Internal Service Funds	25.110	(2.064)	-	23.046	-	-	-	23.046	23.046	
Transfers to other funds	0.470	0.015	-	0.485	-	-	-	0.485	0.485	
Capital Improvement	0.203	-	-	-	-	-	-	-	-	
Finance	19.208	0.806	(0.140)	19.874	0.021	5.665	3.074	11.114	19.874	
BIS	-	-	(0.184)	(0.184)	-	-	-	(0.184)	(0.184)	
Pension Debt Service Mgmt Plan	14.568	2.562	-	17.130	-	-	-	17.130	17.130	
Regulatory Services	23.460	0.985	(0.171)	24.274	24.874	-	-	(0.600)	24.274	
Public Works	42.836	0.150	(0.292)	42.694	14.338	8.117	4.405	15.833	42.694	
Fire	51.226	1.852	(0.369)	52.709	4.597	13.738	7.455	26.919	52.709	
Police	122.196	5.132	(0.908)	126.421	15.055	31.814	17.264	62.288	126.421	
<b>Total General Fund</b>	<b>363.827</b>	<b>10.178</b>	<b>(2.400)</b>	<b>371.402</b>	<b>64.148</b>	<b>74.445</b>	<b>47.097</b>	<b>185.712</b>	<b>371.402</b>	
Capital - Permanent Improvement	1.587	0.098	-	1.685	-	-	-	1.685	1.685	
Debt Service	21.799	(3.978)	-	17.821	-	-	-	17.821	17.821	
Subtotal	23.386	(3.880)	-	19.506	-	-	-	19.506	19.506	
Pension - direct levy	6.992	23.258	-	30.250	-	-	-	30.250	30.250	
<b>Total</b>	<b>394.205</b>	<b>29.556</b>	<b>(2.400)</b>	<b>421.158</b>	<b>64.148</b>	<b>74.445</b>	<b>47.097</b>	<b>235.468</b>	<b>421.158</b>	
								2009 Max	187.999	
								2010 Max	205.716	
Additional cuts needed/(Cushion for adverse circumstances)									29.752	

Estimates of pension liabilities are based on actuarial estimates completed in February 2009 for Minneapolis Police Relief Association (MPRA) and Minneapolis Fire Relief Association (MFRA) funds and reflect the significant market decline experienced in 2008.

The five-year financial direction adopted in December 2008 was balanced in all five years. Due to the extraordinary circumstances and short timeline for consideration of solutions, expenditures for 2010-2014 have not yet been adjusted for shortfalls related to the additional pension costs and proposed reductions in local government aid pending final legislative action.

2011 Property Tax Supported Budgets										
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.					Total Revenues
					Direct Revenue	General City Revenues (Non- Direct)	Local Government Aid	Property Tax Revenue		
Mayor	1.546	0.071	(0.025)	1.592	-	0.439	0.199	0.954	1.592	
City Clerk/Elections/City Council	7.841	0.364	(0.127)	8.078	0.051	2.213	1.003	4.811	8.078	
CPED	3.756	0.190	(0.065)	3.881	1.686	0.614	0.278	1.304	3.881	
Contingency	2.452	0.108	(0.037)	2.523	-	0.695	0.315	1.514	2.523	
City Coord Admin, Comm, IGR, NCR	7.062	(0.282)	(0.095)	6.685	2.929	1.045	0.474	2.237	6.685	
Civil Rights	2.298	0.117	(0.046)	2.369	-	0.655	0.297	1.417	2.369	
Assessor	4.013	0.180	(0.069)	4.123	0.066	1.120	0.507	2.430	4.123	
Health and Family	4.310	0.194	(0.072)	4.432	0.555	-	-	3.877	4.432	
Human Resources	6.153	0.292	(0.111)	6.335	0.005	1.748	0.792	3.790	6.335	
Attorney	7.749	0.360	-	8.110	0.020	2.196	0.995	4.899	8.110	
911/311	11.074	0.507	(0.197)	11.385	-	3.144	1.424	6.817	11.385	
Libraries	6.700	(0.800)	-	5.900	-	-	5.900	-	5.900	
Internal Service Funds	23.046	(1.205)	-	21.841	-	-	-	21.841	21.841	
Transfers to other funds	0.485	0.016	-	0.500	-	-	-	0.500	0.500	
Capital Improvement	-	-	-	-	-	-	-	-	-	
Finance	19.874	0.925	(0.349)	20.450	0.021	5.640	2.555	12.234	20.450	
BIS	(0.184)	-	(0.459)	(0.643)	-	-	-	(0.643)	(0.643)	
Pension Debt Service Mgmt Plan	17.130	1.332	-	18.462	-	-	-	18.462	18.462	
Regulatory Services	24.274	1.087	(0.428)	24.933	25.620	-	-	(0.687)	24.933	
Public Works	42.694	1.930	(0.729)	43.895	14.338	8.221	3.724	17.612	43.895	
Fire	52.709	2.405	(0.923)	54.191	4.597	13.712	6.212	29.669	54.191	
Police	126.421	5.920	(2.269)	130.072	15.055	31.836	14.423	68.758	130.072	
Total General Fund	371.402	13.711	(6.000)	379.113	64.943	73.279	39.097	201.794	379.113	
Capital - Permanent Improvement	1.685	0.147	-	1.832	-	-	-	1.832	1.832	
Debt Service	17.821	2.676	-	20.497	-	-	-	20.497	20.497	
Subtotal	19.506	2.823	-	22.329	-	-	-	22.329	22.329	
Pensions - direct levy	30.250	9.953	-	40.203	-	-	-	40.203	40.203	
Total	421.158	26.487	(6.000)	441.645	64.943	73.279	39.097	264.326	441.645	
								2010 Max	205.716	
								2011 Max	224.921	
Additional cuts needed/(Cushion for adverse circumstances)									39.405	

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2012 Property Tax Supported Budgets									
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	<i>Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>				
					Direct Revenue	General City Revenues (Non- Direct)	Local Government Aid	Property Tax Revenue	Total Revenues
Mayor	1.592	0.077	-	1.669	-	0.456	0.205	1.009	1.669
City Clerk/Elections/City Council	8.078	0.394	-	8.472	0.051	2.300	1.032	5.089	8.472
CPED	3.881	0.208	-	4.089	1.736	0.643	0.288	1.422	4.089
Contingency	2.523	0.118	-	2.641	-	0.721	0.324	1.596	2.641
City Coord Admin, Comm, IGR, NCR	6.685	0.323	-	7.008	2.929	1.114	0.500	2.465	7.008
Civil Rights	2.369	0.127	-	2.496	-	0.682	0.306	1.509	2.496
Assessor	4.123	0.196	-	4.319	0.066	1.161	0.521	2.570	4.319
Health and Family	4.432	0.211	-	4.643	0.555	-	-	4.088	4.643
Human Resources	6.335	0.318	-	6.653	0.005	1.816	0.815	4.018	6.653
Attorney	8.110	0.399	-	8.508	0.020	2.318	1.041	5.130	8.508
911/311	11.385	0.552	-	11.937	-	-	-	11.937	11.937
Libraries	5.900	(0.900)	-	5.000	-	-	5.000	-	5.000
<i>Internal Service Funds</i>	21.841	(0.865)	-	20.976	-	-	-	20.976	20.976
<i>Transfers to other funds</i>	0.500	0.016	-	0.517	-	-	-	0.517	0.517
<i>Capital Improvement</i>	-	-	-	-	-	-	-	-	-
Finance	20.450	1.007	-	21.456	0.021	5.854	2.628	12.953	21.456
BIS	(0.643)	-	-	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	18.462	(0.764)	-	17.698	-	-	-	17.698	17.698
Regulatory Services	24.933	1.184	-	26.117	26.389	-	-	(0.272)	26.117
Public Works	43.895	2.104	-	45.999	14.338	8.646	3.882	19.132	45.999
Fire	54.191	2.621	-	56.811	4.597	14.260	6.402	31.553	56.811
Police	130.072	6.949	-	137.021	15.055	33.309	14.953	73.704	137.021
<b>Total General Fund</b>	<b>379.113</b>	<b>14.275</b>	<b>-</b>	<b>394.031</b>	<b>65.762</b>	<b>73.279</b>	<b>37.897</b>	<b>217.093</b>	<b>394.031</b>
Capital - Permanent Improvement	1.832	0.197	-	2.029	-	-	-	2.029	2.029
Debt Service	20.497	0.588	-	21.085	-	-	-	21.085	21.085
Subtotal	22.329	0.785	-	23.114	-	-	-	23.114	23.114
Pensions-direct levy	40.203	7.910	-	48.113	-	-	-	48.113	48.113
<b>Total</b>	<b>441.645</b>	<b>22.970</b>	<b>-</b>	<b>465.258</b>	<b>65.762</b>	<b>73.279</b>	<b>37.897</b>	<b>288.320</b>	<b>465.258</b>
								2011 Max	224.921
								2012 Max	245.735
								Additional cuts needed/(Cushion for adverse circumstances)	42.585

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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	Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.				
					Direct Revenue	General City Revenues (Non- Direct)	Local Government Aid	Property Tax Revenue	Total Revenues
Mayor	1.669	0.084	-	1.753	-	0.433	0.201	1.119	1.753
City Clerk/Elections/City Council	8.472	0.430	-	8.902	0.051	2.186	1.014	5.651	8.902
CPED	4.089	0.778	-	4.867	1.788	0.760	0.353	1.965	4.867
Contingency	2.641	0.129	-	2.770	-	0.684	0.317	1.769	2.770
City Coord Admin, Comm, IGR, NCR	7.008	0.354	-	7.362	2.929	1.095	0.508	2.830	7.362
Civil Rights	2.496	0.139	-	2.636	-	0.651	0.302	1.683	2.636
Assessor	4.319	0.214	-	4.533	0.066	1.103	0.512	2.852	4.533
Health and Family	4.643	0.231	-	4.874	0.555	-	-	4.319	4.874
Human Resources	6.653	0.349	-	7.002	0.005	1.728	0.802	4.467	7.002
Attorney	8.508	0.437	-	8.945	0.020	2.204	1.022	5.699	8.945
911/311	11.937	0.604	-	12.541	-	-	-	12.541	12.541
Libraries	5.000	(0.900)	-	4.100	-	-	4.100	-	4.100
Internal Service Funds	20.976	(1.470)	-	19.506	-	-	-	19.506	19.506
Transfers to other funds	0.517	(0.075)	-	0.442	-	-	-	0.442	0.442
Capital Improvement	-	-	-	-	-	-	-	-	-
Finance	21.456	1.101	-	22.557	0.021	5.566	2.582	14.389	22.557
BIS	-	-	-	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	17.698	(0.833)	-	16.865	-	-	-	16.865	16.865
Regulatory Services	26.117	1.297	-	27.413	27.180	-	-	0.233	27.413
Public Works	45.999	2.304	-	48.302	14.338	8.389	3.891	21.685	48.302
Fire	56.811	2.870	-	59.681	4.597	13.605	6.310	35.169	59.681
Police	137.021	7.086	-	144.106	15.055	31.874	14.784	82.393	144.106
<b>Total General Fund</b>	<b>394.031</b>	<b>15.128</b>	<b>-</b>	<b>409.160</b>	<b>66.606</b>	<b>70.279</b>	<b>36.697</b>	<b>235.577</b>	<b>409.160</b>
Capital - Permanent Improvement	2.029	0.196	-	2.225	-	-	-	2.225	2.225
Debt Service	21.085	0.588	-	21.673	-	-	-	21.673	21.673
Subtotal	23.114	0.784	-	23.898	-	-	-	23.898	23.898
Pensions-direct levy	48.113	1.124	-	49.237	-	-	-	49.237	49.237
<b>Total</b>	<b>465.258</b>	<b>17.036</b>	<b>-</b>	<b>482.295</b>	<b>66.606</b>	<b>70.279</b>	<b>36.697</b>	<b>308.712</b>	<b>482.295</b>
								2012 Max	245.735
								2013 Max	268.293
Additional cuts needed/(Cushion for adverse circumstances)									40.419

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2014 Property Tax Supported Budgets									
	Prior Year Total Expense	Projected Growth in Spending	Reduction to Growth in Spending	Current Year Total Expense	Allocated Revenues for Presentation Purposes These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.				
					Direct Revenue	General City Revenues (Non- Direct)	Local Government Aid	Property Tax Revenue	Total Revenues
Mayor	1.753	0.094	-	1.847	-	0.430	0.197	1.220	1.847
City Clerk/Elections/City Council	8.902	0.479	-	9.381	0.051	2.170	0.997	6.163	9.381
CPED	4.867	0.280	-	5.147	1.842	0.769	0.353	2.183	5.147
Contingency	2.770	0.145	-	2.915	-	0.678	0.312	1.926	2.915
City Coord Admin, Comm, IGR, NCR	7.362	0.396	-	7.758	2.929	1.123	0.516	3.189	7.758
Civil Rights	2.636	0.156	-	2.791	-	0.649	0.298	1.844	2.791
Assessor	4.533	0.241	-	4.774	0.066	1.095	0.503	3.109	4.774
Health and Family	4.874	0.259	-	5.134	0.555	-	-	4.578	5.134
Human Resources	7.002	0.391	-	7.393	0.005	1.718	0.790	4.880	7.393
Attorney	8.945	0.490	-	9.436	0.020	2.190	1.006	6.219	9.436
911/311	12.541	0.677	-	13.218	-	-	-	13.218	13.218
Libraries	4.100	(0.900)	-	3.200	-	-	3.200	-	3.200
Internal Service Funds	19.506	(5.147)	-	14.359	-	-	-	14.359	14.359
Transfers to other funds	0.442	0.018	-	0.459	-	-	-	0.459	0.459
Capital Improvement	-	-	-	-	-	-	-	-	-
Finance	22.557	1.234	-	23.792	0.021	5.529	2.541	15.701	23.792
BIS	-	-	-	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	16.865	(1.096)	-	15.769	-	-	-	15.769	15.769
Regulatory Services	27.413	1.455	-	28.868	27.996	-	-	0.872	28.868
Public Works	48.302	2.585	-	50.887	14.338	8.501	3.907	24.141	50.887
Fire	59.681	3.220	-	62.901	4.597	13.561	6.232	38.511	62.901
Police	144.106	7.947	-	152.053	15.055	31.865	14.644	90.489	152.053
<b>Total General Fund</b>	<b>409.160</b>	<b>12.922</b>	<b>-</b>	<b>422.082</b>	<b>67.475</b>	<b>70.279</b>	<b>35.497</b>	<b>248.830</b>	<b>422.082</b>
Capital - Permanent Improvement	2.225	0.225	-	2.450	-	-	-	2.450	2.450
Debt Service	21.673	0.534	-	22.207	-	-	-	22.207	22.207
Subtotal	23.898	0.759	-	24.657	-	-	-	24.657	24.657
Pensions-direct levy	49.237	0.457	-	49.694	-	-	-	49.694	49.694
<b>Total</b>	<b>482.295</b>	<b>14.138</b>	<b>-</b>	<b>496.433</b>	<b>67.475</b>	<b>70.279</b>	<b>35.497</b>	<b>323.181</b>	<b>496.433</b>
								2013 Max	268.293
								2014 Max	292.733
Additional cuts needed/(Cushion for adverse circumstances)									30.448

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## City of Minneapolis 2009 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. The intent was 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 departmental business plans.

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

These listed assumptions build on the original work from 2002. For complete details on the financial challenges which 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 2016.
- 20% annual increases in health insurance premiums.
- 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 2010-2014 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 each year through 2011. Levy limits cause the City to accelerate cuts planned for 2012.
- Commitments for the library are included in the general fund. In 2009 and beyond, the property tax elements are anticipated to be levied by the County.

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

- A slight (2%) increase is included for both of these levies for 2010-2016.
- Recommendations related to the capital expansion program are not reflected here since they are not supported by property tax funds.

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

- Parameters remain the same for independent board operating levy increases – Park, Municipal Building Commission, Public Housing Authority and the Board of Estimate and Taxation all receive a 4% levy increase to deal with increased costs of providing services. The Park Board receives an increase in Local Government Aid in 2009. The Boards are held harmless from the effects of levy limits.
- Pension obligations are funded in each year of the projection.

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

<i>(In millions of dollars)</i>	Adopted			Future Projected Demands on the Property Tax								
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>City General Fund Operations</b>												
Salary and non-personnel increase	8.2	15.1	8.6	8.1	13.9	8.6	12.8	15.0	14.7	13.0	12.2	8.5
Health Insurance	1.8	2.1	3.8	5.9	7.1	8.6	10.3	12.3	14.8	17.8	21.3	25.6
Internal Service Funds	2.3	2.2	4.4	(1.2)	(1.0)	(1.0)	(1.9)	(5.2)	(4.0)	(2.0)	(2.2)	-
Strategies Needed to Balance Budget	<b>(0.6)</b>	<b>(2.0)</b>	<b>(1.8)</b>	<b>(2.4)</b>	<b>(6.0)</b>					<b>(1.0)</b>	<b>(1.0)</b>	<b>(1.0)</b>
Subtotal	16.9	17.4	15.0	10.4	14.0	16.2	21.6	22.1	25.5	27.8	30.3	33.1
<b>City Capital/Debt:</b>												
Permanent Improvement Fund	(0.7)	(0.5)	-0.5	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2
Debt structuring changes	(2.1)	(1.3)	2	0.4	0.5	0.6	0.7	0.8	0.8	0.8	0.8	0.8
Subtotal	(2.8)	(1.8)	1.5	0.5	0.6	0.7	0.9	1.0	1.0	1.0	1.0	1.0
<b>City Total</b>	<b>14.1</b>	<b>15.6</b>	<b>16.5</b>	<b>10.9</b>	<b>14.6</b>	<b>16.9</b>	<b>22.5</b>	<b>23.1</b>	<b>26.5</b>	<b>28.8</b>	<b>31.3</b>	<b>34.1</b>
<b>Independent Boards and Special Levies</b>												
Park Board Base Levy	1.7	1.8	1.8	1.7	1.8	1.8	1.9	1.9	1.9	1.9	1.9	1.9
Subtotal Park Board	1.7	1.8	1.8	1.7	1.8	1.8	1.9	1.9	1.9	1.9	1.9	1.9
Libraries Base Levy	0.5	0.5	(13.9)	-	-	-	-	-	-	-	-	-
Library Referendum Levy	1.2	-	-	-	-	-	-	-	-	-	-	-
Subtotal Library	1.7	0.5	(13.9)	-	-	-	-	-	-	-	-	-
Municipal Bldg Commission	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3
Community Development Levy	-	-	-	-	-	-	-	-	-	-	-	-
Minneapolis Public Housing Authority	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension Funds	(1.0)	-	-	6.8	4.6	3.9	-	1.2	-	-	-	-
<b>Total Independent Boards and Special Levies</b>	<b>2.7</b>	<b>2.5</b>	<b>(11.9)</b>	<b>8.8</b>	<b>6.6</b>	<b>6.0</b>	<b>2.2</b>	<b>3.5</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>
<b>Total Increase in Property Tax Revenue</b>	<b>16.8</b>	<b>18.1</b>	<b>4.6</b>	<b>19.7</b>	<b>21.3</b>	<b>22.9</b>	<b>24.7</b>	<b>26.6</b>	<b>28.8</b>	<b>31.1</b>	<b>33.6</b>	<b>36.4</b>
Total Property Tax Revenue	226.0	244.1	248.6	265.6	286.9	309.8	334.6	361.4	390.3	421.5	455.2	491.6
Annual Percent Increase	8%	8%	1.84%	8.0%	8%	8%	8%	8%	8%	8%	8%	8%

**City of Minneapolis  
FY 2009 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 2007 fund balance for the Convention Center special revenue fund was \$46.1 million, an increase of \$4.9 million from 2006. Local sales taxes (outlined in the below table) support the Convention Center with approximately \$60.1 million collected in 2007. Due to improved economic conditions and consumer spending habits, the 2007 local tax revenue was \$3.8 million greater than budget and \$3.4 million greater than 2006. Approximately \$9.6 million was transferred to the parking fund to cover costs for on Convention Center parking ramps (approximately \$3.4 million greater than 2006).

Comparative amounts collected:

<u>Local Sales Taxes (in millions)</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
0.5% Citywide Sales tax	\$27.4	\$27.9	\$29.5
3.0% Entertainment Tax	\$9.2	\$9.2	\$9.9
3.0% Downtown Restaurant Tax	\$9.5	\$10.0	\$10.3
3.0% Downtown Liquor Tax	\$3.5	\$3.6	\$3.8
3.0% Lodging Tax	\$5.5	\$6.0	\$6.6
Total Tax Collection	\$52.2	\$56.7	\$60.1

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 funds. All the tax proceeds, with the exception of the entertainment tax, are Convention Center related and are used primarily to fund the debt related to the construction of the Convention Center and related facilities, as well as to fund the operating deficit.

The entertainment tax, established in 1969, is a revenue source for the general fund to offset additional police and fire department costs associated with City-wide entertainment activities (\$9.9 million in 2009). A portion of the tax (\$1.5 million in 2009) is 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 2007, nearly \$1.2 million was transferred to the Convention Center reserve fund.

Operating revenues are generated directly from the Convention Center operating activities. Exhibit space rental is the largest source of revenue for the Convention Center. Also included in operating revenues are equipment and space rental of the Tallmadge Building. Charges for services are earned in support of space rent and consist primarily of utility and labor services and ramp parking. Commission sales of food and beverage account for most of the other miscellaneous operating revenue.

In 2007, total operating revenue was \$14.3 million, which was \$200,000 lower than 2006 and \$300,000 lower than the 2007 budget. Lower than budgeted revenues were the result of lower-than-expected growth in events, lower-than-projected revenues from new product offerings in the auditorium, and competitive forces causing need for discounts to secure events.

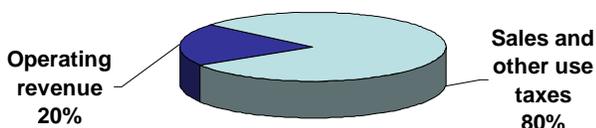
### 2009 Budget

#### Revenues

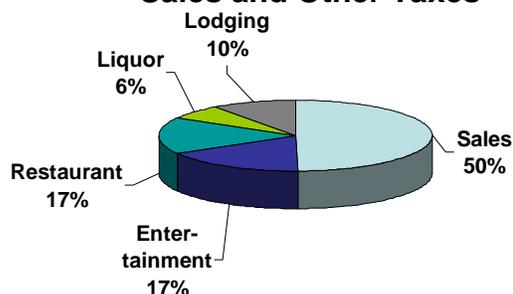
The 2009 projected revenues for the Convention Center have been adjusted to reflect the actual historical receipts. Total revenue is expected to remain relatively flat from 2008, with an increase of 1.5% over the 2008 budget. This estimate is based on a weak convention/tradeshows market, increased competition from comparable centers, and usage forecasts. To offset these conditions, the Convention Center is seeking new revenue producing opportunities such as sponsorship opportunities, electronic ticketing and development of the L100 space (Learning Lab).

The Convention Center management, in partnership with Meet Minneapolis, has been working on a sponsorship package. The sponsorship opportunities include: video signage, wireless internet, website advertising, marquee rental, and alternative advertising (floor stickers, window stickers, banners, and column wraps). Also in partnership with Meet Minneapolis, the Convention Center is working on revising its marketing focus which could include re-branding as well as the development of a marketing plan, and possible redeployment of national sales efforts. Additionally, the Convention Center has contracted with All Out Marketing to survey local and national organizations on their interest in the development of the L100 space to use as a Learning Lab or other specialty center. Furthermore, event ticketing will be an exclusive service at the Convention Center beginning April 2009.

**Convention Center Revenues**



**Sales and Other Taxes**



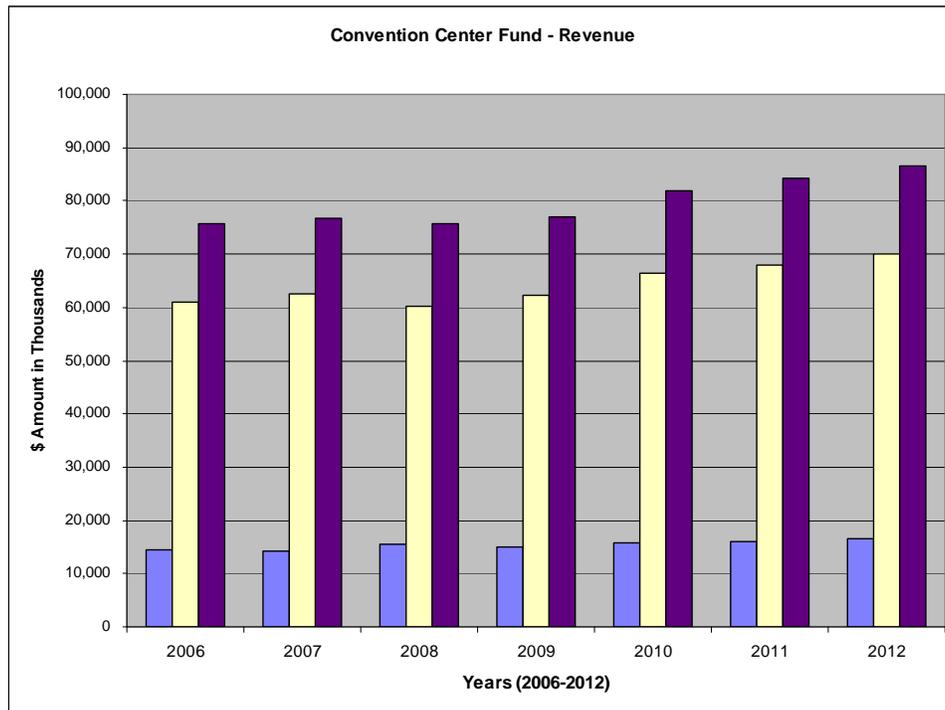
Convention Center - Predicted Revenue Growth	
Tax Type	Current Growth Assumption 2009-2012
0.5% Sales	2.5%
3.0% Entertainment Tax	3.0%
3.0% Other Tax	3.0%

Tax revenue is expected to increase 2.5% to 3% annually from 2009-2012. A \$2 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 is expected to open. Operating revenue is projected increase slightly in 2010, 2011, and 2012. The 2009 operating expense and revenue projections are \$38.4 million and \$14.9 million respectively, resulting in a \$23.5 million operating shortfall.

*Expenditures*

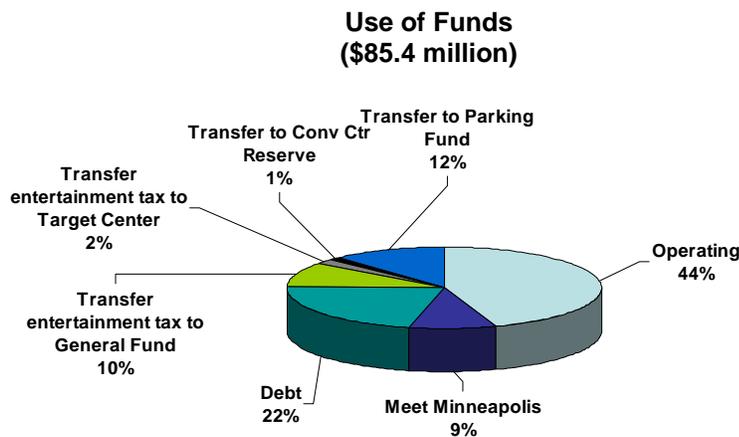
In 2009, the Convention Center operations expenditure budget is anticipated to increase \$1 million from the 2008 budget. The increase is primarily the result of contractual services, energy costs, Ongoing Equipment/Improvement, and personnel-related expenses. Cost containment is an important and ongoing initiative, and the Convention Center is working on a number of cost containment strategies which include:

- efficient operations
- improved risk management
- management of client expectations
- proper training
- development of the Convention Center workforce
- tracking of client damage
- expense recovery

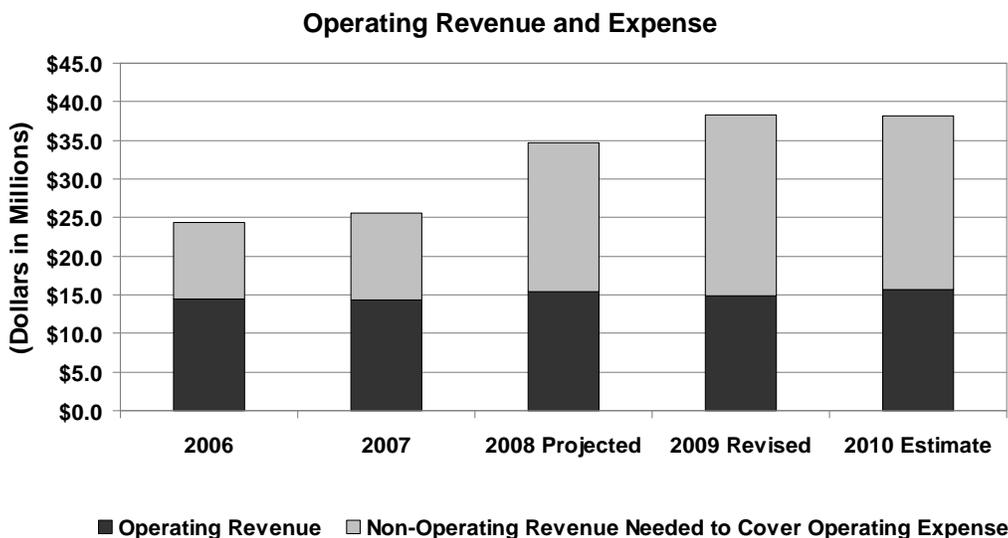


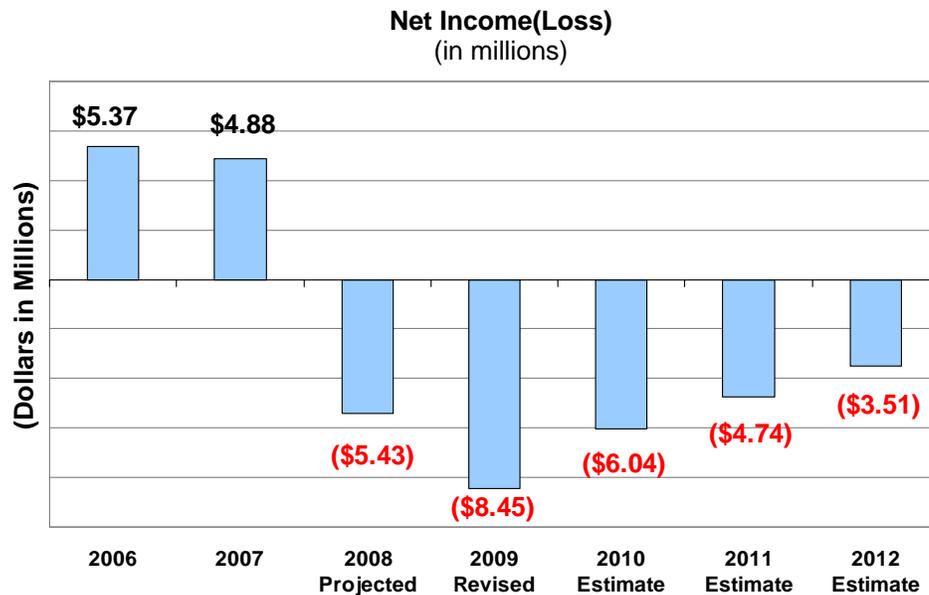
In 2004, Meet Minneapolis, the primary sales and booking agent of the Convention Center, entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, Meet Minneapolis requested that the Council advance an additional \$2.5 million for 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 in 2008 with over \$454,000 expected to be collected in 2008 and over \$429,000 expected in 2009. In 2009, nearly \$7.6 million is budgeted for City support of Meet Minneapolis.



The projected reduction in the ending fund balance from 2008 to 2009 is due primarily to higher repair, maintenance, and improvement expense, in addition to higher budgeted overall operating expense and a slight decline in projected operating revenues in 2009. The MCC will utilize the repair, maintenance, and improvement budget to replace aging, obsolete parts and systems of the facility, such as a projected major roof repair/replacement to the copper domes in 2009.





*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 2007 year ending client advances, sometimes received over two years in advance of the event, were \$1.3 million and outstanding client receivables were \$783,000.

*Transfers*

Total transfers to other funds in 2009, excluding Meet Minneapolis, are budgeted at \$39.8 million, including a transfer to the Parking Fund. The transfer to the Parking Fund totals \$9.9 million which funds current year debt service obligations related parking ramps and facilities and parking fund long-term financial plan.

*Debt Service*

The 2008 budget includes full funding to meet the annual debt service payments. Outstanding debt for the Convention Center was approximately \$222 million in total at the 2007 year-end. Debt service for the Convention Center totals \$18.7 million in 2009. 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 and Council approved \$250,000 for a bike share station at the convention center.

**COUNCIL REVISED BUDGET**

The Mayor recommended and Council approved a reduction of \$280,000.

The budget for this department includes a reduction of BIS charges of \$14,000 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**City of Minneapolis**  
**FY 2009 Budget**  
**Financial Plan (in thousands of dollars)**

**Convention Center Special Revenue Fund**

	2006 Actual	2007 Actual	2008 Budget	2008 Projected	2009 Budget	% Chg From 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>									
<i>Operating Revenues:</i>									
Charges For Services	5,155	5,251	6,215	6,125	5,475	-11.9%	5,500	5,582	5,666
Rents	6,768	6,509	6,689	6,519	6,435	-3.8%	6,972	7,118	7,396
Other Miscellaneous Operating	2,602	2,555	2,700	2,700	3,000	11.1%	3,201	3,356	3,507
Sub-Total	14,525	14,315	15,604	15,344	14,910	-4.4%	15,673	16,056	16,569
<i>Non-Operating Revenues:</i>									
Sales Tax	27,887	29,535	29,103	29,500	29,500	1.4%	30,238	30,993	31,768
Entertainment Tax	9,248	9,880	9,664	9,800	9,954	3.0%	12,253	12,620	12,999
Restaurant Tax	9,993	10,319	9,811	10,000	10,000	1.9%	10,300	10,609	10,927
Liquor Tax	3,627	3,757	3,826	3,850	3,850	0.6%	3,966	4,084	4,207
Lodging Tax	5,990	6,574	5,460	6,000	6,000	9.9%	6,180	6,365	6,556
Meet Mpls Donations	538	392	147	147	-	-100.0%	-	-	-
Meet Minneapolis(iDSS) Loan Interest	-	-	454	454	429	-5.5%	394	348	303
Interest	752	1,544	750	1,250	1,300	73.3%	1,339	1,379	1,552
Other Misc Operating	22	27	14	14	25	78.6%	26	27	27
Transfer From Facility Reserve	3,031	500	1,000	1,000	1,000	0.0%	1,500	1,500	1,500
Sub-Total	61,088	62,528	60,229	62,015	62,058	3.0%	66,194	67,926	69,840
<b>Total</b>	<b>75,613</b>	<b>76,843</b>	<b>75,833</b>	<b>77,359</b>	<b>76,968</b>	<b>1.5%</b>	<b>81,867</b>	<b>83,982</b>	<b>86,409</b>
<b>Use of Funds:</b>									
Convention Center Operations	23,212	24,560	27,555	27,555	28,944	5.0%	29,500	30,692	31,876
Ongoing Equipment/Improvement	1,135	1,008	8,872	7,150	9,121	2.8%	8,376	7,478	6,461
Human Resources	67	66	-	-	-	0.0%	-	-	-
Meet Minneapolis	7,663	7,873	7,684	7,684	7,590	-1.2%	7,742	7,897	8,548
Transfer To Gen Fund - Ent. Tax	8,657	8,762	8,164	8,300	8,454	3.6%	10,753	11,120	11,499
Transfer To Target Ctr Reserve	1,102	1,118	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	17,690	17,575	18,864	18,864	18,728	-0.7%	20,150	21,302	22,519
Transfer to Other Debt Serv Fund	-	-	-	-	75	0.0%	-	-	-
Transfer To Parking Fund	9,565	9,856	9,832	9,832	9,858	0.3%	8,435	7,283	6,065
Transfer To City Capital	-	-	750	750	-	-100.0%	-	-	-
<b>Total</b>	<b>70,241</b>	<b>71,968</b>	<b>84,371</b>	<b>82,785</b>	<b>85,420</b>	<b>1.2%</b>	<b>87,605</b>	<b>88,422</b>	<b>89,617</b>
<b>Net Income</b>	<b>5,372</b>	<b>4,875</b>	<b>(8,538)</b>	<b>(5,426)</b>	<b>(8,452)</b>	<b>-1.0%</b>	<b>(5,738)</b>	<b>(4,440)</b>	<b>(3,208)</b>
<b>Fund Balance/Retained Earnings:</b>									
Beginning Balance	35,850	41,222	46,097	46,097	40,671	-11.8%	32,219	26,481	22,041
Ending Balance	41,222	46,097	37,559	40,671	32,219	-14.2%	26,481	22,041	18,833

**Notes:** Beginning in 2005, the transfer to BIS is reflected in the Convention Center's Operating Budget based on the BIS Rate Model. In 2004, Meet Minneapolis entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, Meet Minneapolis requested that the Council advance an additional \$2.5 million for the project. In August 2005, the loans were rolled together and a promissory note was issued for \$5 million. In April of 2006, the City entered into a 3rd loan agreement for \$5 million for additional iDSS start up capital. The three loans were consolidated for a total of \$10 million. The \$10 million consolidated loan will have a 10 year amortization of principle (2008-2017) repaid in full in 2017 at a 5% interest rate. The note repayment for the loan is pledged against assets, future appropriation from the City funding, and profit from the iDSS.

**City of Minneapolis  
FY 2009  
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 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 through 2009, the final year of the City's statutory obligation to provide funding for the NRP. Additionally, 2009 is the first year to reflect the reduction in tax increment revenues from the decertification of the City's pre-1979 tax increment districts and the final year in which CPED has authority to borrow from the City's Legacy Fund, which is reflected in the financial projections. (Please see the *Financial Policies* section of the budget book for the policy detail.)

**State Authorized Financing 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 finance (TIF) district. If established, this district will be comprised of properties currently located in specific TIF districts, commonly known as "pre-1979" TIF districts, which are scheduled to end in 2009. The earliest year the tax increment revenue from the new district can be realized is 2011. Without further action by the City, the value within those pre-1979 TIF will go back into the tax base in 2010, increasing the overall size of the tax base, resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the new district may be expended only 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 states 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 the impact is anticipated in the general fund (\$8 million).

*Overall Recommended Funding from the District*

Consistent with the recommendations in the “Framework for the Future” from the Neighborhood Revitalization Program (NRP) Work Group, the Mayor recommends certification of a redevelopment tax increment finance district to pay principal and interest on Target Center bonds and to fund neighborhood revitalization programs and administration. Further, the Mayor recommends and the Council approved establishment of this new City department within the Coordinator’s office, with transition funding allocated.

The Council direction is to certify districts so that \$24 million dollars is generated in 2011, the earliest year allowed under the special legislation. The Council allocates these funds 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	\$24 million

This direction leads to certifying 100% of the tax capacity of the district. If none of the districts were certified, residential taxpayers would see an estimated reduction in their tax bills from \$61 to \$307 annually. The district would last for ten years (through 2020).

*Financial recommendation for Target Center principal and interest*

The current Target Center financial plan (before the 2008 State legislation) is not structurally balanced. In addition to \$61.3 million in fixed rate debt at an interest rate higher than the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.7 million annually) and capital refurbishment of the arena (\$2-3 million annually).

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.
- *Minnesota Amateur Sports Commission* - \$750,000 in 2009 only.
- *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 Mayor’s recommendation funds the principal and interest payments for the Target Center financial plan at \$10 million each year. This recommendation provides the opportunity to redirect resources to the unfunded capital and operating needs. The finance department will

prepare an updated finance plan for the arena based upon this recommendation by the end of the year.

*Financial recommendation for neighborhood operations and programming*

The Council direction specifies \$8.5 million per year for general neighborhood revitalization purposes. In addition, the direction includes \$3.5 million for community revitalization. In the current neighborhood revitalization program, neighborhood groups identify administrative funding from within the overall program funding.

This direction demonstrates City support for a long-term funding source for neighborhood groups tied to the length of the new district as defined in state law. Neighborhood groups may decide to reallocate administrative funding to programmatic funding as needed. The following is the summary of this direction:

**Neighborhood and Community Relations Proposed Sources and Uses (in thousands)**

	2008	2009 Adopted Budget	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	428	420	416	185	182	179
NRP central admin funds - admin set aside	1,250	1,048	350	0	0	0
Property Tax (including revenue from new district in 2011)	590	1,110	984	8,314	8,334	8,355
<b>Total Sources</b>	<b>2,268</b>	<b>2,578</b>	<b>1,750</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Uses</b>						
(1) Neighborhood Investment & Community Innovation Funds, neighborhood operations, and department of Neighborhood and Community Relations	0	500	1,100	7,905	7,905	7,905
(2) Existing Citizen Participation Program	333	328	328			
(3) Existing Homelessness Program	225	225	75	75	75	75
(4) Existing Multicultural Services	380	392	407	424	441	459
(5) Existing NRP - Central Administration	1,250	1,048	350	0	0	0
(6) Existing City Community Engagement	80	85	90	95	95	95
<b>Total Uses</b>	<b>2,268</b>	<b>2,578</b>	<b>2,350</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Difference</b>	<b>0</b>	<b>0</b>	<b>-600</b>	<b>0</b>	<b>0</b>	<b>0</b>

**2009 Budget**

*Revenues*

These projections are based on several revenue 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 have been increasing over past years. 2009 projections are significantly increased over 2008 to \$9.7 million of which \$4.5 million has been secured, but are consistent with CPED’s success with grant seeking and the actual revenues received in 2006 and 2007.
- 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 3 percent rate from 2009.



- To be consistent with past projections, the 2009-2013 projections include anticipated loan repayment revenue from the Brookfield project on the Nicollet Mall. Given the budgetary impact of one-time revenues of this amount, these, like many revenues, are not part of the submitted revenue budget, but will be added at the time payment is actually received.
- Legislative action in 2008 allows 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, the Legacy Fund balance would be restored to approximately \$35.5 million. The availability of these funds from 2010 through 2013 is not assumed in these projections pending clearer direction.

### *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 Development Account and tax increment revenues of the Common Project will continue to be restricted to existing debt and contractual obligations while such obligations exist, and to the capitalization of the NRP through 2009.

Between 2008 and 2012, projected CPED revenues peak in 2009, a consequence of the approximately \$27.8 million Brookfield-Dain 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 2009, although the availability of new tax capacity created by the decertification of the pre-1979 districts could allow, as one policy option, the re-use of Chapter 595 levy authority with little or no increase of residential property taxes. An additional option would be the use of the corpus of the Legacy Fund, which will have been substantially restored by the repayment of the \$22 million committed to CPED and fund investment earnings.

### *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. The direct revenues allocated as a result of the 2005 multi-department fee study are increased annually at a rate of 3 percent, consistent with the rate shown for Regulatory Services revenues.

### *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 January 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. Whether such expenditures would be accounted for in the CPED budget is not yet clear.

### **ORIGINAL BUDGET**

The Mayor recommended:

- *Housing Advocacy Program (\$60,000)*: The housing advocacy program moved to CPED from Health and Family Support with \$60,000 in one-time funding as a bridge to long-term funding for the two positions which are moving along with the program.
- *Reductions to meet Five-Year Financial Direction (\$20,000)*: The Mayor's recommended budget included \$20,000 in reductions, which CPED may manage by accessing preliminary planning funds.
- *Youth Apprentice Program (matching funds \$150,000)*: The Mayor recommended \$150,000 in one time funding for a youth apprentice program in Civil Rights, with a \$150,000 match from existing programs in CPED.
- *Preparation for 2010 Census (\$100,000)*: The Mayor recommended one-time funding for the 2010 Census for recruiting and launching "Complete Count" committee, as well as laying the ground work for various outreach and public education efforts.
- *Green Manufacturing Initiative (\$100,000)*: The Making It Green Report, Phase I findings demonstrate encouraging prospects for the Cities of Minneapolis and St. Paul to participate actively in emerging green industries by building on the region's and our City's existing, substantial manufacturing job skills and business base. To jump-start Minneapolis' efforts to actively participate in green manufacturing opportunities, the Mayor recommended one-time funding to engage a consultant to:
  - coordinate research into best opportunities for converting existing skills and assets into green manufacturing opportunities;
  - map a strategy to engage private business, investors, and other partners in a coordinated implementation plan; and
  - begin plan implementation.

The Council approved the Mayor's recommendations. The Council further increased the CPED budget by \$100,000 on a one-time basis to promote the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112).

### **COUNCIL REVISED BUDGET**

The Mayor's revised budget recommended a reduction \$150,000. The Council concurs with the Mayor's recommendation and further reduces \$100,000, for a total reduction of \$250,000. The \$100,000 was one-time funding for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112). See the Public Works for the full amendment.

The budget for this department includes a reduction of BIS charges of \$41,500 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**Projected CPED Revenues & Expenditures 2009 - 2013**

	2008 Budget	2009 Budget	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast	
1	<b>Local Funds</b>						
2	General Fund Total	3,889,000	3,879,000	4,016,000	4,142,000	4,349,000	5,127,000
3	GF Property Tax & Non-Direct Revenue	1,740,000	1,782,000	2,009,000	2,145,000	2,292,000	2,955,000
4	General Fund LGA	606,000	508,000	370,000	311,000	321,000	384,000
5	General Fund Direct Revenues	1,543,000	1,589,000	1,637,000	1,686,000	1,736,000	1,788,000
6	Tax/Increment/Abatement	80,265,000	63,114,310	40,290,000	40,895,000	27,795,000	27,795,000
7	Capital Bonding (CIP)	804,000	1,067,000	382,000	389,000	389,000	389,000
8	Dev Acct (Non-TI)*	2,002,705	28,302,997	300,000	300,000	300,000	300,000
9	Interest Earnings all Funds	5,108,152	4,852,744	4,610,107	4,379,602	4,379,602	4,160,622
10	Housing Program Fees & Revenues	1,300,000	1,342,317	1,342,317	1,342,317	1,342,317	1,393,835
11	Economic Dev Program Fees & Revenues	4,410,000	4,585,000	4,814,250	5,054,963	5,054,963	5,307,711
12	Legacy Fund	3,679,000	3,500,000	-	-	-	-
13	Other Project & Program Income	13,396,365	10,470,709	10,156,588	9,851,890	9,851,890	9,556,333
14	Transfers & Reserves	42,443,047	46,692,590	9,000,000	9,000,000	9,000,000	9,000,000
15	<b>Federal Funds</b>						
16	CDBG**	10,913,000	9,667,000	9,667,000	9,667,000	9,667,000	9,667,000
17	ESG	597,000	595,800	595,800	595,800	595,800	595,800
18	HOME	3,200,000	3,419,475	3,419,475	3,419,475	3,419,475	3,419,475
19	Other State/Local Grants	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
	* 2009 revenue forecast includes anticipated but unbudgeted Brookfield revenue.						
20	<b>Total Projected Revenues</b>	<b>176,507,269</b>	<b>185,988,942</b>	<b>93,093,537</b>	<b>93,537,046</b>	<b>80,644,046</b>	<b>81,211,776</b>
21	<b>Appropriated</b>						
22	<b>Business Lines:</b>						
23	Economic Policy & Development	16,928,074	12,295,982	12,480,422	12,667,628	12,857,642	13,050,507
24	Housing & Policy Development	17,372,932	18,149,567	18,412,676	18,688,866	18,969,199	19,253,737
25	Community Planning	1,669,767	1,757,275	1,783,634	1,810,389	1,837,544	1,865,108
26	Development Services	1,857,851	2,256,567	2,290,416	2,324,772	2,359,643	2,395,038
27	Workforce Development	9,815,218	8,307,778	8,432,395	8,558,881	8,687,264	8,817,573
28	<b>CPED Support:</b>						
29	Executive & Support Services	9,467,743	7,902,292	7,535,338	7,648,368	7,763,094	7,879,540
30	Transfer & Debt Service	108,058,847	74,582,382	34,000,000	34,000,000	34,000,000	34,000,000
31	Total Appropriated	165,170,432	125,251,843	84,934,880	85,698,903	86,474,386	87,261,502
32	<b>To be appropriated</b>						
33	Potential NRP Capitalization	4,802,177	16,973,004	-	-	-	-
34	Brookfield repayment to Legacy	1,769,000	11,386,000	-	-	-	-
35	<b>Total Projected Uses</b>	<b>171,741,609</b>	<b>153,610,847</b>	<b>84,934,880</b>	<b>85,698,903</b>	<b>86,474,386</b>	<b>87,261,502</b>
36	<b>Difference</b>	<b>4,765,660</b>	<b>32,378,095</b>	<b>8,158,657</b>	<b>7,838,143</b>	<b>(5,830,340)</b>	<b>(6,049,726)</b>

\*\* entitlement, program income and federal workforce grants

**City of Minneapolis  
FY 2009 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:

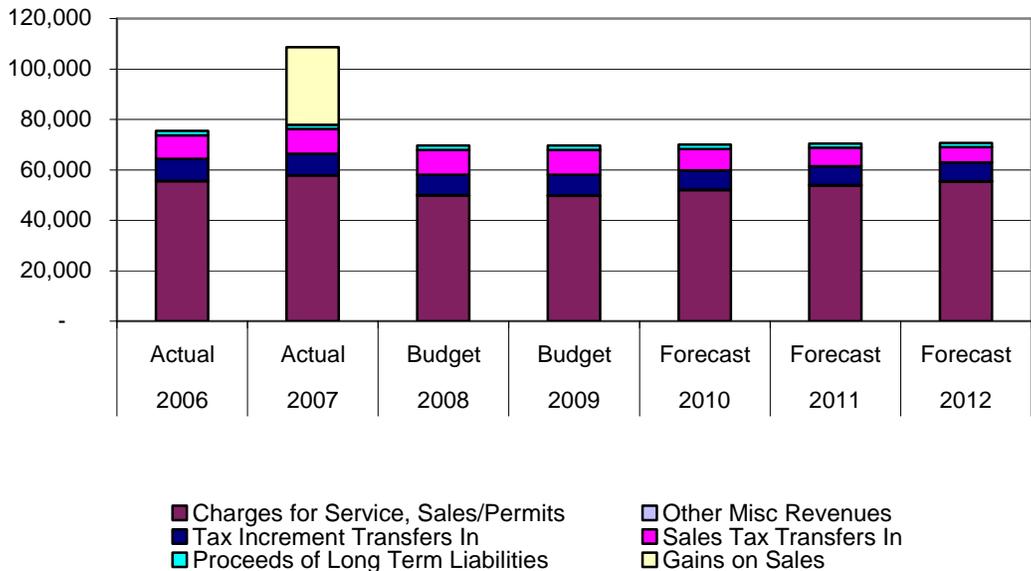
- Off-street parking
- On-street parking
- The impound-lot

The fund receives transfers (\$9.9 million in year 2008) from the Minneapolis Convention Center to pay its share of debt service on the Convention Center-related parking facilities. The fund also receives transfers (\$8.1 million in 2008) 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 2007 is \$60.3 million compared to \$58.1 million in 2006. The workout plan 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 2007, operating expenses (without debt service, transfers or capital) increased by \$100,000, or .3%, to \$39.5 million, from \$39.4 million in 2006. The Parking Fund cash balance for year 2007 was \$42.7 million. The parking system is creating a positive cash flow from the sale of six ramps in 2007 and one ramp in 2008, but with transfers, interest payments on debt service and debt service payments, the City-owned facilities may have a negative cash flow by 2010. Based on current and proposed budgets, operating cash balances are going to continue to decrease, especially cash related to the City system.

**2009 Budget**

*Revenues*

The operating revenue budget for 2009 was decreased about 1% to \$51.6 million compared to \$51.9 million for 2008. The decrease is due to the ramp sold in 2008 and economic pressures from high fuel prices.

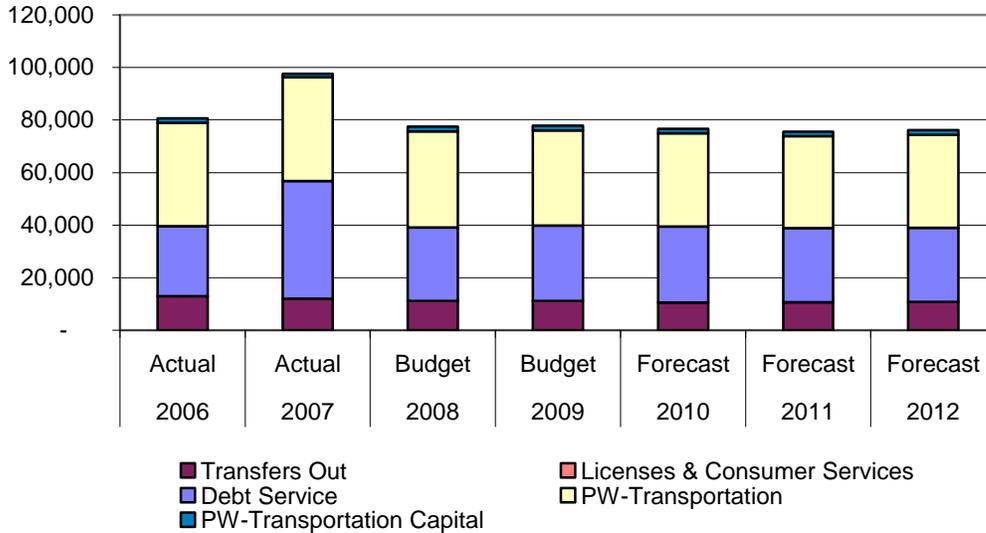
<b>Revenue Assumptions (2009)</b>	
Utilization Percentage in 2006	87%
Number of Parking Stalls in the system	20,630 as of 12/31/2007
Forecasted Revenue increase	2010 4.5% 2011 3.5% 2012 2.9%
Assumed rate increases (if any)	2%
System-wide average event rate	\$8.78
System-wide average daily rate	\$6.29
System wide average monthly rate	\$119.14
Number of new stalls in the system	2008 80 2009 0 2010 0

For assumptions regarding sales tax revenue, please see the Convention Center Finance Plan.

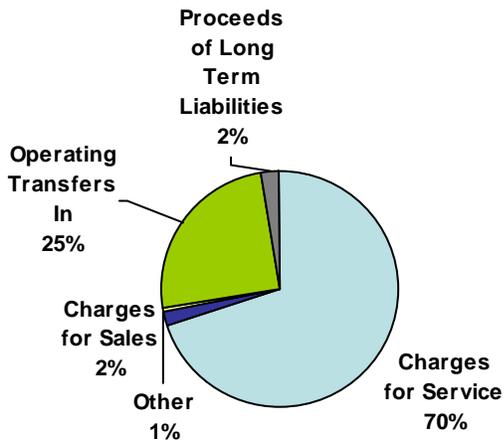
**Expenditures**

The operating budget for 2009 stands at \$36.2 million compared to \$36.6 million for 2008. There is a decrease of \$0.4 million in 2009 over 2008. The capital budget for 2009 has been set at 2008 level which is \$1.7 million. The capital budget has been maintained at this level due to on-going repair and improvement work in the City-owned parking facilities.

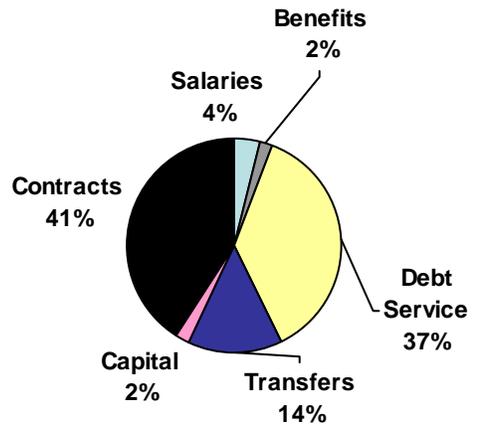
**Parking Fund Expenditures**  
(in thousands of dollars)



**Source of Funds**  
(\$71.4 million)



**Use of Funds by Type**  
(\$74.6 million)



### Debt Service

Total debt service, which includes principal and interest on bonds issued for construction of municipal parking ramps, increased \$0.7 million over 2008 levels. 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 \$18.0 million for 2009.

### Transfers

The transfer to the general fund declined by \$800,000. There is also a transfer to the Target Center Arena. The transfer to the Target Center Arena Fund remained constant in 2009 and 2008 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 remained the same at \$9.8 for 2009 as it was in 2008. The transfers from tax increment and abatement are budgeted to increase \$0.1 million, from \$8.1 million in 2008 to \$8.2 million in 2009. The following is a breakdown of the \$8.2 million in transfers by facility:

- \$7.4 million for LaSalle at 10<sup>th</sup> Ramp
- \$100,000 for East LRT Ramp
- \$700,000 for the Hennepin at 10<sup>th</sup> Ramp

### Original Budget

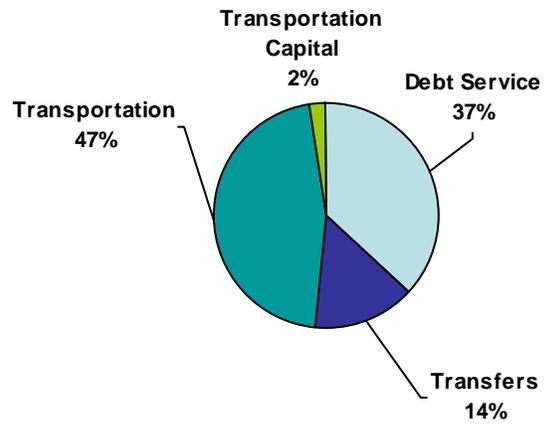
The Mayor recommended Traffic & Parking be required to allocate, within existing resources, the City's portion of the assessment for a downtown improvement district (up to \$200,000). This amount represents the assessment for City parking facilities in the zone.

The Council approved the Mayor's recommendation and further directed Public Works to increase funding by \$500,000 on a one time basis for resolving outstanding traffic issues on Trunk Highway 55 caused by the Hiawatha Light Rail Transit in the amount of \$250,000, and engineering studies for relieving traffic congestion anticipated due to the Central Corridor Light Rail Transit project in the amount of \$250,000.

### Council Revised Budget

Council eliminated \$250,000 in one-time funds for the Hiawatha LRT Signal Improvements project (TR019).

Use of Funds by Department  
(\$74.6 million)



The budget for this fund includes a reduction of BIS charges of \$5,100 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**City of Minneapolis**  
**FY 2009 Budget**  
**Financial Plan (in thousands of dollars)**

**Municipal Parking Fund - 7500**

	2006	2007	2008	2008	2009	% Chg	2010	2011	2012
	Actual	Actual	Budget	Projected	Budget	From 2008 Budget	Forecast	Forecast	Forecast
<b>Source of Funds:</b>									
Licenses and Permits	252	235	218	240	218		220	222	225
State Government			-	-	-		-	-	-
Charges for Service, Sales/Permits	55,514	57,809	49,818	51,313	49,720	-0.2%	51,965	53,809	55,350
Charges for Sales	2,103	2,242	1,551	1,613	1,551		1,567	1,582	1,598
Special Assessments	12557*	73	133	136					
Interest	68	166	1	-	1		1	1	1
Gains	(123)	30,711	-	-	-		-	-	-
Rents (Transportation)	214	20	3	3	3		3	3	3
Other Misc Revenues	141	8	138	2,582	138		139	141	142
Tax Increment Transfers In	8,642	8,505	8,137	8,137	8,214	0.9%	7,759	7,481	7,421
Sales Tax Transfers In	9,377	9,856	9,832	9,832	9,858	0.3%	8,435	7,283	6,065
Other Transfers In			-	-	39		-	-	-
<i>Total Transfers In</i>	<i>18,019</i>	<i>18,361</i>	<i>17,969</i>	<i>17,969</i>	<i>18,110</i>	<i>0.8%</i>	<i>16,194</i>	<i>14,764</i>	<i>13,486</i>
Proceeds of Long Term Liabilities	1,779	1,700	1,700	1,700	1,700		1,700	1,700	1,700
<b>Total</b>	<b>90,524</b>	<b>111,325</b>	<b>71,531</b>	<b>75,556</b>	<b>71,441</b>	<b>-0.1%</b>	<b>71,789</b>	<b>72,223</b>	<b>72,505</b>
<b>Use of Funds:</b>									
Debt Service	28,647	44,806	28,047	47,833	26,338	-6.1%	25,925	24,880	23,656
General Fund Transfer Out	10,618	1,618	8,618	8,618	7,818	-9.3%	7,818	7,818	7,818
Target Arena Transfer Out	1,921	2,078	2,241	2,241	2,241		2,408	2,581	2,758
Debt Service Transfer Out	226	48	-	-	-		-	-	-
Internal Service Funds Transfers Out		8,000	-	-	-		-	-	-
MERF Liability Transfer Out		73	104	104	115	10.6%	115	115	115
Sanitation Transfer Out	146	146	146	146	146		146	146	146
Park Board Transfer Out			-	-	-		-	-	-
<i>Total Transfers Out</i>	<i>12,911</i>	<i>11,963</i>	<i>11,109</i>	<i>11,109</i>	<i>10,320</i>	<i>1.3%</i>	<i>10,487</i>	<i>10,660</i>	<i>10,837</i>
PW-Transportation	39,431	39,548	36,572	35,841	36,204	-1.0%	35,425	34,963	35,358
Finance Department			-	-	-		-	-	-
Licenses & Consumer Services			-	-	-		-	-	-
PW-Transportation Capital	1,638	1,330	1,735	1,735	1,735	100%	1,740	1,740	1,740
<b>Total</b>	<b>82,627</b>	<b>97,647</b>	<b>77,463</b>	<b>96,518</b>	<b>74,597</b>	<b>-3.7%</b>	<b>73,577</b>	<b>72,243</b>	<b>71,591</b>
<b>Change in Net Assets</b>	<b>15,026</b>	<b>38,781</b>	<b>3,853</b>	<b>(11,178)</b>	<b>7,522</b>	<b>95.2%</b>	<b>9,910</b>	<b>11,733</b>	<b>12,783</b>
<b>Net Assets</b>	<b>86,908</b>	<b>125,689</b>	<b>129,542</b>	<b>114,511</b>	<b>122,034</b>	<b>-5.8%</b>	<b>131,943</b>	<b>143,676</b>	<b>156,459</b>
<b>Cash Balances</b>	<b>(11,850)</b>	<b>42,661</b>	<b>36,729</b>	<b>21,699</b>	<b>18,543</b>	<b>-49.5%</b>	<b>16,755</b>	<b>16,734</b>	<b>17,649</b>



**City of Minneapolis  
FY 2009  
Financial Plan  
Solid Waste and Recycling Fund**

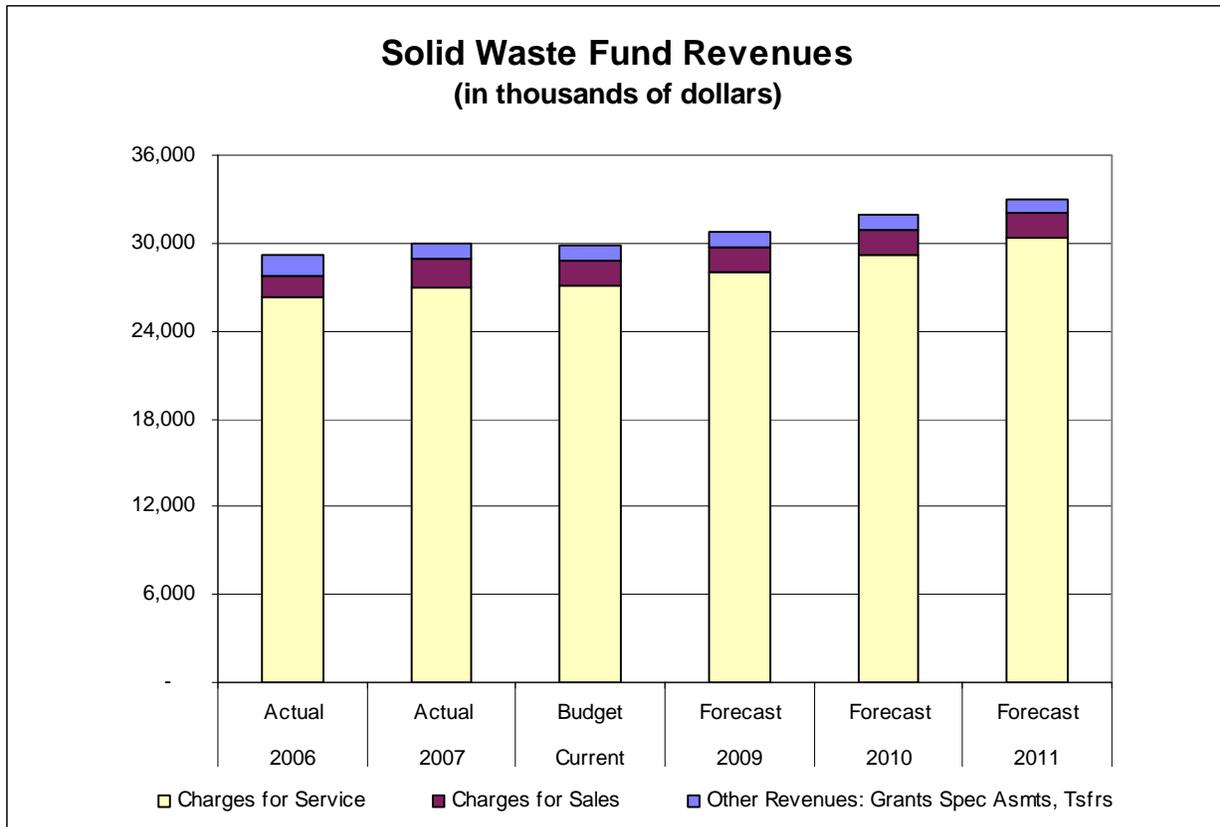
**Background**

The Solid Waste and Recycling Fund accounts for solid waste collection, graffiti removal, and disposal/recycling activities of the City. The Solid Waste Division of Public Works provides weekly trash and yard-waste pickup, bi-weekly recycling pickup, and operates a solid waste transfer station providing service to over 100,000 households. City crews provide approximately one-half of the solid waste collection service and the other half of the service is provided through a contract with a consortium of companies specializing in waste collection.

Funding for Solid Waste and Recycling activities are primarily from solid waste fees. The Fund also receives grants from Hennepin County. To a lesser extent, funding comes from revenues generated through recyclable sales, miscellaneous services, and the organics program.

**Historical Financial Performance**

The overall financial condition of the Solid Waste Fund is strong as a result of management practices and increase in recycling activities. Revenues in the past years have surpassed budgeted amounts. Total revenues for year 2007 were at \$29.9 million compared to a total budget of \$29.7 million. The cash balance for this fund increased from \$15.5 million at year-end 2006 to \$17.4 million at year-end 2007.



Revenue Assumptions (2009)	
Number of dwelling units	104,174
Number of recycling customers	100,600

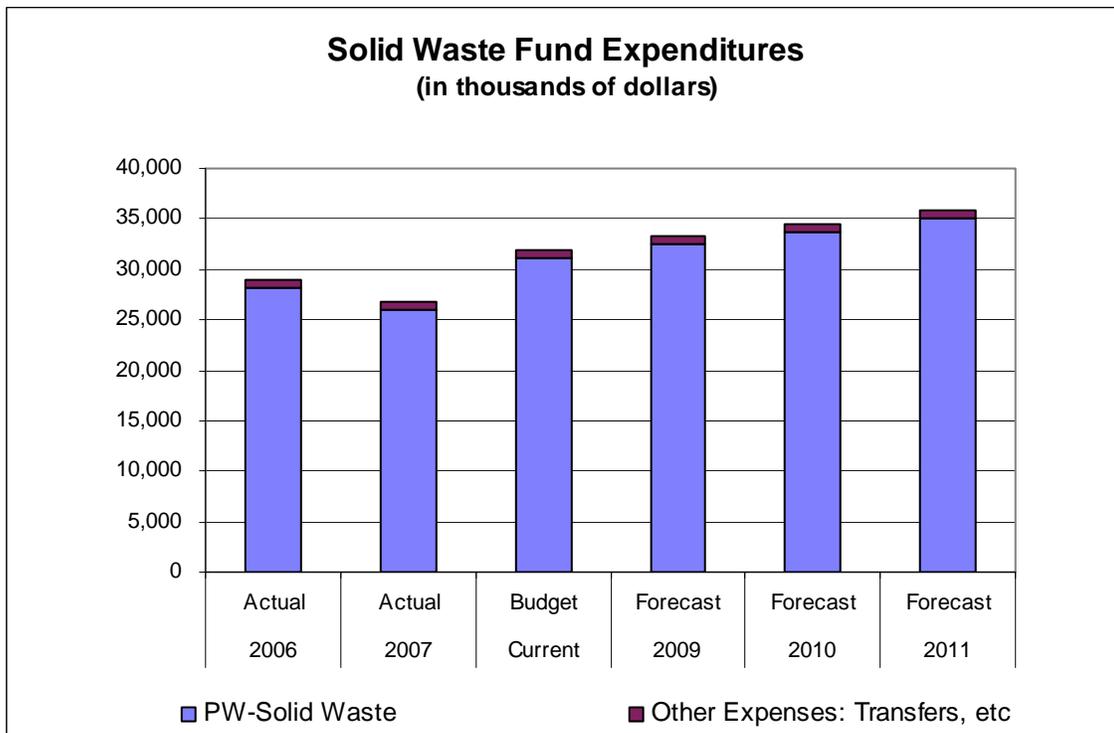
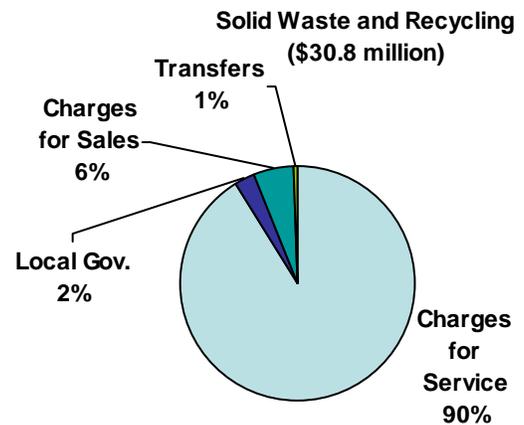
The City has invested over \$7.2 million in equipment from 2005 to 2007 including recycling trailers, loading packer/packer bodies, zoeller lifters, recycling cab chassis's, recycling bodies, and garbage collection cab chassis.

For 2008, year-end revenues from charges for services are projected to reach \$27 million and the total revenues for the fund are projected to reach \$30 million. Expenses for the Solid Waste and Recycling are projected to be \$27.1 million, compared to budgeted amount of \$32 million.

### 2009 Budget

#### Revenues

Revenue budget for 2009 totals \$30.8 million compared to \$29.8 million for 2008. This is an increase of \$1 million or 3% in revenue budget. The 2009 budget includes rate increase of \$1.00 per month per dwelling unit proposing the 2009 base utility rate for solid waste to \$24.00 per unit. At this rate, the "charges for service" revenue for 2009 is projected to increase by \$992,000. The 2009 Hennepin County Recycling Grant will continue at \$800,000.



### Expenditures

The total expenditure budget for 2009 is \$33.3 million compared to \$32 million for 2008. The operating expenditure amount of \$32.4 million is \$1.2 million more compared to \$31.2 million in 2008.

### Transfers

The 2009 budget includes the continuation of a \$700,000 transfer from Solid Waste and Recycling to the General Fund to pay for alley snow plowing, which will ensure delivery of solid waste and recycling services in the alleys; this transfer is projected to remain at \$700,000 in coming years.

A transfer of \$121,000 to the Debt Service Fund for pension obligations related to the Minneapolis Employees Retirement Fund (MERF) is also reflected.

The Solid Waste and Recycling Fund will continue to receive \$146,000 from the Parking Fund to pay for litter container pick-up (downtown). Since 2004, an annual transfer of \$50,000 from the general fund has occurred for graffiti removal.

### Debt Service

This fund does not have any capital debt service payments.

### 2009 Cash balance

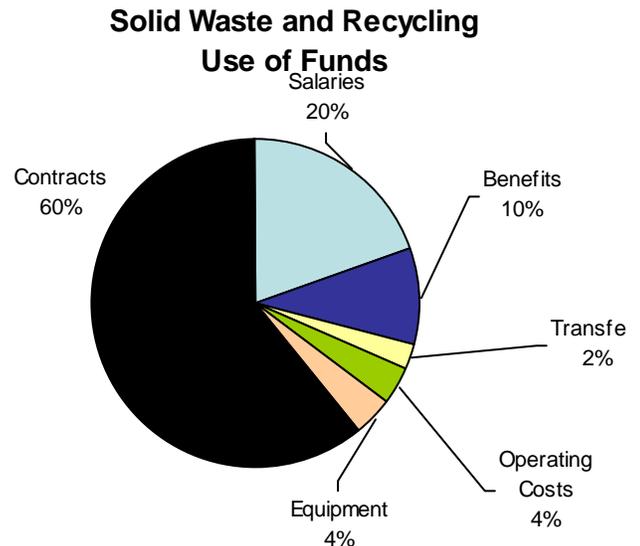
The Fund is projected to have \$12.7 million in cash balance. However, the Division is expecting to spend \$8.4 million on purchase of Transfer Station half of it (\$4.2 million) will be reimbursed by the County, thereby, leaving unrestricted cash balance of \$8.5 million for the year.

### Original Budget

The Mayor recommended and Council approved a \$1.00 increase to solid waste per unit fees for 2009 through 2011 and 0.75 per unit for 2012 and 2013. Graffiti strategies are funded at \$1.2 million from the division's fund balance.

### Council Revised Budget

The budget for this fund includes a reduction of BIS charges of \$7,800 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.



**City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousands of dollars)**

**Solid Waste Fund**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Current Budget</b>	<b>2008 Projected</b>	<b>2009 Budget</b>	<b>% Chg From 2008 Budget</b>	<b>2010 Forecast</b>	<b>2011 Forecast</b>	<b>2012 Forecast</b>
<b>Sources of Funds:</b>									
Local Government	803	784	800	800	800		800	800	800
Charges for Service	26,301	27,029	27,087	27,100	28,079	3.7%	29,201	30,316	31,244
Charges for Sales	1,497	1,876	1,699	1,699	1,699	0.0%	1,699	1,699	1,699
Special Assessments	37								
Other Misc Revenues, Rents	15	32			-				
Operating Transfers In:									
From Grants									
From Parking Fund	146	146	146	146	146		146	146	146
From General Fund	360	50	50	50	50		50	50	50
<b>Total</b>	<b>29,159</b>	<b>29,917</b>	<b>29,782</b>	<b>29,795</b>	<b>30,774</b>	<b>3.3%</b>	<b>31,896</b>	<b>33,011</b>	<b>33,939</b>
<b>Use of Funds:</b>									
PW-Solid Waste	28,147	26,094	31,153	26,282	32,433	4.1%	33,731	35,080	36,483
Transfers									
To General Fund	700	700	700	700	700	0.0%	700	700	700
To BIS Fund									
To Self Insurance Fund									
To MERF Fund	35	78	109	109	121	11.0%	134	148	164
General Services Capital					-				
Finance Department									
Human Resources									
<b>Total</b>	<b>28,882</b>	<b>26,872</b>	<b>31,962</b>	<b>27,091</b>	<b>33,254</b>	<b>4.0%</b>	<b>34,565</b>	<b>35,928</b>	<b>37,347</b>
<b>Fund Margin</b>	<b>277</b>	<b>3,046</b>	<b>(2,180)</b>	<b>2,704</b>	<b>(2,480)</b>	<b>13.8%</b>	<b>(2,669)</b>	<b>(2,917)</b>	<b>(3,407)</b>
<b>Fund Balance</b>	<b>21,689</b>	<b>24,735</b>	<b>22,555</b>	<b>27,439</b>	<b>20,075</b>	<b>-11.0%</b>	<b>17,405</b>	<b>14,489</b>	<b>11,081</b>
<b>Cash Balance</b>	<b>15,497</b>	<b>17,373</b>	<b>15,194</b>	<b>20,077</b>	<b>12,713</b>	<b>-16.3%</b>	<b>10,044</b>	<b>7,127</b>	<b>3,720</b>

**City of Minneapolis  
FY 2009 Budget  
Financial Plan**

**Stormwater Fund**

**Background**

The Sewer Fund was previously a combination of Stormwater and Sanitary Sewer, which was split in 2005 to form two separate funds: Stormwater Fund and Sanitary Sewer Fund. A portion of the Stormwater Fund accounts for storm water interceptor and treatment services, a 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 works.

**Historical Financial Performance**

In 2007, revenues increased to \$37.7 million compared to \$31.7 million in 2006. Proceeds from sale of bonds and rate increase account for \$5.3 million of the \$6 million increase in 2007. The remainder of that increase is from other combined sources which include State, County, assessments, miscellaneous activities and reimbursable jobs. The expenditures in 2007 were \$35.6 million compared to \$37.8 million in 2006, a decrease of 6%. Most of the decrease can be attributed to capital programs and debt service activities. Scheduled payments in these two areas were approximately \$1.8 million less in 2007 than in 2006.

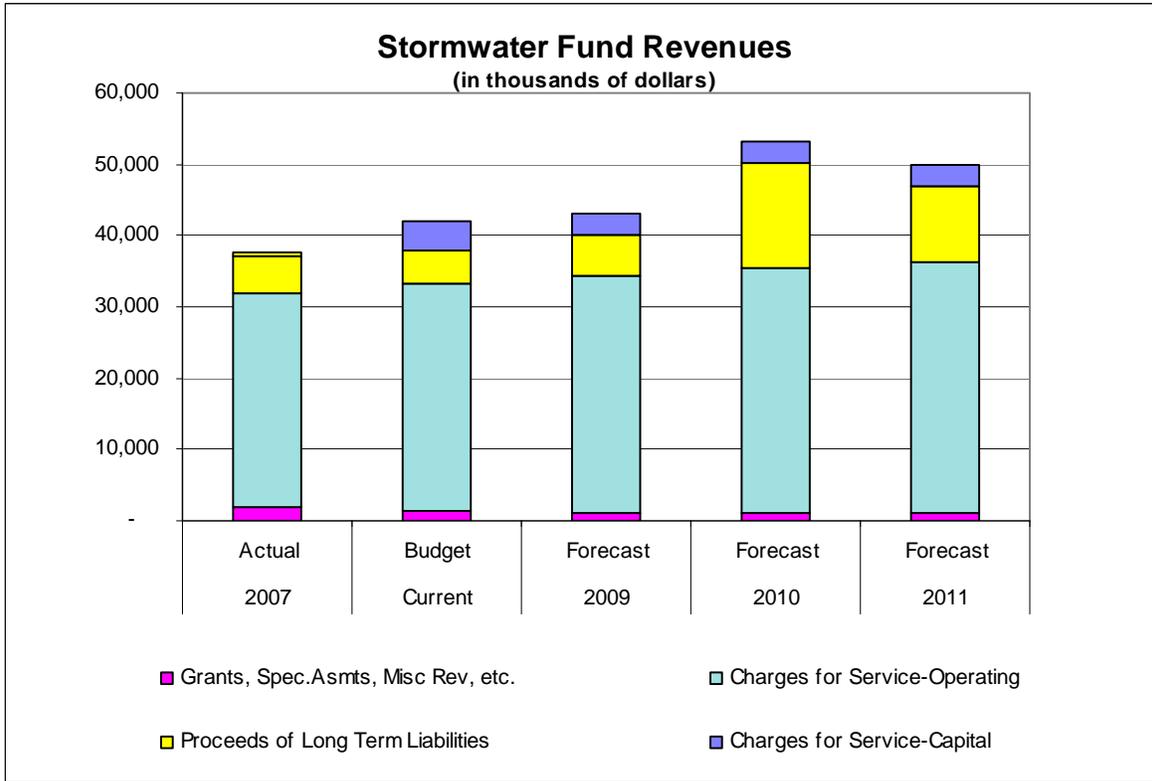
**2009 Budget**

*Revenues*

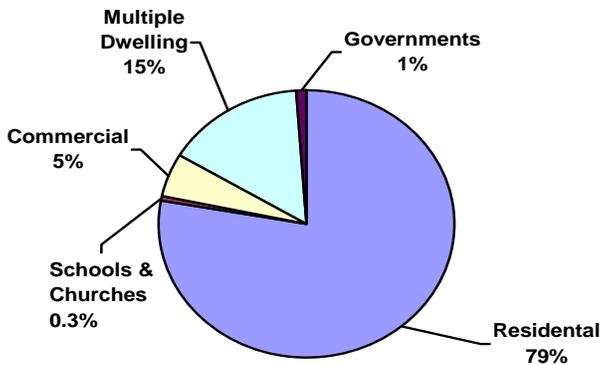
The 2009 revenue budget is \$43.1 million, an increase of 2.9%, from 2008 budget of \$41.9 million. For 2009, stormwater service charges are calculated based on 2008 budget, increasing the projected operating revenue to \$33.2 million, a 3.4% increase from 2008. Funds from local government are expected to be lower and the State funds are expected to remain the same as 2008.

<b>Year</b>	<b>Rate per ESU (Equivalent Stormwater Unit)</b>	<b>% Increase</b>	<b>Total Planned Revenue from Utility Fee</b>
2009	\$10.77	5%	\$33.2 million
2010	\$11.09	3%	\$34.1 million
2011	\$11.42	3%	\$35.1 million
2012	\$11.65	2%	\$35.8 million
2013	\$11.88	2%	\$36.5 million

Note: Total revenue from charges for services in the financial plan exceeds the amount generated by the utility fee because revenue is also deposited in the Stormwater Fund from sources other than utility fees, such as capital work for others billings.



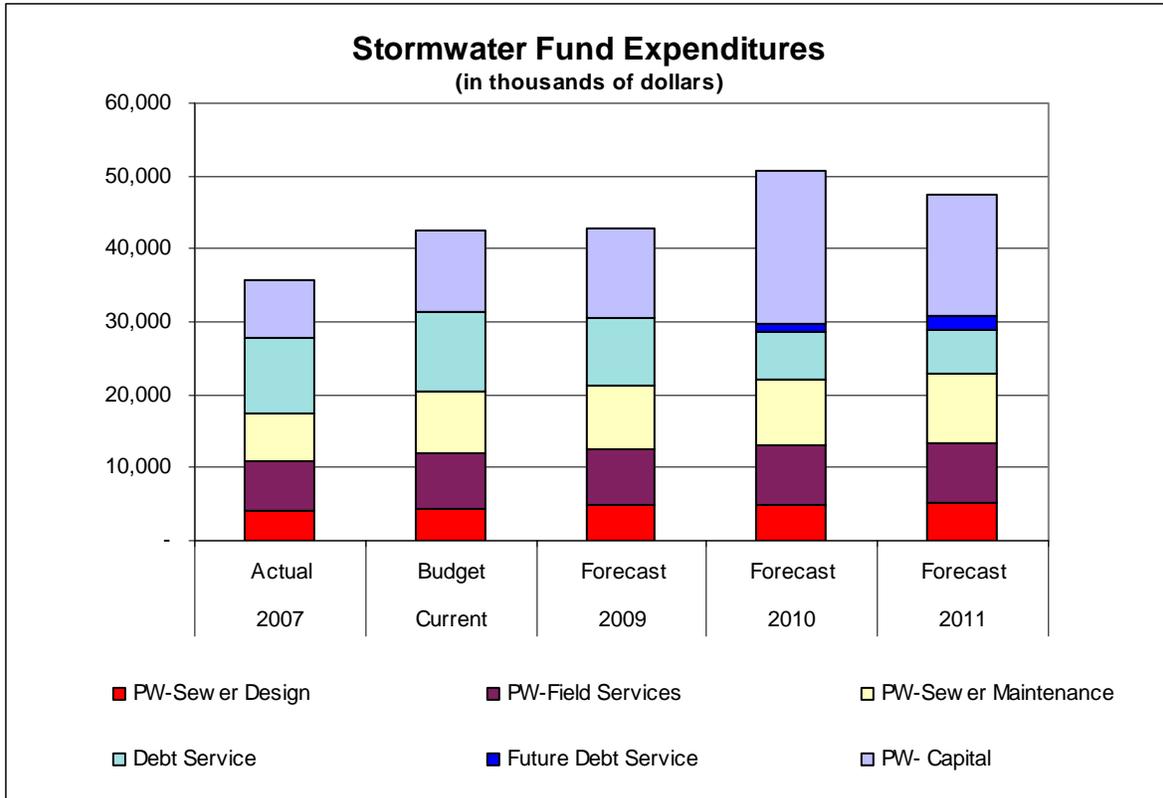
#### Total Active Stormwater Property Types



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 2009 expenditure budget for the Stormwater Fund totals \$43.2 million compared to \$42.9 million in 2008. This is an increase of 0.6% over 2008. Based on actual expenditures of preceding years, estimated expenditure budget for 2009 has remained at the 2008 level. The Stormwater Fund is used in line of activities such as storm design, maintenance, environmental services, and Combined Sewer Overflow programs.



**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 set aside for 2009 from maintenance budget with additional funding coming from the Capital programs.

**Transfers**

A total transfer of \$292,000 is budgeted for 2009 for the unfunded portion of the Minneapolis Employees Retirement Fund (MERF) pension liability.

**Debt Service**

The debt service payments are primarily for bonds sold to finance the Combined Sewer Overflow (CSO) and flood mitigation programs. For 2009, the estimated amount for debt service is \$9.3 million.

**Original Budget**

The Mayor recommended and Council approved an increase of \$0.51 per equivalent stormwater unit from 2008 to 2009 for the stormwater utility rate.

**Council Revised Budget**

The budget for this fund includes a reduction of BIS charges of \$9,500 due to the Council’s actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor’s recommendations. This reduction in BIS charges will subsequently reduce the department’s appropriation by the same amount.

**City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousands of dollars)**

**Stormwater Sewer Fund - 7300**

	2006 Actual	2007 Actual	2008 Current Budget	2008 Projected	2009 Revised Budget	% Chg From 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>									
Federal Government			747	747	749	0.3%	749	749	749
State Government	759	864	333	333	273	-17.9%	273	273	273
Local Government	206	271	32,091	29,504	33,182	3.4%	34,137	35,120	35,796
Charges for Service-Operating	29,021	29,986	4,000	4,000	3,000	-25.0%	3,000	3,000	3,000
Charges for Service-Capital	431	712	1	1	1		1	1	1
Charges for Sales	28	26	115	115	115		115	115	115
Special Assessments	327	502	-	-	-		-	-	-
Interest		1	47	47	47		47	47	47
Other Misc Revenues	-12	284	4,543	4,543	5,713	25.8%	14,861	10,577	4,167
Proceeds of Long Term Liabilities	902	5,051							
<b>Total</b>	<b>31,663</b>	<b>37,696</b>	<b>41,877</b>	<b>39,290</b>	<b>43,081</b>	<b>2.9%</b>	<b>53,184</b>	<b>49,883</b>	<b>44,149</b>
<b>Use of Funds:</b>									
PW-Sewer Design	3,842	4,171	4,443	3,882	4,837	8.9%	5,030	5,232	5,441
PW-Field Services	7,211	6,764	7,615	6,777	7,644	0.4%	7,950	8,268	8,599
PW-Sewer Maintenance	6,581	6,458	8,345	6,662	8,811	5.6%	9,076	9,439	9,816
Debt Service	10,851	10,381	11,025	11,025	9,282	-15.8%	6,521	5,904	3,846
Future Debt Service							1,265	1,903	3,730
Transfers	148	49	264	264	292	10.6%	325	358	396
PW- Capital	9,191	7,819	11,193	11,193	12,394	10.7%	20,819	16,597	10,015
<b>Total</b>	<b>37,824</b>	<b>35,642</b>	<b>42,886</b>	<b>39,803</b>	<b>43,260</b>	<b>0.9%</b>	<b>50,986</b>	<b>47,701</b>	<b>41,842</b>
<b>Change in Net Assets</b>	<b>(6,160)</b>	<b>2,054</b>	<b>(1,009)</b>	<b>(513)</b>	<b>(179)</b>	<b>-82.3%</b>	<b>2,198</b>	<b>2,182</b>	<b>2,306</b>
<b>Net Asset Balance</b>	<b>223,450</b>	<b>231,483</b>	<b>230,474</b>	<b>222,936</b>	<b>222,757</b>	<b>-3.3%</b>	<b>224,956</b>	<b>227,138</b>	<b>229,443</b>
<b>Cash Balances</b>	<b>1,212</b>	<b>810</b>	<b>(199)</b>	<b>297</b>	<b>(378)</b>	<b>89.9%</b>	<b>1,820</b>	<b>4,002</b>	<b>6,308</b>
Operating Cash									
Construction Cash									
<b>Total Cash Balance</b>	<b>1,212</b>	<b>810</b>	<b>(199)</b>	<b>297</b>	<b>(378)</b>	<b>89.9%</b>	<b>1,820</b>	<b>4,002</b>	<b>6,308</b>



**City of Minneapolis  
FY 2009 Budget  
Financial Plan**

**Sanitary Sewer Fund**

**Background**

The Sanitary Sewer Fund, which had previously consisted of a combination of Stormwater and Sanitary Sewer, was split into two separate funds in 2005.

The Fund accounts for 85% of the contractual payments to the Metropolitan Council Environmental Services (MCES) for sewage interceptor and treatment services. It also accounts for sanitary sewer maintenance and design.

**Historical Financial Performance**

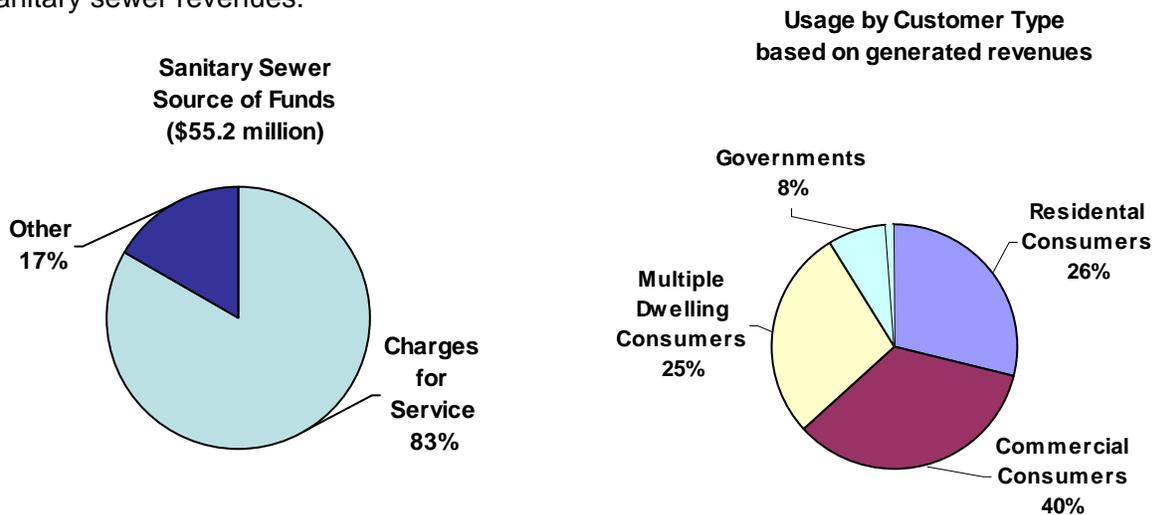
The Sanitary Sewer fund has had positive retained earnings in the past. This is due to planned rate increases resulting in surplus revenues and expenditures falling in line with the budget.

**2009 Budget**

*Revenues*

The revenue budget for Sanitary Sewer Fund for 2009 is \$55.2 million compared to \$49.3 million in 2008. This is an increase of \$5.9 million or 12% over 2008. The increase is mostly due to bond revenue for capital projects. Besides Inflow & Infiltration (I & I) removal program, which aims to reduce the excess water flow in the system, an additional \$4.2 million is set aside for tunnel and sewer rehab work in 2009. Inflow is typically a structure that collects surface water and drains to the sanitary sewer. Infiltration is the seepage of groundwater into sanitary pipes through cracks and joints. Inflow and infiltration (I & I) contribute significant amounts of excess flow which contributes to a combined sewer overflow (CSO).

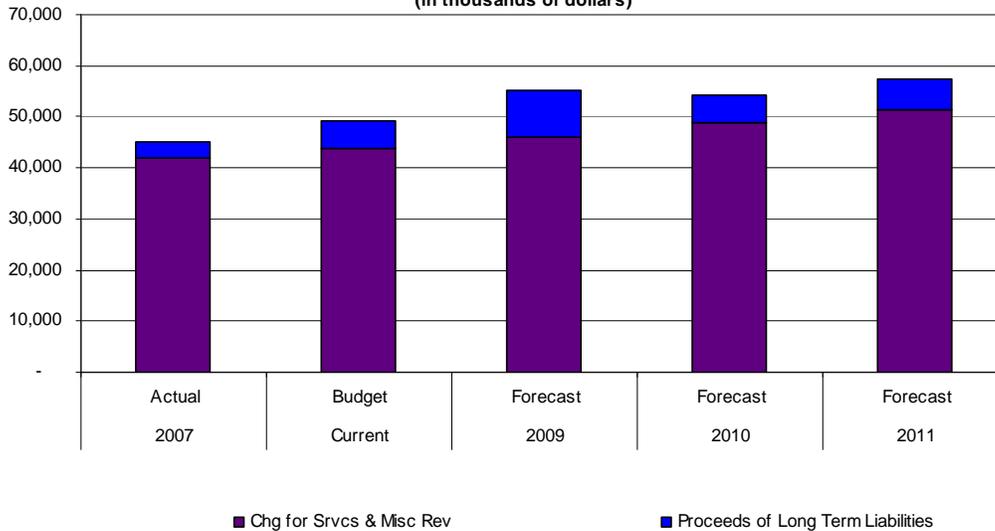
As the number of bond-funded capital projects increase, proceeds from these bond sales increase as well. The Sanitary Sewer Fund has a per-unit rate of \$2.61 (cost per 100 cubic feet), an increase of \$0.16 per unit over 2008. The fee will be used to pay for ongoing operating expenses and related capital projects. Services availability charges (SAC) are included in the sanitary sewer revenues.



Year	Rate (cost per 100 cubic feet)	% Increase	Average Monthly Bill	Total Planned Revenue from Utility Fee
2009	\$2.61	6.5%	\$15.66	\$43.2 million
2010	\$2.78	6.5%	\$16.68	\$46.0 million
2011	\$2.94	5.8%	\$17.64	\$48.6 million
2012	\$3.10	5.4%	\$18.60	\$51.3 million
2013	\$3.25	4.8%	\$19.50	\$53.7 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)

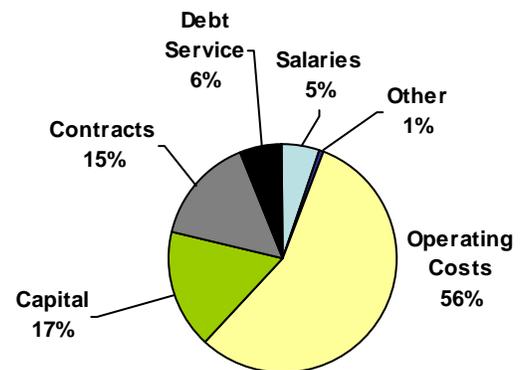


**Expenditures**

The expenditure budget for 2009 is \$54.5 million compared to \$48 million in 2008. This increase is \$7 million, or 14%, over 2008. Most of the increases stem from increased capital programs and related debt service. The largest expense category in the sanitary sewer fund is the sanitary sewer charge paid to the Met Council Environmental Services (MCES).

Estimated payment to MCES for 2009 is \$31.4 million, an increase of \$1.2 million over 2008. The fund also includes \$7.2 million for sanitary sewer system maintenance and design. Minneapolis is the largest customer in MCES' system.

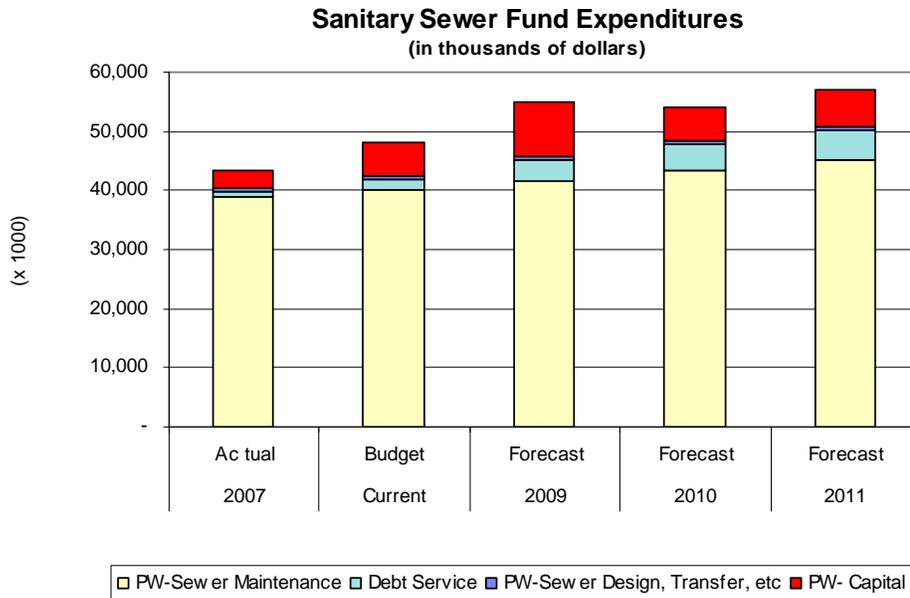
**Sanitary Sewer Use of Funds (\$54.5 million)**



**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. Therefore, all debt service prior to 2007 was allocated to the stormwater 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. In 2009, \$9.2 million of the budget is set aside for capital program and \$3.4 million is set aside as debt service payments for bonds sold in current and previous years to fund these projects.



### Original Budget

The Mayor recommended and Council approved a rate increase of \$0.16 per unit for 2009 in sanitary sewer billings in order to meet increase in operating and debt service charges.

### Council Revised Budget

The budget for this fund includes a reduction of BIS charges of \$3,700 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousands of dollars)

Sanitary Sewer Fund - 7100

	2006 Actual	2007 Actual	2008 Current Budget	2008 Projected	2009 Council Revised	% Chg from 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>									
Charges for Service	39,342	42,007	43,769	43,769	45,945	5.0%	48,749	51,412	54,035
Other Misc Revenues	-	-	51	51	51	-	53	56	59
Proceeds of Long Term Liabilities	553	3,023	5,500	5,500	9,226	67.7%	5,500	6,000	8,000
<b>Total</b>	<b>39,895</b>	<b>45,030</b>	<b>49,320</b>	<b>49,320</b>	<b>55,222</b>	<b>12.0%</b>	<b>54,302</b>	<b>57,468</b>	<b>62,093</b>
<b>Use of Funds:</b>									
PW-Sewer Design	92	258	312	312	357	14.4%	371	386	401
PW-Sewer Maintenance	38,398	38,807	40,205	40,205	41,283	2.7%	43,307	45,039	46,841
Debt Service	-	904	1,641	1,641	3,372	105%	4,476	5,107	6,145
Transfers	-	-	-	-	-	-	-	-	-
To Debt Service for MERF Liability	-	348	264	264	292	10.6%	325	358	396
To BIS Fund	-	-	-	-	-	-	-	-	-
To Self Insurance Fund	-	-	-	-	-	-	-	-	-
PW-Capital	228	3,023	5,625	5,625	9,226	64.0%	5,500	6,000	8,000
<b>Total</b>	<b>38,718</b>	<b>43,340</b>	<b>48,047</b>	<b>48,047</b>	<b>54,530</b>	<b>13.5%</b>	<b>53,979</b>	<b>56,890</b>	<b>61,783</b>
<b>Change in Net Assets</b>	<b>1,177</b>	<b>1,690</b>	<b>1,273</b>	<b>1,273</b>	<b>693</b>	<b>-45.6%</b>	<b>323</b>	<b>578</b>	<b>310</b>
<b>Net Asset Balance</b>	<b>85,881</b>	<b>86,142</b>	<b>87,415</b>	<b>87,415</b>	<b>88,107</b>	<b>0.8%</b>	<b>88,430</b>	<b>89,008</b>	<b>89,318</b>
<b>Cash Balances</b>									
Operating Cash	7,597	8,483	9,757	9,757	10,448	7.1%	10,772	11,349	11,659

**City of Minneapolis  
FY 2009 Budget  
Financial Plan**

**Water Fund**

**Background**

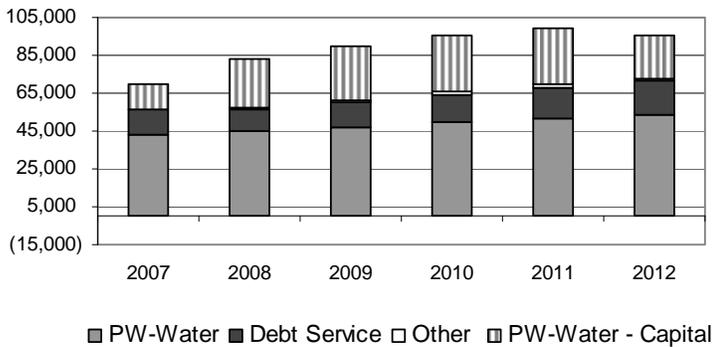
The Water Fund accounts for the operation and maintenance of a water distribution system for the City and several suburban city customers. The City currently sells water to seven cities including Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal and Edina.

**Historical Financial Performance**

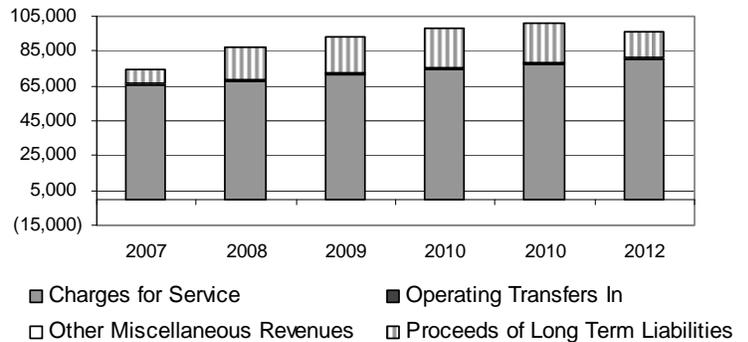
The financial condition of this fund has been stable historically. The net assets of the Water Fund have increased over the past several years due primarily to the timing of scheduled rate increases for major capital improvements. The following table shows the revenue earned from Minneapolis and suburban sales for years 2006-2008:

Source of Revenue	2006	2007	2008 Projected
Bloomington	\$2,968,000	\$3,440,000	\$3,127,000
Columbia Heights	1,037,000	1,005,000	1,053,000
Edina	240,000	275,000	233,000
Joint Water Commission	5,279,000	5,578,000	5,607,000
Hilltop	92,000	1,263,000	100,000
<b>Total Suburban</b>	<b>\$9,616,000</b>	<b>\$11,561,000</b>	<b>\$10,120,000</b>
Minneapolis	50,138,000	51,488,000	52,644,000
<b>Total Revenue</b>	<b>\$59,754,000</b>	<b>\$63,049,000</b>	<b>62,764,000</b>

**Water Fund Expenditures**  
(in thousands of dollars)



**Water Fund Revenues**  
(in thousands of dollars)



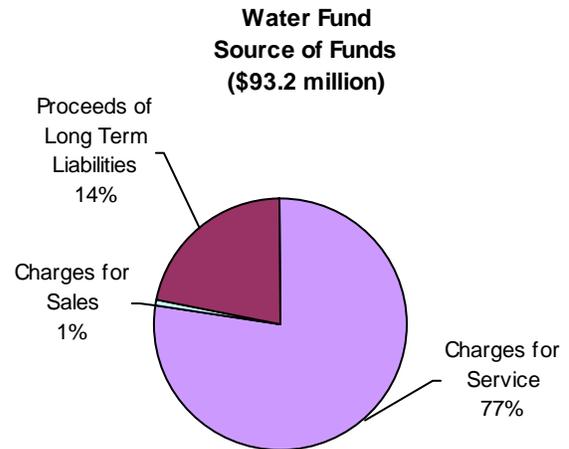
## 2009 Budget

### Revenues

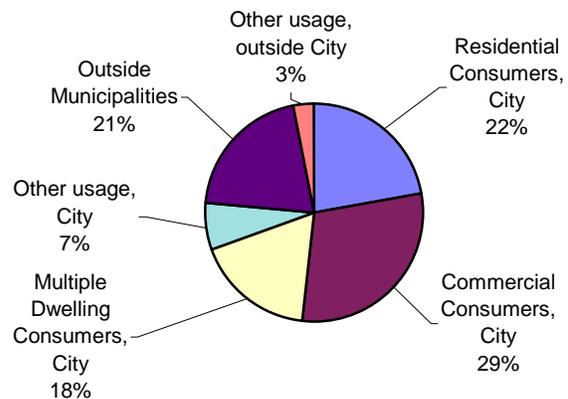
There are projected rate increases for years 2009-2012 to pay debt service for the capital expenditures, as well as to cover anticipated growth in operating expenditures and to repair infrastructure. Rate increases may not result in increased revenue due to variable water consumption. A long-term trend 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 \$2.75/unit in 2008 to \$2.91/unit in 2009. The rate increase will provide funding for the multi-year capital projects and water distribution improvements



**Charges for Service (by consumer consumption)  
Based on 2007 Consumption**



Year	Rate (cost per 100 cubic feet)	Cost Per Month for Average Consumer <sup>1</sup>	% Increase	Total Planned Revenue from Utility Fee
2009	\$2.91	23.28	6.0%	\$70.7 Million
2010	\$3.03	24.24	4.2%	\$73.5 Million
2011	\$3.15	25.20	4.0%	\$76.4 Million
2012	\$3.28	26.24	4.2%	\$79.4 Million
2013	\$3.42	27.36	4.3%	\$82.7 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
2009	1.84	3.1%	\$10.0 Million
2010	1.89	2.6%	\$10.3 Million
2011	1.96	3.6%	\$10.6 Million
2012	2.00	2.4%	\$10.9 Million
2013	2.05	2.7%	\$11.2 Million

### Expenditures

The budget provides funding for the capital improvement program. Current capital projects include SCADA (Supervisor Control and Data Acquisition for the water treatment process), two Ultrafiltration Membrane Plants, and the rehabilitation of Pump Station #4. The 2009 capital budget is \$27.8 million, an increase of approximately \$2 million, or 8.8%, from the 2008 capital budget of \$25.5 million. The increase is largely due to the timing of funding for the Ultrafiltration program.

### 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 \$1.07 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.

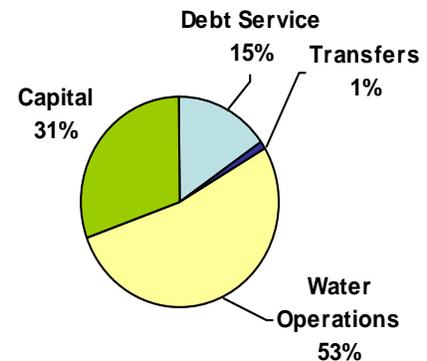
### Original Budget

The Mayor recommended and Council approved an increase to the per unit water rate of \$0.16. The Mayor also recommends Water use its resources to fund up to \$50,000 in drinking fountain maintenance.

### Council Revised Budget

The budget for this fund includes a reduction of BIS charges of \$23,200 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**Use of Funds  
Water Fund – 7400  
(\$90.5 million)**



**City of Minneapolis**  
**FY 2009 Budget**  
**Financial Plan (in thousands of dollars)**

**Water Fund - 7400**

	2007 Actual	2008 Current Budget	2008 Projected	2009 Budget	% Chg from 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>								
Licenses and Permits	1	1	1	1		1	1	1
Charges for Service	65,520	67,489	64,558	71,898	7%	74,681	77,473	80,485
Charges for Sales	920	1,315	1,315	822	-37%	847	872	898
Other Misc Revenues	2	20	31	1	-95%	1	1	1
Operating Transfers In	-	-	-	-		-	-	-
Proceeds of Long Term Liabilities	8,509	18,250	18,250	20,500	12%	22,500	22,500	14,500
<b>Total</b>	<b>74,952</b>	<b>87,075</b>	<b>84,155</b>	<b>93,222</b>	<b>7.1%</b>	<b>98,030</b>	<b>100,847</b>	<b>95,885</b>
<b>Use of Funds:</b>								
PW-Water	43,097	44,758	44,844	47,908	7.0%	49,653	51,599	53,873
Debt Service	12,901	11,840	11,840	13,795	16.5%	14,688	16,461	17,460
Transfers								
To Debt Service for MERF Liability	760	967	967	1,071	10.7%	1,192	1,313	1,451
PW-Water - Capital	13,287	25,500	25,500	27,750	8.8%	29,750	30,000	22,250
<b>Total</b>	<b>70,045</b>	<b>83,065</b>	<b>83,151</b>	<b>90,524</b>	<b>9.0%</b>	<b>95,282</b>	<b>99,373</b>	<b>95,034</b>
<b>Water Works Fund Margin</b>	<b>4,907</b>	<b>4,010</b>	<b>1,004</b>	<b>2,698</b>	<b>-32.7%</b>	<b>2,748</b>	<b>1,474</b>	<b>852</b>
<b>Water Fund Balance</b>	<b>154,866</b>	<b>158,876</b>	<b>155,870</b>	<b>158,568</b>	<b>-0.2%</b>	<b>161,316</b>	<b>162,790</b>	<b>163,642</b>
<b>Cash Balance</b>	<b>1,965</b>	<b>5,976</b>	<b>5,976</b>	<b>9,796</b>	<b>63.9%</b>	<b>12,545</b>	<b>14,018</b>	<b>14,870</b>

**City of Minneapolis  
FY 2009 Budget  
Financial Plan**

**Public Works Stores Fund**

**Background**

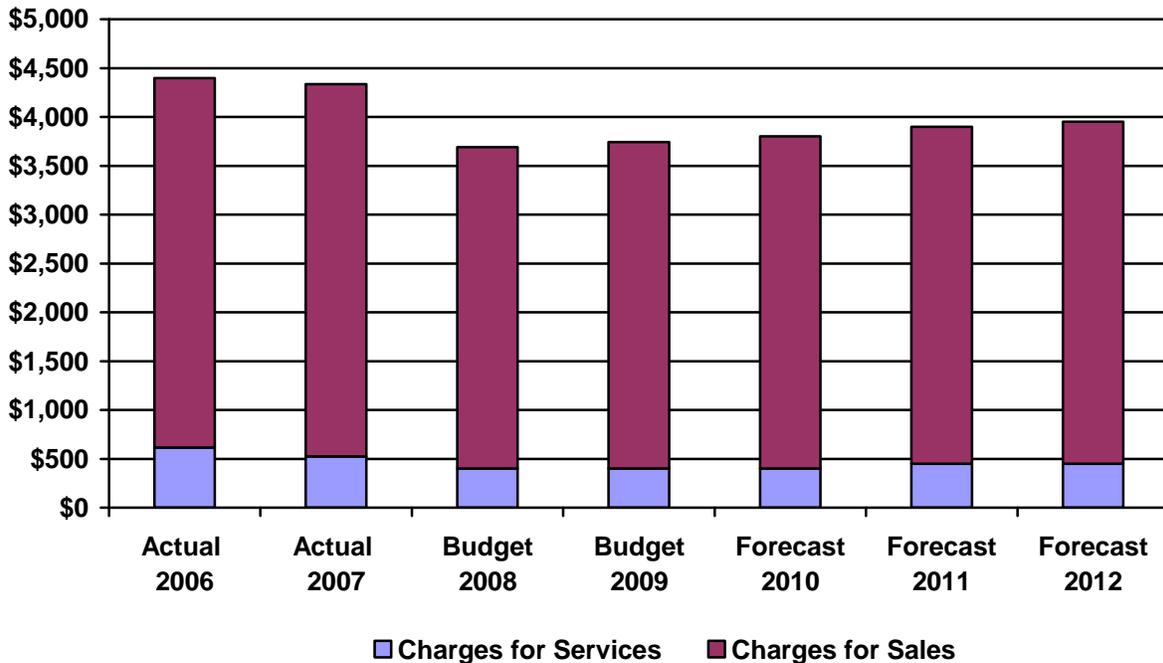
The Public Works Stores fund accounts for the centralized procurement, receiving, warehousing, and distribution of stocked inventory items, and the purchase of special goods and services through Public Works central and traffic stores.

**Historical Financial Information**

Public Works has operated central stores since it was established by the City Council in January 1965. At that time the stockrooms of property services, bridge maintenance, paving construction, and sewer construction and maintenance were combined to establish a central stores operation. In 1980, central stores began purchasing all of the City's needs for office supplies and non-specialty items.

A study was completed in June 1998 and recommended a redesign of the central stores function to include a revised overhead structure and new directives to use the central stores. The revised plan resulted in positive net income for years 2000 through 2007. Projections for 2008 also indicate a slight gain.

**Public Works Stores Revenue**  
(in thousands of dollars)





## 2009 Budget

### Revenues

Revenues are expected to be sufficient in 2009, at \$3.7 million to cover the \$3.7 million of budgeted expenditures. Revenues are budgeted with an anticipated increase of 1.5% over the revenues for 2008. The fund's pricing structure is under review in order to lower current overhead rates that were required to create a positive cash flow. The fund required an intrafund cash advance of \$570,000 at year-end 2007 to cover a shortfall and incurred a liability for the advance. Unless inventories can be reduced, this fund will require a cash advance to maintain a positive cash position with its modest projected profits.

### Expenditures

Expenditures in the fund are primarily for replenishing the fund's approximate \$3.0 million inventory, which has resulted in the fund's continuing negative cash balance. Public Works and Finance will review the carrying cost of this inventory level and determine if adjustments are required, which may impact future financial plans for this fund.

The budget also includes a change in accounting for the general fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies.

### Transfers

There is a transfer out in 2009 for \$34,000 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.

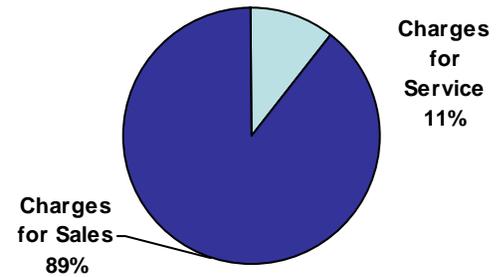
### Original Budget

The Mayor recommended and Council approved no changes to the current service level for the Public Works Stores fund.

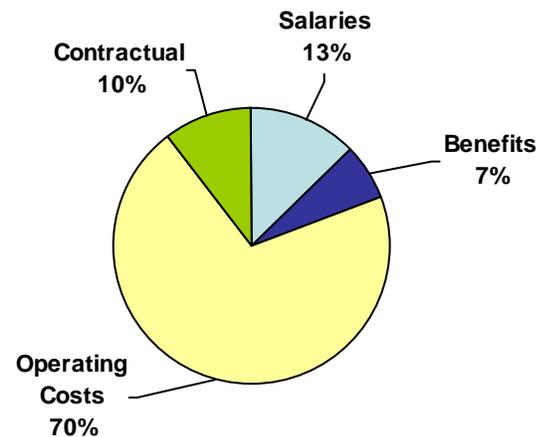
### Council Revised Budget

The budget for this fund includes a reduction of BIS charges of \$1,000 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**Public Works Stores Fund  
Source of Funds  
(\$3.7 million)**



**Public Works Stores Funds  
Use of Funds  
(\$3.7 million)**



**City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousands of dollars)**

**Public Works Stores Fund - 6300**

	2006 Actual	2007 Actual	2008 Current Budget	2008 Projected	2009 Budget	% Chg From 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Fund:</b>									
Charges for Services	617	524	400	400	401	0.2%	402	450	450
Charges for Sales	3,781	3,811	3,290	4,040	3,343	1.6%	3,400	3,450	3,500
<b>Total</b>	<b>4,398</b>	<b>4,335</b>	<b>3,690</b>	<b>4,440</b>	<b>3,744</b>	<b>1.5%</b>	<b>3,802</b>	<b>3,900</b>	<b>3,950</b>
<b>Use of Funds:</b>									
Personal Services	621	732	679	679	717	5.6%	750	760	770
Contractual Services	230	249	280	280	344	22.9%	350	350	350
Materials and other	88	61	247	247	242	-2.0%	230	240	250
Rent	68	25	29	29	34	17.2%	35	37	38
Cost of Stores Issuance	3,066	3,096	2,422	3,172	2,373	-2.0%	2,400	2,450	2,500
Transfers	-	11	31	31	34	9.7%	35	36	37
<b>Total</b>	<b>4,073</b>	<b>4,174</b>	<b>3,688</b>	<b>4,438</b>	<b>3,744</b>	<b>1.5%</b>	<b>3,800</b>	<b>3,873</b>	<b>3,945</b>
<b>Change in Net Assets</b>	<b>326</b>	<b>161</b>	<b>2</b>	<b>2</b>	<b>-</b>		<b>2</b>	<b>27</b>	<b>5</b>
<b>Net Assets</b>	<b>3,370</b>	<b>3,531</b>	<b>3,533</b>	<b>3,533</b>	<b>3,533</b>		<b>3,535</b>	<b>3,562</b>	<b>3,567</b>
<b>Cash Balance<sup>1</sup></b>	<b>(877)</b>	<b>(561)</b>	<b>(559)</b>	<b>(559)</b>	<b>(559)</b>		<b>(557)</b>	<b>(530)</b>	<b>(525)</b>

<sup>1</sup>Note: The 2007 CAFR cash balance is \$8,946. The actual ending cash balance was a deficit of \$561,054. At year end 2007, the fund received an interfund transfer of \$570,000 for the deficit. The interfund transfer was reversed in 2008. In 2006, the CAFR cash balance was \$736 and the actual cash balance was a deficit of \$877,264.

**City of Minneapolis  
FY 2009 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.

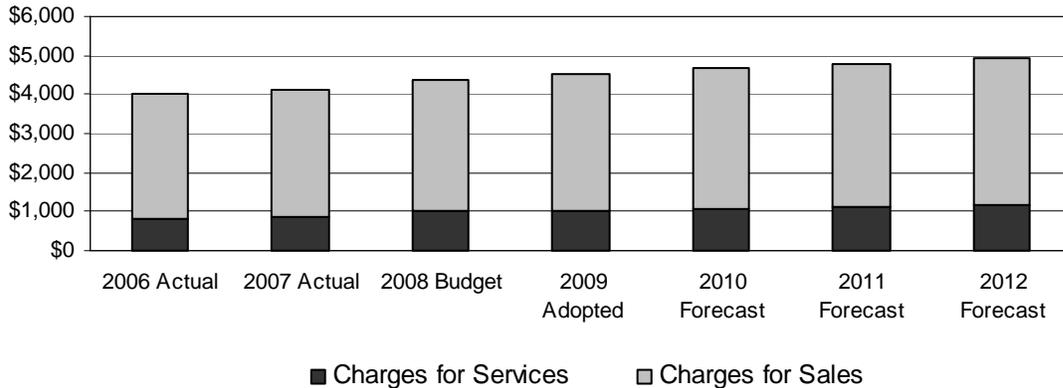
**Historical Financial Performance**

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 \$1.3 million of which \$777,000 is due to the loss on the disposal of the asphalt plant.

**2009 Budget**

**Engineering Materials and Testing Revenue**



*Revenues*

This fund generates revenue from Engineering Services at the 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. The 2009 revenue budget is \$4.5 million, an increase of 3.4% from 2008. This increase is primarily due to an increase in sales of asphalt and concrete.

### Expenditures

The expenditures are based on the cost of engineering laboratory personnel and the anticipated expense for asphalt and ready-mix concrete. The budget also includes a change in accounting for the general fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies. The 2009 expenditure budget is \$4.7 million which is an increase of 7.2% over the 2008 budget.

### Transfers

The 2009 budget includes a transfer out of \$58,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

### Debt Service

This fund does not have long-term debt.

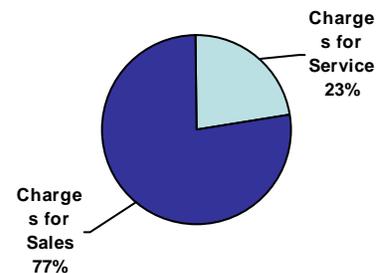
### Original Budget

The Mayor recommended and Council approved no changes to the financial plan.

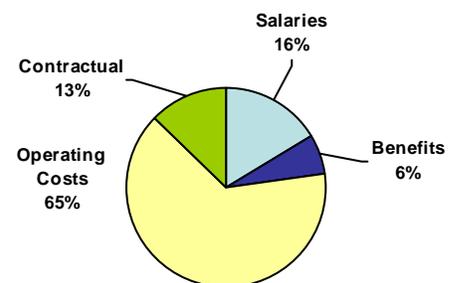
### Council Revised Budget

Public Works moved two positions to this fund to more accurately reflect where cost is being incurred, which is consistent with the Mayor's recommendations.

**Source of Funds  
(\$4.5 million)**



**Use of Funds  
(\$4.7 million)**



**City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousands of dollars)**

**Engineering, Materials and Testing - 6000**

	2006 Actual	2007 Actual	2008 Current Budget	2008 Projected	2009 Budget	% Chg From 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>									
Charges for Services	828	846	1,000	1,000	1,030		1,080	1,100	1,150
Charges for Sales	3,180	3,251	3,381	3,381	3,501		3,600	3,700	3,800
Other Misc Revenues	-	-	-	-	-		-	-	-
<b>Total</b>	<b>4,008</b>	<b>4,097</b>	<b>4,381</b>	<b>4,381</b>	<b>4,531</b>	<b>3.4%</b>	<b>4,680</b>	<b>4,800</b>	<b>4,950</b>
<b>Use of Funds:</b>									
Personal Services	781	790	958	958	1,257	31.2%	1,100	1,150	1,200
Contractual Services	330	321	532	532	508	-4.5%	500	500	500
Materials and other	2,904	2,902	2,793	2,793	2,787	-0.2%	2,900	2,950	3,000
Rent	55	96	46	46	86	87.0%	100	100	100
Interest	-	-	-	-	-		-	-	-
Transfers	22	42	53	53	58	9.4%	60	60	60
<b>Total</b>	<b>4,092</b>	<b>4,151</b>	<b>4,382</b>	<b>4,382</b>	<b>4,696</b>	<b>7.2%</b>	<b>4,660</b>	<b>4,760</b>	<b>4,860</b>
<b>Change in Net Assets</b>	<b>(104)</b>	<b>(70)</b>	<b>(1)</b>	<b>(1)</b>	<b>(165)</b>		<b>20</b>	<b>40</b>	<b>90</b>
<b>Net Assets</b>	<b>267</b>	<b>197</b>	<b>196</b>	<b>196</b>	<b>31</b>		<b>51</b>	<b>91</b>	<b>181</b>
<b>Cash Balance</b>	<b>294</b>	<b>243</b>	<b>242</b>	<b>242</b>	<b>77</b>		<b>97</b>	<b>137</b>	<b>227</b>

**City of Minneapolis  
FY 2009 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 and is projected to do so in 2008. Assumptions in the plan anticipated the first positive change in net assets to occur in 2007.

The City Council has appropriated an annual average of \$1.5 million for technology projects from 2008 through 2012. The City technology expenditures exceed that amount. In 2007, BIS incurred nearly \$15.5 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 and may result in a decrease in net assets. The increase in debt service will be partially offset by a commitment from the general fund of \$0.4 million in additional resources in 2009.

This fund continues to be active with new initiatives:

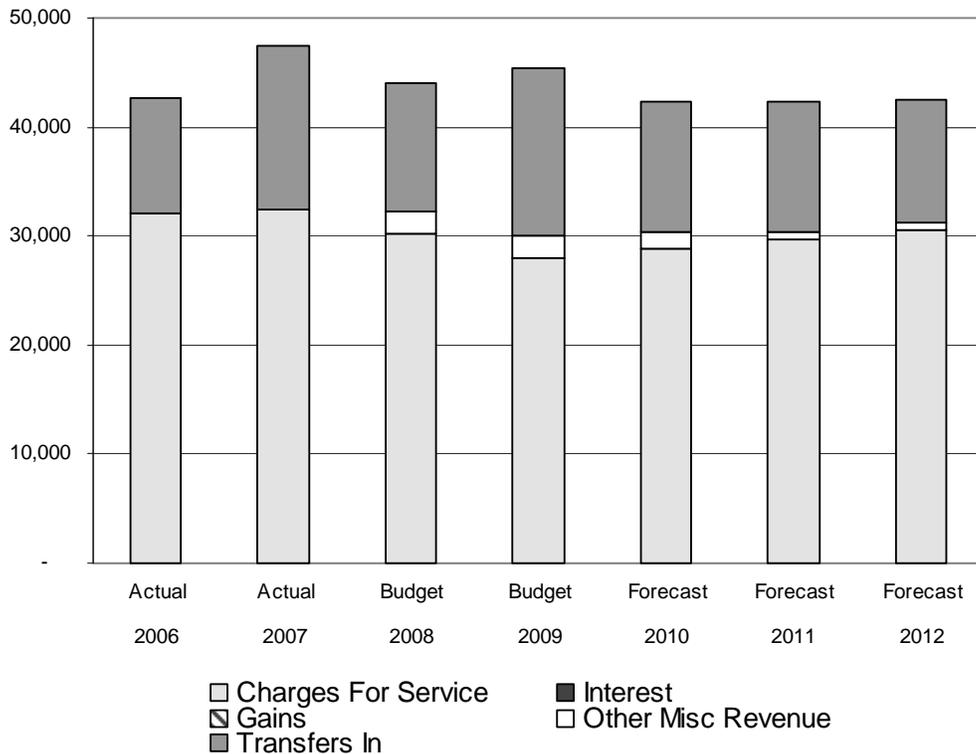
- Wireless Minneapolis: a City-wide wireless broadband IP data access network for use by residents, businesses, guests and governmental entities is expected to be completed by the end of the third quarter of 2008. The City has entered into a 10-year contract with US Internet as the anchor tenant of the network, committing to \$1.25 million in annual usage.
- Other initiatives include an Emergency Operations Command Center, mobile housing inspectors, impound management software, continue with new financial system implementation, 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 will be reversed under the plan, if the assumptions hold. At year-end 2007, net assets have improved to a negative \$13.6 million.

**Information Technology Fund Revenues**  
(in thousands of dollars)



## 2009 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 \$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 will receive an increase of \$3.1 million from the transfer in from the General Fund with no additional increases planned after 2009. Total transfers, which includes money from the bond redemption fund, equal \$15.4 in 2009.

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.

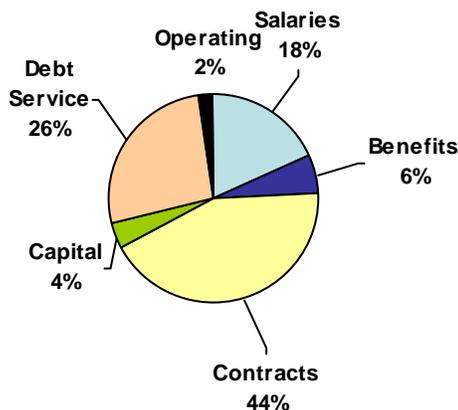
Revenue Assumptions (2009)	
Number of PC's	3,234
Number of telephones	3,005

**Expenses**

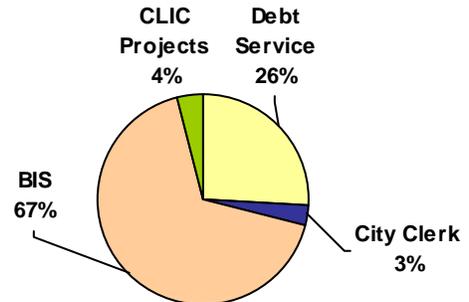
Expenses in the Intergovernmental Services Fund are comprised of the operating expenses (salaries/benefits, contractual, operating, equipment) of BIS, the City Clerk's office, and Human Resources. Capital expenditures for information technology investments were budgeted in the City's Permanent Improvement Fund, but now are budgeted in the Intergovernmental Services Fund. This has caused an increase in depreciation expense.

The budget also includes a change in accounting for the general fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies. The budget includes \$1.5 million in property tax supported debt for information technology.

**Intergovernmental Services Fund  
Use of Funds  
(\$38.9 million)**



**Intergovernmental Services Fund  
Use of Funds by Department  
(\$38.9 million)**



**Transfers**

Transfers-in (revenue) relates to a transfer from the general fund of \$13.7 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 \$0.2 million for debt service related to the Minneapolis Employees Retirement Fund's (MERF) unfunded pension liability.

**Debt Service**

In 2009, the fund will have a bond liability of \$30.3 million, with an annual debt service payment of \$10.2 million.

## ORIGINAL BUDGET

The Mayor recommended a reduction to growth of \$140,000 for this department. The Mayor also recommended a \$1.5 million pre-payment of internal service fund obligations for 2012, reducing pressure on the general fund in that year. The Mayor's budget also included \$1.0 million to repay this fund for capital costs related to completing the City's wireless network that were incurred in 2008. Additionally, the Mayor included \$500,000 for fiber ring completion. (These expenses are in addition to the City's annual \$1.25M buying commitment.) The Council directed BIS to reduce the fiber ring completion project by \$500,000. Council also directed BIS to offset the unmet wireless internet buying commitment in the internal service fund by \$135,000.

## COUNCIL REVISED BUDGET

The Mayor recommended and Council approved a reduction of \$580,000 from the general fund to BIS, and a reduction of \$145,000 in other funds, for a total reduction of \$725,000. These changes should be reflected in the rate model charges to departments, and departmental appropriations will be reduced accordingly.

**City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousands of dollars)**

**Intergovernmental Services Fund**

	2006 Actual	2007 Actual	2008 Current Budget	2008 Projected	2009 Budget	% Chg From 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>									
Charges For Service	32,018	32,349	30,148	35,148	27,228	-9.7%	28,045	28,886	29,753
Interest	-	-	-	-	-		-	-	-
Gains	-	(250)	-	-	-		-	-	-
Other Miscellaneous Revenue	2	-	-	-	-		-	-	-
Operating Transfers In	10,571	15,036	11,771	11,771	15,419	31.0%	12,098	12,043	11,188
Proceeds of Long term Liabilities	-	-	2,075	2,075	1,500	-27.7%	1,000	700	700
<b>Total</b>	<b>42,591</b>	<b>47,135</b>	<b>43,994</b>	<b>48,994</b>	<b>44,147</b>	<b>0.3%</b>	<b>41,143</b>	<b>41,629</b>	<b>41,641</b>
<b>Use of Funds:</b>									
Transfers	57	177	192	192	212	10.4%	212	212	212
Debt Service	2,038	1,673	3,370	3,370	10,201	202.7%	9,062	9,101	8,911
City Clerk	1,250	1,352	1,167	1,167	1,202	3.0%	1,238	1,275	1,313
Human Resources	187	198	247	247	252	2.0%	260	267	275
Information & Tech Services	24,108	30,762	25,118	30,118	25,521	1.6%	26,287	27,075	27,887
SISSP Projects	4,542	2,871	6,148	6,148	1,500	-75.6%	1,000	700	700
<b>Total</b>	<b>32,182</b>	<b>37,033</b>	<b>36,242</b>	<b>41,242</b>	<b>38,888</b>	<b>7.3%</b>	<b>38,058</b>	<b>38,631</b>	<b>39,299</b>
<b>Change in Net Assets</b>	<b>10,491</b>	<b>10,153</b>	<b>7,752</b>	<b>7,752</b>	<b>5,259</b>		<b>3,085</b>	<b>2,998</b>	<b>2,341</b>
<b>Net Assets</b>	<b>(23,765)</b>	<b>(13,612)</b>	<b>(5,860)</b>	<b>(5,860)</b>	<b>(601)</b>		<b>2,484</b>	<b>5,482</b>	<b>7,823</b>
<b>Cash Balance<sup>1</sup></b>	<b>(1,661)</b>	<b>(1,886)</b>	<b>5,866</b>	<b>5,866</b>	<b>11,125</b>		<b>14,210</b>	<b>17,208</b>	<b>19,549</b>
<b>Work out Plan Target Cash<sup>2</sup></b>	<b>(3,648)</b>	<b>3,467</b>	<b>(1,632)</b>	<b>(1,632)</b>	<b>16</b>		<b>1,693</b>	<b>2,566</b>	<b>3,503</b>
<b>Variance Cash to Work-out Plan</b>	<b>1,987</b>	<b>(5,353)</b>	<b>7,498</b>	<b>7,498</b>	<b>11,109</b>		<b>12,517</b>	<b>14,642</b>	<b>16,046</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 2009 Budget  
Financial Plan**

**Fleet Services Fund**

**Background**

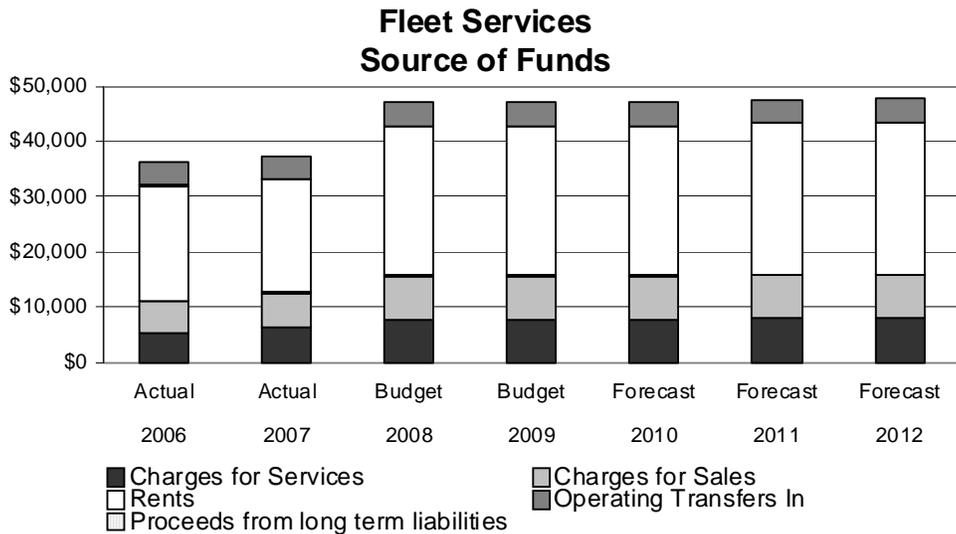
The Fleet Services Fund, formerly known as the Equipment Fund, accounts for the ownership and operation of a fleet of approximately 1,200 vehicles and other pieces of motorized equipment, as well as 400 vehicle accessories (e.g. plow blades). The City's fleet of vehicles and equipment is the largest portion of the fund's assets and has an estimated replacement value of approximately \$75.5 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**

During the 1990s the Fund was not recovering all of its costs. In 2000, the fund had a deficit cash position of over \$17.8 million. Early in 2001, Finance and Public Works developed a financial plan for the fund that increased the fund's revenues sufficiently to cover the full cost of operations. As a result of this plan, the fund has sufficient revenue to match its expenses. The general fund contribution for debt service is to remain level at \$4.2 million.

Under the current financial plan, fleet purchases were financed with bonds through 2005. This strategy, together with other measures in the plan, allowed the cash position of the fund to improve. Upgrading the fleet has reduced the average age of the fleet, thereby reducing maintenance costs. This fund has positive net assets but continues to follow the plan in order to maintain a positive cash balance and end the reliance on bonds to fund the fleet purchases. In 2006, the practice of issuing bonds to finance fleet replacement was discontinued.



## 2009 Budget

### Revenue

Beginning in 2004, the Fleet Services Division began using an activity-based costing approach to bill internal customers. This method established 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 are anticipated to remain at \$47.1 million.

### Expenditures

Overall expenditures in 2009 are anticipated to increase by \$5.4 million, or 3.6%, over the amount budgeted for 2008 from \$41.0 million to \$46.4 million. The difference is primarily due to the increase in personnel cost.

### Transfers

The 2009 budget includes a transfer out of \$502,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

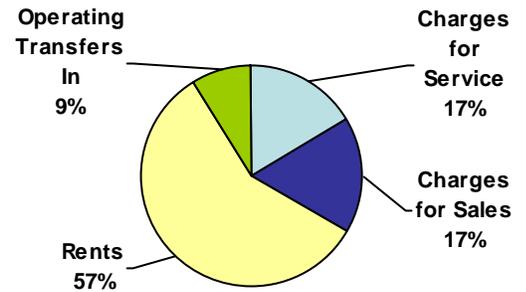
### Debt Service

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 \$3.5 million is due related to these bonds in 2009.

### Net Assets

A primary objective of the workout plan is to increase the fund balance of net assets and cash. The following charts illustrate the historical and projected performance of the fund:

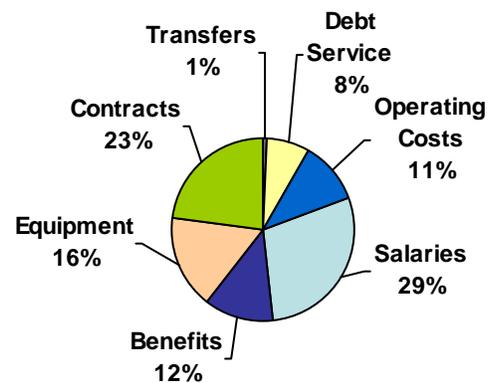
**Source of Funds  
(\$47.1 million)**



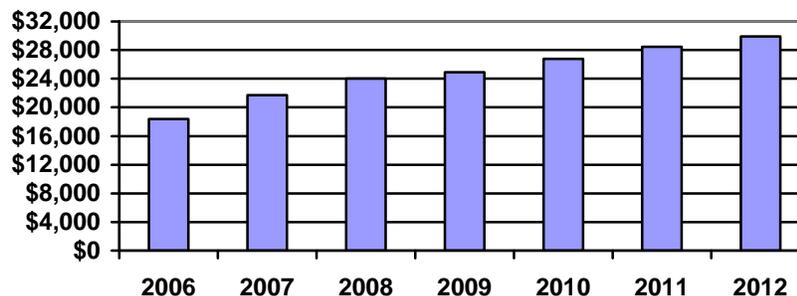
**Revenue Assumptions (2009)**

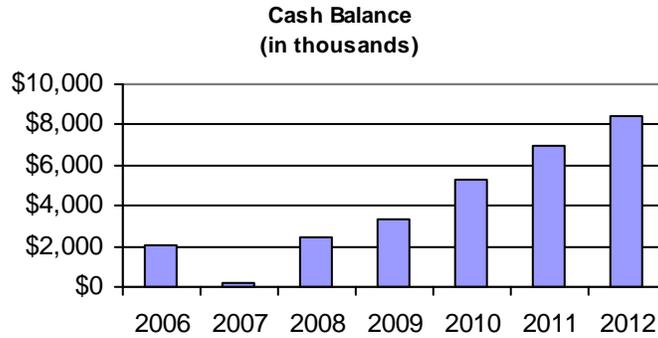
Number of vehicles serviced	1200
Number of vehicles purchased	60

**Use of Funds  
(\$46.4 million)**



**Net Assets (in thousands)**





### Original Budget

The Mayor recommends a fuel subsidy of \$500,000 for the Fleet fund to offset increases to General Fund departments.

The Council directed Public Works to decrease the fuel reserve fund by \$500,000. This change will be in effect only if fixed price fuel bids come in at a rate no higher than \$2.75/gallon for No. 2 diesel in the fuel contract that is in effect for the 2009 calendar year.

### Council Revised Budget

The budget for this department includes a reduction of BIS charges of \$12,000 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

**City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousand of dollars)**

**Fleet Services**

	2006 Actual	2007 Actual	2008 Current Budget	2008 Projected	2009 Budget	% Chg From 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>									
Charges for Service	5,454	6,486	7,860	7,491	7,860	0.0%	7,900	7,900	8,000
Charges for Sales	5,620	6,118	7,800	6,650	7,800	0.0%	7,800	7,800	7,800
Interest	1	1	1	0	1	0.0%	1	1	1
Gains	81	192	200	100	200	0.0%	200	200	200
Rents	20,830	20,263	27,004	23,201	27,004	0.0%	27,500	27,500	27,500
Other Misc Revenue	161	187	10	538	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>36,327</b>	<b>37,427</b>	<b>47,055</b>	<b>42,160</b>	<b>47,055</b>	<b>0.0%</b>	<b>47,591</b>	<b>47,591</b>	<b>47,691</b>
<b>Use of Funds:</b>									
Debt Service	7,690	7,363	3,923	3,923	3,462	-11.8%	3,400	3,300	3,200
Transfers	131	332	453	453	502	10.8%	510	520	530
PW Equipment	22,426	22,218	33,008	28,584	34,562	4.7%	34,200	34,300	34,400
PW Equipment Capital	6,517	4,852	7,386	8,000	7,927	7.3%	7,600	7,800	8,100
<b>Total</b>	<b>36,764</b>	<b>34,765</b>	<b>44,770</b>	<b>40,960</b>	<b>46,453</b>	<b>3.8%</b>	<b>45,710</b>	<b>45,920</b>	<b>46,230</b>
<b>Change in Net Assets</b>	<b>2,974</b>	<b>3,338</b>	<b>2,285</b>	<b>2,285</b>	<b>602</b>		<b>1,881</b>	<b>1,671</b>	<b>1,461</b>
<b>Net Assets</b>	<b>18,377</b>	<b>21,715</b>	<b>24,000</b>	<b>24,000</b>	<b>24,602</b>		<b>26,483</b>	<b>28,154</b>	<b>29,615</b>
<b>Cash Balance</b>	<b>2,036</b>	<b>200</b>	<b>2,485</b>	<b>2,485</b>	<b>3,087</b>		<b>4,968</b>	<b>6,639</b>	<b>8,100</b>

Note: More current financial information allowed for Fleet to lower its rates to customers, resulting in a decrease in revenues and expenditures.

**City of Minneapolis  
FY 2009 Budget  
Financial Plan**

**Property Services Fund**

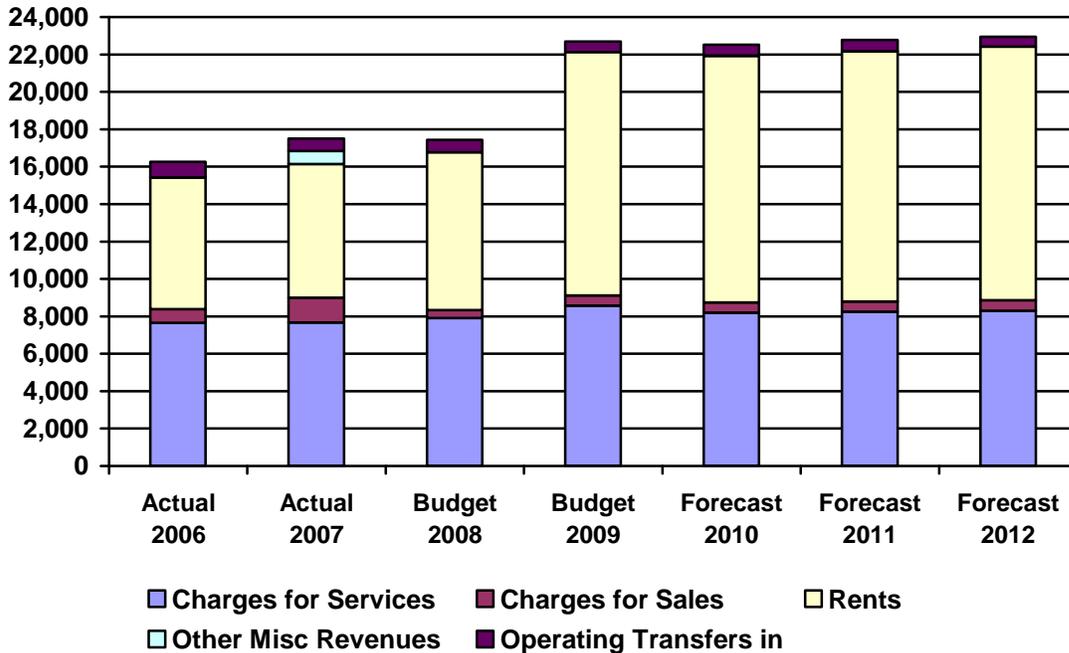
**Background**

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.

**Historical Financial Performance**

The proposed building rental rates are based on a three-year actual expenditure average. 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 2007 year-end cash balance is \$315,000. Revenues are expected to closely match expenditures in 2008.

**Property Services Revenues**  
(in thousands of dollars)



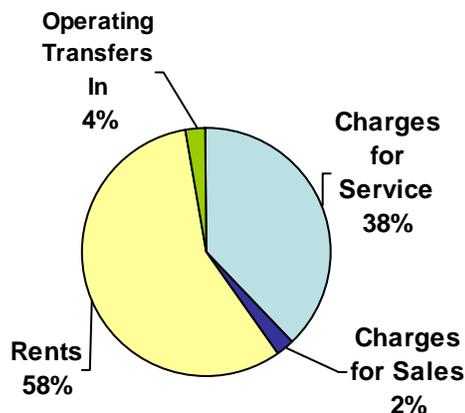
## 2009 Budget

### Revenues

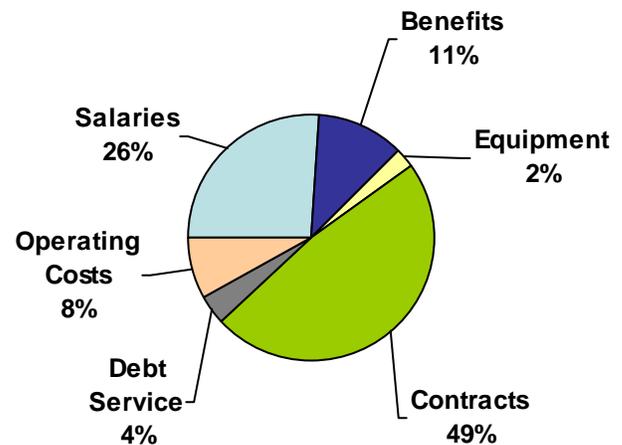
The 2009 revenue budget for this fund is \$22.7 million, or an increase of 30.1% from 2008. The increase in revenue from 2008 to 2009 is primarily related to the Mayor's recommendation for a City-wide charge for City Hall space. Without this change, the increase would be 5.7%. There was also an increase in rental revenue and charges for services.

<b>Revenue Assumptions (2009)</b>	
Total Number of Buildings	121
Number of Managed Leases	3
Number of Radios	3000

**Property Service Fund  
Source of Funds  
(\$22.7 million)**



**Property Service Fund  
Use of Funds  
(\$22.9 million)**



### Expenditures

The 2009 expenditure budget is \$22.9 million, a budgeted increase of 31.5% over 2008. The increase in expenditures from 2008 to 2009 is primarily related to the City-wide charge for City Hall space. Without this change, the increase would be 7.0%. The cost of facilities management also increased. The 2008 projected expenditures are anticipated to be \$17.4 million. The budget for this fund has also been increased to reflect historical experience.

### Transfers

The 2009 budget includes a transfer of \$97,000 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 \$547,000 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

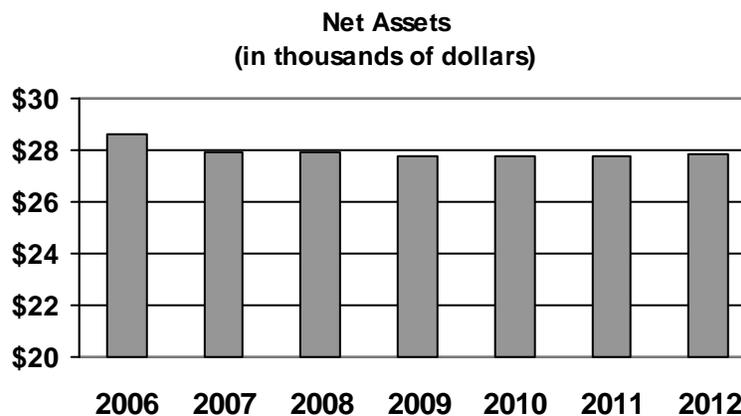
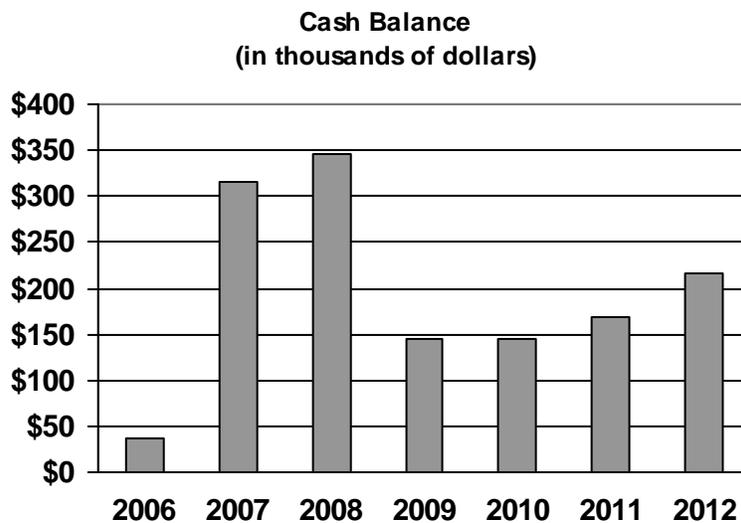
The radio shop, a division of the property services, has management responsibility for the \$14.0 million 800 MHz radio system. The property services fund recognizes the fixed assets, along with the debt related to this project. The radio shop is funding a portion of the City's public safety initiative through a contribution of \$350,000 a year.

The debt service for 800 MHz radio system is now funded as follows:

\$547,000	Transfer from the general fund
\$350,000	Property services portion of debt
\$897,000	Total debt service (Year 2009)

*Net Assets*

The property services fund had a positive net asset balance of \$27.9 million at year-end 2007. 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. Cash balance is projected to increase over the next five years due to an increased activity in this fund.



## Original Budget

The Mayor recommends that the Finance and Public Works Departments propose and implement a City-wide charge for City Hall space that will encompass all funding sources and would include all City Hall tenants.

The proposal will include various options as compared to the current system of rent charges:

1. Average cost per square foot
2. Average cost per square foot with additional space charges
3. Fully-burdened costs

The proposal will also include various methods of billing including:

1. Increasing Property Services budget accordingly, thereby decreasing budgets of tenant departments
2. Having Property Services bill monthly/quarterly/annually for rent charges

The Finance and Public Works Departments will report back to Ways & Means/Budget Committee by October 6, 2008.

The Council approved the Mayor's recommendation and further approves the City-wide charge for City Hall space.

## Council Revised Budget

The budget for this fund includes a reduction of BIS charges of \$11,100 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

### City of Minneapolis FY 2009 Budget Financial Plan (in thousand of dollars)

#### Property Services Fund - 6200

	2006	2007	2008	2008	2009	% Chg	2010	2011	2012
	Actual	Actual	Current Budget	Projected	Budget	From 2008 Budget	Forecast	Forecast	Forecast
<b>Source of Funds:</b>									
Changes for Services	7,647	7,663	7,903	7,903	8,580	8.6%	8,550	8,575	8,600
Charges for Sales	733	1,328	430	430	530	23.3%	540	550	560
Rents	7,030	7,149	8,434	8,434	13,022	54.4%	13,192	13,369	13,553
Other Misc Revenues	15	704	3	3	3	0.0%	3	3	3
Operating Transfers In	844	653	668	668	655	-1.9%	587	602	529
Proceeds of Long Term Liabilities	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>16,269</b>	<b>17,497</b>	<b>17,438</b>	<b>17,438</b>	<b>22,790</b>	<b>30.7%</b>	<b>22,872</b>	<b>23,099</b>	<b>23,245</b>
<b>Use of Funds:</b>									
Property Services Administration	670	400	625	625	880	40.8%	850	875	900
Radio Equipment	1,458	1,417	2,564	2,564	2,683	4.6%	2,650	2,675	2,700
Municipal Market	23	9	34	34	42	23.5%	43	44	45
Facilities Management	13,501	14,712	13,109	13,109	18,273	39.4%	18,281	18,408	18,542
Debt Service	1,039	972	987	987	897	-9.1%	937	952	879
Transfer to MERF	31	69	88	88	97	10.2%	100	110	120
<b>Total</b>	<b>16,722</b>	<b>17,579</b>	<b>17,407</b>	<b>17,407</b>	<b>22,872</b>	<b>31.4%</b>	<b>22,861</b>	<b>23,064</b>	<b>23,186</b>
<b>Change in Net Assets</b>	<b>(1,023)</b>	<b>(673)</b>	<b>31</b>	<b>31</b>	<b>(82)</b>		<b>11</b>	<b>35</b>	<b>59</b>
<b>Net Assets</b>	<b>28,581</b>	<b>27,908</b>	<b>27,939</b>	<b>27,939</b>	<b>27,857</b>		<b>27,868</b>	<b>27,903</b>	<b>27,962</b>
<b>Cash Balance</b>	<b>38</b>	<b>315</b>	<b>346</b>	<b>346</b>	<b>264</b>		<b>275</b>	<b>310</b>	<b>369</b>

**City of Minneapolis  
FY 2009 Budget  
Financial Plan**

**Self-Insurance Fund**

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**Background**

The Self-Insurance Fund is used to account for employee medical, dental, and life insurance benefit programs and the programs' administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program. The 2009 budget for expenditures for this fund is \$99.2 million, a 9.5% increase from 2008.

**Historical Financial Performance**

The net assets of the Self-Insurance Fund reflected a negative position of \$26.4 million at year-end 2007, improving \$16.8 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 claims that have occurred but are not reported.

In 2000, the negative net asset deficit increased by \$17.1 million due to two major factors. The first was an \$8.8 million settlement in which bonds were issued to pay off a legal judgment. The second was a \$7.7 million accounting adjustment to "unpaid claims" liability due to the financial results of a recent actuarial study.

During 2003, the City Council adopted a financial plan for the Self-Insurance Fund 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 \$11.0 million at year end 2007 and with an anticipated net income of \$5.7 million and declining debt service in 2008.

**2009 Budget**

*Revenues/Expenditures*

Medical and life programs are fully contracted-out so that revenues and expenses should be equal at year-end as premiums are determined by and paid to the contractors. The City selected Medica as its health insurance provider for a three-year period beginning January 1, 2007. A 16.0% planned increase in health insurance premiums is reflected in the budget in 2009. The projections reflect an annual 20% cost increase. The Dental and Minneflex Program premiums are estimated and actual costs are expensed.

The Unused Sick Leave program provides a payout of unused sick leave to qualified employees at 50% pay. Payments are funded by 0.7% gross pay contributions from the City and Park Board into a severance pool. The rate for City police officers and firefighters is 1.1% of gross pay.

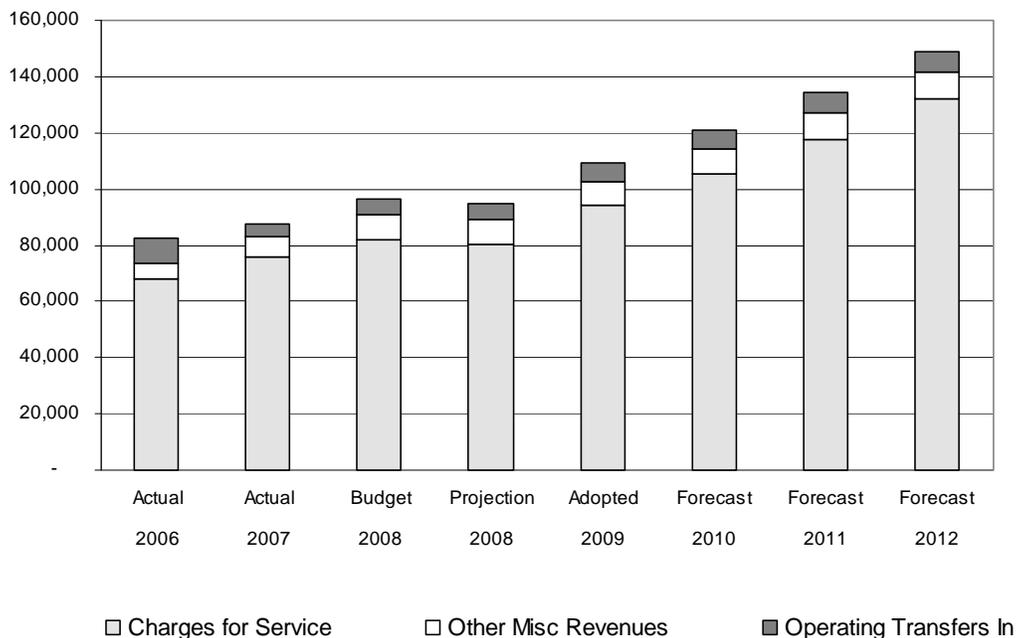
The Alternative Dispute Resolution (ADR) Program was established through funds collected through payroll deductions and direct payment as agreed in previous labor contracts.



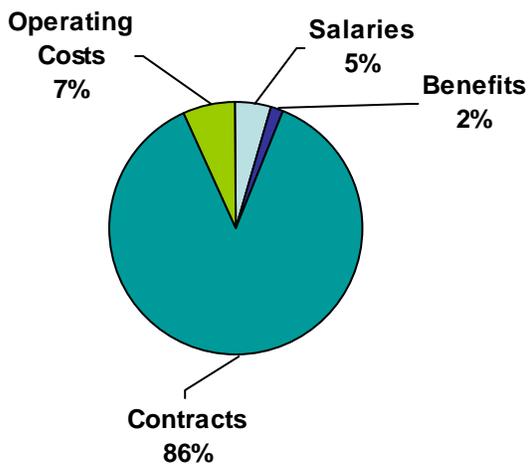
Occupational health actual expenses are billed to departments. The worker's compensation payments are estimated at \$5.9 million for 2009. This is a 23.2% decrease over the prior year's budgeted amount to bring the 2009 budget in line with a recent actuarial study. The same study predicted an increase in liability payments resulting in an increase of 52.3% to \$6.1 million in the 2009 liability budget. The budget also includes a change in accounting for the general fund overhead charge that replaces various separate charges for indirect costs that were previously budgeted in separate agencies.

For 2007, a rate model was implemented to recover costs associated with all programs in the fund except for medical and dental. The rate model assigns costs to City departments based on a 5-year claims history for workers compensation and liability. The model was put in place to raise departmental awareness of Self-Insurance costs and increase their ability to control the cost of premiums in the future through loss prevention programs.

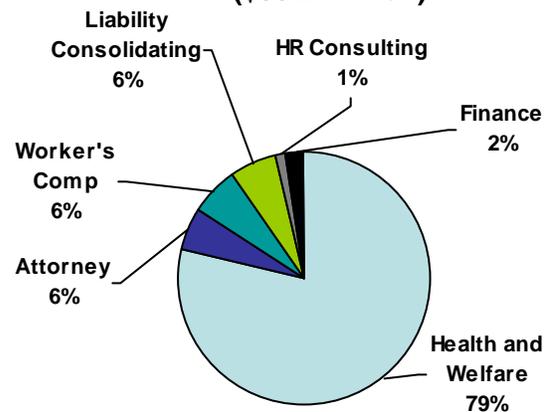
**Self-Insurance Revenues**  
(in thousands of dollars)



**Use of Funds (\$99.2 million)**



**Use of Funds by Type (\$99.2 million)**



### Debt Service

Given that all debt payments were satisfied in 2008, there is no debt service in 2009. 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.

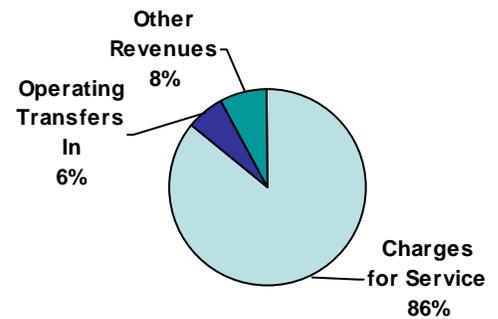
### Original Budget

The Mayor recommended and Council approved an increase to Health Benefit Admin fees (Human Resources) to other departments in order to offset the cost of the total compensation statement (\$30,000) and providing an employee incentive to use bike share programs (\$75,000).

### Council Revised Budget

The budget for this department includes a reduction of BIS charges of \$13,600 due to the Council's actions to reduce the BIS budget by \$725,000, which is consistent with the Mayor's recommendations. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount.

### Self Insurance Fund Source of Funds (\$109.4 million)



**City of Minneapolis  
FY 2009 Budget  
Financial Plan (in thousands of dollars)**

**Self Insurance Fund - 6900**

	2006 Actual	2007 Actual	2008 Current Budget	2008 Projected	2009 Budget	% Chg From 2008 Budget	2010 Forecast	2011 Forecast	2012 Forecast
<b>Source of Funds:</b>									
Charges for Service <sup>3</sup>	68,223	75,878	82,128	80,528	93,947	14.4%	105,221	117,847	131,989
Interest	-	-	-	-	-	-	-	-	-
Other Misc Revenues	5,269	7,155	8,516	8,516	8,516	-	8,857	9,211	9,579
Operating Transfers In	8,745	4,750	5,643	5,643	6,915	22.5%	7,122	7,336	7,556
<b>Total</b>	<b>82,237</b>	<b>87,783</b>	<b>96,287</b>	<b>94,687</b>	<b>109,378</b>	<b>13.6%</b>	<b>121,200</b>	<b>134,394</b>	<b>149,124</b>
<b>Use of Funds:</b>									
Debt Service	114	53	388	388	-	-	-	-	-
Transfers	45	97	131	131	145	10.7%	103	106	109
Health and Welfare <sup>3</sup>	53,987	58,700	69,591	67,991	77,657	11.6%	89,306	102,701	118,107
Attorney	4,855	5,404	5,364	5,364	5,623	4.8%	5,792	5,965	6,144
Workers Compensation	5,846	6,349	7,722	7,722	5,932	-23.2%	6,110	6,293	6,482
Liability	8,478	10,277	4,036	4,036	6,147	52.3%	6,331	6,521	6,717
Human Resources	1,090	1,116	1,216	1,216	1,372	12.8%	1,413	1,456	1,499
Finance Dept - Risk Mgmt	1,963	2,054	2,163	2,163	2,284	5.6%	2,353	2,423	2,496
<b>Total</b>	<b>76,378</b>	<b>84,050</b>	<b>90,611</b>	<b>89,011</b>	<b>99,160</b>	<b>9.4%</b>	<b>111,407</b>	<b>125,466</b>	<b>141,554</b>
<b>Change in Net Assets</b>	<b>5,938</b>	<b>3,732</b>	<b>5,676</b>	<b>5,676</b>	<b>10,218</b>	<b>80.0%</b>	<b>9,792</b>	<b>8,928</b>	<b>7,570</b>
<b>Net Assets</b>	<b>(30,102)</b>	<b>(26,370)</b>	<b>(20,694)</b>	<b>(20,694)</b>	<b>(10,476)</b>	<b>49.4%</b>	<b>(684)</b>	<b>8,245</b>	<b>15,815</b>
<b>Cash Balance<sup>1</sup></b>	<b>8,364</b>	<b>11,002</b>	<b>16,678</b>	<b>16,678</b>	<b>26,896</b>	<b>61.3%</b>	<b>36,688</b>	<b>45,617</b>	<b>53,187</b>
<b>Workout Plan Target Cash Balance<sup>2</sup></b>		<b>2,645</b>	<b>16,678</b>	<b>16,678</b>	<b>23,412</b>		<b>30,663</b>	<b>37,317</b>	<b>42,986</b>
<b>Variance</b>		<b>8,357</b>	<b>-</b>	<b>-</b>	<b>3,484</b>		<b>6,025</b>	<b>8,300</b>	<b>10,201</b>

<sup>1</sup>The 2007 cash balance includes the 2007 CAFR cash balance of \$9,001,000 and a balance due from other funds of \$2,000,000.

<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>Future financial plans will no longer reflect medical insurance charges as these costs are no longer accounted for in the Self Insurance Fund.

**City of Minneapolis  
FY 2009 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**

AGENCY	INVESTMENT POOL	<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
				0
<b>TOTAL AGENCY</b>				<b>0</b>
GENERAL	GENERAL FUND	363,827,077	363,826,832	245
<b>TOTAL GENERAL</b>				<b>245</b>
SPECIAL REVENUE	HENNEPIN ENTERTAINMENT TE BOND			0
	HUMBOLDT GREENWAY TE BONDS		47,144	(47,144)
	URBAN VILLAGE TE BONDS			0
	WEST SIDE MILLING TE BONDS			0
	WEST SIDE MILLING TE BONDS II			0
	COMMON PROJECT TI ADMIN	5,037,485	1,873,153	3,164,332
	CAMDEN MEDICAL FACILITY	37,485		37,485
	ST ANNE'S HOUSING	17,261		17,261
	ANTIQUES MINNESOTA	37,431		37,431
	COMMON PROJECT UNCERTIFIED	697,400	344,977	352,423
	WEST BROADWAY	435,960	435,938	22
	EAST BANK I-335	1,518,268	1,518,159	109
	GRANT	351,179	351,069	110
	CHICAGO AND LAKE	173,726		173,726
	NINTH & HENNEPIN	191,014	90,287	100,727
	NORTH LOOP	4,501,760	4,501,651	109
	INDUSTRY SQUARE	1,773,036	1,772,883	153
	SEWARD SOUTH	1,123,492	1,123,375	117
	CEDAR RIVERSIDE	1,832,626	1,832,535	91
	HOUSING FOR CHRONIC ALCOHOLICS	27,750		27,750
	HENNEPIN & LAKE	648,015	647,872	143
	BROADWAY 35-W	710,238	705,238	5,000
	BOTTINEAU	165,742		165,742
	FRANKLIN AVENUE			0
	CONSERVATORY	3,913,943	2,150,000	1,763,943
	LORING PARK	2,217,191	2,217,089	102
	LAUREL VILLAGE	2,920,815	2,833,805	87,010
	CITY CENTER	1,301,069	1,300,935	134
	SOUTH NICOLLET MALL	11,606,591	3,146,376	8,460,215
	CENTRAL CARE NURSING HOME			0
	CLARE HOUSING	12,066		12,066
	DEEP ROCK			0
	DOWNTOWN EAST LRT			0
	2700 EAST LAKE	87,209		87,209
	EAST PHILLIPS	25,028		25,028
	EAST VILLAGE	211,589		211,589
	50TH & FRANCE	197,573		197,573
	FRANKLIN PORTLAND WELLSTONE	178		178
	FORMER FED RESERVE	859,510		859,510
	GRAIN BELT	157,019		157,019
	GRACO TI	110,458		110,458

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
SPECIAL REVENUE	GRAIN BELT HOUSING DIST 132	66,782		66,782
	110 GRANT	404,088	400,000	4,088
	13TH AND HARMON	262,049		262,049
	PARCEL C TI DISTRICT	555,583	2,476	553,107
	HISTORIC DEPOT REUSE DIST 93	745,316	729,838	15,478
	HENNEPIN & 7TH ENTERTAINMENT	2,273,280	1,913,181	360,099
	HUMBOLDT GREENWAY DIST 98	341,819	295,735	46,084
	HIAWATHA COMMONS HOUSING	84,775		84,775
	HUMBOLDT INDUSTRIAL PARK	86,846	7,896	78,950
	HERITAGE LAND APTS	481,417		481,417
	HERITAGE PARK	447,532	482,326	(34,794)
	900 6TH AVE SE	66,788	1,376	65,412
	EAST HENNEPIN & UNIVERSITY	1,369,875	1,036,630	333,245
	CAMDEN AREA - IMPACT			0
	IVY TOWER	184,722	275,431	(90,709)
	JOURDAIN	54,810		54,810
	LOCAL CONTRIBUTION FUND			0
	LOWRY RIDGE	118,454		118,454
	LAKE STREET CENTER	2,371,144	205,348	2,165,796
	MAGNUM LOFTS	49,051		49,051
	MANY RIVERS	60,982		60,982
	MANY RIVERS WEST	48,019		48,019
	1900 CENTRAL AVE HSG	64,742		64,742
	NICOLLET FRANKLIN	213,512		213,512
	NRP			0
	COLOPLAST		13,006	0
	NWIP	1,492,431	1,492,431	0
	HOLMES	1,286,155	1,286,155	0
	NICOLLET ISLAND EAST BANK	1,130,972	1,130,972	0
	PORTLAND PLACE	99,666	175,890	(76,224)
	NOKOMIS HOLMES	262,850		262,850
	ELLIOT PARK	17,192		17,192
	NICOLLET & LAKE	325,073	325,073	0
	CENTRAL & 20TH	98,158		98,158
	CENTRAL AVENUE MARKET			0
	MILES I	130,473		130,473
	NBA ARENA	3,571,272	4,410,589	(839,317)
	PHILLIPS PARK	69,640		69,640
	LASALLE PLACE	1,986,585		1,986,585
	CAPITAL PROJECTS- OTHER (NON-TI)	1,450,000	510,151	939,849
	PRELIMINARY PLANNING	4,713,600	2,372,308	2,341,292
	NEIMAN MARCUS	1,728,163	660,656	1,067,507
	IDS DATA SERVICE CENTER	3,696,267	3,724,726	(28,459)
	BLOCK E			0
	PARK AVENUE EAST	62,000	8,367	53,633
	36TH AND MARSHALL			0

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

	<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
SPECIAL REVENUE			
COMMON PROJECT RESERVE			0
CAPITAL PROJECTS ARBITRAGE FUND			0
RIPLEY GARDENS	19,013		19,013
CREAMETTE	134,644		134,644
MARSHALL RIVER RUN	70,948		70,948
ROSACKER	140,714		140,714
STONE ARCH APARTMENTS	274,826		274,826
SPRING & CENTRAL	12,485		12,485
SHINGLE CREEK COMMONS	89,942		89,942
ST ANTHONY MILLS	95,863		95,863
STINSON	723,987		723,987
SEMI-PHASE 1	3,534,256	68,902	3,465,354
SEMI-PHASE 2	223,542	13,765	209,777
SEMI-PHASE 3	108,015	13,765	94,250
SEMI-PHASE 4		979	(979)
SEMI-PHASE 5	147,941	13,765	134,176
TOWERS AT ELLIOT PARK	1,464,883	778,370	686,513
2ND ST N HOTEL/APTS TOWNPLACE	197,046		197,046
10TH AND WASHINGTON	384,216		384,216
UNITED VAN BUS	57,525		57,525
EAST RIVER / UNOCAL SITE	219,922	131,055	88,867
URBAN VILLAGE	410,514	191,675	218,839
VAN CLEVE EAST		8,567	0
VILLAGE IN PHILLIPS HOUSING	62,329		62,329
VILLAGE IN PHILLIPS PHASE II			0
VAN CLEVE REDEVELOPMENT		21,470	0
VAN CLEVE WEST		14,679	0
WASHINGTON COURTS APTS	14,123		14,123
WEST SIDE MILLING DISTRICT	1,931,306	1,600,631	330,675
WEST RIVER COMMONS	97,190		97,190
HOUSING REPLACEMENT 1	367,857	45,564	322,293
HOUSING REPLACEMENT 2	122,780	173,381	(50,601)
HSG REPLACE-WATERSHED 3			0
BLOCK 33	19,689		19,689
MCDA UDAG LEVERAGE INVESTMENT			0
MCDA NEIGHBORHOOD DEVEL ACCT		1,287,740	(1,287,740)
CPED OPERATING	4,604,616	15,820,299	(11,215,683)
NRP ADMINISTRATION		267,625	(267,625)
COMMUNITY DEVELOPMENT LEVY			0
DEVELOPMENT ACCOUNT			0
ECONOMIC DEVELOPMENT PROGRAM	3,800,000	5,025,083	(1,225,083)
HOUSING FINANCE			0
HOUSING PROGRAM	7,000,000	2,624,325	4,375,675
HOME OWNERSHIP WORKS		802,000	(802,000)
LEVERAGED INVESTMENT FUND			0
MCDA STATE GRANTS & LOAN			0

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
SPECIAL REVENUE	NEIGHBORHOOD HOUSING		150,000	(150,000)
	NRP NON TI			0
	COMMUNITY DEVELOPMENT	1,010,000	10,999,999	(9,989,999)
	RESIDENTIAL HOUSING		371,326	(371,326)
	UPPER RIVER LAND BANK		84,382	(84,382)
	BOARD OF ESTIMATE AND TAXATION	359,834	342,800	17,034
	POLICE DEPT - SPECIAL REVENUE	1,674,451	1,674,451	0
	ARENA - RESERVE	3,833,000		3,833,000
	CONVENTION FACILITES - RESERVE	1,150,000	1,000,000	150,000
	GRANTS - FEDERAL	17,638,947	17,566,866	72,081
	MCDA FEDERAL GRANTS-OTHER			0
	CDBG & UDAG FUNDS	15,096,000	14,600,723	495,277
	MCDA CDBG	26,052		26,052
	HOME	3,446,000	3,446,000	0
	GRANTS - OTHER	13,475,444	12,469,181	1,006,263
	CONVENTION CENTER OPERATIONS	76,968,011	85,420,697	(8,452,686)
	MERF PENSION BONDS			0
	EMPLOYEE RETIREMENT	13,952,160	13,952,160	0
	PARK - GENERAL FUND	58,008,475	56,018,406	1,990,069
	PARK - MUSEUM (ART INSTITUTE)	12,103,110	12,103,110	0
	PARK - GRANT & SPECIAL REVENUE	1,167,600	1,167,600	0
	PARK-SPEC REV-INTEREST BEARING			0
	PARK - OPERATIONS - ENTERPRISE	13,287,241	13,287,241	0
	LIBRARY - GENERAL FUND		8,000	(8,000)
	LIBRARY - CAPITAL IMPROVEMENTS	5,055,000	5,055,000	0
	LIBRARY REF DEBT SERVICE			0
	HISTORIC PRESERVATION FUND		0	0
	MUNICIPAL BUILDING COMMISSION	8,549,257	8,464,667	84,590
	JOINT BOARD			0
	MEDC			0
	YOUTH COORDINATING BOARD	1,949,045	1,947,645	1,400
	NEIGHBORHOOD REVITAL POLICY	1,428,620	1,427,819	801
	PUBLIC HOUSING AUTHORITY		116,373	0
<b>TOTAL SPECIAL REVENUE</b>		<b>351,880,609</b>	<b>338,931,137</b>	<b>13,123,568</b>
CAPITAL PROJECT	CAPITAL IMPROVEMENTS	53,414,779	60,415,855	(7,001,076)
	ARBITRAGE 1993 PARK BONDS			0
	PARK - CAPITAL IMPROVEMENTS	8,591,000	8,091,000	500,000
	PARK-CAPITAL IMPROVE-ASSESSED	500,000	500,000	0
	MBC - CAPITAL IMPROVEMENTS	1,002,500	1,002,500	0
<b>TOTAL CAPITAL PROJECT</b>		<b>63,508,279</b>	<b>70,009,355</b>	<b>(6,501,076)</b>
DEBT SERVICE	01 IMPROVEMENT BONDS - 10 YR			0
	01 IMPROVEMENT BONDS - 20 YR		737,053	(737,053)
	00 IMPROVEMENT BONDS			0
	96 IMPROVEMENT BONDS		138,775	(138,775)
	97 IMPROVEMENT BONDS		45,800	(45,800)

**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<u>Total Revenues</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
DEBT SERVICE	98 IMPROVEMENT BONDS		1,586	(1,586)
	BOND REDEM ARBIT 6/90 IMP BOND		227,288	(227,288)
	BOND REDEM ARBIT 6/91 IMP BOND		177,150	(177,150)
	MCDA DEBT SERVICE	24,015,521	37,254,261	(13,238,740)
	ST ANTHONY DEBT SERVICE			0
	BOND REDEM ARBIT 6/92 IMP BOND		179,800	(179,800)
	BOND REDEM ARBIT 6/93 IMP BOND		181,750	(181,750)
	BOND REDEM ARBIT 6/94 IMP BOND			0
	BOND REDEM ARBIT 6/95 IMP BOND			0
	OCT 02 IMPROV BOND D/S		472,300	(472,300)
	NOV03 IMPROV BOND D/S		589,378	(589,378)
	NOV04 IMPROV BOND D/S		933,725	(933,725)
	NOV05 IMPROV BOND D/S		508,887	(508,887)
	NOV06 IMPROV BOND D/S		373,700	(373,700)
	NOV07 IMPROV BOND D/S		564,225	(564,225)
	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	172,250	1,594,500	(1,422,250)
	BOND REDEMPTION - DEBT SERVICE	21,798,996	16,155,694	5,643,302
	OTH SELF SUPPORTING DEBT SERVC	70,890	2,053,179	(1,982,289)
	MIDTOWN EXCH 108 LOAN ACCOUNT		526,500	(526,500)
	PENSION FUND DEBT SERVICE	17,582,000	6,102,318	11,479,682
	LIBRARY REF DEBT SERVICE	9,114,000	9,166,563	(52,563)
	CONVENTION CENTER-DEBT SERVICE	18,728,000	18,727,875	125
	TARGET CENTER			0
	BOND REDEMPTION - ASSESSMENT			0
	CONCERT HALL - DEBT SERVICE			0
	TAX INCREMENT - DEBT SERVICE	14,075,564	12,873,295	1,202,269
	BOND REDEM ARBIT ASSESS PARK		392,000	(392,000)
<b>TOTAL DEBT SERVICE</b>		<b>105,557,221</b>	<b>109,977,602</b>	<b>(4,420,381)</b>
INTERNAL SERVICE	MATERIALS & LAB-INTERNAL SVC	4,531,000	4,696,102	(165,102)
	EQUIPMENT - INTERNAL SERVICE	47,054,500	46,045,749	1,008,751
	PROPERTY - INTERNAL SERVICE	22,789,833	22,871,719	(81,886)
	STORES - INTERNAL SERVICE	3,744,100	3,744,633	(533)
	INFO TECH - INTERNAL SERVICE	44,148,350	38,888,103	5,260,247
	SELF INSURANCE-INTERNAL SVC	109,378,562	99,160,299	10,218,263
	PARK - INTERNAL SERVICE	5,141,563	5,141,563	0
	PARK-SELF INSURE-INTERNAL SVC	2,659,283	2,659,284	(1)
<b>TOTAL INTERNAL SERVICE</b>		<b>239,447,191</b>	<b>223,207,453</b>	<b>16,239,738</b>
ENTERPRISE	DEFAULTED PROPERTY ADMIN		51,424	(51,424)
	FED HOME LN BANK ECON DEVELOP		125,000	(125,000)
	FHLB HOUSING DEVELOPMENT			0
	HOUSING OWNWERSHIP PROGRAM			0



**SCHEDULE ONE**  
**FUND SUMMARY - CHANGES TO FUND BALANCE**

		<b>Total Revenues</b>	<b>Total Expense</b>	<b>Change in Fund Balance</b>
ENTERPRISE	HOME OWNERSHIP & RENOVATION			0
	LOAN & GRANT PROGRAMS			0
	RIVER TERMINAL	1,550,000	1,655,298	(105,298)
	GARFS	225,000	310,256	(85,256)
	THEATRES	1,800,000	7,882	1,792,118
	JUNE00 UST/SKYWAY TI BONDS			0
	AUG 01 SEWER ARBITRAGE			0
	JUNE 03 SEWER ARBITRAGE			0
	JUNE 03 WATER ARBITRAGE			0
	SANITARY SEWER FUND	55,222,435	54,529,975	692,460
	STORMWATER FUND	43,080,679	43,259,677	(178,998)
	WATER - ENTERPRISE	93,222,156	90,524,034	2,698,122
	MUNICIPAL PARKING-ENTERPRISE	71,441,117	74,622,356	(3,181,239)
	SOLID WASTE - ENTERPRISE	30,774,400	33,246,410	(2,472,010)
	LIBRARY PKG ENTERPRISE FUND			0
<b>TOTAL ENTERPRISE</b>		<b>297,315,787</b>	<b>298,332,313</b>	<b>(1,016,526)</b>
<b>TOTAL ALL FUNDS</b>		<b>1,421,536,165</b>	<b>1,404,284,692</b>	<b>17,425,568</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>AGENCY</b>					
<b><u>INVESTMENT POOL</u></b>					
Interest	(1,858,141)	0	0		0.0%
<b>Total INVESTMENT POOL</b>	<b>(1,858,141)</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL AGENCY</b>	<b>(1,858,141)</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b>GENERAL</b>					
<b><u>GENERAL FUND</u></b>					
Property Taxes	108,853,008	121,318,039	152,233,726	165,373,960	8.6%
Sales and Other Taxes	10,327	18,984	0		0.0%
Franchise Fees	29,025,907	29,548,191	27,110,000	28,110,000	3.7%
License and Permits	24,937,434	25,201,940	26,448,598	26,355,834	-0.4%
State Government	90,649,578	81,076,546	82,789,646	73,423,814	-11.3%
Local Government	964,455	698,094	655,794	731,823	11.6%
Charges for Service	37,960,715	35,818,627	36,077,043	34,967,298	-3.1%
Charges for Sales	220,614	102,320	49,795	41,225	-17.2%
Fines and Forfeits	8,598,164	8,488,082	11,358,197	10,972,924	-3.4%
Special Assessments	3,008,303	4,423,421	1,752,926	3,252,926	85.6%
Interest	880,646	2,375,850	1,200,000	1,200,000	0.0%
Gains	14,023	384,803	0		0.0%
Rents	11,889	8,169	10,800	9,400	-13.0%
Contributions	174,570	170,731	400,000	400,000	0.0%
Other Misc Revenues	1,259,270	886,668	1,024,417	1,031,873	0.7%
Transfers In	20,994,326	14,981,031	19,635,738	17,956,000	-8.6%
<b>Total GENERAL FUND</b>	<b>327,563,228</b>	<b>325,501,497</b>	<b>360,746,680</b>	<b>363,827,077</b>	<b>0.9%</b>
<b>TOTAL GENERAL</b>	<b>327,563,228</b>	<b>325,501,497</b>	<b>360,746,680</b>	<b>363,827,077</b>	<b>0.9%</b>
<b>SPECIAL REVENUE</b>					
<b><u>HENNEPIN ENTERTAINMENT TE BOND</u></b>					
Interest	12,776	0	0		0.0%
Gains	(106)	0	0		0.0%
<b>Total HENNEPIN ENTERTAINMENT TE BOND</b>	<b>12,670</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>HUMBOLDT GREENWAY TE BONDS</u></b>					
Interest	6,511	13,692	0		0.0%
Gains	264	837	0		0.0%
<b>Total HUMBOLDT GREENWAY TE BONDS</b>	<b>6,775</b>	<b>14,529</b>	<b>0</b>		<b>0.0%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b><u>URBAN VILLAGE TE BONDS</u></b>					
Interest	85,658	50,105	0		0.0%
Gains	(20)	(142)	0		0.0%
<b>Total URBAN VILLAGE TE BONDS</b>	<b>85,638</b>	<b>49,963</b>	<b>0</b>		<b>0.0%</b>
<b><u>WEST SIDE MILLING TE BONDS</u></b>					
Interest	3,940	1,196	0		0.0%
Gains	98	(118)	0		0.0%
<b>Total WEST SIDE MILLING TE BONDS</b>	<b>4,038</b>	<b>1,078</b>	<b>0</b>		<b>0.0%</b>
<b><u>WEST SIDE MILLING TE BONDS II</u></b>					
State Government	(22,318)	0	0		0.0%
Charges for Service	(8,222)	0	0		0.0%
Interest	(666)	3,166	0		0.0%
Gains	60	126	0		0.0%
Other Misc Revenues	(16,157)	0	0		0.0%
<b>Total WEST SIDE MILLING TE BONDS II</b>	<b>(47,303)</b>	<b>3,292</b>	<b>0</b>		<b>0.0%</b>
<b><u>COMMON PROJECT TI ADMIN</u></b>					
Property Taxes	0	0	0	37,430	0.0%
State Government	0	0	0	1,000,000	0.0%
Charges for Service	19	57	24,189		-100.0%
Interest	(64,870)	(137,334)	0	55	0.0%
Gains	(1,419)	(13,841)	0		0.0%
Other Misc Revenues	0	0	0	4,000,000	0.0%
Transfers In	1,352,000	0	0		0.0%
<b>Total COMMON PROJECT TI ADMIN</b>	<b>1,285,730</b>	<b>(151,118)</b>	<b>24,189</b>	<b>5,037,485</b>	<b>20,725.5%</b>
<b><u>CAMDEN MEDICAL FACILITY</u></b>					
Property Taxes	39,946	32,742	33,397	37,430	12.1%
Interest	574	857	55	55	0.0%
Gains	24	(3)	0		0.0%
<b>Total CAMDEN MEDICAL FACILITY</b>	<b>40,544</b>	<b>33,596</b>	<b>33,452</b>	<b>37,485</b>	<b>12.1%</b>
<b><u>ST ANNE'S HOUSING</u></b>					
Property Taxes	2,141	1,808	1,873	17,227	819.8%
Interest	20	(24)	4	34	750.0%
Gains	2	(15)	0		0.0%
<b>Total ST ANNE'S HOUSING</b>	<b>2,163</b>	<b>1,769</b>	<b>1,877</b>	<b>17,261</b>	<b>819.6%</b>
<b><u>ANTIQUES MINNESOTA</u></b>					
Property Taxes	36,782	35,348	36,055	37,356	3.6%
Interest	683	467	72	75	4.2%
Gains	45	2	0		0.0%
<b>Total ANTIQUES MINNESOTA</b>	<b>37,510</b>	<b>35,817</b>	<b>36,127</b>	<b>37,431</b>	<b>3.6%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b><u>COMMON PROJECT UNCERTIFIED</u></b>					
Charges for Service	23,133	2,800	0	147,400	0.0%
Charges for Sales	12,750	184,679	1,028,670	550,000	-46.5%
Interest	161,015	243,960	0		0.0%
Gains	3,386	10,089	0		0.0%
Rents	205,127	246,996	0		0.0%
Other Misc Revenues	2,730	3,427	0		0.0%
<b>Total COMMON PROJECT UNCERTIFIED</b>	<b>408,141</b>	<b>691,951</b>	<b>1,028,670</b>	<b>697,400</b>	<b>-32.2%</b>
<b><u>WEST BROADWAY</u></b>					
Property Taxes	713,439	783,484	825,238	435,938	-47.2%
State Government	11,626	11,234	0		0.0%
Charges for Sales	0	19,667	0		0.0%
Interest	7,333	5,747	22	22	0.0%
Gains	411	86	0		0.0%
Other Misc Revenues	27,951	26,221	0		0.0%
<b>Total WEST BROADWAY</b>	<b>760,760</b>	<b>846,439</b>	<b>825,260</b>	<b>435,960</b>	<b>-47.2%</b>
<b><u>EAST BANK I-335</u></b>					
Property Taxes	2,347,772	2,500,928	2,670,072	1,518,159	-43.1%
State Government	101,720	86,371	0		0.0%
Interest	19,753	15,878	109	109	0.0%
Gains	1,223	271	0		0.0%
<b>Total EAST BANK I-335</b>	<b>2,470,468</b>	<b>2,603,448</b>	<b>2,670,181</b>	<b>1,518,268</b>	<b>-43.1%</b>
<b><u>GRANT</u></b>					
Property Taxes	677,454	624,110	676,927	351,069	-48.1%
Interest	6,520	4,092	110	110	0.0%
Gains	346	21	0		0.0%
<b>Total GRANT</b>	<b>684,320</b>	<b>628,223</b>	<b>677,037</b>	<b>351,179</b>	<b>-48.1%</b>
<b><u>CHICAGO AND LAKE</u></b>					
Property Taxes	143,577	164,941	168,239	173,597	3.2%
Interest	752	3,045	129	129	0.0%
Gains	79	28	0		0.0%
<b>Total CHICAGO AND LAKE</b>	<b>144,408</b>	<b>168,014</b>	<b>168,368</b>	<b>173,726</b>	<b>3.2%</b>
<b><u>NINTH &amp; HENNEPIN</u></b>					
Property Taxes	32,105	88,431	61,812	60,446	-2.2%
Interest	6,023	7,899	568	568	0.0%
Gains	231	187	0		0.0%
Rents	60,000	(29,721)	0	60,000	0.0%
Other Misc Revenues	0	0	0	70,000	0.0%
<b>Total NINTH &amp; HENNEPIN</b>	<b>98,359</b>	<b>66,796</b>	<b>62,380</b>	<b>191,014</b>	<b>206.2%</b>
<b><u>NORTH LOOP</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Property Taxes	8,320,587	8,527,773	8,924,558	4,501,651	-49.6%
State Government	58,433	60,914	0		0.0%
Interest	72,854	19,407	109	109	0.0%
Gains	3,528	343	0		0.0%
<b>Total NORTH LOOP</b>	<b>8,455,402</b>	<b>8,608,437</b>	<b>8,924,667</b>	<b>4,501,760</b>	<b>-49.6%</b>
<b><u>INDUSTRY SQUARE</u></b>					
Property Taxes	2,232,908	2,769,407	3,369,566	1,772,883	-47.4%
State Government	549	16,394	0		0.0%
Interest	19,170	16,402	153	153	0.0%
Gains	1,247	148	0		0.0%
<b>Total INDUSTRY SQUARE</b>	<b>2,253,874</b>	<b>2,802,351</b>	<b>3,369,719</b>	<b>1,773,036</b>	<b>-47.4%</b>
<b><u>SEWARD SOUTH</u></b>					
Property Taxes	1,962,719	2,063,287	2,147,352	1,123,375	-47.7%
State Government	6,894	7,462	0		0.0%
Interest	15,388	12,671	117	117	0.0%
Gains	1,054	297	0		0.0%
Other Misc Revenues	8,166	8,166	0		0.0%
<b>Total SEWARD SOUTH</b>	<b>1,994,221</b>	<b>2,091,883</b>	<b>2,147,469</b>	<b>1,123,492</b>	<b>-47.7%</b>
<b><u>CEDAR RIVERSIDE</u></b>					
Property Taxes	3,051,108	3,324,359	3,504,292	1,832,535	-47.7%
State Government	104,529	103,175	0		0.0%
Charges for Service	3,333	35,884	0		0.0%
Interest	24,766	21,220	91	91	0.0%
Gains	1,657	464	0		0.0%
Rents	12,164	10,820	0		0.0%
<b>Total CEDAR RIVERSIDE</b>	<b>3,197,557</b>	<b>3,495,922</b>	<b>3,504,383</b>	<b>1,832,626</b>	<b>-47.7%</b>
<b><u>HOUSING FOR CHRONIC ALCOHOLICS</u></b>					
Property Taxes	26,473	27,187	27,731	27,210	-1.9%
Interest	1,176	22	540	540	0.0%
Gains	12	(106)	0		0.0%
<b>Total HOUSING FOR CHRONIC ALCOHOLICS</b>	<b>27,661</b>	<b>27,103</b>	<b>28,271</b>	<b>27,750</b>	<b>-1.8%</b>
<b><u>HENNEPIN &amp; LAKE</u></b>					
Property Taxes	1,259,961	1,284,754	1,331,682	647,872	-51.3%
Interest	5,047	8,182	143	143	0.0%
Gains	690	67	0		0.0%
<b>Total HENNEPIN &amp; LAKE</b>	<b>1,265,698</b>	<b>1,293,003</b>	<b>1,331,825</b>	<b>648,015</b>	<b>-51.3%</b>
<b><u>BROADWAY 35-W</u></b>					
Property Taxes	1,388,838	1,376,187	1,410,207	705,238	-50.0%
Interest	51,766	70,473	5,000	5,000	0.0%
Gains	2,496	(1,630)	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total BROADWAY 35-W</b>	<b>1,443,100</b>	<b>1,445,030</b>	<b>1,415,207</b>	<b>710,238</b>	<b>-49.8%</b>
<b><u>BOTTINEAU</u></b>					
Property Taxes	154,194	165,091	170,539	165,411	-3.0%
State Government	2,545	2,110	0		0.0%
Interest	979	1,636	341	331	-2.9%
Gains	83	57	0		0.0%
<b>Total BOTTINEAU</b>	<b>157,801</b>	<b>168,894</b>	<b>170,880</b>	<b>165,742</b>	<b>-3.0%</b>
<b><u>FRANKLIN AVENUE</u></b>					
Property Taxes	69,147	53,253	0		0.0%
State Government	429	12,745	0		0.0%
Interest	173	423	0		0.0%
Gains	(1)	63	0		0.0%
<b>Total FRANKLIN AVENUE</b>	<b>69,748</b>	<b>66,484</b>	<b>0</b>		<b>0.0%</b>
<b><u>CONSERVATORY</u></b>					
Property Taxes	3,233,344	3,459,959	3,552,690	3,913,825	10.2%
Interest	22,946	24,144	118	118	0.0%
Gains	1,856	408	0		0.0%
<b>Total CONSERVATORY</b>	<b>3,258,146</b>	<b>3,484,511</b>	<b>3,552,808</b>	<b>3,913,943</b>	<b>10.2%</b>
<b><u>LORING PARK</u></b>					
Property Taxes	4,454,312	4,411,339	4,628,594	2,217,089	-52.1%
State Government	90,081	86,608	0		0.0%
Interest	31,701	28,344	0	102	0.0%
Gains	2,297	305	0		0.0%
<b>Total LORING PARK</b>	<b>4,578,391</b>	<b>4,526,596</b>	<b>4,628,594</b>	<b>2,217,191</b>	<b>-52.1%</b>
<b><u>LAUREL VILLAGE</u></b>					
Property Taxes	1,047,714	1,038,885	1,059,658	971,530	-8.3%
Interest	70,346	74,054	575	575	0.0%
Gains	2,793	7,124	0		0.0%
Rents	1,576,447	1,705,388	1,650,858	1,948,710	18.0%
<b>Total LAUREL VILLAGE</b>	<b>2,697,300</b>	<b>2,825,451</b>	<b>2,711,091</b>	<b>2,920,815</b>	<b>7.7%</b>
<b><u>CITY CENTER</u></b>					
Property Taxes	1,792,250	2,312,215	2,358,464	1,300,935	-44.8%
Charges for Sales	139,000	0	0		0.0%
Interest	21,714	13,911	134	134	0.0%
Gains	1,159	350	0		0.0%
<b>Total CITY CENTER</b>	<b>1,954,123</b>	<b>2,326,476</b>	<b>2,358,598</b>	<b>1,301,069</b>	<b>-44.8%</b>
<b><u>SOUTH NICOLLET MALL</u></b>					
Property Taxes	7,717,725	8,143,771	8,306,674	9,281,489	11.7%
Interest	59,573	4,395	102	102	0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Gains	2,328	7,838	0		0.0%
Rents	832,537	1,327,486	2,270,000	2,325,000	2.4%
<b>Total SOUTH NICOLLET MALL</b>	<b>8,612,163</b>	<b>9,483,490</b>	<b>10,576,776</b>	<b>11,606,591</b>	<b>9.7%</b>
<b><u>CENTRAL CARE NURSING HOME</u></b>					
Interest	(25)	(41)	0		0.0%
Gains	(1)	(3)	0		0.0%
<b>Total CENTRAL CARE NURSING HOME</b>	<b>(26)</b>	<b>(44)</b>	<b>0</b>		<b>0.0%</b>
<b><u>CLARE HOUSING</u></b>					
Property Taxes	0	13,712	0	12,042	0.0%
Interest	0	20	0	24	0.0%
Gains	0	18	0		0.0%
<b>Total CLARE HOUSING</b>	<b>0</b>	<b>13,750</b>	<b>0</b>	<b>12,066</b>	<b>0.0%</b>
<b><u>DEEP ROCK</u></b>					
Property Taxes	94,683	0	21,024		-100.0%
Interest	5,366	4,863	0		0.0%
Gains	167	(166)	0		0.0%
<b>Total DEEP ROCK</b>	<b>100,216</b>	<b>4,697</b>	<b>21,024</b>		<b>-100.0%</b>
<b><u>DOWNTOWN EAST LRT</u></b>					
Property Taxes	493,283	596,509	0		0.0%
Charges for Service	0	250	0		0.0%
Interest	(18,909)	(73,143)	0		0.0%
Gains	(1,508)	(3,890)	0		0.0%
<b>Total DOWNTOWN EAST LRT</b>	<b>472,866</b>	<b>519,726</b>	<b>0</b>		<b>0.0%</b>
<b><u>2700 EAST LAKE</u></b>					
Property Taxes	67,496	72,892	74,350	87,071	17.1%
Interest	862	1,366	138	138	0.0%
Gains	50	60	0		0.0%
<b>Total 2700 EAST LAKE</b>	<b>68,408</b>	<b>74,318</b>	<b>74,488</b>	<b>87,209</b>	<b>17.1%</b>
<b><u>EAST PHILLIPS</u></b>					
Property Taxes	34,495	38,573	38,792	24,978	-35.6%
State Government	118	421	0		0.0%
Interest	221	427	78	50	-35.9%
Gains	22	14	0		0.0%
<b>Total EAST PHILLIPS</b>	<b>34,856</b>	<b>39,435</b>	<b>38,870</b>	<b>25,028</b>	<b>-35.6%</b>
<b><u>EAST VILLAGE</u></b>					
Property Taxes	193,144	191,736	195,571	211,195	8.0%
Interest	3,074	4,882	394	394	0.0%
Gains	165	244	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total EAST VILLAGE</b>	<b>196,383</b>	<b>196,862</b>	<b>195,965</b>	<b>211,589</b>	<b>8.0%</b>
<b><u>50TH &amp; FRANCE</u></b>					
Property Taxes	193,439	186,183	191,474	197,139	3.0%
Interest	4,006	6,520	434	434	0.0%
Gains	198	348	0		0.0%
<b>Total 50TH &amp; FRANCE</b>	<b>197,643</b>	<b>193,051</b>	<b>191,908</b>	<b>197,573</b>	<b>3.0%</b>
<b><u>FRANKLIN PORTLAND WELLSTONE</u></b>					
Property Taxes	0	0	0	178	0.0%
Interest	(69)	(356)	0		0.0%
Gains	(5)	(25)	0		0.0%
<b>Total FRANKLIN PORTLAND WELLSTONE</b>	<b>(74)</b>	<b>(381)</b>	<b>0</b>	<b>178</b>	<b>0.0%</b>
<b><u>FORMER FED RESERVE</u></b>					
Property Taxes	541,959	692,397	706,245	858,294	21.5%
Interest	5,152	8,501	1,216	1,216	0.0%
Gains	399	686	0		0.0%
<b>Total FORMER FED RESERVE</b>	<b>547,510</b>	<b>701,584</b>	<b>707,461</b>	<b>859,510</b>	<b>21.5%</b>
<b><u>GRAIN BELT</u></b>					
Property Taxes	133,997	142,585	145,437	156,745	7.8%
Charges for Service	25	0	0		0.0%
Interest	1,706	2,741	274	274	0.0%
Gains	100	128	0		0.0%
<b>Total GRAIN BELT</b>	<b>135,828</b>	<b>145,454</b>	<b>145,711</b>	<b>157,019</b>	<b>7.8%</b>
<b><u>GRACO TI</u></b>					
Property Taxes	79,039	84,417	86,104	110,458	28.3%
Interest	(4,297)	(2,125)	0		0.0%
Gains	55	(221)	0		0.0%
Other Misc Revenues	269,146	0	0		0.0%
<b>Total GRACO TI</b>	<b>343,943</b>	<b>82,071</b>	<b>86,104</b>	<b>110,458</b>	<b>28.3%</b>
<b><u>GRAIN BELT HOUSING DIST 132</u></b>					
Property Taxes	50,867	59,887	61,085	66,649	9.1%
State Government	365	0	0		0.0%
Interest	(3,911)	(4,608)	122	133	9.0%
Gains	(98)	(206)	0		0.0%
<b>Total GRAIN BELT HOUSING DIST 132</b>	<b>47,223</b>	<b>55,073</b>	<b>61,207</b>	<b>66,782</b>	<b>9.1%</b>
<b><u>110 GRANT</u></b>					
Property Taxes	350,088	351,146	358,169	403,398	12.6%
Interest	13,635	3,156	690	690	0.0%
Gains	162	485	0		0.0%



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total 110 GRANT</b>	<b>363,885</b>	<b>354,787</b>	<b>358,859</b>	<b>404,088</b>	<b>12.6%</b>
<b><u>13TH AND HARMON</u></b>					
Property Taxes	269,065	263,172	268,436	261,445	-2.6%
Interest	(2,689)	(4,462)	604	604	0.0%
Gains	(12)	(352)	0		0.0%
<b>Total 13TH AND HARMON</b>	<b>266,364</b>	<b>258,358</b>	<b>269,040</b>	<b>262,049</b>	<b>-2.6%</b>
<b><u>PARCEL C TI DISTRICT</u></b>					
Property Taxes	478,945	480,803	490,467	554,474	13.1%
State Government	89	200	0		0.0%
Charges for Sales	355,173	0	0		0.0%
Interest	48,883	86,449	981	1,109	13.0%
Gains	2,030	5,119	0		0.0%
<b>Total PARCEL C TI DISTRICT</b>	<b>885,120</b>	<b>572,571</b>	<b>491,448</b>	<b>555,583</b>	<b>13.1%</b>
<b><u>HISTORIC DEPOT REUSE DIST 93</u></b>					
Property Taxes	780,669	750,243	765,245	745,316	-2.6%
Interest	6,053	9,565	0		0.0%
Gains	417	606	0		0.0%
<b>Total HISTORIC DEPOT REUSE DIST 93</b>	<b>787,139</b>	<b>760,414</b>	<b>765,245</b>	<b>745,316</b>	<b>-2.6%</b>
<b><u>HENNEPIN &amp; 7TH ENTERTAINMENT</u></b>					
Property Taxes	1,198,328	893,035	1,135,848	1,180,835	4.0%
Interest	69,461	136,707	2,245	2,445	8.9%
Gains	3,517	7,091	0		0.0%
Rents	933,020	927,478	1,204,718	1,090,000	-9.5%
Other Misc Revenues	0	0	90,000		-100.0%
<b>Total HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>2,204,326</b>	<b>1,964,311</b>	<b>2,432,811</b>	<b>2,273,280</b>	<b>-6.6%</b>
<b><u>HUMBOLDT GREENWAY DIST 98</u></b>					
Property Taxes	242,406	273,549	331,268	340,915	2.9%
State Government	9,129	14,316	0		0.0%
Interest	7,117	10,518	843	904	7.2%
Gains	314	698	0		0.0%
<b>Total HUMBOLDT GREENWAY DIST 98</b>	<b>258,966</b>	<b>299,081</b>	<b>332,111</b>	<b>341,819</b>	<b>2.9%</b>
<b><u>HIAWATHA COMMONS HOUSING</u></b>					
Property Taxes	0	12,338	12,585	84,606	572.3%
Interest	0	147	25	169	576.0%
Gains	0	18	0		0.0%
<b>Total HIAWATHA COMMONS HOUSING</b>	<b>0</b>	<b>12,503</b>	<b>12,610</b>	<b>84,775</b>	<b>572.3%</b>
<b><u>HUMBOLDT INDUSTRIAL PARK</u></b>					
Property Taxes	0	0	0	86,759	0.0%
Interest	0	0	0	87	0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total HUMBOLDT INDUSTRIAL PARK</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>86,846</b>	<b>0.0%</b>
<b><u>HERITAGE LAND APTS</u></b>					
Property Taxes	446,801	437,110	445,853	434,506	-2.5%
Interest	16,798	27,460	911	911	0.0%
Gains	709	1,611	0		0.0%
Rents	0	0	0	46,000	0.0%
Contributions	0	46,223	0		0.0%
Other Misc Revenues	21,257	0	0		0.0%
<b>Total HERITAGE LAND APTS</b>	<b>485,565</b>	<b>512,404</b>	<b>446,764</b>	<b>481,417</b>	<b>7.8%</b>
<b><u>HERITAGE PARK</u></b>					
Property Taxes	82,354	487,679	601,064	447,359	-25.6%
State Government	850	13,810	0		0.0%
Interest	8,113	11,190	173	173	0.0%
Gains	300	982	0		0.0%
<b>Total HERITAGE PARK</b>	<b>91,617</b>	<b>513,661</b>	<b>601,237</b>	<b>447,532</b>	<b>-25.6%</b>
<b><u>900 6TH AVE SE</u></b>					
Property Taxes	56,045	61,213	62,437	66,655	6.8%
Interest	729	996	125	133	6.4%
Gains	43	34	0		0.0%
<b>Total 900 6TH AVE SE</b>	<b>56,817</b>	<b>62,243</b>	<b>62,562</b>	<b>66,788</b>	<b>6.8%</b>
<b><u>EAST HENNEPIN &amp; UNIVERSITY</u></b>					
Property Taxes	1,378,700	1,403,296	1,455,217	1,367,056	-6.1%
State Government	2,493	3,190	0		0.0%
Interest	19,197	47,178	2,819	2,819	0.0%
Gains	1,191	3,308	0		0.0%
Transfers In	293,712	360,262	0		0.0%
<b>Total EAST HENNEPIN &amp; UNIVERSITY</b>	<b>1,695,293</b>	<b>1,817,234</b>	<b>1,458,036</b>	<b>1,369,875</b>	<b>-6.0%</b>
<b><u>CAMDEN AREA - IMPACT</u></b>					
Interest	85	52	0		0.0%
Gains	1	3	0		0.0%
<b>Total CAMDEN AREA - IMPACT</b>	<b>86</b>	<b>55</b>	<b>0</b>		<b>0.0%</b>
<b><u>IVY TOWER</u></b>					
Property Taxes	4,009	5,017	5,117	184,722	3,510.0%
Interest	101,022	(3,848)	0		0.0%
Gains	(82)	(237)	0		0.0%
<b>Total IVY TOWER</b>	<b>104,949</b>	<b>932</b>	<b>5,117</b>	<b>184,722</b>	<b>3,510.0%</b>
<b><u>JOURDAIN</u></b>					
Property Taxes	856	2,190	2,234	54,701	2,348.6%
Interest	15	73	4	109	2,625.0%

**SCHEDULE TWO  
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	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
Gains	1	8	0		0.0%
<b>Total JOURDAIN</b>	<b>872</b>	<b>2,271</b>	<b>2,238</b>	<b>54,810</b>	<b>2,349.1%</b>
<b><u>LOCAL CONTRIBUTION FUND</u></b>					
Charges for Service	86,037	64,955	0		0.0%
Interest	116,217	233,578	0		0.0%
Gains	5,260	13,793	0		0.0%
Rents	232,006	199,605	0		0.0%
Transfers In	1,601,394	23,133	0		0.0%
<b>Total LOCAL CONTRIBUTION FUND</b>	<b>2,040,914</b>	<b>535,064</b>	<b>0</b>		<b>0.0%</b>
<b><u>LOWRY RIDGE</u></b>					
Property Taxes	110,682	128,180	129,710	118,213	-8.9%
State Government	38	0	0		0.0%
Interest	1,090	426	241	241	0.0%
Gains	36	(7)	0		0.0%
<b>Total LOWRY RIDGE</b>	<b>111,846</b>	<b>128,599</b>	<b>129,951</b>	<b>118,454</b>	<b>-8.8%</b>
<b><u>LAKE STREET CENTER</u></b>					
Property Taxes	978,236	2,050,776	4,997,446	2,368,775	-52.6%
Interest	16,962	35,073	2,227	2,369	6.4%
Gains	996	3,486	0		0.0%
<b>Total LAKE STREET CENTER</b>	<b>996,194</b>	<b>2,089,335</b>	<b>4,999,673</b>	<b>2,371,144</b>	<b>-52.6%</b>
<b><u>MAGNUM LOFTS</u></b>					
Property Taxes	46,117	48,588	49,560	48,957	-1.2%
Interest	815	1,235	94	94	0.0%
Gains	42	59	0		0.0%
<b>Total MAGNUM LOFTS</b>	<b>46,974</b>	<b>49,882</b>	<b>49,654</b>	<b>49,051</b>	<b>-1.2%</b>
<b><u>MANY RIVERS</u></b>					
Property Taxes	59,922	57,675	58,828	60,860	3.5%
Interest	(716)	(1,018)	118	122	3.4%
Gains	(3)	(82)	0		0.0%
<b>Total MANY RIVERS</b>	<b>59,203</b>	<b>56,575</b>	<b>58,946</b>	<b>60,982</b>	<b>3.5%</b>
<b><u>MANY RIVERS WEST</u></b>					
Property Taxes	0	45,397	46,305	47,923	3.5%
Interest	33	111	93	96	3.2%
Gains	1	10	0		0.0%
<b>Total MANY RIVERS WEST</b>	<b>34</b>	<b>45,518</b>	<b>46,398</b>	<b>48,019</b>	<b>3.5%</b>
<b><u>1900 CENTRAL AVE HSG</u></b>					
Property Taxes	56,644	65,040	66,341	64,613	-2.6%
Interest	237	384	133	129	-3.0%
Gains	26	7	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total 1900 CENTRAL AVE HSG</b>	<b>56,907</b>	<b>65,431</b>	<b>66,474</b>	<b>64,742</b>	<b>-2.6%</b>
<b><u>NICOLLET FRANKLIN</u></b>					
Property Taxes	124,567	198,946	209,255	213,247	1.9%
State Government	0	2,161	0		0.0%
Interest	(2,982)	(4,817)	265	265	0.0%
Gains	(55)	(342)	0		0.0%
<b>Total NICOLLET FRANKLIN</b>	<b>121,530</b>	<b>195,948</b>	<b>209,520</b>	<b>213,512</b>	<b>1.9%</b>
<b><u>NRP</u></b>					
Charges for Sales	85,599	25,330	0		0.0%
Interest	1,044,915	1,436,801	0		0.0%
Gains	35,822	71,188	0		0.0%
Other Misc Revenues	930,637	2,233,886	1,500,000		-100.0%
Transfers In	1,325,729	0	0		0.0%
<b>Total NRP</b>	<b>3,422,702</b>	<b>3,767,205</b>	<b>1,500,000</b>		<b>-100.0%</b>
<b><u>NWIP</u></b>					
Property Taxes	2,646,256	2,660,181	2,871,181	1,492,431	-48.0%
State Government	714	477	0		0.0%
Interest	19,468	16,470	924		-100.0%
Gains	1,312	315	0		0.0%
<b>Total NWIP</b>	<b>2,667,750</b>	<b>2,677,443</b>	<b>2,872,105</b>	<b>1,492,431</b>	<b>-48.0%</b>
<b><u>HOLMES</u></b>					
Property Taxes	2,147,565	2,246,153	2,349,484	1,286,155	-45.3%
State Government	41,800	37,966	0		0.0%
Charges for Sales	9,950	50,110	0		0.0%
Interest	16,902	14,517	1,357		-100.0%
Gains	1,140	270	0		0.0%
<b>Total HOLMES</b>	<b>2,217,357</b>	<b>2,349,016</b>	<b>2,350,841</b>	<b>1,286,155</b>	<b>-45.3%</b>
<b><u>NICOLLET ISLAND EAST BANK</u></b>					
Property Taxes	1,750,624	2,022,436	2,085,390	1,130,972	-45.8%
State Government	3,613	13,131	0		0.0%
Interest	14,792	13,948	1,008		-100.0%
Gains	1,130	101	0		0.0%
<b>Total NICOLLET ISLAND EAST BANK</b>	<b>1,770,159</b>	<b>2,049,616</b>	<b>2,086,398</b>	<b>1,130,972</b>	<b>-45.8%</b>
<b><u>PORTLAND PLACE</u></b>					
Property Taxes	83,013	88,663	100,359	99,102	-1.3%
State Government	7,553	10,501	0		0.0%
Interest	6,916	12,023	623	564	-9.5%
Gains	268	763	0		0.0%
<b>Total PORTLAND PLACE</b>	<b>97,750</b>	<b>111,950</b>	<b>100,982</b>	<b>99,666</b>	<b>-1.3%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b><u>NOKOMIS HOLMES</u></b>					
Property Taxes	211,383	210,098	268,483	262,304	-2.3%
State Government	53,399	52,902	0		0.0%
Interest	1,874	(753)	370	546	47.6%
Gains	121	(10)	0		0.0%
<b>Total NOKOMIS HOLMES</b>	<b>266,777</b>	<b>262,237</b>	<b>268,853</b>	<b>262,850</b>	<b>-2.2%</b>
<b><u>ELLIOT PARK</u></b>					
Property Taxes	521,388	613,636	636,865		-100.0%
State Government	9,671	10,777	0		0.0%
Interest	2,239	(9,903)	1,537	17,192	1,018.5%
Gains	37	(250)	0		0.0%
<b>Total ELLIOT PARK</b>	<b>533,335</b>	<b>614,260</b>	<b>638,402</b>	<b>17,192</b>	<b>-97.3%</b>
<b><u>NICOLLET &amp; LAKE</u></b>					
Property Taxes	570,693	567,323	635,998	325,073	-48.9%
State Government	13,399	18,219	0		0.0%
Interest	5,499	3,739	1,020		-100.0%
Gains	313	50	0		0.0%
<b>Total NICOLLET &amp; LAKE</b>	<b>589,904</b>	<b>589,331</b>	<b>637,018</b>	<b>325,073</b>	<b>-49.0%</b>
<b><u>CENTRAL &amp; 20TH</u></b>					
Property Taxes	114,830	104,350	106,437	97,998	-7.9%
Interest	896	(619)	2,129	160	-92.5%
Gains	65	(18)	0		0.0%
<b>Total CENTRAL &amp; 20TH</b>	<b>115,791</b>	<b>103,713</b>	<b>108,566</b>	<b>98,158</b>	<b>-9.6%</b>
<b><u>CENTRAL AVENUE MARKET</u></b>					
Interest	22	35	0		0.0%
Gains	1	2	0		0.0%
<b>Total CENTRAL AVENUE MARKET</b>	<b>23</b>	<b>37</b>	<b>0</b>		<b>0.0%</b>
<b><u>MILES I</u></b>					
Property Taxes	105,220	117,307	120,548	130,366	8.1%
Interest	1,309	2,175	2,411	107	-95.6%
Gains	56	297	0		0.0%
<b>Total MILES I</b>	<b>106,585</b>	<b>119,779</b>	<b>122,959</b>	<b>130,473</b>	<b>6.1%</b>
<b><u>NBA ARENA</u></b>					
Property Taxes	1,067,179	1,035,392	1,056,094	994,503	-5.8%
Charges for Service	325	100	0		0.0%
Interest	343,249	461,108	3,612	433	-88.0%
Gains	7,647	29,342	0		0.0%
Rents	0	0	0	749,999	0.0%
Other Misc Revenues	749,990	749,990	749,999		-100.0%
Transfers In	1,739,844	1,816,563	0	1,826,337	0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total NBA ARENA</b>	<b>3,908,234</b>	<b>4,092,495</b>	<b>1,809,705</b>	<b>3,571,272</b>	<b>97.3%</b>
<b><u>PHILLIPS PARK</u></b>					
Property Taxes	55,212	59,844	63,228	69,501	9.9%
State Government	3,472	3,183	0		0.0%
Interest	1,203	2,194	126	139	10.3%
Gains	59	127	0		0.0%
<b>Total PHILLIPS PARK</b>	<b>59,946</b>	<b>65,348</b>	<b>63,354</b>	<b>69,640</b>	<b>9.9%</b>
<b><u>LASALLE PLACE</u></b>					
Property Taxes	1,741,324	1,780,692	1,816,301	1,947,632	7.2%
Interest	10,653	(5,023)	2,326	38,953	1,574.7%
Gains	146	852	0		0.0%
<b>Total LASALLE PLACE</b>	<b>1,752,123</b>	<b>1,776,521</b>	<b>1,818,627</b>	<b>1,986,585</b>	<b>9.2%</b>
<b><u>CAPITAL PROJECTS- OTHER (NON-TI)</u></b>					
Charges for Service	40,700	40,000	0		0.0%
Charges for Sales	260,177	278,222	0	450,000	0.0%
Rents	91,290	53,500	0	50,000	0.0%
Transfers In	1,549,782	4,253,115	0	950,000	0.0%
<b>Total CAPITAL PROJECTS- OTHER (NON-TI)</b>	<b>1,941,949</b>	<b>4,624,837</b>	<b>0</b>	<b>1,450,000</b>	<b>0.0%</b>
<b><u>PRELIMINARY PLANNING</u></b>					
State Government	0	0	0	3,300,000	0.0%
Charges for Service	87,419	36,247	3,000	3,000	0.0%
Charges for Sales	32,778	206,821	2,192,980	1,345,000	-38.7%
Rents	0	6,300	15,600	15,600	0.0%
Contributions	0	0	0	50,000	0.0%
Other Misc Revenues	0	0	50,000		-100.0%
<b>Total PRELIMINARY PLANNING</b>	<b>120,197</b>	<b>249,368</b>	<b>2,261,580</b>	<b>4,713,600</b>	<b>108.4%</b>
<b><u>NEIMAN MARCUS</u></b>					
Property Taxes	1,293,064	1,467,435	1,496,791	1,702,624	13.8%
Interest	9,705	1,618	2,452	25,539	941.6%
Gains	732	854	0		0.0%
<b>Total NEIMAN MARCUS</b>	<b>1,303,501</b>	<b>1,469,907</b>	<b>1,499,243</b>	<b>1,728,163</b>	<b>15.3%</b>
<b><u>IDS DATA SERVICE CENTER</u></b>					
Property Taxes	2,799,051	3,367,424	3,434,779	3,693,448	7.5%
Interest	13,330	(12,995)	14,738	2,819	-80.9%
Gains	(4)	2,244	0		0.0%
<b>Total IDS DATA SERVICE CENTER</b>	<b>2,812,377</b>	<b>3,356,673</b>	<b>3,449,517</b>	<b>3,696,267</b>	<b>7.2%</b>
<b><u>BLOCK E</u></b>					
Interest	(1,770)	865	0		0.0%
Gains	18	46	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total BLOCK E</b>	<b>(1,752)</b>	<b>911</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK AVENUE EAST</u></b>					
Charges for Service	250,000	0	0	62,000	0.0%
Interest	6,668	16,900	0		0.0%
Gains	361	1,071	0		0.0%
Rents	62,995	0	0		0.0%
<b>Total PARK AVENUE EAST</b>	<b>320,024</b>	<b>17,971</b>	<b>0</b>	<b>62,000</b>	<b>0.0%</b>
<b><u>36TH AND MARSHALL</u></b>					
Property Taxes	65,226	0	0		0.0%
Interest	11,672	19,056	0		0.0%
Gains	404	1,173	0		0.0%
<b>Total 36TH AND MARSHALL</b>	<b>77,302</b>	<b>20,229</b>	<b>0</b>		<b>0.0%</b>
<b><u>COMMON PROJECT RESERVE</u></b>					
Interest	432,354	703,665	0		0.0%
Gains	14,344	46,428	0		0.0%
<b>Total COMMON PROJECT RESERVE</b>	<b>446,698</b>	<b>750,093</b>	<b>0</b>		<b>0.0%</b>
<b><u>CAPITAL PROJECTS ARBITRAGE FUND</u></b>					
Interest	141	230	0		0.0%
Gains	5	14	0		0.0%
<b>Total CAPITAL PROJECTS ARBITRAGE FUND</b>	<b>146</b>	<b>244</b>	<b>0</b>		<b>0.0%</b>
<b><u>RIPLEY GARDENS</u></b>					
Property Taxes	502	1,281	1,306	18,975	1,352.9%
Interest	13	29	4	38	850.0%
Gains	1	2	0		0.0%
<b>Total RIPLEY GARDENS</b>	<b>516</b>	<b>1,312</b>	<b>1,310</b>	<b>19,013</b>	<b>1,351.4%</b>
<b><u>CREAMETTE</u></b>					
Property Taxes	140,750	135,263	137,968	134,375	-2.6%
Interest	2,352	2,197	276	269	-2.5%
Gains	100	143	0		0.0%
<b>Total CREAMETTE</b>	<b>143,202</b>	<b>137,603</b>	<b>138,244</b>	<b>134,644</b>	<b>-2.6%</b>
<b><u>MARSHALL RIVER RUN</u></b>					
Property Taxes	0	60,937	62,156	70,806	13.9%
Interest	(207)	402	124	142	14.5%
Gains	(9)	147	0		0.0%
<b>Total MARSHALL RIVER RUN</b>	<b>(216)</b>	<b>61,486</b>	<b>62,280</b>	<b>70,948</b>	<b>13.9%</b>
<b><u>ROSACKER</u></b>					
Property Taxes	142,120	138,331	144,450	137,955	-4.5%
State Government	3,309	3,247	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Interest	9,914	17,490	2,889	2,759	-4.5%
Gains	379	1,068	0		0.0%
<b>Total ROSACKER</b>	<b>155,722</b>	<b>160,136</b>	<b>147,339</b>	<b>140,714</b>	<b>-4.5%</b>
<b><u>STONE ARCH APARTMENTS</u></b>					
Property Taxes	287,288	276,089	281,611	274,277	-2.6%
Interest	2,221	3,277	563	549	-2.5%
Gains	165	101	0		0.0%
<b>Total STONE ARCH APARTMENTS</b>	<b>289,674</b>	<b>279,467</b>	<b>282,174</b>	<b>274,826</b>	<b>-2.6%</b>
<b><u>SPRING &amp; CENTRAL</u></b>					
Property Taxes	10,090	11,020	11,241	12,240	8.9%
Interest	1,274	797	225	245	8.9%
Gains	11	71	0		0.0%
<b>Total SPRING &amp; CENTRAL</b>	<b>11,375</b>	<b>11,888</b>	<b>11,466</b>	<b>12,485</b>	<b>8.9%</b>
<b><u>SHINGLE CREEK COMMONS</u></b>					
Property Taxes	89,904	90,063	91,864	89,759	-2.3%
Interest	814	1,269	183	183	0.0%
Gains	56	50	0		0.0%
<b>Total SHINGLE CREEK COMMONS</b>	<b>90,774</b>	<b>91,382</b>	<b>92,047</b>	<b>89,942</b>	<b>-2.3%</b>
<b><u>ST ANTHONY MILLS</u></b>					
Property Taxes	0	12,059	4,292	95,672	2,129.1%
Interest	0	164	0	191	0.0%
Gains	0	34	0		0.0%
<b>Total ST ANTHONY MILLS</b>	<b>0</b>	<b>12,257</b>	<b>4,292</b>	<b>95,863</b>	<b>2,133.5%</b>
<b><u>STINSON</u></b>					
Property Taxes	611,253	577,009	588,547	722,542	22.8%
Interest	6,688	11,290	1,177	1,445	22.8%
Gains	420	889	0		0.0%
<b>Total STINSON</b>	<b>618,361</b>	<b>589,188</b>	<b>589,724</b>	<b>723,987</b>	<b>22.8%</b>
<b><u>SEMI-PHASE 1</u></b>					
Property Taxes	526,828	520,457	530,867	533,190	0.4%
State Government	0	0	0	3,000,000	0.0%
Interest	61,133	110,664	1,062	1,066	0.4%
Gains	2,322	7,474	0		0.0%
<b>Total SEMI-PHASE 1</b>	<b>590,283</b>	<b>638,595</b>	<b>531,929</b>	<b>3,534,256</b>	<b>564.4%</b>
<b><u>SEMI-PHASE 2</u></b>					
Property Taxes	216,745	242,952	247,811	223,096	-10.0%
Interest	40,078	67,078	496	446	-10.1%
Gains	1,476	4,252	0		0.0%



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total SEMI-PHASE 2</b>	<b>258,299</b>	<b>314,282</b>	<b>248,307</b>	<b>223,542</b>	<b>-10.0%</b>
<b><u>SEMI-PHASE 3</u></b>					
Property Taxes	141,094	139,173	142,988	107,799	-24.6%
State Government	1,292	2,085	0		0.0%
Interest	9,272	9,050	286	216	-24.5%
Gains	363	621	0		0.0%
<b>Total SEMI-PHASE 3</b>	<b>152,021</b>	<b>150,929</b>	<b>143,274</b>	<b>108,015</b>	<b>-24.6%</b>
<b><u>SEMI-PHASE 4</u></b>					
Property Taxes	190,029	192,179	196,024		-100.0%
Interest	3,725	6,143	392		-100.0%
Gains	126	368	0		0.0%
<b>Total SEMI-PHASE 4</b>	<b>193,880</b>	<b>198,690</b>	<b>196,416</b>		<b>-100.0%</b>
<b><u>SEMI-PHASE 5</u></b>					
Property Taxes	108,873	135,477	138,219	147,646	6.8%
Interest	687	(206)	276	295	6.9%
Gains	61	(98)	0		0.0%
<b>Total SEMI-PHASE 5</b>	<b>109,621</b>	<b>135,173</b>	<b>138,495</b>	<b>147,941</b>	<b>6.8%</b>
<b><u>TOWERS AT ELLIOT PARK</u></b>					
Property Taxes	1,291,531	1,508,289	1,571,346	1,462,190	-6.9%
State Government	14,990	12,420	0		0.0%
Interest	16,770	42,994	2,693	2,693	0.0%
Gains	672	5,422	0		0.0%
<b>Total TOWERS AT ELLIOT PARK</b>	<b>1,323,963</b>	<b>1,569,125</b>	<b>1,574,039</b>	<b>1,464,883</b>	<b>-6.9%</b>
<b><u>2ND ST N HOTEL/APTS TOWNPLACE</u></b>					
Property Taxes	186,695	187,229	190,974	196,653	3.0%
Interest	4,404	7,000	382	393	2.9%
Gains	227	447	0		0.0%
<b>Total 2ND ST N HOTEL/APTS TOWNPLACE</b>	<b>191,326</b>	<b>194,676</b>	<b>191,356</b>	<b>197,046</b>	<b>3.0%</b>
<b><u>10TH AND WASHINGTON</u></b>					
Property Taxes	173,634	263,436	268,703	383,449	42.7%
Interest	18,614	20,852	537	767	42.8%
Gains	725	268	0		0.0%
<b>Total 10TH AND WASHINGTON</b>	<b>192,973</b>	<b>284,556</b>	<b>269,240</b>	<b>384,216</b>	<b>42.7%</b>
<b><u>UNITED VAN BUS</u></b>					
Property Taxes	52,869	53,629	54,702	57,083	4.4%
Interest	327	1,224	1,094	442	-59.6%
Gains	30	21	0		0.0%
<b>Total UNITED VAN BUS</b>	<b>53,226</b>	<b>54,874</b>	<b>55,796</b>	<b>57,525</b>	<b>3.1%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b><u>EAST RIVER / UNOCAL SITE</u></b>					
Property Taxes	203,682	213,015	221,344	219,922	-0.6%
State Government	1,076	2,811	0		0.0%
Interest	4,065	6,897	0		0.0%
Gains	162	734	0		0.0%
<b>Total EAST RIVER / UNOCAL SITE</b>	<b>208,985</b>	<b>223,457</b>	<b>221,344</b>	<b>219,922</b>	<b>-0.6%</b>
<b><u>URBAN VILLAGE</u></b>					
Property Taxes	194,646	295,544	316,783	406,223	28.2%
State Government	191	8,463	0		0.0%
Charges for Sales	391,088	0	0		0.0%
Interest	82,327	71,821	634	4,291	576.8%
Gains	2,768	(16)	0		0.0%
Rents	13,800	0	0		0.0%
<b>Total URBAN VILLAGE</b>	<b>684,820</b>	<b>375,812</b>	<b>317,417</b>	<b>410,514</b>	<b>29.3%</b>
<b><u>VILLAGE IN PHILLIPS HOUSING</u></b>					
Property Taxes	43,840	48,991	55,020	62,205	13.1%
State Government	4,444	5,859	0		0.0%
Charges for Sales	3,716	0	0		0.0%
Interest	493	72	110	124	12.7%
Gains	19	(45)	0		0.0%
<b>Total VILLAGE IN PHILLIPS HOUSING</b>	<b>52,512</b>	<b>54,877</b>	<b>55,130</b>	<b>62,329</b>	<b>13.1%</b>
<b><u>WASHINGTON COURTS APTS</u></b>					
Property Taxes	0	0	0	14,109	0.0%
Interest	0	(77)	0	14	0.0%
Gains	0	(15)	0		0.0%
<b>Total WASHINGTON COURTS APTS</b>	<b>0</b>	<b>(92)</b>	<b>0</b>	<b>14,123</b>	<b>0.0%</b>
<b><u>WEST SIDE MILLING DISTRICT</u></b>					
Property Taxes	1,707,333	1,927,276	1,957,352	1,924,657	-1.7%
State Government	22,913	874	0		0.0%
Charges for Service	36,234	0	0		0.0%
Interest	147,600	251,774	6,933	6,649	-4.1%
Gains	5,888	16,602	0		0.0%
Rents	15,675	(1,045)	0		0.0%
Other Misc Revenues	16,157	0	0		0.0%
<b>Total WEST SIDE MILLING DISTRICT</b>	<b>1,951,800</b>	<b>2,195,481</b>	<b>1,964,285</b>	<b>1,931,306</b>	<b>-1.7%</b>
<b><u>WEST RIVER COMMONS</u></b>					
Property Taxes	83,456	88,837	90,724	96,996	6.9%
State Government	301	2,238	181		-100.0%
Interest	325	608	0	194	0.0%
Gains	37	17	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total WEST RIVER COMMONS</b>	<b>84,119</b>	<b>91,700</b>	<b>90,905</b>	<b>97,190</b>	<b>6.9%</b>
<b><u>HOUSING REPLACEMENT 1</u></b>					
Property Taxes	310,260	339,954	361,812	360,644	-0.3%
State Government	18,366	17,772	0		0.0%
Interest	28,198	56,613	7,236	7,213	-0.3%
Gains	1,122	4,074	0		0.0%
<b>Total HOUSING REPLACEMENT 1</b>	<b>357,946</b>	<b>418,413</b>	<b>369,048</b>	<b>367,857</b>	<b>-0.3%</b>
<b><u>HOUSING REPLACEMENT 2</u></b>					
Property Taxes	15,557	236,838	30,607	120,373	293.3%
State Government	845	1,474	0		0.0%
Interest	500	1,090	612	2,407	293.3%
Gains	27	36	0		0.0%
<b>Total HOUSING REPLACEMENT 2</b>	<b>16,929</b>	<b>239,438</b>	<b>31,219</b>	<b>122,780</b>	<b>293.3%</b>
<b><u>HSG REPLACE-WATERSHED 3</u></b>					
Interest	3,579	5,851	0		0.0%
Gains	125	361	0		0.0%
<b>Total HSG REPLACE-WATERSHED 3</b>	<b>3,704</b>	<b>6,212</b>	<b>0</b>		<b>0.0%</b>
<b><u>BLOCK 33</u></b>					
Property Taxes	10,367	12,251	17,701	19,586	10.6%
State Government	4,280	4,600	0		0.0%
Interest	1,652	243	103	103	0.0%
Gains	7	(3)	0		0.0%
<b>Total BLOCK 33</b>	<b>16,306</b>	<b>17,091</b>	<b>17,804</b>	<b>19,689</b>	<b>10.6%</b>
<b><u>MCDA UDAG LEVERAGE INVESTMENT</u></b>					
Interest	60,493	103,722	0		0.0%
Gains	2,120	6,905	0		0.0%
Other Misc Revenues	77,270	77,270	0		0.0%
<b>Total MCDA UDAG LEVERAGE INVESTMENT</b>	<b>139,883</b>	<b>187,897</b>	<b>0</b>		<b>0.0%</b>
<b><u>MCDA NEIGHBORHOOD DEVEL ACCT</u></b>					
Interest	2,750	8,250	0		0.0%
Other Misc Revenues	498,390	37,567	0		0.0%
Transfers In	6,327,899	0	0		0.0%
<b>Total MCDA NEIGHBORHOOD DEVEL ACCT</b>	<b>6,829,039</b>	<b>45,817</b>	<b>0</b>		<b>0.0%</b>
<b><u>CPED OPERATING</u></b>					
Sales and Other Taxes	237	266	0		0.0%
State Government	54,097	1,367	0		0.0%
Charges for Service	3,342,830	3,703,263	0	4,604,616	0.0%
Charges for Sales	190,302	71,501	0		0.0%
Interest	332,725	740,358	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Gains	10,305	79,777	0		0.0%
Rents	115,210	117,542	0		0.0%
Other Misc Revenues	125,297	(61,553)	0		0.0%
Transfers In	48,722	0	0		0.0%
<b>Total CPED OPERATING</b>	<b>4,219,725</b>	<b>4,652,521</b>	<b>0</b>	<b>4,604,616</b>	<b>0.0%</b>
<b><u>NRP ADMINISTRATION</u></b>					
Charges for Service	463,855	375,853	650,000		-100.0%
Interest	(2,939)	(14,832)	0		0.0%
Gains	(71)	(1,238)	0		0.0%
Other Misc Revenues	0	0	5,000		-100.0%
<b>Total NRP ADMINISTRATION</b>	<b>460,845</b>	<b>359,783</b>	<b>655,000</b>		<b>-100.0%</b>
<b><u>COMMUNITY DEVELOPMENT LEVY</u></b>					
Property Taxes	(1,339)	2,358	0		0.0%
Interest	143,206	171,518	0		0.0%
Gains	3,588	10,073	0		0.0%
Other Misc Revenues	98,849	4,860	0		0.0%
<b>Total COMMUNITY DEVELOPMENT LEVY</b>	<b>244,304</b>	<b>188,809</b>	<b>0</b>		<b>0.0%</b>
<b><u>DEVELOPMENT ACCOUNT</u></b>					
Charges for Sales	3,305	0	0		0.0%
Interest	258,845	329,734	0		0.0%
Gains	5,951	17,589	0		0.0%
Transfers In	1,572,790	553,239	0		0.0%
<b>Total DEVELOPMENT ACCOUNT</b>	<b>1,840,891</b>	<b>900,562</b>	<b>0</b>		<b>0.0%</b>
<b><u>ECONOMIC DEVELOPMENT PROGRAM</u></b>					
Charges for Service	1,689,083	1,817,966	1,505,000	1,395,000	-7.3%
Interest	210,539	249,005	0		0.0%
Gains	3,400	8,651	0		0.0%
Other Misc Revenues	1,007,912	1,145,199	2,905,000	2,405,000	-17.2%
<b>Total ECONOMIC DEVELOPMENT PROGRAM</b>	<b>2,910,934</b>	<b>3,220,821</b>	<b>4,410,000</b>	<b>3,800,000</b>	<b>-13.8%</b>
<b><u>HOUSING FINANCE</u></b>					
Interest	(289)	(472)	0		0.0%
Gains	(10)	(29)	0		0.0%
<b>Total HOUSING FINANCE</b>	<b>(299)</b>	<b>(501)</b>	<b>0</b>		<b>0.0%</b>
<b><u>HOUSING PROGRAM</u></b>					
Charges for Service	842,538	2,372,202	0		0.0%
Charges for Sales	103	0	7,000,000	7,000,000	0.0%
Interest	153,093	317,955	0		0.0%
Gains	5,282	20,622	0		0.0%
Other Misc Revenues	0	14,297	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total HOUSING PROGRAM</b>	<b>1,001,016</b>	<b>2,725,076</b>	<b>7,000,000</b>	<b>7,000,000</b>	<b>0.0%</b>
<b><u>HOME OWNERSHIP WORKS</u></b>					
Local Government	0	12,000	0		0.0%
Charges for Sales	300,415	126,050	0		0.0%
Interest	(17,368)	(29,322)	0		0.0%
Gains	(805)	(1,955)	0		0.0%
<b>Total HOME OWNERSHIP WORKS</b>	<b>282,242</b>	<b>106,773</b>	<b>0</b>		<b>0.0%</b>
<b><u>LEVERAGED INVESTMENT FUND</u></b>					
Interest	24,688	27,237	0		0.0%
Gains	169	489	0		0.0%
<b>Total LEVERAGED INVESTMENT FUND</b>	<b>24,857</b>	<b>27,726</b>	<b>0</b>		<b>0.0%</b>
<b><u>MCDA STATE GRANTS &amp; LOAN</u></b>					
State Government	6,783,796	726,115	0		0.0%
Local Government	363,670	373,296	0		0.0%
Charges for Service	0	9,235	0		0.0%
Charges for Sales	17,934	0	0		0.0%
Interest	83,499	64,751	0		0.0%
Gains	3,111	3,924	0		0.0%
Other Misc Revenues	89,367	104,396	0		0.0%
<b>Total MCDA STATE GRANTS &amp; LOAN</b>	<b>7,341,377</b>	<b>1,281,717</b>	<b>0</b>		<b>0.0%</b>
<b><u>NEIGHBORHOOD HOUSING</u></b>					
Charges for Sales	150,000	150,000	0		0.0%
Other Misc Revenues	36,939	35,976	0		0.0%
<b>Total NEIGHBORHOOD HOUSING</b>	<b>186,939</b>	<b>185,976</b>	<b>0</b>		<b>0.0%</b>
<b><u>NRP NON TI</u></b>					
Interest	199,276	423,108	0		0.0%
Gains	9,183	26,144	0		0.0%
Transfers In	2,708,799	0	0		0.0%
<b>Total NRP NON TI</b>	<b>2,917,258</b>	<b>449,252</b>	<b>0</b>		<b>0.0%</b>
<b><u>COMMUNITY DEVELOPMENT</u></b>					
Charges for Service	12,353	6,125	0	10,000	0.0%
Charges for Sales	4,756	0	0		0.0%
Interest	2,523,683	1,542,717	0		0.0%
Gains	(3,031)	(7,165)	0		0.0%
Other Misc Revenues	195,321	462,816	0	1,000,000	0.0%
Transfers In	0	3,662,367	0		0.0%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>2,733,082</b>	<b>5,666,860</b>	<b>0</b>	<b>1,010,000</b>	<b>0.0%</b>
<b><u>RESIDENTIAL HOUSING</u></b>					
Charges for Service	155,266	154,970	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Interest	119,290	197,129	0		0.0%
Gains	4,164	11,011	0		0.0%
Other Misc Revenues	790,187	220,722	650,000		-100.0%
<b>Total RESIDENTIAL HOUSING</b>	<b>1,068,907</b>	<b>583,832</b>	<b>650,000</b>		<b>-100.0%</b>
<b><u>UPPER RIVER LAND BANK</u></b>					
Interest	(4,519)	(7,406)	0		0.0%
Gains	(159)	(468)	0		0.0%
<b>Total UPPER RIVER LAND BANK</b>	<b>(4,678)</b>	<b>(7,874)</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
Property Taxes	218,114	231,291	245,033	254,834	4.0%
Sales and Other Taxes	21	36	0		0.0%
State Government	8,651	7,612	0		0.0%
Transfers In	102,000	101,000	0		0.0%
Long Term Liabilities Proceeds	0	0	105,000	105,000	0.0%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>328,785</b>	<b>339,939</b>	<b>350,033</b>	<b>359,834</b>	<b>2.8%</b>
<b><u>POLICE DEPT - SPECIAL REVENUE</u></b>					
Sales and Other Taxes	165,775	148,213	121,626	121,626	0.0%
License and Permits	634,332	917,781	492,751	571,985	16.1%
State Government	0	475,365	0		0.0%
Charges for Service	852,844	586,098	359,714	610,384	69.7%
Fines and Forfeits	511,454	503,394	263,353	370,456	40.7%
Special Assessments	17,170	0	0		0.0%
Other Misc Revenues	3,025	1,215	0		0.0%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>2,184,601</b>	<b>2,632,067</b>	<b>1,237,444</b>	<b>1,674,451</b>	<b>35.3%</b>
<b><u>ARENA - RESERVE</u></b>					
Interest	(31,047)	54,361	0		0.0%
Gains	(805)	1,805	0		0.0%
Transfers In	3,212,500	3,287,805	3,833,000	3,833,000	0.0%
<b>Total ARENA - RESERVE</b>	<b>3,180,648</b>	<b>3,343,971</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	20,274,869	20,396,727	20,599,778	16,638,947	-19.2%
Charges for Service	0	1,215	0		0.0%
Interest	13,854	44,436	0		0.0%
Other Misc Revenues	0	181,944	0	1,000,000	0.0%
<b>Total GRANTS - FEDERAL</b>	<b>20,288,723</b>	<b>20,624,323</b>	<b>20,599,778</b>	<b>17,638,947</b>	<b>-14.4%</b>
<b><u>MCDA FEDERAL GRANTS-OTHER</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Federal Government	233,057	8,026	0		0.0%
Charges for Sales	72,735	199,170	0		0.0%
Interest	12,960	13,089	0		0.0%
Other Misc Revenues	3,959	130	0		0.0%
Transfers In	3,931,484	3,682,418	0		0.0%
<b>Total MCDA FEDERAL GRANTS-OTHER</b>	<b>4,254,195</b>	<b>3,902,833</b>	<b>0</b>		<b>0.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
Federal Government	21,637,785	19,299,588	18,904,000	14,496,000	-23.3%
Charges for Service	0	100,061	0		0.0%
Charges for Sales	0	263,374	0		0.0%
Interest	0	36,470	0		0.0%
Rents	0	200	0		0.0%
Other Misc Revenues	0	1,832,323	600,000	600,000	0.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>21,637,785</b>	<b>21,532,017</b>	<b>19,504,000</b>	<b>15,096,000</b>	<b>-22.6%</b>
<b><u>MCDA CDBG</u></b>					
Charges for Service	36,861	(36,671)	150,000		-100.0%
Charges for Sales	580,085	0	0		0.0%
Interest	14,554	0	0		0.0%
Other Misc Revenues	495,681	0	0		0.0%
Transfers In	2,463,111	1,363,190	3,596,000	26,052	-99.3%
<b>Total MCDA CDBG</b>	<b>3,590,292</b>	<b>1,326,519</b>	<b>3,746,000</b>	<b>26,052</b>	<b>-99.3%</b>
<b><u>HOME</u></b>					
Federal Government	0	0	0	3,446,000	0.0%
<b>Total HOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,446,000</b>	<b>0.0%</b>
<b><u>GRANTS - OTHER</u></b>					
Sales and Other Taxes	11,000	46,916	50,000	26,000	-48.0%
License and Permits	0	0	85,000	584,800	588.0%
State Government	11,709,059	15,785,137	7,827,247	7,277,450	-7.0%
Local Government	970,643	585,149	120,000	147,000	22.5%
Charges for Service	188,540	304,679	240,000	475,000	97.9%
Charges for Sales	3,060	37,751	0		0.0%
Fines and Forfeits	0	0	0	10,000	0.0%
Special Assessments	0	0	1,540,000	3,974,400	158.1%
Interest	783,273	32,858	10,000	10,000	0.0%
Contributions	398,788	1,332,205	919,980	919,000	-0.1%
Other Misc Revenues	5,595,628	32,080	64,794	51,794	-20.1%
Transfers In	45,397	129,391	0		0.0%
<b>Total GRANTS - OTHER</b>	<b>19,705,389</b>	<b>18,286,164</b>	<b>10,857,021</b>	<b>13,475,444</b>	<b>24.1%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
Sales and Other Taxes	56,724,560	60,065,202	57,864,000	59,304,000	2.5%
Charges for Service	5,155,200	5,250,866	6,180,000	5,475,000	-11.4%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Interest	729,682	1,449,045	1,684,000	1,729,011	2.7%
Gains	22,293	95,298	20,000		-100.0%
Rents	6,768,181	6,508,640	6,689,250	6,435,000	-3.8%
Contributions	537,500	391,900	0		0.0%
Other Misc Revenues	2,624,553	2,581,563	2,714,000	3,025,000	11.5%
Transfers In	3,031,000	500,000	1,000,000	1,000,000	0.0%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>75,592,968</b>	<b>76,842,515</b>	<b>76,151,250</b>	<b>76,968,011</b>	<b>1.1%</b>
<b><u>MERF PENSION BONDS</u></b>					
Interest	0	560,630	0		0.0%
Gains	0	34,609	0		0.0%
Transfers In	10,000,000	0	0		0.0%
<b>Total MERF PENSION BONDS</b>	<b>10,000,000</b>	<b>595,239</b>	<b>0</b>		<b>0.0%</b>
<b><u>EMPLOYEE RETIREMENT</u></b>					
Property Taxes	6,129,749	8,726,316	9,796,080	6,992,300	-28.6%
Sales and Other Taxes	584	1,371	0		0.0%
State Government	5,819,762	3,701,565	6,391,521	5,578,141	-12.7%
Fines and Forfeits	122,449	405,498	0		0.0%
Interest	371,002	0	0		0.0%
Gains	5,766	0	0		0.0%
Other Misc Revenues	742,617	863,608	1,371,402	1,381,719	0.8%
<b>Total EMPLOYEE RETIREMENT</b>	<b>13,191,929</b>	<b>13,698,358</b>	<b>17,559,003</b>	<b>13,952,160</b>	<b>-20.5%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Property Taxes	36,181,940	38,529,165	40,942,461	42,735,391	4.4%
Sales and Other Taxes	3,428	6,019	3,000	3,000	0.0%
License and Permits	146,328	95,929	109,000	174,000	59.6%
State Government	13,764,685	13,054,570	10,763,205	11,537,290	7.2%
Local Government	0	87,227	128,790	428,790	232.9%
Charges for Service	940,176	898,122	1,344,203	1,360,943	1.2%
Charges for Sales	1,659	35,497	2,000	52,000	2,500.0%
Fines and Forfeits	551,629	511,378	587,500	536,500	-8.7%
Interest	275	0	0		0.0%
Rents	595,375	506,700	721,462	676,861	-6.2%
Contributions	139,383	140,971	102,500	202,500	97.6%
Other Misc Revenues	33,103	9,708	6,200	6,200	0.0%
Transfers In	694,000	1,037,163	295,000	295,000	0.0%
<b>Total PARK - GENERAL FUND</b>	<b>53,051,982</b>	<b>54,912,447</b>	<b>55,005,321</b>	<b>58,008,475</b>	<b>5.5%</b>
<b><u>PARK - MUSEUM (ART INSTITUTE)</u></b>					
Property Taxes	8,906,407	9,947,639	10,947,899	12,103,110	10.6%
<b>Total PARK - MUSEUM (ART INSTITUTE)</b>	<b>8,906,407</b>	<b>9,947,639</b>	<b>10,947,899</b>	<b>12,103,110</b>	<b>10.6%</b>
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
Federal Government	5,151	11,145	0		0.0%



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
State Government	6,882	0	12,000	12,000	0.0%
Local Government	1,124,031	1,295,468	1,125,000	1,125,000	0.0%
Charges for Service	1,128,333	949,170	957,458		-100.0%
Charges for Sales	0	2,070	0		0.0%
Fines and Forfeits	0	0	6,000	6,000	0.0%
Rents	11,710	565	21,600	21,600	0.0%
Contributions	245,779	195,716	100,000		-100.0%
Other Misc Revenues	57,311	79,044	3,000	3,000	0.0%
Transfers In	21,542	103,300	0		0.0%
<b>Total PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>2,600,739</b>	<b>2,636,477</b>	<b>2,225,058</b>	<b>1,167,600</b>	<b>-47.5%</b>
<b><u>PARK-SPEC REV-INTEREST BEARING</u></b>					
Interest	657	918	0		0.0%
Gains	23	29	0		0.0%
<b>Total PARK-SPEC REV-INTEREST BEARING</b>	<b>680</b>	<b>948</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Federal Government	0	3,000	0		0.0%
Local Government	4,225	32,950	0		0.0%
Charges for Service	9,942,330	10,520,319	10,845,908	11,493,504	6.0%
Charges for Sales	0	104,782	0	34,000	0.0%
Fines and Forfeits	50,454	103,402	3,000	154,000	5,033.3%
Interest	10	12	0		0.0%
Gains	0	(7,150)	0		0.0%
Rents	1,747,735	1,602,625	1,855,276	1,552,737	-16.3%
Contributions	596,832	454,332	50,500	500	-99.0%
Other Misc Revenues	11,622	21,342	7,000	52,500	650.0%
Transfers In	24,411	57,361	0		0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>12,377,619</b>	<b>12,892,976</b>	<b>12,761,684</b>	<b>13,287,241</b>	<b>4.1%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
Property Taxes	12,150,223	12,887,682	0		0.0%
Sales and Other Taxes	1,151	2,013	0		0.0%
Federal Government	209,480	890,142	0		0.0%
State Government	8,477,908	7,606,180	0		0.0%
Local Government	2,000	5,000	0		0.0%
Charges for Service	550,357	597,163	0		0.0%
Charges for Sales	18,438	0	0		0.0%
Rents	58,371	130,171	0		0.0%
Contributions	1,537,783	1,108,304	0		0.0%
Other Misc Revenues	15,835	673	0		0.0%
Transfers In	3,017	2,677,933	0		0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>23,024,564</b>	<b>25,905,262</b>	<b>0</b>		<b>0.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					
State Government	0	364,638	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Local Government	707,764	(28,401)	0		0.0%
Contributions	19,431,982	2,842,000	0		0.0%
Other Misc Revenues	0	1,401,766	0		0.0%
Transfers In	13,859,902	1,132,535	0		0.0%
Long Term Liabilities Proceeds	0	0	5,010,000	5,055,000	0.9%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>33,999,648</b>	<b>5,712,538</b>	<b>5,010,000</b>	<b>5,055,000</b>	<b>0.9%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
Transfers In	572,031	0	0		0.0%
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>572,031</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>HISTORIC PRESERVATION FUND</u></b>					
Interest	42	0	0		0.0%
Rents	28,993	44,877	0		0.0%
Other Misc Revenues	444	328	0		0.0%
<b>Total HISTORIC PRESERVATION FUND</b>	<b>29,478</b>	<b>45,204</b>	<b>0</b>		<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
Property Taxes	3,650,599	3,868,974	4,089,608		-100.0%
Sales and Other Taxes	346	604	0		0.0%
State Government	428,182	397,022	247,515	267,257	8.0%
Charges for Service	3,330,786	3,203,418	3,602,533	8,123,200	125.5%
Charges for Sales	71,281	5,530	2,200	6,000	172.7%
Rents	51,768	54,192	50,000	2,200	-95.6%
Other Misc Revenues	610	1,293	600	150,600	25,000.0%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>7,533,571</b>	<b>7,531,034</b>	<b>7,992,456</b>	<b>8,549,257</b>	<b>7.0%</b>
<b><u>JOINT BOARD</u></b>					
Charges for Service	38,107	12,450	0		0.0%
Interest	2,459	4,099	0		0.0%
Gains	88	254	0		0.0%
<b>Total JOINT BOARD</b>	<b>40,655</b>	<b>16,803</b>	<b>0</b>		<b>0.0%</b>
<b><u>MEDC</u></b>					
Interest	0	82	0		0.0%
Gains	0	72	0		0.0%
<b>Total MEDC</b>	<b>0</b>	<b>154</b>	<b>0</b>		<b>0.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
Federal Government	943,818	171,724	64,803	64,803	0.0%
Local Government	2,196,255	1,343,613	1,329,242	1,329,242	0.0%
Interest	82,881	123,551	0		0.0%
Gains	(27,408)	6,336	25,000	25,000	0.0%
Rents	12,000	12,000	0		0.0%
Contributions	135,000	15,000	530,000	530,000	0.0%
Other Misc Revenues	986	1,114	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total YOUTH COORDINATING BOARD</b>	<b>3,343,531</b>	<b>1,673,337</b>	<b>1,949,045</b>	<b>1,949,045</b>	<b>0.0%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
State Government	0	1,778,889	1,661,925	1,428,620	-14.0%
Charges for Service	0	15,186	0		0.0%
Interest	32,296	68,233	0		0.0%
Gains	439	2,660	0		0.0%
Other Misc Revenues	0	66,418	0		0.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>32,734</b>	<b>1,931,386</b>	<b>1,661,925</b>	<b>1,428,620</b>	<b>-14.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>443,835,058</b>	<b>405,594,589</b>	<b>359,158,208</b>	<b>351,880,609</b>	<b>-2.0%</b>

**CAPITAL PROJECT**

<b><u>CAPITAL IMPROVEMENTS</u></b>					
Property Taxes	1,805,773	1,566,420	1,586,620	1,586,620	0.0%
Sales and Other Taxes	171	243	0		0.0%
License and Permits	266,160	287,423	263,159	263,159	0.0%
Federal Government	3,147,077	3,347,585	27,496,000	4,753,000	-82.7%
State Government	10,579,715	5,456,115	8,556,000	10,518,000	22.9%
Local Government	1,457,059	4,959,912	1,270,000	907,000	-28.6%
Charges for Service	3,597,021	2,686,398	5,752,924	6,222,924	8.2%
Charges for Sales	199,430	106,494	0		0.0%
Special Assessments	1,618,200	1,513,990	7,291,072	10,556,072	44.8%
Interest	2,421,182	2,180,107	0		0.0%
Gains	99,661	262	0		0.0%
Contributions	0	0	945,000		-100.0%
Other Misc Revenues	994,886	1,311,277	1,725,000		-100.0%
Transfers In	27,740,682	26,796,621	750,000	7,329,004	877.2%
Long Term Liabilities Proceeds	26,884,207	20,822,298	10,161,000	11,279,000	11.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>80,811,224</b>	<b>71,035,144</b>	<b>65,796,775</b>	<b>53,414,779</b>	<b>-18.8%</b>
<b><u>ARBITRAGE 1993 PARK BONDS</u></b>					
Interest	696	4	0		0.0%
Gains	43	(45)	0		0.0%
<b>Total ARBITRAGE 1993 PARK BONDS</b>	<b>739</b>	<b>(41)</b>	<b>0</b>		<b>0.0%</b>

**PARK - CAPITAL IMPROVEMENTS**

Federal Government	14,316	478,375	1,000,000	2,000,000	100.0%
Local Government	882,760	4,017,474	5,475,000	2,850,000	-47.9%
Charges for Service	128,573	465,621	0		0.0%
Charges for Sales	1,175	1,515	0		0.0%
Contributions	632,964	353,438	0		0.0%
Other Misc Revenues	260	4,472	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
Transfers In	3,697,986	3,812,099	2,390,000	3,600,000	50.6%
Long Term Liabilities Proceeds	0	0	319,000	141,000	-55.8%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>5,358,034</b>	<b>9,132,994</b>	<b>9,184,000</b>	<b>8,591,000</b>	<b>-6.5%</b>
<b><u>PARK-CAPITAL IMPROVE-ASSESSED</u></b>					
Special Assessments	(897)	0	0		0.0%
Other Misc Revenues	235,521	127,858	0		0.0%
Transfers In	462,858	500,000	0		0.0%
Long Term Liabilities Proceeds	0	0	500,000	500,000	0.0%
<b>Total PARK-CAPITAL IMPROVE-ASSESSED</b>	<b>697,482</b>	<b>627,858</b>	<b>500,000</b>	<b>500,000</b>	<b>0.0%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
Federal Government	229,501	76,237	0		0.0%
Charges for Service	1,241,910	1,522,887	0		0.0%
Contributions	90,000	35,000	0		0.0%
Transfers In	1,050,501	1,317,389	0	202,500	0.0%
Long Term Liabilities Proceeds	0	0	800,000	800,000	0.0%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>2,611,913</b>	<b>2,951,513</b>	<b>800,000</b>	<b>1,002,500</b>	<b>25.3%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>89,479,392</b>	<b>83,747,468</b>	<b>76,280,775</b>	<b>63,508,279</b>	<b>-16.7%</b>

**DEBT SERVICE**

<b><u>01 IMPROVEMENT BONDS - 10 YR</u></b>					
Interest	2	0	0		0.0%
<b>Total 01 IMPROVEMENT BONDS - 10 YR</b>	<b>2</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>01 IMPROVEMENT BONDS - 20 YR</u></b>					
Special Assessments	1,031,611	906,513	0		0.0%
Interest	95,751	163,929	0		0.0%
Gains	3,352	9,904	0		0.0%
<b>Total 01 IMPROVEMENT BONDS - 20 YR</b>	<b>1,130,714</b>	<b>1,080,346</b>	<b>0</b>		<b>0.0%</b>
<b><u>00 IMPROVEMENT BONDS</u></b>					
Special Assessments	2,486	2,163	0		0.0%
Interest	400	757	0		0.0%
Gains	16	53	0		0.0%
<b>Total 00 IMPROVEMENT BONDS</b>	<b>2,902</b>	<b>2,973</b>	<b>0</b>		<b>0.0%</b>
<b><u>96 IMPROVEMENT BONDS</u></b>					
Special Assessments	99,816	93,236	0		0.0%
Interest	(983)	(4,577)	0		0.0%
Gains	(128)	(555)	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total 96 IMPROVEMENT BONDS</b>	<b>98,705</b>	<b>88,104</b>	<b>0</b>		<b>0.0%</b>
<b><u>97 IMPROVEMENT BONDS</u></b>					
Special Assessments	217,287	197,907	0		0.0%
Interest	9,784	14,956	0		0.0%
Gains	269	650	0		0.0%
<b>Total 97 IMPROVEMENT BONDS</b>	<b>227,340</b>	<b>213,513</b>	<b>0</b>		<b>0.0%</b>
<b><u>98 IMPROVEMENT BONDS</u></b>					
Special Assessments	114,270	104,037	0		0.0%
Interest	11,709	15,947	0		0.0%
Gains	325	629	0		0.0%
<b>Total 98 IMPROVEMENT BONDS</b>	<b>126,304</b>	<b>120,613</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/90 IMP BOND</u></b>					
Special Assessments	197,371	169,996	0		0.0%
Interest	(18,597)	(32,489)	0		0.0%
Gains	(792)	(2,556)	0		0.0%
<b>Total BOND REDEM ARBIT 6/90 IMP BOND</b>	<b>177,982</b>	<b>134,951</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/91 IMP BOND</u></b>					
Special Assessments	102,693	88,677	0		0.0%
Interest	1,625	1,615	0		0.0%
Gains	17	(426)	0		0.0%
<b>Total BOND REDEM ARBIT 6/91 IMP BOND</b>	<b>104,335</b>	<b>89,866</b>	<b>0</b>		<b>0.0%</b>
<b><u>MCDA DEBT SERVICE</u></b>					
Interest	439,355	818,294	230,000	230,000	0.0%
Gains	14,501	41,067	0		0.0%
Transfers In	38,913,507	39,984,765	0	23,785,521	0.0%
Long Term Liabilities Proceeds	10,545,000	1,750,000	0		0.0%
<b>Total MCDA DEBT SERVICE</b>	<b>49,912,363</b>	<b>42,594,126</b>	<b>230,000</b>	<b>24,015,521</b>	<b>10,341.5%</b>
<b><u>ST ANTHONY DEBT SERVICE</u></b>					
Interest	57,835	57,360	0		0.0%
Gains	11	(328)	0		0.0%
Transfers In	1,311,928	1,578,205	0		0.0%
<b>Total ST ANTHONY DEBT SERVICE</b>	<b>1,369,774</b>	<b>1,635,237</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/92 IMP BOND</u></b>					
Special Assessments	101,227	128,343	0		0.0%
Interest	10,058	15,213	0		0.0%
Gains	287	497	0		0.0%
<b>Total BOND REDEM ARBIT 6/92 IMP BOND</b>	<b>111,572</b>	<b>144,053</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/93 IMP BOND</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Special Assessments	175,448	123,643	0		0.0%
Interest	4,134	5,317	0		0.0%
Gains	84	1	0		0.0%
<b>Total BOND REDEM ARBIT 6/93 IMP BOND</b>	<b>179,666</b>	<b>128,961</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/94 IMP BOND</u></b>					
Special Assessments	94,792	82,269	0		0.0%
Interest	(15,207)	(5,752)	0		0.0%
Gains	(169)	(130)	0		0.0%
<b>Total BOND REDEM ARBIT 6/94 IMP BOND</b>	<b>79,416</b>	<b>76,387</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/95 IMP BOND</u></b>					
Special Assessments	228,892	198,926	0		0.0%
Interest	(36,055)	(28,621)	0		0.0%
Gains	(702)	(1,217)	0		0.0%
<b>Total BOND REDEM ARBIT 6/95 IMP BOND</b>	<b>192,135</b>	<b>169,088</b>	<b>0</b>		<b>0.0%</b>
<b><u>OCT 02 IMPROV BOND D/S</u></b>					
Special Assessments	481,294	396,902	0		0.0%
Interest	9,717	12,199	0		0.0%
Gains	132	(191)	0		0.0%
Transfers In	4,840	4,202	0		0.0%
<b>Total OCT 02 IMPROV BOND D/S</b>	<b>495,983</b>	<b>413,112</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV03 IMPROV BOND D/S</u></b>					
Special Assessments	557,831	484,025	0		0.0%
Interest	9,255	11,684	0		0.0%
Gains	77	(238)	0		0.0%
<b>Total NOV03 IMPROV BOND D/S</b>	<b>567,163</b>	<b>495,471</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV04 IMPROV BOND D/S</u></b>					
Special Assessments	1,057,532	907,118	0		0.0%
Interest	8,481	16,156	0		0.0%
Gains	(4)	0	0		0.0%
Transfers In	26,287	17,113	0		0.0%
<b>Total NOV04 IMPROV BOND D/S</b>	<b>1,092,296</b>	<b>940,387</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV05 IMPROV BOND D/S</u></b>					
Special Assessments	556,949	530,665	0		0.0%
Interest	8,217	11,564	0		0.0%
Gains	801	225	0		0.0%
Transfers In	62,460	24,154	0		0.0%
<b>Total NOV05 IMPROV BOND D/S</b>	<b>628,427</b>	<b>566,608</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV06 IMPROV BOND D/S</u></b>					
Special Assessments	45,306	511,382	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
Interest	181	8,786	0		0.0%
Gains	27	259	0		0.0%
Transfers In	30,712	12,334	0		0.0%
<b>Total NOV06 IMPROV BOND D/S</b>	<b>76,226</b>	<b>532,761</b>	<b>0</b>		<b>0.0%</b>
<b><u>NOV07 IMPROV BOND D/S</u></b>					
Special Assessments	0	8,143	0		0.0%
Interest	0	9	0		0.0%
Gains	0	8	0		0.0%
<b>Total NOV07 IMPROV BOND D/S</b>	<b>0</b>	<b>8,160</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/87 IMP BOND</u></b>					
Special Assessments	33,582	24,433	0		0.0%
Interest	(12,091)	(18,735)	0		0.0%
Gains	(411)	(1,082)	0		0.0%
<b>Total BOND REDEM ARBIT 6/87 IMP BOND</b>	<b>21,080</b>	<b>4,616</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 9/87 IMP BOND</u></b>					
Special Assessments	34,740	34,008	0		0.0%
Interest	(5,477)	(7,835)	0		0.0%
Gains	(182)	(382)	0		0.0%
<b>Total BOND REDEM ARBIT 9/87 IMP BOND</b>	<b>29,081</b>	<b>25,791</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/88 IMP BOND</u></b>					
Special Assessments	41,339	35,022	0		0.0%
Interest	(18,213)	(25,681)	0		0.0%
Gains	(562)	(1,483)	0		0.0%
<b>Total BOND REDEM ARBIT 6/88 IMP BOND</b>	<b>22,564</b>	<b>7,858</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/89 IMP BOND</u></b>					
Special Assessments	38,899	36,482	0		0.0%
Interest	(19,714)	(28,136)	0		0.0%
Gains	(615)	(1,631)	0		0.0%
<b>Total BOND REDEM ARBIT 6/89 IMP BOND</b>	<b>18,570</b>	<b>6,715</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT NIC MALL BOND</u></b>					
Special Assessments	1,659,850	1,651,356	0		0.0%
Interest	82,813	135,836	0		0.0%
Gains	3,311	10,848	0		0.0%
Transfers In	175,001	177,750	175,000	172,250	-1.6%
<b>Total BOND REDEM ARBIT NIC MALL BOND</b>	<b>1,920,975</b>	<b>1,975,790</b>	<b>175,000</b>	<b>172,250</b>	<b>-1.6%</b>
<b><u>BOND REDEMPTION - DEBT SERVICE</u></b>					
Property Taxes	18,852,788	17,984,635	17,987,900	21,798,996	21.2%
Sales and Other Taxes	1,782	2,811	0		0.0%
State Government	752,810	592,403	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Charges for Service	3,746	0	0		0.0%
Special Assessments	230	600	0		0.0%
Interest	512,928	975,793	0		0.0%
Gains	10,837	24,479	0		0.0%
Rents	45,995	0	0		0.0%
Other Misc Revenues	1,276	0	0		0.0%
Transfers In	4,097,841	5,551,618	1,626,000		-100.0%
<b>Total BOND REDEMPTION - DEBT SERVICE</b>	<b>24,280,233</b>	<b>25,132,339</b>	<b>19,613,900</b>	<b>21,798,996</b>	<b>11.1%</b>
<b><u>OTH SELF SUPPORTING DEBT SERVC</u></b>					
Charges for Service	6,207	2,306	0		0.0%
Interest	6,173	(3,796)	0		0.0%
Gains	(139)	(705)	0		0.0%
Rents	351,947	325,494	243,174		-100.0%
Other Misc Revenues	1,798,262	1,812,552	1,913,350		-100.0%
Transfers In	3,725,837	68,293	69,000	70,890	2.7%
<b>Total OTH SELF SUPPORTING DEBT SERVC</b>	<b>5,888,287</b>	<b>2,204,144</b>	<b>2,225,524</b>	<b>70,890</b>	<b>-96.8%</b>
<b><u>MIDTOWN EXCH 108 LOAN ACCOUNT</u></b>					
Interest	1,034	6,348	0		0.0%
Gains	156	(155)	0		0.0%
Transfers In	666,674	37,517	0		0.0%
<b>Total MIDTOWN EXCH 108 LOAN ACCOUNT</b>	<b>667,864</b>	<b>43,710</b>	<b>0</b>		<b>0.0%</b>
<b><u>PENSION FUND DEBT SERVICE</u></b>					
Interest	67,165	120,448	0		0.0%
Gains	1,466	31,288	0		0.0%
Other Misc Revenues	17,045	50,087	0		0.0%
Transfers In	16,912,707	11,850,852	11,729,000	17,582,000	49.9%
<b>Total PENSION FUND DEBT SERVICE</b>	<b>16,998,383</b>	<b>12,052,675</b>	<b>11,729,000</b>	<b>17,582,000</b>	<b>49.9%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
Property Taxes	0	9,192,927	9,114,000	9,114,000	0.0%
Interest	0	113,474	0		0.0%
Gains	0	(8,865)	0		0.0%
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>0</b>	<b>9,297,536</b>	<b>9,114,000</b>	<b>9,114,000</b>	<b>0.0%</b>
<b><u>CONVENTION CENTER-DEBT SERVICE</u></b>					
Interest	(1,000)	(215)	0		0.0%
Gains	(30)	30	0		0.0%
Rents	301,970	301,970	0		0.0%
Transfers In	17,655,000	17,538,641	18,796,000	18,728,000	-0.4%
<b>Total CONVENTION CENTER-DEBT SERVICE</b>	<b>17,955,940</b>	<b>17,840,426</b>	<b>18,796,000</b>	<b>18,728,000</b>	<b>-0.4%</b>
<b><u>TARGET CENTER</u></b>					
Interest	49,383	55,178	0		0.0%



**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
Transfers In	5,216,242	5,415,062	0		0.0%
<b>Total TARGET CENTER</b>	<b>5,265,625</b>	<b>5,470,240</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEMPTION - ASSESSMENT</u></b>					
Special Assessments	59,831	35,899	0		0.0%
Interest	149,873	247,255	0		0.0%
Gains	5,584	15,303	0		0.0%
<b>Total BOND REDEMPTION - ASSESSMENT</b>	<b>215,288</b>	<b>298,457</b>	<b>0</b>		<b>0.0%</b>
<b><u>CONCERT HALL - DEBT SERVICE</u></b>					
Interest	40	65	0		0.0%
Gains	1	4	0		0.0%
<b>Total CONCERT HALL - DEBT SERVICE</b>	<b>41</b>	<b>69</b>	<b>0</b>		<b>0.0%</b>
<b><u>TAX INCREMENT - DEBT SERVICE</u></b>					
Interest	(7,312)	9,340	0		0.0%
Gains	292	644	0		0.0%
Transfers In	14,926,604	15,080,596	15,776,000	14,075,564	-10.8%
<b>Total TAX INCREMENT - DEBT SERVICE</b>	<b>14,919,584</b>	<b>15,090,580</b>	<b>15,776,000</b>	<b>14,075,564</b>	<b>-10.8%</b>
<b><u>BOND REDEM ARBIT ASSESS PARK</u></b>					
Special Assessments	803,560	865,915	0		0.0%
Interest	26,996	51,504	0		0.0%
Gains	811	1,026	0		0.0%
<b>Total BOND REDEM ARBIT ASSESS PARK</b>	<b>831,367</b>	<b>918,445</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL DEBT SERVICE</b>	<b>145,608,187</b>	<b>139,804,106</b>	<b>77,659,424</b>	<b>105,557,221</b>	<b>35.9%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
Charges for Service	828,035	846,122	1,000,000	1,030,000	3.0%
Charges for Sales	3,179,554	3,251,259	3,381,000	3,501,000	3.5%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>4,007,589</b>	<b>4,097,381</b>	<b>4,381,000</b>	<b>4,531,000</b>	<b>3.4%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
Charges for Service	5,454,721	6,486,789	7,860,500	7,860,500	0.0%
Charges for Sales	5,684,991	6,293,140	7,800,000	7,800,000	0.0%
Gains	35,130	106,671	200,000	200,000	0.0%
Rents	20,829,793	20,262,893	27,004,000	27,004,000	0.0%
Other Misc Revenues	160,888	187,136	10,000	10,000	0.0%
Transfers In	4,505,701	4,180,000	4,180,000	4,180,000	0.0%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>36,671,224</b>	<b>37,516,629</b>	<b>47,054,500</b>	<b>47,054,500</b>	<b>0.0%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
Charges for Service	7,646,654	7,663,181	7,902,500	8,579,500	8.6%
Charges for Sales	732,725	2,001,925	430,000	530,000	23.3%
Interest	2	0	0		0.0%
Gains	0	(607,869)	0		0.0%
Rents	7,030,432	7,149,323	8,434,500	13,022,583	54.4%
Other Misc Revenues	15,084	637,803	3,000	3,000	0.0%
Transfers In	843,600	653,000	668,000	654,750	-2.0%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>16,268,497</b>	<b>17,497,363</b>	<b>17,438,000</b>	<b>22,789,833</b>	<b>30.7%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
Charges for Service	617,367	524,632	400,000	401,400	0.4%
Charges for Sales	3,780,877	3,810,340	3,289,500	3,342,700	1.6%
<b>Total STORES - INTERNAL SERVICE</b>	<b>4,398,244</b>	<b>4,334,971</b>	<b>3,689,500</b>	<b>3,744,100</b>	<b>1.5%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
Charges for Service	31,995,455	32,321,326	26,029,625	27,199,149	4.5%
Charges for Sales	22,695	27,377	45,000	30,000	-33.3%
Other Misc Revenues	1,684	0	500,000		-100.0%
Transfers In	10,570,193	15,036,269	11,771,000	15,419,201	31.0%
Long Term Liabilities Proceeds	0	0	2,075,000	1,500,000	-27.7%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>42,590,028</b>	<b>47,384,973</b>	<b>40,420,625</b>	<b>44,148,350</b>	<b>9.2%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
Charges for Service	68,302,556	75,876,324	82,126,999	93,947,149	14.4%
Other Misc Revenues	5,269,813	7,154,967	8,516,413	8,516,413	0.0%
Transfers In	8,745,047	4,750,000	5,642,689	6,915,000	22.5%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>82,317,416</b>	<b>87,781,291</b>	<b>96,286,101</b>	<b>109,378,562</b>	<b>13.6%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
Charges for Service	966,608	984,779	1,125,203	970,393	-13.8%
Charges for Sales	510,392	549,474	120,820	68,798	-43.1%
Gains	0	(109,581)	0		0.0%
Rents	3,483,225	3,575,260	3,829,606	4,102,372	7.1%
Contributions	177,419	0	0		0.0%
Other Misc Revenues	11,020	11,733	0		0.0%
<b>Total PARK - INTERNAL SERVICE</b>	<b>5,148,665</b>	<b>5,011,664</b>	<b>5,075,629</b>	<b>5,141,563</b>	<b>1.3%</b>
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
Other Misc Revenues	2,305,159	2,246,411	2,576,826	2,659,283	3.2%
Transfers In	130,000	0	0		0.0%
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>	<b>2,435,159</b>	<b>2,246,411</b>	<b>2,576,826</b>	<b>2,659,283</b>	<b>3.2%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>193,836,820</b>	<b>205,870,683</b>	<b>216,922,181</b>	<b>239,447,191</b>	<b>10.4%</b>

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>ENTERPRISE</b>					
<b><u>DEFAULTED PROPERTY ADMIN</u></b>					
Charges for Service	0	10	0		0.0%
Interest	40,807	191,633	0		0.0%
Gains	2,334	14,032	0		0.0%
Rents	1,800,083	1,870,284	1,823,000		-100.0%
Other Misc Revenues	47,431	0	960,000		-100.0%
<b>Total DEFAULTED PROPERTY ADMIN</b>	<b>1,890,655</b>	<b>2,075,959</b>	<b>2,783,000</b>		<b>-100.0%</b>
<b><u>FED HOME LN BANK ECON DEVELOP</u></b>					
Charges for Service	565	0	0		0.0%
Interest	81,583	(18,836)	0		0.0%
Gains	317	269	0		0.0%
<b>Total FED HOME LN BANK ECON DEVELOP</b>	<b>82,465</b>	<b>(18,567)</b>	<b>0</b>		<b>0.0%</b>
<b><u>FHLB HOUSING DEVELOPMENT</u></b>					
Interest	4,496	7,350	0		0.0%
Gains	156	453	0		0.0%
<b>Total FHLB HOUSING DEVELOPMENT</b>	<b>4,652</b>	<b>7,803</b>	<b>0</b>		<b>0.0%</b>
<b><u>HOUSING OWNERSHIP PROGRAM</u></b>					
Interest	95,164	48,285	308,000		-100.0%
Gains	133	384	0		0.0%
<b>Total HOUSING OWNERSHIP PROGRAM</b>	<b>95,297</b>	<b>48,669</b>	<b>308,000</b>		<b>-100.0%</b>
<b><u>HOME OWNERSHIP &amp; RENOVATION</u></b>					
Interest	87,067	77,912	108,000		-100.0%
Gains	6	18	0		0.0%
Transfers In	425,901	0	0		0.0%
<b>Total HOME OWNERSHIP &amp; RENOVATION</b>	<b>512,974</b>	<b>77,930</b>	<b>108,000</b>		<b>-100.0%</b>
<b><u>LOAN &amp; GRANT PROGRAMS</u></b>					
Interest	7,486	12,238	0		0.0%
Gains	261	755	0		0.0%
<b>Total LOAN &amp; GRANT PROGRAMS</b>	<b>7,747</b>	<b>12,993</b>	<b>0</b>		<b>0.0%</b>
<b><u>RIVER TERMINAL</u></b>					
Charges for Service	1,623,346	1,286,319	2,300,000		-100.0%
Charges for Sales	0	0	0		0.0%
Interest	(14,080)	(25,641)	0		0.0%
Gains	1,609	(2,128)	0		0.0%
Other Misc Revenues	266,556	500	0	1,550,000	0.0%
<b>Total RIVER TERMINAL</b>	<b>1,877,431</b>	<b>1,259,050</b>	<b>2,300,000</b>	<b>1,550,000</b>	<b>-32.6%</b>
<b><u>GARES</u></b>					

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Charges for Service	617,496	2,480,541	0	225,000	0.0%
Interest	36,610	104,677	0		0.0%
Gains	1,610	12,876	0		0.0%
Other Misc Revenues	14,712	0	0		0.0%
<b>Total GARFS</b>	<b>670,428</b>	<b>2,598,094</b>	<b>0</b>	<b>225,000</b>	<b>0.0%</b>
<b><u>THEATRES</u></b>					
Charges for Service	26,608	0	0		0.0%
Charges for Sales	0	513,816	1,000,000		-100.0%
Interest	(64,235)	(115,636)	0		0.0%
Gains	(2,606)	(5,669)	0		0.0%
Rents	0	0	1,800,000	1,800,000	0.0%
Other Misc Revenues	0	0	90,000		-100.0%
<b>Total THEATRES</b>	<b>(40,233)</b>	<b>392,511</b>	<b>2,890,000</b>	<b>1,800,000</b>	<b>-37.7%</b>
<b><u>JUNE00 UST/SKYWAY TI BONDS</u></b>					
Interest	24,271	0	0		0.0%
Gains	(56)	0	0		0.0%
<b>Total JUNE00 UST/SKYWAY TI BONDS</b>	<b>24,215</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>AUG 01 SEWER ARBITRAGE</u></b>					
Interest	31,074	48,413	0		0.0%
Gains	2,154	(2,175)	0		0.0%
Transfers In	9,459	0	0		0.0%
<b>Total AUG 01 SEWER ARBITRAGE</b>	<b>42,687</b>	<b>46,238</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 03 SEWER ARBITRAGE</u></b>					
Interest	4,468	11,230	0		0.0%
Gains	440	(24)	0		0.0%
Transfers In	14,732	0	0		0.0%
<b>Total JUNE 03 SEWER ARBITRAGE</b>	<b>19,640</b>	<b>11,206</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 03 WATER ARBITRAGE</u></b>					
Interest	11,161	0	0		0.0%
Gains	(44)	0	0		0.0%
<b>Total JUNE 03 WATER ARBITRAGE</b>	<b>11,117</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>SANITARY SEWER FUND</u></b>					
Charges for Service	39,170,470	41,828,375	43,769,054	45,942,594	5.0%
Special Assessments	3,934	11,136	0		0.0%
Interest	115,423	0	0		0.0%
Gains	5,991	(5,966)	0		0.0%
Other Misc Revenues	45,837	81,918	50,841	53,841	5.9%
Transfers In	0	91,450	0		0.0%
Long Term Liabilities Proceeds	0	0	5,500,000	9,226,000	67.7%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% Change
<b>Total SANITARY SEWER FUND</b>	<b>39,341,657</b>	<b>42,006,913</b>	<b>49,319,895</b>	<b>55,222,435</b>	<b>12.0%</b>
<b><u>STORMWATER FUND</u></b>					
Federal Government	0	(60,021)	0		0.0%
State Government	759,432	864,037	746,775	749,469	0.4%
Local Government	205,934	330,532	332,921	273,403	-17.9%
Charges for Service	29,227,654	30,939,576	35,771,883	36,181,807	1.1%
Charges for Sales	27,816	26,028	1,000	1,000	0.0%
Fines and Forfeits	0	41,789	45,000	45,000	0.0%
Special Assessments	327,453	501,911	115,000	115,000	0.0%
Rents	420	210	0		0.0%
Other Misc Revenues	(11,755)	1,555	1,002,000	1,715,000	71.2%
Transfers In	902,191	1,191,258	0		0.0%
Long Term Liabilities Proceeds	0	0	4,543,000	4,000,000	-12.0%
<b>Total STORMWATER FUND</b>	<b>31,439,145</b>	<b>33,836,875</b>	<b>42,557,579</b>	<b>43,080,679</b>	<b>1.2%</b>
<b><u>WATER - ENTERPRISE</u></b>					
License and Permits	728	773	1,000	1,000	0.0%
Federal Government	36,036	0	0		0.0%
Charges for Service	63,913,215	65,563,692	67,488,931	71,898,816	6.5%
Charges for Sales	1,702,574	920,450	1,315,000	822,000	-37.5%
Special Assessments	628,894	834,398	0		0.0%
Other Misc Revenues	72,720	1,646	20,100	340	-98.3%
Transfers In	416,409	0	0		0.0%
Long Term Liabilities Proceeds	37,921	4,218,398	18,250,000	20,500,000	12.3%
<b>Total WATER - ENTERPRISE</b>	<b>66,808,497</b>	<b>71,539,358</b>	<b>87,075,031</b>	<b>93,222,156</b>	<b>7.1%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
License and Permits	252,229	240,571	218,000	218,000	0.0%
Charges for Service	55,586,459	58,023,219	49,819,085	49,720,825	-0.2%
Charges for Sales	2,105,218	7,472,577	1,551,000	1,551,000	0.0%
Special Assessments	12,556,839	72,922	132,500		-100.0%
Interest	44,022	166,454	0		0.0%
Gains	(176)	25,260,842	0		0.0%
Rents	214,075	20,254	3,000	3,000	0.0%
Other Misc Revenues	65,650	8,159	138,000	138,000	0.0%
Transfers In	19,583,780	18,420,522	17,969,411	18,110,292	0.8%
Long Term Liabilities Proceeds	0	0	1,700,000	1,700,000	0.0%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>90,408,096</b>	<b>109,685,520</b>	<b>71,530,996</b>	<b>71,441,117</b>	<b>-0.1%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
Local Government	802,623	783,762	800,000	800,000	0.0%
Charges for Service	26,301,457	26,712,042	28,989,310	28,079,000	-3.1%
Charges for Sales	1,497,204	1,875,838	1,699,400	1,699,400	0.0%
Special Assessments	36,613	317,383	0		0.0%
Gains	0	13,807	0		0.0%

**SCHEDULE TWO  
REVENUES BY FUND AND TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Rents	0	806	0		0.0%
Other Misc Revenues	14,868	17,363	0		0.0%
Transfers In	506,000	196,000	196,000	196,000	0.0%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>29,158,764</b>	<b>29,917,002</b>	<b>31,684,710</b>	<b>30,774,400</b>	<b>-2.9%</b>
<b><u>LIBRARY PKG ENTERPRISE FUND</u></b>					
Charges for Service	468,053	649,606	0		0.0%
Interest	(7,035)	9,942	0		0.0%
Gains	(207)	1,075	0		0.0%
Transfers In	465,878	100,000	0		0.0%
<b>Total LIBRARY PKG ENTERPRISE FUND</b>	<b>926,688</b>	<b>760,623</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL ENTERPRISE</b>	<b>263,281,922</b>	<b>294,258,177</b>	<b>290,557,211</b>	<b>297,315,787</b>	<b>2.3%</b>
<b>TOTAL ALL FUNDS</b>	<b>1,461,746,465</b>	<b>1,454,776,520</b>	<b>1,381,324,479</b>	<b>1,421,536,165</b>	<b>2.9%</b>

**SCHEDULE TWO  
REVENUES BY TYPE**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% Change</b>
Property Taxes	267,909,968	301,587,503	329,978,764	323,073,521	-2.09%
Sales and Other Taxes	56,919,382	60,292,679	58,038,626	59,454,626	2.44%
Franchise Fees	29,025,907	29,548,191	27,110,000	28,110,000	3.69%
License and Permits	26,237,212	26,744,417	27,617,508	28,168,778	2.00%
Federal Government	46,731,090	44,622,528	68,064,581	41,398,750	-39.18%
State Government	150,367,755	132,517,671	118,996,015	118,092,042	-0.76%
Local Government	9,681,420	14,496,076	11,236,747	8,592,258	-23.53%
Charges for Service	404,873,353	423,704,355	422,275,062	446,986,402	5.85%
Charges for Sales	22,369,570	28,713,107	30,908,365	28,824,123	-6.74%
Fines and Forfeits	9,834,151	10,053,542	12,263,050	12,094,880	-1.37%
Special Assessments	25,933,345	15,292,821	10,831,498	17,898,398	65.24%
Interest	12,916,523	18,718,294	3,626,659	3,313,401	-8.64%
Gains	364,512	25,732,431	245,000	225,000	-8.16%
Rents	47,494,231	46,938,981	57,626,844	60,915,062	5.71%
Contributions	24,098,001	7,085,820	3,047,980	2,102,000	-31.04%
Other Misc Revenues	27,100,968	26,679,894	29,246,942	29,423,563	0.60%
Transfers In	262,421,949	215,257,515	121,247,838	158,057,361	30.36%
Long Term Liabilities Proceeds	37,467,128	26,790,696	48,963,000	54,806,000	11.93%
<b>TOTAL REVENUES BY TYPE, ALL FUNDS</b>	<b>1,461,746,465</b>	<b>1,454,776,520</b>	<b>1,381,324,479</b>	<b>1,421,536,165</b>	<b>2.9%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>GENERAL</u></b>					
<b><u>GENERAL FUND</u></b>					
ASSESSOR	3,316,280	3,576,980	3,766,000	3,901,207	3.59%
ATTORNEY	5,899,903	6,162,050	7,094,924	7,427,376	4.69%
CITY COUNCIL/CLERK/ELECTIONS	6,159,527	6,007,402	6,822,000	7,647,073	12.09%
FIRE	47,663,021	48,471,296	50,348,533	51,225,715	1.74%
CIVIL RIGHTS	2,025,492	2,323,434	2,492,000	2,366,748	-5.03%
MAYOR	1,081,420	1,300,987	1,374,000	1,493,707	8.71%
POLICE	112,611,370	116,267,665	121,247,539	122,196,117	0.78%
HEALTH AND FAMILY SUPPORT	3,693,293	4,073,693	4,081,000	4,475,542	9.67%
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,162,348	1,267,982	1,079,801	1,743,175	61.43%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	23,146,014	25,386,806	23,955,822	24,234,495	1.16%
SURFACE WATER & SEWERS	0	0	569,249		-100.00%
PW - ADMINISTRATIVE SERVICES	2,832,659	2,715,768	2,901,554	2,632,942	-9.26%
PW - SOLID WASTE	0	0	150,000	75,000	-50.00%
PW - PROPERTY SERVICES	0	0	25,000		-100.00%
PW - TRAFFIC AND PARKING	11,592,958	11,497,502	11,498,623	11,825,017	2.84%
HUMAN RESOURCES	5,912,112	6,030,616	6,071,000	5,947,851	-2.03%
FINANCE DEPARTMENT	17,756,974	17,829,517	18,720,000	19,207,516	2.60%
911/311	9,655,070	9,390,350	9,953,257	10,703,598	7.54%
REGULATORY SERVICES	23,138,343	24,260,685	23,022,000	23,459,511	1.90%
CITY COORDINATOR	951,175	1,464,830	1,379,134	1,548,569	12.29%
INTERGOVERNMENTAL RELATIONS	945,880	1,082,503	1,469,561	1,445,592	-1.63%
COMMUNICATIONS	2,346,559	2,286,531	2,682,553	2,529,722	-5.70%
NEIGHBORHOOD AND COMMUNITY RELATIONS	0	0	0	808,285	0.0%
NON DEPARTMENTAL	0	938,201	0		0.0%
GENERAL FUND CONTINGENCY	105,000	570,000	2,733,341	2,878,004	5.29%
LIBRARY	0	0	22,100,000	7,500,000	-66.06%
DEBT SERVICE 4	1,090,806	0	0		0.0%
TRANSFER 4	39,396,754	30,418,450	31,735,689	42,675,034	34.47%
CPED4	3,529,890	3,708,392	3,474,100	3,879,038	11.66%
<b>Total GENERAL FUND</b>	<b>326,012,848</b>	<b>327,031,640</b>	<b>360,746,680</b>	<b>363,826,832</b>	<b>0.9%</b>
<b>TOTAL GENERAL</b>	<b>326,012,848</b>	<b>327,031,640</b>	<b>360,746,680</b>	<b>363,826,832</b>	<b>0.9%</b>

**SPECIAL REVENUE**

**HENNEPIN ENTERTAINMENT TE BOND**

TRANSFER 4	1,321,357	0	0		0.0%
<b>Total HENNEPIN ENTERTAINMENT TE BOND</b>	<b>1,321,357</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>

**HUMBOLDT GREENWAY TE BONDS**

TRANSFER 4	210,735	0	0		0.0%
CPED4	0	0	0	47,144	0.0%



**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total HUMBOLDT GREENWAY TE BONDS</b>	<b>210,735</b>	<b>0</b>	<b>0</b>	<b>47,144</b>	<b>0.0%</b>
<b><u>URBAN VILLAGE TE BONDS</u></b>					
TRANSFER 4	164,210	181,467	0		0.0%
CPED4	555,688	9,620	0		0.0%
<b>Total URBAN VILLAGE TE BONDS</b>	<b>719,898</b>	<b>191,087</b>	<b>0</b>		<b>0.0%</b>
<b><u>WEST SIDE MILLING TE BONDS</u></b>					
TRANSFER 4	53,288	43,744	0		0.0%
CPED4	135,103	19,262	0		0.0%
<b>Total WEST SIDE MILLING TE BONDS</b>	<b>188,391</b>	<b>63,006</b>	<b>0</b>		<b>0.0%</b>
<b><u>WEST SIDE MILLING TE BONDS II</u></b>					
CPED4	369,494	6,897	0		0.0%
<b>Total WEST SIDE MILLING TE BONDS II</b>	<b>369,494</b>	<b>6,897</b>	<b>0</b>		<b>0.0%</b>
<b><u>COMMON PROJECT TI ADMIN</u></b>					
CPED4	1,792,246	1,901,789	1,909,367	1,873,153	-1.90%
<b>Total COMMON PROJECT TI ADMIN</b>	<b>1,792,246</b>	<b>1,901,789</b>	<b>1,909,367</b>	<b>1,873,153</b>	<b>-1.9%</b>
<b><u>CAMDEN MEDICAL FACILITY</u></b>					
TRANSFER 4	40,000	38,750	0		0.0%
<b>Total CAMDEN MEDICAL FACILITY</b>	<b>40,000</b>	<b>38,750</b>	<b>0</b>		<b>0.0%</b>
<b><u>ST ANNE'S HOUSING</u></b>					
CPED4	0	5,700	1,686		-100.00%
<b>Total ST ANNE'S HOUSING</b>	<b>0</b>	<b>5,700</b>	<b>1,686</b>		<b>-100.0%</b>
<b><u>ANTIQUES MINNESOTA</u></b>					
CPED4	333	50,657	32,950		-100.00%
<b>Total ANTIQUES MINNESOTA</b>	<b>333</b>	<b>50,657</b>	<b>32,950</b>		<b>-100.0%</b>
<b><u>COMMON PROJECT UNCERTIFIED</u></b>					
TRANSFER 4	2,156,622	23,133	0		0.0%
CPED4	438,806	529,583	611,241	344,977	-43.56%
<b>Total COMMON PROJECT UNCERTIFIED</b>	<b>2,595,428</b>	<b>552,716</b>	<b>611,241</b>	<b>344,977</b>	<b>-43.6%</b>
<b><u>WEST BROADWAY</u></b>					
TRANSFER 4	696,591	837,695	0		0.0%
CPED4	0	0	774,104	435,938	-43.68%
<b>Total WEST BROADWAY</b>	<b>696,591</b>	<b>837,695</b>	<b>774,104</b>	<b>435,938</b>	<b>-43.7%</b>
<b><u>EAST BANK I-335</u></b>					
TRANSFER 4	2,450,153	2,566,976	120,000		-100.00%
CPED4	0	0	2,500,000	1,518,159	-39.27%
<b>Total EAST BANK I-335</b>	<b>2,450,153</b>	<b>2,566,976</b>	<b>2,620,000</b>	<b>1,518,159</b>	<b>-42.1%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>GRANT</b>					
TRANSFER 4	738,689	661,866	0		0.0%
CPED4	0	0	625,000	351,069	-43.83%
<b>Total GRANT</b>	<b>738,689</b>	<b>661,866</b>	<b>625,000</b>	<b>351,069</b>	<b>-43.8%</b>
<b>CHICAGO AND LAKE</b>					
TRANSFER 4	144,000	156,625	100,000		-100.00%
<b>Total CHICAGO AND LAKE</b>	<b>144,000</b>	<b>156,625</b>	<b>100,000</b>		<b>-100.0%</b>
<b>NINTH &amp; HENNEPIN</b>					
CPED4	100,362	108,220	58,934	90,287	53.20%
<b>Total NINTH &amp; HENNEPIN</b>	<b>100,362</b>	<b>108,220</b>	<b>58,934</b>	<b>90,287</b>	<b>53.2%</b>
<b>NORTH LOOP</b>					
TRANSFER 4	7,616,563	8,765,967	275,000		-100.00%
CPED4	0	0	8,600,000	4,501,651	-47.66%
<b>Total NORTH LOOP</b>	<b>7,616,563</b>	<b>8,765,967</b>	<b>8,875,000</b>	<b>4,501,651</b>	<b>-49.3%</b>
<b>INDUSTRY SQUARE</b>					
TRANSFER 4	2,279,224	2,744,917	565,000		-100.00%
CPED4	0	0	2,755,896	1,772,883	-35.67%
<b>Total INDUSTRY SQUARE</b>	<b>2,279,224</b>	<b>2,744,917</b>	<b>3,320,896</b>	<b>1,772,883</b>	<b>-46.6%</b>
<b>SEWARD SOUTH</b>					
TRANSFER 4	1,874,522	2,028,108	0		0.0%
CPED4	0	0	2,125,000	1,123,375	-47.14%
<b>Total SEWARD SOUTH</b>	<b>1,874,522</b>	<b>2,028,108</b>	<b>2,125,000</b>	<b>1,123,375</b>	<b>-47.1%</b>
<b>CEDAR RIVERSIDE</b>					
TRANSFER 4	3,131,680	3,381,420	55,000		-100.00%
CPED4	0	0	3,400,000	1,832,535	-46.10%
<b>Total CEDAR RIVERSIDE</b>	<b>3,131,680</b>	<b>3,381,420</b>	<b>3,455,000</b>	<b>1,832,535</b>	<b>-47.0%</b>
<b>HOUSING FOR CHRONIC ALCOHOLICS</b>					
TRANSFER 4	67,000	27,500	0		0.0%
<b>Total HOUSING FOR CHRONIC ALCOHOLICS</b>	<b>67,000</b>	<b>27,500</b>	<b>0</b>		<b>0.0%</b>
<b>HENNEPIN &amp; LAKE</b>					
TRANSFER 4	1,214,614	1,330,238	80,000		-100.00%
CPED4	0	0	1,200,000	647,872	-46.01%
<b>Total HENNEPIN &amp; LAKE</b>	<b>1,214,614</b>	<b>1,330,238</b>	<b>1,280,000</b>	<b>647,872</b>	<b>-49.4%</b>
<b>BROADWAY 35-W</b>					
TRANSFER 4	13,737	114,261	0		0.0%
CPED4	0	0	0	705,238	0.0%
<b>Total BROADWAY 35-W</b>	<b>13,737</b>	<b>114,261</b>	<b>0</b>	<b>705,238</b>	<b>0.0%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>BOTTINEAU</u></b>					
CPED4	140,571	149,152	153,485		-100.00%
<b>Total BOTTINEAU</b>	<b>140,571</b>	<b>149,152</b>	<b>153,485</b>		<b>-100.0%</b>
<b><u>FRANKLIN AVENUE</u></b>					
TRANSFER 4	105,000	25,000	0		0.0%
CPED4	3,022	4,153	400		-100.00%
<b>Total FRANKLIN AVENUE</b>	<b>108,022</b>	<b>29,153</b>	<b>400</b>		<b>-100.0%</b>
<b><u>CONSERVATORY</u></b>					
TRANSFER 4	1,989,350	3,381,600	3,432,250	2,150,000	-37.36%
<b>Total CONSERVATORY</b>	<b>1,989,350</b>	<b>3,381,600</b>	<b>3,432,250</b>	<b>2,150,000</b>	<b>-37.4%</b>
<b><u>LORING PARK</u></b>					
TRANSFER 4	4,664,459	4,616,498	75,000		-100.00%
CPED4	0	0	4,500,000	2,217,089	-50.73%
<b>Total LORING PARK</b>	<b>4,664,459</b>	<b>4,616,498</b>	<b>4,575,000</b>	<b>2,217,089</b>	<b>-51.5%</b>
<b><u>LAUREL VILLAGE</u></b>					
TRANSFER 4	2,716,468	2,478,055	2,597,000	2,721,000	4.77%
CPED4	116,204	115,093	113,961	112,805	-1.01%
<b>Total LAUREL VILLAGE</b>	<b>2,832,672</b>	<b>2,593,148</b>	<b>2,710,961</b>	<b>2,833,805</b>	<b>4.5%</b>
<b><u>CITY CENTER</u></b>					
TRANSFER 4	1,367,686	2,349,373	100,000		-100.00%
CPED4	0	0	2,210,000	1,300,935	-41.13%
<b>Total CITY CENTER</b>	<b>1,367,686</b>	<b>2,349,373</b>	<b>2,310,000</b>	<b>1,300,935</b>	<b>-43.7%</b>
<b><u>SOUTH NICOLLET MALL</u></b>					
TRANSFER 4	9,517,247	8,632,319	4,393,328	2,195,000	-50.04%
CPED4	0	2,342	2,898,682	951,376	-67.18%
<b>Total SOUTH NICOLLET MALL</b>	<b>9,517,247</b>	<b>8,634,661</b>	<b>7,292,010</b>	<b>3,146,376</b>	<b>-56.9%</b>
<b><u>CLARE HOUSING</u></b>					
CPED4	0	0	18,922		-100.00%
<b>Total CLARE HOUSING</b>	<b>0</b>	<b>0</b>	<b>18,922</b>		<b>-100.0%</b>
<b><u>DEEP ROCK</u></b>					
TRANSFER 4	110,000	145,000	0		0.0%
CPED4	14,185	1,400	2,849		-100.00%
<b>Total DEEP ROCK</b>	<b>124,185</b>	<b>146,400</b>	<b>2,849</b>		<b>-100.0%</b>
<b><u>DOWNTOWN EAST LRT</u></b>					
TRANSFER 4	1,391,283	0	0		0.0%
CPED4	41,656	21,863	12,436		-100.00%
<b>Total DOWNTOWN EAST LRT</b>	<b>1,432,939</b>	<b>21,863</b>	<b>12,436</b>		<b>-100.0%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>2700 EAST LAKE</u></b>					
CPED4	63,424	67,023	67,415		-100.00%
<b>Total 2700 EAST LAKE</b>	<b>63,424</b>	<b>67,023</b>	<b>67,415</b>		<b>-100.0%</b>
<b><u>EAST PHILLIPS</u></b>					
CPED4	31,381	33,615	34,913		-100.00%
<b>Total EAST PHILLIPS</b>	<b>31,381</b>	<b>33,615</b>	<b>34,913</b>		<b>-100.0%</b>
<b><u>EAST VILLAGE</u></b>					
CPED4	176,425	173,250	176,314		-100.00%
<b>Total EAST VILLAGE</b>	<b>176,425</b>	<b>173,250</b>	<b>176,314</b>		<b>-100.0%</b>
<b><u>50TH &amp; FRANCE</u></b>					
CPED4	174,616	168,105	172,827		-100.00%
<b>Total 50TH &amp; FRANCE</b>	<b>174,616</b>	<b>168,105</b>	<b>172,827</b>		<b>-100.0%</b>
<b><u>FRANKLIN PORTLAND WELLSTONE</u></b>					
CPED4	6,792	0	0		0.0%
<b>Total FRANKLIN PORTLAND WELLSTONE</b>	<b>6,792</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>FORMER FED RESERVE</u></b>					
CPED4	444,393	558,348	636,121		-100.00%
<b>Total FORMER FED RESERVE</b>	<b>444,393</b>	<b>558,348</b>	<b>636,121</b>		<b>-100.0%</b>
<b><u>GRAIN BELT</u></b>					
CPED4	121,988	129,895	130,893		-100.00%
<b>Total GRAIN BELT</b>	<b>121,988</b>	<b>129,895</b>	<b>130,893</b>		<b>-100.0%</b>
<b><u>GRACO TI</u></b>					
CPED4	72,990	78,286	77,494		-100.00%
<b>Total GRACO TI</b>	<b>72,990</b>	<b>78,286</b>	<b>77,494</b>		<b>-100.0%</b>
<b><u>GRAIN BELT HOUSING DIST 132</u></b>					
CPED4	63,244	14,253	26,323		-100.00%
<b>Total GRAIN BELT HOUSING DIST 132</b>	<b>63,244</b>	<b>14,253</b>	<b>26,323</b>		<b>-100.0%</b>
<b><u>110 GRANT</u></b>					
TRANSFER 4	915,025	250,000	0	400,000	0.0%
<b>Total 110 GRANT</b>	<b>915,025</b>	<b>250,000</b>	<b>0</b>	<b>400,000</b>	<b>0.0%</b>
<b><u>13TH AND HARMON</u></b>					
CPED4	243,765	238,705	241,592		-100.00%
<b>Total 13TH AND HARMON</b>	<b>243,765</b>	<b>238,705</b>	<b>241,592</b>		<b>-100.0%</b>
<b><u>PARCEL C TI DISTRICT</u></b>					
CPED4	480,880	448,857	452,518	2,476	-99.45%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total PARCEL C TI DISTRICT</b>	<b>480,880</b>	<b>448,857</b>	<b>452,518</b>	<b>2,476</b>	<b>-99.5%</b>
<b><u>HISTORIC DEPOT REUSE DIST 93</u></b>					
TRANSFER 4	877,034	634,784	689,000	728,000	5.66%
CPED4	7,357	4,797	3,478	1,838	-47.15%
<b>Total HISTORIC DEPOT REUSE DIST 93</b>	<b>884,391</b>	<b>639,581</b>	<b>692,478</b>	<b>729,838</b>	<b>5.4%</b>
<b><u>HENNEPIN &amp; 7TH ENTERTAINMENT</u></b>					
TRANSFER 4	1,157,015	2,315,223	2,238,000	1,913,181	-14.51%
CPED4	10,881	3,777	12,338		-100.00%
<b>Total HENNEPIN &amp; 7TH ENTERTAINMENT</b>	<b>1,167,896</b>	<b>2,319,000</b>	<b>2,250,338</b>	<b>1,913,181</b>	<b>-15.0%</b>
<b><u>HUMBOLDT GREENWAY DIST 98</u></b>					
TRANSFER 4	0	210,735	289,000	295,735	2.33%
CPED4	26,298	13,663	21,182		-100.00%
<b>Total HUMBOLDT GREENWAY DIST 98</b>	<b>26,298</b>	<b>224,398</b>	<b>310,182</b>	<b>295,735</b>	<b>-4.7%</b>
<b><u>HIAWATHA COMMONS HOUSING</u></b>					
CPED4	0	11,104	11,327		-100.00%
<b>Total HIAWATHA COMMONS HOUSING</b>	<b>0</b>	<b>11,104</b>	<b>11,327</b>		<b>-100.0%</b>
<b><u>HUMBOLDT INDUSTRIAL PARK</u></b>					
CPED4	0	0	0	7,896	0.0%
<b>Total HUMBOLDT INDUSTRIAL PARK</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,896</b>	<b>0.0%</b>
<b><u>HERITAGE LAND APTS</u></b>					
CPED4	403,572	396,138	401,668		-100.00%
<b>Total HERITAGE LAND APTS</b>	<b>403,572</b>	<b>396,138</b>	<b>401,668</b>		<b>-100.0%</b>
<b><u>HERITAGE PARK</u></b>					
TRANSFER 4	0	263,926	412,000	482,326	17.07%
CPED4	585	675	0		0.0%
<b>Total HERITAGE PARK</b>	<b>585</b>	<b>264,601</b>	<b>412,000</b>	<b>482,326</b>	<b>17.1%</b>
<b><u>900 6TH AVE SE</u></b>					
CPED4	52,258	60,107	59,326	1,376	-97.68%
<b>Total 900 6TH AVE SE</b>	<b>52,258</b>	<b>60,107</b>	<b>59,326</b>	<b>1,376</b>	<b>-97.7%</b>
<b><u>EAST HENNEPIN &amp; UNIVERSITY</u></b>					
TRANSFER 4	1,311,928	1,578,205	0		0.0%
CPED4	155,942	164,596	1,324,387	1,036,630	-21.73%
<b>Total EAST HENNEPIN &amp; UNIVERSITY</b>	<b>1,467,870</b>	<b>1,742,801</b>	<b>1,324,387</b>	<b>1,036,630</b>	<b>-21.7%</b>
<b><u>CAMDEN AREA - IMPACT</u></b>					
TRANSFER 4	3,858	0	0		0.0%
<b>Total CAMDEN AREA - IMPACT</b>	<b>3,858</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>IVY TOWER</u></b>					
TRANSFER 4	103,448	0	0	274,055	0.0%
CPED4	3,559,885	5,617	10,320	1,376	-86.66%
<b>Total IVY TOWER</b>	<b>3,663,333</b>	<b>5,617</b>	<b>10,320</b>	<b>275,431</b>	<b>2,568.9%</b>
<b><u>JOURDAIN</u></b>					
CPED4	0	343	2,011		-100.00%
<b>Total JOURDAIN</b>	<b>0</b>	<b>343</b>	<b>2,011</b>		<b>-100.0%</b>
<b><u>LOCAL CONTRIBUTION FUND</u></b>					
CPED4	871,684	648,251	50,000		-100.00%
<b>Total LOCAL CONTRIBUTION FUND</b>	<b>871,684</b>	<b>648,251</b>	<b>50,000</b>		<b>-100.0%</b>
<b><u>LOWRY RIDGE</u></b>					
TRANSFER 4	40,000	0	0		0.0%
CPED4	97,509	106,395	116,739		-100.00%
<b>Total LOWRY RIDGE</b>	<b>137,509</b>	<b>106,395</b>	<b>116,739</b>		<b>-100.0%</b>
<b><u>LAKE STREET CENTER</u></b>					
TRANSFER 4	40,170	37,517	0	182,833	0.0%
CPED4	565,768	1,092,156	5,193,259	22,515	-99.57%
<b>Total LAKE STREET CENTER</b>	<b>605,938</b>	<b>1,129,673</b>	<b>5,193,259</b>	<b>205,348</b>	<b>-96.0%</b>
<b><u>MAGNUM LOFTS</u></b>					
CPED4	43,927	45,642	44,604		-100.00%
<b>Total MAGNUM LOFTS</b>	<b>43,927</b>	<b>45,642</b>	<b>44,604</b>		<b>-100.0%</b>
<b><u>MANY RIVERS</u></b>					
CPED4	61,369	52,323	52,945		-100.00%
<b>Total MANY RIVERS</b>	<b>61,369</b>	<b>52,323</b>	<b>52,945</b>		<b>-100.0%</b>
<b><u>MANY RIVERS WEST</u></b>					
CPED4	335	40,856	0		0.0%
<b>Total MANY RIVERS WEST</b>	<b>335</b>	<b>40,856</b>	<b>0</b>		<b>0.0%</b>
<b><u>1900 CENTRAL AVE HSG</u></b>					
CPED4	51,309	58,936	101,382		-100.00%
<b>Total 1900 CENTRAL AVE HSG</b>	<b>51,309</b>	<b>58,936</b>	<b>101,382</b>		<b>-100.0%</b>
<b><u>NICOLLET FRANKLIN</u></b>					
CPED4	113,499	180,089	188,330		-100.00%
<b>Total NICOLLET FRANKLIN</b>	<b>113,499</b>	<b>180,089</b>	<b>188,330</b>		<b>-100.0%</b>
<b><u>NRP</u></b>					
TRANSFER 4	373,331	794,154	0		0.0%
CPED4	10,951,738	9,185,389	0		0.0%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total NRP</b>	<b>11,325,069</b>	<b>9,979,543</b>	<b>0</b>		<b>0.0%</b>
<b><u>COLOPLAST</u></b>					
CPED4	0	0	0	13,006	0.0%
<b>Total COLOPLAST</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,006</b>	<b>0.0%</b>
<b><u>NWIP</u></b>					
TRANSFER 4	2,630,093	2,698,279	125,000		-100.00%
CPED4	0	0	2,700,000	1,492,431	-44.72%
<b>Total NWIP</b>	<b>2,630,093</b>	<b>2,698,279</b>	<b>2,825,000</b>	<b>1,492,431</b>	<b>-47.2%</b>
<b><u>HOLMES</u></b>					
TRANSFER 4	2,214,320	2,291,991	52,000		-100.00%
CPED4	0	0	2,230,000	1,286,155	-42.32%
<b>Total HOLMES</b>	<b>2,214,320</b>	<b>2,291,991</b>	<b>2,282,000</b>	<b>1,286,155</b>	<b>-43.6%</b>
<b><u>NICOLLET ISLAND EAST BANK</u></b>					
TRANSFER 4	1,741,853	2,085,337	215,000		-100.00%
CPED4	0	0	1,820,000	1,130,972	-37.86%
<b>Total NICOLLET ISLAND EAST BANK</b>	<b>1,741,853</b>	<b>2,085,337</b>	<b>2,035,000</b>	<b>1,130,972</b>	<b>-44.4%</b>
<b><u>PORTLAND PLACE</u></b>					
TRANSFER 4	67,146	68,293	69,000	70,890	2.74%
CPED4	1,858	763	105,000	105,000	0.0%
<b>Total PORTLAND PLACE</b>	<b>69,004</b>	<b>69,056</b>	<b>174,000</b>	<b>175,890</b>	<b>1.1%</b>
<b><u>NOKOMIS HOLMES</u></b>					
TRANSFER 4	269,251	270,000	250,000		-100.00%
<b>Total NOKOMIS HOLMES</b>	<b>269,251</b>	<b>270,000</b>	<b>250,000</b>		<b>-100.0%</b>
<b><u>ELLIOT PARK</u></b>					
TRANSFER 4	720,000	415,000	455,000		-100.00%
CPED4	89,225	95,786	105,000		-100.00%
<b>Total ELLIOT PARK</b>	<b>809,225</b>	<b>510,786</b>	<b>560,000</b>		<b>-100.0%</b>
<b><u>NICOLLET &amp; LAKE</u></b>					
TRANSFER 4	579,119	580,313	85,000		-100.00%
CPED4	0	0	500,000	325,073	-34.99%
<b>Total NICOLLET &amp; LAKE</b>	<b>579,119</b>	<b>580,313</b>	<b>585,000</b>	<b>325,073</b>	<b>-44.4%</b>
<b><u>CENTRAL &amp; 20TH</u></b>					
TRANSFER 4	113,000	115,000	0		0.0%
<b>Total CENTRAL &amp; 20TH</b>	<b>113,000</b>	<b>115,000</b>	<b>0</b>		<b>0.0%</b>
<b><u>MILES I</u></b>					
TRANSFER 4	98,000	50,000	0		0.0%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total MILES I</b>	<b>98,000</b>	<b>50,000</b>	<b>0</b>		<b>0.0%</b>
<b><u>NBA ARENA</u></b>					
TRANSFER 4	2,619,069	2,213,307	0		0.0%
CPED4	1,197,894	703,801	4,400,268	4,410,589	0.23%
<b>Total NBA ARENA</b>	<b>3,816,963</b>	<b>2,917,108</b>	<b>4,400,268</b>	<b>4,410,589</b>	<b>0.2%</b>
<b><u>PHILLIPS PARK</u></b>					
CPED4	49,394	53,860	56,905		-100.00%
<b>Total PHILLIPS PARK</b>	<b>49,394</b>	<b>53,860</b>	<b>56,905</b>		<b>-100.0%</b>
<b><u>LASALLE PLACE</u></b>					
TRANSFER 4	1,833,519	1,090,000	1,700,000		-100.00%
<b>Total LASALLE PLACE</b>	<b>1,833,519</b>	<b>1,090,000</b>	<b>1,700,000</b>		<b>-100.0%</b>
<b><u>CAPITAL PROJECTS- OTHER (NON-TI)</u></b>					
TRANSFER 4	0	19,328	0		0.0%
CPED4	755,527	2,470,975	104,885	510,151	386.39%
<b>Total CAPITAL PROJECTS- OTHER (NON-TI)</b>	<b>755,527</b>	<b>2,490,303</b>	<b>104,885</b>	<b>510,151</b>	<b>386.4%</b>
<b><u>PRELIMINARY PLANNING</u></b>					
CPED4	1,144,135	1,182,148	2,274,103	2,372,308	4.32%
<b>Total PRELIMINARY PLANNING</b>	<b>1,144,135</b>	<b>1,182,148</b>	<b>2,274,103</b>	<b>2,372,308</b>	<b>4.3%</b>
<b><u>NEIMAN MARCUS</u></b>					
TRANSFER 4	1,105,634	1,265,062	1,235,000	235,000	-80.97%
CPED4	0	0	374,198	425,656	13.75%
<b>Total NEIMAN MARCUS</b>	<b>1,105,634</b>	<b>1,265,062</b>	<b>1,609,198</b>	<b>660,656</b>	<b>-58.9%</b>
<b><u>IDS DATA SERVICE CENTER</u></b>					
TRANSFER 4	3,535,000	1,750,750	2,698,000	1,313,500	-51.32%
CPED4	0	0	0	2,411,226	0.0%
<b>Total IDS DATA SERVICE CENTER</b>	<b>3,535,000</b>	<b>1,750,750</b>	<b>2,698,000</b>	<b>3,724,726</b>	<b>38.1%</b>
<b><u>BLOCK E</u></b>					
TRANSFER 4	50,000	0	0		0.0%
<b>Total BLOCK E</b>	<b>50,000</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK AVENUE EAST</u></b>					
CPED4	0	0	32,522	8,367	-74.27%
<b>Total PARK AVENUE EAST</b>	<b>0</b>	<b>0</b>	<b>32,522</b>	<b>8,367</b>	<b>-74.3%</b>
<b><u>36TH AND MARSHALL</u></b>					
CPED4	65,699	475	300		-100.00%
<b>Total 36TH AND MARSHALL</b>	<b>65,699</b>	<b>475</b>	<b>300</b>		<b>-100.0%</b>
<b><u>COMMON PROJECT RESERVE</u></b>					



**SCHEDULE THREE  
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TRANSFER 4	2,750,000	1,807,747	0		0.0%
<b>Total COMMON PROJECT RESERVE</b>	<b>2,750,000</b>	<b>1,807,747</b>	<b>0</b>		<b>0.0%</b>
<b><u>RIPLEY GARDENS</u></b>					
CPED4	0	343	1,175		-100.00%
<b>Total RIPLEY GARDENS</b>	<b>0</b>	<b>343</b>	<b>1,175</b>		<b>-100.0%</b>
<b><u>CREAMETTE</u></b>					
TRANSFER 4	50,000	0	0		0.0%
CPED4	129,703	124,207	124,171		-100.00%
<b>Total CREAMETTE</b>	<b>179,703</b>	<b>124,207</b>	<b>124,171</b>		<b>-100.0%</b>
<b><u>MARSHALL RIVER RUN</u></b>					
CPED4	7,470	206	0		0.0%
<b>Total MARSHALL RIVER RUN</b>	<b>7,470</b>	<b>206</b>	<b>0</b>		<b>0.0%</b>
<b><u>ROSACKER</u></b>					
TRANSFER 4	30,000	0	0		0.0%
<b>Total ROSACKER</b>	<b>30,000</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>STONE ARCH APARTMENTS</u></b>					
CPED4	259,349	249,117	253,450		-100.00%
<b>Total STONE ARCH APARTMENTS</b>	<b>259,349</b>	<b>249,117</b>	<b>253,450</b>		<b>-100.0%</b>
<b><u>SPRING &amp; CENTRAL</u></b>					
TRANSFER 4	45,000	0	0		0.0%
<b>Total SPRING &amp; CENTRAL</b>	<b>45,000</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>SHINGLE CREEK COMMONS</u></b>					
CPED4	82,119	82,206	82,678		-100.00%
<b>Total SHINGLE CREEK COMMONS</b>	<b>82,119</b>	<b>82,206</b>	<b>82,678</b>		<b>-100.0%</b>
<b><u>ST ANTHONY MILLS</u></b>					
CPED4	0	0	3,863		-100.00%
<b>Total ST ANTHONY MILLS</b>	<b>0</b>	<b>0</b>	<b>3,863</b>		<b>-100.0%</b>
<b><u>STINSON</u></b>					
CPED4	553,357	522,211	530,192		-100.00%
<b>Total STINSON</b>	<b>553,357</b>	<b>522,211</b>	<b>530,192</b>		<b>-100.0%</b>
<b><u>SEMI-PHASE 1</u></b>					
CPED4	167,718	158,117	538,276	68,902	-87.20%
<b>Total SEMI-PHASE 1</b>	<b>167,718</b>	<b>158,117</b>	<b>538,276</b>	<b>68,902</b>	<b>-87.2%</b>
<b><u>SEMI-PHASE 2</u></b>					
CPED4	131,390	127,702	224,753	13,765	-93.88%

**SCHEDULE THREE  
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<b>Total SEMI-PHASE 2</b>	<b>131,390</b>	<b>127,702</b>	<b>224,753</b>	<b>13,765</b>	<b>-93.9%</b>
<b><u>SEMI-PHASE 3</u></b>					
CPED4	215,868	723	133,245	13,765	-89.67%
<b>Total SEMI-PHASE 3</b>	<b>215,868</b>	<b>723</b>	<b>133,245</b>	<b>13,765</b>	<b>-89.7%</b>
<b><u>SEMI-PHASE 4</u></b>					
CPED4	175,588	174,082	179,555	979	-99.45%
<b>Total SEMI-PHASE 4</b>	<b>175,588</b>	<b>174,082</b>	<b>179,555</b>	<b>979</b>	<b>-99.5%</b>
<b><u>SEMI-PHASE 5</u></b>					
CPED4	122,913	123,283	127,530	13,765	-89.21%
<b>Total SEMI-PHASE 5</b>	<b>122,913</b>	<b>123,283</b>	<b>127,530</b>	<b>13,765</b>	<b>-89.2%</b>
<b><u>TOWERS AT ELLIOT PARK</u></b>					
TRANSFER 4	1,216,313	524,907	0		0.0%
CPED4	21,967	9,970	790,870	778,370	-1.58%
<b>Total TOWERS AT ELLIOT PARK</b>	<b>1,238,280</b>	<b>534,877</b>	<b>790,870</b>	<b>778,370</b>	<b>-1.6%</b>
<b><u>2ND ST N HOTEL/APTS TOWNPLACE</u></b>					
CPED4	171,178	170,603	171,877		-100.00%
<b>Total 2ND ST N HOTEL/APTS TOWNPLACE</b>	<b>171,178</b>	<b>170,603</b>	<b>171,877</b>		<b>-100.0%</b>
<b><u>10TH AND WASHINGTON</u></b>					
TRANSFER 4	0	833,756	241,833		-100.00%
CPED4	910	5,702	500		-100.00%
<b>Total 10TH AND WASHINGTON</b>	<b>910</b>	<b>839,458</b>	<b>242,333</b>		<b>-100.0%</b>
<b><u>UNITED VAN BUS</u></b>					
TRANSFER 4	57,000	51,500	0		0.0%
<b>Total UNITED VAN BUS</b>	<b>57,000</b>	<b>51,500</b>	<b>0</b>		<b>0.0%</b>
<b><u>EAST RIVER / UNOCAL SITE</u></b>					
TRANSFER 4	115,000	62,150	0		0.0%
CPED4	98,734	16,376	1,793,950	131,055	-92.69%
<b>Total EAST RIVER / UNOCAL SITE</b>	<b>213,734</b>	<b>78,526</b>	<b>1,793,950</b>	<b>131,055</b>	<b>-92.7%</b>
<b><u>URBAN VILLAGE</u></b>					
TRANSFER 4	133,646	2,030,841	0		0.0%
CPED4	40,577	33,543	285,105	191,675	-32.77%
<b>Total URBAN VILLAGE</b>	<b>174,223</b>	<b>2,064,384</b>	<b>285,105</b>	<b>191,675</b>	<b>-32.8%</b>
<b><u>VAN CLEVE EAST</u></b>					
CPED4	0	0	0	8,567	0.0%
<b>Total VAN CLEVE EAST</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,567</b>	<b>0.0%</b>
<b><u>VILLAGE IN PHILLIPS HOUSING</u></b>					

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

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CPED4	77,979	58,042	51,991		-100.00%
<b>Total VILLAGE IN PHILLIPS HOUSING</b>	<b>77,979</b>	<b>58,042</b>	<b>51,991</b>		<b>-100.0%</b>
<b><u>VILLAGE IN PHILLIPS PHASE II</u></b>					
CPED4	0	0	5,190		-100.00%
<b>Total VILLAGE IN PHILLIPS PHASE II</b>	<b>0</b>	<b>0</b>	<b>5,190</b>		<b>-100.0%</b>
<b><u>VAN CLEVE REDEVELOPMENT</u></b>					
CPED4	0	0	0	21,470	0.0%
<b>Total VAN CLEVE REDEVELOPMENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21,470</b>	<b>0.0%</b>
<b><u>VAN CLEVE WEST</u></b>					
CPED4	0	0	0	14,679	0.0%
<b>Total VAN CLEVE WEST</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,679</b>	<b>0.0%</b>
<b><u>WASHINGTON COURTS APTS</u></b>					
CPED4	0	4,876	7,465		-100.00%
<b>Total WASHINGTON COURTS APTS</b>	<b>0</b>	<b>4,876</b>	<b>7,465</b>		<b>-100.0%</b>
<b><u>WEST SIDE MILLING DISTRICT</u></b>					
TRANSFER 4	937,231	1,347,188	1,611,000	1,592,184	-1.17%
CPED4	502	18,397	19,091	8,447	-55.75%
<b>Total WEST SIDE MILLING DISTRICT</b>	<b>937,733</b>	<b>1,365,585</b>	<b>1,630,091</b>	<b>1,600,631</b>	<b>-1.8%</b>
<b><u>WEST RIVER COMMONS</u></b>					
CPED4	74,311	80,309	82,152		-100.00%
<b>Total WEST RIVER COMMONS</b>	<b>74,311</b>	<b>80,309</b>	<b>82,152</b>		<b>-100.0%</b>
<b><u>HOUSING REPLACEMENT 1</u></b>					
CPED4	10,932	475,351	31,951	45,564	42.61%
<b>Total HOUSING REPLACEMENT 1</b>	<b>10,932</b>	<b>475,351</b>	<b>31,951</b>	<b>45,564</b>	<b>42.6%</b>
<b><u>HOUSING REPLACEMENT 2</u></b>					
CPED4	1,023	29,037	156,080	173,381	11.08%
<b>Total HOUSING REPLACEMENT 2</b>	<b>1,023</b>	<b>29,037</b>	<b>156,080</b>	<b>173,381</b>	<b>11.1%</b>
<b><u>BLOCK 33</u></b>					
TRANSFER 4	70,000	19,750	0		0.0%
<b>Total BLOCK 33</b>	<b>70,000</b>	<b>19,750</b>	<b>0</b>		<b>0.0%</b>
<b><u>MCDA NEIGHBORHOOD DEVEL ACCT</u></b>					
CPED4	355,345	342,151	1,450,219	1,287,740	-11.20%
<b>Total MCDA NEIGHBORHOOD DEVEL ACCT</b>	<b>355,345</b>	<b>342,151</b>	<b>1,450,219</b>	<b>1,287,740</b>	<b>-11.2%</b>
<b><u>CPED OPERATING</u></b>					
TRANSFER 4	283,000	0	0	7,978,765	0.0%
CPED4	5,214,157	6,656,103	8,023,997	7,841,534	-2.27%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total CPED OPERATING</b>	<b>5,497,157</b>	<b>6,656,103</b>	<b>8,023,997</b>	<b>15,820,299</b>	<b>97.2%</b>
<b><u>NRP ADMINISTRATION</u></b>					
CPED4	763,527	412,467	240,071	267,625	11.48%
<b>Total NRP ADMINISTRATION</b>	<b>763,527</b>	<b>412,467</b>	<b>240,071</b>	<b>267,625</b>	<b>11.5%</b>
<b><u>COMMUNITY DEVELOPMENT LEVY</u></b>					
CPED4	2,757,373	168,626	244,977		-100.00%
<b>Total COMMUNITY DEVELOPMENT LEVY</b>	<b>2,757,373</b>	<b>168,626</b>	<b>244,977</b>		<b>-100.0%</b>
<b><u>DEVELOPMENT ACCOUNT</u></b>					
TRANSFER 4	2,708,799	0	0		0.0%
CPED4	214,128	46,304	0		0.0%
<b>Total DEVELOPMENT ACCOUNT</b>	<b>2,922,927</b>	<b>46,304</b>	<b>0</b>		<b>0.0%</b>
<b><u>ECONOMIC DEVELOPMENT PROGRAM</u></b>					
CPED4	3,518,937	2,348,850	4,827,400	5,025,083	4.10%
<b>Total ECONOMIC DEVELOPMENT PROGRAM</b>	<b>3,518,937</b>	<b>2,348,850</b>	<b>4,827,400</b>	<b>5,025,083</b>	<b>4.1%</b>
<b><u>HOUSING PROGRAM</u></b>					
CPED4	987,960	1,171,997	875,567	2,624,325	199.73%
<b>Total HOUSING PROGRAM</b>	<b>987,960</b>	<b>1,171,997</b>	<b>875,567</b>	<b>2,624,325</b>	<b>199.7%</b>
<b><u>HOME OWNERSHIP WORKS</u></b>					
CPED4	400,168	200,457	807,664	802,000	-0.70%
<b>Total HOME OWNERSHIP WORKS</b>	<b>400,168</b>	<b>200,457</b>	<b>807,664</b>	<b>802,000</b>	<b>-0.7%</b>
<b><u>MCDA STATE GRANTS &amp; LOAN</u></b>					
CPED4	6,759,370	1,256,114	0		0.0%
<b>Total MCDA STATE GRANTS &amp; LOAN</b>	<b>6,759,370</b>	<b>1,256,114</b>	<b>0</b>		<b>0.0%</b>
<b><u>NEIGHBORHOOD HOUSING</u></b>					
CPED4	150,000	150,943	300,000	150,000	-50.00%
<b>Total NEIGHBORHOOD HOUSING</b>	<b>150,000</b>	<b>150,943</b>	<b>300,000</b>	<b>150,000</b>	<b>-50.0%</b>
<b><u>COMMUNITY DEVELOPMENT</u></b>					
TRANSFER 4	11,729,231	500,000	0	5,500,000	0.0%
CPED4	3,512,353	3,483,761	7,276,301	5,499,999	-24.41%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>15,241,584</b>	<b>3,983,761</b>	<b>7,276,301</b>	<b>10,999,999</b>	<b>51.2%</b>
<b><u>RESIDENTIAL HOUSING</u></b>					
CPED4	742,296	1,063,012	117,200	371,326	216.83%
<b>Total RESIDENTIAL HOUSING</b>	<b>742,296</b>	<b>1,063,012</b>	<b>117,200</b>	<b>371,326</b>	<b>216.8%</b>
<b><u>UPPER RIVER LAND BANK</u></b>					
CPED4	36,623	13,335	84,219	84,382	0.19%
<b>Total UPPER RIVER LAND BANK</b>	<b>36,623</b>	<b>13,335</b>	<b>84,219</b>	<b>84,382</b>	<b>0.2%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	330,283	328,429	357,000	342,800	-3.98%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>330,283</b>	<b>328,429</b>	<b>357,000</b>	<b>342,800</b>	<b>-4.0%</b>
<b><u>POLICE DEPT - SPECIAL REVENUE</u></b>					
POLICE	2,235,670	2,341,037	1,237,444	1,674,451	35.32%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>2,235,670</b>	<b>2,341,037</b>	<b>1,237,444</b>	<b>1,674,451</b>	<b>35.3%</b>
<b><u>ARENA - RESERVE</u></b>					
TRANSFER 4	3,480,003	4,007,850	0		0.0%
<b>Total ARENA - RESERVE</b>	<b>3,480,003</b>	<b>4,007,850</b>	<b>0</b>		<b>0.0%</b>
<b><u>CONVENTION FACILITES - RESERVE</u></b>					
TRANSFER 4	3,031,000	500,000	1,000,000	1,000,000	0.0%
<b>Total CONVENTION FACILITES - RESERVE</b>	<b>3,031,000</b>	<b>500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0.0%</b>
<b><u>GRANTS - FEDERAL</u></b>					
ATTORNEY	320,302	282,967	301,716	410,968	36.21%
FIRE	2,359,310	1,100,600	450,508	60,000	-86.68%
POLICE	1,588,273	3,372,810	3,582,167	3,021,247	-15.66%
HEALTH AND FAMILY SUPPORT	4,638,296	4,250,709	4,361,382	3,993,759	-8.43%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0	99,827	0		0.0%
PW - TRAFFIC AND PARKING	0	38,194	0		0.0%
HUMAN RESOURCES	0	120,000	0		0.0%
FINANCE DEPARTMENT	37,484	32,191	28,712	24,283	-15.42%
911/311	2,727,644	1,981,624	50,000		-100.00%
REGULATORY SERVICES	1,705,044	2,580,851	4,832,415	4,972,880	2.91%
CITY COORDINATOR	0	100,000	0		0.0%
COMMUNICATIONS	0	4,904	0		0.0%
BUSINESS INFORMATION SERVICES	332,632	30,781	0		0.0%
9010000 - CAPITAL IMPROVEMENT	359,081	1,005,977	0		0.0%
TRANSFER 4	726,200	78,062	54,000	54,000	0.0%
CPED4	5,494,458	5,544,396	6,938,878	5,029,729	-27.51%
<b>Total GRANTS - FEDERAL</b>	<b>20,288,724</b>	<b>20,623,893</b>	<b>20,599,778</b>	<b>17,566,866</b>	<b>-14.7%</b>
<b><u>MCDA FEDERAL GRANTS-OTHER</u></b>					
CPED4	4,067,388	4,735,279	3,596,191		-100.00%
<b>Total MCDA FEDERAL GRANTS-OTHER</b>	<b>4,067,388</b>	<b>4,735,279</b>	<b>3,596,191</b>		<b>-100.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
ATTORNEY	37,025	57,518	40,000	37,000	-7.50%
CIVIL RIGHTS	396,935	259,501	330,000	357,000	8.18%
POLICE	0	30,245	55,000	52,000	-5.45%
HEALTH AND FAMILY SUPPORT	2,062,856	1,454,762	1,721,000	1,489,000	-13.48%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	77,681	131,459	90,000	84,000	-6.67%
FINANCE DEPARTMENT	240,974	205,000	205,000	192,000	-6.34%
REGULATORY SERVICES	413,604	163,210	528,625	463,000	-12.41%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
INTERGOVERNMENTAL RELATIONS	1,027,106	1,276,866	1,134,000	1,125,700	-0.73%
NEIGHBORHOOD AND COMMUNITY RELATIONS	0	0	0	192,000	0.0%
NON DEPARTMENTAL	0	572,719	364,000	346,000	-4.95%
DEBT SERVICE 4	543,926	0	0		0.0%
TRANSFER 4	6,394,595	5,045,609	3,596,000		-100.00%
CPED4	10,443,088	12,335,129	10,875,000	10,263,022	-5.63%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>21,637,790</b>	<b>21,532,018</b>	<b>18,938,625</b>	<b>14,600,723</b>	<b>-22.9%</b>
<b>MCDA CDBG</b>					
CPED4	3,878,152	1,161,178	0		0.0%
<b>Total MCDA CDBG</b>	<b>3,878,152</b>	<b>1,161,178</b>	<b>0</b>		<b>0.0%</b>
<b>HOME</b>					
CPED4	0	0	0	3,446,000	0.0%
<b>Total HOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,446,000</b>	<b>0.0%</b>
<b>GRANTS - OTHER</b>					
FIRE	48,626	157,983	20,014	10,000	-50.03%
MAYOR	3,174	46,772	0		0.0%
POLICE	2,253,469	1,752,093	915,210	1,472,106	60.85%
HEALTH AND FAMILY SUPPORT	4,218,990	4,440,053	3,476,198	3,459,039	-0.49%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0	33,276	0		0.0%
PW - TRAFFIC AND PARKING	0	12,731	0		0.0%
HUMAN RESOURCES	196	13,925	10,000		-100.00%
FINANCE DEPARTMENT	45,009	42,517	36,305	32,597	-10.21%
911/311	893,679	579,811	517,500	521,000	0.68%
REGULATORY SERVICES	23,683	60,622	1,625,000	3,816,054	134.83%
CITY COORDINATOR	0	22,349	0		0.0%
COMMUNICATIONS	0	6,160	0		0.0%
CONVENTION CENTER	0	40,500	0		0.0%
BUSINESS INFORMATION SERVICES	0	3,628	0		0.0%
NON DEPARTMENTAL	0	41,101	56,794	58,384	2.80%
9010000 - CAPITAL IMPROVEMENT	0	2,409	0		0.0%
DEBT SERVICE 4	44,837	0	0		0.0%
TRANSFER 4	6,327,899	710,541	700,000	700,000	0.0%
CPED4	5,740,343	10,261,901	3,500,000	2,400,000	-31.43%
<b>Total GRANTS - OTHER</b>	<b>19,599,905</b>	<b>18,228,372</b>	<b>10,857,021</b>	<b>12,469,181</b>	<b>14.8%</b>
<b>CONVENTION CENTER OPERATIONS</b>					
POLICE	0	0	500,000		-100.00%
HUMAN RESOURCES	67,308	65,612	0		0.0%
CONVENTION CENTER	32,010,536	33,619,883	40,354,202	45,655,697	13.14%
TRANSFER 4	38,143,684	38,460,677	40,259,738	39,765,000	-1.23%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>70,221,528</b>	<b>72,146,172</b>	<b>81,113,940</b>	<b>85,420,697</b>	<b>5.3%</b>
<b>EMPLOYEE RETIREMENT</b>					
4900000 - MPLS EMPLOYEE RETIREMT FD	15,644,362	2,661,676	4,252,602	3,606,319	-15.20%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
POLICE RELIEF ASSOCIATION	10,565,321	7,031,074	8,768,701	7,319,041	-16.53%
FIRE DEPT RELIEF ASSOC	1,718,935	3,018,558	4,547,500	3,026,800	-33.44%
TRANSFER 4	1,007,879	902,594	0		0.0%
<b>Total EMPLOYEE RETIREMENT</b>	<b>28,936,497</b>	<b>13,613,902</b>	<b>17,568,803</b>	<b>13,952,160</b>	<b>-20.6%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	51,663,574	54,332,085	55,305,321	56,018,406	1.29%
TRANSFER 4	1,361,631	736,663	0		0.0%
<b>Total PARK - GENERAL FUND</b>	<b>53,025,205</b>	<b>55,068,748</b>	<b>55,305,321</b>	<b>56,018,406</b>	<b>1.3%</b>
<b><u>PARK - MUSEUM (ART INSTITUTE)</u></b>					
Park Board - 4	8,906,407	9,947,639	10,349,820	12,103,110	16.94%
<b>Total PARK - MUSEUM (ART INSTITUTE)</b>	<b>8,906,407</b>	<b>9,947,639</b>	<b>10,349,820</b>	<b>12,103,110</b>	<b>16.9%</b>
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
9010000 - CAPITAL IMPROVEMENT	5,274	69,443	0		0.0%
9101000 - PARKS-CAPITAL IMPROVEMENT	0	0	37,000	37,000	0.0%
9103000 - FORESTRY & TREE DIS CONTL	55,842	0	0		0.0%
Park Board - 4	1,357,200	1,249,409	2,188,058	1,130,600	-48.33%
TRANSFER 4	1,017,129	2,231,329	0		0.0%
<b>Total PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>2,435,445</b>	<b>3,550,181</b>	<b>2,225,058</b>	<b>1,167,600</b>	<b>-47.5%</b>
<b><u>PARK-SPEC REV-INTEREST BEARING</u></b>					
Park Board - 4	0	9,960	0		0.0%
<b>Total PARK-SPEC REV-INTEREST BEARING</b>	<b>0</b>	<b>9,960</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	12,130,441	12,979,648	12,761,684	13,287,241	4.12%
TRANSFER 4	295,000	495,000	0		0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>12,425,441</b>	<b>13,474,648</b>	<b>12,761,684</b>	<b>13,287,241</b>	<b>4.1%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
GENERAL REVENUES	0	(135,562)	0		0.0%
LIBRARY	22,603,862	31,201,725	0	8,000	0.0%
TRANSFER 4	100,000	100,000	0		0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>22,703,862</b>	<b>31,166,163</b>	<b>0</b>	<b>8,000</b>	<b>0.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					
GENERAL REVENUES	0	0	3,193		-100.00%
LIBRARY	33,711	0	0		0.0%
9010000 - CAPITAL IMPROVEMENT	26,169,493	1,499,485	5,010,000	5,055,000	0.90%
TRANSFER 4	365,878	3,998,951	1,400,000		-100.00%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>26,569,082</b>	<b>5,498,436</b>	<b>6,413,193</b>	<b>5,055,000</b>	<b>-21.2%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
DEBT SERVICE 4	7,443,883	0	0		0.0%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>7,443,883</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>HISTORIC PRESERVATION FUND</u></b>					
MUNICIPAL BUILDING COMMISSION	0	25,793	0	0	0.0%
<b>Total HISTORIC PRESERVATION FUND</b>	<b>0</b>	<b>25,793</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	7,531,727	7,419,584	7,966,431	8,464,667	6.25%
TRANSFER 4	180,000	0	0		0.0%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>7,711,727</b>	<b>7,419,584</b>	<b>7,966,431</b>	<b>8,464,667</b>	<b>6.3%</b>
<b><u>JOINT BOARD</u></b>					
NON-MCDA	15,482	13,143	0		0.0%
<b>Total JOINT BOARD</b>	<b>15,482</b>	<b>13,143</b>	<b>0</b>		<b>0.0%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	3,241,749	2,137,251	1,949,045	1,947,645	-0.07%
<b>Total YOUTH COORDINATING BOARD</b>	<b>3,241,749</b>	<b>2,137,251</b>	<b>1,949,045</b>	<b>1,947,645</b>	<b>-0.1%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	0	1,693,494	0	1,427,819	0.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>0</b>	<b>1,693,494</b>	<b>0</b>	<b>1,427,819</b>	<b>0.0%</b>
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
2900000 - PUBLIC HOUSING AUTHORITY	(3,431)	159,260	0	116,373	0.0%
<b>Total PUBLIC HOUSING AUTHORITY</b>	<b>(3,431)</b>	<b>159,260</b>	<b>0</b>	<b>116,373</b>	<b>0.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>464,360,344</b>	<b>403,281,238</b>	<b>365,057,290</b>	<b>338,931,137</b>	<b>-7.2%</b>

**CAPITAL PROJECT**

<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,448,256	1,411,174	7,464,022	7,939,178	6.37%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	530,354	567,594	579,251	685,424	18.33%
9010000 - CAPITAL IMPROVEMENT	43,141,428	41,685,711	60,978,000	51,561,253	-15.44%
DEBT SERVICE 4	34,087	44,993	0		0.0%
TRANSFER 4	50,809,636	30,890,164	0	230,000	0.0%
CPED4	292,579	136,598	0		0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>96,256,340</b>	<b>74,736,234</b>	<b>69,021,273</b>	<b>60,415,855</b>	<b>-12.5%</b>
<b><u>ARBITRAGE 1993 PARK BONDS</u></b>					
TRANSFER 4	20,993	0	0		0.0%
<b>Total ARBITRAGE 1993 PARK BONDS</b>	<b>20,993</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	0	11,259,692	0		0.0%



**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
9101000 - PARKS-CAPITAL IMPROVEMENT	5,986,851	0	9,184,000	8,091,000	-11.90%
9103000 - FORESTRY & TREE DIS CONTL	181,039	0	0		0.0%
9104000 - PARKWAY-CAP. IMPROVEMENTS	867,429	0	0		0.0%
TRANSFER 4	0	(250,000)	0		0.0%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>7,035,319</b>	<b>11,009,692</b>	<b>9,184,000</b>	<b>8,091,000</b>	<b>-11.9%</b>
<b><u>PARK-CAPITAL IMPROVE-ASSESSED</u></b>					
9010000 - CAPITAL IMPROVEMENT	0	520,215	0		0.0%
9103000 - FORESTRY & TREE DIS CONTL	499,846	0	500,000	500,000	0.0%
9104000 - PARKWAY-CAP. IMPROVEMENTS	4,406	0	0		0.0%
<b>Total PARK-CAPITAL IMPROVE-ASSESSED</b>	<b>504,252</b>	<b>520,215</b>	<b>500,000</b>	<b>500,000</b>	<b>0.0%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	2,560,682	3,052,238	800,000	1,002,500	25.31%
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>2,560,682</b>	<b>3,052,238</b>	<b>800,000</b>	<b>1,002,500</b>	<b>25.3%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>106,377,586</b>	<b>89,318,379</b>	<b>79,505,273</b>	<b>70,009,355</b>	<b>-11.9%</b>
<b><u>DEBT SERVICE</u></b>					
<b><u>01 IMPROVEMENT BONDS - 20 YR</u></b>					
DEBT SERVICE 4	797,053	777,053	757,053	737,053	-2.64%
<b>Total 01 IMPROVEMENT BONDS - 20 YR</b>	<b>797,053</b>	<b>777,053</b>	<b>757,053</b>	<b>737,053</b>	<b>-2.6%</b>
<b><u>96 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE 4	182,218	144,275	139,075	138,775	-0.22%
<b>Total 96 IMPROVEMENT BONDS</b>	<b>182,218</b>	<b>144,275</b>	<b>139,075</b>	<b>138,775</b>	<b>-0.2%</b>
<b><u>97 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE 4	239,562	229,973	221,970	45,800	-79.37%
<b>Total 97 IMPROVEMENT BONDS</b>	<b>239,562</b>	<b>229,973</b>	<b>221,970</b>	<b>45,800</b>	<b>-79.4%</b>
<b><u>98 IMPROVEMENT BONDS</u></b>					
DEBT SERVICE 4	174,151	168,032	161,973	1,586	-99.02%
<b>Total 98 IMPROVEMENT BONDS</b>	<b>174,151</b>	<b>168,032</b>	<b>161,973</b>	<b>1,586</b>	<b>-99.0%</b>
<b><u>BOND REDEM ARBIT 6/90 IMP BOND</u></b>					
DEBT SERVICE 4	270,767	268,213	244,988	227,288	-7.22%
<b>Total BOND REDEM ARBIT 6/90 IMP BOND</b>	<b>270,767</b>	<b>268,213</b>	<b>244,988</b>	<b>227,288</b>	<b>-7.2%</b>
<b><u>BOND REDEM ARBIT 6/91 IMP BOND</u></b>					
DEBT SERVICE 4	209,001	199,400	193,275	177,150	-8.34%
<b>Total BOND REDEM ARBIT 6/91 IMP BOND</b>	<b>209,001</b>	<b>199,400</b>	<b>193,275</b>	<b>177,150</b>	<b>-8.3%</b>
<b><u>MCDA DEBT SERVICE</u></b>					
CPED4	48,728,387	41,889,617	35,940,000	37,254,261	3.66%

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total MCDA DEBT SERVICE</b>	<b>48,728,387</b>	<b>41,889,617</b>	<b>35,940,000</b>	<b>37,254,261</b>	<b>3.7%</b>
<b><u>ST ANTHONY DEBT SERVICE</u></b>					
TRANSFER 4	293,712	360,262	0		0.0%
CPED4	675,312	860,995	0		0.0%
<b>Total ST ANTHONY DEBT SERVICE</b>	<b>969,024</b>	<b>1,221,257</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/92 IMP BOND</u></b>					
DEBT SERVICE 4	190,200	198,825	0	179,800	0.0%
<b>Total BOND REDEM ARBIT 6/92 IMP BOND</b>	<b>190,200</b>	<b>198,825</b>	<b>0</b>	<b>179,800</b>	<b>0.0%</b>
<b><u>BOND REDEM ARBIT 6/93 IMP BOND</u></b>					
DEBT SERVICE 4	185,632	183,226	189,000	181,750	-3.84%
<b>Total BOND REDEM ARBIT 6/93 IMP BOND</b>	<b>185,632</b>	<b>183,226</b>	<b>189,000</b>	<b>181,750</b>	<b>-3.8%</b>
<b><u>OCT 02 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	567,700	553,500	484,300	472,300	-2.48%
TRANSFER 4	853	0	0		0.0%
<b>Total OCT 02 IMPROV BOND D/S</b>	<b>568,553</b>	<b>553,500</b>	<b>484,300</b>	<b>472,300</b>	<b>-2.5%</b>
<b><u>NOV03 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	635,778	624,403	613,028	589,378	-3.86%
<b>Total NOV03 IMPROV BOND D/S</b>	<b>635,778</b>	<b>624,403</b>	<b>613,028</b>	<b>589,378</b>	<b>-3.9%</b>
<b><u>NOV04 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	993,575	973,625	953,675	933,725	-2.09%
TRANSFER 4	5,788	0	0		0.0%
<b>Total NOV04 IMPROV BOND D/S</b>	<b>999,363</b>	<b>973,625</b>	<b>953,675</b>	<b>933,725</b>	<b>-2.1%</b>
<b><u>NOV05 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	589,613	538,088	523,488	508,887	-2.79%
TRANSFER 4	18,460	0	0		0.0%
<b>Total NOV05 IMPROV BOND D/S</b>	<b>608,073</b>	<b>538,088</b>	<b>523,488</b>	<b>508,887</b>	<b>-2.8%</b>
<b><u>NOV06 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	0	430,521	383,300	373,700	-2.50%
<b>Total NOV06 IMPROV BOND D/S</b>	<b>0</b>	<b>430,521</b>	<b>383,300</b>	<b>373,700</b>	<b>-2.5%</b>
<b><u>NOV07 IMPROV BOND D/S</u></b>					
DEBT SERVICE 4	0	0	606,455	564,225	-6.96%
<b>Total NOV07 IMPROV BOND D/S</b>	<b>0</b>	<b>0</b>	<b>606,455</b>	<b>564,225</b>	<b>-7.0%</b>
<b><u>BOND REDEM ARBIT NIC MALL BOND</u></b>					
DEBT SERVICE 4	1,602,199	1,595,750	1,601,875	1,594,500	-0.46%
<b>Total BOND REDEM ARBIT NIC MALL BOND</b>	<b>1,602,199</b>	<b>1,595,750</b>	<b>1,601,875</b>	<b>1,594,500</b>	<b>-0.5%</b>
<b><u>BOND REDEMPTION - DEBT SERVICE</u></b>					

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
DEBT SERVICE 4	19,568,893	23,906,204	17,271,807	14,355,694	-16.88%
TRANSFER 4	2,090,834	2,095,819	1,298,000	1,800,000	38.67%
<b>Total BOND REDEMPTION - DEBT SERVICE</b>	<b>21,659,727</b>	<b>26,002,023</b>	<b>18,569,807</b>	<b>16,155,694</b>	<b>-13.0%</b>
<b><u>OTH SELF SUPPORTING DEBT SERVC</u></b>					
DEBT SERVICE 4	5,876,046	2,206,339	2,225,722	2,053,179	-7.75%
TRANSFER 4	626,504	0	0		0.0%
<b>Total OTH SELF SUPPORTING DEBT SERVC</b>	<b>6,502,550</b>	<b>2,206,339</b>	<b>2,225,722</b>	<b>2,053,179</b>	<b>-7.8%</b>
<b><u>MIDTOWN EXCH 108 LOAN ACCOUNT</u></b>					
DEBT SERVICE 4	343,578	367,102	377,000	526,500	39.66%
<b>Total MIDTOWN EXCH 108 LOAN ACCOUNT</b>	<b>343,578</b>	<b>367,102</b>	<b>377,000</b>	<b>526,500</b>	<b>39.7%</b>
<b><u>PENSION FUND DEBT SERVICE</u></b>					
DEBT SERVICE 4	18,254,148	5,986,063	6,853,063	6,102,318	-10.95%
<b>Total PENSION FUND DEBT SERVICE</b>	<b>18,254,148</b>	<b>5,986,063</b>	<b>6,853,063</b>	<b>6,102,318</b>	<b>-11.0%</b>
<b><u>LIBRARY REF DEBT SERVICE</u></b>					
DEBT SERVICE 4	0	8,975,182	8,434,063	9,166,563	8.69%
<b>Total LIBRARY REF DEBT SERVICE</b>	<b>0</b>	<b>8,975,182</b>	<b>8,434,063</b>	<b>9,166,563</b>	<b>8.7%</b>
<b><u>CONVENTION CENTER-DEBT SERVICE</u></b>					
DEBT SERVICE 4	17,956,167	17,840,338	18,795,700	18,727,875	-0.36%
<b>Total CONVENTION CENTER-DEBT SERVICE</b>	<b>17,956,167</b>	<b>17,840,338</b>	<b>18,795,700</b>	<b>18,727,875</b>	<b>-0.4%</b>
<b><u>TARGET CENTER</u></b>					
DEBT SERVICE 4	5,212,650	5,424,450	0		0.0%
<b>Total TARGET CENTER</b>	<b>5,212,650</b>	<b>5,424,450</b>	<b>0</b>		<b>0.0%</b>
<b><u>BOND REDEMPTION - ASSESSMENT</u></b>					
DEBT SERVICE 4	25,848	26,279	0		0.0%
<b>Total BOND REDEMPTION - ASSESSMENT</b>	<b>25,848</b>	<b>26,279</b>	<b>0</b>		<b>0.0%</b>
<b><u>TAX INCREMENT - DEBT SERVICE</u></b>					
DEBT SERVICE 4	14,954,053	15,110,779	15,774,644	12,873,295	-18.39%
<b>Total TAX INCREMENT - DEBT SERVICE</b>	<b>14,954,053</b>	<b>15,110,779</b>	<b>15,774,644</b>	<b>12,873,295</b>	<b>-18.4%</b>
<b><u>BOND REDEM ARBIT ASSESS PARK</u></b>					
DEBT SERVICE 4	572,293	1,169,489	361,000	392,000	8.59%
<b>Total BOND REDEM ARBIT ASSESS PARK</b>	<b>572,293</b>	<b>1,169,489</b>	<b>361,000</b>	<b>392,000</b>	<b>8.6%</b>
<b>TOTAL DEBT SERVICE</b>	<b>141,840,975</b>	<b>133,103,802</b>	<b>114,404,454</b>	<b>109,977,602</b>	<b>-3.9%</b>

**INTERNAL SERVICE**

**MATERIALS & LAB-INTERNAL SVC**

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
PW - TRANSPORTATION PLANNING AND ENGINEERING	820,576	859,484	2,279,360	4,638,102	103.48%
PW - ENG. MATERIALS & TESTING	3,268,704	3,266,753	2,048,584	0	-100.00%
TRANSFER 4	22,123	42,000	53,000	58,000	9.43%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>4,111,403</b>	<b>4,168,237</b>	<b>4,380,944</b>	<b>4,696,102</b>	<b>7.2%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	29,795,388	30,431,439	33,194,482	42,081,850	26.77%
9010000 - CAPITAL IMPROVEMENT	1,927,255	1,787,833	7,515,245	(1)	-100.00%
DEBT SERVICE 4	1,844,244	1,626,928	3,922,650	3,461,900	-11.75%
TRANSFER 4	130,669	332,000	453,000	502,000	10.82%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>33,697,556</b>	<b>34,178,200</b>	<b>45,085,377</b>	<b>46,045,749</b>	<b>2.1%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	16,798,241	17,684,739	16,332,261	21,878,156	33.96%
9010000 - CAPITAL IMPROVEMENT	98,443	78,882	0		0.0%
DEBT SERVICE 4	363,695	337,629	987,763	896,563	-9.23%
TRANSFER 4	31,155	69,000	88,000	97,000	10.23%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>17,291,534</b>	<b>18,170,250</b>	<b>17,408,024</b>	<b>22,871,719</b>	<b>31.4%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	1,479,198	1,404,396	898,099	1,704,033	89.74%
PW - SOLID WASTE	0	11,315	0		0.0%
PW - TRAFFIC AND PARKING	2,593,151	2,747,025	2,760,401	2,006,600	-27.31%
TRANSFER 4	0	11,000	31,000	34,000	9.68%
<b>Total STORES - INTERNAL SERVICE</b>	<b>4,072,349</b>	<b>4,173,736</b>	<b>3,689,500</b>	<b>3,744,633</b>	<b>1.5%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	1,249,812	1,379,377	1,166,568	1,201,500	2.99%
HUMAN RESOURCES	187,097	197,821	246,697	251,900	2.11%
BUSINESS INFORMATION SERVICES	32,475,016	35,124,544	25,117,570	25,521,265	1.61%
9010000 - CAPITAL IMPROVEMENT	(3,825,648)	2,850,317	6,147,786	1,500,000	-75.60%
DEBT SERVICE 4	1,955,519	1,622,189	3,369,763	10,201,438	202.73%
TRANSFER 4	57,349	177,030	192,000	212,000	10.42%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>32,099,145</b>	<b>41,351,278</b>	<b>36,240,384</b>	<b>38,888,103</b>	<b>7.3%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	4,855,641	5,404,034	5,364,393	5,623,253	4.83%
HUMAN RESOURCES	1,089,527	1,115,859	1,215,686	1,371,608	12.83%
FINANCE DEPARTMENT	1,963,445	2,053,618	2,162,685	2,284,101	5.61%
HEALTH AND WELFARE	53,987,035	58,700,371	69,590,716	77,657,343	11.59%
WORKERS COMPENSATION	5,846,321	6,349,061	7,721,613	5,931,510	-23.18%
LIABILITY	8,478,440	10,276,990	4,035,711	6,147,485	52.33%
DEBT SERVICE 4	114,064	52,420	388,000		-100.00%
TRANSFER 4	45,349	97,000	131,000	145,000	10.69%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>76,379,822</b>	<b>84,049,353</b>	<b>90,609,804</b>	<b>99,160,299</b>	<b>9.4%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
Park Board - 4	5,260,840	6,728,197	5,075,629	5,141,563	1.30%
<b>Total PARK - INTERNAL SERVICE</b>	<b>5,260,840</b>	<b>6,728,197</b>	<b>5,075,629</b>	<b>5,141,563</b>	<b>1.3%</b>
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
Park Board - 4	1,817,604	2,317,390	2,576,825	2,659,284	3.20%
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>	<b>1,817,604</b>	<b>2,317,390</b>	<b>2,576,825</b>	<b>2,659,284</b>	<b>3.2%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>174,730,253</b>	<b>195,136,641</b>	<b>205,066,487</b>	<b>223,207,453</b>	<b>8.8%</b>

**ENTERPRISE**

**DEFAULTED PROPERTY ADMIN**

TRANSFER 4	0	3,643,039	0		0.0%
CPED4	54,550	27,244	41,260	51,424	24.63%
<b>Total DEFAULTED PROPERTY ADMIN</b>	<b>54,550</b>	<b>3,670,283</b>	<b>41,260</b>	<b>51,424</b>	<b>24.6%</b>

**FED HOME LN BANK ECON DEVELOP**

CPED4	63,567	56,697	125,000	125,000	0.0%
<b>Total FED HOME LN BANK ECON DEVELOP</b>	<b>63,567</b>	<b>56,697</b>	<b>125,000</b>	<b>125,000</b>	<b>0.0%</b>

**HOUSING OWNERSHIP PROGRAM**

TRANSFER 4	425,901	0	0		0.0%
CPED4	567,974	400,948	300,000		-100.00%
<b>Total HOUSING OWNERSHIP PROGRAM</b>	<b>993,875</b>	<b>400,948</b>	<b>300,000</b>		<b>-100.0%</b>

**HOME OWNERSHIP & RENOVATION**

CPED4	531,903	180,426	100,000		-100.00%
<b>Total HOME OWNERSHIP &amp; RENOVATION</b>	<b>531,903</b>	<b>180,426</b>	<b>100,000</b>		<b>-100.0%</b>

**RIVER TERMINAL**

CPED4	2,092,052	1,904,882	1,818,137	1,655,298	-8.96%
<b>Total RIVER TERMINAL</b>	<b>2,092,052</b>	<b>1,904,882</b>	<b>1,818,137</b>	<b>1,655,298</b>	<b>-9.0%</b>

**GARFS**

TRANSFER 4	600,000	2,093,092	0		0.0%
CPED4	223,817	231,325	303,183	310,256	2.33%
<b>Total GARFS</b>	<b>823,817</b>	<b>2,324,417</b>	<b>303,183</b>	<b>310,256</b>	<b>2.3%</b>

**THEATRES**

TRANSFER 4	304,301	0	0		0.0%
CPED4	388,220	(209)	14,060	7,882	-43.94%
<b>Total THEATRES</b>	<b>692,521</b>	<b>(209)</b>	<b>14,060</b>	<b>7,882</b>	<b>-43.9%</b>

**JUNE00 UST/SKYWAY TI BONDS**

TRANSFER 4	785,099	0	0		0.0%
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**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total JUNE00 UST/SKYWAY TI BONDS</b>	<b>785,099</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>AUG 01 SEWER ARBITRAGE</u></b>					
TRANSFER 4	128,734	1,043,267	0		0.0%
<b>Total AUG 01 SEWER ARBITRAGE</b>	<b>128,734</b>	<b>1,043,267</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 03 SEWER ARBITRAGE</u></b>					
TRANSFER 4	587,149	10,845	0		0.0%
<b>Total JUNE 03 SEWER ARBITRAGE</b>	<b>587,149</b>	<b>10,845</b>	<b>0</b>		<b>0.0%</b>
<b><u>JUNE 03 WATER ARBITRAGE</u></b>					
TRANSFER 4	447,601	0	0		0.0%
<b>Total JUNE 03 WATER ARBITRAGE</b>	<b>447,601</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	39,865,661	40,338,140	40,516,650	41,639,975	2.77%
9010000 - CAPITAL IMPROVEMENT	77,844	3,030,118	5,625,000	9,226,000	64.02%
DEBT SERVICE 4	9,116	149,349	1,501,800	3,372,000	124.53%
TRANSFER 4	0	347,851	264,000	292,000	10.61%
<b>Total SANITARY SEWER FUND</b>	<b>39,952,621</b>	<b>43,865,458</b>	<b>47,907,450</b>	<b>54,529,975</b>	<b>13.8%</b>
<b><u>STORMWATER FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	7,213,897	6,761,622	7,614,959	7,644,295	0.39%
SURFACE WATER & SEWERS	13,154,184	14,005,889	12,787,647	13,647,734	6.73%
FINANCE DEPARTMENT	313,932	0	0		0.0%
9010000 - CAPITAL IMPROVEMENT	8,900,653	7,879,564	11,193,000	12,393,957	10.73%
DEBT SERVICE 4	1,902,376	1,803,326	10,799,153	9,281,692	-14.05%
TRANSFER 4	147,696	349,379	264,000	292,000	10.61%
<b>Total STORMWATER FUND</b>	<b>31,632,738</b>	<b>30,799,780</b>	<b>42,658,759</b>	<b>43,259,677</b>	<b>1.4%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	54,214,490	52,004,279	44,757,877	47,908,186	7.04%
FINANCE DEPARTMENT	549	549	0		0.0%
9010000 - CAPITAL IMPROVEMENT	14,487,686	13,287,161	25,500,000	27,750,000	8.82%
DEBT SERVICE 4	3,495,295	3,438,633	11,460,152	13,794,848	20.37%
TRANSFER 4	274,517	760,405	968,000	1,071,000	10.64%
<b>Total WATER - ENTERPRISE</b>	<b>72,472,537</b>	<b>69,491,027</b>	<b>82,686,029</b>	<b>90,524,034</b>	<b>9.5%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	46,985,566	46,122,859	36,571,912	36,264,719	-0.84%
FINANCE DEPARTMENT	395	0	0		0.0%
REGULATORY SERVICES	123,425	0	0		0.0%
9010000 - CAPITAL IMPROVEMENT	1,140,694	1,368,887	1,735,000	1,700,000	-2.02%
DEBT SERVICE 4	13,975,265	12,693,085	28,046,910	26,337,637	-6.09%
TRANSFER 4	13,690,477	12,022,849	11,109,000	10,320,000	-7.10%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>75,915,822</b>	<b>72,207,680</b>	<b>77,462,822</b>	<b>74,622,356</b>	<b>-3.7%</b>

**SCHEDULE THREE  
EXPENSES BY FUND AND DEPARTMENT**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% change</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	26,798,168	26,850,775	31,153,451	32,425,410	4.08%
FINANCE DEPARTMENT	184,218	0	0		0.0%
TRANSFER 4	735,221	778,000	809,000	821,000	1.48%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>27,717,607</b>	<b>27,628,775</b>	<b>31,962,451</b>	<b>33,246,410</b>	<b>4.0%</b>
<b><u>LIBRARY PKG ENTERPRISE FUND</u></b>					
LIBRARY	748,120	858,245	0		0.0%
<b>Total LIBRARY PKG ENTERPRISE FUND</b>	<b>748,120</b>	<b>858,245</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL ENTERPRISE</b>	<b>255,640,313</b>	<b>254,442,521</b>	<b>285,379,151</b>	<b>298,332,313</b>	<b>4.5%</b>
<b>TOTAL ALL FUNDS</b>	<b>1,468,962,319</b>	<b>1,402,314,221</b>	<b>1,410,159,335</b>	<b>1,404,284,692</b>	<b>-0.4%</b>

**SCHEDULE THREE  
EXPENSES BY DEPARTMENT**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% change</b>
ASSESSOR	3,316,280	3,576,980	3,766,000	3,901,207	3.59%
ATTORNEY	11,112,871	11,906,569	12,801,033	13,498,598	5.45%
CITY COUNCIL/CLERK/ELECTIONS	7,409,339	7,386,779	7,988,568	8,848,573	10.77%
FIRE	50,070,957	49,729,879	50,819,055	51,295,715	0.94%
CIVIL RIGHTS	2,422,427	2,582,935	2,822,000	2,723,748	-3.48%
NON-MCDA	15,482	13,143	0		0.0%
MAYOR	1,084,594	1,347,759	1,374,000	1,493,707	8.71%
POLICE	118,688,782	123,763,850	127,537,360	128,415,920	0.69%
HEALTH AND FAMILY SUPPORT	14,613,435	14,219,217	13,639,580	13,417,340	-1.63%
PW - TRANSPORTATION PLANNING AND ENGINEERING	3,431,180	3,538,640	10,823,183	14,320,455	32.31%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	30,967,946	32,980,584	32,240,032	32,648,213	1.27%
SURFACE WATER & SEWERS	53,019,845	54,344,029	53,873,546	55,287,709	2.62%
PW - ENG. MATERIALS & TESTING	4,747,902	4,671,149	2,946,683	1,704,033	-42.17%
PW - ADMINISTRATIVE SERVICES	2,832,659	2,715,768	2,901,554	2,632,942	-9.26%
PW - SOLID WASTE	26,798,168	26,862,090	31,303,451	32,500,410	3.82%
PW - FLEET	29,795,388	30,431,439	33,194,482	42,081,850	26.77%
PW - PROPERTY SERVICES	16,798,241	17,684,739	16,357,261	21,878,156	33.75%
PW - TRAFFIC AND PARKING	61,171,675	60,418,311	50,830,936	50,096,337	-1.45%
PW - WATER TREATMENT & DISTR.	54,214,490	52,004,279	44,757,877	47,908,186	7.04%
HUMAN RESOURCES	7,256,240	7,543,833	7,543,383	7,571,359	0.37%
FINANCE DEPARTMENT	20,542,980	20,163,392	21,152,702	21,740,498	2.78%
911/311	13,276,393	11,951,785	10,520,757	11,224,598	6.69%
REGULATORY SERVICES	25,404,099	27,065,368	30,008,040	32,711,444	9.01%
CITY COORDINATOR	951,175	1,587,179	1,379,134	1,548,569	12.29%
INTERGOVERNMENTAL RELATIONS	1,972,986	2,359,369	2,603,561	2,571,292	-1.24%
COMMUNICATIONS	2,346,559	2,297,595	2,682,553	2,529,722	-5.70%
NEIGHBORHOOD AND COMMUNITY RELATIONS	0	0	0	1,000,285	0.0%
CONVENTION CENTER	32,010,536	33,660,383	40,354,202	45,655,697	13.14%
BUSINESS INFORMATION SERVICES	32,807,648	35,158,953	25,117,570	25,521,265	1.61%
NON DEPARTMENTAL	0	1,552,021	420,794	404,384	-3.90%
GENERAL REVENUES	0	(135,562)	3,193		-100.00%
HEALTH AND WELFARE	53,987,035	58,700,371	69,590,716	77,657,343	11.59%
WORKERS COMPENSATION	5,846,321	6,349,061	7,721,613	5,931,510	-23.18%
LIABILITY	8,478,440	10,276,990	4,035,711	6,147,485	52.33%
GENERAL FUND CONTINGENCY	105,000	570,000	2,733,341	2,878,004	5.29%
4900000 - MPLS EMPLOYEE RETIREMT FD	15,644,362	2,661,676	4,252,602	3,606,319	-15.20%
POLICE RELIEF ASSOCIATION	10,565,321	7,031,074	8,768,701	7,319,041	-16.53%
FIRE DEPT RELIEF ASSOC	1,718,935	3,018,558	4,547,500	3,026,800	-33.44%
LIBRARY	23,385,693	32,059,970	22,100,000	7,508,000	-66.03%
YOUTH COORDINATING BOARD	3,241,749	2,137,251	1,949,045	1,947,645	-0.07%
2900000 - PUBLIC HOUSING AUTHORITY	(3,431)	159,260	0	116,373	0.0%
BOARD OF ESTIMATE & TAXATION	330,283	328,429	357,000	342,800	-3.98%
MUNICIPAL BUILDING COMMISSION	7,531,727	7,445,377	7,966,431	8,464,667	6.25%
NEIGH REVITALIZATN POL BD	0	1,693,494	0	1,427,819	0.0%
9010000 - CAPITAL IMPROVEMENT	95,042,885	89,377,932	124,504,031	110,188,709	-11.50%



**SCHEDULE THREE  
EXPENSES BY DEPARTMENT**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% change</b>
9101000 - PARKS-CAPITAL IMPROVEMENT	5,986,851	0	9,221,000	8,128,000	-11.85%
9103000 - FORESTRY & TREE DIS CONTL	736,727	0	500,000	500,000	0.0%
9104000 - PARKWAY-CAP. IMPROVEMENTS	871,835	0	0		0.0%
Park Board - 4	81,136,066	87,564,328	88,257,337	90,340,204	2.36%
DEBT SERVICE 4	122,218,238	109,665,661	137,642,645	138,269,419	0.46%
TRANSFER 4	262,665,284	215,264,283	118,562,838	128,100,503	8.04%
CPED4	140,392,721	124,628,051	155,686,334	125,251,840	-19.55%
<b>TOTAL EXPENSES BY DEPARTMENT, ALL FUNDS</b>	<b>1,468,962,319</b>	<b>1,402,314,221</b>	<b>1,410,159,335</b>	<b>1,404,284,692</b>	<b>-0.4%</b>

**City of Minneapolis  
FY 2009 Budget  
Community Development Block Grant (CDBG)**

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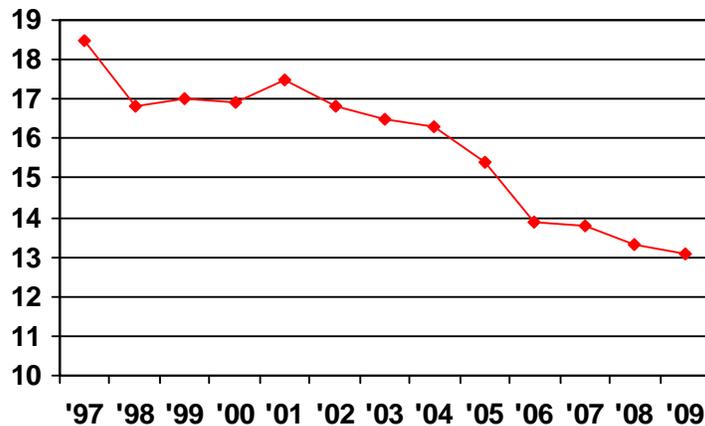
**Background**

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), Housing Opportunities for Persons with AIDS (HOPWA) and American Dream Down Payment Initiative (ADDI). Based on its U.S. Department of Housing and Urban Development (HUD)-submitted consolidated plan, annual direct grants can be used by the City of Minneapolis to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low-and moderate-income persons.

**Historical Financial Performance**

For finance and budgeting purposes, the City assumes a draw down of these funds in the year they are allocated. The programs are managed on a cost reimbursement basis and therefore the CDBG fund balance amount at any given time is due to the extent of timing differences between entitlement grant revenue receipts and grant expenditure disbursements. The graph below reflects the trend in CDBG funding for the past 11 years. After several years of declining funding levels, 2008 was the first year that had anticipated funding to remain relatively constant. However, 2008 actual CDBG funds were approximately \$585,000 less than originally budgeted. For 2009, the City is anticipating an approximate 2% decline from the 2008 actual funding level.

**CDBG Entitlement 1997 - 2009**



**2009 Budget**

*Revenues*

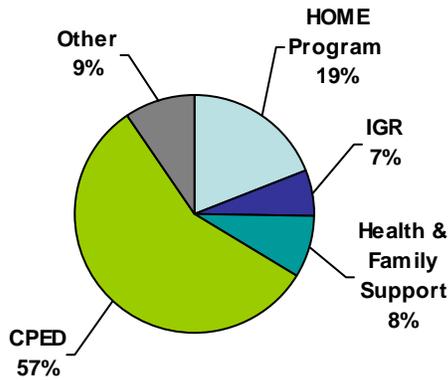
The entitlement funds drawn from HUD are budgeted based on the past relationship between national appropriations and local entitlement amounts. Amounts are based on the most recent actions of Congress. Currently, it is anticipated that the City's total entitlement for 2009 will be approximately 2% lower than 2008.

The HOME, ESGP, and HOPWA awards are anticipated to remain unchanged. Final award numbers from Congress should be available in early 2009. 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.

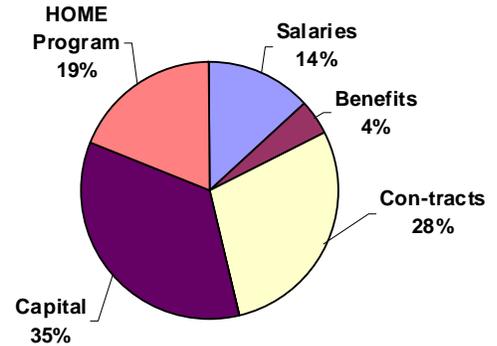
*Expenditures*

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.

**Consolidated Plan  
Use of Funds by Department  
\$18.0 million**



**Consolidated Plan  
Use of Funds  
\$18.0 million**

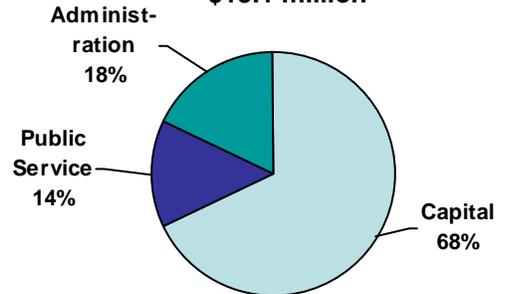


*CDBG Allocations*

The graph to the right shows the distribution of the CDBG allocation in 2009.

The public service and administration categories have a 15% and a 20% cap, respectively. Within public service, the Mayor recommended \$552,000 of public service funds for public health in the 2009 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 2009 program year begins another two year cycle and the PHAC recommendations are pending.

**CDBG  
Use of Funds  
\$13.1 million**



*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 Revised Budget**

The Mayor previously recommended and the Council adopted adjusting the funding of the Youth are Here buses at the Youth Coordinating Board from the 2008 adopted amount of \$75,000 to \$50,000. The remaining \$100,000 to fully fund the 2009 program will come from the general fund. The Mayor recommended and the Council adopted reallocating funds from Intergovernmental Relations and Civil Rights to create the Neighborhood and Community Relations Department dedicated to homelessness and multi-cultural initiatives. The budget reflects a reduction in the mortgage foreclosure program in response to other potential resources becoming available for this same purpose. The 2009 Council Revised Budget process made no further changes to the originally adopted budget.

**SCHEDULE FOUR**  
**Year 35 (2009) - Community Development Block Grant**

Organization	Project	2008 Consolidated Plan	Final 2009 Council Revised
<b>Capital /Other---CDBG</b>			
Community Planning & Economic Development	Adult Training, Placement and Retention	1,380,000	500,000
	High density corridor housing	729,000	714,000
	Homeownership Program (GMMHC)	319,000	327,000
	Industry Cluster Program (Living Wage Jobs)	65,100	-
	Multi-Family/Affordable Housing	4,270,000	5,593,000
	NEDF/CEDF	518,000	-
	Non-Profit Multi-Family Affordable Housing Development	165,000	162,000
	Vacant & Boarded Housing	569,000	557,000
	<i>Subtotal CPED capital</i>	<i>8,015,100</i>	<i>7,853,000</i>
Department of Health & Family Support	Childcare Facilities Loan/Grant	224,000	220,000
Minneapolis Public Housing Authority	General Rehabilitation	218,000	214,000
Regulatory Services	Lead Reduction	125,000	122,000
City Attorney's Office	New Problem Properties Strategy	38,300	37,000
Fire Department	New Problem Properties Strategy	-	-
Police Department	New Problem Properties Strategy	52,700	52,000
Regulatory Services	New Problem Properties Strategy	348,000	341,000
<b>Total Capital/Other (65%)</b>		<b>9,021,100</b>	<b>8,839,000</b>
<b>Public Service---CDBG</b>			
Community Planning & Economic Development	Youth Employment	457,000	448,000
	Mortgage Foreclosure Prevention Program	196,000	137,000
	Advocacy (Housing)	-	80,000
Neighborhood & Community Relations	Multicultural Affairs	119,000	117,000
Public Works	Graffiti Removal on Public Property	86,200	84,000
Department of Health & Family Support	Way to Grow	261,000	256,000
	Advocacy (Housing)	82,300	-
	Curfew and truancy services	98,000	98,000
	You <sup>th</sup> are Here buses	71,800	50,000
	<i>Public Health Advisory Recommendations</i>	-	552,000
	Asian Media Access	26,800	-
	Carondelt LifeCare/St Mary's Health Clinic	18,200	-
	Children's Dental Services	10,500	-
	Domestic Abuse Project	34,500	-
	Fremont Community Health Services	44,000	-
	Greater Minneapolis Council of Churches	44,000	-
	Lao Assistance Center of MN	48,800	-
	MIGIZI Communications	42,100	-
	Minneapolis Teenage Parenting & Pregnancy	65,100	-
	Minneapolis Urban League	64,100	-
	Resource Inc., Employment Action Center	44,000	-
	Senior Block Nurse Program	64,100	-
	Southside Family Nurturing Center	44,000	-
	St. Stephens Human Services	44,000	-
<b>Total Public Service (15%)</b>		<b>1,965,500</b>	<b>1,822,000</b>
<b>Public Service - 15% Cap</b>		<b>1,993,991</b>	<b>1,967,550</b>
<b>Administration---CDBG</b>			
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance/monitoring	196,000	357,000
Community Planning & Economic Development	Program Administration	62,000	61,000
	Citizen Participation	233,000	228,000
	Planning - Administration	878,000	860,000
Department of Health & Family Support	Grant Administration	67,972	67,000
	Legal Aid Society	33,500	33,000
	Neighborhood Services	71,800	70,000
	Way to Grow Administration	25,800	25,000
	Youth Violence Prevention	120,000	118,000
Finance Department	Program Administration	196,000	192,000
Intergovernmental Relations	Grants & Special Projects	153,000	185,000
	Legal Aid Society - Housing Discrimination Law Project	54,600	53,000
Neighborhood & Community Relations	Homelessness initiative	82,000	75,000
Minneapolis Public Housing	Citizen Participation	68,000	67,000
Youth Coordinating Board	Administration	65,000	65,000
<b>Total Administration (20%)</b>		<b>2,306,672</b>	<b>2,456,000</b>
<b>Administration 20% cap</b>		<b>2,658,654</b>	<b>2,623,400</b>
<b>CDBG Total of Requests (100%)</b>		<b>13,293,272</b>	<b>13,117,000</b>
<b>Anticipated CDBG Revenue</b>		<b>13,293,272</b>	<b>13,117,000</b>

**SCHEDULE FOUR**  
**Year 35 (2009) - Community Development Block Grant**

Organization	Project	2008 Consolidated Plan	Final 2009 Council Revised
<b><u>Other Consolidated Plan Entitlement Funds</u></b>			
HOME Investment Partnerships	Community Planning & Economic Development	3,419,475	3,420,000
Emergency Shelter Grants (ESG)	Community Planning & Economic Development	595,800	596,000
Housing Opportunities for Persons with AIDS (HOPWA)	Third Party Contractors/Subrecipients/Subgrantees	873,000	873,000
American Dream Down Payment Initiative (ADDI)	Community Planning & Economic Development	26,256	26,000
<b>Grand Total Consolidated Plan</b>		<b>18,207,803</b>	<b>18,032,000</b>

**SCHEDULE FIVE  
STAFFING INFORMATION**

	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	2009 Revised Budget	% Change
<b>OTHER CHARTER DEPARTMENTS</b>					
ASSESSOR	35	37	37	37	-1.4%
ATTORNEY	107	108	108	106	-2.3%
CITY COUNCIL/CLERK/ELECTIONS	65	66	67	67	-0.7%
FIRE	445	447	449	444	-1.1%
CIVIL RIGHTS	26	26	26	21	-19.2%
MAYOR	11	12	12	12	0.0%
POLICE	1,058	1,088	1,093	1,092	-0.1%
HEALTH AND FAMILY SUPPORT	66	66	66	67	1.5%
<b>Total OTHER CHARTER DEPARTMENTS</b>	<b>1,813</b>	<b>1,850</b>	<b>1,858</b>	<b>1,845</b>	<b>-0.7%</b>
<b>PUBLIC WORKS</b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	74	69	66	88	33.3%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	151	149	151	145	-4.2%
SURFACE WATER & SEWERS	103	109	117	110	-6.1%
PW - ENG. MATERIALS & TESTING	21	20	20	7	-65.0%
PW - ADMINISTRATIVE SERVICES	16	16	17	16	-8.8%
PW - SOLID WASTE	128	129	128	129	0.8%
PW - FLEET	248	248	247	247	-0.2%
PW - PROPERTY SERVICES	104	105	106	108	2.3%
PW - TRAFFIC AND PARKING	100	99	98	94	-3.9%
PW - WATER TREATMENT & DISTR.	253	253	253	253	-0.1%
<b>Total PUBLIC WORKS</b>	<b>1,198</b>	<b>1,197</b>	<b>1,203</b>	<b>1,196</b>	<b>-0.6%</b>
<b>CITY COORDINATOR</b>					
HUMAN RESOURCES	55	55	55	52	-5.5%
FINANCE DEPARTMENT	202	201	202	185	-8.4%
911/311	118	118	122	118	-3.3%
REGULATORY SERVICES	210	214	221	225	2.0%
CITY COORDINATOR	3	8	10	9	-10.0%
INTERGOVERNMENTAL RELATIONS	11	10	10	8	-20.0%
COMMUNICATIONS	16	17	17	15	-11.8%
NEIGHBORHOOD & COMMUNITY RELATIONS				9	100.0%
CONVENTION CENTER	211	211	212	208	-1.8%
BUSINESS INFORMATION SERVICES	82	84	93	90	-3.2%
<b>Total CITY COORDINATOR</b>	<b>908</b>	<b>918</b>	<b>942</b>	<b>920</b>	<b>-2.4%</b>
<b>INDEPENDENT BOARDS</b>					
YOUTH COORDINATING BOARD	5	5	5	5	0.0%
PUBLIC HOUSING AUTHORITY	315	287	287	290	1.0%
BOARD OF ESTIMATE & TAXATION	2	2	2	2	0.0%
MUNICIPAL BUILDING COMMISSION	61	62	62	62	0.0%
NEIGH REVITALIZATN POL BD	10	10	9	9	0.0%
<b>Total INDEPENDENT BOARDS</b>	<b>393</b>	<b>366</b>	<b>365</b>	<b>368</b>	<b>0.8%</b>
<b>Park Board</b>					
Park Board	910	902	886	859	-3.0%
<b>Total Park Board</b>	<b>910</b>	<b>902</b>	<b>886</b>	<b>859</b>	<b>-3.0%</b>
<b>CPED</b>					
CPED	141	141	140	141	0.7%
<b>Total CPED</b>	<b>141</b>	<b>141</b>	<b>140</b>	<b>141</b>	<b>0.7%</b>
<b>TOTAL CITY (including Boards)</b>	<b>5,363</b>	<b>5,374</b>	<b>5,394</b>	<b>5,328</b>	<b>-1.2%</b>

Please note on department FTE schedules, positions may not add due to rounding.

## SCHEDULE FIVE FOOTNOTES

**911/311:** *Council Adopted:* No changes. *Council Revised:* The revised budget reduces 4 FTEs.

**Assessor:** *Council Adopted* and *Council Revised:* No changes.

**Attorney:** *Council Adopted:* The Mayor adds two positions to the criminal division. Council deleted the position authority for one of these positions in 2010. *Council Revised:* The revised budget eliminates 4 FTEs.

**BIS:** *Council Adopted:* The current service level (CSL) adds one position to Business Information Services. *Council Revised:* The revised budget eliminates 4 FTEs.

**City Council/Clerk/Elections:** *Council Adopted:* No changes. *Council Revised:* The revised budget reduces 1 FTE.

**City Coordinator Administration:** *Council Adopted:* No changes. *Council Revised:* One position is eliminated.

**Civil Rights:** *Council Adopted:* The Mayor recommends moving 6 positions from multicultural affairs to Neighborhood and Community Relations. The department used non-personnel dollars to add one position to the CSL. *Council Revised:* The revised budget makes no changes to the adopted budget.

**Communications:** *Council Adopted:* One position moves to Neighborhood and Community Relations. *Council Revised:* The revised budget reduces 1 FTE.

**Community Planning and Economic Development:** *Council Adopted:* Three positions which are part of the Empowerment Zone (EZ) budget are eliminated in 2009. This was anticipated as part of the close of this program. The two remaining EZ staff are shifted from Economic Policy and Development to the Executive Division. Additionally, 5 positions were added to CPED. 2 housing advocates transferred to CPED from Health and Family Services, and 3 development finance positions transferred in from Finance. The net result is that CPED gains 2 positions. *Council Revised:* The revised budget reduces 1 FTE.

**Convention Center:** *Council Adopted:* No changes. *Council Revised:* The revised budget eliminates 4 FTEs.

**Finance:** *Council Adopted:* The 2009 budget reflects a reduction of 8 positions, whose cost savings are used to implement and support the City's new Enterprise Resource System. Additionally, 3 development finance positions were moved to CPED. *Council Revised:* The revised budget reduces 6 positions.

**Fire:** *Council Adopted:* One position is added as a result of Council action changing the fees related to fire safety systems. *Council Revised:* The revised budget eliminates 6 positions.

**Health and Family Support:** *Council Adopted:* The current service level is reduced by one position in the laboratory. Two grant funded positions are added, resulting in a net

increase of one position. *Council Revised:* The revised budget makes no changes to the adopted budget.

**Human Resources:** *Council Adopted:* No changes. *Council Revised:* Three positions are eliminated in the revised budget.

**Intergovernmental Relations:** *Council Adopted:* The homelessness coordinator moves to Neighborhood and Community Relations. *Council Revised:* One position is eliminated.

**Mayor:** *Council Adopted and Council Revised:* No changes.

**Neighborhood and Community Relations:** *Council Adopted:* The Mayor recommends creating a new department with a new Assistant City Coordinator. Additionally, 6 positions are moved from Civil Rights' Multicultural Affairs division, the Homelessness Coordinator moves from Intergovernmental Relations to this department, and a position is moved from Communications. *Council Revised:* No changes.

**Police:** *Council Adopted:* The Mayor recommends no changes to the current service level. Police gain 3 grant funded positions. Additionally, 2 janitor positions are transferred from police to property services. The net change is -1 FTE for police. *Council Revised:* The revised budget makes no changes to the adopted budget because the department is anticipating grant money.

**Public Works Administration:** *Council Adopted:* No changes. *Council Revised:* The revised budget reduces 1 FTE.

**Public Works Central Stores/Engineering Materials and Testing:** *Council Adopted:* The central stores division was previously part of the engineering materials and testing division but is now a stand alone agency. The Mayor recommends no changes to the current service level of central stores, which remains at 7. *Council Revised:* No changes to the adopted budget.

**Public Works Transportation Planning and Engineering:** *Council Adopted:* Due to a reorganization in Public Works, this agency gains positions. *Council Revised:* No changes.

**Public Works Fleet Services:** *Council Adopted:* A police equipment specialist was transferred out of the department. *Council Revised:* No changes.

**Public Works Transportation Maintenance and Repair:** *Council Adopted:* Three positions were transferred from this division to best align the support function for both capital programming and maintenance planning in Public Works. *Council Revised:* 3 positions are eliminated from this division.

**Public Works Property Services:** *Council Adopted:* Two janitor positions were transferred to Property Services from Police. *Council Revised:* No changes.

**Public Works Surface Water and Sewers:** *Council Adopted:* 110 positions are budgeted for 2009 compared to 117 in 2008. The reduction of 7 positions in 2009 come from Utility Connections. *Council Revised:* No changes.



**Public Works Solid Waste and Recycling:** *Council Adopted:* The current service level increases by one position, reallocated within current resources. *Council Revised:* No changes.

**Public Works Traffic and Parking Services:** *Council Adopted:* No changes. *Council Revised:* 4 positions are eliminated from this division.

**Public Works Water:** *Council Adopted:* No changes. *Council Revised:* No changes.

**Regulatory Services:** The current service level increases 4 positions for a Rental License Inspection program, as approved by the Council during 2008. The department reallocated non personnel dollars to create an additional position. *Council Revised:* One position is eliminated from the department.

## **INDEPENDENT BOARDS AND AGENCIES**

**Board of Estimate and Taxation:** No changes.

**Minneapolis Public Housing Authority:** No changes.

**Municipal Building Commission:** No changes.

**Neighborhood Revitalization Program:** No changes.

**Park Board:** The Park Board reduced staffing by 43 positions reflecting changes to their school liaison and capital projects program.

**Youth Coordinating Board:** No changes.

**SCHEDULE SIX**  
**2009 CPED Economic Development Programs**

<b>Strategy/Program</b>	<b>2008 Council Revised (with revised CDBG allocations)<sup>1</sup></b>	<b>2008 Source</b>	<b>2009 Council Revised</b>	<b>2009 Source</b>
<b><u>Commercial Development</u></b>				
Great Streets Program <sup>2</sup>	518,000	Year 34 CDBG		
Great Streets Program <sup>2</sup>			\$500,000	Reallocated CDBG Program Income
Great Streets Program <sup>2</sup>	250,000	Legacy Fund	\$1,657,292	Legacy Fund
Great Streets Program <sup>2</sup>			\$118,460	Reallocated Legacy Fund (MILES)
Great Streets Program <sup>2</sup>	1,430,000	Prior allocation <sup>5</sup>		
<b>Great Streets Program Sub-total</b>	<b>\$2,198,000</b>		<b>\$2,275,752</b>	
MILES Program <sup>3</sup>	750,000	Legacy Fund	\$522,000	Legacy Fund
MILES Program <sup>3</sup>	1,455,000	Prior allocation <sup>5</sup>		
<b>MILES Program Sub-total</b>	<b>\$2,205,000</b>		<b>\$522,000</b>	
BDF Loans <sup>4</sup>	125,000	Bond Fees	125,000	Bond Fees
Arena Capital	500,000	Project funding	500,000	Project funding
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>\$5,028,000</b>		<b>\$3,422,752</b>	
<b><u>Business Assistance / Finance</u></b>				
BDF Loans <sup>4</sup>	75,000	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>	1,000,000	CRF <sup>6</sup>
Grants	135,000	Bond Fees	135,000	Bond Fees
Business Assoc. Assistance	200,000	Bond Fees	210,000	Bond Fees
Alternative Loans	325,000	Bond Fees	325,000	Bond Fees
Revenue Bonds	Project driven	IDBs	project driven	IDBs
<b>Program Sub-Total</b>	<b>\$4,735,000</b>		<b>\$4,795,000</b>	
<b><u>Workforce Development</u></b>				
Youth and Adult Employment and Training Programs	900,000	Legacy Fund	\$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	1,902,600	Year 34 CDBG	\$947,700	Yr 35 CDBG
<b>Program Sub-Total</b>	<b>\$2,802,600</b>		<b>\$2,786,290</b>	
<b>Economic Development Program TOTAL</b>	<b>\$12,565,600</b>		<b>\$11,004,042</b>	

Footnotes:

- 1 - Revised to reflect 2/2008 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

**SCHEDULE SEVEN**  
**2009 CPED Housing Development Programs**

<b>Strategy/Program</b>	<b>2008 Council Revised (with revised CDBG allocations)<sup>1</sup></b>	<b>2008 Source</b>	<b>2009 Council Revised</b>	<b>2009 Source</b>
<b><u>Affordable Rental / Homelessness</u></b>				
Affordable Housing Trust Fund (AHTF) <sup>2</sup>	\$3,416,000	Year 34 CDBG	\$4,474,450	Yr 35 CDBG
AHTF	\$500,000	CDBG Program Income	\$500,000	CDBG Program Income
AHTF	\$2,819,000	HOME	\$2,517,000	HOME
AHTF	\$1,500,000	Bond Fees/Residual	\$1,500,000	Housing Bond Fees
AHTF	\$300,000	Reallocated Legacy Fund	\$80,950	Reallocated Legacy Fund (MILES)
AHTF	\$214,000	Reallocated Market Building		
AHTF Emergency Shelter Grants (ESG)	\$567,000	ESG	\$566,000	ESG
AHTF Nonprofit Dev.. Assistance Program	\$165,000	Year 34 CDBG	\$161,600	Yr 35 CDBG
It's All About Kids	\$200,000	UDAG Repayments	\$200,000	Reallocated CDBG
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>\$9,681,000</b>		<b>\$10,000,000</b>	
<b><u>Home Ownership / Affordable / Foreclosure Programs</u></b>				
Affordable Ownership Combined Program			\$200,000	UDAG Repayment
Affordable Ownership Combined Program	\$500,000	CDBG Program Income	\$300,000	Legacy Fund
Tax Increment Financing (TIF)	project driven	TIF	project driven	TIF
5-Point Housing Strategy <sup>4</sup>	\$385,000	Legacy Fund		
Minneapolis Advantage			\$500,000	UDAG Repayments
5-Point Housing Strategy <sup>4</sup>	\$200,000	Reallocated Legacy Fund		
<b>5-Point Housing Strategy<sup>4</sup> Sub-total</b>	<b>\$585,000</b>		<b>\$500,000</b>	
Mortgage Foreclosure Prevention Program	\$196,000	Year 34 CDBG	\$137,000	Yr 35 CDBG
Mortgage Foreclosure Prevention Program	\$415,000	Legacy Fund	\$423,600	Legacy Fund
<b>Mortgage Foreclosure Sub-total</b>	<b>\$611,000</b>		<b>\$560,600</b>	
Home Ownership Works (HOW)	\$600,000	HOME	\$560,000	HOME
Partnership Matching Fund (EQ2) <sup>5</sup>	\$1,000,000	Legacy Fund		
GMHC Home Ownership Program	\$319,000	Year 34 CDBG	\$326,500	Yr 35 CDBG
Home Improvement Program	\$500,000	UDAG Repayments	\$445,200	Reallocated CDBG
Vacant and Boarded Building Program	569,000	Year 34 CDBG	\$557,000	Yr 35 CDBG
Vacant and Boarded Building Program			\$59,108	Legacy Fund
Vacant and Boarded Building Program	\$286,000	Reallocated Market Building	\$454,800	Reallocated CDBG
Vacant and Boarded Building Program			\$200,000	UDAG Repayments
<b>Vacant and Boarded Sub-total</b>	<b>\$855,000</b>		<b>\$1,270,908</b>	
Don't Borrow Trouble Campaign	\$90,000	UDAG Repayments	\$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>\$5,060,000</b>		<b>\$4,263,208</b>	
<b><u>Mixed Rental / Ownership Programs</u></b>				
Higher Density Corridor Initiative	729,000	Year 34 CDBG	\$714,200	Yr 35 CDBG
<b>Higher Density Corridor Initiative Sub-total</b>	<b>\$729,000</b>			
Heritage Park Capital Funding	\$500,000			
<b>Program Sub-Total</b>	<b>\$1,229,000</b>		<b>\$714,200</b>	
<b>Housing Development Program TOTAL</b>	<b>\$15,970,000</b>		<b>\$14,977,408</b>	

Footnotes:

- 1 - Revised to reflect 2/2008 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.

**SCHEDULE EIGHT  
INTERFUND TRANSFER EXPENSE**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Description
<b>GENERAL FUND</b>					
TRANSFER TO OTHER SPEC REV FDS	91,500	92,000	92,000	92,000	Target Center-Property Tax Funding in Financial Plan; increases to \$550,000 in 2013
TRANSFER TO LIBRARY GEN 1800	-	1,205,000	-	-	-One-time funding strategy
TRANSFER TO DCBG UDAG 0400	-	-	-	26,052	For centralized leases action (W&M 10-20-08) - for CPED
TRANSFER TO CITY CAPITAL 4100	-	-	-	1,575,000	One-time transfer to capital for ballpark infrastructure
	-	-	-	54,004	For centralized leases action (W&M 10-20-08)
	-	-	-	700,000	Transfer to paving project PV060 (Central Corridor Light Rail Transit Study)
	-	2,095,000	-	-	-One-time capital funding
TRANSFER TO MBC CAPITAL 4200	-	-	-	107,500	One-time transfer for completion of the City Hall Green Roof project (MBC10)
	-	-	-	95,000	One-time transfer for completion of the City Hall Elevator project (MBC04)
TRNSFR TO GEN DEBT SVC 5250	123,400	124,000	124,000	-	-Property tax support for public safety initiative
	502,000	502,000	502,000	-	-Property tax supported debt service increased to match five-year direction.
	1,000,000	10,000	1,000,000	-	-Public safety initiative
	-	950,000	-	-	One-time capital plan funding
TRANSFER TO OTHER DEBT SVC FDS	4,511,678	6,877,000	9,004,000	14,568,000	Property tax supported debt service budgeted in the general fund for pensions
	-	3,000,000	-	-	-One-time pension debt reduction
TRANSFER TO EQUIPMENT 6100	4,520,857	4,180,000	4,180,000	4,180,000	Equipment services fund workout plan
TRANSFER TO PROP SVCS 6200	843,600	653,000	638,000	547,000	800 MHZ
	-	-	30,000	-	-Community center operations
	-	-	-	53,875	For centralized leases action (W&M 10-20-08) 6800200
	-	-	-	53,875	For centralized leases action (W&M 10-20-08) 6800410
TRANSFER TO BUS INFO SVCS 6400	8,732,950	4,940,450	10,473,000	13,468,000	Business information services debt increased by \$1.2 million to support property tax portion of the BIS work-out plan. This includes \$1.7 million reduction recommended by the Mayor. A one-time payment is schedule for 2009 (\$1.5m). Please see BIS Fund financial plan for more information.
	-	-	-	151,201	For centralized leases action (W&M 10-20-08)
TRANSFER TO CITY SELF INS 6900	8,462,047	4,750,000	5,642,689	6,915,000	Self-insurance fund workout plan; increased by \$1 million in 2008; council adopted budget reduced transfer by \$150,000 on a one-time basis to fund the portals project and the City Clerk's budget in the general fund.
TRANSFER TO PARKING 7500	-	-	-	38,527	For centralized leases action (W&M 10-20-08)
TRNSFR TO SOLID WASTE 7700	360,000	50,000	50,000	50,000	Graffiti remediation efforts; added in 2004
TRANSFER TO PARK BOARD 1500	200,000	-	-	-	-Tree efforts
<b>TOTAL GENERAL FUND</b>	<b>29,348,032</b>	<b>29,428,450</b>	<b>31,735,689</b>	<b>42,675,034</b>	
<b>CONVENTION FACILITES - RESERVE</b>					
TRANSFER TO CONV CTR 0760	3,031,000	500,000	1,000,000	1,000,000	Funding convention center facility improvements
<b>TOTAL CONVENTION FACILITES - RESERVE</b>	<b>3,031,000</b>	<b>500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	
<b>GRANTS - FEDERAL</b>					
TRANSFER TO CITY GENERAL 0100	1,200	46,440	54,000	54,000	Equal Employment Opportunity Commission (EEOC) reimbursement revenues generated by civil rights and used to support their work in the general fund
<b>TOTAL GRANTS - FEDERAL</b>	<b>1,200</b>	<b>46,440</b>	<b>54,000</b>	<b>54,000</b>	
<b>CDBG &amp; UDAG FUNDS</b>					
TRANSFER TO OTHER SPEC REV FDS	6,394,595	5,045,609	3,596,000	-	-CPED consolidated plan grant from the HOME program
<b>TOTAL CDBG &amp; UDAG FUNDS</b>	<b>6,394,595</b>	<b>5,045,609</b>	<b>3,596,000</b>	<b>-</b>	
<b>GRANTS - OTHER</b>					
TRANSFER TO CITY GENERAL 0100	-	700,000	700,000	700,000	Transfer of cable franchise settlement, \$700,000 through 2011
<b>TOTAL GRANTS - OTHER</b>	<b>-</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>	
<b>CONVENTION CENTER OPERATIONS</b>					
TRANSFER TO CITY GENERAL 0100	8,657,247	8,319,000	8,163,738	8,454,000	Entertainment tax revenue estimate
TRANSFER TO OTHER SPEC REV FDS	1,150,000	1,150,000	1,150,000	1,150,000	Convention center related facilities reserve in financial plan
	-	1,417,805	1,500,000	1,500,000	Target center facilities
TRANSFER TO CAPITAL IMPROVEMENTS 4100	-	-	750,000	-	-13th street pedestiran plaza capital project
TRNSFR TO CNV CTR DBT SVC 5300	17,655,000	17,538,641	18,796,000	18,728,000	Convention center related debt
TRANSFER TO OTHER DEBT SVC FDS	13,913	36,000	68,000	75,000	Minneapolis Employee Retirement Fund debt for convention center retirees
TRANSFER TO PARKING 7500	9,565,097	9,856,000	9,832,000	9,858,000	Convention center related parking debt and operating costs
<b>TOTAL CONVENTION CENTER OPERATIONS</b>	<b>37,041,257</b>	<b>38,317,446</b>	<b>40,259,738</b>	<b>39,765,000</b>	

<b>CONSERVATORY</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	2,150,000TIF debt service reimbursement
<b>TOTAL CONSERVATORY</b>	-	-	-	<b>2,150,000</b>
<b>LAUREL VILLAGE</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	2,721,000TIF debt service reimbursement
<b>TOTAL LAUREL VILLAGE</b>	-	-	-	<b>2,721,000</b>
<b>SOUTH NICOLLET MALL</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	2,195,000TIF debt service reimbursement
<b>TOTAL SOUTH NICOLLET MALL</b>	-	-	-	<b>2,195,000</b>
<b>110 GRANT</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	400,000TIF debt service reimbursement
<b>TOTAL 110 GRANT</b>	-	-	-	<b>400,000</b>
<b>HISTORIC DEPOT REUSE DIST 93</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	728,000TIF debt service reimbursement
<b>TOTAL HISTORIC DEPOT REUSE DIST 93</b>	-	-	-	<b>728,000</b>
<b>HENNEPIN &amp; 7TH ENTERTAINMENT</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	1,913,181TIF debt service reimbursement
<b>TOTAL HENNEPIN &amp; 7TH ENTERTAINMENT</b>	-	-	-	<b>1,913,181</b>
<b>HUMBOLDT GREENWAY DIST 98</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	295,735TIF debt service reimbursement
<b>TOTAL HUMBOLDT GREENWAY DIST 98</b>	-	-	-	<b>295,735</b>
<b>HERITAGE PARK</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	482,326TIF debt service reimbursement
<b>TOTAL HERITAGE PARK</b>	-	-	-	<b>482,326</b>
<b>IVY TOWER</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	274,055TIF debt service reimbursement
<b>TOTAL IVY TOWER</b>	-	-	-	<b>274,055</b>
<b>LAKE STREET CENTER</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	182,833TIF debt service reimbursement
<b>TOTAL LAKE STREET CENTER</b>	-	-	-	<b>182,833</b>
<b>PORTLAND PLACE</b>				
TRANSFER TO OTHER DEBT SVC FDS	-	-	69,000	70,890Portland place - section 108
<b>TOTAL PORTLAND PLACE</b>	-	-	<b>69,000</b>	<b>70,890</b>
<b>NEIMAN MARCUS</b>				
TRANSFER TO PARKING 7500	-	-	235,000	235,000Debt Service for federal courts
<b>TOTAL NEIMAN MARCUS</b>	-	-	<b>235,000</b>	<b>235,000</b>
<b>IDS DATA SERVICE CENTER</b>				
TRANSFER TO OTHER DEBT SVC FDS	-	-	-	172,250TIF Debt Service Reimbursement to Nicollet Mall
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	1,141,250TIF debt service reimbursement
<b>TOTAL IDS DATA SERVICE CENTER</b>	-	-	-	<b>1,313,500</b>
<b>WEST SIDE MILLING DISTRICT</b>				
TRNSFR TO TAX INC DBT SVC 5900	-	-	-	1,592,184TIF debt service reimbursement
<b>TOTAL WEST SIDE MILLING DISTRICT</b>	-	-	-	<b>1,592,184</b>
<b>CPED OPERATING</b>				
TRANSFER TO PARKING 7500	-	-	7,902,411	7,978,765TIF Debt Service Reimbursement to Parking Fund
TRANSFER TO NICOLLET MALL ASSESS. FUND	-	-	175,000	-TIF debt service reimbursement
TRANSFER TO TAX INCREMENT - DEBT SERV FUND	-	-	15,776,000	-TIF debt service reimbursement
<b>TOTAL CPED OPERATING</b>	-	-	<b>23,853,411</b>	<b>7,978,765</b>
<b>COMMUNITY DEVELOPMENT</b>				
TRANSFER TO CITY CAPITAL 4100	-	-	-	5,000,000Expanded Capital from Hilton Trust Funds
TRANSFER TO PARK CAPITAL 37 43	-	-	-	500,000Expanded Capital from Hilton Trust Funds
<b>TOTAL COMMUNITY DEVELOPMENT</b>	-	-	-	<b>5,500,000</b>
<b>CAPITAL IMPROVEMENTS</b>				
TRANSFER TO CITY GENERAL 0100	-	-	-	230,000Reversing the 2007 transfer from the General Fund to 4100; part of Public Works budget reduction
<b>TOTAL CAPITAL IMPROVEMENTS</b>	-	-	-	<b>230,000</b>
<b>LIBRARY CAPITAL FUND</b>				
TRANSFER TO CITY GENERAL 0100	-	-	1,400,000	-One-time transfer for Library integration transition; funded by insurance refund from the cental library capital project
<b>TOTAL LIBRARY CAPITAL FUND</b>	-	-	<b>1,400,000</b>	-

**BOND REDEMPTION - DEBT SERVICE**

TRANSFER TO BUS INFO SVCS 6400	1,837,244	2,095,819	1,298,000	1,800,000	BIS new capital
<b>TOTAL BOND REDEMPTION - DEBT SERVICE</b>	<b>1,837,244</b>	<b>2,095,819</b>	<b>1,298,000</b>	<b>1,800,000</b>	

**MATERIALS & LAB-INTERNAL SVC**

TRANSFER TO OTHER DEBT SVC FDS	22,123	42,000	53,000	58,000	MERF debt service related to engineering materials and testing retirees
<b>TOTAL MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>22,123</b>	<b>42,000</b>	<b>53,000</b>	<b>58,000</b>	

**EQUIPMENT - INTERNAL SERVICE**

TRANSFER TO OTHER DEBT SVC FDS	130,669	332,000	453,000	502,000	MERF debt service related equipment fund retirees
<b>TOTAL EQUIPMENT - INTERNAL SERVICE</b>	<b>130,669</b>	<b>332,000</b>	<b>453,000</b>	<b>502,000</b>	

**PROPERTY - INTERNAL SERVICE**

TRANSFER TO OTHER DEBT SVC FDS	31,089	69,000	88,000	97,000	MERF debt service related to property services retirees
<b>TOTAL PROPERTY - INTERNAL SERVICE</b>	<b>31,089</b>	<b>69,000</b>	<b>88,000</b>	<b>97,000</b>	

**STORES - INTERNAL SERVICE**

TRANSFER TO OTHER DEBT SVC FDS	-	11,000	31,000	34,000	MERF debt service related to stores retirees
<b>TOTAL STORES - INTERNAL SERVICE</b>	<b>-</b>	<b>11,000</b>	<b>31,000</b>	<b>34,000</b>	

**INFO TECH - INTERNAL SERVICE**

TRANSFER TO OTHER DEBT SVC FDS	57,349	136,000	192,000	212,000	MERF debt service related to BIS/clerk retirees
<b>TOTAL INFO TECH - INTERNAL SERVICE</b>	<b>57,349</b>	<b>136,000</b>	<b>192,000</b>	<b>212,000</b>	

**SELF INSURANCE-INTERNAL SVC**

TRANSFER TO OTHER DEBT SVC FDS	45,349	97,000	131,000	145,000	MERF debt service related to self insurance fund retirees
<b>TOTAL SELF INSURANCE-INTERNAL SVC</b>	<b>45,349</b>	<b>97,000</b>	<b>131,000</b>	<b>145,000</b>	

**SANITARY SEWER FUND**

TRANSFER TO OTHER DEBT SVC FDS	-	171,000	264,000	292,000	MERF debt service sewer rate funded retirees
<b>TOTAL SANITARY SEWER FUND</b>	<b>-</b>	<b>171,000</b>	<b>264,000</b>	<b>292,000</b>	

**STORMWATER FUND**

TRANSFER TO OTHER DEBT SVC FDS	147,696	171,000	264,000	292,000	MERF debt service sewer rate funded retirees
<b>TOTAL STORMWATER FUND</b>	<b>147,696</b>	<b>171,000</b>	<b>264,000</b>	<b>292,000</b>	

**WATER - ENTERPRISE**

TRANSFER TO OTHER DEBT SVC FDS	274,517	664,000	968,000	1,071,000	MERF debt service water rate funded retirees
<b>TOTAL WATER - ENTERPRISE</b>	<b>274,517</b>	<b>664,000</b>	<b>968,000</b>	<b>1,071,000</b>	

**MUNICIPAL PARKING-ENTERPRISE**

TRANSFER TO CITY GENERAL 0100	10,618,000	1,618,000	8,618,000	7,818,000	Annual contribution from parking fund per the parking fund workout plan
TRANSFER TO OTHER SPEC REV FDS	1,921,000	2,078,000	2,241,000	2,241,000	Target center finance plan
TRANSFER TO OTHER DEBT SVC FDS	38,550	73,000	104,000	115,000	MERF debt service related to parking rate funded retirees
TRNSFR TO SOLID WASTE 7700	146,000	146,000	146,000	146,000	Litter container collection (added in 2001)
<b>TOTAL MUNICIPAL PARKING-ENTERPRISE</b>	<b>12,723,550</b>	<b>3,915,000</b>	<b>11,109,000</b>	<b>10,320,000</b>	

**SOLID WASTE - ENTERPRISE**

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	35,221	78,000	109,000	121,000	MERF debt service related to solid waste rate funded retirees
<b>TOTAL SOLID WASTE - ENTERPRISE</b>	<b>735,221</b>	<b>778,000</b>	<b>809,000</b>	<b>821,000</b>	

<b>TOTAL TRANSFERS, ALL FUNDS</b>	<b>91,820,891</b>	<b>82,519,764</b>	<b>118,562,838</b>	<b>128,100,503</b>	
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**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>% change</b>
<b><u>GENERAL</u></b>					
<b><u>GENERAL FUND</u></b>					
ASSESSOR	93,146	101,763	111,723	89,000	-20.34%
ATTORNEY	52,814	56,892	58,087	43,000	-25.97%
CITY COUNCIL/CLERK/ELECTIONS	114,870	342,303	349,491	395,000	13.02%
FIRE	2,145,846	2,240,954	2,288,014	2,104,000	-8.04%
CIVIL RIGHTS	43,163	206,808	211,151	246,000	16.50%
MAYOR	29,625	192,762	196,810	241,000	22.45%
POLICE	5,625,563	5,252,904	5,363,215	5,951,000	10.96%
HEALTH AND FAMILY SUPPORT	37,500	98,267	106,180	105,000	-1.11%
PW - TRANSPORTATION PLANNING AND ENGINEERING	20,774	6,900	7,045	16,000	127.11%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	1,227,887	1,202,931	1,228,192	1,670,000	35.97%
PW - ADMINISTRATIVE SERVICES	50,177	334,944	371,926	428,000	15.08%
PW - TRAFFIC AND PARKING	322,993	506,036	516,663	466,000	-9.81%
HUMAN RESOURCES	166,001	339,683	346,816	424,000	22.26%
FINANCE DEPARTMENT	137,457	300,362	306,676	169,000	-44.89%
911/311	440,823	118,801	121,296	179,000	47.57%
REGULATORY SERVICES	345,242	962,229	982,433	1,033,000	5.15%
CITY COORDINATOR	23,920	67,123	68,532	79,000	15.27%
INTERGOVERNMENTAL RELATIONS	30,831	135,142	137,979	156,000	13.06%
COMMUNICATIONS	27,772	69,688	71,151	81,000	13.84%
CPED4	67,962	41,870	46,402		-100.00%
<b>Total GENERAL FUND</b>	<b>11,004,366</b>	<b>12,578,362</b>	<b>12,889,782</b>	<b>13,875,000</b>	<b>7.6%</b>
<b>TOTAL GENERAL</b>	<b>11,004,366</b>	<b>12,578,362</b>	<b>12,889,782</b>	<b>13,875,000</b>	<b>7.6%</b>
<b><u>SPECIAL REVENUE</u></b>					
<b><u>CPED OPERATING</u></b>					
CPED4	78,126	793,952	806,972	1,000,427	23.97%
<b>Total CPED OPERATING</b>	<b>78,126</b>	<b>793,952</b>	<b>806,972</b>	<b>1,000,427</b>	<b>24.0%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	1,934	0	0	500	0.0%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>1,934</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0.0%</b>
<b><u>POLICE DEPT - SPECIAL REVENUE</u></b>					
POLICE	24,300	0	0		0.0%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>24,300</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>GRANTS - FEDERAL</u></b>					
HEALTH AND FAMILY SUPPORT	12,531	0	0		0.0%

**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total GRANTS - FEDERAL</b>	<b>12,531</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
CIVIL RIGHTS	1,244	0	0		0.0%
FINANCE DEPARTMENT	52	5	0		0.0%
INTERGOVERNMENTAL RELATIONS	373	0	0		0.0%
CPED4	2,737	0	0		0.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>4,406</b>	<b>5</b>	<b>0</b>		<b>0.0%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
HUMAN RESOURCES	1,151	0	0		0.0%
CONVENTION CENTER	374,175	650,170	663,663	736,000	10.90%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>375,326</b>	<b>650,170</b>	<b>663,663</b>	<b>736,000</b>	<b>10.9%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	1,654,967	1,578,231	19,372	1,837,525	9,385.47%
<b>Total PARK - GENERAL FUND</b>	<b>1,654,967</b>	<b>1,578,231</b>	<b>19,372</b>	<b>1,837,525</b>	<b>9,385.5%</b>
<b><u>PARK - GRANT &amp; SPECIAL REVENUE</u></b>					
Park Board - 4	18,332	35,002	0		0.0%
<b>Total PARK - GRANT &amp; SPECIAL REVENUE</b>	<b>18,332</b>	<b>35,002</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	153,332	111,520	0	93,636	0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>153,332</b>	<b>111,520</b>	<b>0</b>	<b>93,636</b>	<b>0.0%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
LIBRARY	65,758	67,636	0		0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>65,758</b>	<b>67,636</b>	<b>0</b>		<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	81,928	90,189	13,055	16,000	22.56%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>81,928</b>	<b>90,189</b>	<b>13,055</b>	<b>16,000</b>	<b>22.6%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	827	0	0	1,000	0.0%
<b>Total YOUTH COORDINATING BOARD</b>	<b>827</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>0.0%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	0	2,700	0	2,000	0.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>0</b>	<b>2,700</b>	<b>0</b>	<b>2,000</b>	<b>0.0%</b>
<b><u>PUBLIC HOUSING AUTHORITY</u></b>					
2900000 - PUBLIC HOUSING AUTHORITY	0	0	0	74,000	0.0%



**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total PUBLIC HOUSING AUTHORITY</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>74,000</b>	<b>0.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>2,471,767</b>	<b>3,329,405</b>	<b>1,503,062</b>	<b>3,761,088</b>	<b>150.2%</b>
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	78,980	33,581	31,686	63,000	98.83%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	15,056	0	0		0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>94,036</b>	<b>33,581</b>	<b>31,686</b>	<b>63,000</b>	<b>98.8%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>94,036</b>	<b>33,581</b>	<b>31,686</b>	<b>63,000</b>	<b>98.8%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	11,287	0	0		0.0%
PW - ENG. MATERIALS & TESTING	54,901	0	0		0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>66,188</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	990,241	1,097,132	1,120,172	860,000	-23.23%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>990,241</b>	<b>1,097,132</b>	<b>1,120,172</b>	<b>860,000</b>	<b>-23.2%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	232,081	417,692	426,463	386,000	-9.49%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>232,081</b>	<b>417,692</b>	<b>426,463</b>	<b>386,000</b>	<b>-9.5%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	28,087	84,306	43,039	31,000	-27.97%
PW - TRAFFIC AND PARKING	12,519	0	43,039	31,000	-27.97%
<b>Total STORES - INTERNAL SERVICE</b>	<b>40,606</b>	<b>84,306</b>	<b>86,078</b>	<b>62,000</b>	<b>-28.0%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	14,359	33,152	33,848	39,000	15.22%
HUMAN RESOURCES	0	0	0		0.0%
BUSINESS INFORMATION SERVICES	241,029	81,940	83,660	120,000	43.44%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>255,388</b>	<b>115,092</b>	<b>117,508</b>	<b>159,000</b>	<b>35.3%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	46,671	0	0		0.0%
HUMAN RESOURCES	4,606	0	0		0.0%
FINANCE DEPARTMENT	0	0	0	7,000	0.0%
City of Minneapolis - Financial Schedules	262				

**SCHEDULE NINE  
SELF-INSURANCE CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
LIABILITY	0	0	1,193		-100.00%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>51,277</b>	<b>0</b>	<b>1,193</b>	<b>7,000</b>	<b>486.8%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
Park Board - 4	72,984	37,769	0	74,477	0.0%
<b>Total PARK - INTERNAL SERVICE</b>	<b>72,984</b>	<b>37,769</b>	<b>0</b>	<b>74,477</b>	<b>0.0%</b>
<b><u>PARK-SELF INSURE-INTERNAL SVC</u></b>					
Park Board - 4	921,203	0	0		0.0%
<b>Total PARK-SELF INSURE-INTERNAL SVC</b>	<b>921,203</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>2,629,968</b>	<b>1,751,991</b>	<b>1,751,414</b>	<b>1,548,477</b>	<b>-11.6%</b>
 <b><u>ENTERPRISE</u></b>					
<b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	453,333	555,588	661,340	744,000	12.50%
<b>Total SANITARY SEWER FUND</b>	<b>453,333</b>	<b>555,588</b>	<b>661,340</b>	<b>744,000</b>	<b>12.5%</b>
<b><u>STORMWATER FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	104,805	0	0		0.0%
SURFACE WATER & SEWERS	192,789	561,304	479,005	541,000	12.94%
<b>Total STORMWATER FUND</b>	<b>297,594</b>	<b>561,304</b>	<b>479,005</b>	<b>541,000</b>	<b>12.9%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	1,036,954	944,694	964,532	1,313,000	36.13%
<b>Total WATER - ENTERPRISE</b>	<b>1,036,954</b>	<b>944,694</b>	<b>964,532</b>	<b>1,313,000</b>	<b>36.1%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	252,179	506,036	516,663	466,000	-9.81%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>252,179</b>	<b>506,036</b>	<b>516,663</b>	<b>466,000</b>	<b>-9.8%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	978,959	793,569	812,625	847,000	4.23%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>978,959</b>	<b>793,569</b>	<b>812,625</b>	<b>847,000</b>	<b>4.2%</b>
<b>TOTAL ENTERPRISE</b>	<b>3,019,019</b>	<b>3,361,191</b>	<b>3,434,165</b>	<b>3,911,000</b>	<b>13.9%</b>
<b>TOTAL SELF INSURANCE, ALL FUNDS</b>	<b>19,219,156</b>	<b>21,054,530</b>	<b>19,610,109</b>	<b>23,158,565</b>	<b>18.1%</b>

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR	326,536	346,882	368,380	367,000	-0.37%
ATTORNEY	470,018	492,275	600,365	517,300	-13.84%
CITY COUNCIL/CLERK/ELECTIONS	561,887	579,839	566,536	589,800	4.11%
FIRE	886,556	897,694	889,183	852,900	-4.08%
CIVIL RIGHTS	155,824	156,184	239,079	216,500	-9.44%
MAYOR	88,005	91,420	114,959	99,800	-13.19%
POLICE	3,723,967	3,905,382	4,521,447	4,849,400	7.25%
HEALTH AND FAMILY SUPPORT	364,942	422,630	489,194	545,200	11.45%
PW - TRANSPORTATION PLANNING AND ENGINEERING	81,763	81,634	134,274	66,700	-50.33%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	444,419	418,640	296,826	411,200	38.53%
PW - ADMINISTRATIVE SERVICES	375,756	388,848	513,961	313,200	-39.06%
PW - TRAFFIC AND PARKING	272,654	281,903	201,281	322,800	60.37%
HUMAN RESOURCES	1,265,515	1,309,811	1,111,247	1,223,100	10.07%
FINANCE DEPARTMENT	1,313,369	1,354,700	1,583,555	2,606,200	66.16%
911/311	284,076	238,801	521,541	1,227,100	135.28%
REGULATORY SERVICES	1,425,987	1,474,482	2,039,372	2,169,094	6.36%
CITY COORDINATOR	74,282	77,496	87,368	99,000	13.31%
INTERGOVERNMENTAL RELATIONS	36,112	37,500	21,929	49,900	127.55%
COMMUNICATIONS	150,636	157,491	130,097	160,000	22.99%
CPED4	431,926	431,068	284,858	370,052	29.91%
<b>Total GENERAL FUND</b>	<b>12,734,230</b>	<b>13,144,680</b>	<b>14,715,452</b>	<b>17,056,246</b>	<b>16.1%</b>
<b>TOTAL GENERAL</b>	<b>12,734,230</b>	<b>13,144,680</b>	<b>14,715,452</b>	<b>17,056,246</b>	<b>16.1%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
CPED4	513,189	502,940	973,869	880,140	-9.62%
<b>Total CPED OPERATING</b>	<b>513,189</b>	<b>502,940</b>	<b>973,869</b>	<b>880,140</b>	<b>-9.6%</b>
<b>BOARD OF ESTIMATE AND TAXATION</b>					
BOARD OF ESTIMATE & TAXATION	8,587	8,861	9,835	12,200	24.05%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>8,587</b>	<b>8,861</b>	<b>9,835</b>	<b>12,200</b>	<b>24.0%</b>
<b>POLICE DEPT - SPECIAL REVENUE</b>					
POLICE	16,893	1,352	0		0.0%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>16,893</b>	<b>1,352</b>	<b>0</b>		<b>0.0%</b>
<b>GRANTS - FEDERAL</b>					

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
HEALTH AND FAMILY SUPPORT	(35)	0	0		0.0%
REGULATORY SERVICES	0	5,159	0		0.0%
<b>Total GRANTS - FEDERAL</b>	<b>(35)</b>	<b>5,159</b>	<b>0</b>		<b>0.0%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
CIVIL RIGHTS	28,525	32,793	0		0.0%
HEALTH AND FAMILY SUPPORT	76,511	33,523	1,729	3,000	73.51%
INTERGOVERNMENTAL RELATIONS	13,561	13,598	24,557	3,900	-84.12%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>118,597</b>	<b>79,914</b>	<b>26,286</b>	<b>6,900</b>	<b>-73.8%</b>
<b><u>GRANTS - OTHER</u></b>					
HEALTH AND FAMILY SUPPORT	36,901	39,916	0		0.0%
911/311	0	0	400,298	521,000	30.15%
<b>Total GRANTS - OTHER</b>	<b>36,901</b>	<b>39,916</b>	<b>400,298</b>	<b>521,000</b>	<b>30.2%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	738,927	767,233	628,310	640,000	1.86%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>738,927</b>	<b>767,233</b>	<b>628,310</b>	<b>640,000</b>	<b>1.9%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	213	0	59,914	61,591	2.80%
<b>Total PARK - GENERAL FUND</b>	<b>213</b>	<b>0</b>	<b>59,914</b>	<b>61,591</b>	<b>2.8%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
LIBRARY	6,827	7,069	0		0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>6,827</b>	<b>7,069</b>	<b>0</b>		<b>0.0%</b>
<b><u>LIBRARY - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	4,055	0	0		0.0%
<b>Total LIBRARY - CAPITAL IMPROVEMENTS</b>	<b>4,055</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	3,520	5,098	1,871	2,000	6.89%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>3,520</b>	<b>5,098</b>	<b>1,871</b>	<b>2,000</b>	<b>6.9%</b>
<b><u>YOUTH COORDINATING BOARD</u></b>					
YOUTH COORDINATING BOARD	19,961	47,745	37,686	33,100	-12.17%
<b>Total YOUTH COORDINATING BOARD</b>	<b>19,961</b>	<b>47,745</b>	<b>37,686</b>	<b>33,100</b>	<b>-12.2%</b>
<b><u>NEIGHBORHOOD REVITAL POLICY</u></b>					
NEIGH REVITALIZATN POL BD	0	5,985	0	18,400	0.0%
<b>Total NEIGHBORHOOD REVITAL POLICY</b>	<b>0</b>	<b>5,985</b>	<b>0</b>	<b>18,400</b>	<b>0.0%</b>

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>TOTAL SPECIAL REVENUE</b>	<b>1,467,635</b>	<b>1,471,272</b>	<b>2,138,069</b>	<b>2,175,331</b>	<b>1.7%</b>

**CAPITAL PROJECT**

**CAPITAL IMPROVEMENTS**

PW - TRANSPORTATION PLANNING AND ENGINEERING	48,758	55,873	488,736	460,800	-5.72%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	20,055	21,100	21,099	23,800	12.80%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>68,813</b>	<b>76,973</b>	<b>509,835</b>	<b>484,600</b>	<b>-4.9%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>68,813</b>	<b>76,973</b>	<b>509,835</b>	<b>484,600</b>	<b>-4.9%</b>

**INTERNAL SERVICE**

**MATERIALS & LAB-INTERNAL SVC**

PW - TRANSPORTATION PLANNING AND ENGINEERING	15,933	16,845	36,393		-100.00%
PW - ENG. MATERIALS & TESTING	8,637	6,530	54,139		-100.00%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>24,570</b>	<b>23,375</b>	<b>90,532</b>		<b>-100.0%</b>

**EQUIPMENT - INTERNAL SERVICE**

PW - FLEET	428,197	453,605	352,669	394,000	11.72%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>428,197</b>	<b>453,605</b>	<b>352,669</b>	<b>394,000</b>	<b>11.7%</b>

**PROPERTY - INTERNAL SERVICE**

PW - PROPERTY SERVICES	417,136	468,599	221,114	372,200	68.33%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>417,136</b>	<b>468,599</b>	<b>221,114</b>	<b>372,200</b>	<b>68.3%</b>

**STORES - INTERNAL SERVICE**

PW - ENG. MATERIALS & TESTING	21,856	18,316	33,747	35,700	5.79%
PW - TRAFFIC AND PARKING	9,250	9,851	0		0.0%
<b>Total STORES - INTERNAL SERVICE</b>	<b>31,106</b>	<b>28,167</b>	<b>33,747</b>	<b>35,700</b>	<b>5.8%</b>

**INFO TECH - INTERNAL SERVICE**

CITY COUNCIL/CLERK/ELECTIONS	0	0	16,624	16,800	1.06%
HUMAN RESOURCES	0	0	0	76,400	0.0%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>0</b>	<b>0</b>	<b>16,624</b>	<b>93,200</b>	<b>460.6%</b>

**SELF INSURANCE-INTERNAL SVC**

ATTORNEY	267,985	279,697	366,199	509,200	39.05%
HUMAN RESOURCES	47,241	49,185	39,605	65,100	64.37%
FINANCE DEPARTMENT	6,081	7,439	44,125	61,200	38.70%

**SCHEDULE TEN  
BUSINESS INFORMATION SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
Total SELF INSURANCE-INTERNAL SVC	321,307	336,321	449,929	635,500	41.2%
<b>TOTAL INTERNAL SERVICE</b>	<b>1,222,316</b>	<b>1,310,067</b>	<b>1,164,615</b>	<b>1,530,600</b>	<b>31.4%</b>
<b>ENTERPRISE</b>					
<b>SANITARY SEWER FUND</b>					
SURFACE WATER & SEWERS	29,898	33,568	31,228	145,300	365.29%
<b>Total SANITARY SEWER FUND</b>	<b>29,898</b>	<b>33,568</b>	<b>31,228</b>	<b>145,300</b>	<b>365.3%</b>
<b>STORMWATER FUND</b>					
SURFACE WATER & SEWERS	199,369	198,596	213,725	342,900	60.44%
<b>Total STORMWATER FUND</b>	<b>199,369</b>	<b>198,596</b>	<b>213,725</b>	<b>342,900</b>	<b>60.4%</b>
<b>WATER - ENTERPRISE</b>					
PW - WATER TREATMENT & DISTR.	823,153	787,572	701,313	774,400	10.42%
<b>Total WATER - ENTERPRISE</b>	<b>823,153</b>	<b>787,572</b>	<b>701,313</b>	<b>774,400</b>	<b>10.4%</b>
<b>MUNICIPAL PARKING-ENTERPRISE</b>					
PW - TRAFFIC AND PARKING	311,831	307,312	196,831	185,400	-5.81%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>311,831</b>	<b>307,312</b>	<b>196,831</b>	<b>185,400</b>	<b>-5.8%</b>
<b>SOLID WASTE - ENTERPRISE</b>					
PW - SOLID WASTE	357,790	354,836	279,036	297,200	6.51%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>357,790</b>	<b>354,836</b>	<b>279,036</b>	<b>297,200</b>	<b>6.5%</b>
<b>TOTAL ENTERPRISE</b>	<b>1,722,041</b>	<b>1,681,884</b>	<b>1,422,133</b>	<b>1,745,200</b>	<b>22.7%</b>
<b>TOTAL BIS CHARGES, ALL FUNDS</b>	<b>17,215,035</b>	<b>17,684,876</b>	<b>19,950,104</b>	<b>22,991,977</b>	<b>15.4%</b>

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	<u>2006 Actual</u>	<u>2007 Actual</u>	<u>2008 Adopted Budget</u>	<u>2009 Revised Budget</u>	<u>% change</u>
<b>GENERAL</b>					
<b>GENERAL FUND</b>					
ASSESSOR	20	0	0		0.0%
CITY COUNCIL/CLERK/ELECTIONS	502	560	158		-100.00%
FIRE	2,764,722	3,154,116	2,920,713	3,273,000	12.06%
CIVIL RIGHTS	1,391	460	0		0.0%
MAYOR	10,466	10,452	25,490	7,000	-72.54%
POLICE	3,913,524	3,860,145	4,718,521	4,556,000	-3.44%
HEALTH AND FAMILY SUPPORT	13,361	14,976	13,511	19,000	40.63%
PW - TRANSPORTATION PLANNING AND ENGINEERING	25,951	24,987	0	32,000	0.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	6,349,805	8,153,144	7,431,015	6,912,500	-6.98%
SURFACE WATER & SEWERS	0	0	55,277		-100.00%
PW - ADMINISTRATIVE SERVICES	15,536	12,596	14,587	16,000	9.69%
PW - TRAFFIC AND PARKING	655,207	712,520	698,737	670,000	-4.11%
HUMAN RESOURCES	620	460	0		0.0%
FINANCE DEPARTMENT	571	120	0		0.0%
911/311	4,943	7,194	3,329	5,000	50.20%
REGULATORY SERVICES	244,670	320,548	334,133	454,000	35.87%
CITY COORDINATOR	768	80	0		0.0%
INTERGOVERNMENTAL RELATIONS	260	220	0		0.0%
COMMUNICATIONS	920	1,040	0		0.0%
CPED4	9,595	12,386	9,787		-100.00%
<b>Total GENERAL FUND</b>	<b>14,012,832</b>	<b>16,286,004</b>	<b>16,225,258</b>	<b>15,944,500</b>	<b>-1.7%</b>
<b>TOTAL GENERAL</b>	<b>14,012,832</b>	<b>16,286,004</b>	<b>16,225,258</b>	<b>15,944,500</b>	<b>-1.7%</b>
<b>SPECIAL REVENUE</b>					
<b>CPED OPERATING</b>					
CPED4	5,887	5,766	0	8,500	0.0%
<b>Total CPED OPERATING</b>	<b>5,887</b>	<b>5,766</b>	<b>0</b>	<b>8,500</b>	<b>0.0%</b>
<b>COMMUNITY DEVELOPMENT</b>					
CPED4	0	642	0		0.0%
<b>Total COMMUNITY DEVELOPMENT</b>	<b>0</b>	<b>642</b>	<b>0</b>		<b>0.0%</b>
<b>POLICE DEPT - SPECIAL REVENUE</b>					
POLICE	171,185	135,345	0	201,000	0.0%
<b>Total POLICE DEPT - SPECIAL REVENUE</b>	<b>171,185</b>	<b>135,345</b>	<b>0</b>	<b>201,000</b>	<b>0.0%</b>
<b>GRANTS - FEDERAL</b>					
FIRE	(2,813)	28,640	163		-100.00%
POLICE	7,170	103,606	0	9,000	0.0%

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
HEALTH AND FAMILY SUPPORT	162	20	0		0.0%
9010000 - CAPITAL IMPROVEMENT	0	3,366	0		0.0%
CPED4	4,841	1,960	0		0.0%
<b>Total GRANTS - FEDERAL</b>	<b>9,360</b>	<b>137,592</b>	<b>163</b>	<b>9,000</b>	<b>5,421.5%</b>
<b><u>CDBG &amp; UDAG FUNDS</u></b>					
CIVIL RIGHTS	40	0	0		0.0%
FINANCE DEPARTMENT	9	205	0		0.0%
<b>Total CDBG &amp; UDAG FUNDS</b>	<b>49</b>	<b>205</b>	<b>0</b>		<b>0.0%</b>
<b><u>GRANTS - OTHER</u></b>					
FIRE	0	9,044	0		0.0%
POLICE	48,075	86,575	44,000	14,000	-68.18%
HEALTH AND FAMILY SUPPORT	3,873	4,557	2,859		-100.00%
9010000 - CAPITAL IMPROVEMENT	0	1,530	0		0.0%
<b>Total GRANTS - OTHER</b>	<b>51,948</b>	<b>101,706</b>	<b>46,859</b>	<b>14,000</b>	<b>-70.1%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	6,649	6,625	9,347	14,000	49.78%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>6,649</b>	<b>6,625</b>	<b>9,347</b>	<b>14,000</b>	<b>49.8%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	76,842	192,447	46,574	49,710	6.73%
<b>Total PARK - GENERAL FUND</b>	<b>76,842</b>	<b>192,447</b>	<b>46,574</b>	<b>49,710</b>	<b>6.7%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	0	2,720	600	500	-16.67%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>0</b>	<b>2,720</b>	<b>600</b>	<b>500</b>	<b>-16.7%</b>
<b><u>LIBRARY - GENERAL FUND</u></b>					
LIBRARY	2,520	5,367	0	8,000	0.0%
<b>Total LIBRARY - GENERAL FUND</b>	<b>2,520</b>	<b>5,367</b>	<b>0</b>	<b>8,000</b>	<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	5,881	2,728	5,846	6,289	7.58%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>5,881</b>	<b>2,728</b>	<b>5,846</b>	<b>6,289</b>	<b>7.6%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>330,321</b>	<b>591,143</b>	<b>109,389</b>	<b>310,999</b>	<b>184.3%</b>

**CAPITAL PROJECT**

**CAPITAL IMPROVEMENTS**

PW - TRANSPORTATION PLANNING AND ENGINEERING	39,620	41,054	32,240	44,000	36.48%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	14,093	16,316	10,582	14,000	32.30%



**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	<u>2006 Actual</u>	<u>2007 Actual</u>	<u>2008 Adopted Budget</u>	<u>2009 Revised Budget</u>	<u>% change</u>
9010000 - CAPITAL IMPROVEMENT	4,063,264	3,461,368	0		0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>4,116,977</b>	<b>3,518,738</b>	<b>42,822</b>	<b>58,000</b>	<b>35.4%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	0	863	0		0.0%
9101000 - PARKS-CAPITAL IMPROVEMENT	125,303	0	0		0.0%
9103000 - FORESTRY & TREE DIS CONTL	191	0	0		0.0%
9104000 - PARKWAY-CAP. IMPROVEMENTS	1,399	0	0		0.0%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>126,893</b>	<b>863</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>4,243,870</b>	<b>3,519,601</b>	<b>42,822</b>	<b>58,000</b>	<b>35.4%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	31,419	22,360	34,172	35,000	2.42%
PW - ENG. MATERIALS & TESTING	778	3,206	1,643		-100.00%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>32,197</b>	<b>25,566</b>	<b>35,815</b>	<b>35,000</b>	<b>-2.3%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	0	0	6,073,221	6,505,000	7.11%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>0</b>	<b>0</b>	<b>6,073,221</b>	<b>6,505,000</b>	<b>7.1%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	366,612	434,047	414,685	460,000	10.93%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>366,612</b>	<b>434,047</b>	<b>414,685</b>	<b>460,000</b>	<b>10.9%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	2,468	4,798	3,904	8,000	104.92%
PW - TRAFFIC AND PARKING	5,845	18,325	7,753	8,000	3.19%
<b>Total STORES - INTERNAL SERVICE</b>	<b>8,313</b>	<b>23,123</b>	<b>11,657</b>	<b>16,000</b>	<b>37.3%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	52,910	60,187	52,462	53,931	2.80%
BUSINESS INFORMATION SERVICES	4,715	4,356	8,704	4,000	-54.04%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>57,625</b>	<b>64,543</b>	<b>61,166</b>	<b>57,931</b>	<b>-5.3%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	160	0	0		0.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>160</b>	<b>0</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK - INTERNAL SERVICE</u></b>					
Park Board - 4	441,794	484,818	400,000	511,200	27.80%
<b>Total PARK - INTERNAL SERVICE</b>	<b>441,794</b>	<b>484,818</b>	<b>400,000</b>	<b>511,200</b>	<b>27.8%</b>

**SCHEDULE ELEVEN  
FLEET SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>TOTAL INTERNAL SERVICE</b>	<b>906,701</b>	<b>1,032,097</b>	<b>6,996,544</b>	<b>7,585,131</b>	<b>8.4%</b>
 <b>ENTERPRISE</b>					
 <b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	1,071,049	902,971	981,479	980,000	-0.15%
9010000 - CAPITAL IMPROVEMENT	61,234	541,612	0		0.0%
<b>Total SANITARY SEWER FUND</b>	<b>1,132,283</b>	<b>1,444,583</b>	<b>981,479</b>	<b>980,000</b>	<b>-0.2%</b>
 <b><u>STORMWATER FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	4,800,436	4,907,269	5,067,234	4,976,500	-1.79%
SURFACE WATER & SEWERS	102,048	80,414	281,400	160,000	-43.14%
9010000 - CAPITAL IMPROVEMENT	2,234,127	991,406	0		0.0%
<b>Total STORMWATER FUND</b>	<b>7,136,611</b>	<b>5,979,089</b>	<b>5,348,634</b>	<b>5,136,500</b>	<b>-4.0%</b>
 <b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	2,130,911	1,691,567	2,229,218	2,197,000	-1.45%
9010000 - CAPITAL IMPROVEMENT	414,059	388,824	0		0.0%
<b>Total WATER - ENTERPRISE</b>	<b>2,544,970</b>	<b>2,080,391</b>	<b>2,229,218</b>	<b>2,197,000</b>	<b>-1.4%</b>
 <b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	69,896	88,699	93,755	94,000	0.26%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>69,896</b>	<b>88,699</b>	<b>93,755</b>	<b>94,000</b>	<b>0.3%</b>
 <b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	378,394	431,385	665,104	751,000	12.91%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>378,394</b>	<b>431,385</b>	<b>665,104</b>	<b>751,000</b>	<b>12.9%</b>
 <b>TOTAL ENTERPRISE</b>	 <b>11,262,154</b>	 <b>10,024,147</b>	 <b>9,318,190</b>	 <b>9,158,500</b>	 <b>-1.7%</b>
 <b>TOTAL ALL FUNDS</b>	 <b>30,755,878</b>	 <b>31,452,992</b>	 <b>32,692,203</b>	 <b>33,057,130</b>	 <b>1.1%</b>

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>GENERAL</u></b>					
<b><u>GENERAL FUND</u></b>					
ASSESSOR	0	141,920	143,726	142,382	-0.94%
ATTORNEY	3,308	2,709	6,139	4,244	-30.87%
CITY COUNCIL/CLERK/ELECTIONS	3,586	4,080	7,573	893,453	11,697.87%
FIRE	1,025,081	1,115,077	1,144,040	1,251,812	9.42%
CIVIL RIGHTS	968	1,183	2,025	108,980	5,281.73%
MAYOR	892	1,091	1,893	143,318	7,470.95%
POLICE	777,846	991,915	1,205,620	2,675,268	121.90%
HEALTH AND FAMILY SUPPORT	179,070	247,227	249,280	249,440	0.06%
PW - TRANSPORTATION PLANNING AND ENGINEERING	22,056	35,453	28,140	23,384	-16.90%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	349,168	432,637	410,923	475,954	15.83%
PW - ADMINISTRATIVE SERVICES	29,423	16,948	18,446	123,372	568.83%
PW - TRAFFIC AND PARKING	115,818	0	112,416	247,295	119.98%
HUMAN RESOURCES	186,878	185,278	182,195	201,011	10.33%
FINANCE DEPARTMENT	155,515	157,257	197,660	597,799	202.44%
911/311	77,760	75,510	79,740	407,255	410.73%
REGULATORY SERVICES	523,902	626,490	665,523	844,184	26.85%
CITY COORDINATOR	563	1,337	1,483	81,492	5,395.08%
INTERGOVERNMENTAL RELATIONS	0	426	1,236	61,393	4,867.07%
COMMUNICATIONS	990	2,510	1,927	137,553	7,038.19%
CPED4	13,188	0	0		0.0%
<b>Total GENERAL FUND</b>	<b>3,466,012</b>	<b>4,039,048</b>	<b>4,459,985</b>	<b>8,669,589</b>	<b>94.4%</b>
<b>TOTAL GENERAL</b>	<b>3,466,012</b>	<b>4,039,048</b>	<b>4,459,985</b>	<b>8,669,589</b>	<b>94.4%</b>
<b><u>SPECIAL REVENUE</u></b>					
<b><u>GRANTS - OTHER</u></b>					
HEALTH AND FAMILY SUPPORT	85,664	26,572	19,000		-100.00%
<b>Total GRANTS - OTHER</b>	<b>85,664</b>	<b>26,572</b>	<b>19,000</b>		<b>-100.0%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	0	0	0	7,762	0.0%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,762</b>	<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	1,000	1,000	0		0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>86,664</b>	<b>27,572</b>	<b>19,000</b>	<b>7,762</b>	<b>-59.1%</b>

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>CAPITAL PROJECT</u></b>					
<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	171,921	158,002	125,349	177,463	41.58%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0	0	0	54,004	0.0%
9010000 - CAPITAL IMPROVEMENT	47,292	47,194	0		0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>219,213</b>	<b>205,196</b>	<b>125,349</b>	<b>231,467</b>	<b>84.7%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>219,213</b>	<b>205,196</b>	<b>125,349</b>	<b>231,467</b>	<b>84.7%</b>
<b><u>INTERNAL SERVICE</u></b>					
<b><u>MATERIALS &amp; LAB-INTERNAL SVC</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	37,796	48,189	46,007	85,763	86.41%
PW - ENG. MATERIALS & TESTING	17,364	48,189	0		0.0%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>55,160</b>	<b>96,378</b>	<b>46,007</b>	<b>85,763</b>	<b>86.4%</b>
<b><u>EQUIPMENT - INTERNAL SERVICE</u></b>					
PW - FLEET	964,030	980,092	997,955	1,072,367	7.46%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>964,030</b>	<b>980,092</b>	<b>997,955</b>	<b>1,072,367</b>	<b>7.5%</b>
<b><u>PROPERTY - INTERNAL SERVICE</u></b>					
PW - PROPERTY SERVICES	0	0	221,430	358,312	61.82%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>0</b>	<b>0</b>	<b>221,430</b>	<b>358,312</b>	<b>61.8%</b>
<b><u>STORES - INTERNAL SERVICE</u></b>					
PW - ENG. MATERIALS & TESTING	23,980	25,154	28,527	34,054	19.37%
PW - TRAFFIC AND PARKING	44,396	0	0		0.0%
<b>Total STORES - INTERNAL SERVICE</b>	<b>68,376</b>	<b>25,154</b>	<b>28,527</b>	<b>34,054</b>	<b>19.4%</b>
<b><u>INFO TECH - INTERNAL SERVICE</u></b>					
CITY COUNCIL/CLERK/ELECTIONS	1,792	1,763	2,328	4,335	86.21%
BUSINESS INFORMATION SERVICES	3,137	4,063	5,734	158,203	2,659.03%
9010000 - CAPITAL IMPROVEMENT	0	38,310	0		0.0%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>4,929</b>	<b>44,136</b>	<b>8,062</b>	<b>162,538</b>	<b>1,916.1%</b>
<b><u>SELF INSURANCE-INTERNAL SVC</u></b>					
ATTORNEY	2,087	2,709	2,219	1,570	-29.25%
FINANCE DEPARTMENT	48,540	4,083	0		0.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>50,627</b>	<b>6,792</b>	<b>2,219</b>	<b>1,570</b>	<b>-29.2%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>1,143,122</b>	<b>1,152,552</b>	<b>1,304,200</b>	<b>1,714,604</b>	<b>31.5%</b>

**SCHEDULE TWELVE  
PROPERTY SERVICES CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>ENTERPRISE</u></b>					
<b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	22,287	7,633	29,324	113,029	285.45%
<b>Total SANITARY SEWER FUND</b>	<b>22,287</b>	<b>7,633</b>	<b>29,324</b>	<b>113,029</b>	<b>285.4%</b>
<b><u>STORMWATER FUND</u></b>					
SURFACE WATER & SEWERS	108,545	105,249	121,309	99,715	-17.80%
<b>Total STORMWATER FUND</b>	<b>108,545</b>	<b>105,249</b>	<b>121,309</b>	<b>99,715</b>	<b>-17.8%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	87,344	0	131,345	107,454	-18.19%
<b>Total WATER - ENTERPRISE</b>	<b>87,344</b>	<b>0</b>	<b>131,345</b>	<b>107,454</b>	<b>-18.2%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	92,548	91,727	89,811	(33,160)	-136.92%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>92,548</b>	<b>91,727</b>	<b>89,811</b>	<b>(33,160)</b>	<b>-136.9%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	226,438	0	67,149	200,664	198.83%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>226,438</b>	<b>0</b>	<b>67,149</b>	<b>200,664</b>	<b>198.8%</b>
<b>TOTAL ENTERPRISE</b>	<b>537,162</b>	<b>204,609</b>	<b>438,938</b>	<b>487,702</b>	<b>11.1%</b>
<b>TOTAL ALL FUNDS</b>	<b>5,452,173</b>	<b>5,628,977</b>	<b>6,347,472</b>	<b>11,111,124</b>	<b>75.0%</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	2007 Adopted Budget		2008 Adopted Budget		2009 Revised Budget	
	Billable	Potential	Billable	Potential	Billable	Actual Annual
	Square	Annual Rental	Square	Annual Rental	Square	Rental Charge
	Foot	Charge	Foot	Charge	Foot	Rental Charge
911/311					13,827	324,234
Business Information Services	12,920	302,674	12,920	306,037	6,448	151,201
City Clerk	18,582	435,316	18,582	440,153	22,335	523,741
City Clerk Elections	2,719	63,697	2,719	64,405	2,371	55,598
City Coordinator	3,791	88,811	3,791	89,798	3,402	79,775
City Council	12,927	302,838	12,927	306,203	13,035	305,662
Civil Rights	4,544	106,451	4,544	107,634	4,544	106,554
Communications	6,673	156,327	6,673	158,064	5,766	135,209
Community Planning and Economic Development	7,876	184,509	7,876	186,559	1,111	26,052
Finance	21,897	512,976	21,897	518,676	21,613	506,810
Fire	7,068	165,580	7,068	167,420	6,825	160,042
Grants and Special Projects	2,350	55,053	2,350	55,665	2,556	59,936
Human Resources	781	18,296	781	18,500	781	18,314
Mayor	6,009	140,771	6,009	142,336	6,009	140,907
Police	62,070	1,454,099	62,070	1,470,256	50,881	1,193,125
Public Works - Administrative Services	6,488	151,993	6,488	153,682	4,837	113,424
Public Works - Property Services	5,369	125,778	5,369	127,176	4,595	107,750
Public Works - Traffic & Parking Services	2,097	49,126	2,097	49,672	3,286	77,054
Public Works - Transportation Maint. & Repair	3,286	76,980	3,286	77,836	2,303	54,004
Regulatory Services	4,641	108,724	4,641	109,932	4,853	113,800
<b>Total</b>	<b>192,088</b>	<b>\$ 4,500,000</b>	<b>192,088</b>	<b>\$ 4,550,000</b>	<b>181,378</b>	<b>\$ 4,253,192</b>

The Mayor recommends that the Finance and Public Works Departments are directed to propose and implement a Citywide rate for rent that will encompass all funding sources and would include all City Hall tenants.

The proposal will include various options as compared to the current system of rent charges:

1. Average cost per square foot.
2. Average cost per square foot with additional space charges.
3. Fully-burdened costs.

The proposal will also include various methods of billing including:

1. Increasing Property Services budget accordingly, thereby decreasing budgets of tenant departments.
2. Having Property Services bill monthly/quarterly/annually for rent charges.

The Council approves the Mayor's recommendation and further approves the Citywide rate for rent proposal.

**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>SPECIAL REVENUE</u></b>					
<b><u>CPED OPERATING</u></b>					
CPED4	1,756,354	1,877,149	3,355,640	2,897,818	-13.64%
<b>Total CPED OPERATING</b>	<b>1,756,354</b>	<b>1,877,149</b>	<b>3,355,640</b>	<b>2,897,818</b>	<b>-13.6%</b>
<b><u>BOARD OF ESTIMATE AND TAXATION</u></b>					
BOARD OF ESTIMATE & TAXATION	55,566	57,510	58,660	10,000	-82.95%
<b>Total BOARD OF ESTIMATE AND TAXATION</b>	<b>55,566</b>	<b>57,510</b>	<b>58,660</b>	<b>10,000</b>	<b>-83.0%</b>
<b><u>CONVENTION CENTER OPERATIONS</u></b>					
CONVENTION CENTER	1,211,300	1,235,526	1,260,237	1,500,000	19.03%
<b>Total CONVENTION CENTER OPERATIONS</b>	<b>1,211,300</b>	<b>1,235,526</b>	<b>1,260,237</b>	<b>1,500,000</b>	<b>19.0%</b>
<b><u>PARK - GENERAL FUND</u></b>					
Park Board - 4	0	828,252	0		0.0%
<b>Total PARK - GENERAL FUND</b>	<b>0</b>	<b>828,252</b>	<b>0</b>		<b>0.0%</b>
<b><u>PARK - OPERATIONS - ENTERPRISE</u></b>					
Park Board - 4	0	25,000	0	25,000	0.0%
<b>Total PARK - OPERATIONS - ENTERPRISE</b>	<b>0</b>	<b>25,000</b>	<b>0</b>	<b>25,000</b>	<b>0.0%</b>
<b><u>MUNICIPAL BUILDING COMMISSION</u></b>					
MUNICIPAL BUILDING COMMISSION	45,000	45,000	45,000	46,000	2.22%
<b>Total MUNICIPAL BUILDING COMMISSION</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>	<b>46,000</b>	<b>2.2%</b>
<b>TOTAL SPECIAL REVENUE</b>	<b>3,068,220</b>	<b>4,068,437</b>	<b>4,719,537</b>	<b>4,478,818</b>	<b>-5.1%</b>

**CAPITAL PROJECT**

<b><u>CAPITAL IMPROVEMENTS</u></b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	0	0	1,057		-100.00%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	0	55,785	82,904	87,049	5.00%
9010000 - CAPITAL IMPROVEMENT	2,342,001	2,280,252	0	1,677,951	0.0%
<b>Total CAPITAL IMPROVEMENTS</b>	<b>2,342,001</b>	<b>2,336,037</b>	<b>83,961</b>	<b>1,765,000</b>	<b>2,002.2%</b>
<b><u>PARK - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	0	(22,897)	0		0.0%
9103000 - FORESTRY & TREE DIS CONTL	176	0	0		0.0%
<b>Total PARK - CAPITAL IMPROVEMENTS</b>	<b>176</b>	<b>(22,897)</b>	<b>0</b>		<b>0.0%</b>
<b><u>MBC - CAPITAL IMPROVEMENTS</u></b>					
9010000 - CAPITAL IMPROVEMENT	44,381	44,381	0		0.0%

**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b>Total MBC - CAPITAL IMPROVEMENTS</b>	<b>44,381</b>	<b>44,381</b>	<b>0</b>		<b>0.0%</b>
<b>TOTAL CAPITAL PROJECT</b>	<b>2,386,558</b>	<b>2,357,521</b>	<b>83,961</b>	<b>1,765,000</b>	<b>2,002.2%</b>
<b>INTERNAL SERVICE</b>					
<b>MATERIALS &amp; LAB-INTERNAL SVC</b>					
PW - TRANSPORTATION PLANNING AND ENGINEERING	5,555	5,749	5,864	153,000	2,509.14%
PW - ENG. MATERIALS & TESTING	157,157	160,218	163,422		-100.00%
<b>Total MATERIALS &amp; LAB-INTERNAL SVC</b>	<b>162,712</b>	<b>165,967</b>	<b>169,286</b>	<b>153,000</b>	<b>-9.6%</b>
<b>EQUIPMENT - INTERNAL SERVICE</b>					
PW - FLEET	565,132	814,884	587,536	811,000	38.03%
9010000 - CAPITAL IMPROVEMENT	0	0	29,452		-100.00%
<b>Total EQUIPMENT - INTERNAL SERVICE</b>	<b>565,132</b>	<b>814,884</b>	<b>616,988</b>	<b>811,000</b>	<b>31.4%</b>
<b>PROPERTY - INTERNAL SERVICE</b>					
PW - PROPERTY SERVICES	237,605	355,206	247,204	478,000	93.36%
9010000 - CAPITAL IMPROVEMENT	0	714	0		0.0%
<b>Total PROPERTY - INTERNAL SERVICE</b>	<b>237,605</b>	<b>355,920</b>	<b>247,204</b>	<b>478,000</b>	<b>93.4%</b>
<b>STORES - INTERNAL SERVICE</b>					
PW - ENG. MATERIALS & TESTING	121,261	122,802	125,258	164,000	30.93%
PW - TRAFFIC AND PARKING	58,951	61,014	62,235	82,000	31.76%
<b>Total STORES - INTERNAL SERVICE</b>	<b>180,212</b>	<b>183,816</b>	<b>187,493</b>	<b>246,000</b>	<b>31.2%</b>
<b>INFO TECH - INTERNAL SERVICE</b>					
BUSINESS INFORMATION SERVICES	200,517	204,527	208,618	536,000	156.93%
<b>Total INFO TECH - INTERNAL SERVICE</b>	<b>200,517</b>	<b>204,527</b>	<b>208,618</b>	<b>536,000</b>	<b>156.9%</b>
<b>SELF INSURANCE-INTERNAL SVC</b>					
ATTORNEY	5,726	36,931	37,699	131,000	247.49%
HUMAN RESOURCES	45,495	0	0	30,000	0.0%
FINANCE DEPARTMENT	0	0	0	53,000	0.0%
HEALTH AND WELFARE	0	22,527	22,978		-100.00%
WORKERS COMPENSATION	8,388	8,877	9,055		-100.00%
LIABILITY	7,386	0	0		0.0%
<b>Total SELF INSURANCE-INTERNAL SVC</b>	<b>66,995</b>	<b>68,335</b>	<b>69,732</b>	<b>214,000</b>	<b>206.9%</b>
<b>TOTAL INTERNAL SERVICE</b>	<b>1,413,173</b>	<b>1,793,449</b>	<b>1,499,321</b>	<b>2,438,000</b>	<b>62.6%</b>

**ENTERPRISE**



**SCHEDULE FOURTEEN  
GENERAL FUND OVERHEAD CHARGES**

	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change
<b><u>SANITARY SEWER FUND</u></b>					
SURFACE WATER & SEWERS	2,401,629	2,337,830	2,451,668	2,201,000	-10.22%
9010000 - CAPITAL IMPROVEMENT	0	109,555	0		0.0%
<b>Total SANITARY SEWER FUND</b>	<b>2,401,629</b>	<b>2,447,385</b>	<b>2,451,668</b>	<b>2,201,000</b>	<b>-10.2%</b>
<b><u>STORMWATER FUND</u></b>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	171,060	98,757	261,202	248,000	-5.05%
SURFACE WATER & SEWERS	1,207,202	1,141,338	1,344,672	1,274,000	-5.26%
9010000 - CAPITAL IMPROVEMENT	0	268,664	0		0.0%
<b>Total STORMWATER FUND</b>	<b>1,378,262</b>	<b>1,508,759</b>	<b>1,605,874</b>	<b>1,522,000</b>	<b>-5.2%</b>
<b><u>WATER - ENTERPRISE</u></b>					
PW - WATER TREATMENT & DISTR.	3,854,949	4,231,037	4,703,980	4,845,000	3.00%
9010000 - CAPITAL IMPROVEMENT	547,799	387,445	0		0.0%
<b>Total WATER - ENTERPRISE</b>	<b>4,402,748</b>	<b>4,618,482</b>	<b>4,703,980</b>	<b>4,845,000</b>	<b>3.0%</b>
<b><u>MUNICIPAL PARKING-ENTERPRISE</u></b>					
PW - TRAFFIC AND PARKING	0	1,401,419	1,422,408	1,492,000	4.89%
9010000 - CAPITAL IMPROVEMENT	0	48,095	0		0.0%
<b>Total MUNICIPAL PARKING-ENTERPRISE</b>	<b>0</b>	<b>1,449,514</b>	<b>1,422,408</b>	<b>1,492,000</b>	<b>4.9%</b>
<b><u>SOLID WASTE - ENTERPRISE</u></b>					
PW - SOLID WASTE	2,398,369	2,715,782	2,700,480	2,867,000	6.17%
<b>Total SOLID WASTE - ENTERPRISE</b>	<b>2,398,369</b>	<b>2,715,782</b>	<b>2,700,480</b>	<b>2,867,000</b>	<b>6.2%</b>
<b>TOTAL ENTERPRISE</b>	<b>10,581,008</b>	<b>12,739,922</b>	<b>12,884,410</b>	<b>12,927,000</b>	<b>0.3%</b>
<b>TOTAL ALL FUNDS</b>	<b>17,448,959</b>	<b>20,959,329</b>	<b>19,187,229</b>	<b>21,608,818</b>	<b>12.6%</b>

**City of Minneapolis  
FY 2009 Council Revised Budget**

**Capital Program**

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**City of Minneapolis**  
**2009 – 2013 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 2009 - 2013, there were 89 CBRs reviewed and rated. The total requested capital budget for the five years was \$529.2 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 2009-2013 CAPITAL IMPROVEMENT PLAN**

***Five-Year Capital Program Totals:*** For 2009 – 2013, the five-year capital program for City departments, independent boards and commissions totals \$521.7 million including all funding sources. The 2009 portion of this program is \$107.6 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 property tax supported funding indicated, this budget includes an accelerated infrastructure program of \$31.85 million over the five years to provide additional investment in paving projects, 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, net debt bonds and related assessments – see details later in the document. Park Board is receiving 10% of the new accelerated program funding because their assets are approximately 10% of the City’s total assets.

	2009	2010	2011	2012	2013	Totals
Paving	\$4.85	\$4.85	\$4.85	\$4.85	\$4.15	\$23.55
Lighting	\$1.06	\$1.06	\$1.06	\$1.06	\$1.06	\$5.30
Bike Trail Maintenance	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.50
Park Infrastructure	<u>\$0.50</u>	<u>\$0.50</u>	<u>\$0.50</u>	<u>\$0.50</u>	<u>\$0.50</u>	<u>\$2.50</u>
Total Accelerated Infrastructure Program	\$6.51	\$6.51	\$6.51	\$6.51	\$5.81	\$31.85

**Property Tax Supported – Public Works:** The 2009 budget includes \$12.47 million in property tax supported (NDB) funding for Public Works capital. Below is a summary of the 2009 -2013 NDB allocation for the Public Works infrastructure program, including some Park related assets.

	2009	2010	2011	2012	2013
<b>Net Debt Bond funding</b>	\$12.47	\$10.41	\$9.81	\$14.05	\$13.97

**Park Board Infrastructure Funding:** The 2009 budget includes \$2.14 million for Park Board Infrastructure improvements including \$1.5 million of Park capital levy dollars, \$.14 million of net debt bonds and \$.50 million of capital expansion funding. Also shown are \$2.99 million of net debt bonds, assessments 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 2009–2013 funding for park board capital improvements. The Park Capital Infrastructure line includes \$1.5 million of capital levy, \$.5 million of expansion funding and the balance for each year is net debt bonds.

	2009	2010	2011	2012	2013
Park Capital Infrastructure	\$2.14	\$2.35	\$2.40	\$2.00	\$2.00
Parkway Paving	\$2.71	\$0.16	\$0.16	\$0.71	\$0.71
Parkway Lighting	<u>\$0.29</u>	<u>\$0.30</u>	<u>\$0.30</u>	<u>\$0.30</u>	<u>\$0.30</u>
Total Park Board Capital Improvements	\$5.14	\$2.81	\$2.86	\$3.01	\$3.01

**Property Tax Supported – Miscellaneous and BIS Technology Projects:** The 2009 budget includes \$4.50 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 impact the City’s capacity to maintain and improve the transportation network. These categories utilize 22.3% of the available net debt bond funds in the five-year plan. Below is a summary of the 2009 -2013 net debt funding for miscellaneous and technology projects.

	2009	2010	2011	2012	2013
<b>Net Debt Bond funding</b>	\$4.50	\$3.21	\$5.28	\$3.42	\$3.91

**Utility Fee Supported Capital:** The 2009 - 2013 budget includes funding for additional water and sewer related infrastructure expenditures. The utility rates proposed for 2009 – 2013 are higher than last year’s adopted plan primarily due to increasing the inflation assumption for future operating cost increases from 3% to 4% to reflect the unique cost increases in these activities. 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 25 points out of 310 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 \$1.146 billion at 12/31/2007 to \$1.094 billion at 12/31/2008.**

### **2008 Bond & Note Issuances – amounts in thousands**

In 2008, the City of Minneapolis issued bonds & notes totaling \$76,513. Of this amount, \$12,360 was issued to refund existing debt. Below are details of the 2008 debt issuances.

In March 2008, the City issued \$2,770 of General Obligation Tax Increment Bonds (Midtown Exchange), Series 2008 to finance certain public redevelopment costs associated with Midtown Exchange mixed-use redevelopment project. The bonds were used to provide financial assistance to the developer of the rental housing component of the project. The bonds are tax exempt and were issued in fixed rate mode with interest rates ranging from 4.00% to 5.00% and a final maturity date of March 1, 2032.

In March 2008, the City also issued \$12,360 of Taxable General Obligation Tax Increment Refunding Bonds (Laurel Village), Series 2008. Proceeds of the refunding bonds were used to advance refund \$11,880 of principal for the General Obligation Tax Increment Refunding Bonds, Series 2003 (Laurel Village) leaving \$7,100 of the 2003 series outstanding. This refunding was not performed for interest savings but rather to convert a portion of the outstanding debt from tax exempt to taxable mode to be in compliance with IRS regulations. The taxable bonds were issued in fixed rate mode and had interest rates ranging from 4.00% to 4.85% and a final maturity date of March 1, 2018.

In May 2008, the City issued \$38,810 of General Obligation Various Purpose Bonds, Series 2008 to support the five-year capital plan. These bonds were issued for a variety of public works infrastructure improvements, park, library, municipal building commission, technology and sewer, water and parking ramp improvements. The 2008 Series, Various Purpose Bonds were issued in fixed rate mode and had interest rates ranging from 4.00% to 5.00% and a final maturity date of December 1, 2015.

In May 2008, the City also issued \$11,605 of General Obligation Library Bonds, Series 2008 to provide resources for improvements to Community Libraries as part of a voter approved referendum in the fall of 2000. With this issuance, the City has completed its commitment of \$110 million for the Central Library and \$30 million for the community library system. The Minneapolis Public Library system was transferred to Hennepin County effective January 1, 2008. As part of the merger agreement, the city is obligated to provide a prescribed level of funding through 2011 for improvements to the previously city owned libraries. The Library bonds were issued in fixed rate mode and had interest rates ranging from 3.00% to 3.50% and a final maturity date of December 1, 2016,

In November 2008, the City issued \$7,725 of General Obligation Improvement Bonds, Series 2008 for construction of various special assessment projects including street reconstruction, renovation and resurfacing, alley improvements, streetscape improvements and areaway removals. The Improvement Bonds were issued in fixed rate mode and had interest rates ranging from 3.25% to 4.75% and a final maturity date of December 1, 2028.

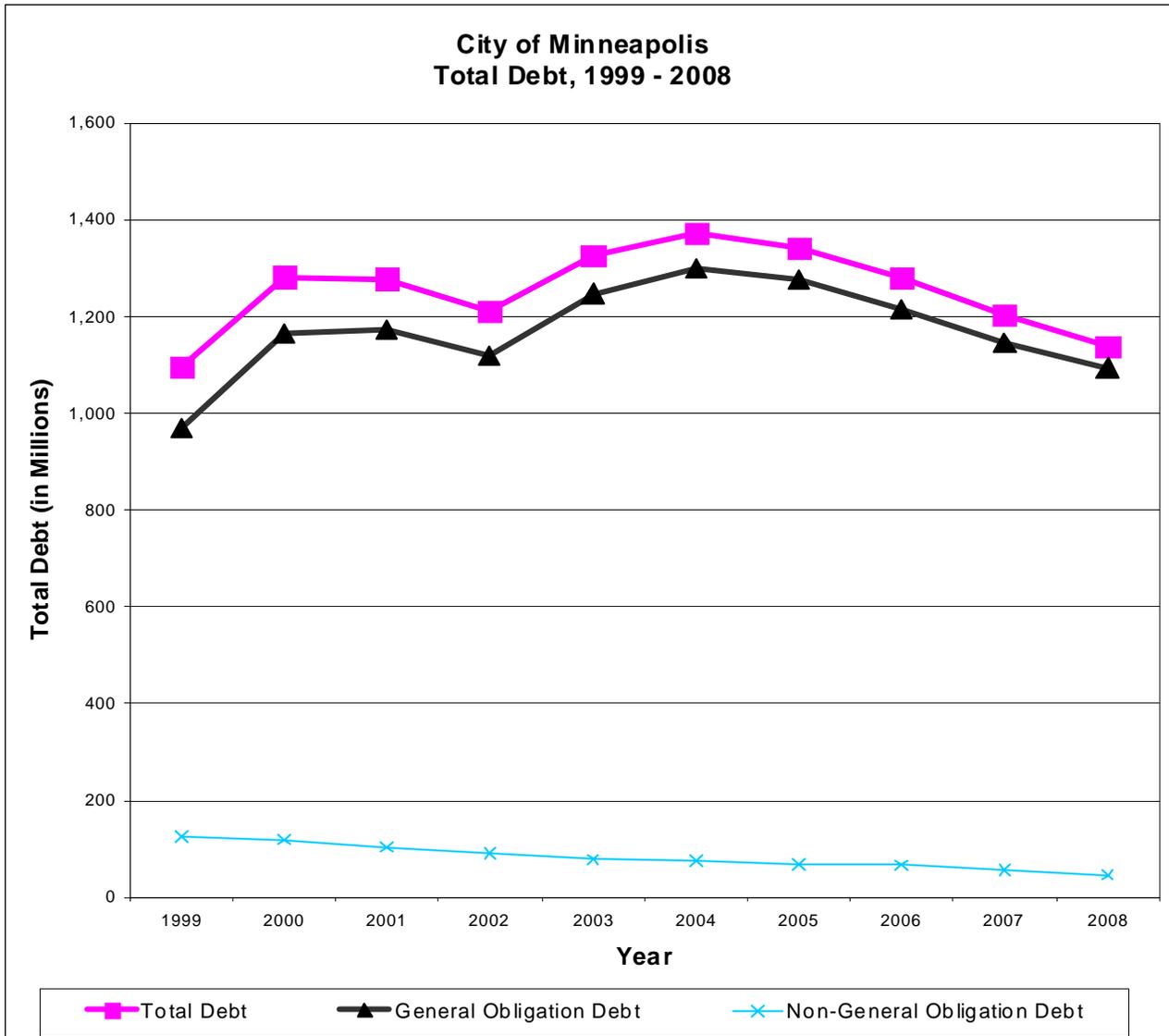
### **2008 Notes Issued**

In December 2006, the City issued a \$13,500 General Obligation Water Revenue Note to the Minnesota Public Facilities Authority as part of a federally sponsored below market financing program related to the Safe Drinking Water Act. The note subsidy program is being used to finance construction of two ultrafiltration water plants. The subsidized interest rate is 2.60% with a final maturity date of August 20, 2026. During 2008, the City received additional note proceeds of \$3,243 to reimburse project expenses. With principal payments and new draws, this note had an ending balance at December 31, 2008 of \$7,744. At December 31, 2008, the outstanding debt on the four notes in this program was \$68,294.

## Debt Trends

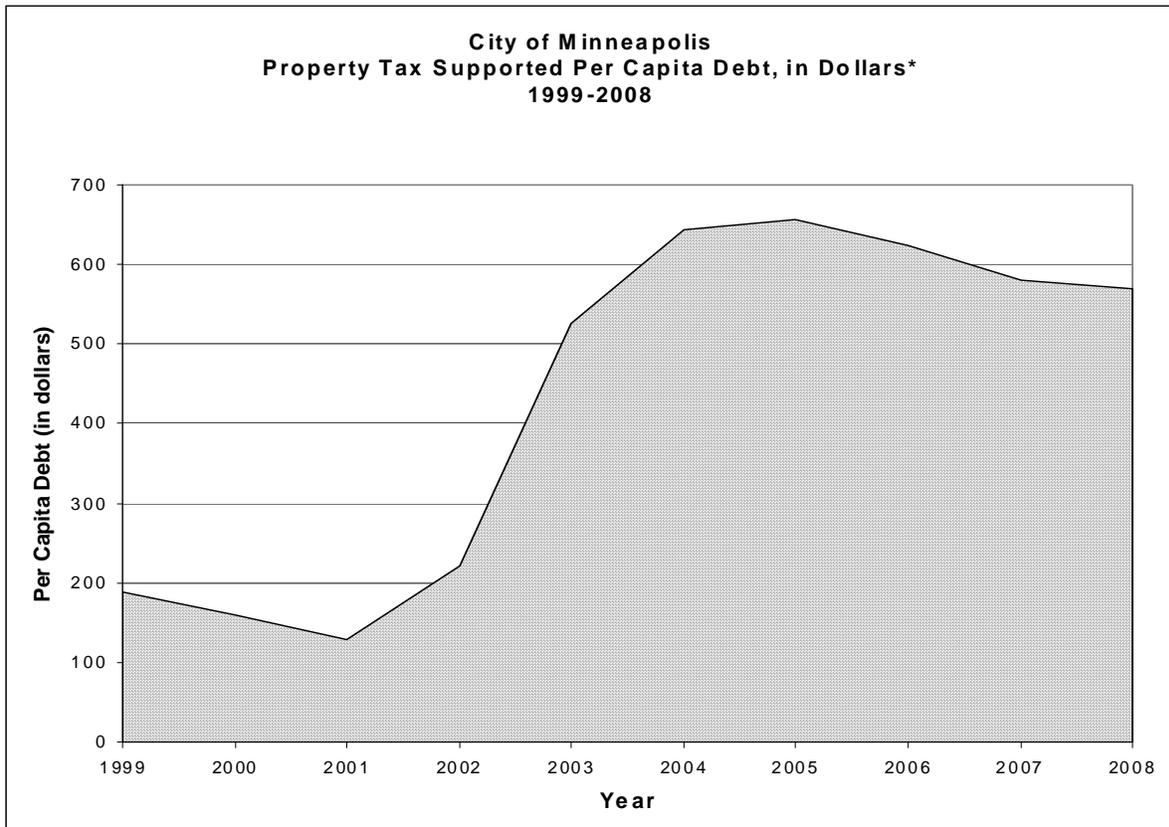
Management of the City's debt involves consideration not only of the absolute amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures. For purposes of the charts below, Mortgage Revenue bonds and General Agency Reserve Fund System bonds of CPED are not included as City Debt.

The accompanying chart shows a ten-year history of the total City debt level for years 1999 - 2008. 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 1998 through 2001. Part of the reduction in 2000 is due to the census revision in the reported population from 358,610 to 382,618. From 2002 - 2005, the City issued significant tax supported debt to fund the Library Referendum capital program and to pay unfunded pension obligations for the City's three closed pension funds - the Minneapolis Police Relief Association (MPRA), Minneapolis Fire Relief Association (MFRA) and Minneapolis Employee Retirement Fund (MERF) resulting in a spike in the debt per capita. 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.

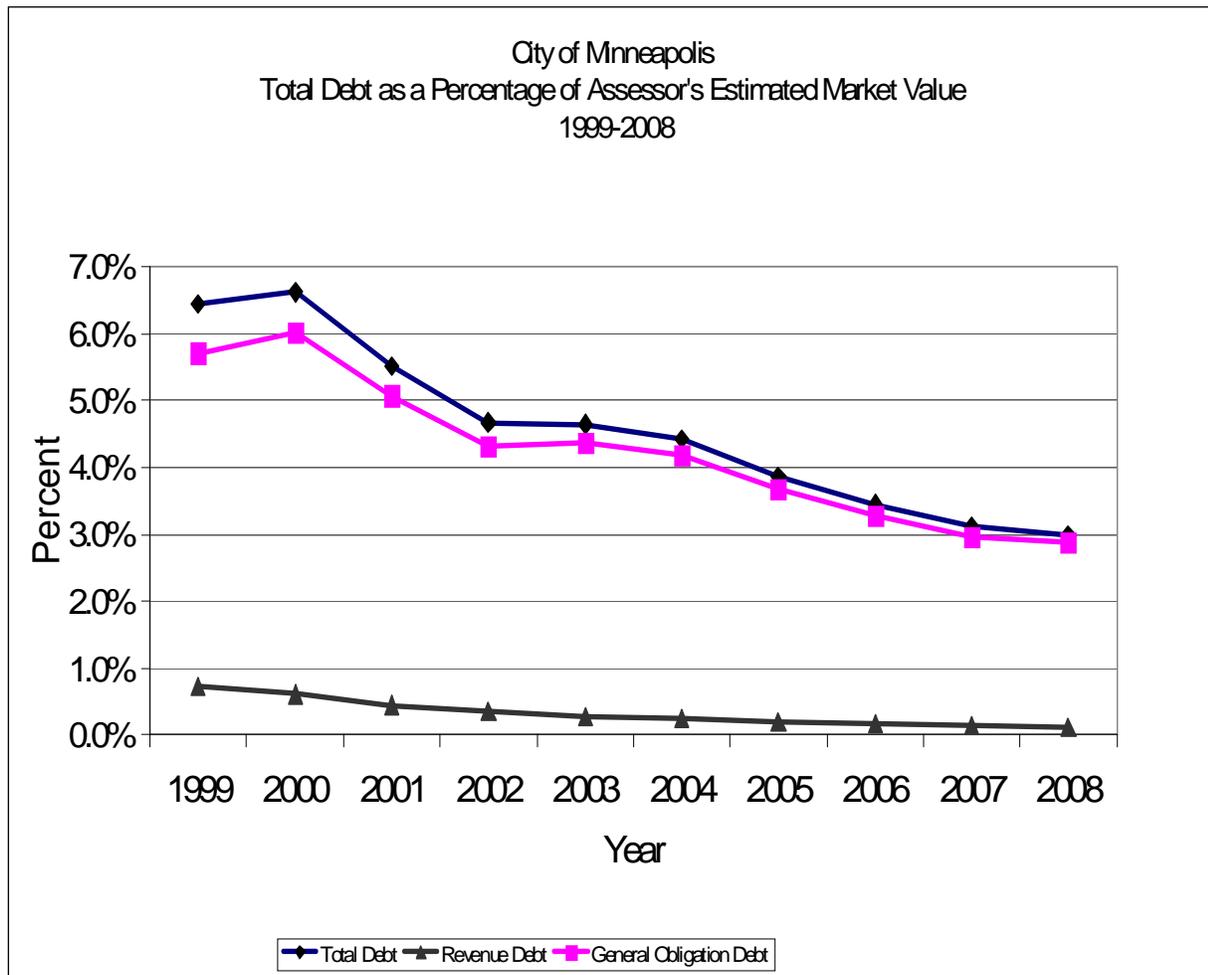


## DEBT CAPACITY – TOTAL DEBT

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 in 2008, 0.1 percent lower than the previous year and the Total Debt applicable to this calculation declined by approximately \$62 million during the last year.*

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 \$1.14 billion by the end of 2008, a \$230 million decrease. Property valuations grew during the 2004 – 2007 period continuing the favorable trend line.



**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, 2008.

	Dollars in Thousands
Real Property (2008 Market Value)	\$ 38,254,250
Personal Property (2008 Market Value)	391,881
Adjustment for Exempt Personal Property (1966 Market Value)	298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution	241,645
Total Assessed Value	39,185,806
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	\$ 1,306,194
General Obligation Bonds Subject to Debt Limit:	
Supported by Property Tax Levy	247,525
Supported by Special Assessments:	
Park Diseased Trees	1,080
Self-Supporting (Supported by Internal User Charges):	
Management Information Systems	34,415
Park Board - Land acquisitions & athletic field development	10,170
Public Works Fleet and Equipment	29,835
Property Fund	7,415
Self-Insurance Fund	-
Total General Obligation Bonds Subject to Debt Limit	330,440
Less: Estimated Assets in Debt Service Fund at 12/31/08	(27,668)
Total Debt Applicable to Debt Limit	302,772
Legal Margin for New Bonds Subject to Debt Limit	\$ 1,003,422

## SUMMARY OF OUTSTANDING CITY DEBT

Long-term liabilities at December 31, 2008 are detailed below.

	Balance 1/1/2008	Additions	Retirements	Balance 12/31/2008	Amounts Due Within One Year
Governmental activities:					
<u>Bonds and Notes</u>					
Property Tax Supported GO Bonds*	\$ 248,305	\$ 28,970	\$ 29,750	\$ 247,525	\$ 17,750
Self Supporting GO Bonds	242,400	-	8,425	233,975	8,810
GO Improvement Bonds	44,435	8,225	5,850	46,810	6,120
Tax Increment GO Bonds	166,210	15,130	25,370	155,970	10,555
Revenue Bonds	56,306	-	10,659	45,647	9,667
Revenue Notes	22,734	-	443	22,291	465
Internal Service Fund Related GO Bonds	76,035	1,560	5,930	71,665	11,220
Total Governmental Bonds and Notes	856,425	53,885	86,427	823,883	64,587
Business-type activities:					
<u>Bonds and Notes</u>					
Stormwater Fund GO Bonds	33,620	3,635	8,620	28,635	7,096
Sanitary Sewer Fund GO Bonds	6,036	5,500	1,200	10,336	1,689
Water Fund GO Bonds	24,177	10,250	5,630	28,797	4,926
Water Fund GO Note	66,351	3,243	1,300	68,294	1,925
Municipal Parking Fund GO Bonds	238,150	-	36,025	202,125	16,065
CPED Related Non GO Fund					
General Agency Reserve Fund System	63,695	-	2,965	60,730	2,455
Revenue Notes	838	-	120	718	127
Total Bonds and Notes	432,867	22,628	55,860	399,635	34,283
Grand Total Bonds & Notes	\$ 1,289,292	\$ 76,513	\$ 142,287	\$ 1,223,518	\$ 98,870

\* - 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, 2008 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:				
2009	\$ 52,902	\$ 60,981	\$ 465	\$ 576
2010	41,610	32,894	537	551
2011	38,585	30,985	3,072	472
2012	38,600	29,172	708	374
2013	37,921	27,338	447	338
2014 – 2018	203,220	110,569	2,632	1,334
2019 – 2023	192,779	56,444	3,250	682
2024 – 2028	100,730	18,328	1,410	106
2029 – 2032	23,580	2,102	9,770	18
	<u>729,927</u>	<u>368,813</u>	<u>22,291</u>	<u>4,451</u>

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
	Principal	Interest	Principal	Interest
Dec 31:				
2009	11,220	3,340	64,587	64,897
2010	11,205	2,825	53,352	36,270
2011	11,770	2,304	53,427	33,761
2012	11,345	1,755	50,653	31,301
2013	3,010	1,224	41,378	28,900
2014 – 2018	15,275	4,080	221,127	115,983
2019 – 2023	7,840	769	203,869	57,895
2024 – 2028	-	-	102,140	18,434
2029 – 2032	-	-	33,350	2,120
	<u>\$ 71,665</u>	<u>\$ 16,297</u>	<u>\$ 823,883</u>	<u>\$ 389,561</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, 2008, 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					
2009	\$	32,966	\$	18,400	\$	2,052	\$	2,047	\$	35,018	\$	20,447
2010		31,020		16,972		2,161		1,987		33,181		18,959
2011		28,906		15,626		3,419		1,923		32,325		17,549
2012		26,530		14,530		3,273		1,826		29,803		16,356
2013		21,255		13,526		3,512		1,736		24,767		15,262
2014 – 2018		76,172		47,936		23,201		7,173		99,373		55,109
2019 – 2023		43,615		26,836		29,894		3,064		73,509		30,738
2024 – 2028		46,920		13,631		1,500		78		48,420		13,709
2029 – 2033		20,385		4,304		-		-		20,385		4,304
2034 – 2035		2,854		272		-		-		2,854		272
<b>Total</b>	<b>\$</b>	<b>330,623</b>		<b>172,033</b>	<b>\$</b>	<b>69,012</b>	<b>\$</b>	<b>19,834</b>	<b>\$</b>	<b>399,635</b>	<b>\$</b>	<b>192,705</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.

**CITY OF MINNEAPOLIS  
FIVE-YEAR CAPITAL INVESTMENT ALLOCATION  
COUNCIL REVISED BUDGET**

<b>COMMISSION/BOARD/DEPARTMENT</b>	<b>2009-2013 TOTAL*</b>	<b>PERCENT OF TOTAL</b>
	(in thousands)	
MUNICIPAL BUILDING COMMISSION	4,283	0.8%
LIBRARY COMMITMENTS TO HENNEPIN COUNTY	11,905	2.3%
PARK BOARD	13,391	2.6%
PUBLIC WORKS DEPARTMENT		
- FACILITY IMPROVEMENTS	6,909	1.3%
- STREET PAVING	140,155	26.9%
- SIDEWALK PROGRAM	14,400	2.8%
- HERITAGE PARK INFRASTRUCTURE	700	0.1%
- BRIDGES	32,074	6.1%
- TRAFFIC CONTROL & STREET LIGHTING	35,042	6.7%
- BIKE TRAILS	9,144	1.8%
- STORMWATER SEWERS	70,774	13.6%
- SANITARY SEWERS	36,976	7.1%
- WATER	118,850	22.8%
- PARKING	6,800	1.3%
PUBLIC WORKS DEPARTMENT TOTAL	471,824	90.4%
TECHNOLOGY PROJECTS	4,772	0.9%
MISCELLANEOUS PROJECTS	15,539	3.0%
<b>TOTAL COUNCIL REVISED CAPITAL PROGRAM</b>	<b>521,714</b>	<b>100.0%</b>

\* - Represents the total Five-Year Council Revised Capital Budget from all City funding sources for projects where the City is the lead agency.

## CITY OF MINNEAPOLIS FIVE-YEAR CAPITAL FUNDING SUMMARY COUNCIL REVISED BUDGET

GENERAL INFRASTRUCTURE IMPROVEMENTS FUNDING SUMMARY BY YEAR				NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009				20,050	8,591	12,050	19,129	59,820	5,257
2010				16,665	6,930	11,305	21,510	56,410	800
2011				17,365	2,689	8,755	27,873	56,682	3,567
2012				18,310	5,033	9,200	26,795	59,338	21,840
2013				18,675	12,534	10,625	14,230	56,064	800
<b>Total General Infrastructure Improvements</b>				<b>91,065</b>	<b>35,777</b>	<b>51,935</b>	<b>109,537</b>	<b>288,314</b>	<b>32,264</b>

ENTERPRISE FUND CAPITAL* FUNDING SUMMARY BY YEAR	ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	32,676	8,420				6,713	47,809	0
2010	34,600	8,654				14,515	57,769	0
2011	35,252	8,520				10,525	54,297	0
2012	28,400	8,635				5,000	42,035	0
2013	16,270	10,220				5,000	31,490	0
<b>Total Enterprise Fund Capital</b>	<b>147,198</b>	<b>44,449</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,753</b>	<b>233,400</b>	<b>0</b>

\* - Enterprise funds include Stormwater & Sanitary Sewers, Water & Parking.

CONSOLIDATED CITY-WIDE CAPITAL FUNDING SUMMARY BY YEAR	ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	32,676	8,420	20,050	8,591	12,050	25,842	107,629	5,257
2010	34,600	8,654	16,665	6,930	11,305	36,025	114,179	800
2011	35,252	8,520	17,365	2,689	8,755	38,398	110,979	3,567
2012	28,400	8,635	18,310	5,033	9,200	31,795	101,373	21,840
2013	16,270	10,220	18,675	12,534	10,625	19,230	87,554	800
<b>Total City-Wide Capital - All Sources</b>	<b>147,198</b>	<b>44,449</b>	<b>91,065</b>	<b>35,777</b>	<b>51,935</b>	<b>151,290</b>	<b>521,714</b>	<b>32,264</b>

Funding Breakdown by Major Revenue Sources      28.21%      8.52%      17.45%      6.86%      9.95%      29.00%      100.00%  
(City Funding & Grant Sources where the City is the lead agency)

# ACCELERATED INFRASTRUCTURE PROGRAM

## COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE*	NDB	MSA	ASSM	OTHER**	CITY TOTAL	NON APPROP
2009		Enhanced Pavement Mgmt &	3,000	0	1,000	700	4,700	0
2010		Resurfacing Program	0	0	1,000	3,700	4,700	0
2011		- Arterial Resurfacing	0	0	1,000	3,700	4,700	0
2012		- Preventive Maintenance	0	0	1,000	3,700	4,700	0
2013		- Concrete St & Alley rehab	0	0	1,000	3,000	4,000	0
<b>Total</b>			<b>3,000</b>	<b>0</b>	<b>5,000</b>	<b>14,800</b>	<b>22,800</b>	<b>0</b>
2009		Signal/Street Light Pole	900	0	0	0	900	0
2010		Replacement & Painting	0	0	0	900	900	0
2011		- Signal/Light Pole replacement	0	0	0	900	900	0
2012		- Painting of Signal/ Light Poles	0	0	0	900	900	0
2013		on arterial streets	0	0	0	900	900	0
<b>Total</b>			<b>900</b>	<b>0</b>	<b>0</b>	<b>3,600</b>	<b>4,500</b>	<b>0</b>
2009		Bike Trail Maintenance	0	0	0	100	100	0
2010		- general maintenance	0	0	0	100	100	0
2011		- preventive maintenance program	0	0	0	100	100	0
2012		of crack repair & surface sealing	0	0	0	100	100	0
2013			0	0	0	100	100	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>0</b>
2009		Parkway Paving - Expanded	150	0	0	0	150	0
2010		Program	0	0	0	150	150	0
2011		- expansion of the net debt program	0	0	0	150	150	0
2012		identified as PV001	0	0	0	150	150	0
2013			0	0	0	150	150	0
<b>Total</b>			<b>150</b>	<b>0</b>	<b>0</b>	<b>600</b>	<b>750</b>	<b>0</b>
2009		Parkway Street Light	150	0	10	0	160	0
2010		Replacement - Expanded Pgm	0	0	10	150	160	0
2011		- expansion of the net debt program	0	0	10	150	160	0
2012		identified as TR008	0	0	10	150	160	0
2013			0	0	10	150	160	0
<b>Total</b>			<b>150</b>	<b>0</b>	<b>50</b>	<b>600</b>	<b>800</b>	<b>0</b>
2009		Park Capital Infrastructure -	0	0	0	500	500	0
2010		Expanded Program	0	0	0	500	500	0
2011		- per Park priorities	0	0	0	500	500	0
2012		(Amount represents 10% of new City	0	0	0	500	500	0
2013		capital resources)	0	0	0	500	500	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>2,500</b>	<b>0</b>

\* These project titles convey the general programs that will be expanded. The detailed projects receiving accelerated funding are shown in various projects for Park Board, Public Works Street Paving, Traffic Control & Street Lighting and Bike Trails.

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	4,200	0	1,010	1,300	6,510	0
<b>2010</b>	0	0	1,010	5,500	6,510	0
<b>2011</b>	0	0	1,010	5,500	6,510	0
<b>2012</b>	0	0	1,010	5,500	6,510	0
<b>2013</b>	0	0	1,010	4,800	5,810	0
<b>Total Accelerated Infrastructure</b>	<b>4,200</b>	<b>0</b>	<b>5,050</b>	<b>22,600</b>	<b>31,850</b>	<b>0</b>

\*\* Primary funding for the capital expansion program is coming from Hilton Trust fund resources.



## 2009 - 2013 Council Revised Capital Resources For Property Tax Supported Infrastructure Improvements

<b>Recommended Resources by Category</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Totals</b>
						<b>(000's)</b>
<b>Available Resources - Base Program:</b>						
Net Debt Bond (NDB) Authorizations	17,250	17,600	17,950	18,310	18,675	89,785
Prior Year Adjustments made by Mayor and Council*	-1,400	-935	-585	0	0	-2,920
<b>2009 - 2013 Council Revised NDB Resources</b>	<b>15,850</b>	<b>16,665</b>	<b>17,365</b>	<b>18,310</b>	<b>18,675</b>	<b>86,865</b>
<b>Accelerated Infrastructure Program:</b>						
Net Debt Bonds	4,200					4,200
Hilton Trust Funds	1,300	5,500	5,500	5,500	4,800	22,600
Assessment Funds	1,010	1,010	1,010	1,010	1,010	5,050
<b>Total Accelerated Infrastructure Program</b>	<b>6,510</b>	<b>6,510</b>	<b>6,510</b>	<b>6,510</b>	<b>5,810</b>	<b>31,850</b>
<b>2009 - 2013 Council Revised Capital Resources</b>	<b>22,360</b>	<b>23,175</b>	<b>23,875</b>	<b>24,820</b>	<b>24,485</b>	<b>118,715</b>

Notes:

\* - Adjustments represent dollars advanced to or from projects in the Capital programs for prior years.

This resource summary represents the City's commitment for General Infrastructure assets. General Infrastructure assets include parks, public buildings, streets, bridges, bike trails, traffic signals and any other capital assets that are used for providing basic city services.

### 2009 Bond Redemption Levy for Capital Program

	<b>Amount</b>	<b>Notes</b>
	<b>(000's)</b>	
Tax Levy Certified for Bond Redemption in 2008	18,355	For supporting Capital Program only
Bond Redemption Levy Increase for 2009 - 2025	1,660	Includes Prior Year Debt Commitments
Bond Redemption Levy Increase for 2009 only	2,229	One-time increase
<b>Tax Levy Certified for Bond Redemption in 2009</b>	<b>22,244</b>	For supporting New Capital Programs & Debt Service

## Property Tax Supported Capital Allocation - Council Revised Budget Net Debt Bonds Summarized by Major Type of Infrastructure

Description of Category	2009	2010	2011	2012	2013	Totals
	Amounts in thousands					
Municipal Building Commission - City Hall	800	800	840	840	800	4,080
Percentage allocated to MBC	4.0%	4.8%	4.8%	4.6%	4.3%	4.5%
Library Commitment to Hennepin County Library System	2,130	1,900	1,040	0	0	5,070
Percentage allocated to Libraries*	10.6%	11.4%	6.0%	0.0%	0.0%	5.6%
Park Board Capital Program**	141	350	400	0	0	891
Percentage allocated to Park Board	0.7%	2.1%	2.3%	0.0%	0.0%	1.0%
<b>Public Works Department</b>						
Facility Improvements	1,200	700	1,950	1,659	1,400	6,909
Street Paving	8,255	4,351	3,419	8,775	9,375	34,175
Sidewalk Program	195	205	215	225	235	1,075
Heritage Park	0	200	500	0	0	700
Bridges	300	2,195	2,465	2,270	1,290	8,520
Traffic Control & Street Lighting	2,271	1,000	1,259	1,125	820	6,475
Bike Trails	255	1,754	0	0	850	2,859
Subtotal Public Works	12,476	10,405	9,808	14,054	13,970	60,713
Percentage allocated to Public Works	62.2%	62.4%	56.5%	76.8%	74.8%	66.7%
BIS Technology Projects	1,500	1,000	700	700	872	4,772
	7.5%	6.0%	4.0%	3.8%	4.7%	5.2%
Miscellaneous Projects	3,003	2,210	4,577	2,716	3,033	15,539
	15.0%	13.3%	26.4%	14.8%	16.2%	17.1%
Percentage allocated to City Departments	84.7%	81.7%	86.9%	95.4%	95.7%	89.0%
<b>Grand Total - Property Tax Supported Capital</b>	<b>20,050</b>	<b>16,665</b>	<b>17,365</b>	<b>18,310</b>	<b>18,675</b>	<b>91,065</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 - see Park Board funding details later in the document.

**CITY OF MINNEAPOLIS  
2009 - 2013 COUNCIL REVISED CAPITAL BUDGET**

<b>Project ID</b>	<b>Project Title</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>TOTAL</b>
							<b>(in thousands)</b>
<b>MUNICIPAL BUILDING COMMISSION</b>							
MBC01	Life Safety Improvements	300	300	340	340	300	<b>1,580</b>
MBC02	Mechanical Systems Upgrade	500	500	500	500	500	<b>2,500</b>
MBC04	MBC Elevators	95	0	0	0	0	<b>95</b>
MBC06	Clock Tower Upgrade	0	0	0	0	0	<b>0</b>
MBC09	Critical Power Capital Project	0	0	0	0	0	<b>0</b>
MBC10	City Hall Green Roof (actual amount is \$107,500)	108	0	0	0	0	<b>108</b>
CTY01	Restoration of Historic Reception Room	0	0	0	0	0	<b>0</b>
<b>Total Municipal Building Commission</b>		<b>1,003</b>	<b>800</b>	<b>840</b>	<b>840</b>	<b>800</b>	<b>4,283</b>
<b>LIBRARY COMMITMENT TO HENNEPIN COUNTY LIBRARY SYSTEM</b>							
Funding Commitments by Year		<b>5,055</b>	<b>5,810</b>	<b>1,040</b>	<b>0</b>	<b>0</b>	<b>11,905</b>
<b>PARK BOARD</b>							
PRK16	Parkway and Adjacent Parkland Lighting Replacement	0	0	0	0	0	<b>0</b>
PRK18	Folwell Parking Lot Improvement	0	0	0	0	0	<b>0</b>
PRK19	Phillips Pool & Gym Building Improvements	0	0	0	0	0	<b>0</b>
PRK20	Farview Lot, Trail, Court and Lighting Improvements	0	0	0	0	0	<b>0</b>
PRK21	Pedestrian Bridges	141	350	400	0	0	<b>891</b>
PRKCP	Park Capital Infrastructure	2,000	2,000	2,000	2,000	2,000	<b>10,000</b>
PRKDT	Diseased Tree Removal	500	500	500	500	500	<b>2,500</b>
<b>Total Park Board</b>		<b>2,641</b>	<b>2,850</b>	<b>2,900</b>	<b>2,500</b>	<b>2,500</b>	<b>13,391</b>
<b>PUBLIC WORKS DEPARTMENT</b>							
<b>FACILITY IMPROVEMENTS</b>							
PSD01	Facilities - Repair and Improvements	900	400	1,200	1,159	900	<b>4,559</b>
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	0	0	250	0	0	<b>250</b>
PSD11	Energy Conservation and Emissions Reduction	300	300	500	500	500	<b>2,100</b>
<b>Total Facility Improvements</b>		<b>1,200</b>	<b>700</b>	<b>1,950</b>	<b>1,659</b>	<b>1,400</b>	<b>6,909</b>
<b>STREET PAVING</b>							
PV001	Parkway Paving	2,710	160	160	710	710	<b>4,450</b>
PV003	Street Renovation Program	2,480	3,055	3,755	8,330	1,390	<b>19,010</b>
PV004	CSAH Paving Program	975	1,070	1,525	1,600	1,525	<b>6,695</b>
PV005	Snelling Ave Extension	0	0	0	1,200	0	<b>1,200</b>
PV006	Alley Renovation	250	486	599	250	250	<b>1,835</b>
PV007	University Research Park/Central Corridor	500	0	7,000	7,550	475	<b>15,525</b>
PV008	I-35W & Lake St Interchange Reconstruct Phase 4	125	80	0	0	0	<b>205</b>
PV019	6th Ave N (5th St N to Dead End N of Wash Ave)	0	0	0	0	0	<b>0</b>
PV021	33rd Ave SE and Talmage Avenue	0	0	0	0	0	<b>0</b>
PV028	Franklin/Cedar/Minnehaha Improvement Project	0	0	910	0	0	<b>910</b>
PV029	Chicago Ave S (8th St S to 28th St E)	9,565	9,275	0	0	0	<b>18,840</b>
PV035	TH121/Lyndale Ave S	0	0	0	0	4,830	<b>4,830</b>
PV038	Winter St NE Residential/Commercial	0	0	0	0	4,480	<b>4,480</b>
PV041	Glenwood Ave (2nd Ave N) Reconstruction	800	0	0	0	0	<b>800</b>
PV047	3rd Ave N Reconstruction	495	790	0	0	0	<b>1,285</b>
PV049	1st Ave One-way to Two-way (1st to 9th St S)	1,260	0	0	0	0	<b>1,260</b>
PV050	Hennepin Ave One-way to Two-way(1st to 12th St S)	895	0	0	0	0	<b>895</b>
PV056	Asphalt Pavement Resurfacing Program	5,225	5,225	5,225	5,225	5,225	<b>26,125</b>
PV057	Nicollet Ave (31st St E to 40th St E)	0	0	0	0	9,020	<b>9,020</b>
PV058	Cottage Park Traffic Calming	90	0	0	0	0	<b>90</b>
PV059	Major Pavement Maintenance	700	1,000	1,000	1,000	800	<b>4,500</b>

**CITY OF MINNEAPOLIS  
2009 - 2013 COUNCIL REVISED CAPITAL BUDGET**

<b>Project ID</b>	<b>Project Title</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>TOTAL</b>
							<b>(in thousands)</b>
<b>STREET PAVING - continued</b>							
PV060	Central Corridor Light Rail Transit Study	700	0	0	0	0	<b>700</b>
PV00R	Reimbursable Paving Projects	3,500	3,500	3,500	3,500	3,500	<b>17,500</b>
<b>Total Street Paving Projects</b>		<b>30,270</b>	<b>24,641</b>	<b>23,674</b>	<b>29,365</b>	<b>32,205</b>	<b>140,155</b>
<b>SIDEWALK PROGRAM</b>							
SWK01	Defective Hazardous Sidewalks/Complete Gaps	<b>2,605</b>	<b>2,735</b>	<b>2,880</b>	<b>3,020</b>	<b>3,160</b>	<b>14,400</b>
<b>HERITAGE PARK INFRASTRUCTURE</b>							
CDA01	Heritage Park Redevelopment Project	<b>0</b>	<b>200</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>700</b>
<b>BRIDGES</b>							
BR101	Major Bridge Repair and Rehabilitation	300	300	300	300	400	<b>1,600</b>
BR105	Fremont Ave S Bridge	0	0	0	1,800	0	<b>1,800</b>
BR109	Camden Bridge Rehabilitation	0	4,204	0	0	0	<b>4,204</b>
BR110	St. Anthony Bridge over BNSF	0	0	10,207	250	0	<b>10,457</b>
BR111	10th Ave SE Bridge Arch Rehabilitation	0	0	0	6,700	0	<b>6,700</b>
BR112	Nicollet Ave Reopening	0	0	0	0	5,723	<b>5,723</b>
BR114	Midtown Corridor Bridge Preservation Program	0	0	0	1,400	190	<b>1,590</b>
<b>Total Bridge Projects</b>		<b>300</b>	<b>4,504</b>	<b>10,507</b>	<b>10,450</b>	<b>6,313</b>	<b>32,074</b>
<b>TRAFFIC CONTROL &amp; STREET LIGHTING</b>							
TR003	LED Replacement Program	200	50	0	200	200	<b>650</b>
TR005	Controller Conversion	0	0	3,530	3,530	0	<b>7,060</b>
TR006	Priority Vehicle Control System	0	0	0	0	0	<b>0</b>
TR007	Traffic & Pedestrian Safety Improvements	586	461	458	850	920	<b>3,275</b>
TR008	Parkway Street Light Replacement	291	300	300	300	300	<b>1,491</b>
TR010	Traffic Management Systems	3,567	3,697	525	525	0	<b>8,314</b>
TR011	City Street Light Renovation	1,000	1,000	1,000	1,000	1,000	<b>5,000</b>
TR013	Railroad Crossing Safety Improvements	1,574	448	551	933	491	<b>3,997</b>
TR014	LRT TOD Improvements	400	0	0	0	0	<b>400</b>
TR015	Safe Routes to School	50	50	50	50	50	<b>250</b>
TR017	Pedestrian Signals with Count-down Timers	0	30	0	0	0	<b>30</b>
TR018	Ballpark Area Pedestrian Improvements	1,575	0	0	0	0	<b>1,575</b>
TR019	Hiawatha LRT Signal Improvements	0	0	0	0	0	<b>0</b>
TR00R	Reimbursable Transportation Projects	600	600	600	600	600	<b>3,000</b>
<b>Total Traffic Control &amp; Street Lighting Projects</b>		<b>9,843</b>	<b>6,636</b>	<b>7,014</b>	<b>7,988</b>	<b>3,561</b>	<b>35,042</b>
<b>BIKE TRAILS</b>							
BIK04	18th Ave NE Bikeway	0	2,125	0	0	0	<b>2,125</b>
BIK06	University of Minnesota Trail - Phase III	2,175	0	0	0	0	<b>2,175</b>
BIK13	RiverLake Greenway (East of I-35W)	0	2,099	0	0	0	<b>2,099</b>
BIK20	Hiawatha LRT Trail Lighting/Trail Extension	0	0	0	0	2,120	<b>2,120</b>
BIK21	26th Ave N Bikeway Study	25	0	0	0	0	<b>25</b>
BIK22	18th Ave NE Bike Striping - Monroe to Stinson	50	0	0	0	0	<b>50</b>
BIK23	Bike Boulevard Pilot	50	0	0	0	0	<b>50</b>
BIK24	Major Bike Maintenance Program	100	100	100	100	100	<b>500</b>
<b>Total Bike Trail Projects</b>		<b>2,400</b>	<b>4,324</b>	<b>100</b>	<b>100</b>	<b>2,220</b>	<b>9,144</b>

**CITY OF MINNEAPOLIS  
2009 - 2013 COUNCIL REVISED CAPITAL BUDGET**

<b>Project ID</b>	<b>Project Title</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>TOTAL</b>
							<b>(in thousands)</b>
<b>STORMWATER SEWER PROJECTS:</b>							
SW002	Miscellaneous Storm Drains	220	220	220	220	220	<b>1,100</b>
SW004	Implementation of US EPA Storm Water Regulations	0	250	250	250	250	<b>1,000</b>
SW005	Combined Sewer Overflow Improvements	1,500	1,500	1,500	0	0	<b>4,500</b>
SW011	Storm Drains and Tunnels Rehabilitation Program	500	3,000	3,000	5,000	5,000	<b>16,500</b>
SW018	Flood Area 29 & 30 - Fulton Neighborhood	0	3,288	6,577	0	0	<b>9,865</b>
SW030	Alternative Stormwater Management Strategies	1,000	1,000	1,000	1,000	1,000	<b>5,000</b>
SW032	I-35W Storm Tunnel Reconstruction	0	0	0	0	1,035	<b>1,035</b>
SW033	Flood Area 22 - Sibley Field	2,213	3,012	0	0	0	<b>5,225</b>
SW034	Flood Area 21- Bloomington Pond	0	4,839	0	0	0	<b>4,839</b>
SW038	Flood Area 5 - North Minneapolis Neighborhoods	0	0	0	0	1,500	<b>1,500</b>
SW00R	Reimbursable Sewer and Storm Drain Projects	3,000	3,000	3,000	3,000	3,000	<b>15,000</b>
BIK06	University of Minnesota Trail - Phase III	115	0	0	0	0	<b>115</b>
BIK13	RiverLake Greenway (East of I-35W)	0	255	0	0	0	<b>255</b>
BR105	Fremont Ave S Bridge	0	0	0	70	0	<b>70</b>
BR112	Nicollet Ave Reopening	0	0	0	0	235	<b>235</b>
CDA01	Heritage Park Redevelopment Project	0	250	250	0	0	<b>500</b>
PV003	Street Renovation Program	140	205	0	75	500	<b>920</b>
PV007	University Research Park/Central Corridor	800	0	800	400	0	<b>2,000</b>
PV029	Chicago Ave S (8th St S to 28th St E)	145	0	0	0	0	<b>145</b>
PV035	TH121/Lyndale Ave S	0	0	0	0	600	<b>600</b>
PV038	Winter St NE Residential/Commercial	0	0	0	0	40	<b>40</b>
PV057	Nicollet Ave (31st St E to 40th St E)	0	0	0	0	330	<b>330</b>
<b>Total Storm Sewer Fund Projects</b>		<b>9,633</b>	<b>20,819</b>	<b>16,597</b>	<b>10,015</b>	<b>13,710</b>	<b>70,774</b>
<b>SANITARY SEWER PROJECTS:</b>							
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	250	500	1,000	1,000	1,000	<b>3,750</b>
SW036	Infiltration & Inflow Removal Program	5,000	5,000	5,000	7,000	7,500	<b>29,500</b>
SW037	Irving Sewer Rehabilitation	3,726	0	0	0	0	<b>3,726</b>
<b>Total Sanitary Sewer Fund Projects</b>		<b>8,976</b>	<b>5,500</b>	<b>6,000</b>	<b>8,000</b>	<b>8,500</b>	<b>36,976</b>
<b>WATER</b>							
WTR09	Ultrafiltration Program	18,500	16,000	16,000	14,500	0	<b>65,000</b>
WTR12	Water Distribution Improvements	4,750	5,000	5,250	5,500	6,000	<b>26,500</b>
WTR14	The MWW Facilities Security Improvement	250	250	250	250	0	<b>1,000</b>
WTR16	Minneapolis/St. Paul Interconnection	0	0	0	0	500	<b>500</b>
WTR17	Treatment Modifications Based on New Regulations	0	0	0	0	100	<b>100</b>
WTR18	Hiawatha Water Maintenance Facility	0	0	0	0	0	<b>0</b>
WTR22	New Filter Presses	2,000	6,500	6,500	0	0	<b>15,000</b>
WTR0R	Reimbursable Watermain Projects	2,000	2,000	2,000	2,000	2,000	<b>10,000</b>
BR105	Fremont Ave S Bridge	0	0	0	70	0	<b>70</b>
BR112	Nicollet Ave Reopening	0	0	0	0	300	<b>300</b>
PV035	TH121/Lyndale Ave S	0	0	0	0	380	<b>380</b>
<b>Total Water Fund Projects</b>		<b>27,500</b>	<b>29,750</b>	<b>30,000</b>	<b>22,320</b>	<b>9,280</b>	<b>118,850</b>
<b>PARKING</b>							
RMP01	Parking Facilities - Repair and Improvements	1,700	1,700	1,700	1,700	0	<b>6,800</b>
<b>Total Public Works Department Projects</b>		<b>94,427</b>	<b>101,509</b>	<b>100,922</b>	<b>94,617</b>	<b>80,349</b>	<b>471,824</b>

**CITY OF MINNEAPOLIS  
2009 - 2013 COUNCIL REVISED CAPITAL BUDGET**

<b>Project ID</b>	<b>Project Title</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>TOTAL</b>
							<b>(in thousands)</b>
<b>BIS TECHNOLOGY PROJECTS:</b>							
BIS02	Central Traffic Signal Computer Replacement	50	50	50	50	50	<b>250</b>
BIS03	Enterprise Document Management	50	100	100	50	100	<b>400</b>
BIS04	Enterprise Infrastructure Capacity Upgrade	500	500	500	500	672	<b>2,672</b>
BIS05	Enterprise Reporting/Business Intelligence	0	0	0	0	0	<b>0</b>
BIS06	GIS Application Infrastructure Upgrade	100	200	50	50	50	<b>450</b>
BIS10	Finance System Consolidation/Upgrade	700	0	0	50	0	<b>750</b>
BIS12	Mobile Assessor	100	150	0	0	0	<b>250</b>
BIS13	Risk Management & Claims Application Replacement	0	0	0	0	0	<b>0</b>
BIS14	Land Information Repository	0	0	0	0	0	<b>0</b>
<b>Total BIS Technology Projects</b>		<b>1,500</b>	<b>1,000</b>	<b>700</b>	<b>700</b>	<b>872</b>	<b>4,772</b>
<b>MISCELLANEOUS PROJECTS</b>							
ART01	Art in Public Places	317	333	347	366	383	<b>1,746</b>
BR113	Nicollet Ave Reopening	0	0	0	0	0	<b>0</b>
CTY02	City Property Reforestation	150	150	150	150	150	<b>750</b>
FIR01	Emergency Operations Training Facility (EOTF)	1,764	0	0	0	0	<b>1,764</b>
MPD01	MPD Forensic Laboratory	100	0	2,850	1,000	1,300	<b>5,250</b>
MPD02	MPD Property & Evidence Warehouse	0	0	730	700	700	<b>2,130</b>
MPD05	Strategic Information Center	372	1,227	0	0	0	<b>1,599</b>
PSD03	Facilities - Space Improvements	300	500	500	500	500	<b>2,300</b>
<b>Total Miscellaneous Projects</b>		<b>3,003</b>	<b>2,210</b>	<b>4,577</b>	<b>2,716</b>	<b>3,033</b>	<b>15,539</b>
<b>TOTAL COUNCIL REVISED CAPITAL BUDGET</b>		<b>107,629</b>	<b>114,179</b>	<b>110,979</b>	<b>101,373</b>	<b>87,554</b>	<b>521,714</b>

Note: The totals above represent City funding and grant sources for those projects where the City is the lead agency. The funding detail pages that follow show additional leveraging with other units of governments as Non Appropriated when the City is a contributing partner.

## 2009-2013 Capital Program Descriptions

### MUNICIPAL BUILDING COMMISSION

**MBC01 Life Safety Improvements**

The MBC life safety program includes installation of (1) building sprinkler, fire alarm, smoke detection, and public address systems, (2) update of building exits and stairs, and (3) installation of fireproofing, smoke barriers and purge systems. The project will vacate and upgrade life safety and HVAC systems in 15,000 square foot sections of the City Hall Courthouse every six months through the year 2015.

**MBC02 Mechanical Systems Upgrade**

The MBC Mechanical Systems Upgrade includes renovation and upgrade of the heating, ventilating, and air conditioning (HVAC) systems in the Municipal Building (Minneapolis City Hall/Hennepin County Courthouse). Under this plan, the mechanical system upgrade will continue until the year 2015.

**MBC04 Tower & Interior Court Elevators**

This project is an ongoing elevator upgrade project originally established in 2005 to upgrade two elevators in the Interior Court and one elevator in the 4th St Tower. The new elevator request includes modernization and conversion of a passenger/freight elevator to a passenger elevator and the installation of a new freight elevator. Modernization will include new car safety devices, car sling and platform, hoist ropes and governor cables, car enclosures, car and hall push buttons stations, hall

**MBC06 Clock Tower Upgrade**

The proposed project will repair the four faces and structural elements of the large clock in the tower at the Minneapolis City Hall/Courthouse. The work will restore the clock to near original condition.

**MBC09 Critical Power Capital Project**

The scope of work includes upgrade of emergency power systems for critical functions in City Hall. Included in this project are replacing an existing emergency generator and improving electrical

**MBC10 City Hall Green Roof**

The City Hall Green Roof was an environmental demonstration project associated with a large waterproofing project at the Minneapolis City Hall / Hennepin County Courthouse. A 5,800 square feet extensive Green Roof with a 10,000 gallon cistern for irrigation was constructed as part of the project. The project was intended to demonstrate effective sustainable building practice by reducing storm water runoff, improving the quality of water in the storm water system, mitigating the effects of the urban heat island effect, reintroducing plants to the urban area, extending the life of the roof, and improving the aesthetics for tenants and the public.

**CTY01 Restoration of Historic Reception Room**

This project is a historical restoration of the original Mayor's Reception hall and Office located in the southwest corner of the first floor of the Minneapolis City Hall.

### PARK BOARD

**PRK16 Parkway and Adjacent Parkland Lighting Replacement**

A new light standard is being installed by Public Works along the parkways throughout the Minneapolis park system; it is replacing the "cube" style pedestrian-level light in most locations, and a higher-mounted globe-style pendant fixture at intersections. To offset the cost of the slightly more expensive new fixture, the Park Board has agreed to provide a \$600 match for each fixture. At the current replacement rate, the entire parkway system will have new lighting in 10-15 years.

**PRK18 Fowell Parking Lot Improvement**

This proposal addresses major parking lot repairs at recreational facilities. Condition assessments indicate that Fowell has a high need for repairs. This project may include such items as mill and overlay of about 3,430 square yards of existing asphalt, sub-base repairs, soil corrections as needed to support traffic load, curband gutters as needed, handicap accessible spaces and curb ramp, seal coating, restriping, design and engineering, restoration, signage, and related work.

## 2009-2013 Capital Program Descriptions

- PRK19 Phillips Pool & Gym Building Improvements**  
This proposal would be to rehabilitate the swimming pool and make HVAC improvements and other functional improvements to the Phillips building.
- PRK20 Farview Lot, Trail, Court and Lighting Improvements**  
This proposal would fund several exterior improvements to the parking lot and trails within the Farview Park as well as tennis court improvements and exterior grounds lighting.
- PRK21 Pedestrian Bridges**  
This project will review the various pedestrian bridges within the Park System to determine what the highest priorities are for rehabilitation to improve safety for the users.
- PRKCP Park Capital Infrastructure**  
The Park Capital Infrastructure program was created as a generic capital maintenance program to allow the Minneapolis Park and Recreation Board flexibility to address priorities for infrastructure repairs based on the most critical needs for the various types of Park assets.
- PRKDT Diseased Tree Removal**  
This longstanding Parks program is designed to allow the city to maintain the health of the urban forest. Each year, park crews inspect the city and tag diseased trees observed on park land or private property. Residents must remove any diseased trees identified either by hiring contractors or by allowing the Park Board to perform the removal. If the Park Board removes the tree(s) on private property, the resident is assessed for the cost over a five year timeframe. This program has been used extensively to control Dutch Elm disease in Minneapolis.

### FACILITY IMPROVEMENTS

- PSD01 Facilities - Repair and Improvements**  
This is an on-going maintenance program to repair and improve City owned and operated facilities that are funded through property tax such as Police, Fire, Public Works, general office and miscellaneous facilities. The deficiencies are identified as separate projects and prioritized in a departmental functional work plan.
- PSD06 Pioneer & Soldiers Memorial Cemetery Fencing Rehab**  
The purpose of this project is to restore the beauty and security of the historic fence surrounding the Pioneer's Cemetery at 2925 Cedar Avenue South.
- PSD11 Energy Conservation and Emissions Reduction**  
The purpose of this project is to create a revolving Energy Invest Fund (EIF) to provide up front capital funding to invest in energy conservation and emission reduction strategies for the City's Municipal Operations.

### STREET PAVING

- PV001 Parkway Paving**  
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 reconstruct roadways; the next (2009) renovation would be the entire Lake of the Isles Pkwy.
- PV003 Street Renovation Program**  
The objective is to renovate neighborhood paving areas that were constructed as part of the Residential Paving Program more than 30 years ago. The renovation projects are planned in the following neighborhoods: Lynnhurst, Bryn Mawr, Ventura Village, Near North South and McKinley.



## 2009-2013 Capital Program Descriptions

- PV004 CSAH Paving Program (County State Aid Highway)**  
This cooperative program between the City of Minneapolis and Hennepin County aims to reconstruct high traffic streets (County State-Aid Highway segments that fall within the city limits) that are at or past the end of their serviceable lives.
- PV005 Snelling Ave Extension**  
This project extends Snelling Ave south of E 46th Street & Hiawatha Ave. It includes new roadway, landscaping, storm drain, sanitary sewer, water service and possibly a signal at Snelling Ave S and E 46th Street.
- PV006 Alley Renovation**  
The objective of this project is to install a bituminous overlay (2") over existing concrete alley and rehabilitate or replace existing alley retaining walls in designated alleys.
- PV007 University Research Park**  
The principal objective of this project is to provide the infrastructure to support the Alternative Urban Areawide Review (AUAR) for the University Research Park.
- PV008 I-35W & Lake St Interchange Reconstruct Phase 4**  
The proposed reconstruction of the I35W/Lake St. Intersection, which currently does not allow for direct accesses off and onto I35W, would add the desired freeway ingress/egress and a Bus Rapid Transit Station.
- PV019 6th Ave N (5th St N to Dead End N of Wash Ave)**  
This project would reconstruct the street to commercial standards: curb and gutter, parking lanes/bays, sidewalk and new pavement surface while keeping the historical nature of the area.
- PV021 33rd Ave SE and Talmage Avenue**  
The project will reconstruct reconstruct the oil and dirt road at 33rd Ave SE between Como Ave SE and Hennepin Avenue and Talmage Avenue between 29th Ave SE and 33rd Ave SE.
- PV028 Franklin/Cedar/Minnehaha Intersection Realignment**  
This project will include three components: (1) reconstruction of the intersections of Franklin Ave/Cedar Ave, Cedar Ave/20th Ave S, and Cedar Ave/22nd Street E; (2) installation of pedestrian lighting, improvements to pedestrian street crossings, sidewalk and boulevard enhancements and way-finding signage; and (3) reconstruction of Snelling Ave from 22nd St E to 24th St E.
- PV029 Chicago Ave S (8th St S to 28th St E)**  
This project will reconstruct the 1.3 mile stretch on Chicago Ave S from 8th St S to 28th St E. This stretch of road serves many emergency vehicles. The reconstruction will be coordinated with overhead signal improvements (TR007).
- PV035 TH121/Lyndale Ave S**  
The project will reconstruct trunk highway 121 down from a multi-lane divided section to a lower speed urban street from the Crosstown Freeway to 58th Street W and will redevelop the area. This downgrade will be possible once the reconstruction of the I-35W Crosstown area is completed which will result in lower traffic levels.
- PV038 Winter St NE Residential/Commercial**  
This project will replace one of the few areas of oiled dirt streets remaining in the city with a new asphalt pavement. Additional work may include sidewalks, curb and gutter with additional storm drain work.
- PV041 2nd Ave N (3rd St N to Wash Ave N)**  
The project will reconstruct the Municipal State Aid route of 2nd Ave N from 3rd St N to Washington Ave N. The reconstruction will make the roadway into a two way segment with two lanes of travel into downtown and one lane in the westerly direction.
- PV047 3rd Ave N (Washington Ave to 5th St N)**  
This project is a reconstruction of 3rd Ave N between Washington Ave and 5th St N. 3rd Ave N is a Municipal State Aid route and a bus route.

## 2009-2013 Capital Program Descriptions

- PV049 1st Ave N One-way to Two-Way (1st to 9th St S)**  
This project will convert 1st Ave N into a two-way with two travel lanes in each direction north of 9th St S. This will require the seal coating and striping of the street surface as well as new signs and modification/addition of traffic signals.
- PV050 Hennepin Ave One-way to Two-way-1st to 12th St S**  
This project will convert Hennepin Ave into a two-way with two travel lanes in each direction north of 12th St S. This will require the seal coating and striping of the street surface as well as new signs and limited modification of traffic signals.
- 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)**  
This project is approximately 1 mile in length and is along Nicollet Avenue from 31st Street to 40th Street. The street was originally constructed in 1954 and an asphalt overlay was done in 1977. The proposed roadway will consist of two traffic lanes (one each way) and parking on both sides, with new curb and gutter and sidewalks.
- PV058 Cottage Park Traffic Calming**  
This proposal serves to make improvements to slow traffic down to improve pedestrian and vehicular safety in the Cottage Park neighborhood.
- PV059 Major Pavement Maintenance**  
This is a new program to perform major maintenance such as crack sealing, seal coating, curb and gutter repairs and other structural road repairs to extend the useful life of the street system until total renovation can be funded.
- PV060 Central Corridor Light Rail Transit Study**  
This project will study options for traffic flow and pedestrian and bicycle safety concerns for the eventual implementation of a new light rail transit corridor.
- PV00R Reimbursable Paving Projects**  
This project is utilized to provide City paving crews with resources to modify streets/patch utility cuts resulting from private party projects and/or to do repair work for other City Departments after their projects are completed such as sewer and water related infrastructure projects. Costs are reimbursed by the parties requesting the work.

### SIDEWALK PROGRAM

- SWK01 Defective Hazardous Sidewalks**  
The project will inspect and replace defective public sidewalks and will provide public sidewalk access for persons with disabilities by installing ADA compliant pedestrian curb ramps at street corners and other locations.

### HERITAGE PARK 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.

## 2009-2013 Capital Program Descriptions

### BRIDGES

**BR101 Major Bridge Repair and Rehabilitation**

This project provides for major repairs to City bridges including working on the bridge approaches, abutments, decks and associated railings and sidewalks, the bridge superstructure and substructure components.

**BR105 Fremont Ave S Bridge**

The proposed replacement structure will correct current deficiencies in the bridge's superstructure, substructure, and geometry.

**BR106 1st Ave S Bridge over the Midtown Greenway**

This project will replace the existing bridge which is nearing the end of its useful life. Deficient items include the bridge superstructure, substructure, and geometry.

**BR109 Camden Bridge Rehabilitation**

The project will rehabilitate the bridge over the Mississippi River and I-94. It will repair the expansion joints, rehabilitate the drive surface, replace the approach panels, crash railing, sidewalks, and pedestrian railings, and will re-paint.

**BR110 St. Anthony Bridge over BNSF**

The project includes construction of a new St. Anthony Parkway Bridge and approach roadways which include St. Anthony Parkway, California St NE and possibly Main St NE.

**BR111 10th Ave SE Bridge Arch Rehabilitation**

The project will rehabilitate a Bridge over the Mississippi River and West River Parkway. It will repair deteriorated concrete areas on the spandrel columns, floor beams and arches.

**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 such as increased traffic columns, developments and Light Rail Transit, and provide a structurally sound and aesthetically pleasing structure to serve the needs of business and residents.

### TRAFFIC CONTROL & STREET LIGHTING

**TR003 LED Replacement Program**

This is the continuation of a multi-year project to replace the approximately 6,700 incandescent green signal indications within the City with LED illuminated indications.

**TR005 Controller Conversion**

This project consists of the replacement of outdated traffic signal controllers that are used to operate the 802 traffic signals within the City.

**TR006 Priority Vehicle Control System**

Priority vehicle control gives emergency vehicles priority treatment at signalized intersections. This project requires revisions and equipment additions to the traffic signal control systems at each intersection where priority treatment is implemented, such as installation of priority vehicle detectors, cabling, and control electronics, and traffic signal control equipment and signal indication modifications and upgrades in conjunction with the earlier changes.

**TR007 Traffic & Pedestrian Safety Improvements**

This program includes: (1) overhead signal additions; (2) operational & safety improvements; (3) signing and delineation; (4) mastarm mounted street name signing; (5) bridge navigation lighting; and (6) pedestrian safety.

## 2009-2013 Capital Program Descriptions

- TR008 Parkway Street Light Replacement**  
This project consists of the replacement and/or renovation of deteriorated poles, fixtures, and electrical wiring associated with the lighting systems in place in the City's public areas, and along parkways throughout the City. It is anticipated that it will take 10 to 15 years of capital expenditure to replace, paint, renovate, and repair the entire system of 2,043 Park Board lighting units and associated underground cabling.
- TR010 Traffic Management Systems**  
This project will replace the central computer system that provides supervisory management of most of the signalized intersections within the City.
- TR011 City Street Light Renovation**  
This project will continue a multi-year renovation program for the City's existing decorative street lighting facilities.
- TR013 Railroad Crossing Safety Improvements**  
Recent Federal law will eliminate the whistle ban currently held by the City unless specific actions are taken to establish quiet zones. Of the 89 public railroad crossings, the following improvements need to be made: do nothing (34 crossings); close roadway (12); install center medians (19), install median and gate devices (18), and four-quad gate systems (6).
- TR014 LRT TOD Improvements**  
This project will include a funding partnership with Hennepin County and will include pedestrian lighting, improvements to pedestrian paths and street crossings, way finding signage, safety improvements, and other pedestrian enhancements.
- TR015 Safe Routes to School**  
Safe Routes to School is a new program in the federal transportation bill, SAFETEA-LU, that makes funding available for a variety of programs and projects, from building safer street crossings to establishing programs that encourage children and their parents to walk and bicycle safely to school.
- TR017 Pedestrian Signals With Count-down Timers**  
This project would be replacing the traditional pedestrian signal indications with countdown timer pedestrian signal indications. The devices would be installed for crosswalks that are longer and/or more difficult and where there are a larger number of pedestrians crossing (examples include crosswalks near campuses and on transit routes).
- TR018 Ballpark Area Pedestrian Improvements**  
The Ballpark Area Pedestrian program is a generic name for a series of potential projects aimed at improving the pedestrian environment in and around the Downtown West neighborhood.
- TR019 Hiawatha LRT Signal Improvements**  
The intent of this project is to improve the traffic signal operation on Hiawatha, adjacent to the LRT line, through a combination of traffic signal timing, signal sequence, traffic detection and trafficsignal hardware modifications.
- TR00R Reimbursable Transportation Projects**  
This project is utilized to provide City traffic crews with resources to build out or modify traffic signal or street lighting infrastructure to accommodate private party projects and/or to do repair work or new construction activity for other City Departments as part of their projects such as paving, sewer or water related infrastructure projects. Costs are reimbursed by the parties requesting the work.

## 2009-2013 Capital Program Descriptions

### BIKE TRAILS

- BIK04 18th Ave NE Bikeway**  
The project will connect to the NE Diagonal Trail in NE Minneapolis that will be constructed in 2007 and also connects to the proposed trail of East/West regional trail connection along 18th Ave NE between Stinson Blvd and Monroe St NE and along the 18th Ave NE abandoned rail corridor between Monroe St NE and Marshall St NE.
- BIK06 University of Minnesota Trail - Phase III**  
This project is a regional connection between the existing University of Minnesota Transit way Trail and the Mississippi River (Dinkytown Bikeway Connection-Bridge Nine). The project also includes better bicycling and walking connection at East River Parkway, Oak Street, 5th St SE, and 17th Ave SE.
- BIK08 Hiawatha Trail Connections**  
This project creates on-street bicycle lanes along 3rd St S between Chicago Ave S and Hennepin Ave S and replaces bike lanes on 5th St S that were lost due to the Hiawatha LRT line. It also extends the Hiawatha LRT Trail from 11th Ave S to Chicago Ave S.
- BIK13 RiverLake Greenway (East of I-35W)**  
The RiverLake Greenway is a neighborhood driven bikeway project from the Chain of Lakes to the Mississippi River midway between the Midtown Greenway and Minnehaha Parkway Trails. In addition to being a regional bicycle route the project includes improvements for pedestrians and provides traffic calming and greenspace enhancements to the corridor.
- BIK20 Hiawatha LRT Trail Lighting/Trail Extension**  
This project would add lighting, signage, and striping along the LRT Trail from 11th Ave S to 28th Ave E. Currently the segment of the corridor is not lit, creating a personal safety issue and inhibiting trail use. Included in this project is the construction of a new trail on both sides of Hiawatha Avenue from the Midtown Greenway to E 32nd St. Construction of the new trail would include curb work, aggregate base, paving, signage, striping, lighting and landscaping.
- BIK21 26th Ave N Bikeway Study**  
This project will examine possible bicycle treatments along 26th Ave N in the Jordan Neighborhood. Project funds a community involvement process, possible layouts, and a final report. Project study to be completed by the end of 2009.
- BIK22 18th Ave NE Bike Striping - Monroe to Stinson**  
Project entails the addition of bicycle lanes from Monroe to Stinson along 18th Ave NE. Project funds to be used for signage, striping, and plan design.
- BIK23 Bike Boulevard Pilot**  
The Mayor has suggested a number of candidate corridors to be examined for this type of treatment. A corridor will be recommended in early 2009 based on input from the Bicycle Advisory Committee. Project funds to be used for signage, striping, and plan design.
- BIK24 Major Bike Maintenance Program**  
\$100,000 in each program year has been budgeted for major bikeway maintenance. This is being interpreted by Public Works to be funds for major bicycle maintenance improvements including, but not limited to sealcoating, crack sealing, and mill/overlay of major bike routes.

### STORMWATER 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 will allow the implementation of individual projects and supporting activities termed Best Management Practices (BMPs) designed to mitigate the pollution effects of urbanization on stormwater runoff.

## 2009-2013 Capital Program Descriptions

- SW005 Combined Sewer Overflow Improvements**  
The capital projects associated with this program include both storm drain construction needed for separating the City's drainage infrastructure, and also to provide facilities for private disconnections where no storm drain currently exists in the area.
- SW011 Storm Drains & Tunnels Rehabilitation Program**  
This project involves the rehabilitation and repair of storm drain pipes, storm drain pump stations and deep drainage tunnels throughout the City. The project establishes the annual funding to permit repair and rehabilitation activities to be completed as needed to the storm drain system.
- SW018 Flood Area 29 & 30**  
The goal of the project is to protect the homes in the Fulton Neighborhood from flooding by using runoff volume and rate control coupled with load reduction. The preliminary design has several alternates using a combination of new piping to underground or surface ponding to mitigate flooding problems.
- SW030 Alternative Storm Water Management Strategies**  
For areas of localized flooding and drainage problems, as alternatives to large pipes and removing homes for stormwater pond construction, this project will be used to implement environmentally friendly "green infrastructure" stormwater practices such as rain gardens, bioswales, constructed wetlands and other bioinfiltration techniques, and pervious pavement.
- SW032 I-35W Storm Tunnel Reconstruction**  
The project (which runs along the I-35W corridor from 39th St to the Mississippi River) will accomplish a tunnel of increased capacity either by installing a new adjacent tunnel or by increasing the existing tunnel size. The project could potentially involve the St. Mary's tunnel with the possibility of increasing the tunnel size.
- SW033 Flood Area 22- Sibley Field**  
This project aims to protect the homes near Sibley Pond from flooding and to separate the area storm drain still connected to the sanitary system. The preliminary design proposes replacing existing storm drains with new bigger sized storm drain pipes on E 38th St and Longfellow Ave as well as some smaller laterals that drain into these two major pipes and a new inlet structure at Sibley Pond.
- SW034 Flood Area 21 - Bloomington Pond**  
The preliminary design options for this project include: replacing existing storm drains with larger sized storm drain pipes at E 41st St; E 42nd St & Bloomington Ave S; two new grit chambers; install new outlet structures to the Bloomington pond; and removing an existing lift station.
- SW038 Flood Area #5**  
This project serves an area bounded by Victory Memorial Parkway, 40th Ave N, Girard Ave N and 30th Ave N. The goals of the project are to make water quality improvements for Crystal Lake; to protect the property in that area from flooding; and reduce standing water that finds its way into the sanitary sewer, which will help prevent sewage backups.

## 2009-2013 Capital Program Descriptions

### **SW00R Reimbursable Sewer and Storm Drain Projects**

This project is utilized to provide City sewer crews with resources to build out or modify storm or sanitary sewers resulting from private party projects and/or to do repair work or new construction activity for other City Departments as part of their projects such as paving, traffic signal & lighting or water related infrastructure projects. Costs are reimbursed by the parties requesting the work.

### **SANITARY SEWER**

#### **SW001 Sanitary Tunnel and Sewer Rehabilitation Program**

This project involves the rehabilitation and repair of sanitary sewer pipes, lift stations, and deep collection tunnels throughout the City. The project establishes funding to permit repair and rehabilitation activities to be completed as needed to the sanitary sewer system.

#### **SW036 Infiltration & Inflow Removal Program**

The project will develop and implement an Infiltration and Inflow reduction program that will meet the Metropolitan Council Environmental Services (MCES) established goal for the City.

#### **SW037 Irving Sewer Rehabilitation**

This project involves the rehabilitation of a trunk sewer that serves the majority of the Bryn Mawr Meadows neighborhood and a part of the Harrison neighborhood.

### **WATER**

#### **WTR09 Ultrafiltration Program**

The primary objective is to provide physical removal of pathogenic microorganisms and improve the quality of water delivered to the citizens of Minneapolis. The next two phases of the project are the procurement of ultrafiltration equipment and the design of the Fridley Membrane Filtration plant.

#### **WTR12 Water Distribution Improvements**

The majority of the project funds are used for cleaning and lining water main, a rehabilitation process for old unlined water main. Cleaning and lining involves running scrapers through the pipe to clean and then coating the interior with either cement mortar or potable grade epoxy.

#### **WTR14 The MWW Facilities Security Improvement**

A number of security counter measures were recommended to reduce the risk of threat to the City including following the terrorist attacks of September 11th. The capital improvements aspects of the recommendations include a new vehicle entrance, surveillance equipment and electronic access control of buildings.

#### **WTR16 Minneapolis/St. Paul Interconnection**

The project is a water system interconnection between the City of Minneapolis and the City of St. Paul, and includes the design and installation of new pipelines, a new pump station, and modifications to an existing water reservoir.

#### **WTR17 Treatment Modifications Based on New Regulations**

The funding will allow the City of Minneapolis Water Works to investigate how to optimize the existing use of activated carbon and provide the data necessary to plan for future improvements to the treatment process.

## 2009-2013 Capital Program Descriptions

### **WTR18 Hennepin Maintenance Facility**

This project would design and build a suitable multipurpose maintenance facility for the Water Treatment and Distribution Divisions of the Minneapolis Public Works Department. The project is intended to replace the existing facilities either at the current site or a suitable location found elsewhere in Minneapolis.

### **WTR22 New Filter Presses**

Based on the findings of an engineering consulting firm, the City needs to replace its dewatering plant since it has reached the end of its useful life. The recommendation of the firm was to install filter presses for future dewatering, a technology already used in cities such as St. Paul, Richfield, and St. Cloud.

### **WTR0R Reimbursable Water Projects**

This project is utilized to provide City water crews with resources to build out or modify water infrastructure to accommodate private party projects and/or to do repair work or new construction activity for other City Departments as part of their projects such as paving, traffic signal & lighting or sewer related infrastructure projects. Costs are reimbursed by the parties requesting the work.

## **PARKING**

### **RMP01 Parking Facilities - Repair and Improvements**

This project is dedicated to the City's existing off-street parking sites. It will focus on large initiatives such as replacements/upgrades to the revenue control, security, lighting, mechanical, flooring, and life safety systems, as well as major structural repairs that are in addition to the ongoing preventive maintenance program.

### **RMP03 Bicycle Parking**

This project pays for bicycle parking at public buildings throughout the City including schools, libraries, government buildings, and public parking ramps. Portions may be used for design and construction expenses for the federally funded Midtown Greenway Bicycle Station at the Great Lakes Center at Lake and Chicago.

## **BIS TECHNOLOGY PROJECTS**

### **BIS02 Central Traffic Signal Computer Replacement**

This project would implement a replacement of the central computer system which controls the majority of the City's signalized intersections. It includes upgrades to hardware, software, and communication systems at the traffic signal monitoring site (Traffic Control Center).

### **BIS03 Enterprise Document Management**

This project consolidates multiple document management systems used by departments into a single Enterprise Document Management System (EDMS).



## 2009-2013 Capital Program Descriptions

- BIS04 Enterprise Infrastructure Capacity Upgrade**  
This project will build capacity for the City's voice and data network, storage, and enterprise-wide support tools through the upgrade and/or addition of hardware, software, and communication pathways.
- BIS05 Enterprise Reporting**  
This project consolidates disparate City electronic reporting into one enterprise reporting solution, thereby eliminating the multiple electronic reporting systems currently used throughout the City, which tend to be department specific.
- BIS06 GIS Application Infrastructure Upgrade**  
This project aims to protect the core GIS data repository by creating a secure application and data store that contains only the data that has been vetted and approved for public access and will centralize the GIS application infrastructure.
- BIS10 Finance System Consolidation/Upgrade**  
This project includes the upgrade of the Finance system (the current system will no longer be supported by the vendor) and includes business process review and redesign, data conversion, interface review and redesign, acceptance testing, and training of the City's 200+ users.
- BIS12 Mobile Assessor**  
This project will fund the purchase and implementation of handheld mobile data collection tools for the Assessor's department. It includes the purchase of 24 new mobile handheld data collection devices, accompanying software, and utilization of the City's new WiFi connection.
- BIS13 Risk Management & Claims Application Replacement**  
This project will replace the City's Risk Management and Claims system - PC Comp - to ensure continuity of business operations and develop business process improvements through system integration. A new application will be implemented to perform risk management and claims processing as well as develop interfaces for several functions that currently reside outside of the current system. Independent information systems will be eliminated and foster real-time information sharing across departments to support decision-making and action steps regarding potential liabilities to the City.
- BIS14 Land Information Repository**  
This request is for a Land Information Repository that combines property-related information from Assessor, CPED, Regulatory Services and other land data related systems. One centralized integrated data environment will allow the City to create information and reports from multiple and disparate business systems. The Land Information Repository would create an integrated data environment in which to combine land management information in new and useful ways in a timely manner.

## 2009-2013 Capital Program Descriptions

### MISCELLANEOUS PROJECTS

- ART01 Art in Public Places**  
This ongoing project (incorporated in 1992) integrates public art into the City's capital projects.
- BR113 Nicollet Ave Planning**  
The project will provide funding for the preliminary planning required for redevelopment of Nicollet Avenue through the Kmart site (Lake to 29th Street). The details of this work will inform the related BR112 Nicollet Ave Reopening project indicated in the Bridge section of Public Works for year 2013.
- CTY02 City Property Reforestation**  
This project is a new Mayor initiative to restore green spaces and add to the urban forest by targeted tree plantings on city owned properties such as police, fire or public works facilities.
- FIR01 City EOC/Training Facility**  
This project is the 4th phase of a multi-phase development to meet the training needs of the Fire Department and the Emergency Operations needs for both the City and Hennepin County (including suburban municipalities). The facility will also be used by Hennepin County to train for Emergency Preparedness and Emergency Operations.
- MPD01 MPD Forensic Laboratory**  
This project would acquire a site and provide suitable facilities for a Forensic Laboratory to be operated by the Minneapolis Police Department that will meet current and indicated future forensic needs.
- MPD02 MPD Evidence Unit**  
This project would acquire a site and provide suitable facilities for a Property and Evidence Storage Unit to be operated by the Minneapolis Police Department that will meet current and anticipated future needs of the department.
- MPD05 Strategic Information Center**  
This project would 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 that will meet current and anticipated future needs for monitoring and managing information systems for daily use as well as "command and control" needs in managing events and emergencies.
- PSD03 Facilities-Space Improvements**  
This capital improvement project provides for the modification/improvement of interior spaces and furnishings in adherence to City adopted standards for space allocation and ergonomic furnishings.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **ART01 Art in Public Places**

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$5,000.00

Explanation of operating costs:

Because the artwork is integrated into infrastructure, the majority of the maintenance for the art will be addressed in the ongoing maintenance budget for the infrastructure. Many artworks incorporate special materials, however, and so some specialized maintenance is coordinated through Art in Public Places.

### **BIK06 University of Minnesota Trail - Phase III**

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$10,000.00

Explanation of operating costs:

This project creates new infrastructure. This project will result in an increase in annual maintenance costs totaling \$10,000 per year. According to the City Council, Mayor, and MPRB approved October 2000 Bikeways Project Final Report, Minneapolis Public Works will bear this cost. This funding will come out of the Street Department's operational budget. The Minneapolis Bicycle Advisory Committee has discussed ways to generate additional operations and maintenance funding for bikeway projects at length. The Minneapolis BAC has requested that the State Bicycle Advisory Committee examine this issue. The State Bicycle Advisory Committee is currently studying ways to generate funding for bicycle infrastructure maintenance that cities and counties could benefit from. Examples include bicycle registration fees, a state sales tax on all bicycle goods and services, advertising on trails, corporate sponsorships, selling trail naming rights, and trail user fees.

### **BIK21 26th Ave N Bikeway Study**

Existing or new infrastructure:

Operating Cost Implication: Increase Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

The project will increase the operations budget to allow for restriping and sign maintenance.

### **BIK22 18th Ave NE Bike Striping - Monroe to Stinson**

Existing or new infrastructure:

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

### **BIK23 Bike Boulevard Pilot**

Existing or new infrastructure:

Operating Cost Implication: Increase Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project will increase the operations budget to allow for restriping and sign maintenance.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **BIK24 Major Bike Maintenance Program**

Existing or new infrastructure:

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project will improve the operations budget since less maintenance funds will need to be spent on preventive maintenance for several years after the capital improvement has been made.

### **BIS02 Central Traffic Signal Computer Replacement**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Approval of this project resulting in the replacement of essential computer and associated hardware that is obsolete and expensive to continue to operate and maintain may permit the Traffic & Parking Services Division to reduce operating expenses in subsequent years.

### **BIS03 Enterprise Document Management**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$50,000.00)

Explanation of operating costs:

The two document management systems currently operating in the City (Stellent and Docuware), are licensed and hosted separately. This means annual maintenance is paid to vendors. Staff is paid to trouble-shoot and maintain functionality. Server space and processing power is consumed by stand alone systems. Consolidating these systems into one software environment with a centrally-managed hardware infrastructure will capture savings – some explicitly visible in reduced software and hardware maintenance costs, some implicit in increased functionality and better managed technology resources. This project may incur some start-up expense to provide extended infrastructure for high-volume image capture and data storage, but system support and maintenance costs savings will be realized – especially when it comes to software licensing, application support, and end-user training and support.

### **BIS04 Enterprise Infrastructure Capacity Upgrade**

Existing or new infrastructure: Existing

Operating Cost Implication: Increase Increase/(Decrease) amount: \$50,000.00

Explanation of operating costs:

Initially, annual operating costs will increase as demand for additional bandwidth is met. In later phases of this project, there is an opportunity for cost reduction due to economies of scale and opportunities for consolidation of infrastructure services Citywide.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **BIS06 GIS Application Infrastructure Upgrade**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$100,000.00)

Explanation of operating costs:

Currently, full-service GIS functionality – the ability to create and edit spatial data as well to consume and analyze it – can only be delivered by acquiring expensive desktop software licenses. (\$9K - \$10K, plus annual maintenance). These full-service applications are “overkill” for many of the City’s processes where the ability to generate and manage this kind of data is needed. This high “cost of entry” has seriously impeded the adoption of GIS tools that could provide significant process improvement across many City departments.

The investment in this project will deliver an infrastructure that lets solution developers create “light” GIS applications with functionality targeted precisely to the task at hand. For every process that could benefit from this technology, the cost of delivering it is reduced by at least the cost of these high-end GIS desktop licenses, as well as the time and training needed to use software designed for experienced GIS analysts.

The addition of a public data store for delivering spatial data services to the public will not reduce tangible, day-to-day costs. Instead it will protect sensitive data about the City’s “life support” systems in a way that does not impede the ability to make this valuable information available to the public.

The annual operating costs for supporting the centralized server-based GIS infrastructure does not increase significantly by adding the ability to deliver service-based applications. The servers, databases and system software costs are incurred with or without this capability. The cost of licensing will be reduced per application, but because more processes will be served and more users enabled with useful technology, the actual cost may increase. However, it can be presumed that these costs will be offset by productivity gains, justifying enterprise support for this asset to be distributed among City departments following standard BIS chargeback models.

### **BIS10 Finance System Consolidation/Upgrade**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$96,000.00)

Explanation of operating costs:

It is expected that the annual operating/maintenance costs will stay approximately the same for hardware and software, but will decrease for staffing, arriving at a net reduction.

### **BIS12 Mobile Assessor**

Existing or new infrastructure: New

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$30,000.00)

Explanation of operating costs:

The project will result in decreased operating costs associated with reducing data entry time, identifying and correcting errors, and finding and replacing lost records. Assessors will be able to reduce the amount of time they spend in the office entering information from paper records, improving their productivity in the field.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **BR101 Major Bridge Repair and Rehabilitation**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$20,000.00)

Explanation of operating costs:

The proposed funding level will allow us to undertake major repair /rehabilitation work that was beyond the scope of our annual maintenance funding. A system wide bridge deck maintenance program as well as "shot-crete" pier and column program can now be undertaken system wide. The benefits will be realized at a later date when reductions of "Bridge Sufficiency ratings" are minimized. This will allow for a more positive bridge maintenance effort centered around cleaning rather than the present reactive program which attempts to address system problems.

### **CTY02 City Property Reforestation**

Existing or new infrastructure:

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

### **FIR01 Emergency Operations Training Facility (EOTF)**

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$112,500.00

Explanation of operating costs:

The proposed project will result in increased operating costs that are directly related to the costs for cleaning, utilities, security, as well as preventive and corrective maintenance. Although the specific building design has not been identified, based on previous costs for similar facilities we would expect a maintenance cost of \$5.00 per sq. ft., these costs will be paid by the Fire Department as part of their annual operating funds. This is a staff neutral plan.

### **MBC01 Life Safety Improvements**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Installation of sprinkler, smoke, and fire alarm systems will reduce insurance premiums for the building and also reduce the risk of property loss and potential lawsuits to the City and County. In a building housing numerous essential services, a reduction in the risk of potential lawsuits could be of substantial benefit. The program also will reduce the risk of loss of life to the public and/or staff in the building. In 2005, property insurance costs for the building were reduced from \$57,500 to \$51,510. A portion of this savings can be attributed to the Mechanical Life Safety Project.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **MBC02 Mechanical Systems Upgrade**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Additional air handling units will consume electricity and increase utility costs. Increased quantities of fresh air will need to be heated or cooled during the winter or summer thereby increasing utility costs. The new mechanical system will incorporate numerous energy saving measures that will be utilized to offset these increased utility costs. The new system will incorporate an economizer cycle that will utilize outside air for cooling during the spring and fall. The new control system will permit a night and weekend temperature setback. This will save heating and cooling costs during unoccupied periods. The control system will enable the building to manage peak demand. By reducing peak demand for steam and chilled water, savings can be realized throughout the year. Electrical lighting systems installed during the renovations will enable lights to be shut off automatically during unoccupied periods. Since the start of the combined mechanical and life safety program, electrical consumption in the building has been reduced approximately 25 percent. These energy savings will be used to offset the cost of improved ventilation. It should be noted that energy consumption will also be reduced by the demolition and removal of obsolete and failing steam heating systems.

### **MBC04 MBC Elevators**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Annual lease costs for the office and storage space that could have elevator service interrupted would exceed the project cost. Operating costs for elevator maintenance will be hundreds of thousands of dollars less than the cost to lease equivalent space.

### **MBC10 City Hall Green Roof**

Existing or new infrastructure:

Operating Cost Implication: Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

### **MPD01 MPD Forensic Laboratory**

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$100,000.00

Explanation of operating costs:

The Minneapolis Police Department is currently undertaking a long-range study of its space and facility needs. As part of that planning effort, the estimates of space needs and costs for the laboratory will be refined as needed. Although the site or specific building location has not been identified, based on previous costs for similar facilities we would expect a maintenance cost of \$5.00 per sq. ft., these costs will be paid by MPD annual operating funds.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **MPD05 Strategic Information Center**

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$10,000.00

Explanation of operating costs:

Increase building costs. Staff savings by pooling resources which may keep MPD from having to add dedicated staff.

### **PRK21 Pedestrian Bridges**

Existing or new infrastructure:

Operating Cost Implication: Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

### **PSD01 Facilities - Repair and Improvements**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

The majority of the projects included in the program are of small scale. The key operational savings achieved by yearly investment in facilities is to keep operational costs from significantly increasing in the future and protecting the City's current investment in facilities. In addition, reasonable effort will be made to decrease first-time and long-term maintenance costs resulting in a more cost effective facility operation.

### **PSD03 Facilities - Space Improvements**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$1,000,000.00)

Explanation of operating costs:

By standardizing space allocation and functionally improving space, the City has been able to utilize its office space more efficiently and therefore as more and more City space is standardized, the cost of future moves and changes to these spaces decreases. The City will also eventually be able to reduce its annual real estate costs by reducing leased space. By continuing to fund the program the City will be able to vacate the current lease for the City Attorney (renewal date is December 2009) that will save the City an anticipated \$1,000,000 annually.

In addition, standard office furnishings will allow for ergonomic provisions in work spaces. Workers compensation related expenses associated with repetitive injury will be reduced through the implementation of ergonomic furniture standards. This is not readily quantifiable but is a proven outcome.

### **PSD11 Energy Conservation and Emissions Reduction**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$100,000.00)

Explanation of operating costs:

Energy conservation measures directly reduce operating costs. The program will be prioritized based on the initiatives that have the highest return on investment. In some cases, upgrades to building systems will reduce maintenance costs for a period of time.



# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **PV001 Parkway Paving**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$20,000.00)

Explanation of operating costs:

Decreases the maintenance expense by improving the quality of the pavement, reducing the need for maintenance funding.

### **PV003 Street Renovation Program**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$15,000.00)

Explanation of operating costs:

The project will reduce the maintenance resources needed to be expended on these roadways over approximately the next 30 years, freeing up street maintenance funds for other street maintenance needs.

### **PV004 CSAH Paving Program**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Reconstruction of roadways at the end of their design life decreases the annual maintenance cost. This is due to the roadway requiring a high level of annual maintenance to maintain a modest, to poor, service level. Reconstruction will drop the annual maintenance costs to a minimum while providing its highest ride quality. Future roadway maintenance expenses can then be programmed to maximize cost/benefit through routine repairs and overlays.

### **PV006 Alley Renovation**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Although this work will have minimal affect in maintenance savings initially, the continuation of this program will begin to reduce ongoing maintenance needs with the increase in the number of alleys which are overlaid.

### **PV007 University Research Park**

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$20,000.00

Explanation of operating costs:

The construction of this infrastructure will result in an increase in maintenance costs, which will reduce the ability of the city to meet existing service levels as resources are taken from the other areas to meet this new need. The city will need to re-allocate existing resources to cover Snow and Ice Control from its existing General Fund appropriation. In addition, the city will need to ask for an increase in its appropriation for cleaning from the Sewer Fund 7300 for additional sweeping and cleaning. As the new infrastructure ages additional costs will come to the General Fund appropriation on Street Maintenance and Repair for seal coating and pothole repair.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

**PV008 I-35W & Lake St Interchange Reconstruct, Phase 4**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Reconstruction of roadways at the end of their design life decreases the annual maintenance cost. This is due to the roadway requiring a high level of annual maintenance to maintain a modest, to poor, service level. Reconstruction will drop the annual maintenance cost to a minimum while providing its highest ride quality. Future roadway maintenance expenses can then be programmed to maximize cost/benefit through routine repairs and overlays.

**PV029 Chicago Ave S (8th St S to 28th St E)**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$15,000.00)

Explanation of operating costs:

Reconstructing this segment will result in a decrease in maintenance costs, which will allow the responsible agency to move its maintenance resources to other areas that are coming into need as they reach the end of their life cycle.

**PV041 2nd Ave N Reconstruction**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$3,000.00)

Explanation of operating costs:

By reconstructing the roadway we will reduce the need to expend larger amounts of maintenance dollars to provide a poorer level of service.

**PV047 3rd Ave N Reconstruction**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$1,500.00)

Explanation of operating costs:

Reconstruction of roadways at the end of their design life decreases the annual maintenance cost. This is due to the roadway requiring a high level of annual maintenance to maintain a modest, to poor, service level. Reconstruction will drop the annual maintenance cost to a minimum. Future roadway maintenance expenses can then be reprogrammed to maximize cost/benefit through routine repairs and overlays.

**PV049 1st Ave N One-way to Two-way (1st to 9th St S)**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

**PV050 Hennepin Ave One-way to Two-way (1st to 12th St S)**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

**PV056 Asphalt Pavement Resurfacing Program**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$10,000.00)

Explanation of operating costs:

Decrease the maintenance expense by improving the quality of the pavement.

**PV058 Cottage Park Traffic Calming**

Existing or new infrastructure:

Operating Cost Implication: Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

**PV059 Major Pavement Maintenance**

Existing or new infrastructure:

Operating Cost Implication: Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

**RMP01 Parking Facilities - Repair and Improvements**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$200,000.00)

Explanation of operating costs:

The key operational savings achieved by yearly investment in facilities is to keep operational costs from significantly increasing in the future and not protecting the City's current investment in facilities. Additionally, the security and revenue control upgrades will provide an estimated \$200,000 in operational savings due to reduced staff requirements. Decrease - gained efficiencies through building electrical updating such as lighting, heating, cooling, and ventilation systems.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **SW001 Sanitary Sewer and Tunnel Rehabilitation**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$100,000.00)

Explanation of operating costs:

This project will generally decrease annual operating/maintenance costs by reducing the frequency and magnitude of emergency repairs.

### **SW002 Miscellaneous Storm Drains**

Existing or new infrastructure: Both

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$100,000.00)

Explanation of operating costs:

This project will generally decrease annual operating/maintenance costs by reducing the frequency and magnitude of emergency repairs.

### **SW004 Implementation of US EPA Storm Water Regulations**

Existing or new infrastructure: Both

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Construction of new stormwater best management practices (BMPs) may require additional maintenance costs which will be paid for with sewer revenue depending on the BMP constructed. These costs may be leveraged as capital construction costs to assure proper maintenance is done.

### **SW005 Combined Sewer Overflow Improvements**

Existing or new infrastructure: Both

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

Each project funded under this program may have unique annual operating & maintenance costs. Generally speaking, new storm drains will be replacing older pipes draining to the sanitary. Also, any cost increases would be likely offset by decreases because of fewer sanitary problems and odor related problems near storm drain inlets.

### **SW011 Storm Drains & Tunnels Rehabilitation Program**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount:

Explanation of operating costs:

This project will generally decrease annual operating/maintenance costs by reducing the frequency and magnitude of emergency repairs.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **SW030 Alternative Stormwater Management Strategies**

Existing or new infrastructure: New

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project may increase annual operating and maintenance costs of the Sewer Maintenance Division of Public Works for maintenance of the BMPs. However this project may decrease annual operating and maintenance costs of the same division for addressing localized flooding issues. Any increase would be paid from the Stormwater Utility enterprise fund.

### **SW033 Flood Area 22 - Sibley Field**

Existing or new infrastructure: Both

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

The operating & maintenance cost for new storm drain is minimal. These costs will be paid out of the sewer maintenance operating fund, which is supported by sewer revenue (the stormwater utility fee).

### **SW034 Flood Area 21 – Bloomington Pond**

Existing or new infrastructure: Both

Operating Cost Implication: Increase Increase/(Decrease) amount: \$10,000.00

Explanation of operating costs:

The operating & maintenance cost for new storm drain is minimal. However, the proposed grit chambers will need periodic cleaning, which would increase the annual operating/maintenance costs. These costs will be paid out of the sewer maintenance operating fund, which is supported by sewer revenue (the stormwater utility fee).

### **SW036 Infiltration & Inflow Removal Program**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

By eliminating infiltration, our maintenance costs would be reduced. By eliminating inflow, we would reduce potential flooding cleanup costs and possible surcharge costs by MCES.

### **SW037 Irving Sewer Rehabilitation**

Existing or new infrastructure: Both

Operating Cost Implication: Increase Increase/(Decrease) amount: \$20,000.00

Explanation of operating costs:

Part of the project involves the rehabilitation of an existing sewer. Maintenance costs of the rehabilitated sewer will be less than current costs because of the smaller size and increased slope. A new lift station would increase operation and maintenance cost. The new cost will be paid from Sewer Revenue Fund.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **SWK01 Defective Hazardous Sidewalks/Complete Gaps**

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This proposal has no effect on annual operating/maintenance costs. Funds for the operation of the Sidewalk Inspection office are provided for by: 1) the Sidewalk Construction Permit fees paid by contractors, 2) Overhead fees paid by property owners when they are notified by the Sidewalk Inspections office and required by City ordinance to repair sidewalk defects, or when they request to use the City hired sidewalk contractor to make needed repairs to defective public sidewalk, and 3) Overhead fees paid by other City of Minneapolis Departments when the sidewalk portion of their project work is constructed by the City hired sidewalk contractor. The cost of maintenance of the public sidewalks is required by ordinance (City Charter, Chapter 8, Section 12 and 13) to be paid for by the adjacent property owner.

### **TR003 LED Replacement Program**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$400,000.00)

Explanation of operating costs:

Completion of the Project City wide will result in not having to increase the Division operations budget by \$200,000 annually over 2 years due to not having to spend limited maintenance funds on the purchase and installation of new red LEDs.

### **TR007 Traffic & Pedestrian Safety Improvements**

Existing or new infrastructure: Existing

Operating Cost Implication: Increase Increase/(Decrease) amount: \$125.00

Explanation of operating costs:

Overhead signal additions would increase operating costs by \$12.50 per unit per year. In 2011 there are 21-overhead signal structures proposed for construction.

### **TR008 Parkway Street Light Replacement**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$6,000.00)

Explanation of operating costs:

It is estimated that personnel costs would be reduced by over \$1,500 annually, and that equipment rental would be reduced \$500 annually as a result of the funding provided for this program in 2013 for a savings of \$2,000 annually.

### **TR010 Traffic Management Systems**

Existing or new infrastructure: Existing

Operating Cost Implication: Increase Increase/(Decrease) amount: \$30,000.00

Explanation of operating costs:

It is anticipated that the Adaptive Signal Control Expansion project will result in an increase in annual maintenance costs in the form of increased personnel costs (\$10,000), electricity usage (\$2,500), and equipment replacement costs (\$17,500). These increased costs would be absorbed within the Traffic & Parking Services Division operating budget.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### TR011 City Street Light Renovation

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$75,000.00)

Explanation of operating costs:

Approximately 30 lighting poles are removed each year that are in serious jeopardy of falling over as a result of the corrosion of the metal within the pole. Not all of the poles are replaced under current practices because of insufficient maintenance funds. The replacement cost for a new pole and transformer base and reconstruction of the anchorage is approximately \$6,000 each. It is estimated that this program once completed for the 800 poles most in need of immediate attention would save approximately \$75,000 annually in maintenance costs.

### TR013 Railroad Crossing Safety Improvements

Existing or new infrastructure: Existing

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This program will both add and remove infrastructure. Additions will primarily include medians, signs and railroad devices. Removals will be certain railroad crossings and streets where maintenance will no longer be needed. The cost of the additions/removals is still being determined. However, most of the additional costs (railroad devices) will be maintained by the railroads and not the City. Currently, Public Works expects the overall operating and maintenance costs will be the same.

### TR014 LRT TOD Improvements

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$3,600.00

Explanation of operating costs:

New pedestrian lighting would increase our annual operating cost approximately \$3,600. The funds to cover this increase would come from an increase in our operating budget.

### TR015 Safe Routes to School

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$5,000.00

Explanation of operating costs:

The infrastructure approved as part of the 1st application is a replacement of existing infrastructure with longer life and more robust infrastructure which will cause a decrease in O&M costs. However it is expected that potential increases may be realized with infrastructure additions in the future.

### TR018 Ballpark Area Pedestrian Improvements

Existing or new infrastructure: New

Operating Cost Implication: Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project is still in the planning stages and operating cost implications are unknown at this time.

# CITY OF MINNEAPOLIS

## Operating Cost Implications for 2009 Projects

### **TR019 Hiwatha LRT Signal Improvements**

Existing or new infrastructure:

Operating Cost Implication: No Change Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

There should be no significant operating costs incurred with this work.

### **WTR09 Ultrafiltration Program**

Existing or new infrastructure: New

Operating Cost Implication: Increase Increase/(Decrease) amount: \$1,500,000.00

Explanation of operating costs:

It will increase the annual operation/maintenance costs and will be paid by Water Revenue funds.

### **WTR12 Water Distribution Improvements**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

This project will have a very minor reduction on the Water Works annual operations/maintenance costs since life cycle replacements reduce replacements due to failure. This project will help to maintain the City's current level of service to its water customers.

### **WTR14 The MWW Facilities Security Improvement**

Existing or new infrastructure: Both

Operating Cost Implication: Increase Increase/(Decrease) amount: \$0.00

Explanation of operating costs:

N/A

### **WTR22 New Filter Presses**

Existing or new infrastructure: Existing

Operating Cost Implication: Decrease Increase/(Decrease) amount: (\$535,000.00)

Explanation of operating costs:

Based on the CH2MHILL study, this project will reduce the annual operating cost 30 to 35 percent. The project will be funded by Enterprise Bonds.



**MUNICIPAL BUILDING COMMISSION FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	MBC01	Life Safety Improvements	300	0	0	0	300	300
2010			300	0	0	0	300	300
2011			340	0	0	0	340	340
2012			340	0	0	0	340	340
2013			300	0	0	0	300	300
<b>Total</b>			<b>1,580</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,580</b>	<b>1,580</b>
2009	MBC02	Mechanical Systems Upgrade	500	0	0	0	500	500
2010			500	0	0	0	500	500
2011			500	0	0	0	500	500
2012			500	0	0	0	500	500
2013			500	0	0	0	500	500
<b>Total</b>			<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>2,500</b>
2009	MBC04	MBC Elevators	0	0	0	95	95	0
2010		Other = One-time transfer	0	0	0	0	0	0
2011		from General Fund	0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>95</b>	<b>95</b>	<b>0</b>
2009	MBC06	Clock Tower Upgrade	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	MBC09	Critical Power Capital Project	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	MBC10	City Hall Green Roof	0	0	0	108	108	0
2010		Other = One-time transfer	0	0	0	0	0	0
2011		from General Fund - actual	0	0	0	0	0	0
2012		amount is \$107,500	0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>108</b>	<b>108</b>	<b>0</b>
2009	CTY01	Restoration of Historic Reception Room	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**MUNICIPAL BUILDING COMMISSION FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
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FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	800	0	0	203	1,003	800
2010	800	0	0	0	800	800
2011	840	0	0	0	840	840
2012	840	0	0	0	840	840
2013	800	0	0	0	800	800
<b>Total Municipal Bldg Commission</b>	<b>4,080</b>	<b>0</b>	<b>0</b>	<b>203</b>	<b>4,283</b>	<b>4,080</b>

**LIBRARY COMMITMENT TO HENNEPIN COUNTY LIBRARY SYSTEM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER*	CITY TOTAL	NON APPROP
2009		Funding Commitments are	2,130	0	0	2,925	5,055	0
2010		part of the merger agreement	1,900	0	0	3,910	5,810	0
2011		of the Mpls Public Library	1,040	0	0	0	1,040	0
2012		System into the Hennepin	0	0	0	0	0	0
2013		County Library System	0	0	0	0	0	0
<b>Total</b>			<b>5,070</b>	<b>0</b>	<b>0</b>	<b>6,835</b>	<b>11,905</b>	<b>0</b>

\* Other = Library Referendum Bonds

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	2,130	0	0	2,925	5,055	0
<b>2010</b>	1,900	0	0	3,910	5,810	0
<b>2011</b>	1,040	0	0	0	1,040	0
<b>2012</b>	0	0	0	0	0	0
<b>2013</b>	0	0	0	0	0	0
<b>Total Library Commitments</b>	<b>5,070</b>	<b>0</b>	<b>0</b>	<b>6,835</b>	<b>11,905</b>	<b>0</b>

**PARK BOARD FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	PRK16	Parkway and Adjacent Parkland Lighting Replacement (141 request was moved to Public Works Parkway St Light Replacement - TR008)	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	PRK18	Folwell Parking Lot	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	PRK19	Phillips Pool & Gym Building Improvements	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	PRK20	Farview Lot, Trail, Courts and Lighting Improvements	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	PRK21	Pedestrian Bridges	141	0	0	0	141	0
2010			350	0	0	0	350	0
2011			400	0	0	0	400	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>891</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>891</b>	<b>0</b>
2009	PRKCP	Park Capital Infrastructure Other = 1,500 Park Capital Levy & 500 of new capital expansion funding (10%*) - per Park priorities	0	0	0	2,000	2,000	0
2010			0	0	0	2,000	2,000	0
2011			0	0	0	2,000	2,000	0
2012			0	0	0	2,000	2,000	0
2013			0	0	0	2,000	2,000	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>
2009	PRKDT	Diseased Tree Removal	0	0	500	0	500	0
2010			0	0	500	0	500	0
2011			0	0	500	0	500	0
2012			0	0	500	0	500	0
2013			0	0	500	0	500	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>2,500</b>	<b>0</b>	<b>2,500</b>	<b>0</b>

**PARK BOARD FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	141	0	500	2,000	2,641	0
2010	350	0	500	2,000	2,850	0
2011	400	0	500	2,000	2,900	0
2012	0	0	500	2,000	2,500	0
2013	0	0	500	2,000	2,500	0
<b>Total Park Board</b>	<b>891</b>	<b>0</b>	<b>2,500</b>	<b>10,000</b>	<b>13,391</b>	<b>0</b>

**Council Revised Capital Program for Park Infrastructure:**  
(Excluding Diseased Tree Removal)

Project ID	Project Description	2009	2010	2011	2012	2013	Totals
	Park Board Capital:						
PRK21	Pedestrian Bridges	141	350	400	0	0	891
PRKCP	Park Capital Infrastructure	2,000	2,000	2,000	2,000	2,000	10,000
	Total Park Board Capital	2,141	2,350	2,400	2,000	2,000	10,891
	Public Works Capital (for Parks):						
PV001	Parkway Paving	2,400	0	0	500	500	3,400
PV001	Parkway Paving - Assessments	160	10	10	60	60	300
PV001	Parkway Paving - Expanded Pgm	150	150	150	150	150	750
TR008	Parkway Street Light Replacement	141	150	150	150	150	741
TR008	Parkway Lighting - Expanded Pgm	150	150	150	150	150	750
	Total Public Works Capital (for Parks)	3,001	460	460	1,010	1,010	5,941
	Total Park related Capital Program	5,142	2,810	2,860	3,010	3,010	16,832
	Parks Capital Program Funding Breakdown:						
	Park Capital Levy	1,500	1,500	1,500	1,500	1,500	7,500
	Assessment Bonds	160	10	10	60	60	300
	Other (Hilton Trust Funds)	800	800	800	800	800	4,000
	Net Debt Bonds	2,682	500	550	650	650	5,032
	Total Parks Capital Funding	5,142	2,810	2,860	3,010	3,010	16,832

\* - Park Board is receiving 10% of the City's expanded program because their assets are approximately 10% of the City's total.

**PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM**  
**(GENERAL INFRASTRUCTURE)**

**FACILITY IMPROVEMENTS**  
**COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	PSD01	Facilities - Repair and Improvements	900	0	0	0	900	0
2010			400	0	0	0	400	0
2011			1,200	0	0	0	1,200	0
2012			1,159	0	0	0	1,159	0
2013			900	0	0	0	900	0
<b>Total</b>			<b>4,559</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,559</b>	<b>0</b>
2009	PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			250	0	0	0	250	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>	<b>0</b>
2009	PSD11	Energy Conservation and Emissions Reduction See Note A below.	300	0	0	0	300	0
2010			300	0	0	0	300	0
2011			500	0	0	0	500	0
2012			500	0	0	0	500	0
2013			500	0	0	0	500	0
<b>Total</b>			<b>2,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,100</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	1,200	0	0	0	1,200	0
<b>2010</b>	700	0	0	0	700	0
<b>2011</b>	1,950	0	0	0	1,950	0
<b>2012</b>	1,659	0	0	0	1,659	0
<b>2013</b>	1,400	0	0	0	1,400	0
<b>Total Facility Improvements</b>	<b>6,909</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,909</b>	<b>0</b>

Note A: Public Works should work with the Municipal Building Commission (MBC) to evaluate the return on investment of MBC proposals for lighting efficiency improvements in City Hall for potential funding.

# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## STREET PAVING COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	PV001	Parkway Paving	2,550	0	160	0	2,710	0
2010		Other = Expanded Capital	0	0	10	150	160	0
2011		from Hilton Trust funds	0	0	10	150	160	0
2012			500	0	60	150	710	0
2013			500	0	60	150	710	0
<b>Total</b>			<b>3,550</b>	<b>0</b>	<b>300</b>	<b>600</b>	<b>4,450</b>	<b>0</b>
2009	PV003	Street Renovation Program	1,815	0	665	0	2,480	0
2010		Other = Expanded Capital	1,845	0	710	500	3,055	0
2011		from Hilton Trust funds	2,500	0	755	500	3,755	0
2012			6,375	0	1,455	500	8,330	0
2013		See Stormwater Fund for Sewer related work.	1,115	0	275	0	1,390	0
<b>Total</b>			<b>13,650</b>	<b>0</b>	<b>3,860</b>	<b>1,500</b>	<b>19,010</b>	<b>0</b>
2009	PV004	CSAH Paving Program	0	400	575	0	975	0
2010		(County State Aid Highway)	0	470	600	0	1,070	0
2011			0	850	675	0	1,525	0
2012			850	0	750	0	1,600	0
2013			850	0	675	0	1,525	0
<b>Total</b>			<b>1,700</b>	<b>1,720</b>	<b>3,275</b>	<b>0</b>	<b>6,695</b>	<b>0</b>
2009	PV005	Snelling Ave Extension	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			450	0	750	0	1,200	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>450</b>	<b>0</b>	<b>750</b>	<b>0</b>	<b>1,200</b>	<b>0</b>
2009	PV006	Alley Renovation	200	0	50	0	250	0
2010		Other = Expanded Capital	176	0	110	200	486	0
2011		from Hilton Trust funds	269	0	130	200	599	0
2012			0	0	50	200	250	0
2013			0	0	50	200	250	0
<b>Total</b>			<b>645</b>	<b>0</b>	<b>390</b>	<b>800</b>	<b>1,835</b>	<b>0</b>
2009	PV007	University Research Park/ Central Corridor	0	0	500	0	500	4,457
2010			0	0	0	0	0	0
2011		Other = CPED contributions	200	835	835	5,130	7,000	0
2012		Non-Approp = State of MN	200	1,835	515	5,000	7,550	21,000
2013		See Stormwater Fund for Sewer related work.	200	275	0	0	475	0
<b>Total</b>			<b>600</b>	<b>2,945</b>	<b>1,850</b>	<b>10,130</b>	<b>15,525</b>	<b>25,457</b>

# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## STREET PAVING COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	PV008	I-35W & Lake St Interchange Reconstruct Phase 4	125	0	0	0	125	0
2010			80	0	0	0	80	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>205</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>205</b>	<b>0</b>

\* -This funding is for Minneapolis to participate with Hennepin County and MNDOT to move forward on Lake Street between Blaisdell Avenue and 5th Avenue South. The results will be a completed roadway design and streetscape plan set for Lake Street, a completed roadway plan set for Nicollet Avenue between 31st Street and 28th Street and 38th Street between Nicollet Avenue and Clinton Avenue, a completed bridge plan set the 40th Street Pedestrian Bridge, concept (30%) bridge design for the 38th Street and Lake Street Bridges. Also included is the Visual Quality Manual. The Visual Quality Manual will give guidance to the freeway corridor area while enhancing the diverse environments including a transportation corridor (transit/pedestrian/bicyclist) adjacent to a historic community. It is anticipated the process will occur over three years and include Project Advisory Committee (PAC) and Technical Advisory Committee (TAC) meetings as well as neighborhood and community meetings.

2009	PV019	6th Ave N (5th St N to Dead End N of Wash Ave)	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	PV021	33rd Ave SE and Talmage Avenue	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	PV028	Franklin/Cedar/Minnehaha Improvement Project	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			50	0	860	0	910	2,727
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>50</b>	<b>0</b>	<b>860</b>	<b>0</b>	<b>910</b>	<b>2,727</b>
2009	PV029	Chicago Ave S (8th St S to 28th St E)	355	4,690	4,520	0	9,565	0
2010			1,060	3,695	4,520	0	9,275	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>1,415</b>	<b>8,385</b>	<b>9,040</b>	<b>0</b>	<b>18,840</b>	<b>0</b>



# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## STREET PAVING COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	PV035	TH121/Lyndale Ave S	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012		See Stormwater Fund for Sewer related work.	0	0	0	0	0	0
2013			2,235	2,150	445	0	4,830	0
<b>Total</b>			<b>2,235</b>	<b>2,150</b>	<b>445</b>	<b>0</b>	<b>4,830</b>	<b>0</b>
2009	PV038	Winter St NE Residential/ Commercial	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012		See Stormwater Fund for Sewer related work.	0	0	0	0	0	0
2013			3,045	0	1,435	0	4,480	0
<b>Total</b>			<b>3,045</b>	<b>0</b>	<b>1,435</b>	<b>0</b>	<b>4,480</b>	<b>0</b>
2009	PV041	Glenwood Ave (2nd Ave N) Reconstruction	20	685	95	0	800	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>20</b>	<b>685</b>	<b>95</b>	<b>0</b>	<b>800</b>	<b>0</b>
2009	PV047	3rd Ave N Reconstruction	345	0	150	0	495	0
2010			790	0	0	0	790	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>1,135</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>1,285</b>	<b>0</b>
2009	PV049	1st Ave N One-way to Two-Way (1st to 12th St S)	265	995	0	0	1,260	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>265</b>	<b>995</b>	<b>0</b>	<b>0</b>	<b>1,260</b>	<b>0</b>
2009	PV050	Hennepin Ave One-way to Two-way-(1st to 12th St S)	90	805	0	0	895	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>90</b>	<b>805</b>	<b>0</b>	<b>0</b>	<b>895</b>	<b>0</b>
2009	PV056	Asphalt Pavement Resurfacing Program	2,400	500	2,325	0	5,225	0
2010			400	500	2,325	2,000	5,225	0
2011		Other = Expanded Capital	400	500	2,325	2,000	5,225	0
2012		from Hilton Trust funds	400	500	2,325	2,000	5,225	0
2013			400	500	2,325	2,000	5,225	0
<b>Total</b>			<b>4,000</b>	<b>2,500</b>	<b>11,625</b>	<b>8,000</b>	<b>26,125</b>	<b>0</b>

# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## STREET PAVING COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	PV057	Nicollet Ave (31st St E to 40th St E)	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			See Stormwater Fund for Sewer related work.	1,030	6,310	1,680	0	9,020
<b>Total</b>			<b>1,030</b>	<b>6,310</b>	<b>1,680</b>	<b>0</b>	<b>9,020</b>	<b>0</b>
2009	PV058	Cottage Park Traffic Calming	90	0	0	0	90	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>90</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90</b>	<b>0</b>
2009	PV059	Major Pavement Maintenance Other = Expanded Capital from Hilton Trust funds	0	0	0	700	700	0
2010			0	0	0	1,000	1,000	0
2011			0	0	0	1,000	1,000	0
2012			0	0	0	1,000	1,000	0
2013			0	0	0	800	800	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>4,500</b>	<b>4,500</b>	<b>0</b>
2009	PV060	Central Corridor Light Rail Transit Study Other = One-time transfer from General Fund	0	0	0	700	700	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>700</b>	<b>0</b>
2009	PV00R	Reimbursable Paving Projects Other = Various external or internal billings for work done or overheads charged	0	0	0	3,500	3,500	0
2010			0	0	0	3,500	3,500	0
2011			0	0	0	3,500	3,500	0
2012			0	0	0	3,500	3,500	0
2013			0	0	0	3,500	3,500	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>17,500</b>	<b>17,500</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	8,255	8,075	9,040	4,900	30,270	4,457
<b>2010</b>	4,351	4,665	8,275	7,350	24,641	0
<b>2011</b>	3,419	2,185	5,590	12,480	23,674	2,727
<b>2012</b>	8,775	2,335	5,905	12,350	29,365	21,000
<b>2013</b>	9,375	9,235	6,945	6,650	32,205	0
<b>Total Street Paving</b>	<b>34,175</b>	<b>26,495</b>	<b>35,755</b>	<b>43,730</b>	<b>140,155</b>	<b>28,184</b>

# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## SIDEWALK PROGRAM COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	SWK01	Defective Hazardous Sidewalks/ Complete Gaps	195	0	2,410	0	2,605	0
2010			205	0	2,530	0	2,735	0
2011			215	0	2,665	0	2,880	0
2012			225	0	2,795	0	3,020	0
2013			235	0	2,925	0	3,160	0
<b>Total</b>			<b>1,075</b>	<b>0</b>	<b>13,325</b>	<b>0</b>	<b>14,400</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	195	0	2,410	0	2,605	0
2010	205	0	2,530	0	2,735	0
2011	215	0	2,665	0	2,880	0
2012	225	0	2,795	0	3,020	0
2013	235	0	2,925	0	3,160	0
<b>Total Sidewalk Program</b>	<b>1,075</b>	<b>0</b>	<b>13,325</b>	<b>0</b>	<b>14,400</b>	<b>0</b>

## HERITAGE PARK INFRASTRUCTURE COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP	
2009	CDA01	Heritage Park Redevelopment Project/Central Corridor	0	0	0	0	0	0	
2010			200	0	0	0	200	0	
2011			500	0	0	0	500	0	
2012			See Stormwater Fund for Sewer related work.	0	0	0	0	0	0
2013				0	0	0	0	0	0
<b>Total</b>			<b>700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>0</b>	

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	0	0	0	0	0	0
2010	200	0	0	0	200	0
2011	500	0	0	0	500	0
2012	0	0	0	0	0	0
2013	0	0	0	0	0	0
<b>Total Heritage Park Redevelopment</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>0</b>

Note: Additional funding sources for this project will be appropriated as agreements are finalized.

# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## BRIDGES COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	BR101	Major Bridge Repair and Rehabilitation	300	0	0	0	300	0
2010			300	0	0	0	300	0
2011			300	0	0	0	300	0
2012			300	0	0	0	300	0
2013			400	0	0	0	400	0
<b>Total</b>			<b>1,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,600</b>	<b>0</b>
2009	BR105	Fremont Ave S Bridge Other = State of MN 720 and HCRRA 80 NDB funding is short \$580 K	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			1,000	0	0	800	1,800	0
2013			See Stormwater & Water sections also.	0	0	0	0	0
<b>Total</b>			<b>1,000</b>	<b>0</b>	<b>0</b>	<b>800</b>	<b>1,800</b>	<b>0</b>
2009	BR109	Camden Bridge Rehabilitation Other = State of MN 904	0	0	0	0	0	0
2010			1,895	1,405	0	904	4,204	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>1,895</b>	<b>1,405</b>	<b>0</b>	<b>904</b>	<b>4,204</b>	<b>0</b>
2009	BR110	St. Anthony Bridge over BNSF Other = Federal Govt 5,000 and State of MN 3,042	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			2,165	0	0	8,042	10,207	0
2012			250	0	0	0	250	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>2,415</b>	<b>0</b>	<b>0</b>	<b>8,042</b>	<b>10,457</b>	<b>0</b>
2009	BR111	10th Ave SE Bridge Arch Rehabilitation Other = Federal Govt 4,765	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			320	1,615	0	4,765	6,700	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>320</b>	<b>1,615</b>	<b>0</b>	<b>4,765</b>	<b>6,700</b>	<b>0</b>
2009	BR112	Nicollet Ave Reopening Other = One-time transfer from General Fund	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			See Miscellaneous Projects section also.	0	0	0	0	0
2013			See Stormwater & Water sections also.	700	2,705	255	2,063	5,723
<b>Total</b>			<b>700</b>	<b>2,705</b>	<b>255</b>	<b>2,063</b>	<b>5,723</b>	<b>0</b>
2009	BR114	Midtown Corridor Bridge Preservation Program Rehab Program Other = Federal Govt	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			400	0	0	1,000	1,400	0
2013			190	0	0	0	190	0
<b>Total</b>			<b>590</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>1,590</b>	<b>0</b>

# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM

(GENERAL INFRASTRUCTURE)

## BRIDGES

### COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
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FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	300	0	0	0	300	0
<b>2010</b>	2,195	1,405	0	904	4,504	0
<b>2011</b>	2,465	0	0	8,042	10,507	0
<b>2012</b>	2,270	1,615	0	6,565	10,450	0
<b>2013</b>	1,290	2,705	255	2,063	6,313	0
<b>Total Bridges</b>	<b>8,520</b>	<b>5,725</b>	<b>255</b>	<b>17,574</b>	<b>32,074</b>	<b>0</b>

**PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM**  
**(GENERAL INFRASTRUCTURE)**

**TRAFFIC CONTROL & STREET LIGHTING**  
**COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	TR003	LED Replacement Program	200	0	0	0	200	0
2010			50	0	0	0	50	0
2011			0	0	0	0	0	0
2012			200	0	0	0	200	0
2013			200	0	0	0	200	0
<b>Total</b>			<b>650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>650</b>	<b>0</b>
2009	TR005	Controller Conversion	0	0	0	0	0	0
2010		Other = Hennepin County 400	0	0	0	0	0	0
2011		in 2011 and 400 in 2012	350	380	0	2,800	3,530	0
2012		and Fed Govt 2,400 in 2011	350	380	0	2,800	3,530	0
2013		and 2,400 in 2012	0	0	0	0	0	0
<b>Total</b>			<b>700</b>	<b>760</b>	<b>0</b>	<b>5,600</b>	<b>7,060</b>	<b>0</b>
2009	TR006	Priority Vehicle Control System	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	TR007	Traffic & Pedestrian Safety	200	61	0	325	586	0
2010		Improvements	200	50	0	211	461	0
2011		Other = Fed Govt & Henn Cty	250	74	0	134	458	0
2012		For 2009 = 17 Henn Cty &	250	170	0	430	850	0
2013		308 Fed Govt	320	170	0	430	920	0
<b>Total</b>			<b>1,220</b>	<b>525</b>	<b>0</b>	<b>1,530</b>	<b>3,275</b>	<b>0</b>
2008	TR008	Parkway Street Light	291	0	0	0	291	0
2009		Replacement	150	0	0	150	300	0
2010		Other = Expanded Capital	150	0	0	150	300	0
2011		from Hilton Trust funds	150	0	0	150	300	0
2012			150	0	0	150	300	0
<b>Total</b>			<b>891</b>	<b>0</b>	<b>0</b>	<b>600</b>	<b>1,491</b>	<b>0</b>
2009	TR010	Traffic Management Systems	195	455	0	2,917	3,567	0
2010		Other = 2,400 Fed Govt &	270	640	0	2,787	3,697	0
2011		517 Henn Cty in 2009	25	50	0	450	525	0
2012			25	50	0	450	525	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>515</b>	<b>1,195</b>	<b>0</b>	<b>6,604</b>	<b>8,314</b>	<b>0</b>
2009	TR011	City Street Light Renovation	1,000	0	0	0	1,000	0
2010		Other = Expanded Capital	100	0	0	900	1,000	0
2011		from Hilton Trust funds	100	0	0	900	1,000	0
2012			100	0	0	900	1,000	0
2013			100	0	0	900	1,000	0
<b>Total</b>			<b>1,400</b>	<b>0</b>	<b>0</b>	<b>3,600</b>	<b>5,000</b>	<b>0</b>

**PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM**  
**(GENERAL INFRASTRUCTURE)**

**TRAFFIC CONTROL & STREET LIGHTING**  
**COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	TR013	Railroad Crossing Safety	335	0	0	1,239	1,574	0
2010		Improvements	150	170	0	128	448	0
2011		Other = 73 Henn Cty and	334	0	0	217	551	0
2012		1,166 State of MN for 2009	0	483	0	450	933	0
2013			0	424	0	67	491	0
<b>Total</b>			<b>819</b>	<b>1,077</b>	<b>0</b>	<b>2,101</b>	<b>3,997</b>	<b>0</b>
2009	TR014	LRT TOD Improvements	0	0	100	300	400	0
2010		Other = Hennepin County	0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>100</b>	<b>300</b>	<b>400</b>	<b>0</b>
2009	TR015	Safe Routes to School	50	0	0	0	50	0
2010			50	0	0	0	50	0
2011			50	0	0	0	50	0
2012			50	0	0	0	50	0
2013			50	0	0	0	50	0
<b>Total</b>			<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>	<b>0</b>
2009	TR017	Pedestrian Signals With	0	0	0	0	0	0
2010		Count-down Timers	30	0	0	0	30	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>	<b>0</b>
2009	TR018	Ballpark Area Pedestrian	0	0	0	1,575	1,575	0
2010		Improvements	0	0	0	0	0	0
2011		Other = One-time transfer	0	0	0	0	0	0
2012		from General Fund	0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>1,575</b>	<b>1,575</b>	<b>0</b>
2009	TR019	Hiawatha LRT Signal	0	0	0	0	0	0
2010		Improvements	0	0	0	0	0	0
2011		Other = One-time transfer	0	0	0	0	0	0
2012		from General Fund	0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	TR00R	Reimbursable Transportation	0	0	0	600	600	0
2010		Projects	0	0	0	600	600	0
2011		Other = Various external or	0	0	0	600	600	0
2012		internal billings for work done	0	0	0	600	600	0
2013		or overheads charged	0	0	0	600	600	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>

**PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM**  
 (GENERAL INFRASTRUCTURE)

**TRAFFIC CONTROL & STREET LIGHTING**  
 COUNCIL REVISED BUDGET

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	2,271	516	100	6,956	9,843	0
2010	1,000	860	0	4,776	6,636	0
2011	1,259	504	0	5,251	7,014	0
2012	1,125	1,083	0	5,780	7,988	0
2013	820	594	0	2,147	3,561	0
<b>Total Traffic Control &amp; Street Lighting</b>	<b>6,475</b>	<b>3,557</b>	<b>100</b>	<b>24,910</b>	<b>35,042</b>	<b>0</b>



# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## BIKE TRAILS COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	BIK04	18th Ave NE Bikeway	0	0	0	0	0	0
2010		Other = Federal Govt	1,125	0	0	1,000	2,125	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>1,125</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>2,125</b>	<b>0</b>
2009	BIK06	University of Minnesota Trail - Phase III	130	0	0	2,045	2,175	0
2010			0	0	0	0	0	0
2011		Other = Federal Govt	0	0	0	0	0	0
2012			0	0	0	0	0	0
2013		See Stormwater Fund for Sewer related work.	0	0	0	0	0	0
<b>Total</b>			<b>130</b>	<b>0</b>	<b>0</b>	<b>2,045</b>	<b>2,175</b>	<b>0</b>
2009	BIK13	RiverLake Greenway (East of I-35W)	0	0	0	0	0	0
2010			629	0	0	1,470	2,099	0
2011		Other = Federal Govt	0	0	0	0	0	0
2012			0	0	0	0	0	0
2013		See Stormwater Fund for Sewer related work.	0	0	0	0	0	0
<b>Total</b>			<b>629</b>	<b>0</b>	<b>0</b>	<b>1,470</b>	<b>2,099</b>	<b>0</b>
2009	BIK20	Hiawatha LRT Trail Lighting/ Trail Extension	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011		Other = Federal Govt	0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			850	0	0	1,270	2,120	0
<b>Total</b>			<b>850</b>	<b>0</b>	<b>0</b>	<b>1,270</b>	<b>2,120</b>	<b>0</b>
2009	BIK21	26th Ave N Bikeway Study	25	0	0	0	25	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>0</b>
2009	BIK22	18th Ave NE Bike Striping - Monroe to Stinson	50	0	0	0	50	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>0</b>
2009	BIK23	Bike Boulevard Pilot (See comment below)	50	0	0	0	50	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>0</b>

# PUBLIC WORKS DEPARTMENT FIVE-YEAR CAPITAL PROGRAM (GENERAL INFRASTRUCTURE)

## BIKE TRAILS COUNCIL REVISED BUDGET

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	BIK24	Major Bike Maintenance Program Other = Expanded Capital from Hilton Trust funds	0	0	0	100	100	0
2010			0	0	0	100	100	0
2011			0	0	0	100	100	0
2012			0	0	0	100	100	0
2013			0	0	0	100	100	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	255	0	0	2,145	2,400	0
<b>2010</b>	1,754	0	0	2,570	4,324	0
<b>2011</b>	0	0	0	100	100	0
<b>2012</b>	0	0	0	100	100	0
<b>2013</b>	850	0	0	1,370	2,220	0
<b>Total Bike Trails</b>	<b>2,859</b>	<b>0</b>	<b>0</b>	<b>6,285</b>	<b>9,144</b>	<b>0</b>

To maximize federal non-motorized Transportation Pilot Project dollars coming to the City of Minneapolis, these funds are designated to be local matching funds for "bicycle boulevard" projects. Eligible projects include the four that have been identified as high priority projects by public works (18th Ave S, 11th Ave S, Oak Park Ave N, 33rd Ave N) as well as Pleasant Ave S.

**PUBLIC WORKS DEPARTMENT  
GENERAL INFRASTRUCTURE FUNDING SUMMARY  
COUNCIL REVISED BUDGET**

<b>FUNDING SUMMARY BY YEAR</b>	<b>NDB</b>	<b>MSA</b>	<b>ASSM</b>	<b>OTHER</b>	<b>CITY TOTAL</b>	<b>NON APPROP</b>
<b>2009</b>	12,476	8,591	11,550	14,001	46,618	4,457
<b>2010</b>	10,405	6,930	10,805	15,600	43,740	0
<b>2011</b>	9,808	2,689	8,255	25,873	46,625	2,727
<b>2012</b>	14,054	5,033	8,700	24,795	52,582	21,000
<b>2013</b>	13,970	12,534	10,125	12,230	48,859	0
<b>Total PW General Infrastructure</b>	<b>60,713</b>	<b>35,777</b>	<b>49,435</b>	<b>92,499</b>	<b>238,424</b>	<b>28,184</b>

**STORMWATER FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	OTHER	CITY TOTAL	NON APPROP
2009	SW002	Miscellaneous Storm Drains	0	220	0	220	0
2010			0	220	0	220	0
2011			0	220	0	220	0
2012			0	220	0	220	0
2013			0	220	0	220	0
<b>Total</b>			<b>0</b>	<b>1,100</b>	<b>0</b>	<b>1,100</b>	<b>0</b>
2009	SW004	Implementation of US EPA Storm Water Regulations	0	0	0	0	0
2010			0	250	0	250	0
2011			0	250	0	250	0
2012			0	250	0	250	0
2013			0	250	0	250	0
<b>Total</b>			<b>0</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>	<b>0</b>
2009	SW005	Combined Sewer Overflow Improvements	1,500	0	0	1,500	0
2010			1,500	0	0	1,500	0
2011			1,500	0	0	1,500	0
2012			0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>4,500</b>	<b>0</b>	<b>0</b>	<b>4,500</b>	<b>0</b>
2009	SW011	Storm Drains & Tunnels Rehabilitation Program	0	500	0	500	0
2010			2,500	500	0	3,000	0
2011			2,500	500	0	3,000	0
2012			4,200	800	0	5,000	0
2013			4,200	800	0	5,000	0
<b>Total</b>			<b>13,400</b>	<b>3,100</b>	<b>0</b>	<b>16,500</b>	<b>0</b>
2009	SW018	Flood Area 29 & 30 Fulton Neighborhood	0	0	0	0	0
2010			900	0	2,388	3,288	0
2011		Other = Minnehaha	1,052	0	5,525	6,577	0
2012		Creek Watershed District	0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>1,952</b>	<b>0</b>	<b>7,913</b>	<b>9,865</b>	<b>0</b>
2009	SW030	Alternative Storm Water Management Strategies	0	1,000	0	1,000	0
2010			0	1,000	0	1,000	0
2011			0	1,000	0	1,000	0
2012			0	1,000	0	1,000	0
2013			0	1,000	0	1,000	0
<b>Total</b>			<b>0</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>	<b>0</b>
2009	SW032	I-35W Storm Tunnel Reconstruction	0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			1,035	0	0	1,035	0
<b>Total</b>			<b>1,035</b>	<b>0</b>	<b>0</b>	<b>1,035</b>	<b>0</b>

**STORMWATER FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	OTHER	CITY TOTAL	NON APPROP
2009	SW033	Flood Area 22 - Sibley Field	0	500	1,713	2,213	0
2010		Other = Minnehaha Creek	0	278	2,734	3,012	0
2011		Watershed District & USEPA	0	0	0	0	0
2012		USEPA = 840 in 2009	0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>778</b>	<b>4,447</b>	<b>5,225</b>	<b>0</b>
2009	SW034	Flood Area 21 - Bloomington	0	0	0	0	0
2010		Pond	0	446	4,393	4,839	0
2011		Other = Minnehaha	0	0	0	0	0
2012		Creek Watershed District	0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>446</b>	<b>4,393</b>	<b>4,839</b>	<b>0</b>
2009	SW038	Flood Area 5 - North	0	0	0	0	0
2010		Minneapolis Neighborhoods	0	0	0	0	0
2011		(Victory, Cleveland, Folwell	0	0	0	0	0
2012		and Jordan)	0	0	0	0	0
2013			1,500	0	0	1,500	0
<b>Total</b>			<b>1,500</b>	<b>0</b>	<b>0</b>	<b>1,500</b>	<b>0</b>
2009	SW00R	Reimbursable Sewer and	0	0	3,000	3,000	0
2010		Storm Drain Projects	0	0	3,000	3,000	0
2011		Other = Various external or	0	0	3,000	3,000	0
2012		internal billings for work done	0	0	3,000	3,000	0
2013		or overheads charged	0	0	3,000	3,000	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>0</b>
2009	BIK06	University of Minnesota Trail -	0	115	0	115	0
2010		Phase III	0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>115</b>	<b>0</b>	<b>115</b>	<b>0</b>
2009	BIK13	RiverLake Greenway	0	0	0	0	0
2010		(East of I-35W)	0	255	0	255	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>255</b>	<b>0</b>	<b>255</b>	<b>0</b>
2009	BR105	Fremont Ave S Bridge	0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	70	0	70	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>70</b>	<b>0</b>	<b>70</b>	<b>0</b>
2009	BR112	Nicollet Ave Reopening	0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			235	0	0	235	0
<b>Total</b>			<b>235</b>	<b>0</b>	<b>0</b>	<b>235</b>	<b>0</b>

**STORMWATER FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	OTHER	CITY TOTAL	NON APPROP
2009	CDA01	Heritage Park Redevelopment Project - new infrastructure contribution	0	0	0	0	0
2010			0	250	0	250	0
2011			0	250	0	250	0
2012			0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>0</b>
2009	PV003	Street Renovation Program	0	140	0	140	0
2010			0	205	0	205	0
2011			0	0	0	0	0
2012			0	75	0	75	0
2013			0	500	0	500	0
<b>Total</b>			<b>0</b>	<b>920</b>	<b>0</b>	<b>920</b>	<b>0</b>
2009	PV007	University Research Park/ Central Corridor	0	800	0	800	0
2010			0	0	0	0	0
2011			0	800	0	800	0
2012			0	400	0	400	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>0</b>
2009	PV029	Chicago Ave S (8th St S to E 28th St E)	0	145	0	145	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>145</b>	<b>0</b>	<b>145</b>	<b>0</b>
2009	PV035	TH121/Lyndale Ave S	0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			0	600	0	600	0
<b>Total</b>			<b>0</b>	<b>600</b>	<b>0</b>	<b>600</b>	<b>0</b>
2009	PV038	Winter St NE Residential/ Commercial	0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			0	40	0	40	0
<b>Total</b>			<b>0</b>	<b>40</b>	<b>0</b>	<b>40</b>	<b>0</b>
2009	PV057	Nicollet Ave (31st St E to 40th St E)	0	0	0	0	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			0	330	0	330	0
<b>Total</b>			<b>0</b>	<b>330</b>	<b>0</b>	<b>330</b>	<b>0</b>

**STORMWATER FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	OTHER	CITY TOTAL	NON APPROP
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FUNDING SUMMARY BY YEAR	SEWER BONDS	SEWER REVENUE	OTHER	TOTAL	NON APPROP
2009	1,500	3,420	4,713	9,633	0
2010	4,900	3,404	12,515	20,819	0
2011	5,052	3,020	8,525	16,597	0
2012	4,200	2,815	3,000	10,015	0
2013	6,970	3,740	3,000	13,710	0
<b>Total Stormwater Sewer Fund</b>	<b>22,622</b>	<b>16,399</b>	<b>31,753</b>	<b>70,774</b>	<b>0</b>

**SANITARY SEWER FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	SEWER BONDS	SEWER REVENUE	OTHER	CITY TOTAL	NON APPROP
2009	SW001	Sanitary Tunnel and Sewer Rehabilitation Program	250	0	0	250	0
2010			500	0	0	500	0
2011			1,000	0	0	1,000	0
2012			1,000	0	0	1,000	0
2013			1,000	0	0	1,000	0
<b>Total</b>			<b>3,750</b>	<b>0</b>	<b>0</b>	<b>3,750</b>	<b>0</b>
2009	SW036	Infiltration & Inflow Removal Program	5,000	0	0	5,000	0
2010			5,000	0	0	5,000	0
2011			5,000	0	0	5,000	0
2012			7,000	0	0	7,000	0
2013			7,500	0	0	7,500	0
<b>Total</b>			<b>29,500</b>	<b>0</b>	<b>0</b>	<b>29,500</b>	<b>0</b>
2009	SW037	Irving Sewer Rehabilitation	3,726	0	0	3,726	0
2010			0	0	0	0	0
2011			0	0	0	0	0
2012			0	0	0	0	0
2013			0	0	0	0	0
<b>Total</b>			<b>3,726</b>	<b>0</b>	<b>0</b>	<b>3,726</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	SEWER BONDS	SEWER REVENUE	OTHER	TOTAL	NON APPROP
<b>2009</b>	8,976	0	0	8,976	0
<b>2010</b>	5,500	0	0	5,500	0
<b>2011</b>	6,000	0	0	6,000	0
<b>2012</b>	8,000	0	0	8,000	0
<b>2013</b>	8,500	0	0	8,500	0
<b>Total Sanitary Sewer Fund</b>	<b>36,976</b>	<b>0</b>	<b>0</b>	<b>36,976</b>	<b>0</b>



**WATER FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	WATER BONDS	WATER REVENUE	OTHER	TOTAL
2009	WTR09	Ultrafiltration Program	18,500	0	0	18,500
2010			16,000	0	0	16,000
2011			16,000	0	0	16,000
2012			14,500	0	0	14,500
2013			0	0	0	0
<b>Total</b>			<b>65,000</b>	<b>0</b>	<b>0</b>	<b>65,000</b>
2009	WTR12	Water Distribution Improvements	0	4,750	0	4,750
2010			0	5,000	0	5,000
2011			0	5,250	0	5,250
2012			0	5,500	0	5,500
2013			0	6,000	0	6,000
<b>Total</b>			<b>0</b>	<b>26,500</b>	<b>0</b>	<b>26,500</b>
2009	WTR14	The MWW Facilities Security Improvement	0	250	0	250
2010			0	250	0	250
2011			0	250	0	250
2012			0	250	0	250
2013			0	0	0	0
<b>Total</b>			<b>0</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>
2009	WTR16	Minneapolis/St. Paul Inter-connection	0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
2012			0	0	0	0
2013			500	0	0	500
<b>Total</b>			<b>500</b>	<b>0</b>	<b>0</b>	<b>500</b>
2009	WTR17	Treatment Modifications Based on New Regulations	0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
2012			0	0	0	0
2013			0	100	0	100
<b>Total</b>			<b>0</b>	<b>100</b>	<b>0</b>	<b>100</b>
2009	WTR18	Hiawatha Water Maintenance Facility	0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
2012			0	0	0	0
2013			0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	WTR22	New Filter Presses	2,000	0	0	2,000
2010			6,500	0	0	6,500
2011			6,500	0	0	6,500
2012			0	0	0	0
2013			0	0	0	0
<b>Total</b>			<b>15,000</b>	<b>0</b>	<b>0</b>	<b>15,000</b>

**WATER FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	WATER BONDS	WATER REVENUE	OTHER	TOTAL
2009	WTR0R	Reimbursable Water Projects Other = Various external or internal billings for work done or overheads charged	0	0	2,000	2,000
2010			0	0	2,000	2,000
2011			0	0	2,000	2,000
2012			0	0	2,000	2,000
2013			0	0	2,000	2,000
<b>Total</b>			<b>0</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>
2009	BR105	Fremont Ave S Bridge	0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
2012			0	70	0	70
2013			0	0	0	0
<b>Total</b>			<b>0</b>	<b>70</b>	<b>0</b>	<b>70</b>
2009	BR112	Nicollet Ave Reopening	0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
2012			0	0	0	0
2013			300	0	0	300
<b>Total</b>			<b>300</b>	<b>0</b>	<b>0</b>	<b>300</b>
2009	PV035	TH121/Lyndale Ave S	0	0	0	0
2010			0	0	0	0
2011			0	0	0	0
2012			0	0	0	0
2013			0	380	0	380
<b>Total</b>			<b>0</b>	<b>380</b>	<b>0</b>	<b>380</b>

FUNDING SUMMARY BY YEAR	WATER BONDS	WATER REVENUE	OTHER	TOTAL
<b>2009</b>	20,500	5,000	2,000	27,500
<b>2010</b>	22,500	5,250	2,000	29,750
<b>2011</b>	22,500	5,500	2,000	30,000
<b>2012</b>	14,500	5,820	2,000	22,320
<b>2013</b>	800	6,480	2,000	9,280
<b>Total Water Fund</b>	<b>80,800</b>	<b>28,050</b>	<b>10,000</b>	<b>118,850</b>

**PARKING FUND FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLLE	PARKING BONDS	PARKING REVENUE	OTHER	CITY TOTAL	NON APPROP
2009	RMP01	Parking Facilities - Repair and Improvements	1,700	0	0	1,700	0
2010			1,700	0	0	1,700	0
2011			1,700	0	0	1,700	0
2012			1,700	0	0	1,700	0
2013			0	0	0	0	0
<b>Total</b>			<b>6,800</b>	<b>0</b>	<b>0</b>	<b>6,800</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	PARKING BONDS	PARKING REVENUE	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	1,700	0	0	1,700	0
<b>2010</b>	1,700	0	0	1,700	0
<b>2011</b>	1,700	0	0	1,700	0
<b>2012</b>	1,700	0	0	1,700	0
<b>2013</b>	0	0	0	0	0
<b>Total Parking Fund</b>	<b>6,800</b>	<b>0</b>	<b>0</b>	<b>6,800</b>	<b>0</b>

**PUBLIC WORKS DEPARTMENT  
FIVE-YEAR CAPITAL FUNDING SUMMARY  
COUNCIL REVISED BUDGET**

GENERAL INFRASTRUCTURE IMPROVEMENTS FUNDING SUMMARY BY YEAR			NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009			12,476	8,591	11,550	14,001	46,618	4,457
2010			10,405	6,930	10,805	15,600	43,740	0
2011			9,808	2,689	8,255	25,873	46,625	2,727
2012			14,054	5,033	8,700	24,795	52,582	21,000
2013			13,970	12,534	10,125	12,230	48,859	0
<b>Total Public Works General Infrastructure Improvements</b>			<b>60,713</b>	<b>35,777</b>	<b>49,435</b>	<b>92,499</b>	<b>238,424</b>	<b>28,184</b>

ENTERPRISE FUND CAPITAL* FUNDING SUMMARY BY YEAR	ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	32,676	8,420				6,713	47,809	0
2010	34,600	8,654				14,515	57,769	0
2011	35,252	8,520				10,525	54,297	0
2012	28,400	8,635				5,000	42,035	0
2013	16,270	10,220				5,000	31,490	0
<b>Total Public Works Enterprise Fund Capital</b>	<b>147,198</b>	<b>44,449</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,753</b>	<b>233,400</b>	<b>0</b>

\* - Enterprise funds include Stormwater & Sanitary Sewers, Water, Parking.

CONSOLIDATED PUBLIC WORKS FUNDING SUMMARY BY YEAR	ENTERPRISE BONDS	ENTERPRISE REVENUES	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	32,676	8,420	12,476	8,591	11,550	20,714	94,427	4,457
2010	34,600	8,654	10,405	6,930	10,805	30,115	101,509	0
2011	35,252	8,520	9,808	2,689	8,255	36,398	100,922	2,727
2012	28,400	8,635	14,054	5,033	8,700	29,795	94,617	21,000
2013	16,270	10,220	13,970	12,534	10,125	17,230	80,349	0
<b>Total Public Works Department Projects</b>	<b>147,198</b>	<b>44,449</b>	<b>60,713</b>	<b>35,777</b>	<b>49,435</b>	<b>134,252</b>	<b>471,824</b>	<b>28,184</b>

Funding Breakdown by Major Revenue Sources      31.20%      9.42%      12.87%      7.58%      10.48%      28.45%      100.00%  
(City Funding & Grant Sources where the City is the lead agency)

## Council Adopted Utility Rates

### Supporting 2009 - 2013 Enterprise Operations, Capital Programs & Debt Repayment

#### Stormwater Rates

**2008 Council Adopted Stormwater Rates**

Effective Date	Increase	Total Rate*	% Change
01/01/08	0.490	10.26	5.0%
01/01/09	0.210	10.47	2.0%
01/01/10	0.210	10.68	2.0%
01/01/11	0.210	10.89	2.0%
01/01/12	0.000	10.89	0.0%

**2009 Council Adopted Stormwater Rates**

Effective Date	Increase	Total Rate*	% Change***
01/01/08		10.26	
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%

\* - Expressed in \$/Equivalent Stormwater Unit (ESU) where 1 ESU = 1,530 square feet of impervious (hard surface) area.

#### Sanitary Sewer Rates

**2008 Council Adopted Sanitary Sewer Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/08	0.150	2.45	6.5%
01/01/09	0.120	2.57	4.9%
01/01/10	0.120	2.69	4.7%
01/01/11	0.120	2.81	4.5%
01/01/12	0.100	2.91	3.6%

**2009 Council Adopted Sanitary Sewer Rates**

Effective Date	Increase	Total Rate**	% Change***
01/01/08		2.45	
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%

#### Water Rates

**2008 Council Adopted Water Rates**

Effective Date	Increase	Total Rate**	% Change
01/01/08	0.080	2.75	3.0%
01/01/09	0.070	2.82	2.5%
01/01/10	0.070	2.89	2.5%
01/01/11	0.070	2.96	2.4%
01/01/12	0.080	3.04	2.7%

**2009 Council Adopted Water Rates**

Effective Date	Increase	Total Rate**	% Change***
01/01/08		2.75	
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%

\*\* - Sanitary Sewer and Water Rates are expressed in \$/100 Cubic Feet

\*\*\* - The primary reasons for the larger rate increases over the 2008 adopted rates include:

1. Operating cost inflation assumptions were increased from 3% to 4% for 2010 and beyond
2. Need to accelerate improvement of cash positions to be in compliance with Financial Policies
3. Increased sanitary sewer treatment & capital program costs passed on by Metropolitan Council

**BIS TECHNOLOGY PROJECTS IN THE FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	BIS02	Central Traffic Signal Computer Replacement	50	0	0	0	50	0
2010			50	0	0	0	50	0
2011			50	0	0	0	50	0
2012			50	0	0	0	50	0
2013			50	0	0	0	50	0
<b>Total</b>			<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>	<b>0</b>
2009	BIS03	Enterprise Document Management	50	0	0	0	50	0
2010			100	0	0	0	100	0
2011			100	0	0	0	100	0
2012			50	0	0	0	50	0
2013			100	0	0	0	100	0
<b>Total</b>			<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>	<b>0</b>
2009	BIS04	Enterprise Infrastructure Capacity Upgrade	500	0	0	0	500	0
2010			500	0	0	0	500	0
2011			500	0	0	0	500	0
2012			500	0	0	0	500	0
2013			672	0	0	0	672	0
<b>Total</b>			<b>2,672</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,672</b>	<b>0</b>
2009	BIS05	Enterprise Reporting	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	BIS06	GIS Application Infrastructure Upgrade	100	0	0	0	100	0
2010			200	0	0	0	200	0
2011			50	0	0	0	50	0
2012			50	0	0	0	50	0
2013			50	0	0	0	50	0
<b>Total</b>			<b>450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>450</b>	<b>0</b>
2009	BIS10	Finance System Consolidation/Upgrade	700	0	0	0	700	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			50	0	0	0	50	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>750</b>	<b>0</b>
2009	BIS12	Mobile Assessor	100	0	0	0	100	0
2010			150	0	0	0	150	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>	<b>0</b>

**BIS TECHNOLOGY PROJECTS IN THE FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	BIS13	Risk Management & Claims Application Replacement	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	BIS14	Land Information Repository	0	0	0	0	0	0
2010			0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	1,500	0	0	0	1,500	0
<b>2010</b>	1,000	0	0	0	1,000	0
<b>2011</b>	700	0	0	0	700	0
<b>2012</b>	700	0	0	0	700	0
<b>2013</b>	872	0	0	0	872	0
<b>Total BIS Technology Projects</b>	<b>4,772</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,772</b>	<b>0</b>

**MISCELLANEOUS PROJECTS IN THE FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	ART01	Art in Public Places	317	0	0	0	317	0
2010			333	0	0	0	333	0
2011			347	0	0	0	347	0
2012			366	0	0	0	366	0
2013			383	0	0	0	383	0
<b>Total</b>			<b>1,746</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,746</b>	<b>0</b>
2009	BR113	Nicollet Ave Planning - CPED	0	0	0	0	0	0
2010		Other = One-time transfer	0	0	0	0	0	0
2011		from General Fund	0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2009	CTY02	City Property Reforestation	150	0	0	0	150	0
2010			150	0	0	0	150	0
2011			150	0	0	0	150	0
2012			150	0	0	0	150	0
2013			150	0	0	0	150	0
<b>Total</b>			<b>750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>750</b>	<b>0</b>
2009	FIR01	Emergency Operations	1,764	0	0	0	1,764	0
2010		Training Facility (EOTF)	0	0	0	0	0	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>1,764</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,764</b>	<b>0</b>
2009	MPD01	MPD Forensic Laboratory	100	0	0	0	100	0
2010			0	0	0	0	0	0
2011			2,850	0	0	0	2,850	0
2012			1,000	0	0	0	1,000	0
2013			1,300	0	0	0	1,300	0
<b>Total</b>			<b>5,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,250</b>	<b>0</b>
2009	MPD02	MPD Property & Evidence	0	0	0	0	0	0
2010		Warehouse	0	0	0	0	0	0
2011			730	0	0	0	730	0
2012			700	0	0	0	700	0
2013			700	0	0	0	700	0
<b>Total</b>			<b>2,130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,130</b>	<b>0</b>
2009	MPD05	Strategic Information Center	372	0	0	0	372	0
2010			1,227	0	0	0	1,227	0
2011			0	0	0	0	0	0
2012			0	0	0	0	0	0
2013			0	0	0	0	0	0
<b>Total</b>			<b>1,599</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,599</b>	<b>0</b>



**MISCELLANEOUS PROJECTS IN THE FIVE-YEAR CAPITAL PROGRAM  
COUNCIL REVISED BUDGET**

YEAR	PROJECT ID	PROJECT TITLE	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
2009	PSD03	Facilities-Space Improvements	300	0	0	0	300	0
2010			500	0	0	0	500	0
2011			500	0	0	0	500	0
2012			500	0	0	0	500	0
2013			500	0	0	0	500	0
<b>Total</b>			<b>2,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,300</b>	<b>0</b>

FUNDING SUMMARY BY YEAR	NDB	MSA	ASSM	OTHER	CITY TOTAL	NON APPROP
<b>2009</b>	3,003	0	0	0	3,003	0
<b>2010</b>	2,210	0	0	0	2,210	0
<b>2011</b>	4,577	0	0	0	4,577	0
<b>2012</b>	2,716	0	0	0	2,716	0
<b>2013</b>	3,033	0	0	0	3,033	0
<b>Total Miscellaneous Projects</b>	<b>15,539</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,539</b>	<b>0</b>

## 2009 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
MBC01	Life Safety Improvements	MBC	300	300	300	300
MBC02	Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04	MBC Elevators	MBC	95	0	95	95
MBC06	Clock Tower Upgrade	MBC	875	0	0	0
MBC10	City Hall Green Roof	MBC	0	0	108	108
Library	Funding Commitments by Year	Finance	5,055	5,055	5,055	5,055
PRK16	Parkway and Adjacent Parkland Lighting Replacement	Park Board	141	0	0	0
PRK18	Folwell Parking Lot	Park Board	0	141	0	0
PRK21	Pedestrian Bridges	Park Board	0	0	141	141
PRKCP	Park Capital Infrastructure	Park Board	0	0	2,000	2,000
PRKDT	Diseased Tree Removal	Park Board	500	500	500	500
PSD01	Facilities - Repair and Improvements	PW - Internal Services	900	900	900	900
PSD11	Energy Conservation and Emissions Reduction	PW - Internal Services	300	300	300	300
PV001	Parkway Paving	PW - Paving	1,750	1,750	2,710	2,710
PV003	Street Renovation Program	PW - Paving	1,555	1,555	2,480	2,480
PV004	CSAH Paving Program	PW - Paving	975	975	975	975
PV006	Alley Renovation	PW - Paving	265	0	250	250
PV007	University Research Park/Central Corridor	PW - Paving	500	500	500	500
PV008	I-35W & Lake St Interchange Reconstruct Phase 4	PW - Paving	125	125	125	125
PV029	Chicago Ave S (8th St S to 28th St E)	PW - Paving	10,515	10,515	9,565	9,565
PV041	Glenwood Ave (2nd Ave N) Reconstruction	PW - Paving	800	800	800	800
PV047	3rd Ave N Reconstruction	PW - Paving	495	495	495	495
PV049	1st Ave One-way to Two-way (1st to 9th St S)	PW - Paving	615	0	1,260	1,260
PV050	Hennepin Ave One-way to Two-way(1st to 12th St S)	PW - Paving	515	0	895	895
PV056	Asphalt Pavement Resurfacing Program	PW - Paving	2,400	2,400	5,225	5,225
PV058	Cottage Park Traffic Calming	PW - Paving	0	0	90	90
PV059	Major Pavement Maintenance	PW - Paving	0	0	700	700
PV060	Central Corridor Light Rail Transit Study	PW - Paving	0	0	700	700
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,605	2,605	2,605	2,605
CDA01	Heritage Park Redevelopment Project	CPED	1,000	200	0	0
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	300	300	300	300
TR003	LED Replacement Program	PW - Transportation	275	275	200	200
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	581	581	586	586
TR008	Parkway Street Light Replacement	PW - Transportation	100	241	291	291
TR010	Traffic Management Systems	PW - Transportation	3,567	3,567	3,567	3,567
TR011	City Street Light Renovation	PW - Transportation	100	300	1,000	1,000
TR013	Railroad Crossing Safety Improvements	PW - Transportation	1,574	1,574	1,574	1,574
TR014	LRT TOD Improvements	PW - Transportation	400	400	400	400
TR015	Safe Routes to School	PW - Transportation	50	50	50	50
TR018	Ballpark Area Pedestrian Improvements	PW - Transportation	0	0	1,975	1,575
TR019	Hiawatha LRT Signal Improvements	PW - Transportation	0	0	250	0
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
BIK06	University of Minnesota Trail - Phase III	PW - Transportation	2,175	2,175	2,175	2,175
BIK21	26th Ave N Bikeway Study	PW - Transportation	0	0	25	25
BIK22	18th Ave NE Bike Striping	PW - Transportation	0	0	50	50

## 2009 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
MBC01	Life Safety Improvements	MBC	300	300	300	300
BIK23	Bike Boulevard Pilot	PW - Transportation	0	0	50	50
BIK24	Major Bike Maintenance Program	PW - Transportation	0	0	100	100
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	250	250	0	0
SW005	Combined Sewer Overflow Improvements	PW - Sewer	1,500	1,500	1,500	1,500
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	3,000	3,000	500	500
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	1,000	1,000	1,000
SW033	Flood Area 22 - Sibley Field	PW - Sewer	2,213	2,213	2,213	2,213
SW00R	Reimbursable Sewer and Storm Drain Projects	PW - Sewer	3,000	3,000	3,000	3,000
BIK06	University of Minnesota Trail - Phase III	PW - Sewer	115	115	115	115
CDA01	Heritage Park Redevelopment Project	PW - Sewer	250	250	0	0
PV003	Street Renovation Program	PW - Sewer	140	140	140	140
PV007	University Research Park	PW - Sewer	800	800	800	800
PV029	Chicago Ave S (8th St S to 28th St E)	PW - Sewer	145	145	145	145
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	500	500	250	250
SW036	Infiltration & Inflow Removal Program	PW - Sewer	5,000	5,000	5,000	5,000
SW037	Irving Sewer Rehabilitation	PW - Sewer	3,726	3,726	3,726	3,726
WTR09	Ultrafiltration Program	PW - Water	18,500	18,500	18,500	18,500
WTR12	Water Distribution Improvements	PW - Water	4,750	4,750	4,750	4,750
WTR14	The MWW Facilities Security Improvement	PW - Water	500	250	250	250
WTR18	Hiawatha Water Maintenance Facility	PW - Water	300	0	0	0
WTR22	New Filter Presses	PW - Water	2,000	2,000	2,000	2,000
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
BIS02	Central Traffic Signal Computer Replacement	BIS	50	50	50	50
BIS03	Enterprise Document Management	BIS	50	50	50	50
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	500	500	500	500
BIS05	Enterprise Reporting/Business Intelligence	BIS	200	0	0	0
BIS06	GIS Application Infrastructure Upgrade	BIS	100	100	100	100
BIS10	Finance System Consolidation/Upgrade	BIS	700	700	700	700
BIS12	Mobile Assessor	BIS	100	100	100	100
BIS14	Land Information Repository	BIS	200	0	0	0
ART01	Art in Public Places	CPED	317	317	317	317
BR113	Nicollet Ave Planning	CPED	0	0	100	0
CTY02	City Property Reforestation	PW - Internal Services	0	0	150	150
FIR01	City EOC/Training Facility	Fire Department	1,764	1,764	1,764	1,764
MPD01	MPD Forensic Laboratory	Police Department	100	100	100	100
MPD05	Strategic Information Center	Police Department	1,053	372	372	372
PSD03	Facilities - Space Improvements	PW - Internal Services	500	300	300	300
<b>TOTAL</b>			<b>103,246</b>	<b>98,591</b>	<b>108,379</b>	<b>107,629</b>

## 2010 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
MBC01	Life Safety Improvements	MBC	300	300	300	300
MBC02	Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04	MBC Elevators	MBC	100	0	0	0
MBC09	Critical Power Capital Project	MBC	50	0	0	0
CTY01	Restoration of Historic Reception Room	MBC	1,950	0	0	0
Library	Funding Commitments by Year	Finance	5,810	5,810	5,810	5,810
PRK19	Phillips Pool & Gym Building Improvements	Park Board	0	350	0	0
PRK21	Pedestrian Bridges	Park Board	0	0	350	350
PRKCP	Park Capital Infrastructure	Park Board	0	0	2,000	2,000
PRKDT	Diseased Tree Removal	Park Board	500	500	500	500
PSD01	Facilities - Repair and Improvements	PW - Internal Services	400	400	400	400
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	PW - Internal Services	250	250	0	0
PSD11	Energy Conservation and Emissions Reduction	PW - Internal Services	300	300	300	300
PV001	Parkway Paving	PW - Paving	0	0	160	160
PV003	Street Renovation Program	PW - Paving	2,430	2,430	3,055	3,055
PV004	CSAH Paving Program	PW - Paving	1,070	1,070	1,070	1,070
PV006	Alley Renovation	PW - Paving	265	236	486	486
PV008	I-35W & Lake St Interchange Reconstruct Phase 4	PW - Paving	80	80	80	80
PV029	Chicago Ave S (8th St S to 28th St E)	PW - Paving	9,125	9,125	9,275	9,275
PV047	3rd Ave N Reconstruction	PW - Paving	790	790	790	790
PV049	1st Ave One-way to Two-way (1st to 12th St S)	PW - Paving	490	0	0	0
PV050	Hennepin Ave One-way to Two-way(1st to 12th St S)	PW - Paving	380	0	0	0
PV056	Asphalt Pavement Resurfacing Program	PW - Paving	2,400	2,400	5,225	5,225
PV059	Major Pavement Maintenance	PW - Paving	0	0	1,000	1,000
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,735	2,735	2,735	2,735
CDA01	Heritage Park Redevelopment Project	CPED	750	500	200	200
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	300	300	300	300
BR109	Camden Bridge Rehabilitation	PW - Bridges	4,204	4,204	4,204	4,204
TR003	LED Replacement Program	PW - Transportation	0	0	50	50
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	511	511	461	461
TR008	Parkway Street Light Replacement	PW - Transportation	150	150	300	300
TR010	Traffic Management Systems	PW - Transportation	3,800	3,800	3,697	3,697
TR011	City Street Light Renovation	PW - Transportation	0	300	1,000	1,000
TR013	Railroad Crossing Safety Improvements	PW - Transportation	554	554	448	448
TR015	Safe Routes to School	PW - Transportation	50	50	50	50
TR017	Pedestrian Signals with Count-down Timers	PW - Transportation	0	0	30	30
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
BIK04	18th Ave NE Bikeway	PW - Transportation	2,125	2,125	2,125	2,125
BIK13	RiverLake Greenway (East of I-35W)	PW - Transportation	2,099	0	2,099	2,099
BIK24	Major Bike Maintenance Program	PW - Transportation	0	0	100	100
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	250	250	250	250
SW005	Combined Sewer Overflow Improvements	PW - Sewer	1,500	1,500	1,500	1,500
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	3,000	3,000	3,000	3,000
SW018	Flood Area 29 & 30 - Fulton Neighborhood	PW - Sewer	3,288	3,288	3,288	3,288

## 2010 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	1,000	1,000	1,000
SW033	Flood Area 22 - Sibley Field	PW - Sewer	3,012	3,012	3,012	3,012
SW034	Flood Area 21 - Bloomington Pond	PW - Sewer	4,839	4,839	4,839	4,839
SW00R	Reimbursable Sewer and Storm Drain Projects	PW - Sewer	3,000	3,000	3,000	3,000
BIK13	RiverLake Greenway (East of I-35W)	PW - Sewer	255	0	255	255
CDA01	Heritage Park Redevelopment Project	PW - Sewer	250	250	250	250
PV003	Street Renovation Program	PW - Sewer	205	205	205	205
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	500	500	500	500
SW036	Infiltration & Inflow Removal Program	PW - Sewer	5,000	5,000	5,000	5,000
WTR09	Ultrafiltration Program	PW - Water	32,000	16,000	16,000	16,000
WTR12	Water Distribution Improvements	PW - Water	5,000	5,000	5,000	5,000
WTR14	The MWW Facilities Security Improvement	PW - Water	500	250	250	250
WTR22	New Filter Presses	PW - Water	6,500	6,500	6,500	6,500
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
BIS02	Central Traffic Signal Computer Replacement	BIS	50	50	50	50
BIS03	Enterprise Document Management	BIS	100	100	100	100
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	500	500	500	500
BIS05	Enterprise Reporting/Business Intelligence	BIS	250	0	0	0
BIS06	GIS Application Infrastructure Upgrade	BIS	200	200	200	200
BIS12	Mobile Assessor	BIS	150	150	150	150
BIS13	Risk Management & Claims Application Replacement	BIS	50	0	0	0
BIS14	Land Information Repository	BIS	120	0	0	0
ART01	Art in Public Places	CPED	333	333	333	333
CTY02	City Property Reforestation	PW - Internal Services	0	0	150	150
MPD05	Strategic Information Center	Police Department	546	1,227	1,227	1,227
PSD03	Facilities - Space Improvements	PW - Internal Services	500	500	500	500
<b>TOTAL</b>			<b>125,386</b>	<b>104,444</b>	<b>114,179</b>	<b>114,179</b>

## 2011 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
MBC01	Life Safety Improvements	MBC	340	340	340	340
MBC02	Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04	MBC Elevators	MBC	100	0	0	0
CTY01	Restoration of Historic Reception Room	MBC	1,930	0	0	0
Library	Funding Commitments by Year	Finance	1,040	1,040	1,040	1,040
PRK20	Fairview Lot, Trail, Court and Lighting Improvements	Park Board	0	400	0	0
PRK21	Pedestrian Bridges	Park Board	0	0	400	400
PRKCP	Park Capital Infrastructure	Park Board	0	0	2,000	2,000
PRKDT	Diseased Tree Removal	Park Board	500	500	500	500
PSD01	Facilities - Repair and Improvements	PW - Internal Services	1,200	1,200	1,200	1,200
PSD06	Pioneer & Soldiers Memorial Cemetery Fencing Rehab	PW - Internal Services	0	0	250	250
PSD11	Energy Conservation and Emissions Reduction	PW - Internal Services	500	500	500	500
PV001	Parkway Paving	PW - Paving	0	0	160	160
PV003	Street Renovation Program	PW - Paving	3,130	3,130	3,755	3,755
PV004	CSAH Paving Program	PW - Paving	1,525	1,525	1,525	1,525
PV006	Alley Renovation	PW - Paving	265	349	599	599
PV007	University Research Park/Central Corridor	PW - Paving	7,200	7,200	7,000	7,000
PV019	6th Ave N (5th St to Dead End N of Wash Ave)	PW - Paving	2,290	0	0	0
PV021	33rd Ave SE and Talmage Avenue	PW - Paving	3,825	0	0	0
PV028	Franklin/Cedar/Minnehaha Improvement Project	PW - Paving	860	0	910	910
PV056	Asphalt Pavement Resurfacing Program	PW - Paving	2,400	2,400	5,225	5,225
PV059	Major Pavement Maintenance	PW - Paving	0	0	1,000	1,000
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	2,880	2,880	2,880	2,880
CDA01	Heritage Park Redevelopment Project	CPED	0	0	500	500
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	300	300	300	300
BR110	St. Anthony Bridge over BNSF	PW - Bridges	0	10,757	10,207	10,207
TR005	Controller Conversion	PW - Bridges	3,530	3,530	3,530	3,530
TR006	Priority Vehicle Control System	PW - Bridges	225	0	0	0
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	458	458	458	458
TR008	Parkway Street Light Replacement	PW - Transportation	150	150	300	300
TR010	Traffic Management Systems	PW - Transportation	525	525	525	525
TR011	City Street Light Renovation	PW - Transportation	100	300	1,000	1,000
TR013	Railroad Crossing Safety Improvements	PW - Transportation	551	551	551	551
TR015	Safe Routes to School	PW - Transportation	50	50	50	50
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
BIK24	Major Bike Maintenance Program	PW - Transportation	0	0	100	100
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	250	250	250	250
SW005	Combined Sewer Overflow Improvements	PW - Sewer	1,500	1,500	1,500	1,500
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	3,000	3,000	3,000	3,000
SW018	Flood Area 29 & 30 - Fulton Neighborhood	PW - Sewer	6,577	6,577	6,577	6,577
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	1,000	1,000	1,000
SW00R	Reimbursable Sewer and Storm Drain Projects	PW - Sewer	3,000	3,000	3,000	3,000
CDA01	Heritage Park Redevelopment Project	PW - Sewer	0	0	250	250
PV007	University Research Park/Central Corridor	PW - Sewer	800	800	800	800

## 2011 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	1,000	1,000	1,000	1,000
SW036	Infiltration & Inflow Removal Program	PW - Sewer	5,000	5,000	5,000	5,000
WTR09	Ultrafiltration Program	PW - Water	14,500	16,000	16,000	16,000
WTR12	Water Distribution Improvements	PW - Water	5,250	5,250	5,250	5,250
WTR14	The MWW Facilities Security Improvement	PW - Water	500	250	250	250
WTR22	New Filter Presses	PW - Water	6,500	6,500	6,500	6,500
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
BIS02	Central Traffic Signal Computer Replacement	BIS	50	50	50	50
BIS03	Enterprise Document Management	BIS	100	100	100	100
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	500	500	500	500
BIS05	Enterprise Reporting/Business Intelligence	BIS	350	0	0	0
BIS06	GIS Application Infrastructure Upgrade	BIS	50	50	50	50
BIS13	Risk Management & Claims Application Replacement	BIS	150	0	0	0
BIS14	Land Information Repository	BIS	100	0	0	0
ART01	Art in Public Places	CPED	347	347	347	347
CTY02	City Property Reforestation	PW - Internal Services	0	0	150	150
MPD01	MPD Forensic Laboratory	Police Department	2,850	2,850	2,850	2,850
MPD02	MPD Property & Evidence Warehouse	Police Department	730	730	730	730
PSD03	Facilities - Space Improvements	PW - Internal Services	500	500	500	500
<b>TOTAL</b>			<b>98,998</b>	<b>101,859</b>	<b>110,979</b>	<b>110,979</b>

## 2012 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
MBC01	Life Safety Improvements	MBC	340	340	340	340
MBC02	Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04	MBC Elevators	MBC	230	0	0	0
MBC09	Critical Power Capital Project	MBC	980	0	0	0
PRKCP	Park Capital Infrastructure	Park Board	0	0	2,000	2,000
PRKDT	Diseased Tree Removal	Park Board	500	500	500	500
PSD01	Facilities - Repair and Improvements	PW - Internal Services	1,200	1,159	1,159	1,159
PSD11	Energy Conservation and Emissions Reduction	PW - Internal Services	500	500	500	500
PV001	Parkway Paving	PW - Paving	550	550	710	710
PV003	Street Renovation Program	PW - Paving	7,705	7,705	8,330	8,330
PV004	CSAH Paving Program	PW - Paving	1,600	1,600	1,600	1,600
PV005	Snelling Ave Extension	PW - Paving	0	0	1,200	1,200
PV006	Alley Renovation	PW - Paving	265	0	250	250
PV007	University Research Park/Central Corridor	PW - Paving	8,200	8,200	7,550	7,550
PV056	Asphalt Pavement Resurfacing Program	PW - Paving	2,400	2,400	5,225	5,225
PV059	Major Pavement Maintenance	PW - Paving	0	0	1,000	1,000
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	3,020	3,020	3,020	3,020
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	300	300	300	300
BR105	Fremont Ave S Bridge	PW - Bridges	2,380	0	1,800	1,800
BR110	St. Anthony Bridge over BNSF	PW - Bridges	3,715	0	250	250
BR111	10th Ave SE Bridge Arch Rehabilitation	PW - Bridges	6,700	6,700	6,700	6,700
BR114	Midtown Corridor Bridge Preservation Program	PW - Bridges	1,400	1,400	1,400	1,400
TR003	LED Replacement Program	PW - Transportation	200	200	200	200
TR005	Controller Conversion	PW - Transportation	3,530	3,530	3,530	3,530
TR006	Priority Vehicle Control System	PW - Transportation	225	0	0	0
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	850	850	850	850
TR008	Parkway Street Light Replacement	PW - Transportation	150	150	300	300
TR010	Traffic Management Systems	PW - Transportation	525	525	525	525
TR011	City Street Light Renovation	PW - Transportation	110	300	1,000	1,000
TR013	Railroad Crossing Safety Improvements	PW - Transportation	933	933	933	933
TR015	Safe Routes to School	PW - Transportation	50	50	50	50
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
BIK24	Major Bike Maintenance Program	PW - Transportation	0	0	100	100
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	250	250	250	250
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	5,000	5,000	5,000	5,000
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	1,000	1,000	1,000
SW00R	Reimbursable Sewer and Storm Drain Projects	PW - Sewer	3,000	3,000	3,000	3,000
BR105	Fremont Ave S Bridge	PW - Sewer	70	0	70	70
PV003	Street Renovation Program	PW - Sewer	75	75	75	75
PV007	University Research Park/Central Corridor	PW - Sewer	400	400	400	400
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	1,000	1,000	1,000	1,000
SW036	Infiltration & Inflow Removal Program	PW - Sewer	7,000	7,000	7,000	7,000
WTR09	Ultrafiltration Program	PW - Water	0	14,500	14,500	14,500
WTR12	Water Distribution Improvements	PW - Water	5,500	5,500	5,500	5,500



## 2012 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
WTR14	The MWW Facilities Security Improvement	PW - Water	250	250	250	250
WTR16	Minneapolis/St. Paul Interconnection	PW - Water	3,000	0	0	0
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
BR105	Fremont Ave S Bridge	PW - Water	70	0	70	70
RMP01	Parking Facilities - Repair and Improvements	PW - Transportation	1,700	1,700	1,700	1,700
BIS02	Central Traffic Signal Computer Replacement	BIS	50	50	50	50
BIS03	Enterprise Document Management	BIS	50	50	50	50
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	800	500	500	500
BIS05	Enterprise Reporting/Business Intelligence	BIS	150	0	0	0
BIS06	GIS Application Infrastructure Upgrade	BIS	50	50	50	50
BIS10	Finance System Consolidation/Upgrade	BIS	50	50	50	50
BIS13	Risk Management & Claims Application Replacement	BIS	200	0	0	0
BIS14	Land Information Repository	BIS	50	0	0	0
ART01	Art in Public Places	CPED	366	366	366	366
CTY02	City Property Reforestation	PW - Internal Services	0	0	150	150
MPD01	MPD Forensic Laboratory	Police Department	6,025	2,000	1,000	1,000
MPD02	MPD Property & Evidence Warehouse	Police Department	1,460	700	700	700
PSD03	Facilities - Space Improvements	PW - Internal Services	500	500	500	500
<b>TOTAL</b>			<b>93,444</b>	<b>91,673</b>	<b>101,373</b>	<b>101,373</b>

## 2013 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
MBC01	Life Safety Improvements	MBC	300	300	300	300
MBC02	Mechanical Systems Upgrade	MBC	500	500	500	500
MBC04	MBC Elevators	MBC	980	0	0	0
PRKCP	Park Capital Infrastructure	Park Board	0	0	2,000	2,000
PRKDT	Diseased Tree Removal	Park Board	500	500	500	500
CTY02	City Property Reforestation	PW - Internal Services	0	0	150	150
PSD01	Facilities - Repair and Improvements	PW - Internal Services	1,200	900	900	900
PSD11	Energy Conservation and Emissions Reduction	PW - Internal Services	500	500	500	500
PV001	Parkway Paving	PW - Paving	550	550	710	710
PV003	Street Renovation Program	PW - Paving	1,265	1,265	1,390	1,390
PV004	CSAH Paving Program	PW - Paving	1,525	1,525	1,525	1,525
PV005	Snelling Ave Extension	PW - Paving	2,250	0	0	0
PV006	Alley Renovation	PW - Paving	265	0	250	250
PV007	University Research Park/Central Corridor	PW - Paving	1,275	1,275	475	475
PV035	TH 121/Lyndale Ave S	PW - Paving	4,830	4,830	4,830	4,830
PV038	Winter St NE Residential/Commercial	PW - Paving	4,480	4,480	4,480	4,480
PV056	Asphalt Pavement Resurfacing Program	PW - Paving	4,500	2,400	5,225	5,225
PV057	Nicollet Ave (31st St E to 40th St E)	PW - Paving	9,020	9,020	9,020	9,020
PV059	Major Pavement Maintenance	PW - Paving	0	0	800	800
PV00R	Reimbursable Paving Projects	PW - Paving	3,500	3,500	3,500	3,500
SWK01	Defective Hazardous Sidewalks/Complete Gaps	PW - Sidewalks	3,160	3,160	3,160	3,160
BR101	Major Bridge Repair and Rehabilitation	PW - Bridges	400	400	400	400
BR112	Nicollet Ave Reopening	PW - Bridges	5,843	0	5,723	5,723
BR114	Midtown Corridor Bridge Preservation Program	PW - Bridges	190	190	190	190
TR003	LED Replacement Program	PW - Transportation	200	200	200	200
TR006	Priority Vehicle Control System	PW - Transportation	225	0	0	0
TR007	Traffic & Pedestrian Safety Improvements	PW - Transportation	920	920	920	920
TR008	Parkway Street Light Replacement	PW - Transportation	150	150	300	300
TR011	City Street Light Renovation	PW - Transportation	185	300	1,000	1,000
TR013	Railroad Crossing Safety Improvements	PW - Transportation	491	491	491	491
TR015	Safe Routes to School	PW - Transportation	50	50	50	50
TR017	Pedestrian Signals with Count-down Timers	PW - Transportation	200	0	0	0
TR00R	Reimbursable Transportation Projects	PW - Transportation	600	600	600	600
BIK20	Hiawatha LRT Trail Lighting/Trail Extension	PW - Transportation	2,120	0	2,120	2,120
BIK24	Major Bike Maintenance Program	PW - Transportation	0	0	100	100
SW002	Miscellaneous Storm Drains	PW - Sewer	220	220	220	220
SW004	Implementation of US EPA Storm Water Regulations	PW - Sewer	250	250	250	250
SW011	Storm Drains and Tunnels Rehabilitation Program	PW - Sewer	5,000	5,000	5,000	5,000
SW030	Alternative Stormwater Management Strategies	PW - Sewer	1,000	1,000	1,000	1,000
SW032	I-35W Storm Tunnel Reconstruction	PW - Sewer	1,035	1,035	1,035	1,035
SW038	Flood Area 5 - North Minneapolis Neighborhoods	PW - Sewer	4,000	1,500	1,500	1,500
SW00R	Reimbursable Sewer and Storm Drain Projects	PW - Sewer	3,000	3,000	3,000	3,000
BR112	Nicollet Ave Reopening	PW - Sewer	235	0	235	235
PV003	Street Renovation Program	PW - Sewer	500	500	500	500
PV035	TH 121/Lyndale Ave S	PW - Sewer	600	600	600	600
PV038	Winter St NE Residential/Commercial	PW - Sewer	40	40	40	40

## 2013 Capital Budget Decision Summary

Project ID	Project Title	Submitting Agency	Capital Budget Request	CLIC Recomm.	Mayor Revised	Council Revised
PV057	Nicollet Ave (31st St E to 40th St E)	PW - Sewer	330	330	330	330
SW001	Sanitary Tunnel & Sewer Rehabilitation Program	PW - Sewer	1,000	1,000	1,000	1,000
SW036	Infiltration & Inflow Removal Program	PW - Sewer	7,500	7,500	7,500	7,500
WTR12	Water Distribution Improvements	PW - Water	6,000	6,000	6,000	6,000
WTR16	Minneapolis/St. Paul Interconnection	PW - Water	7,000	500	500	500
WTR17	Treatment Modifications Based on New Regulations	PW - Water	1,000	100	100	100
WTR18	Hiawatha Water Maintenance Facility	PW - Water	4,935	0	0	0
WTR0R	Reimbursable Watermain Projects	PW - Water	2,000	2,000	2,000	2,000
BR112	Nicollet Ave Reopening	PW - Water	300	0	300	300
PV035	TH 121/Lyndale Ave S	PW - Water	380	380	380	380
BIS02	Central Traffic Signal Computer Replacement	BIS	50	50	50	50
BIS03	Enterprise Document Management	BIS	100	100	100	100
BIS04	Enterprise Infrastructure Capacity Upgrade	BIS	800	672	672	672
BIS05	Enterprise Reporting/Business Intelligence	BIS	100	0	0	0
BIS06	GIS Application Infrastructure Upgrade	BIS	50	50	50	50
BIS13	Risk Management & Claims Application Replacement	BIS	90	0	0	0
BIS14	Land Information Repository	BIS	50	0	0	0
ART01	Art in Public Places	CPED	383	383	383	383
MPD01	MPD Forensic Laboratory	Police Department	6,025	2,000	1,300	1,300
MPD02	MPD Property & Evidence Warehouse	Police Department	1,460	700	700	700
PSD03	Facilities - Space Improvements	PW - Internal Services	500	500	500	500
<b>TOTAL</b>			<b>108,107</b>	<b>73,416</b>	<b>87,554</b>	<b>87,554</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 Levy** – A portion of the Park Board’s tax levy dedicated to Capital Improvements.

**MSA** - Municipal State Aid - refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

**ASSM** - Assessments - improvements paid for partially or wholly by property owners.

**OTHER** – Refers to all other categories of resources used to support capital programs including NRP (Neighborhood Revitalization Program), 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 benefiting City departments, outside government agencies and private businesses.

**NON APPROP** - Non Appropriated – reflects cost participation from County, State or Federal dollars when the City of Minneapolis is a 50% or less partner or is not the lead agency.

**Enterprise Bonds/Revenue** - bonds related to the Stormwater, Sanitary Sewer, Water, Parking and Solid Waste enterprises of the City. Debt Service is paid for by user fees charged for these enterprise services. Enterprise revenues are “pay as you go” sources anticipated to be available in the enterprise funds.

## **ACRONYMS & ABBREVIATIONS USED IN PROJECT TITLES:**

**HVAC** - Heating, Ventilation and Air Conditioning

**Rehab** - Rehabilitation

**CSAH** – County State Aid Highway – a County project leveraging a local cost share from the City of Minneapolis

# Glossary of Terms & Abbreviations for the Capital Program

## ACRONYMS & ABBREVIATIONS USED IN PROJECT TITLES - continued:

**Wash Ave** – Washington Avenue

**TH121** – Trunk Highway 121

**Nic Mall** – Nicollet Mall – a major downtown street

**Marq** – Marquette Avenue – a major downtown street

**BNSF** – Burlington Northern Santa Fe railroad

**LED** – Light Emitting Diode (example - pedestrian signal crossing lights)

**LRT** – Light Rail Transit

**TOD** – Transit Oriented Development

**US EPA** – United States Environmental Protection Agency

**MWW** – Minneapolis Water Works

**GIS** – Geographical Information System

**HRIS** – Human Resources Information System

**EO** – Emergency Operations

**MPD** – Minneapolis Police Department

## SUBMITTING AGENCY OR DEPARTMENT ABBREVIATIONS:

**CPED** – Community Planning & Economic Development

**BIS** – Business Information Services

**MBC** – Municipal Building Commission

**PW** – Public Works

**City of Minneapolis  
FY 2009 Revised Budget**

**City Council Departments**

Each of the following department sections includes these reports: mission, business line descriptions, performance information, an organizational chart, expense information, revenue information, and staffing information.

➤ Assessor	372
➤ Attorney	379
➤ City Clerk/Elections/Council	389
➤ City Coordinator Departments	
➤ Total City Coordinator Summary Pages	397
– Administration	406
– 911/311	409
– Business Information Services	416
– Communications	425
– Convention Center	431
– Finance	440
– Human Resources	449
– Intergovernmental Relations	459
– Neighborhood and Community Relations	465
– Regulatory Services & Emergency Preparedness	478
➤ Civil Rights	491
➤ Community Planning and Economic Development	501
➤ Fire	517
➤ Health and Family Support	529
➤ Mayor	537
➤ Police	541
➤ Public Works	
– Total Public Works Summary Pages	552
– Administration	568
– Engineering Materials and Testing (also known as Central Stores)	571
– Fleet Services	574
– Property Services	577
– Solid Waste and Recycling	580
– Surface Water and Sanitary Sewer	583
– Traffic and Parking Services	586
– Transportation Maintenance and Repair	590
– Transportation Planning and Engineering	594
– Water Treatment and Distribution	598

# ASSESSOR

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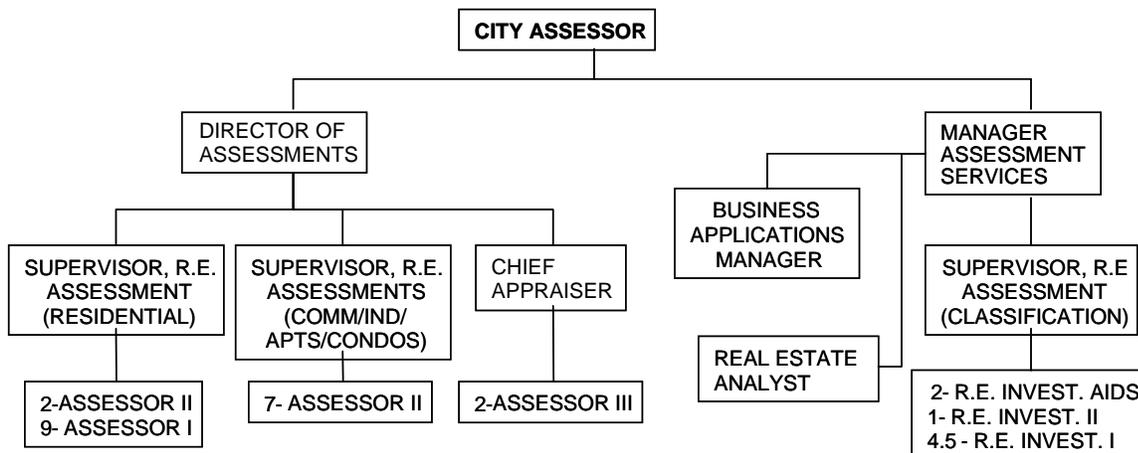
## MISSION

Serve 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. Provide information and analysis to internal and external partners such as Elected Officials, City Departments, Minneapolis School District, Hennepin County Attorneys and Hennepin County Taxpayer Services, Minnesota Department of Revenue, taxpayers, neighborhood groups and the media.

## BUSINESS LINES

- **Maintain Data Integrity of the City’s Tax Base –**
  - Collect, verify and maintain property records for the City
  - Provide property information to Hennepin County
  - 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
  - Valuation* – The annual estimation of value for all taxable and non-taxable real property per state law
  - Classification* – The annual classification and recording of parcels by property use and property type
  - 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
  - Defend Tax Court Cases* - Defend assessment values and classifications in Minnesota Tax Court
  
- **Provide Information and Data Analysis To:** Taxpayers, Elected Officials, City departments, primarily CPED, Regulatory Services, GIS, Finance, Public Works, IGR, Hennepin County Attorneys, Hennepin County Taxpayer Services, Minnesota Department of Revenue, Commerce Department, Minneapolis School District, neighborhood groups and the media

## ORGANIZATION CHART



<b>FIVE –YEAR DEPARTMENTAL GOALS AND OBJECTIVES</b>	
<b>Department Goal</b>	<b>Objective</b>
Property taxes provide approximately 17% of the City revenue. Accuracy in the assessment and a strong defense of market value provides the funding to maintain the City's physical infrastructure, invest in long-term capital improvements, maintain the natural and historic environment and insure a clean and sustainable Minneapolis.	
Provide value added services to taxpayers	Improve access to information for customers Be proactive in taxpayer education
Improve the efficiency and effectiveness of business processes	Maintain 98.0% of tax levy collection
	Meet MN statute for sales ratio
	Streamline appraisal process to identify which properties with building permits result in a measurable change in value, condition or classification
	Streamline appraisal process for all property types: residential, condos, apartments, commercial & industrial
Streamline appraisal process of all property types: residential, condos, apartments, commercial & industrial	
Maintain a competent, positive and fully staffed workforce.	Maintain the department's institutional knowledge through training, mentoring and coaching

<b>RESULT 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 DATA YTD</b>	<b>2008 TARGET</b>	<b>2012 TARGET</b>
Tax related presentations given each year	6	11	12	4	12	15
Percent of levy collection maintained	99.1%	98.8%	98.6%	N/A	98.5%	98%
Sales ratio for:						
Residential	94%	93.6%	94.7%			
Apartment	92.7%	90.5%	93.6%	N/A	90% to 105%	90% to 105%
Commercial/Industrial	92.3%	91.7%	90%			
\$ Added to tax base based on building permit data:						
Residential	\$469M	\$369M	\$534.8M	\$164.1M	\$164.1M	\$700M for all property types
Apartment	\$35M	\$37.4M	\$28.8M	\$40.6M	\$40.6M	
Commercial/Industrial	\$55.9M	\$86.8M	\$78M	\$82.2M	\$82.2M	
% of employees with annual development plans	0%	0%	54%	N/A	100%	100%



**What key challenges and trends does your department face and how will they be addressed?**

**Continuing to meet the statutory requirements and preserve the City's tax base while addressing the volatile market conditions within current resources.**

In the past eight years the addition of new condominiums, apartments and townhouses units has grown from 9,814 to 17,833. Inspecting, appraising, and responding to owner's concerns on each of these new units has added to the department's workload. Annually, twenty percent of all of the Minneapolis parcels need to be equalized to meet the Minnesota statute requirement of viewing properties at a minimum of once every five years.

Year Added to Tax Base	New Condo/Apt./Townhouse Units	Total Condo/Apt./Townhouse Units in Minneapolis	FTE Hours Needed to Meet Minimum Required Work (new units and on-going)
1999	-	9,814	
2000	467	10,158	2,430 hours
2001	333	10,492	2,431 hours
2002	591	10,809	2,753 hours
2003	127	10,803	2,288 hours
2004	1,413	12,026	3,818 hours
2005	3,503	15,175	6,538 hours
2006	3,666	16,677	7,001 hours
2007	1,721	17,833*	5,287 hours

Swings in the economy, increasing property taxes and decreasing property values have significantly increased property reviews, local and County appeals and tax court cases in 2008. Defending property values in a rapidly changing market requires even greater time and resources which translates into an increased workload for the appraisers.

Tax Year Court Case Was Initiated	2003	2004	2005	2006	2007	2008	Totals
# Of Cases Petitioned by year	425	360	363	347	324	337	2,156
# of parcels petitioned	833	745	968	822	901	1,120	5,389
# of parcels dismissed	374	326	286	303	213	0	1,502
# Of Open Cases Remaining	1	2	6	53	145	337	544
# Of Parcels Still Under Petition	1	8	30	129	498	1,120	1,786
Value of Outstanding Parcels Under Petition (In billions)	.0011	.0026	.0632	.556	1.3	Waiting for data from Henn Cty	Waiting for data from Henn Cty

\*Data as of June 2008

In the current Minneapolis real estate market there are many changes and challenges occurring simultaneously that are affecting the department's workload. Sub-Prime lending practices,

foreclosures, vacant and boarded buildings, vandalism (copper stripping), etc. all require multiple site visits to document changes in property condition.

### ***Data Collection and Data Dissemination***

The department requested one-time money for the purchase and implementation of the wireless mobile data collection technology. Staff productivity would be improved if they were able to have real-time wireless access to property data while assessors are in the neighborhood. This improvement in efficiency and data quality requires an investment in software and hardware.

With the implementation of Govern, the department is building a database that links a property photograph with its corresponding building record on every Minneapolis property. In light of the increased number of taxpayer calls, board cases and petitions this year, property photographs are becoming a valuable tool when working with taxpayers and property owners. At this time, less than 10% of all property is photographed.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The Assessor's 2009 budget of \$3.9 million is in line with the five-year financial direction. The budget will increase 3.9% over the 2008 adopted budget. There are 36.5 positions in the department. Personnel are 79% of the total department budget. The department's contractual expenses are approximately 17% of its budget. The largest contractual expense is BIS Services.

### **REVENUE**

Revenue in 2009 is projected to be \$66,000. 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 \$25,000 in additional one-time funding for database improvements as well as a \$20,000 reduction to meet the Five-Year Financial Direction.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended no reduction.

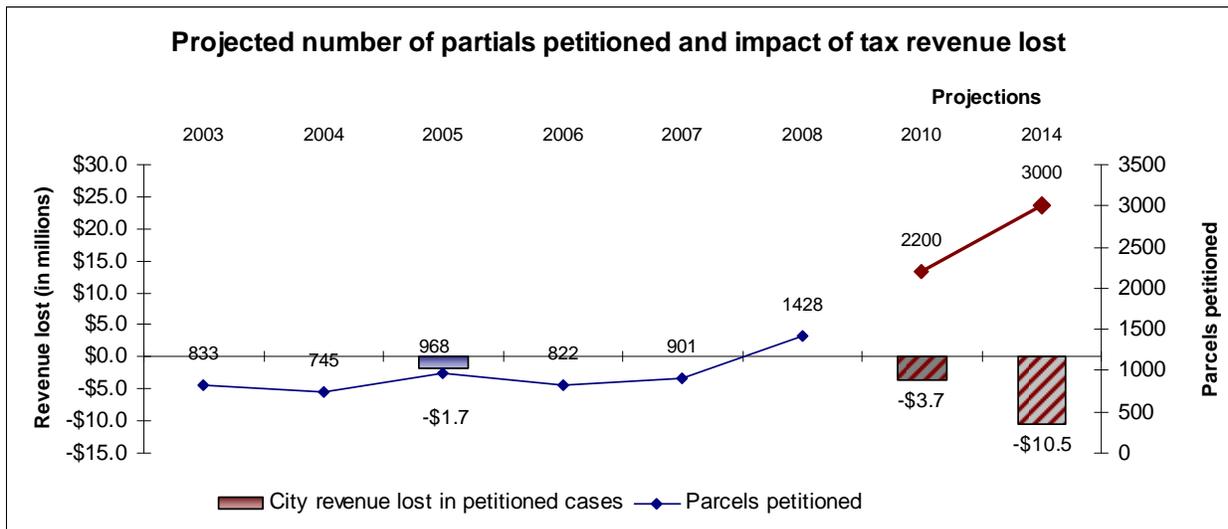
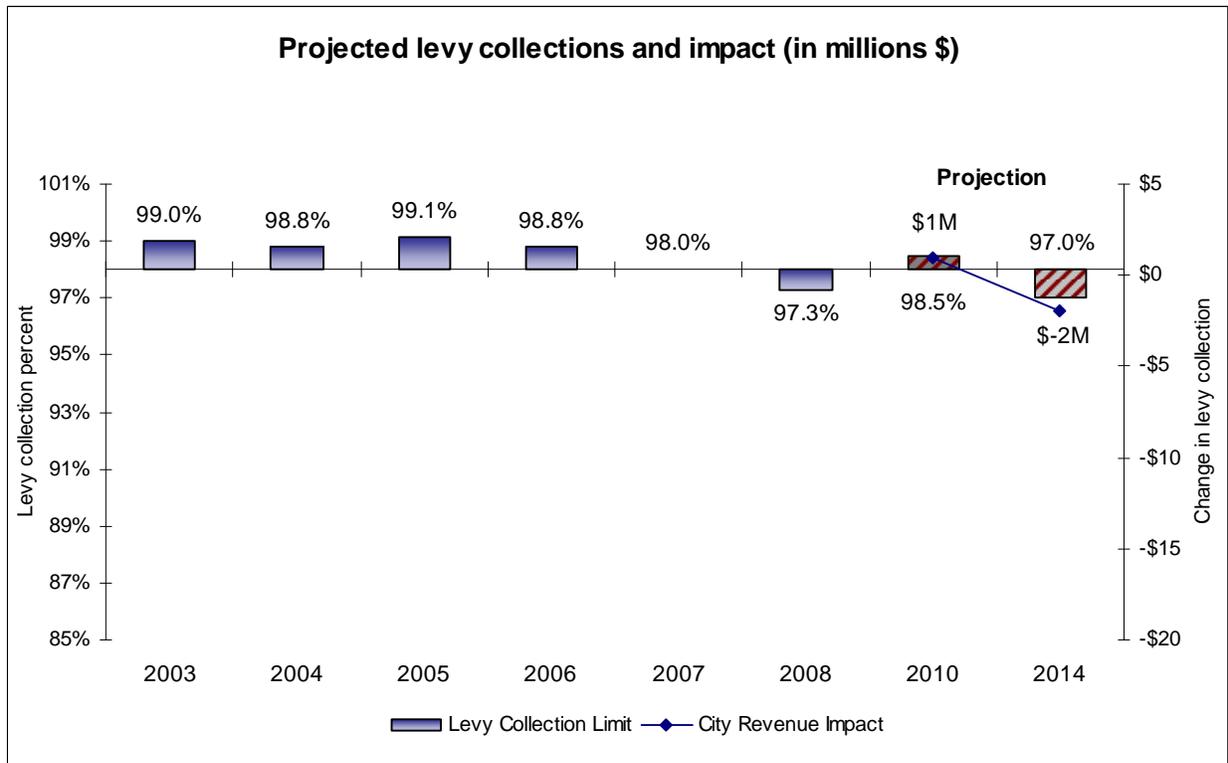
### **COUNCIL REVISED BUDGET**

The Council concurs with the Mayor's recommendation.

The budget for this department includes a reduction of BIS charges of \$12,000 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Assessor is \$3.9 million, a 3.6% increase over the 2008 Adopted budget.

## RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.

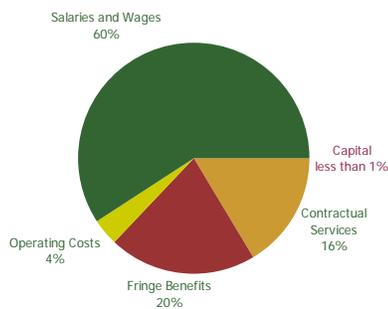


## ASSESSOR EXPENSE AND REVENUE INFORMATION

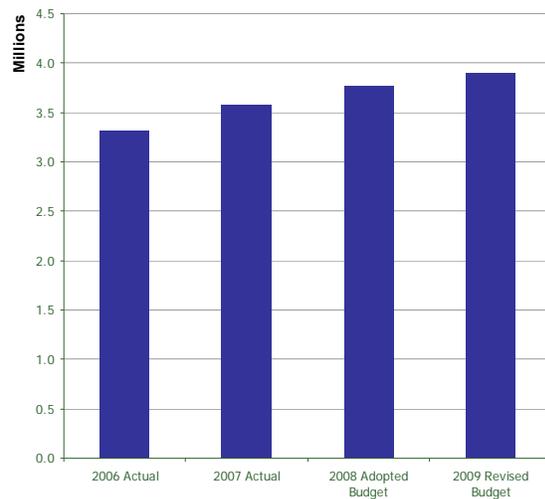
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	1,876,345	2,052,989	2,289,600	2,309,958	0.9%	20,358
Fringe Benefits	569,829	602,295	718,917	798,074	11.0%	79,157
Contractual Services	687,201	776,718	586,674	637,073	8.6%	50,399
Operating Costs	182,905	144,978	169,116	154,361	-8.7%	(14,755)
Capital	0	0	1,693	1,740	2.8%	47
<b>TOTAL GENERAL</b>	<b>3,316,280</b>	<b>3,576,980</b>	<b>3,766,000</b>	<b>3,901,207</b>	<b>3.6%</b>	<b>135,207</b>
<b>TOTAL EXPENSE</b>	<b>3,316,280</b>	<b>3,576,980</b>	<b>3,766,000</b>	<b>3,901,207</b>	<b>3.6%</b>	<b>135,207</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Property Taxes	67,080	62,138	65,000	65,000	0.0%	0
Charges for Service	18	105	1,000	1,000	0.0%	0
Charges for Sales	296	414	0	0	0.0%	0
<b>TOTAL GENERAL</b>	<b>67,394</b>	<b>62,656</b>	<b>66,000</b>	<b>66,000</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>67,394</b>	<b>62,656</b>	<b>66,000</b>	<b>66,000</b>	<b>0.0%</b>	<b>0</b>

Expense by Category, 2009 Council Revised



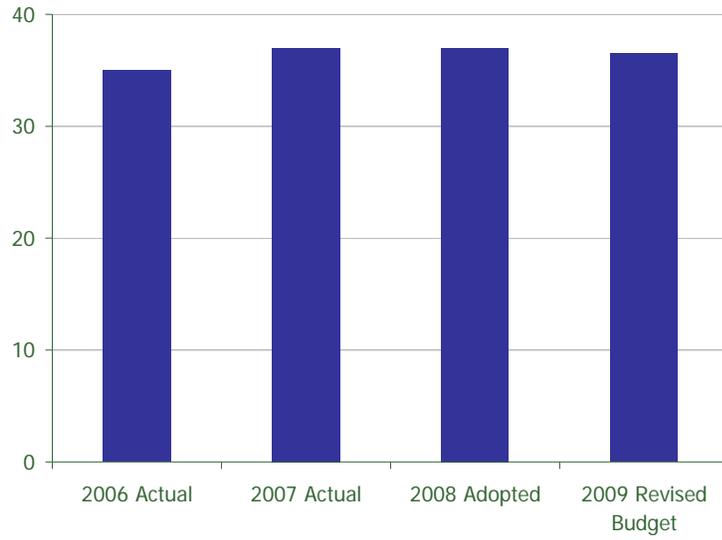
Expense 2006 - 2009



## ASSESSOR Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
ASSESSOR OPERATIONS	35	37	37	37	0.0%	0
<b>TOTAL</b>	<b>35</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>0.0%</b>	<b>0</b>

**Positions 2006-2009**



## ATTORNEY

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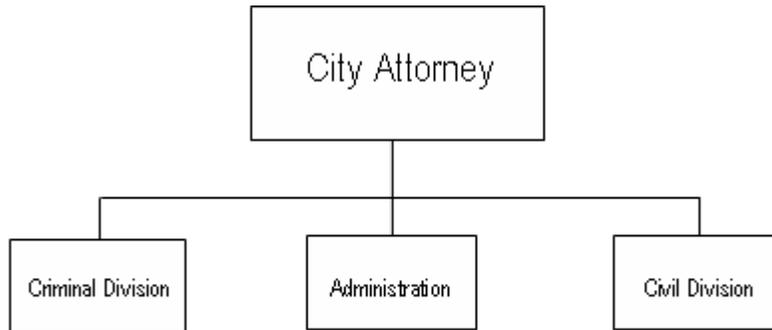
### MISSION

To enhance public safety, serve justice and vigorously represent the interests of the City and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

### BUSINESS LINES

- Enhancing public safety
- Delivering civil legal services

### ORGANIZATION CHART



FIVE –YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals & Strategies	Department Goal	Objective
<b>A safe place to call home:</b> A. Guns, Gangs, Graffiti gone B. Crime reduction C. Lifecycle housing <b>One Minneapolis:</b> C. Equitable City services <b>Connect Communities:</b> B. Walkable, Bikeable, Swimmable E. Streets & Avenues <b>A premier destination:</b> B. Reposition City C. Cleaner, greener, safer downtown E. Leverage our entertainment edge	Reduce crime in the City.	Perpetrators of gross misdemeanor weapons violations will be successfully prosecuted.
		Perpetrators of domestic violence will be successfully prosecuted.
		Chronic offenders receive appropriate and timely sanctions.
		Perpetrators of livability crimes will be successfully prosecuted.
		Successfully prosecute graffiti offenders. (New)
		Reduce crime and improve public perceptions of safety in the downtown area. (New)
		Support Blueprint to Reduce Youth Violence. (New)

<p><b>A safe place to call home:</b>  A. Guns, Gangs, Graffiti gone  B. Crime reduction  E. Youth: valued, challenged &amp; engaged</p> <p><b>One Minneapolis:</b>  A. Close race &amp; class gaps  C. Equitable City services</p>	<p>Improve efficiency and responsiveness of the criminal justice system.</p>	<p>Successful partnerships with others in the criminal justice system.</p>
		<p>Full and accurate utilization of Practice Manager case management system.</p>
		<p>Successful integration of case management system with other criminal justice systems.</p>
<p><b>A safe place to call home:</b>  A. Guns, Gangs, Graffiti gone  B. Crime reduction</p> <p><b>One Minneapolis:</b>  A. Close race &amp; class gaps  C. Equitable City services</p> <p><b>Connect Communities:</b>  B. Walkable, Bikeable, Swimmable  E. Streets &amp; Avenues</p> <p><b>A premier destination:</b>  B. Reposition City  C. Cleaner, greener, safer downtown</p>	<p>Continued active collaboration with neighborhoods on community justice.</p>	<p>Address community concerns about misdemeanor crime in neighborhoods.</p>
<p><b>A safe place to call home:</b>  A. Guns, Gangs, Graffiti gone  B. Crime reduction  C. Lifecycle housing  D. Make healthy choices</p> <p><b>One Minneapolis:</b>  A. Close race &amp; class gaps  B. Middle class  C. Equitable City services</p> <p><b>Lifelong learning:</b>  B. Economic engine  C. Skills for all 21-year-olds</p> <p><b>Connect Communities:</b>  A. Integrated, multimodal transportation  B. Walkable, Bikeable, Swimmable  C. Development services  D. Northstar, Central Corridor, SW Corridor  E. Streets &amp; Avenues</p> <p><b>Enriched environment:</b>  C. Arts  D. Upper Mississippi</p> <p><b>A premier destination:</b>  B. Reposition City  C. Cleaner, greener, safer downtown</p>	<p>Assist the City in minimizing its financial exposure to claims and lawsuits.</p>	<p>Aggressively defend claims and lawsuits that result from the City's risk generating activities.</p>
		<p>Commence timely litigation to advance the City's adopted goals and policy objectives or to recover public monies.</p>
		<p>Identify risk generating activities and assist departments in finding solutions.</p>
	<p>Provide high quality legal services to the City's elected officials, its departments, independent boards and commissions, and staff.</p>	<p>Respond to requests for civil legal services in accordance with priorities in the adopted Business Plan.</p>
		<p>Ensure client satisfaction with the quality of services provided by the City Attorney's Office.</p>

<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 Target</b>	<b>2011 Target</b>
Number of "Top 200" chronic offenders convicted	83	81	129	130	145	200
Conviction rate of domestic violence cases	48%	48%	58%	54%	60%	60%
Percentage gross misdemeanor weapons cases charged result in a conviction	N/A	N/A	86%	84%	87%	95%
Number of community meetings attended and in person contacts made by community attorneys	N/A	3,495	7,176	11,405	11,975	13,862
Percentage of convicted "Top 200" Chronic Offenders for whom community impact statements were solicited and presented	N/A	N/A	N/A	N/A	65%	95%
Number of cases referred to neighborhood restorative justice programs	247	612	880	600 (Number was limited by capacity of providers)	630	729
Liability payouts resulting from certain of the City's risk generating activities	\$3.7 M	\$1.9M	\$1.7M	\$9.3M	\$1.8M	\$1.5M
Outside counsel costs	N/A	N/A	N/A	Litigation Matters: \$1.4M	\$500,000	\$400,000

***What key trends and challenges does the department face and how will each be addressed?***

**Success of the Community Attorney/Chronic Offender Prosecution Model:** Beginning in 2002, the Office implemented a community prosecution model for addressing livability crime. This included assigning a criminal attorney and a paralegal to be housed in each of the five police department precincts. The Community Attorney program became fully staffed in 2008 with the assignment of a full-time paralegal to the 5<sup>th</sup> Precinct. The Community Attorneys and paralegals work closely with community and neighborhood groups and businesses, the police, the County Attorney's Office and other criminal justice system stakeholders. Five out of the Office's 29 criminal prosecutors (17%) and five of the 13.5 criminal division paralegals (37%) are dedicated to the Community Attorney program. While the Community Attorneys prosecute certain chronic offender cases, they do not carry regular caseloads.



In addition to the Community Attorney initiative, the Office implemented an intensive prosecution model for individuals identified as chronic offenders – those who commit repeated offenses and seriously impact the livability of our neighborhoods and communities. The chronic offender list initially included 100 individuals. This list was expanded in 2006 to include the “Top 200” chronic offenders. The Office utilizes a higher staffing ratio for the prosecution of the top 200 chronic offenders, with three prosecutors and two paralegals assigned to these cases. This model provides greater accountability and more certain consequences for this group of offenders.

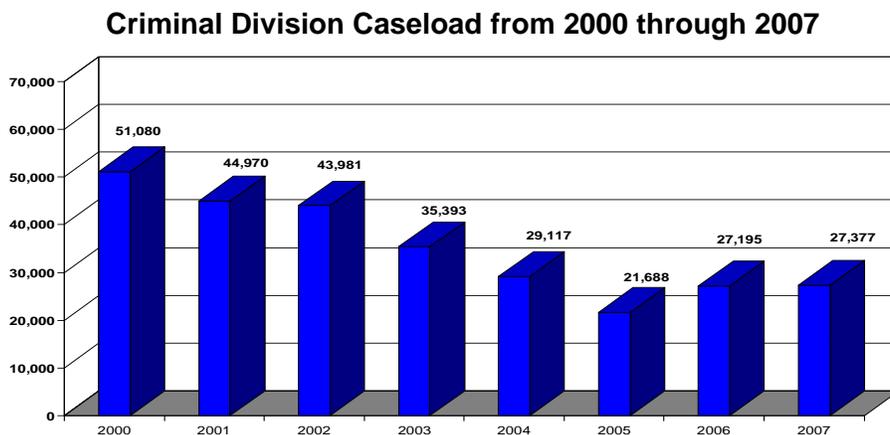
In 2007 the Office handled a total of 901 cases involving the Office’s “Top 200” chronic offenders, including 800 misdemeanor cases and 101 gross misdemeanor cases. The Minneapolis Police Department arrested/cited 178 of the “Top 200” list in 2007. The CAO prosecuted all 178 and was able to obtain convictions against 130 of them in calendar year 2007 (a conviction rate of 73%). This represents a 35% increase in convicted chronic offenders over 2006. Following conviction, the top offenders were ordered to serve a total of 14,631 jail days (44 average jail days per conviction), with another 23,425 days (70 average days) of stayed jail time. Stayed jail time was ordered in a total of 210 cases in 2007. In 82 of these cases, the City Attorney’s Office succeeded in obtaining a revocation of the stayed sentence due to probation violations, resulting in an additional 6,730 days of jail time served.

In 2007, the MPD and CAO identified 274 top offenders. Following prosecution by the CAO, 57 (21%) did not reoffend during 2007. Given that these offenders typically commit multiple offenses during a year, this result is significant.

The community prosecution model implemented by the Office reflects best practices and research in addressing livability crime. The results achieved by the Office through this model support its continued application and, depending on availability of resources, potential future expansion.

**Caseload Trends and Staffing**

There has been an upward trend in the criminal caseload beginning in 2006, with an increase of 21% in the number of criminal cases compared to 2005. The caseload continued at this increased level in 2007 for a total of 27,377 cases. The Office has absorbed this caseload increase without additional staffing, while also reallocating a position in 2008 to complete the staffing model for the Community Attorney program.



## 2008 Caseload Indicators

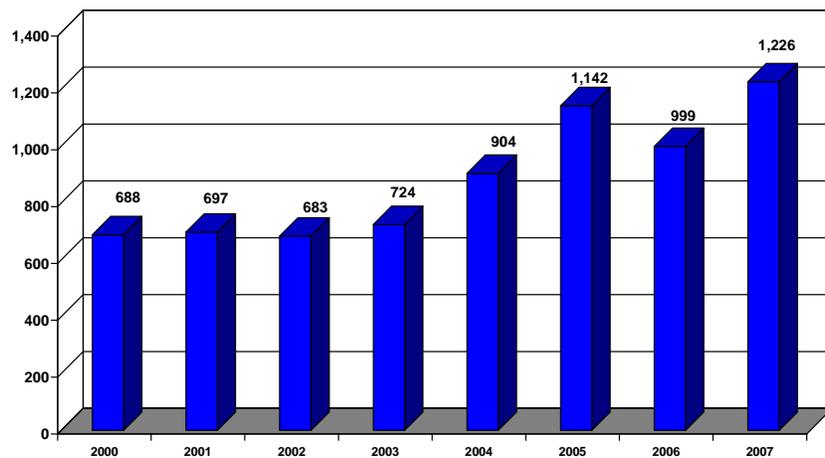
**First Quarter Numbers:** The first quarter caseload numbers for 2008 show a significant increase in numbers of cases (9,138 cases) compared to the first quarter of 2007 (6,331 cases), an increase of over forty percent. It is unknown if the case numbers will continue at this rate, but the Office anticipates an increase in the number of cases over 2007.

The Civil Division workload remains heavy, both in the number of matters handled by the Division, as well as the complexity of those matters. In 2007, for example, the City Attorney's Office was successfully involved in the following initiatives:

- The Minneapolis Public Library merger with Hennepin County
- The closing on the sale of five municipal parking ramps for a total sale price of approximately \$65 million
- The successful conclusion of the airport litigation.

Matters of this complexity require a significant expenditure of attorney time. The City Attorney's Office also has absorbed the Ethics Officer position, which now accounts for 50% of the workload of one of our senior civil attorneys. In 2008, a number of other issues, such as ranked choice voting, are likely to continue to require significant attorney involvement.

### Civil Litigation Matters



**“Span of Control:” Need for Supervising Attorneys:** The Criminal Deputy has 49 direct reports (29 attorneys and 19.5 paralegals, investigators and other staff) and the Civil Deputy has 34 direct reports (28 attorneys and 6 paralegals and other staff). This ratio of management to staff is substantially out of line with comparable public law offices and is contrary to best practices for management of such offices. The norm for comparable public law offices is a ratio of no more than one supervisory attorney for an average of 7 to 12 staff.

The Office has functioned with this management structure by utilizing “team leaders.” Team leaders are Assistant City Attorneys who have agreed to take on the responsibilities of directing the flow of work. They are peer bargaining unit members, however, and do not have the authority to conduct performance reviews or engage in other oversight and personnel activities that are inherent in a management/ supervisory position.

The Criminal Division should have a supervising attorney for each of the four prosecution teams in addition to the Criminal Deputy position. This would provide a ratio of 11 direct reports (6 attorneys/5 paralegals and other staff) per supervising attorney and would reduce the number of the criminal deputy's direct reports to six. The supervising attorneys would be expected to carry a 50% caseload and devote the balance of their time to supervision, operations management and training. This would allow for true accountability in the criminal prosecution activities of the Office, insuring consistency in charging, plea bargaining and trials.

In light of the complexity of civil litigation matters handled by the Office and the liability at stake, both monetarily and in terms of protecting against negative court rulings that can limit the authority of the City to take actions to further the City's goals, the civil litigation function of the Office warrants a management level position. The position would be tasked with not only managing and assigning the litigation matters, but with a broader responsibility to minimize civil liability of the City through analysis of existing and past matters and recommendations to prevent future liability and to train and mentor less experienced litigators.

**Costs of Technology Improvements:** The City Attorney's Office has greatly improved the Office's technological capability through the installation of its new case management system, outlined in greater detail in the City Attorney's Office's 2007-2011 Business Plan. The new case management system implemented for the Office has increased efficiencies and opportunities for data management and accountability. It has also made possible the required integration with the court and police department systems. The systems are dynamic, requiring updates and changes as the systems of our criminal justice partners are modified and our case management vendor issues modifications and upgrades.

As another example, e-discovery – providing discovery in criminal cases electronically to the public defender's office, instead of manual copying and mailing – is a project of the Hennepin Justice Integration Project ("HJIP") to be implemented in 2008. While funding for system integration between the City Attorney's Office and the Public Defender's Office is being provided through the HJIP budget, the City Attorney's Office will need to purchase or develop the software module and, after implementation, will be responsible for maintenance of the system and future upgrades for the City Attorney's Office portion of the project. The project will provide efficiencies, freeing staff time, but also adds to technology maintenance costs.

## FINANCIAL ANALYSIS

### EXPENDITURE

The department's 2009 budget is \$13.9 million, an 8.9% or \$1.1 million increase over the 2008 adopted budget. Please Note: 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 revenue is from the Justice Assistance Grants (JAG) and Grants to Assist Arrests.

### FUND ALLOCATION

The primary funding sources for the department are the general fund (56%) and the self-insurance fund (41%). The remaining 3% of funding is derived from the federal, state or other grant funds. The 2009 general fund budget for the department increases by 10.7%, the self-insurance fund budget increases by 5.0%, and the special revenue fund budget increases by 31.1%.

#### ORIGINAL BUDGET

The Mayor recommended \$280,000 in additional funding to add 2 criminal manager positions in 2009. The Mayor also recommended the addition of a litigation manager position in 2010. No reductions to growth were required from this department. The Council included \$140,000 in one-time money in 2009 for increased costs of workhouse billing. The Council did not approve the Mayor's recommendation of a litigation manager position, and directed the City Attorney to delete the position authority for the Litigation Manager position in 2010 and reallocate the funding for the position to ongoing resources for workhouse billing. Additionally, the Council increased funding by \$75,000 on a one-time basis for a youth prostitution prevention pilot program.

#### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$330,000. This reduction may be temporarily offset by the receipt of federal Byrne grant resources in 2009 and 2010.

The Mayor directed the Attorney's Office, Finance, and Police to explore the feasibility of implementing other collection processes including administrative citations for the 2010 budget. To the extent possible, implementation should begin in 2009.

#### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendations.

The Council further directs Public Works to decrease the revenue budget by \$850,000 to reflect removal of the street light fee implementation in 2009. Public Works is to decrease the proposed expenditure appropriation by \$850,000. To offset this \$850,000 reduction, the following one-time funding allocations are to be eliminated:

- CPED: \$100,000 for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112)
- Capital project: \$250,000 for the Hiawatha LRT Signal Improvements project (TR019)
- Attorney: \$75,000 for a youth prostitution prevention pilot program
- Regulatory Services: \$25,000 for contract spay and neuter services
- Public Works: \$400,000 for ballpark area pedestrian improvements

The budget for this department includes a reduction of BIS charges of \$31,500 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Attorney is \$13.5 million, a 5% increase over the 2008 Adopted budget.

#### RESULTS IMPLICATIONS

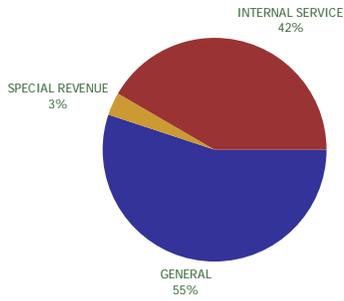
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

## ATTORNEY EXPENSE AND REVENUE INFORMATION

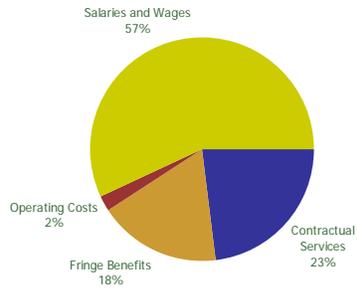
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	3,262,295	3,473,419	3,743,719	3,873,965	3.5%	130,246
Fringe Benefits	787,374	915,203	1,116,741	1,192,752	6.8%	76,011
Contractual Services	1,627,026	1,613,958	2,052,437	2,177,393	6.1%	124,956
Operating Costs	223,208	159,470	182,027	183,266	0.7%	1,239
<b>TOTAL GENERAL</b>	<b>5,899,903</b>	<b>6,162,050</b>	<b>7,094,924</b>	<b>7,427,376</b>	<b>4.7%</b>	<b>332,452</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	295,278	274,407	272,689	339,306	24.4%	66,617
Fringe Benefits	62,049	66,078	69,027	108,662	57.4%	39,635
<b>TOTAL SPECIAL REVENUE</b>	<b>357,327</b>	<b>340,485</b>	<b>341,716</b>	<b>447,968</b>	<b>31.1%</b>	<b>106,252</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	3,060,948	3,477,161	3,435,285	3,467,670	0.9%	32,385
Fringe Benefits	743,184	795,363	1,004,867	1,097,047	9.2%	92,180
Contractual Services	863,493	997,788	787,591	918,060	16.6%	130,469
Operating Costs	188,016	133,722	136,650	140,476	2.8%	3,826
<b>TOTAL INTERNAL SERVICE</b>	<b>4,855,641</b>	<b>5,404,034</b>	<b>5,364,393</b>	<b>5,623,253</b>	<b>4.8%</b>	<b>258,860</b>
<b>TOTAL EXPENSE</b>	<b>11,112,871</b>	<b>11,906,569</b>	<b>12,801,033</b>	<b>13,498,598</b>	<b>5.4%</b>	<b>697,565</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	15,274	9,603	17,000	17,000	0.0%	0
Other Misc Revenues	1,202	48	3,000	3,000	0.0%	0
<b>TOTAL GENERAL</b>	<b>16,476</b>	<b>9,651</b>	<b>20,000</b>	<b>20,000</b>	<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Federal Government	49,258	309,418	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>49,258</b>	<b>309,418</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	39,785	1,506	20,000	20,000	0.0%	0
Other Misc Revenues	3,883	10,357	10,000	10,000	0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>43,668</b>	<b>11,863</b>	<b>30,000</b>	<b>30,000</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>109,402</b>	<b>330,931</b>	<b>50,000</b>	<b>50,000</b>	<b>0.0%</b>	<b>0</b>

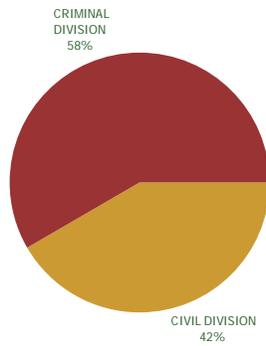
**Expense by Fund, 2009 Revised Budget**



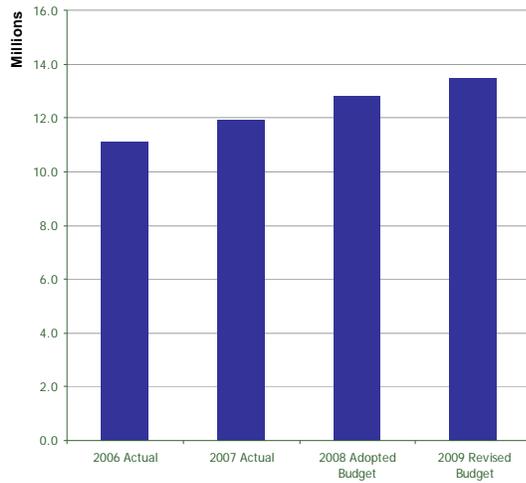
**Expense by Category, 2009 Revised Budget**



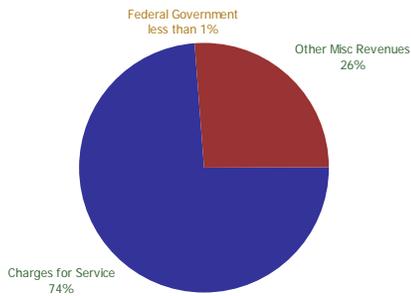
**Expense by Division, 2009 Revised Budget**



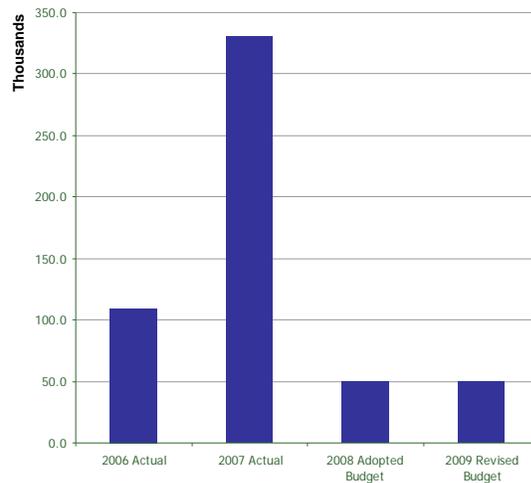
**Expense 2006 - 2009**



**Direct Revenue by Type, 2009 Revised Budget**



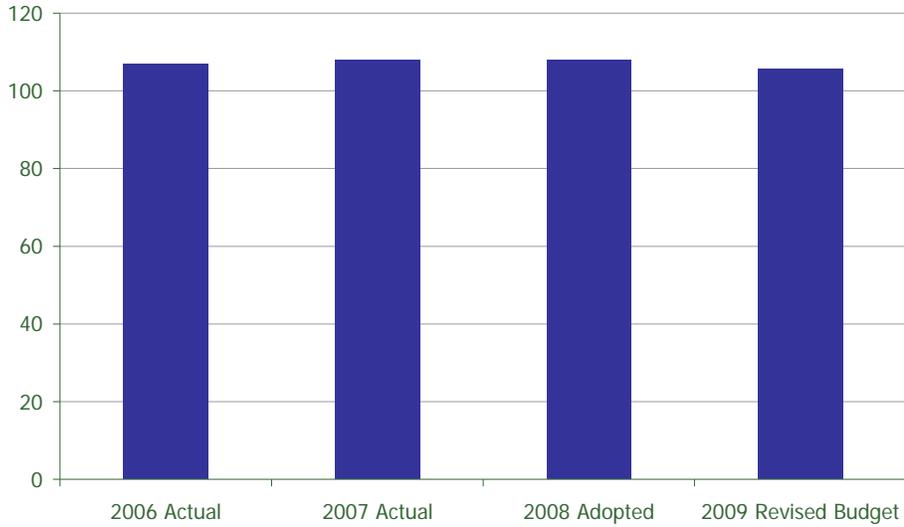
**Revenue 2006 - 2009**



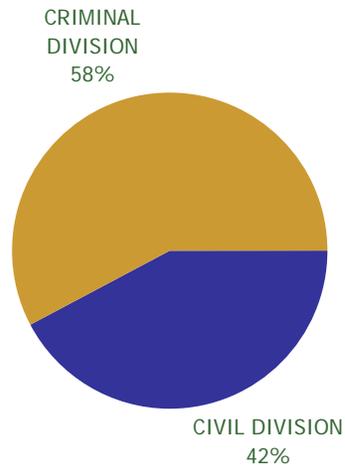
## ATTORNEY Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
CIVIL DIVISION	45	45	45	45	-1.1%	(1)
CRIMINAL DIVISION	62	63	63	61	-3.2%	(2)
<b>TOTAL</b>	<b>107</b>	<b>108</b>	<b>108</b>	<b>106</b>	<b>-2.3%</b>	<b>(3)</b>

### Positions 2006-2009



### Positions by Division, 2009 Revised Budget



## 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 City Clerk's Office is designated by City Charter and Ordinance as the official archivist of all city records and as the authority responsible for providing access to those records by the public.

We 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.

The mission and actions of the City Clerk Department serve to support all six of the City's goals.

### **BUSINESS LINES**

#### **Committee Management and Council Information**

Coordinate activities of the City Council, 8 standing committees, 4 special committees, Executive Committee, Charter Commission and Committee of the Whole.

#### **Administration for Council and Clerk**

Provide administrative support to Council Members, their staff and the Reception Desk as well as to the City Clerk's Department.

#### **Records Management and Enterprise Information Management (EIM)**

Oversee the management of all official government records for the City of Minneapolis.

#### **Printing, Data Operations and Mailing**

Provide data operations service to City and County.

- Printing personalized vendor checks, payroll checks, utility bills and other licensing documents.
- Update and maintain documentation on business information services processes related to document production.

Provide copying and bindery services for all City departments including:

- High speed xerography, offset printing and digital color printing
- Collating/folding
- Paper cutting/drilling, hand assembly and numbering
- Envelope insertion and Stitching/stapling/binding

Provide mailing services for City departments including:

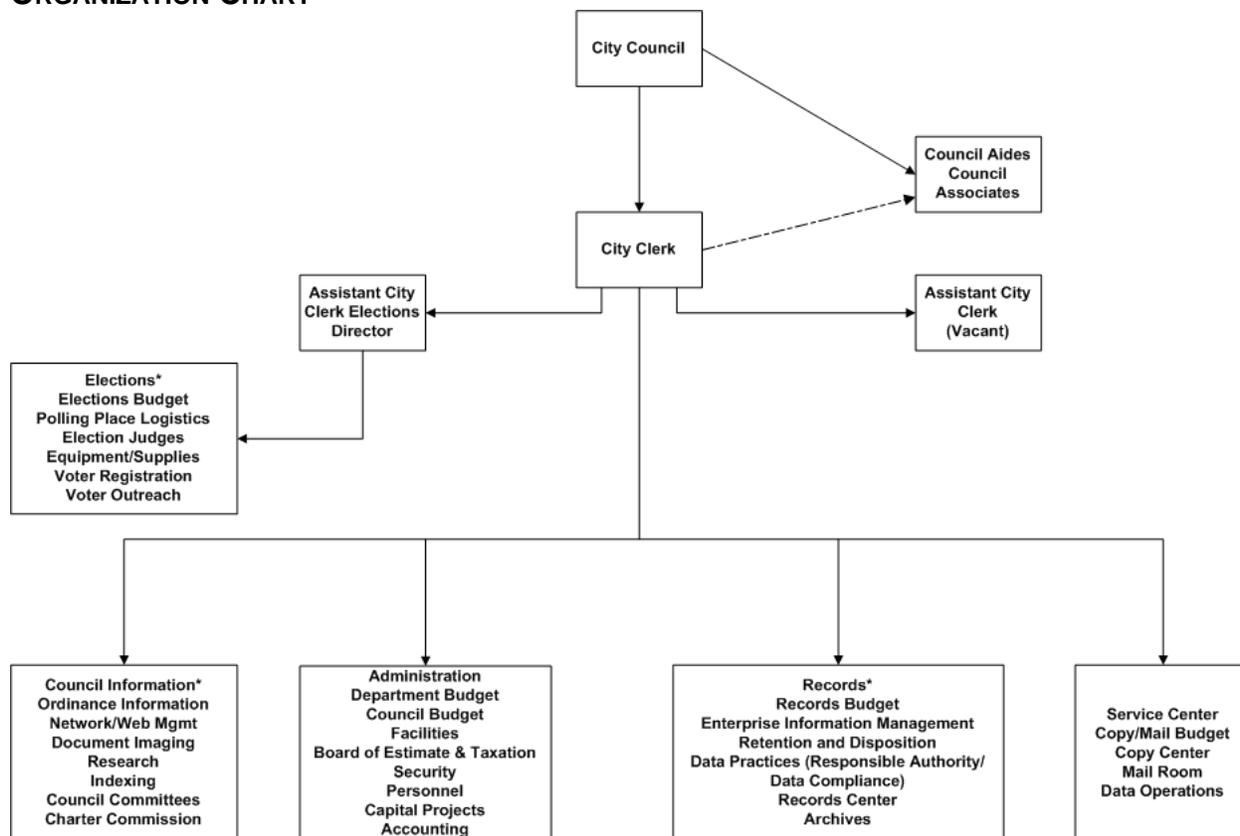
- First class and standard mail (bulk mail) assistance
- Interoffice mail delivery in City Hall
- Courier service to city departments in downtown buildings
- Package assistance and mailing through United Parcel Service
- Assistance with specialty mail such as certified, registered and insured mail

#### **Elections**

Administer Federal, State, County and Local elections for the citizens of Minneapolis.



## ORGANIZATION CHART



### FIVE – YEAR DEPARTMENT GOALS AND OBJECTIVES

This department supports all city goals

Department Goals	Objectives
<p><b>Procedures:</b> Ensure that all documents related to Council activity are accurate and available and that the legislative process is clear, efficient, and effective.</p>	<p>Continue to implement efficiencies and quality improvements to Council processes and information.</p> <p>Continue to increase access to and quality of information through expanded use of technology.</p> <p>Provide official records to the public within state regulations.</p>
<p><b>Appointments:</b> Manage the appointments process for City boards and commissions so citizens have involvement in City government. Seek enhancements to the process to promote citizen engagement.</p>	<p>Provide clear and easy access to information and services that facilitate citizen engagement.</p>
<p><b>Staffing:</b> Create an atmosphere that honors the unity, commitment, diversity and professionalism of our workforce and the public we serve</p>	<p>Insure a competent professional workforce that meets the City's current and future needs.</p>
<p><b>Information Management:</b> Guide the City's management of electronic and paper records to comply with State and Federal regulations</p>	<p>Manage Enterprise Information Management (EIM) standards and practices for all City departments, consistent with other jurisdictions and in compliance with regulations.</p>

<b>Records Retention:</b> Implement records management procedures for retention and destruction to help ensure efficient and effective information systems	Store records based on their retention schedules and destroy records when they have met their retention limits.
<b>Data Practices:</b> Provide information as required by the MN Data Practices Act	Provide information within reasonable time limits based on the complexity of the request.
<b>Archives:</b> Preserve and provide access to the City's historical records housed in the Municipal Library (aka the Archives).	Develop a process to manage the Archives into the future considering best practices and cost effectiveness.
<b>Copy/Mail:</b> Provide cost effective and efficient printing, copying, bindery services, courier and mail services for City departments	Provide services at a cost significantly less than private sector vendors.
<b>Ranked Choice Voting (RCV):</b> Be ready to implement RCV by 2009	Prepare sufficient information and plans for the Council to determine feasibility of implementation.
<b>Legal Requirements:</b> Insure that all election procedures conform to legal requirements and that voters have confidence in the system.	Participate in legislative process and create efficiencies in election administration.
<b>Participation:</b> Maximize voter participation	Expand voter education strategies to motivate more people to vote.

<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>							
<b>Measure Name</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007 Actual</b>	<b>2008 Target</b>	<b>2011 Target</b>	<b>2012 Target</b>
Number of new systems incorporating EIM standards	NA	NA	NA	3 BIS Projects	TBD	TBD	
Number of departments and divisions that have State approved retention schedules	NA	NA	2 of 17	4 of 17	8 of 17	17 of 17	
% by which City copy center costs are lower than two downtown private sector vendors – Black, white and Color Copies	NA	NA	NA	54.1% B&W 53.6% COLOR	42% B&W 47% COLOR	50% B&W 50% COLOR	
% by which City mail room courier costs are lower than two private sector vendor costs for same service	NA	NA	NA	31.6%	54%	30%	
Number of ballots cast in each November election	201,672	70,987	149,318	NA	200,000	NA	

***What key trends and challenges does the department face and how will each be addressed?***

**Enterprise Information Management** - The Clerk's Office is unable to direct appropriate resources to the City's EIM initiative. Indeed, the department has been unable to meet legal obligations to develop record retention guidelines and data practices training programs, initiatives undertaken by other Minnesota cities a decade ago. The department must develop methodologies and funding sources which allow attainment of future goals as well as perform work necessary to address past unmet needs.

**Adoption of Revised City Charter** – The Charter Commission is proposing to bring forward for adoption a redrafted City Charter. Current state law requires extensive publication requirements. Discussions are underway regarding the viability of seeking legislative relief through special law proposed in the 2009 session. Staff will be working with *Finance and Commerce* to negotiate the lowest possible price should the legislative approach fail.

***What changes to ordinance are needed to improve services and/or reduce cost?***

**Publication Requirements:** Statute and Charter provisions requiring newspaper publication were adopted prior to advent of web publication, which is now the standard for communication with the public. Web publishing is less costly, more effective and reaches a broader audience than publication in the official newspaper. The City has advocated for relief from publication requirements contained in statute for several years. The Legislature, however, is unwilling to support the initiative.

As an alternative, City Clerk staff has proposed a change in newspaper publication requirements contained in charter, many of which significantly exceed the requirements contained in statute. Discussions have been held with Charter Commission members and it is generally believed that both the Charter Commission and City Council will be supportive of the proposed changes. This proposal is part of the City Clerk work plan for 2008.

**Ranked Choice Voting** - Another challenge facing the department is the need to implement Ranked Choice Voting (RCV) for the municipal election of 2009. Estimates for equipment run between \$75,000 and \$1.5 M dollars. If, through the RFP process currently underway, it is determined that no equipment is available, the city could be compelled to conduct a hand count. Personnel costs associated with a hand count could potentially be higher than costs incurred at a presidential election. These higher costs are inconsistent with financial strategies put into place in 2007 to address fluctuations in voter turnout over the four year election cycle.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2009 City Clerk, Council, and Elections & Registrations department's budget of \$9.2 million is in line with the five-year financial direction.

The outsourced postage service previously paid by individual departments is being paid by Central Mailing. In 2009 Central Mailing's budget is estimated at \$416,000. The budget for the Copy Center is estimated at \$625,000 for 2009, for the copying requisition (printing) function. Both the Mail Room and the Copy Center have equal revenues for services, both are estimated, and both expenditures and revenues may need increases during the year, based on use of services.

The budget for this department includes \$885,001 in property services rent charges based on the Council's adoption and implementation of a City-wide rate for rent in which charges for City Hall tenants will now be reflected in department budgets. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for City Council/Clerk/Elections is \$8,312,772, a 4.1% increase over the 2008 Adopted budget.

#### REVENUE

Revenue is estimated at \$1 million, with declining sales of documentation copies due to availability of internet access.

Central Mailing expects matching revenues to expenditures with mailing services. 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 (87%) and Internal Service Funds (13%).

#### ORIGINAL BUDGET

The Mayor recommended and Council approved \$75,000 in one-time funding to implement the ranked choice voting system and a reduction of \$40,000 to meet the financial direction.

#### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$320,000.

#### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendation.

The revised budget includes a provision that the City Council appropriation shall be reduced by a cumulative total of \$241,846 and the City Clerk/Elections budget shall be increased by that amount. \$35,000 of this amount redirected to the City Clerk/Elections budget shall be utilized to fund Ranked Choice Voting. The Finance Officer and City Clerk are directed to implement any changes as appropriate. Other than the RCV, these savings may be used to reach the recommended reduction for the City Clerk/Council/Elections budget. Ward budgets shall be reconciled mid-year; at year-end, any Ward budgets in deficit must be reconciled, per Council policy, by writing a personal check.

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 by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for City Council/Clerk/Elections is \$7.6 million, a 12% increase over the 2008 Adopted budget.

#### RESULTS IMPLICATIONS

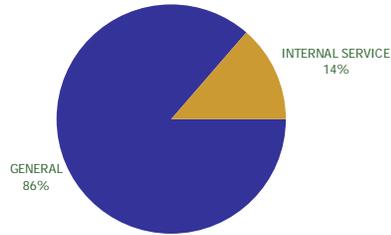
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

**CITY COUNCIL/CLERK/ELECTIONS  
EXPENSE AND REVENUE INFORMATION**

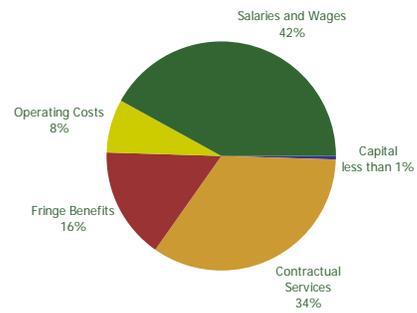
<b>EXPENSE</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>Percent Change</b>	<b>Change</b>
<b>GENERAL</b>						
Salaries and Wages	3,432,952	3,367,850	3,498,298	3,443,879	-1.6%	(54,419)
Fringe Benefits	892,910	944,664	1,057,954	1,274,021	20.4%	216,067
Contractual Services	1,639,607	1,262,256	1,874,936	2,484,624	32.5%	609,688
Operating Costs	194,058	424,011	374,956	428,250	14.2%	53,294
Capital	0	8,621	15,856	16,300	2.8%	444
<b>TOTAL GENERAL</b>	<b>6,159,527</b>	<b>6,007,402</b>	<b>6,822,000</b>	<b>7,647,073</b>	<b>12.1%</b>	<b>825,073</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	160,255	241,218	263,427	261,682	-0.7%	(1,745)
Fringe Benefits	52,348	88,393	107,402	119,582	11.3%	12,180
Contractual Services	644,856	688,960	524,094	556,034	6.1%	31,940
Operating Costs	281,298	333,040	245,612	237,439	-3.3%	(8,173)
Capital	111,055	27,766	26,033	26,762	2.8%	729
<b>TOTAL INTERNAL SERVICE</b>	<b>1,249,812</b>	<b>1,379,377</b>	<b>1,166,568</b>	<b>1,201,500</b>	<b>3.0%</b>	<b>34,932</b>
<b>TOTAL EXPENSE</b>	<b>7,409,339</b>	<b>7,386,779</b>	<b>7,988,568</b>	<b>8,848,573</b>	<b>10.8%</b>	<b>860,005</b>

<b>REVENUE</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>Percent Change</b>	<b>Change</b>
<b>GENERAL</b>						
License and Permits	3,305	2,625	1,000	2,500	150.0%	1,500
Charges for Service	102,413	101,618	80,500	45,735	-43.2%	(34,765)
Charges for Sales	6,399	1,976	1,125	2,100	86.7%	975
Other Misc Revenues	1,581	563	500	325	-35.0%	(175)
<b>TOTAL GENERAL</b>	<b>113,698</b>	<b>106,782</b>	<b>83,125</b>	<b>50,660</b>	<b>-39.1%</b>	<b>(32,465)</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	1,333,890	1,193,905	1,010,706	1,041,405	3.0%	30,699
Charges for Sales	0	940	0	0	0.0%	0
Other Misc Revenues	1,684	0	0	0	0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>1,335,575</b>	<b>1,194,845</b>	<b>1,010,706</b>	<b>1,041,405</b>	<b>3.0%</b>	<b>30,699</b>
<b>TOTAL REVENUE</b>	<b>1,449,273</b>	<b>1,301,626</b>	<b>1,093,831</b>	<b>1,092,065</b>	<b>-0.2%</b>	<b>(1,766)</b>

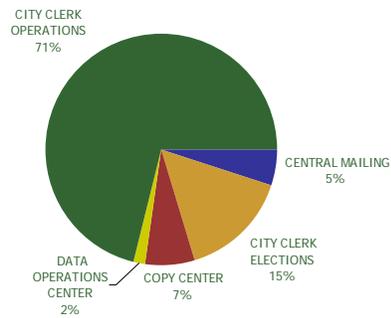
**Expense by Fund, 2009 Revised Budget**



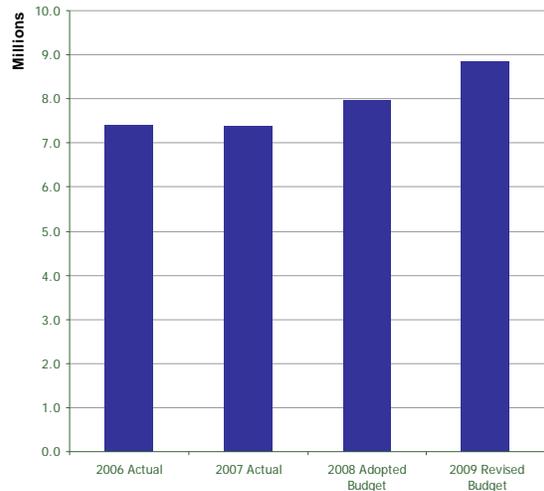
**Expense by Category, 2009 Revised Budget**



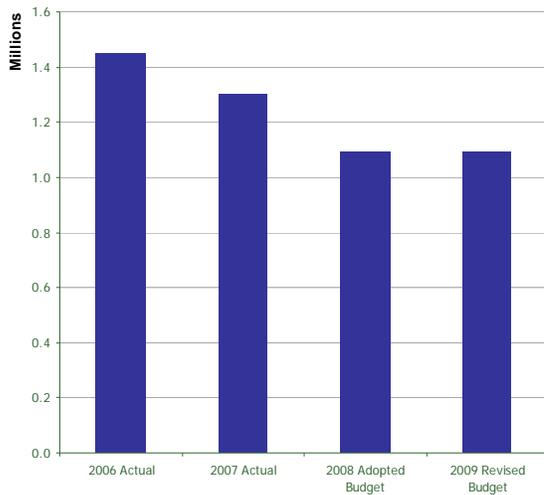
**Expense by Division, 2009 Revised Budget**



**Expense 2006 - 2009**



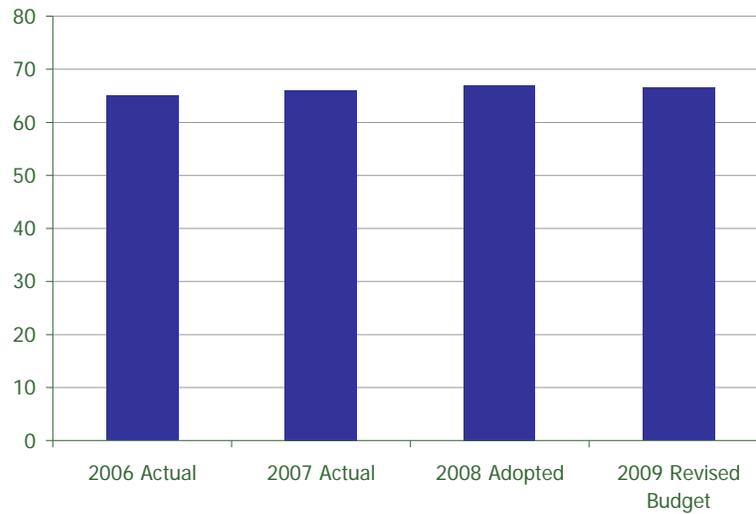
**Revenue 2006 - 2009**



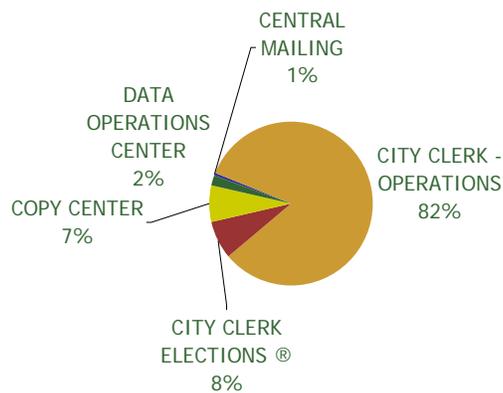
## CITY COUNCIL/CLERK/ELECTIONS Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
CITY CLERK - OPERATIONS	54	55	55	55	0.0%	
CITY CLERK ELECTIONS & REG	6	6	6	5	-16.7%	(1)
COPY CENTER	5	5	5	5	-3.0%	(0)
DATA OPERATIONS CENTER			1	1	0.0%	0
<b>TOTAL</b>	<b>65</b>	<b>66</b>	<b>67</b>	<b>66</b>	<b>-1.3%</b>	<b>(1)</b>

### Positions 2006-2009



### Positions by Division 2009 Revised Budget



# 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**

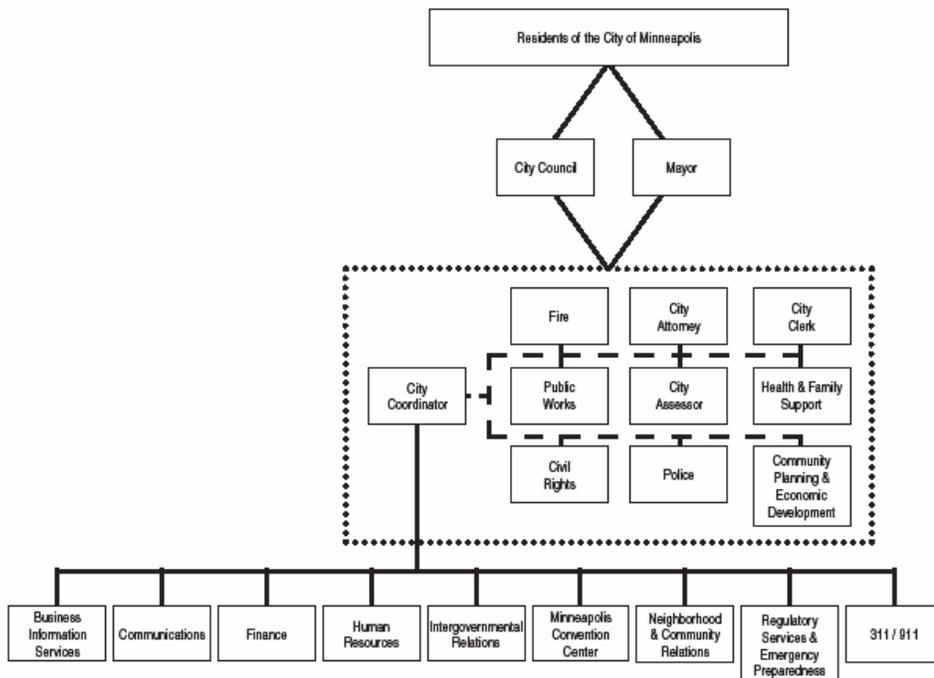
The City Coordinator Department has three primary business lines:

**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.

**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.

**Direct Services:** The City Coordinator has direct management oversight responsibilities to ensure cost-effective, high-quality service and public accountability for line service departments, including emergency communications (911), non-emergency information and services (311), regulatory services and emergency preparedness, and the work of the Minneapolis Convention Center.

**ORGANIZATION CHART**





<b>FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES</b>	
City Coordinator is aligned with all City goals.	
<b>Department Goal</b>	<b>Objectives</b>
Shape, monitor progress, and support the implementation and achievement of the City's goals and strategic directions	Develop and support the ongoing implementation of the new City goals and strategic directions
	Administer business plan process that aligns City direction with department business plans
	Use performance measures and other indicators to drive progress to outcomes and demonstrate accountability (develop a fully results-oriented culture)
The City's management practices are continuously improving and are outcome and customer-focused	Management service departments are recognized as valuable strategic partners to all City departments
	Identify opportunities & assist departments in streamlining key departments and multi-department systems
	Minneapolis 311 operation continues to provide excellence in customer service through ongoing refinement of operations, expanded customer services and close and broadened working partnerships
	Customer-focused service is a recognized hallmark of City operations
	City of Minneapolis identifies, shares and implements best practices and strategic management techniques
Convene, coordinate and strategically manage multi-jurisdictional and inter-departmental efforts to successful outcomes	Provide strategic coordination to achieve multi-department, multi-jurisdictional initiatives
	Advance strategic partnerships in the City's public, private and non-profit networks
	"Executive leadership" is well-defined and understood by entire City management
The City's workforce is engaged, energized and proud	The City has a progressive yet practical compensation philosophy and practices

<b>RESULTS MINNEAPOLIS RESULT, DATA AND TARGET TABLE</b>							
<b>Measure Name</b>	<b>2004 Data</b>	<b>2005 Data</b>	<b>2006 Data</b>	<b>2007 Data</b>	<b>2008 YTD</b>	<b>2008 Target</b>	<b>2011 Target</b>
<b>A safe place to call home</b>							
Violent crimes	4825	5572	6480	5660		5377	
Guns seized	1093	1032	1458	1087			
Youth related homicides	21	17	26	15		12	8
Graffiti abatement			95%	94% (target)			94%
Affordable housing units produced	1294	566	673	323			
<b>One Minneapolis</b>							
Graduation rates by race and ethnicity	76.1%	78.4%	79.6%	86%		80%	80%

Low birth weight babies by race and ethnicity	7.9%	8.2%	7.6%				5%
Poverty rates	19%	21%	22.7%				
Percent of homeowners and renters paying more than 30% of income on housing	R:45%	R:51%	R: 52%				
	O:26%	O:28%	O:34%				
Foreclosures		863	1610	2895	813	3000	1000
<b>Lifelong learning second to none</b>							
Beginning kindergarten assessment literacy scores		56%		58%			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	9,356,982				
Bike trail miles	84	85	96	100			130 (2015)
Satisfaction with development services	68%			92%	96%	90%	
<b>Enriched environment</b>							
Good air quality days	187	166	193	178			
Use of renewable energy by Xcel		7%	12%	13%			
Net loss of trees on public land	-3530	-2410	-393	-1587			
Water quality of Mpls lakes (in Trophic State Index)	Brownie	58	NS	56	NS		55
	Calhoun	40	37	42	42		47
	Cedar	47	48	54	47		47
	Harriet	43	40	48	46		47
	Isles	58	54	60	59		57
High school students enrollment rate in arts class(es)		61%	65%	49%			95% * (2014)
<b>A premier destination</b>							
Job growth in arts, entertainment and recreation sector and Health care and social assistance sector	378	659	2115	742			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%				
Convention center attendees	903,330	784,250	836,000	782,059		800,000	884,000
Downtown office vacancy rates	20.2%	18.4%	15.9%	14.1%			

<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 received on <i>Results Minneapolis</i> (Excellent or Above average)				69.91%			
Departments that think the enterprise service departments have met their needs (Strongly agree or Agree) -Finance -HR -BIS -Communications -IGR -311				-61.00% -68.20% -55.40% -73.35% -85.00% -67.60%			
Elected officials satisfaction support from City Coordinator operations	No data						

**What key trends and challenges does the department face and how will each be addressed?**

At the annual PUSH Conference in early June 2008, Jonathan Greenblatt – former White House aide, VP at Starbucks, cofounder of Ethos brand water, and currently the CEO of the socially-conscious GOOD Magazine – suggested six key elements that will always be evident in the most successful twenty-first century businesses and organizations. They are:

**INTENTION  
AUTHENTICITY  
PERFORMANCE  
COMMITMENT  
TRANSPARENCY  
ENGAGEMENT**

Greenblatt went on to highlight example after example of the presence of these ingredients in today’s most ethical brands, courageous companies and problem-solving organizations.

The Coordinator's Office, on a shared mission with elected and employees to make the City not only a great American city, but an ethical and courageous organization nimble and ready to solve any problem in partnership with residents, assessed City government through Greenblatt's six elements to see where the department stands. The outcome tells the tale of what the department sees as a four-year transformation of organization and indeed the redevelopment of a strong, meaningful Coordinator operation.

**Intention:** The organization or business should be "impelled by a mission," says Greenblatt, and "intention should lead to action." In 2006, the City's elected officials, alongside the top appointed officials, developed a 2020 mission statement, six five-year goals and thirty-one strategic directions. These intentions were powerful statements about what the department wanted the City *to be* today and in the near future. They represented a collective consensus of what the City should become if all forces were moving in the same direction, internally and externally. They represented the guidance executive departments needed to refine and further spell out specific programs and actions in their business plans to achieve these goals, and continue to serve as the ultimate outcomes to which the department work on a daily basis.

**Authenticity:** There is nothing quite as authentic as true representative democracy. Minneapolis utilizes a form of government that keeps decisions close to residents and allows continuous input into the governing processes. The department collaborates in hundreds of cross-jurisdictional committees and policy partnerships where debate is vigorous and challenging. More than fifty citizen boards and commissions contribute ideas and advice to the way the department work and the services the department provide. This is a government that is connected and in touch with the people the department serves, and decisions and policy outcomes continue to reflect just that.

**Performance:** It is here that city government has made its greatest strides in the past two years. Performance measures have been in place in City departments for nearly a decade; they have, however, been made more meaningful to managers and policymakers alike through weekly conversations (*Results Minneapolis*) about tangible and objective data and candid assessment of whether real progress is occurring. These progress conferences are the place where the department tests what is working and what should change to get further faster on key goals and objectives.

**Commitment:** Greenblatt said the "commitment must be 'laced' throughout the organization." From frontline employees to Council committee chairs, Minneapolis is blessed with committed individuals getting the work done. One of the standout results of the last employee survey, conducted in the autumn of 2006, was the degree to which employees felt pride in "their public service." The private firm assessing the survey results said that the Minneapolis results were well outside the norm –favorably- for municipal governments.

In 2007, the Coordinator's Office expanded its expertise to lead a new program of business process improvement (BPI). BPI aims to empower employees at every level of the enterprise with good techniques to improve key City business processes and to ultimately deliver improved results to our residents while using fewer resources (time, people and money) to do so.

**Transparency:** Always a value of City government, transparency is much on the minds of the Coordinator's Office as the department develops:

- New two-way communications tools
- Work on the new neighborhood portals afforded by the wireless project
- Develop a new website with user-friendly, up-to-date information for residents on the City's performance measures
- Continue to share broadly good information about all activities of government. Greenblatt says, "Transparency is key" for the trust and connection organizations want to have with partners and constituents.

**Engagement:** There is maybe no issue that has received greater attention in the past eighteen months and will remain a focus in the coming years. The Mayor and City Council have undertaken an extensive review of community engagement practices and relationship with neighborhoods and other community organizations. This review will culminate in a specific proposal to establish a new Department of Neighborhood and Community Relations in the coming year. The department will be charged with improving, throughout the City, the quality of engagement practices.

**The City Coordinator's Office Today:** The City Coordinator's Office is proud of the progress the department is making. Through the reallocation of resources in 2006 and 2007, the office has been reshaped to serve as the core planning and management resource a city this size should maintain. The office accepts the following responsibilities in service to the entire city organization:

- Strategic and business planning counsel and advice
- Performance measurement and accountability practices
- Business process improvement training and management
- Strategic partnership development
- Enterprise project management and coordination
- Enterprise initiative guidance (e.g., sustainability, community engagement)
- Leadership and executive management development

**Regarding Sustainability:** The City's sustainability effort is maturing, driving a higher degree of sophistication is being expected in terms of setting targets, measuring and reporting outcomes, selecting activities that will have the greatest impact, and promoting sustainable practices without additional resources.

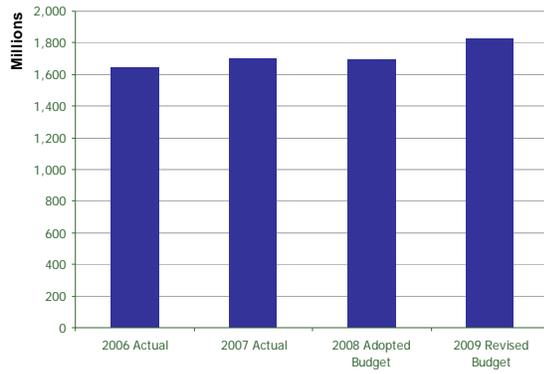
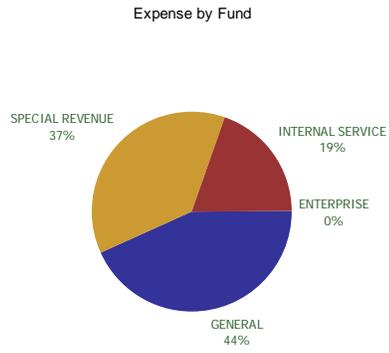
Work in 2009 will be focused on further systematization of sustainability into business plans and close partnerships with all City departments. A special emphasis is being placed on climate change strategies – which can provide unique opportunities to save money and to strengthen the economy and health of the City. The department is continuing to improve outreach to local and national partners in order to leverage City resources. In partnership with Saint Paul, our federal Department of Energy solar grant aimed at creating a viable market will heat up in 2009.

## **FINANCIAL INFORMATION FOR ALL COORDINATOR'S DEPARTMENTS COMBINED**

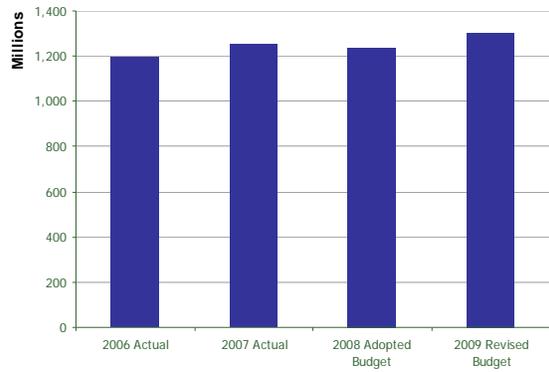
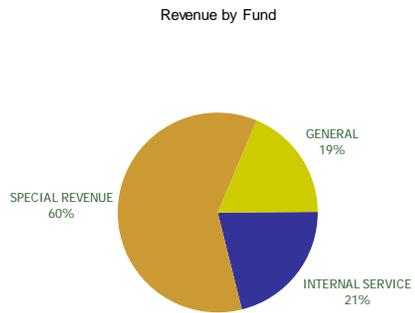
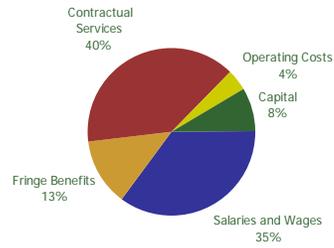
The Coordinator's 2009 budget is \$152 million, an 7.6% increase from 2008. The budget is funded by the general fund, the convention center fund, three grant funds, and two internal service funds. The overall change in positions is a decrease of thirty positions to a total of 911.

## EXPENSE AND REVENUE INFORMATION

EXPENSE ENTERPRISE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change	Change
Operating Costs	622,519	549				
<b>TOTAL ENTERPRISE</b>	<b>622,519</b>	<b>549</b>				
GENERAL						
Salaries and Wages	31,128,308	33,050,437	34,321,639	34,164,689	-0.5%	(156,950)
Contractual Services	17,420,755	15,285,670	14,021,101	15,370,228	9.6%	1,349,127
Operating Costs	2,381,338	3,181,740	2,933,995	3,403,676	16.0%	469,681
Fringe Benefits	9,061,206	10,072,652	11,686,472	12,416,453	6.2%	729,981
Capital	714,506	754,533	334,298	295,596	-11.6%	(38,702)
<b>TOTAL GENERAL</b>	<b>60,706,113</b>	<b>62,345,032</b>	<b>63,297,505</b>	<b>65,650,643</b>	<b>3.7%</b>	<b>2,353,138</b>
INTERNAL SERVICE						
Salaries and Wages	5,995,678	6,549,541	7,607,935	7,777,462	2.2%	169,527
Contractual Services	17,779,513	22,389,054	17,343,240	17,601,469	1.5%	258,229
Operating Costs	10,374,691	7,804,432	1,160,028	1,285,494	10.8%	125,466
Fringe Benefits	1,565,203	1,693,679	2,501,416	2,630,789	5.2%	129,373
Capital		55,136	130,019	133,660	2.8%	3,641
<b>TOTAL INTERNAL SERVICE</b>	<b>35,715,085</b>	<b>38,491,842</b>	<b>28,742,638</b>	<b>29,428,874</b>	<b>2.4%</b>	<b>686,236</b>
SPECIAL REVENUE						
Salaries and Wages	9,245,249	10,123,112	10,534,647	11,265,837	6.9%	731,190
Contractual Services	24,971,715	24,711,050	25,369,061	26,768,801	5.5%	1,399,740
Operating Costs	1,057,695	1,715,422	1,658,601	1,731,981	4.4%	73,380
Fringe Benefits	3,007,262	3,293,860	3,992,069	4,885,916	22.4%	893,847
Capital	1,242,978	1,106,990	7,767,381	12,342,677	58.9%	4,575,296
<b>TOTAL SPECIAL REVENUE</b>	<b>39,524,899</b>	<b>40,950,434</b>	<b>49,321,759</b>	<b>56,995,212</b>	<b>15.6%</b>	<b>7,673,453</b>
<b>TOTAL EXPENSE</b>	<b>136,568,616</b>	<b>141,787,857</b>	<b>141,361,902</b>	<b>152,074,729</b>	<b>7.6%</b>	<b>10,712,827</b>
REVENUE						
AGENCY	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	% change	Change
Interest	(1,858,141)	(0)				
<b>TOTAL AGENCY</b>	<b>(1,858,141)</b>	<b>(0)</b>				
GENERAL						
Charges for Sales	30,154	47,405	14,800	10,225	-30.9%	(4,575)
Charges for Service	3,296,541	978,142	783,047	738,377	-5.7%	(44,670)
Contributions	173,285	170,031	400,000	400,000	0.0%	
Fines and Forfeits	272,691	455,527	354,320	469,047	32.4%	114,727
Franchise Fees	2,926,489	2,893,999	2,500,000	2,500,000	0.0%	
License and Permits	21,166,246	21,088,247	22,267,098	21,328,872	-4.2%	(938,226)
Local Government	62,500	114,857	50,393	66,905	32.8%	16,512
Other Misc Revenues	94,973	124,952	86,335	83,966	-2.7%	(2,369)
Rents	11,889	8,169	8,400	7,000	-16.7%	(1,400)
Special Assessments	1,197,142	2,319,732		1,500,000		1,500,000
<b>TOTAL GENERAL</b>	<b>29,231,910</b>	<b>28,201,062</b>	<b>26,464,393</b>	<b>27,104,392</b>	<b>2.4%</b>	<b>639,999</b>
INTERNAL SERVICE						
Charges for Sales	22,695	26,438	45,000	30,000	-33.3%	(15,000)
Charges for Service	30,556,473	31,417,945	28,409,691	30,534,508	7.5%	2,124,817
<b>TOTAL INTERNAL SERVICE</b>	<b>30,579,169</b>	<b>31,444,383</b>	<b>28,454,691</b>	<b>30,564,508</b>	<b>7.4%</b>	<b>2,109,817</b>
SPECIAL REVENUE						
Charges for Service	5,155,200	5,292,581	6,180,000	5,705,000	-7.7%	(475,000)
Contributions	537,500	1,117,528	700,000	721,000	3.0%	21,000
Federal Government	2,064,396	3,183,612	5,161,127	4,997,163	-3.2%	(163,964)
Fines and Forfeits				10,000		10,000
Interest		27,166	954,000	1,729,011	81.2%	775,011
License and Permits			85,000	584,800	588.0%	499,800
Local Government		37,538				
Other Misc Revenues	2,624,748	2,595,488	2,724,000	3,025,000	11.0%	301,000
Rents	6,768,181	6,508,640	6,689,250	6,435,000	-3.8%	(254,250)
Sales and Other Taxes	56,724,560	60,065,202	57,864,000	59,304,000	2.5%	1,440,000
Special Assessments			1,540,000	3,974,400	158.1%	2,434,400
State Government	917,362	564,710	517,500	521,000	0.7%	3,500
<b>TOTAL SPECIAL REVENUE</b>	<b>74,791,948</b>	<b>79,392,465</b>	<b>82,414,877</b>	<b>87,006,374</b>	<b>5.6%</b>	<b>4,591,497</b>
<b>TOTAL REVENUE</b>	<b>132,744,884</b>	<b>139,037,910</b>	<b>137,333,961</b>	<b>144,675,274</b>	<b>5.3%</b>	<b>7,341,313</b>



Expense by Type

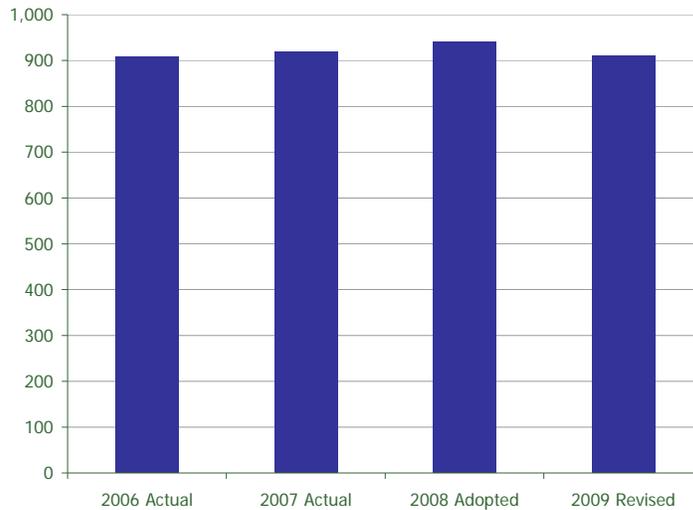


## CITY COORDINATOR

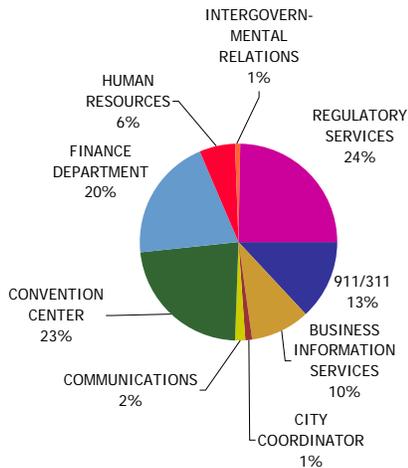
### Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
911/311	118	118	122	118	-3.3%	(4)
BUSINESS INFORMATION SERVICES	82	84	93	90	-3.2%	(3)
CITY COORDINATOR	3	8	10	9	-10.0%	(1)
COMMUNICATIONS	16	17	17	15	-11.8%	(2)
CONVENTION CENTER	211	211	212	208	-1.8%	(4)
FINANCE DEPARTMENT	202	201	202	185	-8.4%	(17)
HUMAN RESOURCES	55	55	55	52	-5.5%	(3)
INTERGOVERNMENTAL RELATIONS	11	10	10	8	-20.0%	(2)
NEIGHBORHOOD & COMMUNITY RELATIONS				9	100.0%	9
REGULATORY SERVICES	210	214	221	225	2.0%	4
<b>Total CITY COORDINATOR Depts</b>	<b>908</b>	<b>918</b>	<b>942</b>	<b>920</b>	<b>-2.4%</b>	<b>(22)</b>

**Total CITY COORDINATOR  
Staff Summary 2006-2009**



### 2009 Revised Budget





## **CITY COORDINATOR – ADMINISTRATION**

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### **FINANCIAL ANALYSIS**

#### **EXPENDITURE**

The 2009 budget for the City Coordinator Administration department is \$1.5 million, a 12.3% increase from the 2008 adopted budget. The increase is primarily due to \$150,000 in one-time funding programs.

#### **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 a \$10,000 reduction to growth in this department and provided the City's tree program (the Tree Trust) with \$75,000 in one-time funding. The Mayor's recommendation also included \$75,000 in one-time funding for Climate Change grants. The Council approved these recommendations.

#### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$56,000.

#### **COUNCIL REVISED BUDGET**

The Council concurs with the Mayor's recommendation.

The budget for this department includes a reduction of BIS charges of \$5,000 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for City Coordinator Administration is \$1,553,569, a 12.6% increase over the 2008 Adopted budget.

#### **RESULTS IMPLICATIONS**

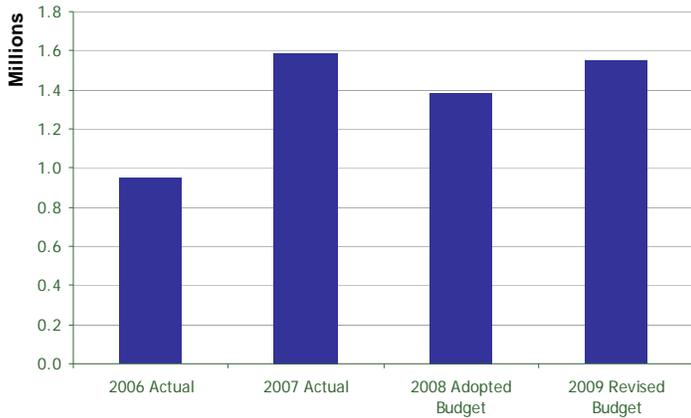
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

## CITY COORDINATOR EXPENSE AND REVENUE INFORMATION

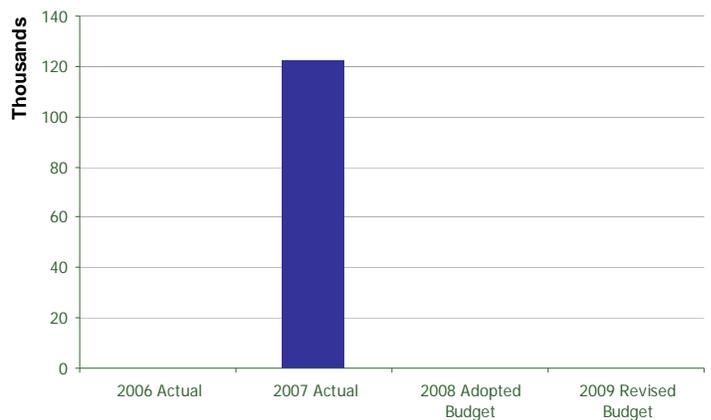
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	548,231	714,349	765,255	816,976	6.8%	51,721
Fringe Benefits	100,356	183,819	184,988	247,701	33.9%	62,713
Contractual Services	250,573	342,140	341,805	388,081	13.5%	46,276
Operating Costs	51,823	223,597	85,505	94,186	10.2%	8,681
Capital	192	925	1,581	1,625	2.8%	44
<b>TOTAL GENERAL</b>	<b>951,175</b>	<b>1,464,830</b>	<b>1,379,134</b>	<b>1,548,569</b>	<b>12.3%</b>	<b>169,435</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	0	122,349	0		0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>122,349</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>TOTAL EXPENSE</b>	<b>951,175</b>	<b>1,587,179</b>	<b>1,379,134</b>	<b>1,548,569</b>	<b>12.3%</b>	<b>169,435</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Federal Government	0	100,000	0		0.0%	0
Local Government	0	22,350	0		0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>122,350</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>0</b>	<b>122,350</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>

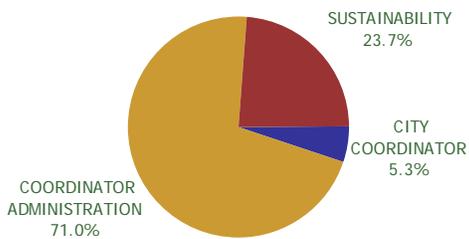
Expense 2006 - 2009



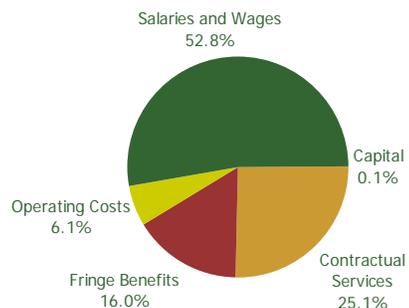
Revenue 2006 - 2009



Expense by Division



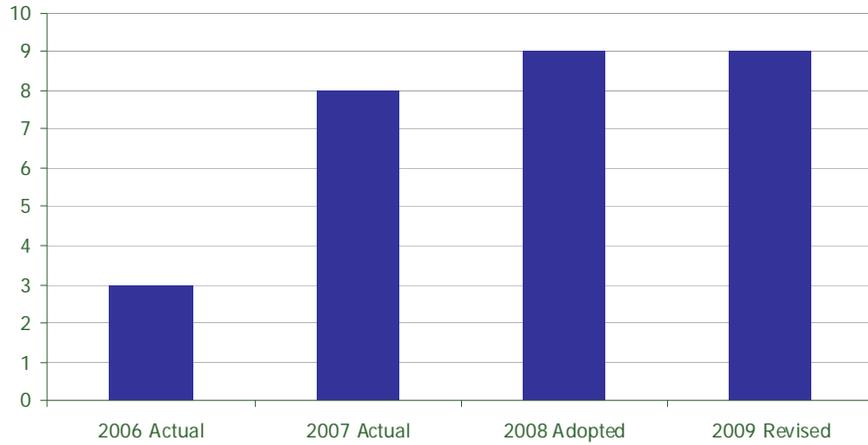
Expense by Category



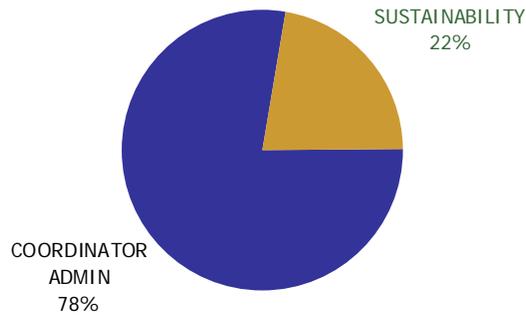
## CITY COORDINATOR Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
COORDINATOR ADMINISTRATION	3	8	9	7	-22.2%	(2)
SUSTAINABILITY				2		2
<b>TOTAL</b>	<b>3</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>0.0%</b>	

**Positions 2006-2009**



**Positions by Division**



# 911/311

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## MISSION

**911:** 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.

**311:** To serve as the single point of contact to the City for all non-emergency requests for information and services:

- Simplifying citizen access to City services and information
- Enabling city employees to deliver services more effectively
- Tracking requests for service delivery from inception to completion
- Providing access to City services by voice, e-mail and the web

## BUSINESS LINES

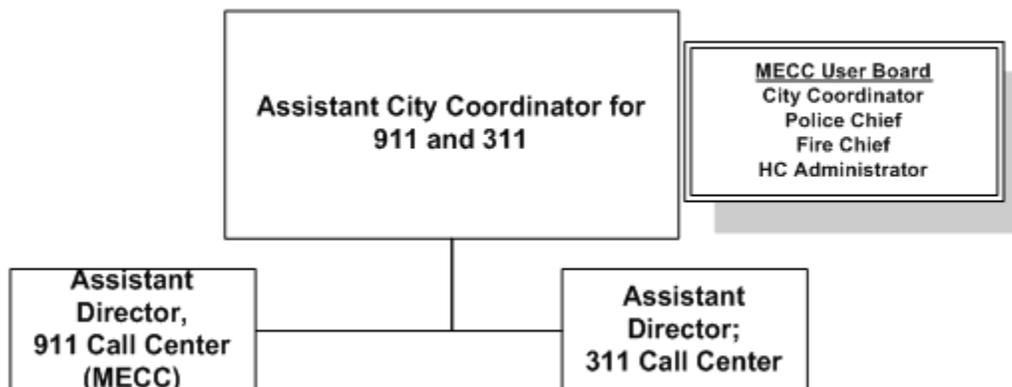
### Emergency public safety communications services (911)

- Answer 911 calls for service
- Dispatch emergency responders
- Conduct various administrative tasks in support of internal customers

### Non-emergency City government information provision and services request initiation (311)

- Answer questions via a “knowledge base” or transfer to those who can
- Initiate request for services via the “Frontlink” Customer Relationship Management system
- Provide data on all contacts to inform the continuous improvement activities of the City’s departments

## ORGANIZATION CHART



<b>FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES</b>		
<b>City Goals &amp; Strategies</b>	<b>Department Goals</b>	<b>Objectives</b>
A Safe Place to Call Home: (Gangs, Guns, Graffiti Gone; Crime Reduction)	Improve effectiveness & efficiency of 911 & 311 business processes	Consistently accommodate citizens' needs for government information and service initiation
		Improve resident satisfaction
		Ensure high priority calls are rapidly assigned to emergency responders
A Safe Place to Call Home, Connected Communities: (Gangs, Guns, Graffiti Gone; Crime Reduction)	Semper Paratus (always ready) for 911	Ensure critical systems are reliable (and/or backed up)
Connected Communities, One Minneapolis: (Customer Focused Services, Close Race & Class Gaps, Equitable City Services)	Ensure a highly qualified, trained and diverse workforce in 911 and 311.	Attract and retain a highly qualified, diverse workforce
		Ensure a highly qualified staff
		Maintain a positive departmental culture
One Minneapolis: (Equitable City Services)	Expand 311 Center services; ensure it becomes the de- facto non-emergency gateway for City information & services.	Offer services to external partners (schools, parks, libraries, tourism-related orgs and suburbs) while ensuring 16 city departments are fully accommodated

<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 Target</b>	<b>2011 Target</b>
911 Answer Time (sec)	6.51	6.4	7.3	7.9	6.5	5.5
911 Pending Time*	2m 17s	2m 51s	2m 58s	3m 10s	2m	1 min
911 Citizen Satisfaction	89%	93%	(no resident survey)	(no resident survey)	95%	98%
911 Complaints (Total/% Sustained)	115/64%	88/56%	81/57%	74/45%	50/30%	25/15%
Abandon calls; 911/311%	10.5%/NA	11%/NA	10%/3.2%	10.9%/4.8%	9%/3.5%	7%/3%
311 Answer Time (sec)**	N/A	N/A	10s	22s	10s **	15s**
311 Calls Answered (<20 sec)	N/A	N/A	90.3%	74.4%	90% **	90%

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
311 First-Call Resolution	N/A	N/A	69%	76%	85%	90%
Citizen Satisfaction with access to city services	N/A	75% (from resident survey)	(no resident survey)	(no resident survey)	90% (will determine from resident survey results)	98%
Cost Per Contact For 911/311	\$9.25/NA	\$9.99/NA	\$10.71/\$7.23	\$10.26/\$5.64	\$10.70/\$5.61	\$10/\$5

\* Pending time = elapsed time from CAD entry to dispatch (for high priority calls only)

\*\* 311 answer time and service level may not be attainable in 2008. Call volumes are up significantly (~20% increase). The department recommends maintaining current service level, rather than the 9 second GOALS as predicted in the 5-year plan.

***What key trends and challenges does the department face and how will each be addressed?***

- The **next generation of 911 telephony** will bring with it both capabilities and challenges. Internet Protocol (IP) will allow for better service and data delivery to the 911 Centers (including location information for VoIP phones, text messages, and video streams). At present, it would appear that 2010 may be the first year that hardware and software change-outs will be required.
- **Regionalization of 911 services** is also gaining steam in the state and around the country. Recently, Ramsey County and St. Paul merged into one 911 center as did the six 911 Centers in Dakota County. The MECC has proposed, and still finds it feasible, to provide dispatching for any and all fire departments in Hennepin County in its current space.
- **7 X 24 X 365 operations for the 311 Center** (\$650,000 additional costs). Both the residents of Minneapolis and various departments continue to expect that 311 operations can be expanded. A number of departments and divisions maintain overnight “emergency” personnel who are either present or on-call; costs that may be reduced with expanded 311 hours.
- **Training:** The business of receiving and dispatching emergency calls for service continues to evolve technologically, legally, and professionally. These factors drive the need to provide training to 911 staff. Three categories of training must be considered:
  - “New hire” initial training.
  - “Refresher” training in established business processes for experienced staff.
  - “New process” training when changes are implemented or requirements are adjusted. There is a need for the full attention of at least one FTE to the department’s training needs.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The 2009 budget for 911/311 is \$11.2 million, a 6.7% increase from the 2008 adopted budget. The general fund supports 911/311 with \$10.7 million, a 7.5% increase over 2008. The largest increase was related to fees for BIS application support – a \$517,000 or a 2255% increase over the 2008 budget.

Personnel expense makes up 77% of the department's budget and contractual services make up 22% of the budget. Equipment and other operating expenses make up 1% of the budget.

Of the non-personnel expenses that represent approximately 23% 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 2009 budget for \$521,000 in revenue relates to the 911 surcharge fees. This represents a 0.7% increase over the 2008 budget.

### **FUND ALLOCATION**

Approximately 95% of the 911/311's budget for 2009 comes out of the general fund, with the remainder coming from grants.

### **ORIGINAL BUDGET**

The Mayor had no changes. The Council directed 911/311 staff to add as a key initiative in its business plan the full exploration of possible partnerships and joint service delivery with Hennepin County and other jurisdictions, including an evaluation of future technology needs and costs in consultation with labor representatives. 911/311 is directed to report back to the Ways and Means/Budget Committee before June 1, 2009.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$280,000. This level will not require a reduction to staffing in 911 or a reduction to 311 hours of operation.

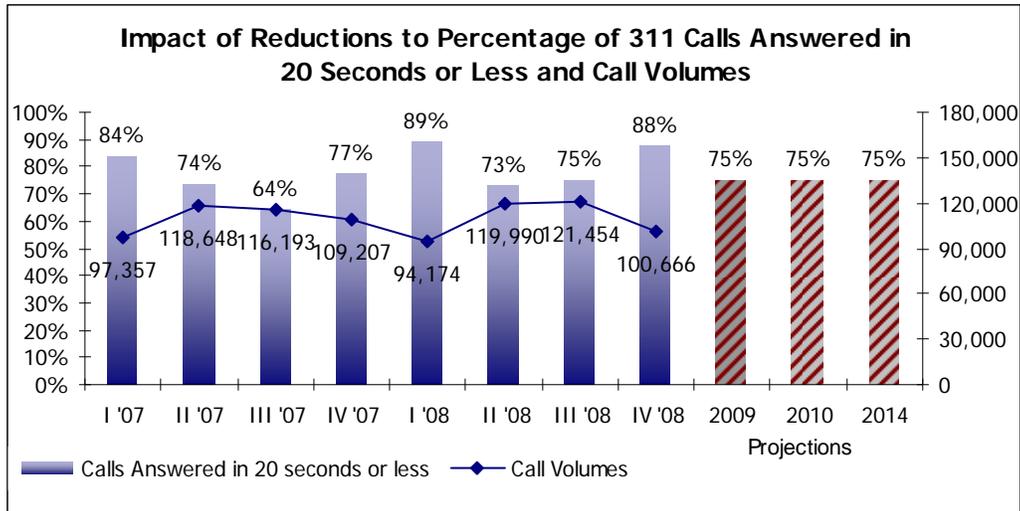
### **COUNCIL REVISED BUDGET**

The Council concurs with the Mayor's recommendation.

The budget for this department includes a reduction of BIS charges of \$20,900 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for 911/311 is \$11,245,498 a 6.9% increase over the 2008 Adopted budget.

**RESULTS IMPLICATIONS**

The following chart shows one of the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.



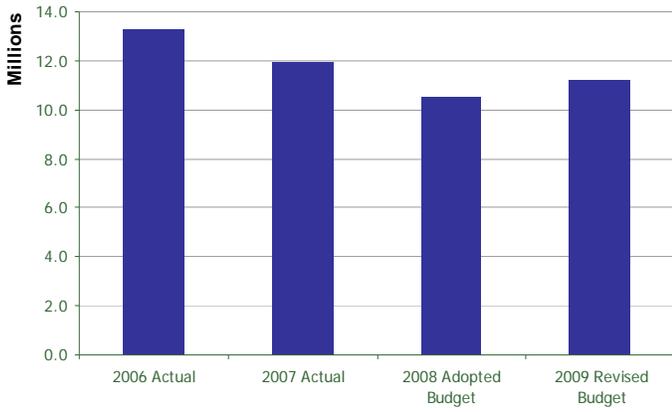
**911/311  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	5,901,842	6,310,350	6,395,805	6,195,115	-3.1%	(200,690)
Fringe Benefits	1,793,012	1,882,320	2,230,870	2,450,815	9.9%	219,945
Contractual Services	1,558,992	1,010,306	1,166,215	1,905,123	63.4%	738,908
Operating Costs	400,968	187,374	150,530	142,432	-5.4%	(8,098)
Capital	256	0	9,837	10,112	2.8%	275
<b>TOTAL GENERAL</b>	<b>9,655,070</b>	<b>9,390,350</b>	<b>9,953,257</b>	<b>10,703,598</b>	<b>7.5%</b>	<b>750,341</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	3,499,163	2,506,000	450,298	521,000	15.7%	70,702
Operating Costs	19,071	54,940	0	0	0.0%	0
Capital	103,089	495	117,202	0	-100.0%	(117,202)
<b>TOTAL SPECIAL REVENUE</b>	<b>3,621,323</b>	<b>2,561,435</b>	<b>567,500</b>	<b>521,000</b>	<b>-8.2%</b>	<b>(46,500)</b>
<b>TOTAL EXPENSE</b>	<b>13,276,393</b>	<b>11,951,785</b>	<b>10,520,757</b>	<b>11,224,598</b>	<b>6.7%</b>	<b>703,841</b>

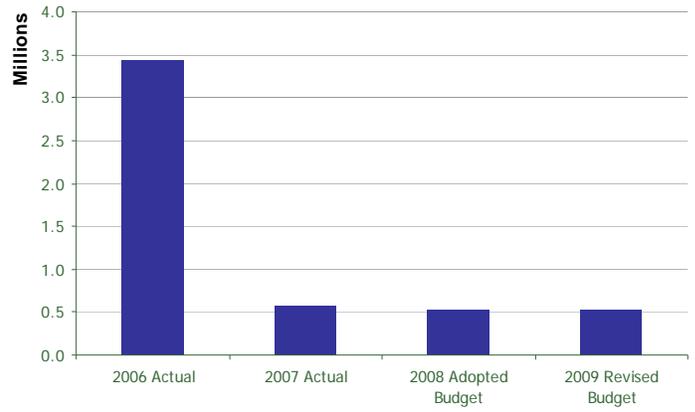
REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	2,542,706	574	0	0	0.0%	0
Other Misc Revenues	250	0	0	0	0.0%	0
<b>TOTAL GENERAL</b>	<b>2,542,956</b>	<b>574</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
State Government	893,679	552,645	517,500	521,000	0.7%	3,500
Interest	0	27,166	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>893,679</b>	<b>579,811</b>	<b>517,500</b>	<b>521,000</b>	<b>0.7%</b>	<b>3,500</b>
<b>TOTAL REVENUE</b>	<b>3,436,634</b>	<b>580,386</b>	<b>517,500</b>	<b>521,000</b>	<b>0.7%</b>	<b>3,500</b>



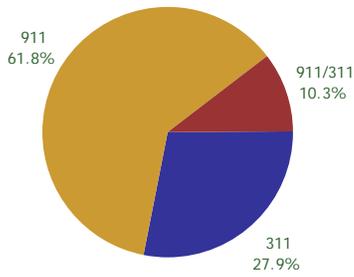
**Expense 2006 - 2009**



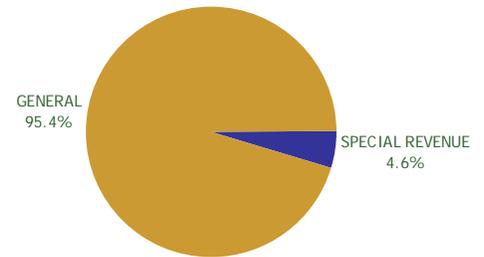
**Revenue 2006 - 2009**



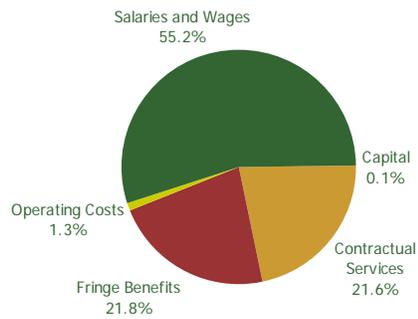
**Expense by Division**



**Expense by Fund**



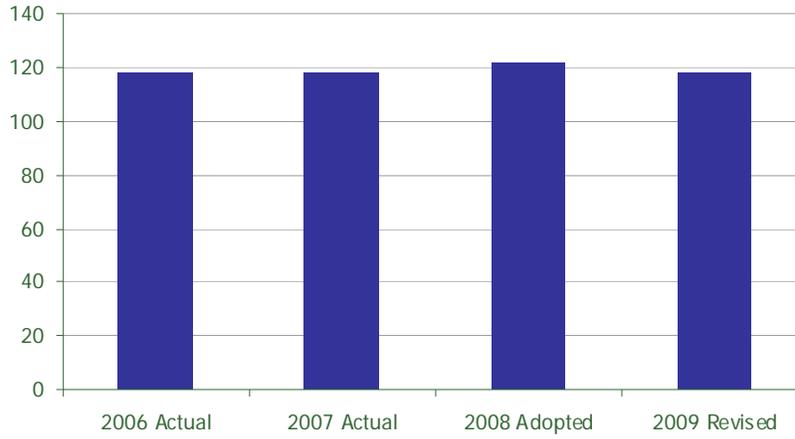
**Expense by Category**



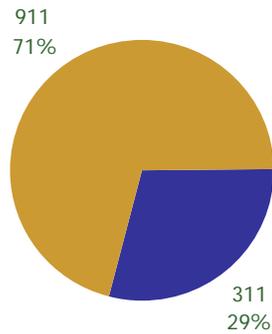
## 911/311 Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
311				34		34
911	118	118	122	84	-31.1%	(38)
<b>TOTAL</b>	<b>118</b>	<b>118</b>	<b>122</b>	<b>118</b>	<b>-3.3%</b>	<b>(4)</b>

### Positions 2006-2009



### Positions by Division



## BUSINESS INFORMATION SERVICES

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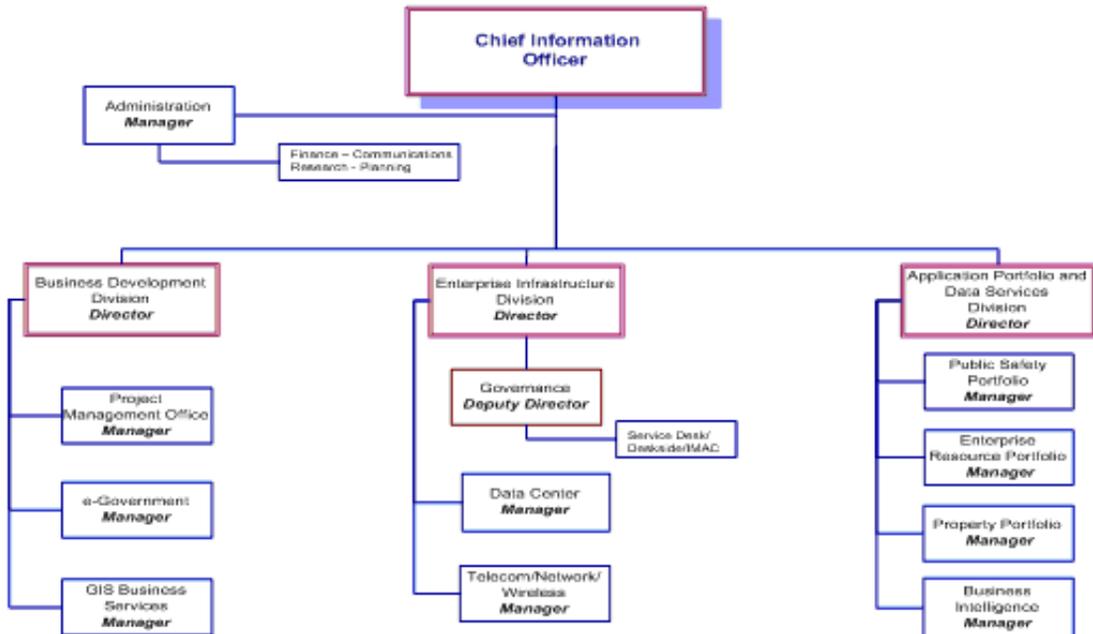
### MISSION

To deliver high quality, value-added services at a reasonable cost to City departments in support of their business goals and objectives.

### BUSINESS LINES FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES

- **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 telecommunications operations. Ensure that the information technology infrastructure meets today's needs and is positioned to meet the City's future needs.

### ORGANIZATION CHART



**FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES**

City Goal	Department Goal	Objectives
<p>Connected Communities Premier Destination</p>	<p>Ensure continuing City operations</p>	<p>The City's technology infrastructure provides decision-makers with the right information at the right time to effectively manage any incident.</p>
		<p>Provide Information Technology services to ensure business continuity that meets City operational needs.</p>
		<p>Ensure information assets are protected against unauthorized access or loss.</p>
		<p>Information systems are available at capacity levels sufficient to support City operations.</p>
		<p>Incidents resolved and fulfillment requests completed within established service level agreements.</p>
<p>Connected Communities Premier Destination One Minneapolis</p>	<p>Maximize the use of City resources and technology investments</p>	<p>City departments leverage wireless capabilities for greater efficiency and/or effectiveness.</p>
		<p>Project requests are evaluated and prioritized through the Information Services (IS) governance process</p>
		<p>Monitor and govern consumption of contracted services.</p>
		<p>Institutionalize Enterprise Information Management throughout the enterprise.</p>
		<p>Business intelligence is leveraged for enterprise performance measurement.</p>
		<p>Implementation of enterprise addresses data management.</p>
		<p>Implementation of enterprise land data management.</p>
		<p>Implementation of enterprise employee data management.</p>
<p>Connected Communities Premier Destination</p>	<p>Utilize industry best practices</p>	<p>Adopt lifecycle approach to service management using Information Technology Infrastructure Library (ITIL) principles.</p>
		<p>Apply business process Improvement (BPI) to new initiatives.</p>
		<p>Service Provider governance is standard practice.</p>
<p>Connected Communities</p>	<p>Continuous improvement of BIS operational efficiencies</p>	<p>Develop application lifecycle strategy/plan to leverage City investments.</p>
		<p>Provide full support to applications</p>
		<p>Ensure the business of BIS runs smoothly.</p>
		<p>Continuously develop employees.</p>

<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 Target</b>	<b>2011 Target</b>
Outsourced Services Scorecard	N/A	N/A	85	83	TBD*	TBD*
<b>BIS Customer Survey - percent rating "satisfied or very satisfied"</b>						
Quality of services	N/A	N/A	63	64	70	85
Service desk	N/A	N/A	73	85	85	90
Deskside services	N/A	N/A	57	60	70	90
Project management	N/A	N/A	64	87	90	95
Business needs	N/A	N/A	35	55	60	75
E-Government: Number of Services Delivered or referenced online	N/A	N/A	N/A	77	80	100
<b>Business Process Reengineering</b>						
Total # Processes Identified in Database (cumulative)	N/A	N/A	N/A	1264	1293	1493
Processes Partially reengineered (cumulative)	N/A	N/A	N/A	642	672	780
Sub-processes completely re- engineered (cumulative)	N/A	N/A	N/A	290	320	420
<b>IT Spend as a percent of City Budget (Forrester Benchmark)</b>	Yr 2000 2.26	N/A	2.57 ( 5.0)	2.59	2.60	2.75

\* Being revised as a result of renegotiated contract.

**What key trends and challenges does the department face and how will each be addressed?**

**Challenges**

Funding for ongoing operations and future investments continues to be the most serious challenge for BIS. As a result, BIS has shifted to department or division specific projects funded on a “pay as you go” basis by operating departments. There is a risk that this funding trend will lead to:

- Disparate investments in services – the smaller departments have a limited ability to fund new initiatives.
- Lack of system integration – pressure to meet only the paying department’s requirements.
- Further segmentation of City services – multiple small systems in lieu of enterprise wide investment.

To mitigate these risks, BIS will continue to lead in finding **innovative means to fund** and implement programs that benefit the City.

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 shows that departments have identified numerous potential opportunities to streamline business processes to improve efficiency and customer services. Many of these opportunities involve technology, BIS does not have the capacity to actually implement these improvements. Therefore, working through the recently implemented information services governance structure, BIS will be leading the City in using best practices to **properly prioritize new initiatives**. As a result, departments will be following a more rigorous process to create business case justifications for the information technology expenditures.

In addition, BIS historically funded enterprise wide core technology service needs through operating funds accumulated by maintaining vacancies. As departments have increased the use of technology to improve services and efficiencies, the need for essential BIS technical expertise has also increased. To meet the advanced enterprise wide core technology service expertise and ensure the City is positioned appropriately for the future, BIS now must fill these vacancies, resulting in **diminished capacity to fund core services**.

#### *Trends*

**Wireless Minneapolis** is a critical component for the City to better meet the needs of Minneapolis residents, allowing City staff to increase their mobility while maintaining their access to the information needed to perform their duties. BIS is leading departments in their efforts to fully leverage this significant City investment. BIS will collaborate with departments to identify current services that can be migrated to the wireless network. Also, BIS will lead departments in identifying potential future opportunities that the wireless network now makes possible.

To more closely align technology with City goals and business plans, BIS worked with departments and elected officials to establish an **IS governance** structure. Governance now engages City leaders in setting strategic direction around IT investments. As the IS governance process matures, the governance groups will take a leadership role in assessing proposed technology investments and prioritizing those investments from an enterprise perspective. The implementation of governance within City operations is being expanded to vendor management for larger service providers.

To help City management and policymakers make better business decisions, BIS will focus on initiatives that will deliver the right information to the right individuals. A key component will be **Enterprise Performance Measurement**. In 2008, BIS established an emphasis on the City's ability to measure and report on key performance indicators. To build the appropriate foundation will require additional work in enterprise information management and enterprise data management programs.

#### ***What actions will the department take to meet the five-year financial direction?***

Meeting the five-year financial direction is dependent upon BIS driving cost reductions and efficiencies in operations and those of primary service providers. Implementation of effective governance as well as the staffing to properly monitor service delivery will result in reduced costs for both the short and long term.

## FINANCIAL ANALYSIS

### EXPENDITURE

The budget calls for an expenditure amount of \$26.2 million for BIS in 2009. This is an increase of \$1.0 million over the 2008 adopted budget, or an increase of 4.5%. Most of the increase is attributable to ongoing application support maintenance contracts. These ongoing costs support the utility billing system, MECC CAD initiative, HRIS, and other customer-sponsored projects. These expenditures are offset by revenues received from the sponsors. The 2009 budget includes a reduction of \$946,000 in managed service costs related to the 311 implementation, offset by an increase of \$671,000 in customer-funded maintenance contracts and an increase in general fund overhead allocation of \$327,000.

The budget for this department includes \$151,201 in property services charges based on the Council's adoption and implementation of a City-wide rate for City Hall tenants. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for BIS is \$26,095,000, a 3.9% increase over the 2008 Adopted budget.

### REVENUE

With anticipated revenues of \$27.0 million, the BIS budget for 2009 shows an increase of 7.4% or \$1.8 million over the 2008 adopted budget of \$25.1 million. This increase in revenue is primarily attributed to customer-sponsored projects.

### FUND ALLOCATION

Business Information Services is funded entirely within the Intergovernmental Services internal service fund.

### ORIGINAL BUDGET

The Mayor recommended a reduction to growth of \$140,000 for this department. The Mayor also recommended a \$1.5 million pre-payment of internal service fund obligations for 2012, reducing pressure on the general fund in that year. The Mayor's budget also included \$1.0 million to repay this fund for capital costs related to completing the City's wireless network that were incurred in 2008. Additionally, the Mayor included \$500,000 for fiber ring completion. (These expenses are in addition to the City's annual \$1.25M buying commitment.) Please see the Intergovernmental Services Fund financial plan for more information.

The Council directed BIS to reduce the fiber ring completion project by \$500,000. Council directed that \$285,000 should offset the unmet wireless internet buying commitment in the internal service fund.

### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$580,000 from the general fund to BIS, and a reduction of \$145,000 in other funds, for a total reduction of \$725,000. These changes should be reflected the rate model charges to departments, and departmental appropriations will be reduced accordingly.

The Mayor directed BIS to work with the Finance department to develop a process to achieve savings through turning in of computers and other devices under current contract provisions. The process should include a timeline by which departments must make decisions to achieve

savings in 2010. BIS is further directed to work with departments to identify acceptable service reductions under technology contracts that would result in savings in the current fiscal year. BIS should report back to the Ways & Means/Budget Committee no later than April 1, 2009.

### COUNCIL REVISED BUDGET

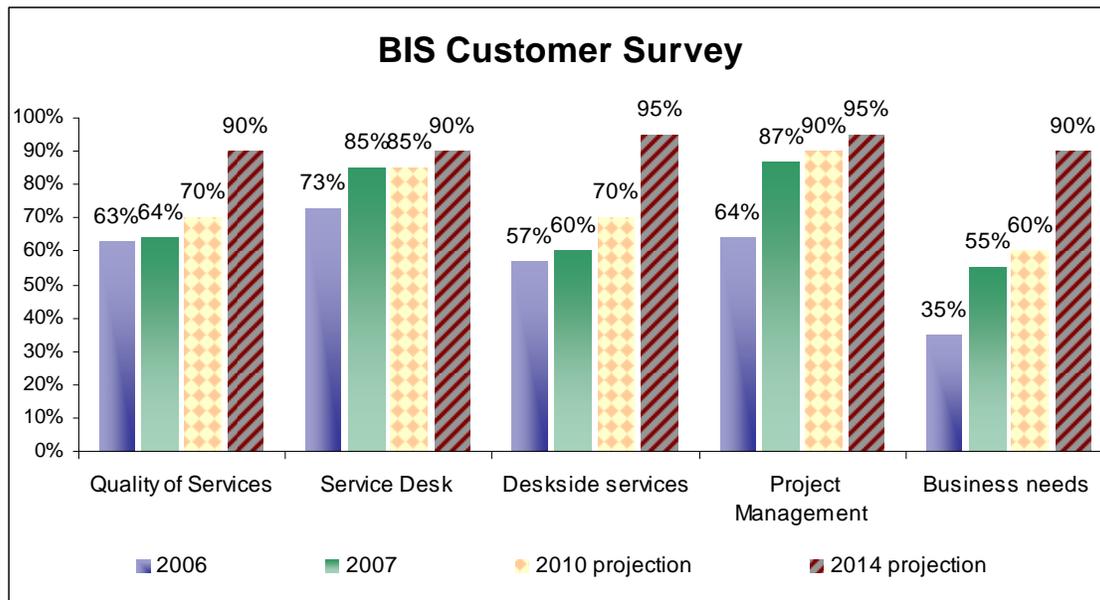
Council concurred with the Mayor's recommendations.

The Council directs BIS to identify opportunities for cost savings through alternative printing services, including the issuance of an RFP, in 2009 to ensure maximum savings for 2010. BIS is further directed to report to Ways and Means/Budget Committee no later than September 14, 2009 on the possible and probable savings for each department.

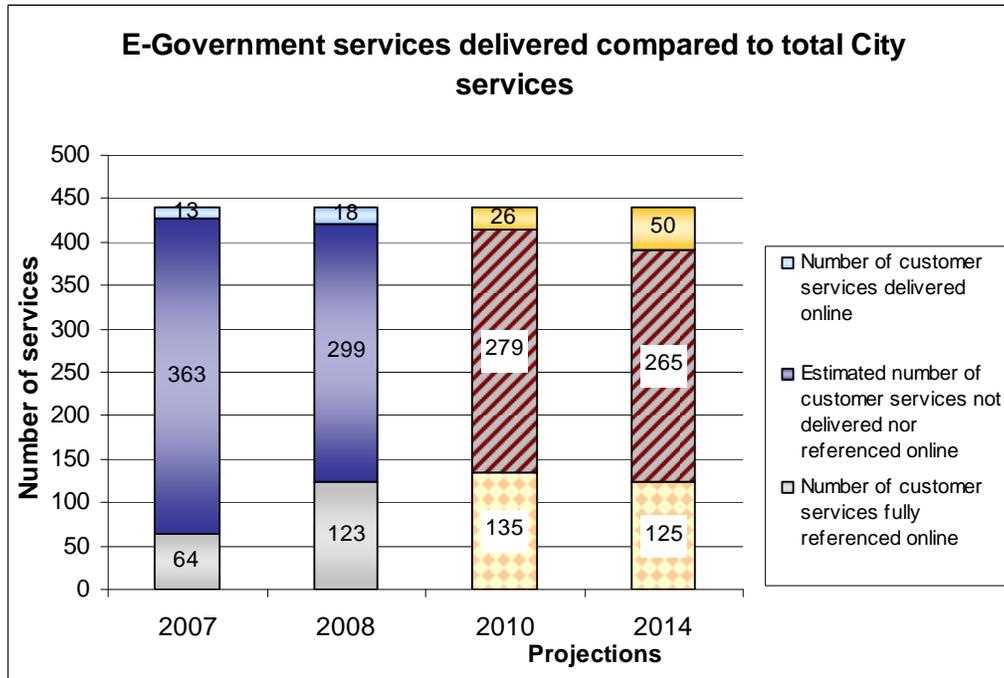
The Council further directs BIS, Police, Public Works, and Regulatory Services to consolidate all the cellular plans, services, and minutes under the management of a single department. The departments are further directed to submit a plan to Ways and Means no later than July 13, 2009, including identifying the responsible department as well as any staff and/or funding transfers that would be needed. All actions must be completed by December 31, 2009 to ensure savings can be fully realized in 2010.

### RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.





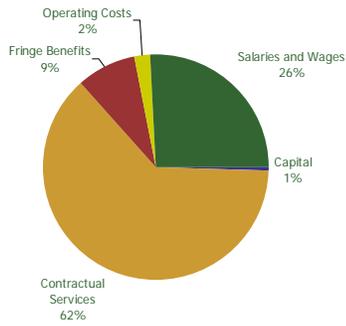


### BUSINESS INFORMATION SERVICES EXPENSE AND REVENUE INFORMATION

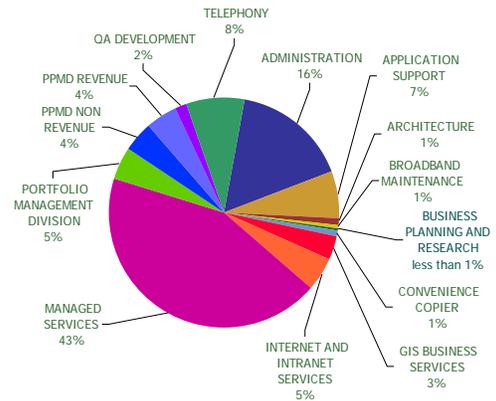
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Contractual Services	332,632	34,409	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>332,632</b>	<b>34,409</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	5,146,197	5,526,774	6,461,791	6,568,950	1.7%	107,159
Fringe Benefits	1,329,127	1,382,278	2,113,774	2,226,046	5.3%	112,272
Contractual Services	16,064,050	20,858,389	15,856,322	16,035,299	1.1%	178,977
Operating Costs	9,935,642	7,301,967	561,311	563,116	0.3%	1,805
Capital	0	55,136	124,372	127,854	2.8%	3,482
<b>TOTAL INTERNAL SERVICE</b>	<b>32,475,016</b>	<b>35,124,544</b>	<b>25,117,570</b>	<b>25,521,265</b>	<b>1.6%</b>	<b>403,695</b>
<b>TOTAL EXPENSE</b>	<b>32,807,648</b>	<b>35,158,953</b>	<b>25,117,570</b>	<b>25,521,265</b>	<b>1.6%</b>	<b>403,695</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Federal Government	332,632	19,897	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>332,632</b>	<b>19,897</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	29,139,456	29,962,434	25,018,919	26,882,744	7.4%	1,863,825
Charges for Sales	22,695	26,438	45,000	30,000	-33.3%	(15,000)
<b>TOTAL INTERNAL SERVICE</b>	<b>29,162,151</b>	<b>29,988,872</b>	<b>25,063,919</b>	<b>26,912,744</b>	<b>7.4%</b>	<b>1,848,825</b>
<b>TOTAL REVENUE</b>	<b>29,494,783</b>	<b>30,008,769</b>	<b>25,063,919</b>	<b>26,912,744</b>	<b>7.4%</b>	<b>1,848,825</b>

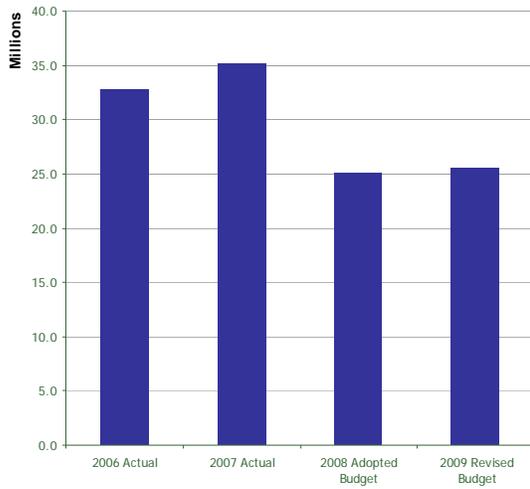
**Expense by Category, 2009 Revised Budget**



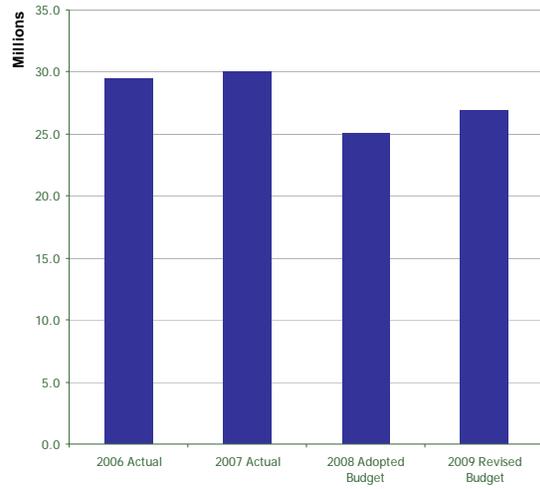
**Expense by Division, 2009 Revised Budget**



**Expense 2006 - 2009**



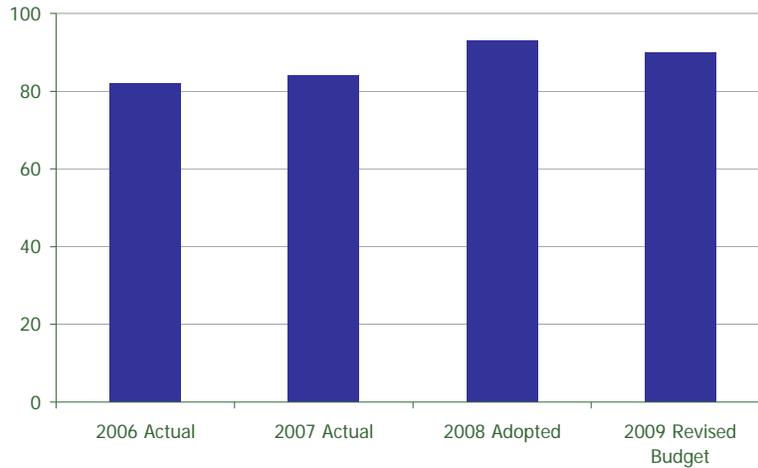
**Revenue 2006 - 2009**



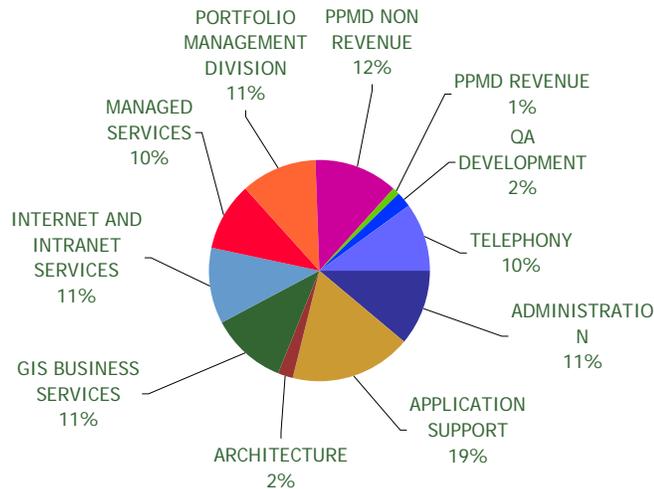
## BUSINESS INFORMATION SERVICES Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
ADMINISTRATION			11	10	-12%	(1)
APPLICATION SUPPORT	82	84	48	16	-80%	(32)
ARCHITECTURE			8	2	-14%	(6)
BUSINESS PLANNING AND RESEARCH					0%	
GIS BUSINESS SERVICES				10	10%	10
INTERNET AND INTRANET SERVICES				10	10%	10
MANAGED SERVICES			4	9	1%	5
PORTFOLIO MANAGEMENT DIVISION				10	10%	10
PPMD NON REVENUE				11	11%	11
PPMD REVENUE			12	1	-23%	(11)
QA DEVELOPMENT			10	2	-18%	(8)
TELEPHONY				9	9%	9
<b>TOTAL</b>	<b>82</b>	<b>84</b>	<b>93</b>	<b>90</b>	<b>-3.2%</b>	<b>(3)</b>

### Positions 2006-2009



### Positions by Division, 2009 Revised Budget



# COMMUNICATIONS

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## MISSION

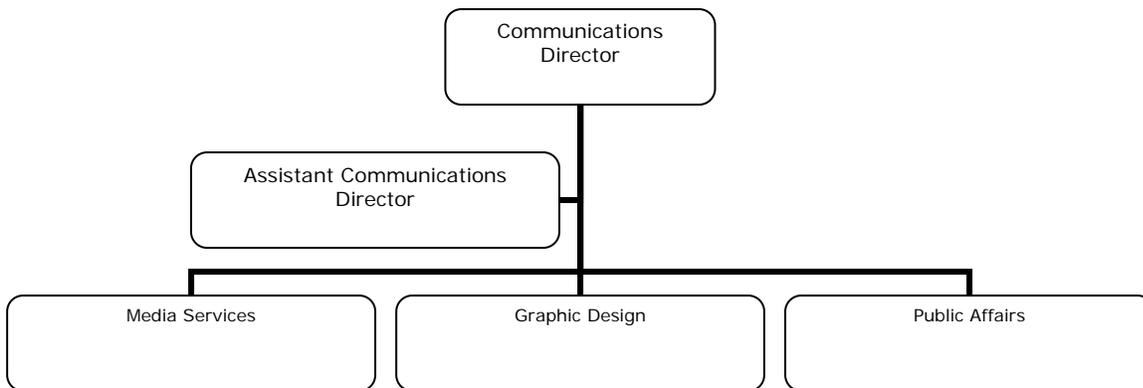
To assist City Departments and policy makers in effectively and accurately communicating information about the City, and to engage the public in the governing process, so that the citizens and visitors of the City better appreciate, understand and benefit from our services.

## BUSINESS LINES

**Assist elected officials and City departments with all communications functions, internal and external:** Communications staff provides strategic communications support and planning to all City departments and elected officials, edits and designs print publications and other communications products, manages and oversees Internet and intranet Web content and government cable access, and oversees employee communications. It does this through direct staff support, establishing protocols and procedures for departments, conducting trainings and department-specific communications planning efforts.

**Manage the City's cable franchise:** Communications manages the City's cable franchise, including overseeing the current franchise agreement, negotiating a new franchise agreement and handling consumer complaints.

## ORGANIZATION CHART



<b>FIVE –YEAR DEPARTMENTAL GOALS AND OBJECTIVES</b>	
<b>Department Goals</b>	<b>Objectives</b>
Effectively tell the City’s story to its internal & external customers.	Provide timely communications counsel or strategies to City departments and policy-makers in order to connect the appropriate message to the appropriate audience using the most appropriate media, with a goal of anticipating and preparing for significant communications needs and challenges
	Connect City departments, employees and policymakers to the appropriate tools and knowledge to effectively communicate to their audiences
	Seek, find and encourage compelling stories of City employees and accomplishments to provide a rich picture of the scope and scale of City services and the people who deliver them.
	Identify and assess the level of a crisis to prepare departments and policy-makers to communicate accurate, timely and consistent information so that people may take appropriate action and remain confident in Minneapolis city government.
	Annually conduct evaluations of media content on select, limited major issues and initiatives to promote full and accurate reporting of the City and its services.
Enhance and standardize community engagement practices.	

***What key trends and challenges does the department face and how will each be addressed?***

- *News & Information Delivery and Community Engagement*  
How people access news and information and how they engage in public dialogue are changing and those shifts could have a significant impact in how the City communicates with and engages the people of Minneapolis.

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 viewer ship being less impacted). At the same time more people are turning online for news and information, and a new wave (particularly younger adults) are using new technology (cell phone, PDA, podcasts) to get news and information.

Communications has already launched a number of new tools (NorthForce, NewsBites, and e-subscribe list) that give direct avenues outside of traditional news sources to reach audiences. The department has placed a heavier emphasis on Web content and promotions, and has overhauled employee communications so employees can serve as a source for City news.

Provide incentives, training, tools and techniques to City departments and policy-makers to ensure that citizens are appropriately aware of – and invited to participate in – decisions that affect them.

But to meet the challenge of communicating effectively with the people of Minneapolis, the department must continue to create or seek out additional avenues. In addition, the department must make the absolute most from the tools that the department already has.

- *New Tools & Technology*

During 2008, the department is developing plans for how best to utilize Really Simple Syndication (RSS) feed and podcasting to deliver news and information, with the goal of instituting plans in 2009. In addition, Communications will be exploring other social networking tools (Twitter, YouTube) to determine how effective they can be to achieving department goals.

- *Revamping & Promoting City Cable 14 & 79*

Communications operates two cable access television stations. Channel 79 primarily is a mechanism to broadcast City Council and Council committee meetings, and Channel 14 is where the City airs original programs, such as Access Minneapolis (the City's program to provide City news and information to those who speak Spanish, Somali, and Hmong), and community events.

In late 2008 and early 2009, Communications will be assessing every aspect of original programming (note that this does not include our broadcasts of Council and Committee meetings), and researching other cities that are on the forefront of cable programming. City Cable channels offer one of the most powerful tools for providing information to the people of Minneapolis. Through this assessment, the Department intends to find ways – through creative programming and effective promotion – to make Channels 14 and 79 effective ways to deliver city news and information, and promote transparency in government.

- *Wireless Minneapolis Community Benefits (Community Portals, Civic Garden)*

Communications is leading the effort to develop an interim and long-term strategy for the Wireless Minneapolis community benefits (community and neighborhood portal pages and civic garden) and community involvement in that decision-making. Currently, a team of community members are meeting to develop recommendations that will go before City Council related to how the Wireless community benefits should be managed, and how the City should address digital inclusion efforts. There is potential for those recommendations to have an impact on department staffing and resources. Recommendations are anticipated to be made to the City Council in mid-summer. In general, the wireless portals have the potential to serve as a significant information channel to reach Minneapolis residents and visitors.

- *Creating & Maintaining a consistent City "brand"*

Communications is in the process of working with two pro-bono partners (General Mills and Periscope) to develop a new brand identity for the City. The final brand design will require City Council approval. However the work to transition the City to this new brand design will require staff time and brand management skills. This includes providing tools and resources to ensure staff have easy and user-friendly materials to appropriately use the new design (style manual, brand standards, easy-to-access graphics). While much of this work will be completed in 2008, the ongoing brand management will be most important as the new graphic is rolled out and in the early stages of use.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The 2009 expenditure budget for the Communications Department, which includes public affairs, graphics, cable regulation, and video services, is \$2.5 million – a 5.7% decrease from the 2008 Adopted Budget. The decrease is partially due to \$100,000 in one-time 2008 funding not continued in 2009. The budget includes \$700,000 in annual draw downs of the cable franchise settlement over the next three 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 \$3.6 million revenue budget remains the same from 2008.

### **FUND ALLOCATION**

The Communications Department is funded entirely by the General Fund.

### **ORIGINAL BUDGET**

The Mayor recommended a \$10,000 reduction to growth in this department. The Mayor's recommended budget also moved one position out of Communications as a part of the creation of the department of Neighborhood and Community Relations. The Council approved these recommendations.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$80,000.

### **COUNCIL REVISED BUDGET**

The Council concurs with the Mayor's recommendation.

The budget for this department includes a reduction of BIS charges of \$8,000 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Communications is \$2,537,722, a 5.7% decrease from the 2008 Adopted budget.

### **RESULTS IMPLICATIONS**

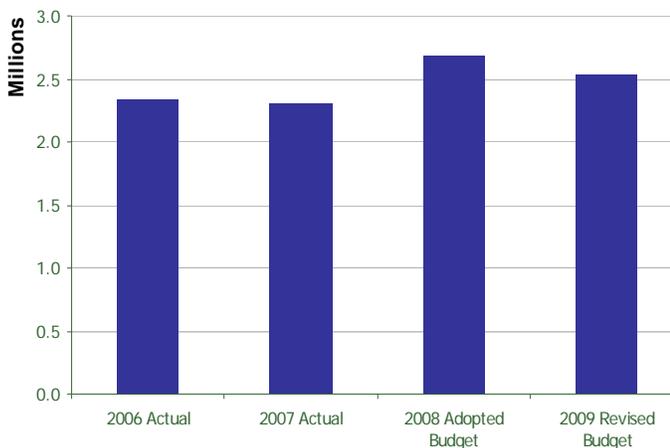
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

## COMMUNICATIONS EXPENSE AND REVENUE INFORMATION

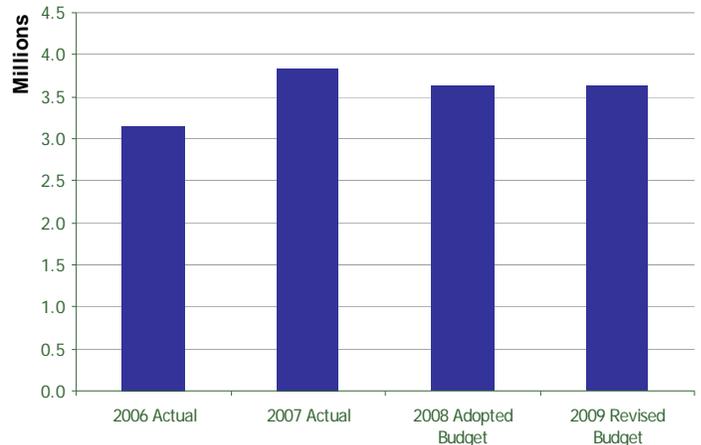
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	826,555	900,497	982,377	901,653	-8.2%	(80,724)
Fringe Benefits	210,145	248,302	283,271	276,531	-2.4%	(6,740)
Contractual Services	1,158,478	1,033,551	1,265,506	1,190,494	-5.9%	(75,012)
Operating Costs	73,279	84,917	127,630	136,609	7.0%	8,979
Capital	78,102	19,264	23,769	24,435	2.8%	666
<b>TOTAL GENERAL</b>	<b>2,346,559</b>	<b>2,286,531</b>	<b>2,682,553</b>	<b>2,529,722</b>	<b>-5.7%</b>	<b>(152,831)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	0	6,539	0	0	0.0%	0
Contractual Services	0	4,525	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>11,064</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL EXPENSE</b>	<b>2,346,559</b>	<b>2,297,595</b>	<b>2,682,553</b>	<b>2,529,722</b>	<b>-5.7%</b>	<b>(152,831)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Franchise Fees	2,926,489	2,893,999	2,500,000	2,500,000	0.0%	0
Charges for Sales	29,865	44,899	14,600	10,000	-31.5%	(4,600)
Rents	11,889	8,169	8,400	7,000	-16.7%	(1,400)
Contributions	172,702	169,296	400,000	400,000	0.0%	0
Other Misc Revenues	15,944	19,736	6,100	12,100	98.4%	6,000
<b>TOTAL GENERAL</b>	<b>3,156,889</b>	<b>3,136,100</b>	<b>2,929,100</b>	<b>2,929,100</b>	<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Contributions	0	704,525	700,000	700,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>704,525</b>	<b>700,000</b>	<b>700,000</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>3,156,889</b>	<b>3,840,625</b>	<b>3,629,100</b>	<b>3,629,100</b>	<b>0.0%</b>	<b>0</b>

Expense 2006 - 2009

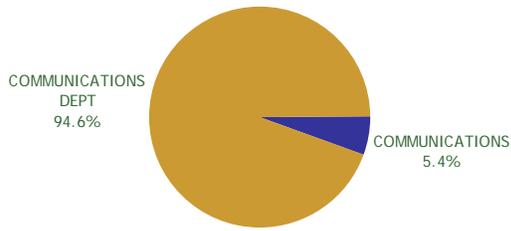


Revenue 2006 - 2009

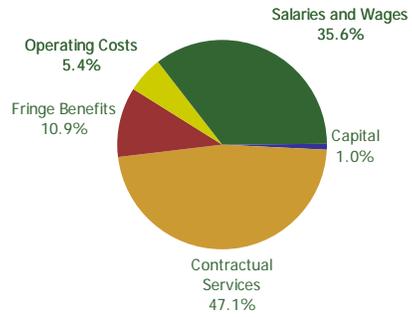




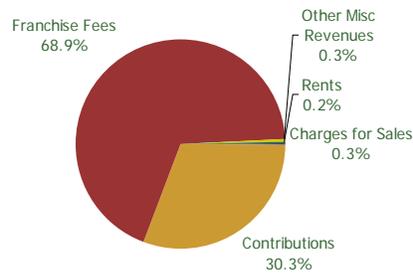
### Expense by Division



### Expense by Category



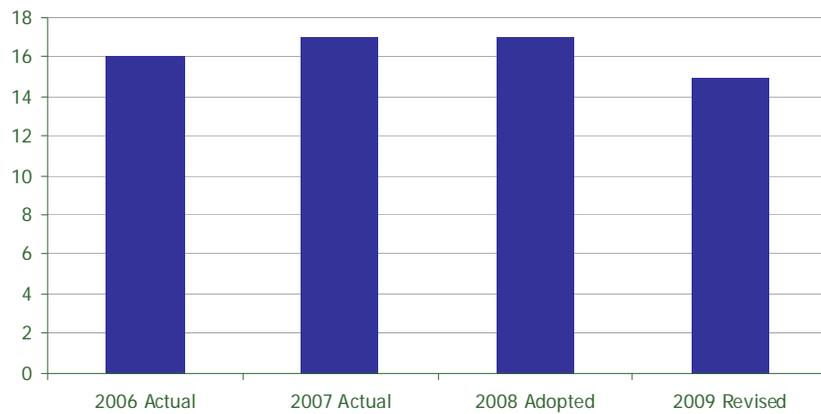
### Direct Revenue by Type



### COMMUNICATIONS Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
COMMUNICATIONS DEPT	16	17	17	15	-11.8%	(2)
<b>TOTAL</b>	<b>16</b>	<b>17</b>	<b>17</b>	<b>15</b>	<b>-11.8%</b>	<b>(2)</b>

### Positions 2006-2009



## CONVENTION CENTER

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### **MISSION**

By hosting events and offering a variety of services, the Minneapolis Convention Center showcases and provides economic benefit to Minneapolis and the surrounding region. The Convention Center is the national convention and trade show venue of the State of Minnesota.

The department will provide an exceptional product, in a safe environment, while maintaining the integrity and financial health of the facility.

### **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, guest 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 and security, parking operations, building and grounds maintenance to include custodial operations.

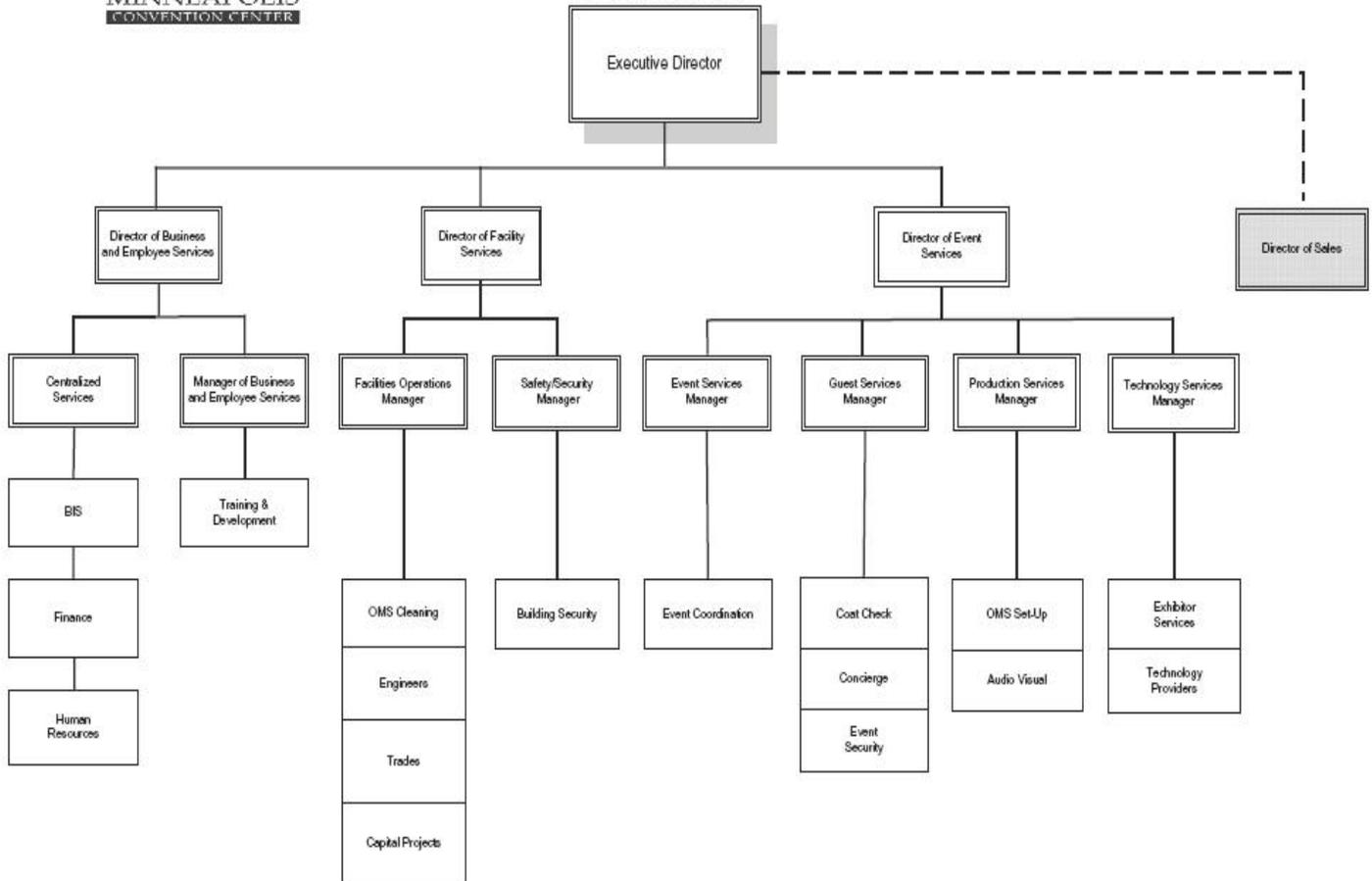
Sales and Marketing – Through a partnership with Meet Minneapolis, this group is responsible for selling and marketing the Convention Center. This includes being the initial point of contact for customers, identifying and attracting clients/events, gathering marketing data, determining and implementing marketing strategies and capitalizing on existing client relationships.

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



## Minneapolis Convention Center Organizational Chart



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals & Strategies	Department Goal	Objective
<b>A safe place to call home</b> <b>A premier destination</b>	Provide a safe and secure experience for all	Convention Center staff & events have adequate security.
		Emergency Response is coordinated efficient, and effective.
<b>A safe place to call home</b> <b>A premier destination</b> <b>Cleaner, greener, safer downtown</b>	Employees work in an environment which is free from hazards to their health or safety	
<b>One Minneapolis</b> <b>A premier destination</b>	High Quality Product & Services	Show managers and exhibitors receive clear, concise, relevant information when they need it.
		Maintain and upgrade clean, functional, competitive facility
		Clients, employees, and guests with limited English proficiency are readily able to access Convention Center services.

City Goals & Strategies	Department Goal	Objective
<b>Lifelong Learning A Premier Destination</b>	Optimize Business Processes	Manage and contain cost factors to limit annual expenditures
		Improve level of operational self-sufficiency
		Refine client contracting and invoicing processes
		Increase utilization of MCC on-line services
<b>One Minneapolis A Premier Destination</b>	Maximize utilization of facility and services	Increase public exposure and use
		Increase facility utilization in local, corporate and national markets
		Guests, exhibitors, and clients have a variety of parking options.
<b>One Minneapolis Lifelong learning A premier destination</b>	Provide a positive work environment	Employees work in a positive environment which encourages their growth and development.
		Workplace is free from harassment and retaliation
		Employees have the opportunity to continually improve and develop skills.

<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>						
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
Total Occupancy	55.9%	65.5%	61.8%	60.7%	65%	65%
Total Attendance	903,330	784,250	836,000	782,059	800,000	800,000
Total Revenue (1,000's)	\$14,161	\$16,208	\$15,645	\$14,341	\$15,309	\$17,571
Customer Survey Overall Rating	4.45	4.42	4.42	4.50	4.5	4.5
Climate Survey Rating	4.00	3.91	3.93	4.26	4.10	4.20

***What key trends and challenges does the department face and how will each be addressed?***

**Capital Repairs:** Leaks in the dome roofs are pushing roof repair/replacement ahead of schedule in the long-term capital plan. The high price tag would require some re-shuffling of capital priorities as well as additional funds from the Convention Center fund.

**Supply and Demand of Space:** As reported in 2007, research from *Trade Show Week* shows that the national supply of available convention space is more than adequate, creating flat sales projections for the convention market. To off-set this projection, increased effort to maximize ancillary service revenue and entice new clients through creative uses of the space are being pursued. Partnership with Meet Minneapolis will be a key factor in creating demand for space

and services. A formal marketing plan and greater focus on the strategic relationship between the marketing of the Convention Center and Sales efforts must be deliverables as services from Meet Minneapolis.

**Competitiveness:** Comparable Centers in Denver, Indianapolis and Louisville are keeping their rates down. Maintaining the balance between quality service and low cost is a challenge; defining the City's competitive edge will be important. A re-branding of the Convention Center with a focus on its strengths will help provide competitive advantage and direction. The department also seeks to revitalize the building through enhancements to space in late 2008 through 2009. Capital projects focused on public space will add to amenities.

**Technology:** Determining how to develop and market technology services to clients will be important as the department try to capitalize on non-rental revenues. Selling sponsorship opportunities, internet access, revamping utility service offerings and on-line ticketing options will be important in future marketing efforts. Innovative ideas in these areas have caused growing pains as the department has not realized the returns on investments in the areas of ticketing, sponsorship sales, and wireless services. The department is poised to reap these rewards with the addition of two cell phone carriers and the philosophy of lowering wireless internet fees with the goal of a free service that connects to Wireless Minneapolis. Ticketing services are slowly coming on line, with impressive early returns that will only increase as the service becomes exclusive in 2009. Video sponsorship sales likely will leave the control of Meet Minneapolis and move to a third party vendor that has experience in the area. With the added expertise, revenues should increase substantially.

**Customer Service Expectations:** Customers are continuing to demand even more responsiveness to last minute changes. Many customers work from an expectation that the department will be able to muster large amounts of labor and/or equipment in a short period of time. The Time and Labor Management project will bring many of the event software solutions out onto the front lines through mobile workstations that will be able to capture real time changes and redirect staff appropriately, while also keeping track of changes to ensure proper client billing.

**Revenue Development:** Over the last five years, the department has captured several targeted revenue streams. It is important to maintain balance as the department moves forward and looks toward the development of added-value services. The department has consistently attempted to develop services which improve its attractiveness to its central customers; national and regional convention and tradeshow. Those events have historically been more able and inclined to pay premium prices for premium services. However, as the department assumes more exclusive services, the department has to be aware that some smaller clients may decide to utilize another option. Balancing this service investment with its anticipated return will be a challenge moving forward.

The 2009 Revenue Projections are flat with rental revenue predicted to be below average while food service commission based on the amended catering contract growing modestly.

**Work Environment:** The department still believes that people will be the product that sells over the next 10 years. The thing that will differentiate the center from its competition, the one thing that cannot be copied, is a successful culture or work environment. Building a culture of trust and teamwork will be paramount to future success. Focused efforts on improving lines of communication as well as employee/supervisor relationships will be keyed to attainment of this goal.

**Branding/Identity/Image:** The Convention Center needs to define its competitive edge and pursue and market that edge through its partnership with Meet Minneapolis. Staffing levels, exclusive services, and front line staff experience have provided the Convention Center with a positive industry reputation for service. The department needs to focus on and expand this reputation for service so that it becomes part of the soul of staff and story to customers.

**Budget Subsidy:** The gap with the Convention Center's operating expenses and direct revenues has grown as the department has added services, increased customer service offerings, and focused on an improved work environment. This subsidy should be viewed as a yearly investment in the hospitality industry that showed a \$160 million return in economic impact to our community in 2007. An appropriate subsidy must be a part of a broad economic strategy.

While Convention Center Operating revenue has been flat, the Convention Center Fund revenue has increased at a steady rate. The Fund cash balance has increased from \$11.5 million in 2003 to \$27.5 million in 2007, which shows strong economic activity in the hospitality industry. Convention Center Fund revenues are vulnerable to an economic downturn through decreased spending activity, which highlights the importance of the hospitality industry's economic stimulus to spending.

New revenue opportunities for the fund will occur with the opening of the new Minnesota Twins Stadium drawing more people to the downtown area, which will continue to keep fund revenues stable in the coming years. A strong fund with significant cash reserves will allow investment in needed major structural replacements and could be used as an investment tool to reinvest in the hospitality industry of Minneapolis.

Meet Minneapolis must increase their marketing and sales focus on the Convention Center to increase rental revenues. Ancillary revenues are tied directly to the events that are booked for the facility and the ability increase their impact on overall revenue has not been fully realized with current occupancy levels. Flat revenues cannot be accepted at the current rate of expenses and future decisions must be made regarding the purpose and organizational structure if revenues do not increase.

### ***What changes to the ordinance are needed to improve services and/or reduce cost?***

Some potential changes that would improve the Center's ability to meet employee and client needs include the following:

- *Purchasing (18.120)* – The bid policies and procedures do not allow for quick business response which is a concern when operating in a competitive marketplace. Additionally, some specialty items are limited to specific vendors that provide that service and competitive bid procedures increase administrative burden.
- *Personnel, Salaries (20.10)* – The inability to pay employees for performance hinders efforts to recognize high-performing individuals and provide incentive for all employees to exceed performance expectations.

### **FINANCIAL ANALYSIS**

#### **ORIGINAL BUDGET**

The Mayor recommended and Council approved \$250,000 for a bike share station at the convention center.

### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$280,000.

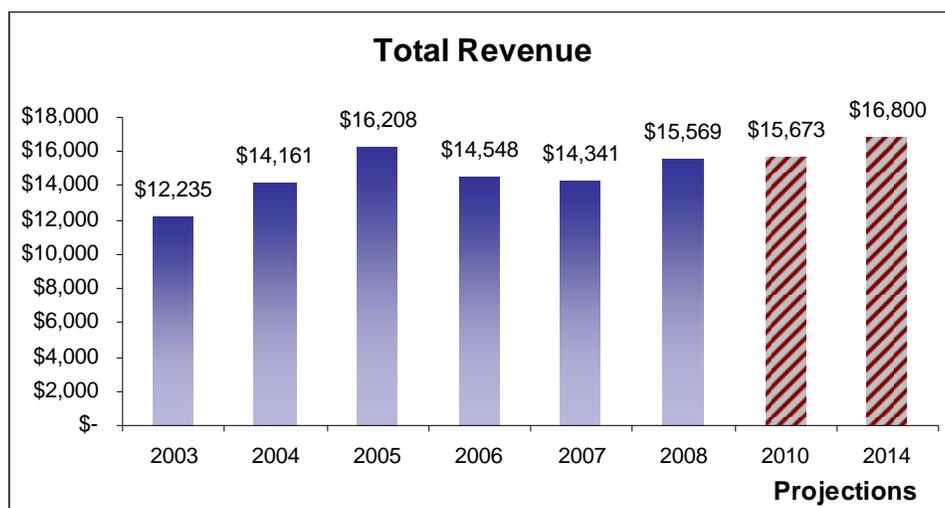
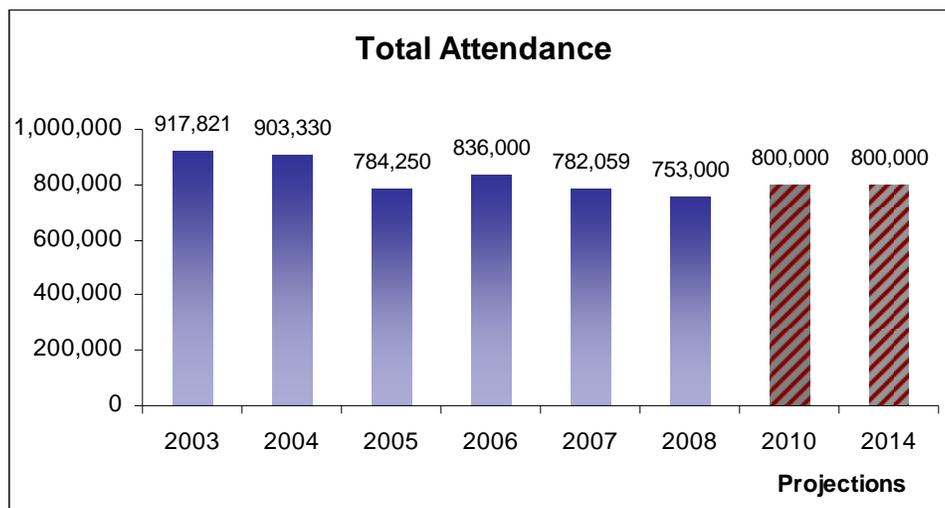
### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendation.

The budget for this department includes a reduction of BIS charges of \$14,000 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Convention Center is \$45.7 million, a 13.1% increase over the 2008 Adopted budget.

### RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.



## CONVENTION CENTER EXPENSE AND REVENUE INFORMATION

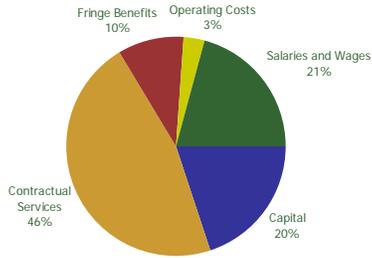
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	8,491,973	9,342,248	9,497,774	9,557,527	0.6%	59,753
Fringe Benefits	2,813,398	3,084,234	3,691,898	4,364,083	18.2%	672,185
Contractual Services	18,727,863	18,870,796	20,564,037	21,208,269	3.1%	644,232
Operating Costs	842,247	1,314,130	1,330,506	1,404,979	5.6%	74,473
Capital	1,135,055	1,048,975	5,269,987	9,120,840	73.1%	3,850,853
<b>TOTAL SPECIAL REVENUE</b>	<b>32,010,536</b>	<b>33,660,383</b>	<b>40,354,202</b>	<b>45,655,697</b>	<b>13.1%</b>	<b>5,301,495</b>
<b>TOTAL EXPENSE</b>	<b>32,010,536</b>	<b>33,660,383</b>	<b>40,354,202</b>	<b>45,655,697</b>	<b>13.1%</b>	<b>5,301,495</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Sales and Other Taxes	56,724,560	60,065,202	57,864,000	59,304,000	2.5%	1,440,000
Charges for Service	5,155,200	5,291,366	6,180,000	5,475,000	-11.4%	(705,000)
Interest	0	0	954,000	1,729,011	81.2%	775,011
Rents	6,768,181	6,508,640	6,689,250	6,435,000	-3.8%	(254,250)
Contributions	537,500	391,900	0	0	0.0%	0
Other Misc Revenues	2,624,553	2,581,563	2,714,000	3,025,000	11.5%	311,000
<b>TOTAL SPECIAL REVENUE</b>	<b>71,809,993</b>	<b>74,838,671</b>	<b>74,401,250</b>	<b>75,968,011</b>	<b>2.1%</b>	<b>1,566,761</b>
<b>TOTAL REVENUE</b>	<b>71,809,993</b>	<b>74,838,671</b>	<b>74,401,250</b>	<b>75,968,011</b>	<b>2.1%</b>	<b>1,566,761</b>

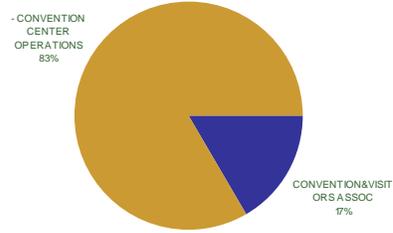
Note: The expense figures above include contractual costs of \$7.6 million for Meet Minneapolis.



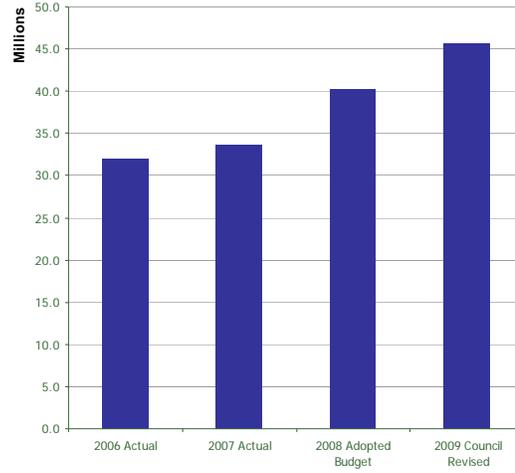
**Expense by Category, 2009 Council Revised**



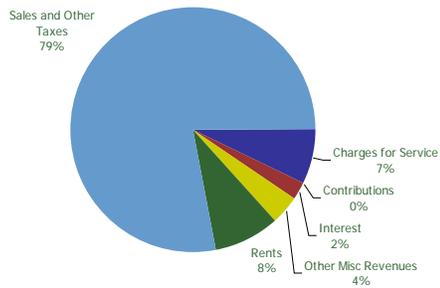
**Expense by Division, 2009 Council Revised**



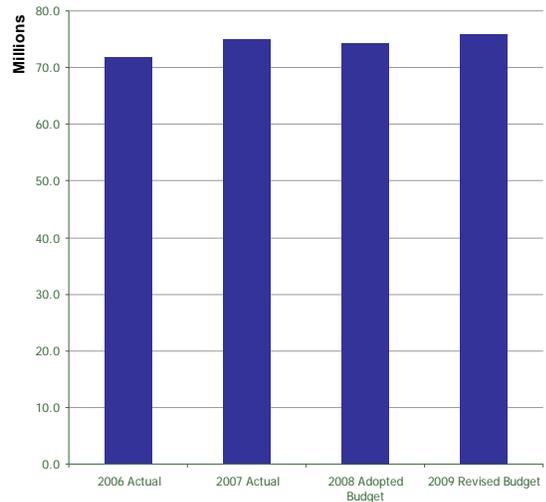
**Expense 2006 - 2009**



**Direct Revenue by Type, 2009 Council Adopted**



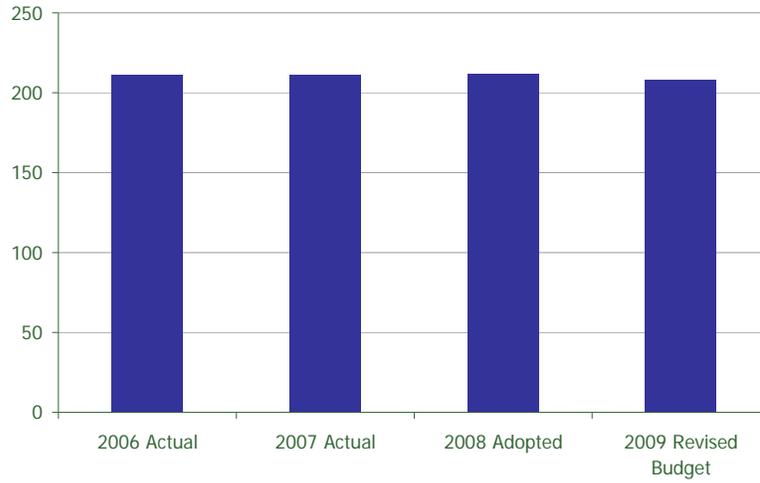
**Revenue 2006 - 2009**



**CONVENTION CENTER  
Staffing Information**

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
CONVENTION CENTER OPERATIONS	211	211	212	208	0.1%	(4)
<b>TOTAL</b>	<b>211</b>	<b>211</b>	<b>212</b>	<b>208</b>	<b>0.1%</b>	<b>(4)</b>

**Positions 2006-2009**



## FINANCE

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### MISSION

Provide financial services that assist managers and elected officials in making sound and informed decisions and ensure the City's financial integrity.

### BUSINESS LINES

**Financial Operations – Providing accurate, timely financial information:** Collecting and receiving revenue, managing receivables, paying employees, vendors and other third parties, and managing and preserving assets.

- **Decision Support – Supporting informed financial and business-related decisions:** 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



FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES	
Department Goals	Objectives
<i>Note: As financial stewards for the City, the department's work is linked to all the City's goals.</i>	
Ensure the City's financial stability through informed decision making, aligning with the City priorities.	Provide financial information to managers and policy makers in making sound, informed decisions about: <ul style="list-style-type: none"> <li>• Economic development initiatives.</li> <li>• City services and operations.</li> <li>• Capital investment in physical infrastructure</li> <li>• Resource allocation and performance measurement.</li> </ul>
	Maintain and improve established internal and external fees for specified services to fully recover costs.
	Coach and support the implementation of Loss Prevention (LP) tactics in every department.
	Simplify and improve business processes through implementation of a new financial system.
	Maintain a positive work environment for employees by strengthening and improving methods of workforce accountability and feed back.
	Develop a competent and versatile workforce.
	Invest City cash reserves to preserve capital, meet City liquidity needs and maximize returns.

<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 Target</b>	<b>2011 Target</b>
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	4.1%	3.6%	3.2%	3.0%	3.0%	2.5%
General fund performance (minimum fund balance of 15%)	21%	17%	17%	15%	15%	15%
Net assets of internal service funds with workout plans (dollars in millions)	-\$62	-\$55	-\$35	-\$18	-\$1	\$58
Percent of Finance resources spent on Decision Support	30%	35%	40%	45%	50%	50%
Percent of Finance resources spent on Operations Support	70%	65%	60%	55%	50%	50%
Collections effectiveness indicator (CEI)	79%	68%	61%	74%	78%	85%
Percent of receivables in CEI	73%	74%	76%	83%	85%	90%
Utility billing electronic payments as percent of utility billing revenues	15.2%	18.0%	19.7%	26.1%	26.0%	30.0%
Investment return (operating funds) total return/benchmark	1.73%/0.91%	2.50%/1.67%	4.40%/3.96%	5.45%/5.76%	5.26%/5.95%	NA
Citywide liability claims paid out (in thousands)	\$621	\$457	\$396	\$446	\$422	\$406
Citywide workers' compensation claims paid out (in thousands)	\$5,856	\$5,899	\$5,393	\$5,646	\$5,414	\$5,073

***What key trends and challenges does the department face and how will each be addressed?***

- The Finance Department has reduced its operating budget by \$800,000** between 2005 and 2008 to meet the five-year financial direction and will be required to reduce General Fund and Self-Insurance Fund spending by \$1.38 million to meet Current Service Level guidelines for 2009. At the same time, Finance has reallocated \$1.5 million annually toward payment of the new City enterprise resource system (financial and human resources information) and will continue these contributions through 2013.

<b>Finance Division</b>	<b>Positions</b>	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Total Reduction</b>
Executive	0.0	\$0	\$57,500	\$57,500
Controller	7.0	\$505,000	\$97,000	\$602,000
Treasury	1.0	\$74,400	\$390,000	\$465,000
Procurement	1.0	\$61,000	\$11,000	\$72,000
Development Finance	0.0	\$0	\$150,000	\$150,000
Risk Management	0.0	\$0	\$38,000	\$38,000
<b>Total Finance:</b>	<b>9.0</b>	<b>\$640,000</b>	<b>\$744,000</b>	<b>\$1,384,242</b>

Finance will address this challenge by exploring and implementing business process improvements wherever possible and realizing efficiencies through implementation of COMPASS. A total of eight positions will be eliminated and non-personnel spending will be reduced by approximately \$744,000.

- **Continue investment in technology improvements** related to the City enterprise resource system. Phase II of the COMPASS project will conclude in 2009 and includes the completion of implementation of the new enterprise financial system for processing and tracking invoices, managing procurement contracts, and paying vendors and employees. Project activities in COMPASS Phase II will include implementation of the accounts receivable module by mid-year 2009. Finance staff will continue work to increase functionality within the COMPASS system to reduce transactional costs and help support decision-making in City departments.
- **Business process improvements (simplification, automation, or elimination) to reduce costs and improve customer service.** Finance continually seeks to improve its operating business processes to reduce costs and improve customer service. 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 were centralized and consolidated. Another component of Phase I included implementation of the Time and Labor module, which reduced time and resources directed at preparing and processing employee payroll as well as project accounting activities. The accounts receivable module implementation resulted in business process improvements by centralizing collection of City revenues and more efficient cash handling practices.
- **Heightened demand for financial information, analysis, and decision support** by elected officials and department managers due to significant cuts in State aid, declining resources for public safety, infrastructure, and economic development, and the advent of five-year business planning.
- **Mitigating upcoming workforce reductions and ensuring adequate training opportunities for employees to fill the jobs of the future.** As the wave of Baby Boomer retirements begins, Finance estimates that close to 25-percent of its workforce is eligible to retire in the next 5 years and over one-third will be eligible by 2018. Finance employees must be prepared to better understand the business of City operations, critically analyze financial and market trends, solve problems, offer solutions, and lead multi-discipline teams. Finance employees also must be prepared to continually make operational improvements and find simpler methods to achieve financial results.
- **Loss prevention initiative, a proactive program for each City department** to incorporate tactics into their daily operations, which will lead to decreasing losses and preserving precious human and property resources.

## FINANCIAL ANALYSIS

### EXPENDITURE

For 2009, the department's expense budget for all funds is \$21.7 million, a 2.8% or \$0.6 million increase over the 2008 adopted budget, keeping the department in line with the five-year financial direction. The 2009 original budget reflects a reduction of 9 FTEs, with cost savings used to implement and support the City's new Enterprise Resource System.

## REVENUE

The revenue budget for the Finance Department is \$2.3 million, reflecting the implementation of the self-insurance rate model for internal service funds and risk management. This is a 5.9% increase over the 2008 adopted budget, a result of reallocating revenue between workers' compensation and liability premiums to more accurately reflect prior years' experience.

## FUND ALLOCATION

The department's budget is primarily derived from the general fund (\$19.2 million or 88%) with \$2.3 million (11%) coming from the self-insurance internal services fund. Special revenue funds account for the remaining 1% of the budget, for support of departments that are significantly funded by grants.

## ORIGINAL BUDGET

The Mayor's recommended budget included a reduction to growth of \$100,000 in this department, a smaller reduction than anticipated and described in the department's trends and challenges section.

The Mayor also recommended extending the internal loan for COMPASS by two years to allow additional time for needed business process improvements to be implemented.

The Council approved the Mayor's recommendation along with the following modifications:

The Council directed Finance staff to revise the five-year financial direction to reflect the increased property tax revenues resulting from the Council change to the property tax levy to be directed to the closed pension funds management plan. Finance staff is further directed to report back to the Ways & Means/Budget Committee by February 2, 2009, on the status of the closed pension fund obligations.

The Council directed the Finance Department to revise the community development financial plans beginning in 2010 to include an additional \$3.5 million in discretionary development funding through 2020 from the recertified tax increment financing district, creating the Community Revitalization Fund (CRF).

The Council directed the Finance Department to provide to the Committee of the Whole by May 21, 2009, a status report on the projected capitalization level for the remainder of Phase II of the Neighborhood Revitalization Program (NRP) and to provide information necessary to the Council for it to determine whether to increase the appropriation level of the Phase II Neighborhood Action Plans (NAP) above the NRP Policy Board's current policy that states that no more than 80% of approved NAP may be contracted or expended during the first three years following NAP approval.

The Council directed Finance staff to prepare and return to the Council with a proposed tax increment finance plan to establish a redevelopment tax increment financing district. The plan will be circulated for public review and comment and submitted to the Council for consideration no later than July 31, 2009. The plan should have the following financial parameters:

- a. Annually provide after the administrative costs of the district:
  - i. At least \$10 million to retire Target Center debt;

- ii. No more than \$14 million to be allocated as follows:
  - 1. \$2 million, if needed, to further expedite Target Center debt payment;
  - 2. \$8.5 million for general neighborhood revitalization purposes;
  - 3. \$3.5 million for neighborhood commercial community revitalization;
  - 4. Each of these three items would be proportionally reduced should their available revenues be less than \$14 million. If this proportionate reduction occurs, the dollars for general neighborhood revitalization purposes (item #2 above) shall be allocated as follows:
    - a) Full funding for Basic Citizen Participation Services, as defined by the Neighborhood Community Engagement Commission, up to \$3 million.
    - b) All other uses under general neighborhood revitalization purposes would be proportionately reduced.
- iii. Revenues received in excess of \$24 million can be applied to further expedite Target Center debt repayment, applied to the Neighborhood Investment Fund, or returned to the contributing tax jurisdictions.

b. That parcels comprising up to 50% of the captured tax capacity of the district will be decertified and their captured tax capacity returned to the tax base when they are no longer needed for Target Center debt.

The Council directed Finance staff to amend their financial policies to 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 not later than January 31st of each year.

#### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$570,000. The Mayor directed Finance staff to work with the Attorney and Police to explore the fine revenue collection processes. The Mayor also directed Finance Department staff to do an immediate audit of the top 25 overtime recipients. The Mayor further directed Finance Department staff to identify and implement reforms to the procurement process to increase efficiencies.

#### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendations.

The Council directs Finance and Intergovernmental Relations staff to work with all department heads to review current CDBG allocations, excluding those allocated by the Public Health Advisory Committee, and any additional CDBG funding and return to the Community Development Committee and Ways and Means by June 8, 2009 with a complete review of CDBG funding available for activities currently funded in the General Fund across all departments for consideration in the 2010 budget process.

The Council further directs Finance staff to explore sources of non-General Fund dollars for community crime prevention efforts, including CDBG. The Neighborhood and Community Relations Department is directed to work with the Minneapolis Police Department and in consultation with the Neighborhood and Community Engagement Commission to explore different models for neighborhood funding and oversight of community crime prevention staff. Finance will report to Public Safety and Regulatory Services and Ways and Means/Budget committees by August 1, 2009.

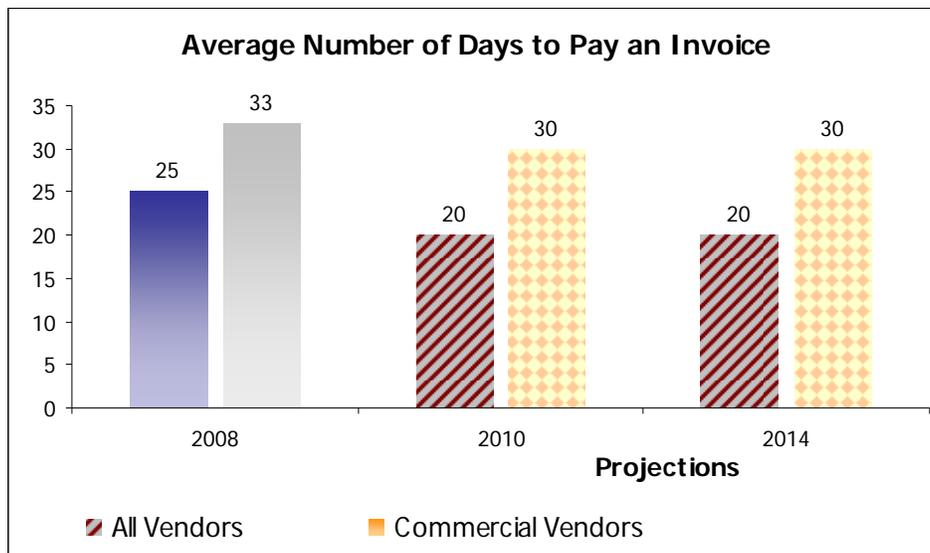
The Council directs Fire to report back to the Public Safety and Regulatory Services Committee on process improvements to housing inspections and further to work with Finance on responsible budget projections for citation revenue to be incorporated into the 2010 budget.

The Council directs Finance to examine the financial impact of the City of Minneapolis' obligations to the Minneapolis Police Relief Association and the Minneapolis Fire Relief Association on the Minneapolis Park and Recreation Board, as well as the ten-year prior impact of those obligations on the MPRB. The Council directs the Chair of the City's Intergovernmental Relations Committee to request from the MPRB President time on the agenda of the March 25th MPRB Committee meetings to present information about the level, governance and administration of the City of Minneapolis' obligations to the Minneapolis Police Relief Association and the Minneapolis Fire Relief Association and the impact of those obligations on the MPRB. Further, the Council directs the Chair of the IGR Committee to request that the MPRB add support for the City's pension legislation to their 2009 legislative agenda.

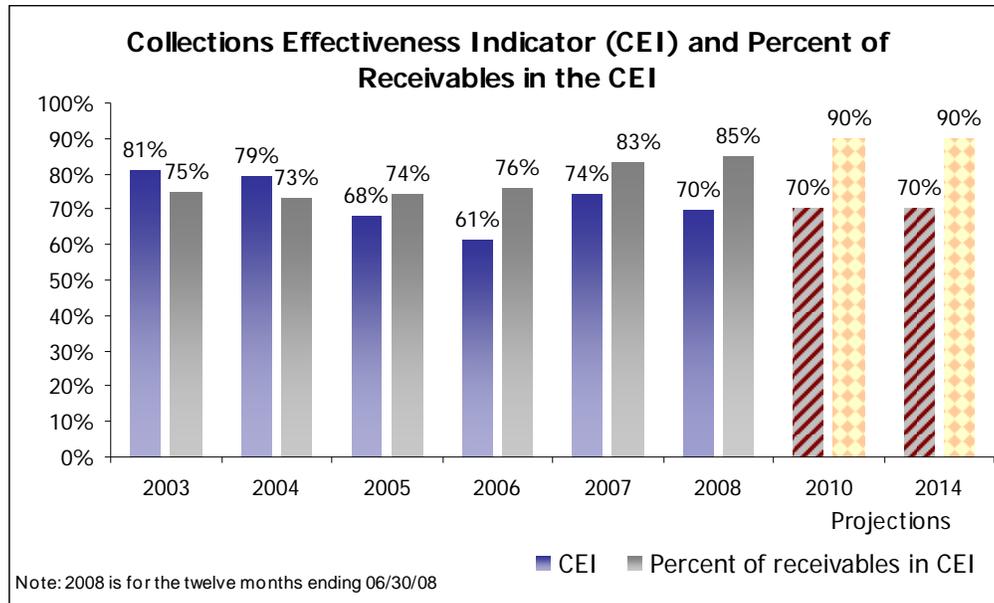
The budget for this department includes a reduction of BIS charges of \$72,700 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Finance is \$21,813,198, a 3.1% increase over the 2008 Adopted budget.

**RESULTS IMPLICATIONS**

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.





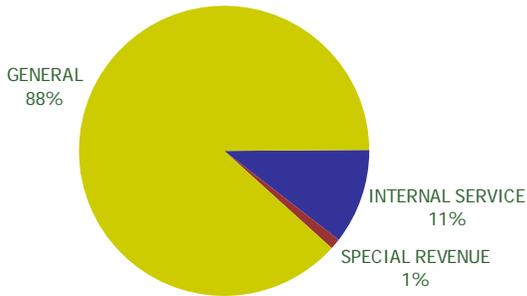


## FINANCE DEPARTMENT EXPENSE AND REVENUE INFORMATION

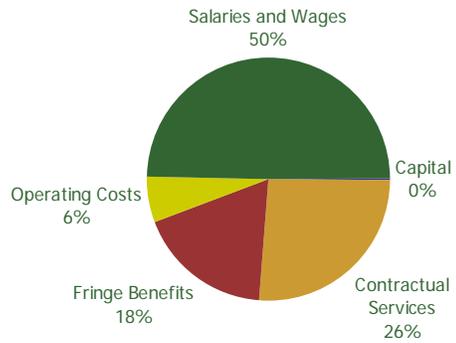
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	9,305,493	9,725,525	10,089,805	10,022,649	-0.7%	(67,156)
Fringe Benefits	2,814,273	3,119,576	3,684,456	3,645,732	-1.1%	(38,724)
Contractual Services	5,123,958	4,343,854	4,288,516	4,751,950	10.8%	463,434
Operating Costs	505,336	622,191	612,004	740,700	21.0%	128,696
Capital	7,914	18,371	45,219	46,485	2.8%	1,266
<b>TOTAL GENERAL</b>	<b>17,756,974</b>	<b>17,829,517</b>	<b>18,720,000</b>	<b>19,207,516</b>	<b>2.6%</b>	<b>487,516</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	255,101	220,893	177,735	188,443	6.0%	10,708
Fringe Benefits	68,295	58,242	55,977	60,438	8.0%	4,461
Contractual Services	70	514	36,305	(0)	-100.0%	(36,305)
Operating Costs	1	59	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>323,467</b>	<b>279,708</b>	<b>270,017</b>	<b>248,881</b>	<b>-7.8%</b>	<b>(21,136)</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	451,685	519,196	563,674	606,042	7.5%	42,368
Fringe Benefits	128,979	164,584	199,974	203,321	1.7%	3,347
Contractual Services	965,284	899,287	830,283	887,058	6.8%	56,775
Operating Costs	417,497	470,551	563,107	581,874	3.3%	18,767
Capital	0	0	5,647	5,805	2.8%	158
<b>TOTAL INTERNAL SERVICE</b>	<b>1,963,445</b>	<b>2,053,618</b>	<b>2,162,685</b>	<b>2,284,101</b>	<b>5.6%</b>	<b>121,416</b>
<b>ENTERPRISE</b>						
Operating Costs	499,094	549	0	0	0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>499,094</b>	<b>549</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL EXPENSE</b>	<b>20,542,980</b>	<b>20,163,392</b>	<b>21,152,702</b>	<b>21,740,498</b>	<b>2.8%</b>	<b>587,796</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>AGENCY</b>						
Interest	(1,858,141)	(0)	0		0.0%	0
<b>TOTAL AGENCY</b>	<b>(1,858,141)</b>	<b>(0)</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>GENERAL</b>						
Local Government	15,000	15,000	0	15,000	0.0%	15,000
Charges for Service	8,391	6,048	6,000	6,000	0.0%	0
Charges for Sales	5	166	0		0.0%	0
Other Misc Revenues	81	3,624	0		0.0%	0
<b>TOTAL GENERAL</b>	<b>23,477</b>	<b>24,838</b>	<b>6,000</b>	<b>21,000</b>	<b>250.0%</b>	<b>15,000</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	559,295	338,616	2,172,000	2,285,901	5.2%	113,901
<b>TOTAL INTERNAL SERVICE</b>	<b>559,295</b>	<b>338,616</b>	<b>2,172,000</b>	<b>2,285,901</b>	<b>5.2%</b>	<b>113,901</b>
<b>TOTAL REVENUE</b>	<b>(1,275,370)</b>	<b>363,453</b>	<b>2,178,000</b>	<b>2,306,901</b>	<b>5.9%</b>	<b>128,901</b>

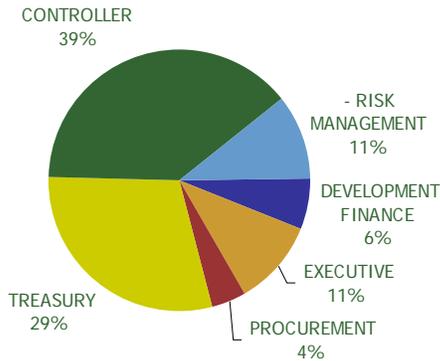
**Expense by Fund**



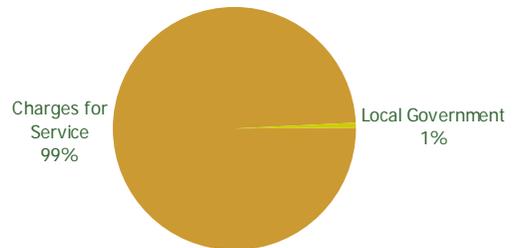
**Expense by Category**



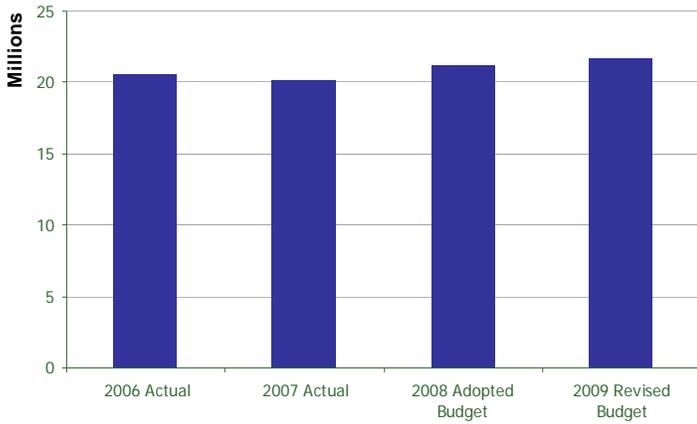
**Expense by Division**



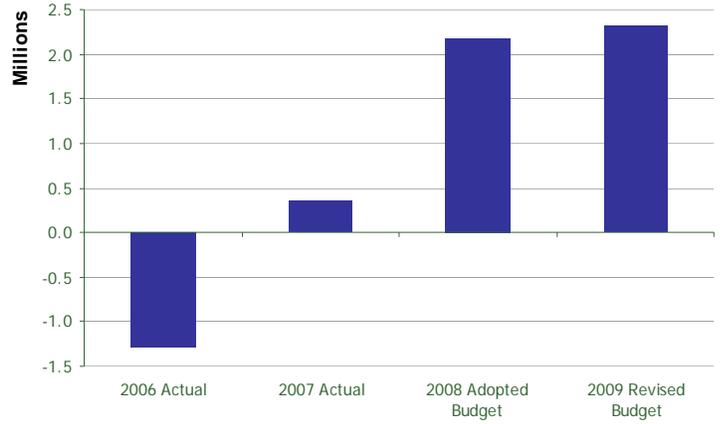
**Direct Revenue by Type**



Expense 2006 - 2009



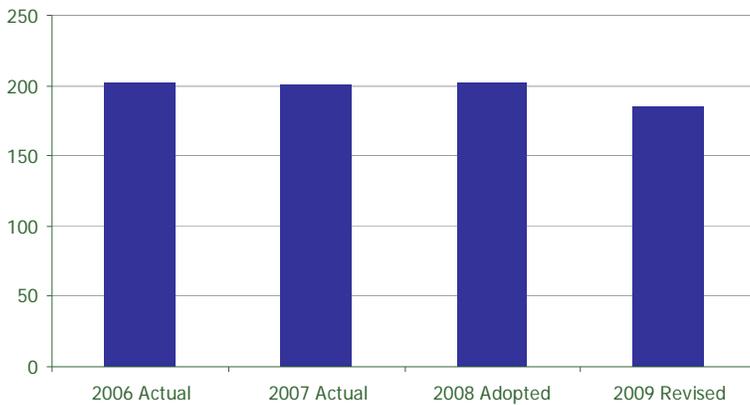
Revenue 2006 - 2009



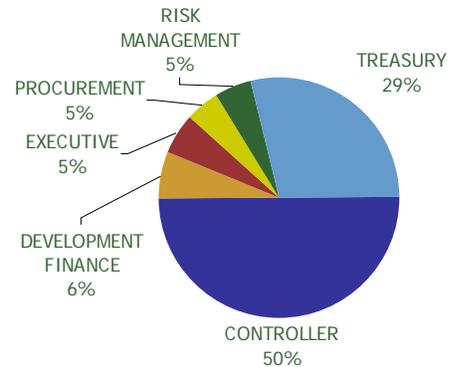
### FINANCE DEPARTMENT Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
CONTROLLER	100	100	100	92	-8.0%	(8)
DEVELOPMENT FINANCE	15	15	15	12	-20.0%	(3)
EXECUTIVE	10	9	9	10	11.1%	1
PROCUREMENT	10	10	10	9	-10.0%	(1)
RISK MANAGEMENT	9	9	9	9	0.0%	
TREASURY	58	58	59	53	-10.1%	(6)
<b>TOTAL</b>	<b>202</b>	<b>201</b>	<b>202</b>	<b>185</b>	<b>-8.4%</b>	<b>(17)</b>

Positions 2006-2009



Positions by Division



## HUMAN RESOURCES

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### MISSION

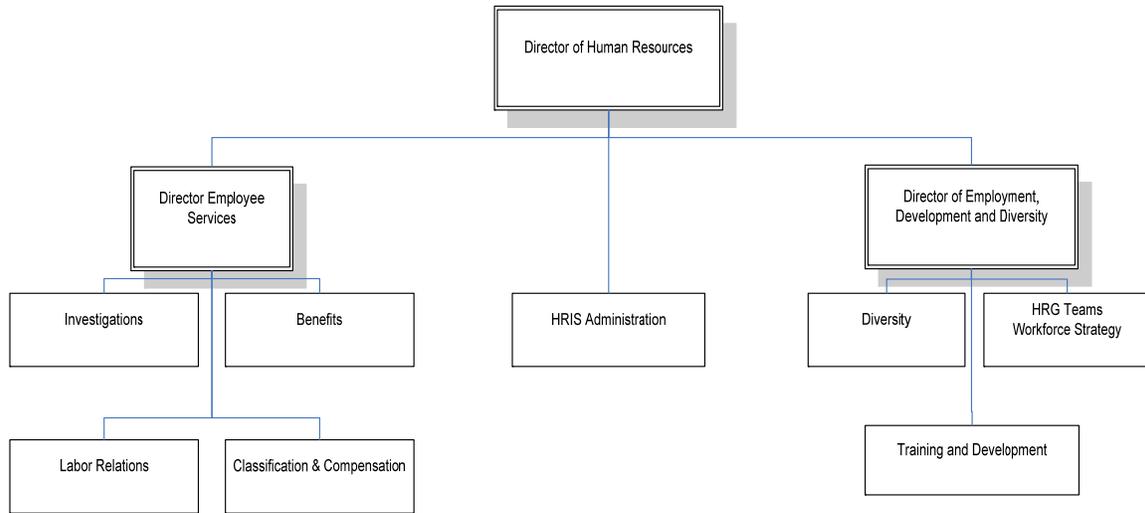
To strategically partner with City departments to hire, develop and retain an excellent workforce.

### BUSINESS LINES

The HR Department has three primary business lines – Employee Services, Diversity and Workforce Strategy Services and Administration/HRIS. Because the work of our department involves more than just one business line, it is necessary that the employees of each division engage in cross-divisional cooperation so that the department can accomplish goals and eliminate the existence of ‘silo-mentality’ across the departments.

- **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: 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, 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 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, the implementation of the Return-to-Work Program; and designing, negotiating and implementing employee healthcare and wellness programs.

## ORGANIZATION CHART



Overview of Services	City Council Department Services	Other Agencies Services
Services required by Federal Law, State Statutes and City Charter/ Ordinance	Yes	Yes
Advertising	Yes	Yes
Job Classification	Yes	Yes
Civil Services Commission Appeals	Yes	Yes
HRIS (Payroll, Benefits, Records)	Yes	Yes
Administer Compensation	Yes	No
Administer Benefits	Yes	Yes (fee based)
Negotiate and Administer Labor Contracts	Yes	No
Compliance Investigations	Yes	No
Policy Training (Respect in the Workplace, Ethics)	Yes	No
Return to Work/Job Bank	Yes	No
<b>Discretionary Services</b> ( Promoting Cost-effective, centralized services)	Yes	No
Training and Development	Yes	No
Management Consultation	Yes	No
Alternative Dispute Resolution	Yes	No
Affirmative Action (AA) Support	Yes	Some
Recruiting	Yes	No

<b>FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES</b>		
City Goals and Strategies	Department Goals	Objectives
2 – One Minneapolis 4 – Connected Communities 6 – A Premier Destination	The City of Minneapolis has a work environment and diverse workforce that fosters success.	Create a workforce that reflects the communities the City serves.  Work with departments to improve the City's work environment.
1 – A Safe Place to Call Home 2 – One Minneapolis 3 – Lifelong Learning Second to None 5 – Enriched Environment 6 – A Premier Destination	Provide departments the strategic support and information they need to make informed and timely business decisions.	Continue to develop HRIS as the system of record.  Develop HR Intranet and related tools to improve and make HR information and tools more accessible to the customer.
1 – A Safe Place to Call Home 2 – One Minneapolis 3 – Lifelong Learning Second to None 6 – A Premier Destination	Assist departments in the hiring and development of a workforce to achieve City, department and individual goals.	Streamline hiring process.  Provide strategic recruitment guidance to departments.  Provide training opportunities to supervisor, manager and leadership levels.  Revise design and implement comprehensive performance management systems.
2 – One Minneapolis 3 – Lifelong Learning Second to None	Provide the City and its employees a competitive compensation program.	Negotiate equitable collective bargaining agreements.  Establish a health and wellness program.

<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>						
Measure Name	2004	2005	2006	2007	2008 Target	2011 Target
% Female Applicants	36.5%	46.9%	38.3%	43.1%	45.0%	45.0%
# of Female Applicants	2382	3654	4417	4691	4950	4500
% Female Eligible for hiring consideration.	35.3%	42.2%	45.3%	41.1%	45.0%	45.0%
# Of Female Eligible for hiring consideration.	1016	1444	2202	1992	2250	1800
% Female Hires	34.8%	32.9%	35.7%	43.3%	36.5%	45.0%
# of Female Hires	98	118	153	123	100	100
% People of Color Applicants	35.5%	34.7%	31.7%	30.9%	31.0%	35.0%
# of People of Color Applicants	2316	2704	3607	3367	3685	3500
% People of Color Eligible for hiring consideration.	34.6%	31.0%	25.0%	29.4%	31.0%	35.0%
# of People of Color Eligible for	995	1061	1216	1426	1550	1400

<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>						
<b>Measure Name</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008 Target</b>	<b>2011 Target</b>
hiring consideration.						
% People of Color Hires	32.3%	34.0%	28.7%	28.2%	31.0%	35.0%
# of People of Color Hires	91	122	123	80	85	85
Females by EEO-4 Category (%)						
• Officials & Administrators	NA	NA	NA	45.2%	TBD	TBD
• Professionals	NA	NA	NA	47.7%	TBD	TBD
• Technicians	NA	NA	NA	20.4%	TBD	TBD
• Protective Service	NA	NA	NA	16.9%	TBD	TBD
• Paraprofessionals	NA	NA	NA	75.9%	TBD	TBD
• Administrative Support	NA	NA	NA	80.5%	TBD	TBD
• Skilled Craft	NA	NA	NA	2.9%	TBD	TBD
• Service Maintenance	NA	NA	NA	10.6%	TBD	TBD
Employees of Color by EEO-4 Category (%)						
• Officials & Administrators	NA	NA	NA	15.4%	TBD	TBD
• Professionals	NA	NA	NA	19.6%	TBD	TBD
• Technicians	NA	NA	NA	16.3%	TBD	TBD
• Protective Service	NA	NA	NA	25.0%	TBD	TBD
• Paraprofessionals	NA	NA	NA	17.2%	TBD	TBD
• Administrative Support	NA	NA	NA	27.9%	TBD	TBD
• Skilled Craft	NA	NA	NA	11.5%	TBD	TBD
• Service Maintenance	NA	NA	NA	30.4%	TBD	TBD
# of Days to Complete Classification Studies	12	10	26	12	14	14
# of Days to Create an Eligible List	83	65	64	59	55	50
Satisfaction with Staffing Services	4.4	4.3	4.3	4.6	4.5	4.5
Hard to Fill Positions	NA	NA	NA	NA	TBD	TBD
Hard to Keep Filled Positions	NA	NA	NA	NA	TBD	TBD
% of Employees with Completed Performance Review in HRIS	5.6%	6.7%	10.1%	34.6%	40.0%	90.0%
Health Insurance Cost Growth to City & Employee	\$6848	\$7939	\$9118	\$9938	\$11,392	\$14,720
Training & Development (Initiatives and Value of Investment)	NA	NA	NA	NA	TBD	TBD

**What key trends and challenges does the department face and how will each be addressed?**

The department continues to face the challenges of meeting enterprise needs with diminishing resources. The department's workforce plan demonstrates how the department intends to balance its resources so that the department is able to provide operational services, where appropriate, while the department builds staff capacity to truly become strategic partners with customer departments.

What remains unresolved is the cost of future upgrades to the HRIS/COMPASS enterprise system. Historically funding for upgrades has been through annual departmental savings, which are no longer realized as the department has experienced

budget reductions. In 2011, upgrade costs will exceed \$1M, and unless there is a new model for funding these initiatives, there will not be resources available for the upgrade.

Talent management – assisting the organization with the hiring, training & development, and retention of a highly qualified, diverse workforce – is a key challenge for the department and for the City. While the department works to address these issues through improvements, the ability to develop and deliver other enterprise initiatives (recruitment, leadership development, employee engagement and recognition, feeder programs and management consultation) is challenged because of continued resource reductions. The department business plan addresses these concerns, making every effort to deliver needed services. It will take the department longer to provide these services. The department expects that this will result in individual departments hiring out these services, thus minimizing both economies of investments and consistency of information.

Increases in health care cost also continue to be both a trend and a challenge. The department is addressing these challenges by implementing comprehensive health & wellness programs. In addition, the highly successful Benefits Labor Management Committee continues to look for new ways to enhance and/or re-design benefits packages.

**What changes to the ordinance are needed to improve services and/or reduce cost?**

A change to the City Charter (Rule of 1) and Minnesota State law (Rule of 3) allowing the City to use Rule of the List for all hiring in the Classified Service has the potential to improve services to customer departments seeking to fill vacant positions. This change also could result in reduced costs and improved results in a number of department performance measures (Protected Class Hires, Hard to Fill Positions, # of days to create an eligible list and satisfaction with staffing services)

The City's policy development and review process needs to be improved as the current process can be lengthy if the proposed or updated policy needs to be reviewed, by department heads, citywide LMC, Executive Committee, Ways & Means/Budget committee and the full City Council.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2009 budget for this department is \$7.9 million, a 5.2% or \$374,000 increase over the 2008 adopted budget. The budget includes a 41% increase to operating expenditures due to a reclassification of training costs from contractual to operating. The 2009 budget includes elimination of the Enterprise Services division and a shift in budget distribution, allocating more resources to employee training and registration and less to contractual services within Administration, Employee Services, and Employment Services.

The budget for this department includes \$18,314 in property services rent charges based on the Council's adoption and implementation of a City-wide charge for City Hall space will now be reflected in department budgets. This charge was previously not



reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Human Resources is \$7.9 million, a 5% increase over the 2008 Adopted budget.

#### REVENUE

The department's revenue budget reflects an 11.1% or \$137,000 increase from 2008 to 2009, primarily attributable to the benefits administration fee that is charged to customer departments through the self-insurance rate model.

#### FUND ALLOCATION

The majority (80%) of the department's budget comes from the general fund. The department also operates the benefits administration function out of the self-insurance fund and enterprise training out of the intergovernmental services fund.

#### ORIGINAL BUDGET

With the Mayor's recommended budget, the department received a reduction to growth of \$30,000. The Mayor also recommended an increase to Health Benefit Administration fees charged to other departments in order to offset the cost of total compensation statements (\$30,000) and providing a one-time employee incentive to use bike station programs (\$75,000). The Council approved the Mayor's recommendations.

#### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$320,000. The Mayor also directed Human Resources to develop and communicate a citywide policy restricting the use of permit employees.

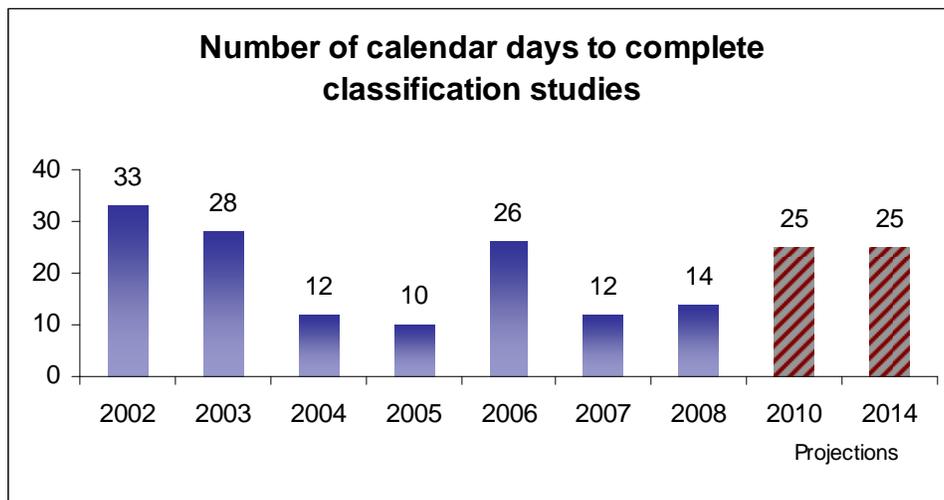
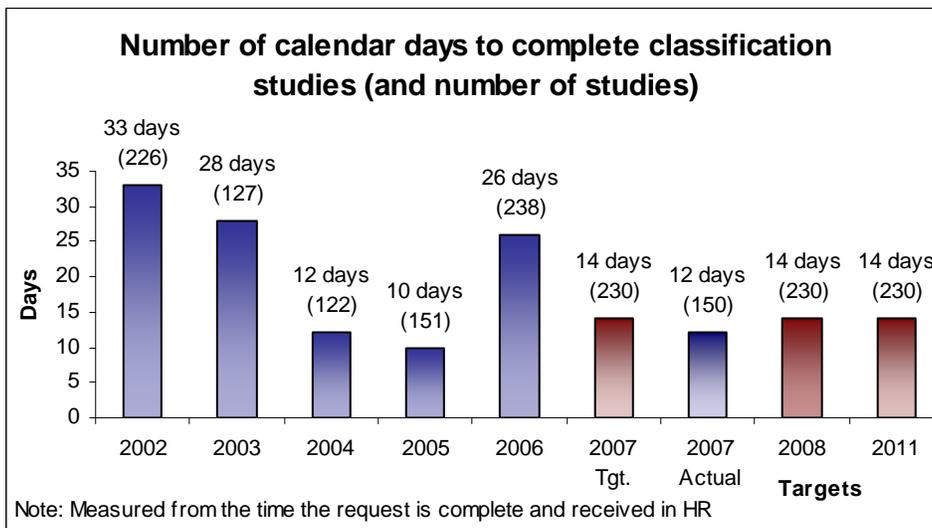
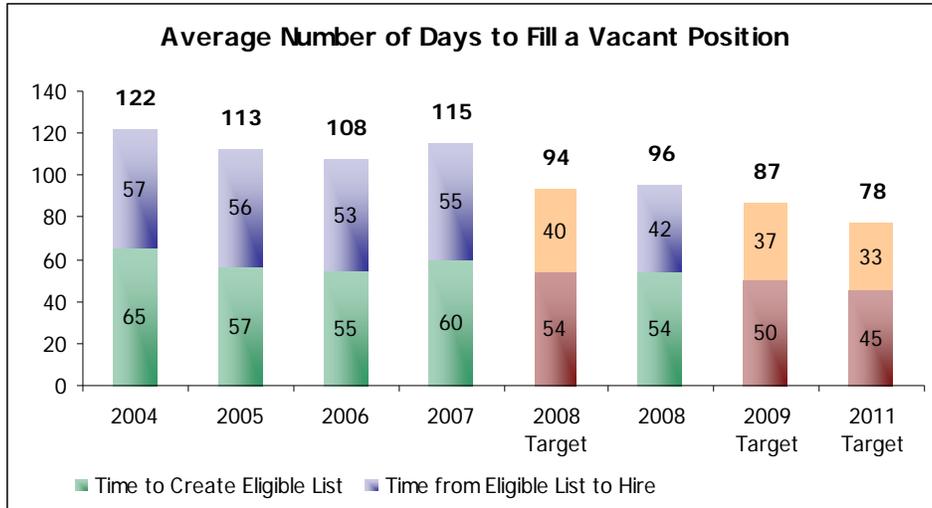
#### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$26,400 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Human Resources is \$5,947,851 a 2% decrease over the 2008 Adopted budget.

#### RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.

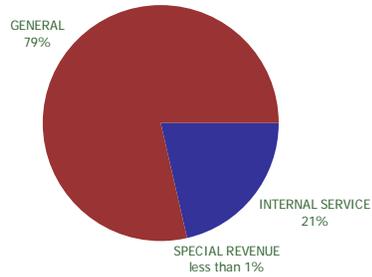


## HUMAN RESOURCES EXPENSE AND REVENUE INFORMATION

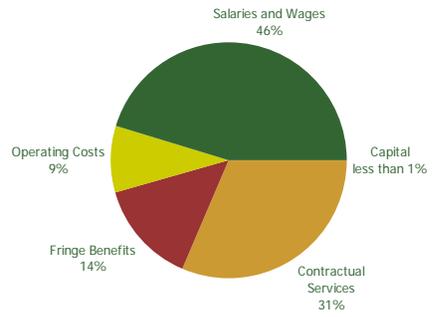
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	2,775,671	2,803,567	2,997,440	2,830,179	-5.6%	(167,261)
Fringe Benefits	689,102	714,918	854,783	882,305	3.2%	27,522
Contractual Services	2,135,549	2,013,295	1,744,996	1,693,297	-3.0%	(51,699)
Operating Costs	311,790	498,836	472,958	542,070	14.6%	69,112
Capital	0	0	823		-100.0%	(823)
<b>TOTAL GENERAL</b>	<b>5,912,112</b>	<b>6,030,616</b>	<b>6,071,000</b>	<b>5,947,851</b>	<b>-2.0%</b>	<b>(123,149)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	47,514	45,980	0		0.0%	0
Fringe Benefits	18,643	19,632	0		0.0%	0
Contractual Services	0	120,117	0		0.0%	0
Operating Costs	1,347	13,808	10,000		-100.0%	(10,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>67,504</b>	<b>199,537</b>	<b>10,000</b>		<b>-100.0%</b>	<b>(10,000)</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	397,796	503,571	582,470	602,471	3.4%	20,001
Fringe Benefits	107,097	146,817	187,668	201,422	7.3%	13,754
Contractual Services	750,179	631,378	656,635	679,111	3.4%	22,476
Operating Costs	21,552	31,914	35,610	140,504	294.6%	104,894
<b>TOTAL INTERNAL SERVICE</b>	<b>1,276,624</b>	<b>1,313,680</b>	<b>1,462,383</b>	<b>1,623,507</b>	<b>11.0%</b>	<b>161,124</b>
<b>TOTAL EXPENSE</b>	<b>7,256,240</b>	<b>7,543,833</b>	<b>7,543,383</b>	<b>7,571,359</b>	<b>0.4%</b>	<b>27,976</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Other Misc Revenues	8,837	15,139	5,000	5,000	0.0%	0
<b>TOTAL GENERAL</b>	<b>8,837</b>	<b>15,139</b>	<b>5,000</b>	<b>5,000</b>	<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Other Misc Revenues	196	13,925	10,000		-100.0%	(10,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>196</b>	<b>13,925</b>	<b>10,000</b>		<b>-100.0%</b>	<b>(10,000)</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	857,723	1,116,895	1,218,772	1,365,863	12.1%	147,091
<b>TOTAL INTERNAL SERVICE</b>	<b>857,723</b>	<b>1,116,895</b>	<b>1,218,772</b>	<b>1,365,863</b>	<b>12.1%</b>	<b>147,091</b>
<b>TOTAL REVENUE</b>	<b>866,756</b>	<b>1,145,959</b>	<b>1,233,772</b>	<b>1,370,863</b>	<b>11.1%</b>	<b>137,091</b>

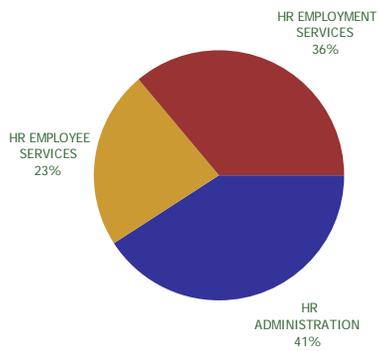
Expense by Fund, 2009 Revised Budget



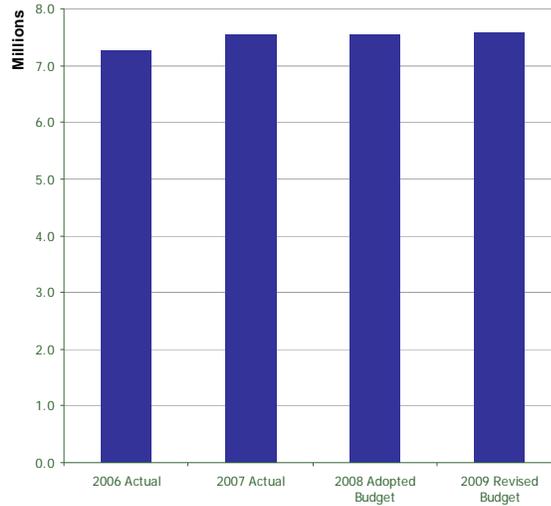
Expense by Category, 2009 Revised Budget



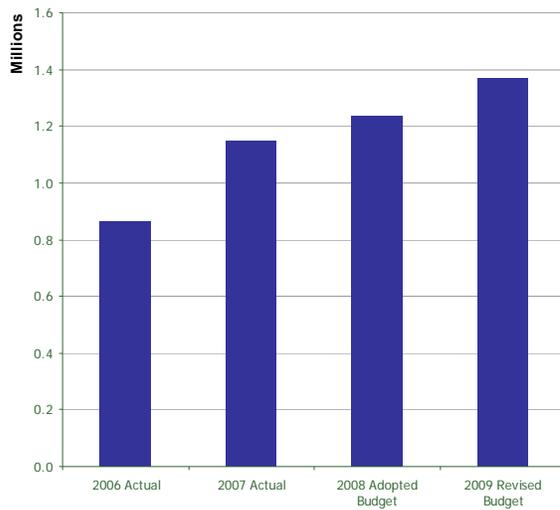
Expense by Division, 2009 Revised Budget



Expense 2006 - 2009



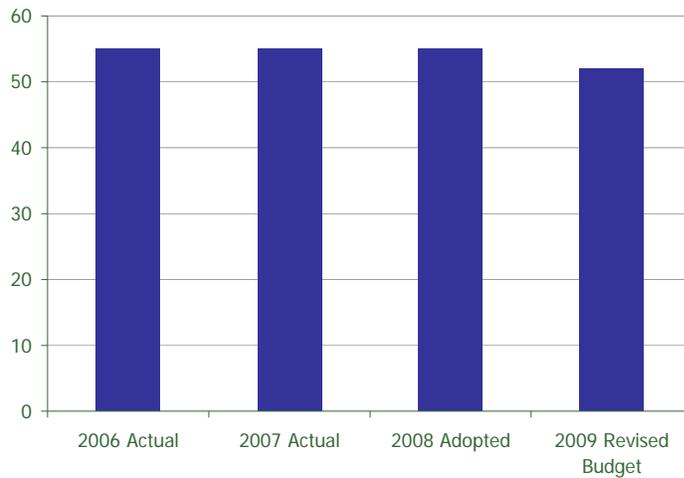
Revenue 2006 - 2009



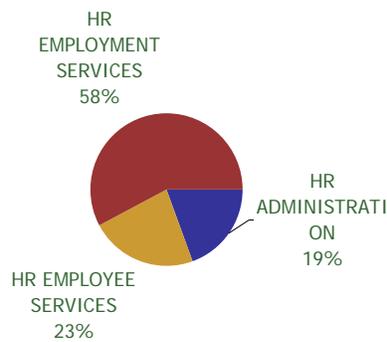
## HUMAN RESOURCES Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
HR ADMINISTRATION	2	2	2	10	402.5%	8
HR EMPLOYEE SERVICES	10	9	9	12	32.8%	3
HR EMPLOYMENT SERVICES	26	27	27	30	11.1%	3
HR ENTERPRISE SERVICES	17	17	17		-100.0%	(17)
<b>TOTAL</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>52</b>	<b>-5.5%</b>	<b>(3)</b>

### Positions 2006-2009



### Positions by Division 2009 Revised Budget



## INTERGOVERNMENTAL RELATIONS

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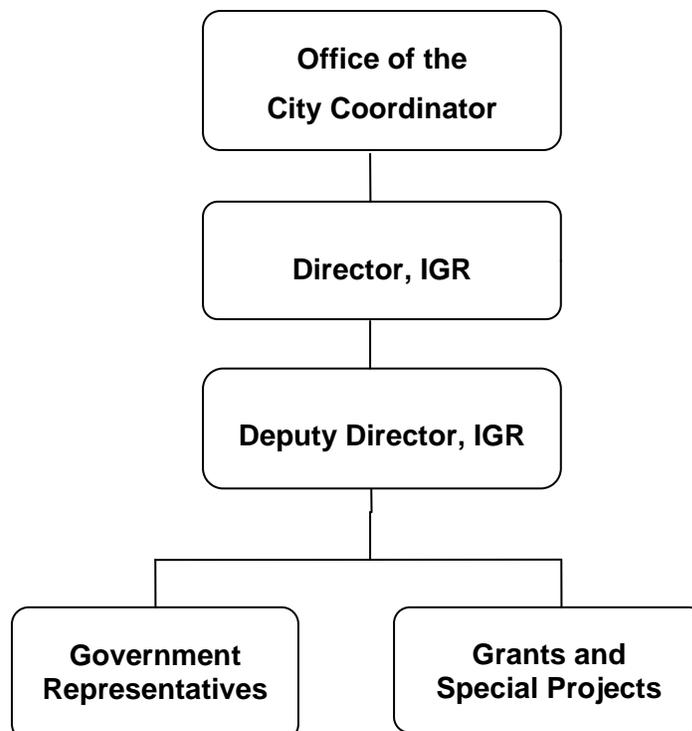
### MISSION

Advocate policy proposals and funding requests on behalf of the City 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, with City Council approval on final agendas and an agenda summary prepared and distributed. 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.
- **Grants information, compliance and development:** City departments and community-based agencies are given grant application and management information and technical assistance on grant issues. Partnerships are developed and sustained to enhance awareness of funding needs and opportunities throughout the City and the metropolitan area. The department also manages special projects as needed.
- **Special Projects:** Develop and implement special projects. Projects often require liaison with other city departments and other units of government.

### ORGANIZATION CHART



<b>FIVE –YEARS DEPARTMENT GOALS AND OBJECTIVES</b>	
<b>Department Goal</b>	<b>Objectives</b>
Shape, monitor progress, and support the implementation and achievement of the City's goals and strategic directions	Develop and support the ongoing implementation of the new City goals and strategic directions
	Administer business plan process that aligns City direction with department business plans
	Use performance measures and other indicators to drive progress to outcomes and demonstrate accountability (develop a fully results-oriented culture)
The City's management practices are continuously improving and are outcome and customer-focused	Management service departments are recognized as valuable strategic partners to all City departments
	Identify opportunities & assist departments in streamlining key departments and multi-department systems
	Minneapolis 311 operation continues to provide excellence in customer service through ongoing refinement of operations, expanded customer services and close and broadened working partnerships
	Customer-focused service is a recognized hallmark of City operations
	City of Minneapolis identifies, shares and implements best practices and strategic management techniques
Convene, coordinate and strategically manage multi-jurisdictional and inter-departmental efforts to successful outcomes	Provide strategic coordination to achieve multi-department, multi-jurisdictional initiatives
	Advance strategic partnerships in the City's public, private and non-profit networks
	"Executive leadership" is well-defined and understood by entire City management
The City's workforce is engaged, energized and proud	The City has a progressive yet practical compensation philosophy and practices

<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 Target</b>	<b>2011 Target</b>
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

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
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 key trends and challenges does the department face and how will each be addressed?***

- The turnover of legislators and shifts in majority parties at the national and state level has resulted in a change in political climate. There is a need for leadership experience and a need for more familiarity with the City's legislative priorities.
- The decreasing federal budget and its effect on longtime, City grant-funded activities.
- Compliance with federal regulations in grant-funded programs.
- Continue to work with City Council members to incorporate them into the Intergovernmental Relations process.
- The alignment of the local bonding process with the City's capital needs versus the capital needs of the non-profit entities in the city. The state's capital bonding process requires that the funding be used in four years and that there is a local match for the bond amounts.
- The increase in geographic division at the legislature.
- The need for ongoing relationships with other government units-Hennepin County, the University of Minnesota, the Metropolitan Council and St. Paul.
- State budget pressures will impact local governments including cities and counties.
- Assist departments and community-based agencies to work with increased external mandates and in an environment of decreasing or stagnant resources.
- Community groups have a desire to be heard throughout City Hall.
- Increasing need for language access for individuals who live, work, worship, or do business in Minneapolis.

**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 operating budget for these functions is \$2.6 million, with \$1.4 million from the general fund and \$1.1 million from the community development block grant fund.



## 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 \$1.1 million of its funding from community development block grant funds for efforts supporting the consolidated plan and related grant processes.

## ORIGINAL BUDGET

The Mayor's recommended budget included a \$10,000 reduction to growth in this department. The Mayor's budget also moved the homelessness program to the new department of Neighborhood and Community Relations (\$75,000 in CDBG). The Council approved the Mayor's recommendations.

## MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$55,000.

## COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendation.

The Council directs Intergovernmental Relations and Finance staff to work with all department heads to review current CDBG allocations, excluding those allocated by the Public Health Advisory Committee, and any additional CDBG funding and return to the Community Development and Ways and Means Committees by June 8, 2009 with a complete review of CDBG funding available for activities currently funded in the General Fund across all departments for consideration in the 2010 budget process.

The budget for this department includes a reduction of BIS charges of \$2,400 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Intergovernmental Relations is \$2,573,692, a 1.2% decrease from the 2008 Adopted budget.

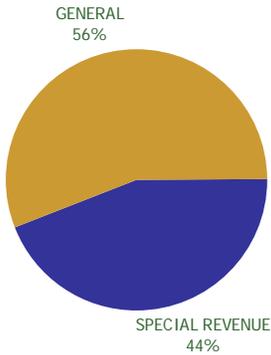
## RESULTS IMPLICATIONS

The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

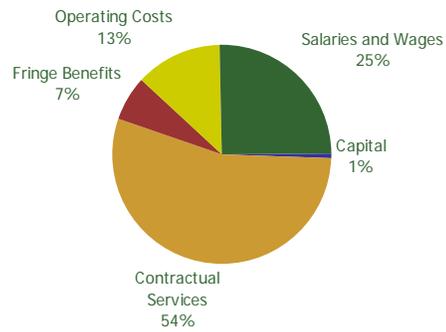
## INTERGOVERNMENTAL RELATIONS EXPENSE AND REVENUE INFORMATION

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	427,607	444,602	627,874	489,975	-22.0%	(137,899)
Fringe Benefits	95,464	95,762	121,972	123,431	1.2%	1,459
Contractual Services	216,824	259,213	400,375	489,084	22.2%	88,709
Operating Costs	205,985	282,713	306,006	329,393	7.6%	23,387
Capital	0	213	13,334	13,707	2.8%	373
<b>TOTAL GENERAL</b>	<b>945,880</b>	<b>1,082,503</b>	<b>1,469,561</b>	<b>1,445,592</b>	<b>-1.6%</b>	<b>(23,969)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	240,166	227,909	237,293	159,821	-32.6%	(77,472)
Fringe Benefits	53,599	61,672	68,321	43,894	-35.8%	(24,427)
Contractual Services	731,676	986,405	828,386	921,985	11.3%	93,599
Operating Costs	1,665	880	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>1,027,106</b>	<b>1,276,866</b>	<b>1,134,000</b>	<b>1,125,700</b>	<b>-0.7%</b>	<b>(8,300)</b>
<b>TOTAL EXPENSE</b>	<b>1,972,986</b>	<b>2,359,369</b>	<b>2,603,561</b>	<b>2,571,292</b>	<b>-1.2%</b>	<b>(32,269)</b>

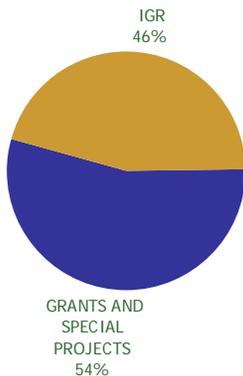
**Expense by Fund**



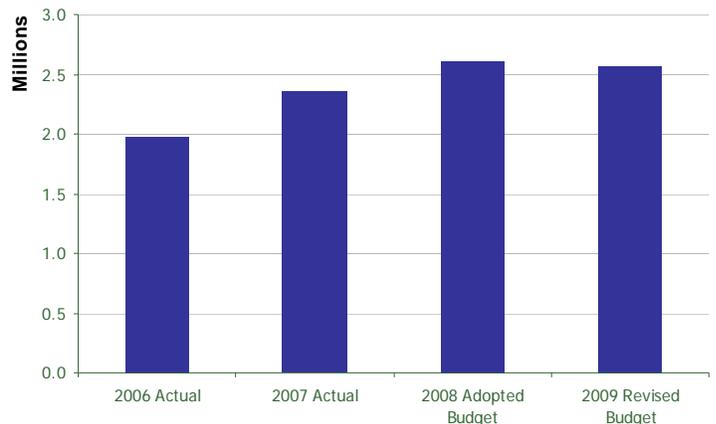
**Expense by Category**



**Expense by Division**



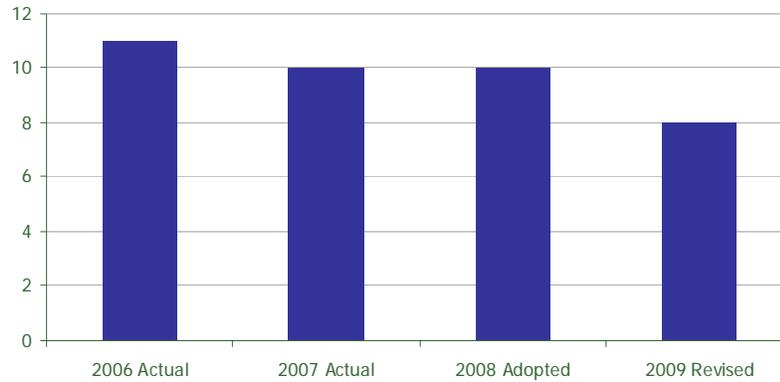
**Expense 2006 - 2009**



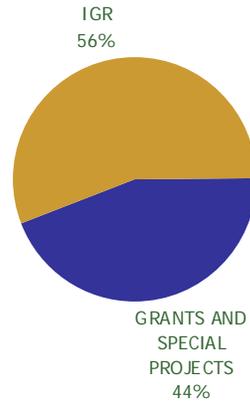
## INTERGOVERNMENTAL RELATIONS Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
GRANTS AND SPECIAL PROJECTS	7	6	6	4	-33.3%	(3)
IGR	4	4	4	5	25.0%	1
<b>TOTAL</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>8</b>	<b>-20.0%</b>	<b>(2)</b>

### Positions 2006-2009



### Positions by Division



## NEIGHBORHOOD AND COMMUNITY RELATIONS

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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.

### BUSINESS LINES

NCR will be housed with the departments supervised by the City Coordinator. (Please see the organization chart in the *Coordinator-Administration* section.) NCR will bring positions from within the City together to collaborate on access and outreach, community participation and engagement, and provide services to the City enterprise. It will also incorporate support of neighborhoods and administration of the Neighborhood Revitalization Program (NRP).

### Neighborhood Vitality

The City's "connected communities" goal prescribes that there be "thriving neighborhoods" in every corner of Minneapolis. Neighborhood vitality has been both a constant aspiration and a trademark of identity throughout the City's 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.

Neighborhood groups exist as independent organizations. Each has its own priorities and processes. The City contracts with these organizations to provide a forum for participation of residents and other stakeholders. Our work with neighborhood groups, however, extends beyond this contractual relationship; we share a common goal of creating a better City for all our residents. To achieve this goal, the City and its neighborhood groups must work to forge and foster strong partnerships that respect each other's roles and responsibilities.

The most remarkable fruit of this partnership began in 1990 with the creation of the Neighborhood Revitalization Program (NRP). For the past two decades, the NRP process has worked to make the city's residential areas better places to live, work, learn and play. NRP is an investment program based on bringing residents into the priority-setting process of the City and on the belief that the mobilization of untapped resources, energy and creativity can make our collective desire for a better future a reality.

This 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.

- **Neighborhood Organizational Infrastructure:** Community participation is a basic City service. The department will administer a new, enhanced community participation program to include:
  - Neighborhood organization administrative support allocations.
  - Technical support to neighborhood organizations to help build the capacity and leadership development of neighborhood groups through training and educational opportunities.
  - Assistance to neighborhood groups in navigating City departments.

- Support for the involvement of diverse populations in neighborhood organizations, including alternative methods and models for involvement.
- Enhancement of the professional support available to neighborhoods from City staff.
- A forum where best practices can be shared and peer support can be coordinated among community organizations.
- **Neighborhood Investment Fund & Community Innovation Fund:** The Neighborhood Investment and Community Innovation funds are proposed to provide dedicated funds to neighborhood organizations. The Investment Fund is proposed to be allocated by neighborhoods to help address neighborhood-identified priorities; the Innovation Fund will be awarded to neighborhood organizations for specific projects that foster innovative responses to citywide challenges.

Department staff will work with neighborhood organizations on the allocation and implementation of investment funds and the integration of these activities with other City resources and initiatives. Department staff also will work with neighborhood organizations on the continued planning and implementation of their Phase I and Phase II NRP activities.

Department staff also will work with neighborhood organizations on developing an understanding of the City-identified priorities for the grants to be allocated through the Innovation Fund and facilitate connections with other community-based organizations interested in developing collaborative responses to these priority issues.

- **A Strengthened Link:** An original goal of the City's neighborhood program was to assure that neighborhood perspectives were appropriately reflected in the broad resource allocation decisions of the City. Still an important goal, it is hoped that a new structure can strengthen the link between neighborhoods and City departments, and simultaneously get us closer to this goal.

The Coordinator's Department provides planning and management support and services throughout the City enterprise, including the coordination of departmental business planning and oversight of performance goals. With strong leadership expectations regarding strengthened relationships with residents and neighborhoods, there will be every opportunity to not only formalize the expression of departmental work and plans with neighborhoods, but a mechanism is already in place for monitoring progress and working toward meaningful performance in this area.

- **Block Clubs:** Block clubs are an essential civic building block of neighborhoods. Department staff, in cooperation with community crime prevention, will promote more collaboration and improved communication between community organizations and block clubs where their respective goals in community participation align.

### **Access and Outreach**

The City's "One Minneapolis" goal prescribes "equal access, equal opportunity, and equal input" for all residents of the City. These aspirations have been important throughout the City's history and development, but become even more pertinent as we experience rapidly changing demographics and welcome a growing population of new and diverse residents every day. The City will remain strong if our residents are engaged in civic life and understand fully the opportunities for community involvement.

To close race and class gaps and assure that City services are understood, obtainable and equitable, this department will focus on addressing and removing all barriers to full civic participation and meaningful engagement. In the recent past, the City has made substantial

headway in assuring that all language barriers are removed through a comprehensive approach on limited English proficiency planning and implementation. In addition, the City is known as accessible to those with physical disabilities. That said, the coordination and communication effort to assure all barriers are removed can be renewed and re-energized through an effort by this new department.

Finally, multicultural barriers exist today that did not twenty years ago. Because of our strong belief that all benefit from a population who understands civic responsibility and the value of contributing to community strength, it is important to look anew at ways to bridge cultural differences and embrace new definitions of what real community means.

- **Multicultural Services & Outreach:** The department will strengthen the ability of diverse cultural communities to participate fully in the civic and economic life of our community through sustainable outreach strategies, coordination with other governmental jurisdictions and their services, and education about community-based programs aimed at increasing the self sufficiency of minority and immigrant groups.
- **Limited English Proficiency (LEP) Plan Implementation & Interpretation Services:** Current interpretation and translation activities will continue while the department pursues the integration of this work into all City departments. Department staff will finish the implementation of departmental LEP plans focused on the removal of language barriers.
- **Americans with Disabilities Act (ADA) Compliance:** The department will provide a point of contact and communication for people with disabilities. Department staff will serve as a supportive link to all City departments in removing all barriers to employment, movement throughout the City, and full and complete participation and compliance with federally-prescribed mandates. The department will work closely with the City's Commission on People with Disabilities to address concerns and seize opportunities for change and improvement in our environment.
- **Welcoming & Orienting New Residents:** The City has experienced extraordinary growth in the past ten years. Downtown population has soared and the number of residents arriving from foreign countries has exploded. There is an expectation of community responsibility that is unique from many parts of the country or world, and the City should not be timid about providing good information regarding civic opportunities for participation and contribution. From education about the services offered by Minneapolis 311 to an invitation for participation in neighborhood organizations or block clubs to assistance with library services or access to technology, proactively welcoming new residents will go a long way to assuring community strength and vitality.

### **Community Participation and Engagement**

Community participation and engagement serve to strengthen Minneapolis. The City's formal adoption of core principles for community engagement reflects the shared beliefs of the Mayor and City Council on how the City should engage the community and how the community can participate in the City's decision-making process. The principles serve as a guide for community engagement and establish a foundation for expectations that the Mayor and City Council hold of City staff, department leadership and elected officials.

- **Right to be involved** – Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
- **Contribution will be thoughtfully considered** - Public participation includes the promise that the public's contribution will be thoughtfully considered.

- **Recognize the needs of all** - Public participation promotes sustainable decisions by recognizing and communicating the needs and interests of all participants, including decision-makers.
- **Seek out involvement** - Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
- **Participants design participation** - Public participation seeks input from participants in designing how they participate.
- **Adequate information** - Public participation provides residents with the information they need to participate in a meaningful way.
- **Known effect of participation** - Public participation communicates to participants how their input affected the decision.

Not only do these principles help to capture the viewpoints and concerns of those who are potentially affected, they also foster communities that are involved in the business of government and should lead to more sustainable policies, programs and services which take into account diverse community needs and views.

- **Connection to Neighborhood & Community Organizations:** All City officials and departments will continue to have multiple points of contact with neighborhoods and community organizations. That said, there is room for better coordination of multi-department efforts, support for resident initiatives, and assistance to external stakeholders who are experiencing a breakdown in meaningful engagement activities.

This department will not only organize the breadth of information about neighborhood and community partners, but also help inform people of the various avenues and resources available for participation and serve to troubleshoot when conflicts or problems arise.

- **Boards & Commissions – Mission-Driven, Well-Oriented, Quality Public Service:** The City utilizes the volunteer efforts of hundreds of residents who serve on more than fifty advisory boards and commissions. These board and commissions represent the key core of community engagement activity, especially in regard to City actions and decision-making. Residents should have good information about service opportunities and be well-oriented once selected to serve. In addition, the missions of our boards and commissions should be clear and relevant to the City's need for meaningful input. Finally, staff that supports this component of community engagement should be trained and supported in their efforts.
- **Civic Participation Academy:** In cooperation with the Clerk's division on elections and all departments of the City, Minneapolis should do more to educate those interested in the activities of a municipal corporation, the partnership goals we have with City residents, the expectations of civic responsibility, and the opportunities available for community participation.
- **City Staff Education & Training:** Coordinator departments provide assistance to all City departments in the key areas of business planning & performance management, finance, personnel, technology, intergovernmental relations and more. In addition, Coordinator staff serves as consultants around enterprise initiatives such as sustainability, community engagement, enterprise information management and others as needed. It will be valuable to have a team of staff who can be helpful throughout our organization on matters of meaningful resident connection and communication.

## Services to the City

The department will serve as a resource to all City departments on the incorporation into their work of community participation practices.

- **Data & Information Management:** The department will keep comprehensive and updated database and contact information about all neighborhood and community organizations for use by all City departments. Department staff will work to establish systems for use of communications tools.
- **Two-Way Communications:** Department staff will research and identify tangible ways to communicate to residents and expand opportunities for the City to hear from Minneapolis residents. The department will work to address the “feedback loop” that is desired by those who provide input and is frequently missing after decisions get made.
- **Accountability and Performance Measures:** The department will establish measurement and evaluation tools for use by all City departments related to community participation. The department will offer a forum through which City departments can share lessons learned from community engagement activities.

As with all City departments, a strong set of outcome measures will be established against which progress will be measured. Department leadership will appear at *Results Minneapolis* progress conferences to discuss trends, progress on goals, and departmental programs and practices that are producing the greatest results or determine and eliminate problems getting in the way.

- **Staff Collectives and Coordination Teams:** Staff teams from across the enterprise should be organized to support the achievement of neighborhood development, board and commission vitality, accessibility goals, and specific initiatives related to community connectedness.
- **Training and Resources:** Department staff will aid in the planning and implementation of community participation activities and enhance the community engagement skill sets by coordinating training sessions, cross-departmental collaboration, up-to-date contact information and meeting resources.
- **Analysis of Community Participation Practices:** The Department will conduct ongoing analyses of City processes to foster dynamic community participation practices that are responsive to the changing needs and interests of the City, residents, and business owners. Some examples include:
  - Increasing two-way integration of neighborhood and City goals, priorities, plans, programs, projects and activities.
  - Supporting City departments and staff to adapt practices that involve residents early in projects through communication about upcoming projects and identifying ways in which resident input can be solicited and incorporated into the planning processes of upcoming projects.

## RECOMMENDATION REGARDING CERTIFICATION AND ALLOCATION OF RESOURCES ALLOWED BY SPECIAL LEGISLATION OF THE STATE LEGISLATURE

### **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 finance (TIF) district. If established, this district will be comprised of properties commonly know as "pre-1979" TIF districts, which are scheduled to end in 2009. The earliest year the tax increment revenue can be realized is in 2011. Without further action by the City, the current districts will go back into the tax base during 2009 and stay in the tax base in 2010, increasing the overall size of the tax base, resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the district may be expended only 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 states that the certification of the district does not impact the City's "property wealth" factors in the Local Government Aid program. Under the current formula, a major drop in the City's LGA will occur in 2011, whether or not the City uses the special legislation, with most of the impact anticipated in the general fund.

**Overall Recommended Funding from the District**

Consistent with the recommendations in the "Framework for the Future" from the Neighborhood Revitalization Program (NRP) Work Group, the Mayor recommended certification of a redevelopment tax increment finance district to pay principal and interest on Target Center bonds and to fund neighborhood revitalization programs and administration. Further, the Mayor recommended establishment of this new City department in the Coordinator's group, with transition funding allocated.

The Mayor's recommendation was to certify districts so that \$18 million dollars is generated in 2011, the earliest year allowed under the special legislation. The Mayor's recommendation would have allocated these funds as follows:

Target Center principal and interest	\$10 million
Neighborhood Investment & Community Innovation Funds (Neighborhood operations, department of Neighborhood and Community Relations)	\$ 8 million
<hr/>	
Total	\$18 million

This recommendation would lead to certifying about 75% tax capacity of the district. Under this recommendation, preliminary estimates show residential taxpayers would have seen a reduction in their tax bills from \$17 to \$87 annually, depending on the value of the home. If none of the districts were certified, residential taxpayers would see a reduction in their tax bills from \$61 to \$307 annually. The district would have lasted for ten years (through 2020).

**Financial recommendation for Target Center principal and interest**

The current Target Center financial plan (before the 2008 State legislation) is not structurally balanced. In addition to \$61.3 million in fixed rate debt at an interest rate higher than the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.7 million annually) and capital refurbishment of the arena (\$2-3 million annually).

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.
- *Minnesota Amateur Sports Commission* - \$750,000 in 2009 only
- *Tax Increment* from the Common Project – around \$5 million annually through 2013. 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 amounts could be used to reduce financial pressures in the general fund or the parking fund.

The Mayor's recommendation funded the principal and interest payments for the Target Center financial plan at \$10 million each year. This recommendation provided the opportunity to redirect resources to the unfunded capital and operating needs. The Finance Department prepared an updated finance plan for the arena based upon this recommendation.

***Financial recommendation for neighborhood operations and programming***

The Mayor's recommendation specified \$8 million per year for neighborhood programming. In addition, the recommendation included funding for neighborhood operations. In the current neighborhood revitalization program, neighborhood groups identify administrative funding from within the overall program funding. This recommendation demonstrated support for a long-term funding source for neighborhood groups tied to the length of the new program as defined in State law. Neighborhood groups may decide to reallocate administrative funding to programmatic funding as needed. The following is the summary of this recommendation:

**Neighborhood and Community Relations Proposed Sources and Uses (in thousands)**

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b><u>Sources</u></b>						
CDBG	428	420	416	185	182	179
NRP central admin funds - admin set aside	1,250	1,250	350	0	0	0
Property Tax (including revenue from new district in 2011)	590	1,110	984	8,314	8,334	8,355
<b>Total Sources</b>	<b>2,268</b>	<b>2,780</b>	<b>1,750</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b><u>Uses</u></b>						
(1) Neighborhood Investment & Community Innovation Funds, neighborhood operations, and department of Neighborhood and Community Relations	0	500	1,100	7,905	7,905	7,905
(2) Existing Citizen Participation Program	333	328	328			
(3) Existing Homelessness Program	225	225	75	75	75	75
(4) Existing Multicultural Services	380	392	407	424	441	459
(5) Existing NRP - Central Administration	1,250	1,250	350	0	0	0
(6) Existing City Community Engagement	80	85	90	95	95	95
<b>Total Uses</b>	<b>2,268</b>	<b>2,780</b>	<b>2,350</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Difference</b>	<b>0</b>	<b>0</b>	<b>-600</b>	<b>0</b>	<b>0</b>	<b>0</b>

**The Council modified this recommendation by promulgating the following instructions:**

The Council directed Finance staff to prepare and return to the Council with a proposed tax increment finance plan to establish a redevelopment tax increment financing district, as provided under Laws of Minnesota 2008, Chapter 366, Article 5, Section 37. The plan will be circulated for public review and comment, consistent with State statutes and City ordinances, and submitted to the Council for consideration no later than July 31, 2009. The plan should consider the following financial parameters:

- A. annually provide after the administrative costs of the district:
  - i. At least \$10 million to retire Target Center debt;
  - ii. No more than \$14 million to be allocated as follows:
    - 1. \$2 million, if needed, to further expedite Target Center debt payment;
    - 2. \$8.5 million for general neighborhood revitalization purposes;
    - 3. \$3.5 million for neighborhood commercial community revitalization;
    - 4. Each of these three items would be proportionally reduced should their available revenues be less than \$14 million. If this proportionate reduction occurs, the dollars for general neighborhood revitalization purposes (item #2 above) shall be allocated as follows:
      - a) Full funding for Basic Citizen Participation Services, as defined by the Neighborhood Community Engagement Commission, up to \$3 million.
      - b) All other uses under general neighborhood revitalization purposes would be proportionately reduced."
  - iii. Revenues received in excess of \$24 million can be applied to further expedite Target Center debt repayment, applied to the Neighborhood Investment Fund, or returned to the contributing tax jurisdictions.
- b. That parcels comprising up to 50% of the captured tax capacity of the district will be decertified and their captured tax capacity returned to the tax base when they are no longer needed for Target Center debt. The following chart details the plans for the department that the Council adopted.

**Neighborhood and Community Relations Proposed Sources and Uses (in thousands)**

	2008	2009 Adopted Budget	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	428	420	416	185	182	179
NRP central admin funds - admin set aside	1,670	1,428	350	0	0	0
Property Tax (including revenue from new district in 2011)	590	1,110	984	8,314	8,334	8,355
<b>Total Sources</b>	<b>2,688</b>	<b>2,958</b>	<b>1,750</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Uses</b>						
(1) Neighborhood Investment & Community Innovation Funds, neighborhood operations, and department of Neighborhood and Community Relations	0	298	1,100	7,905	7,905	7,905
(2) Existing Citizen Participation Program	333	328	328			
(3) Existing Homelessness Program	225	225	75	75	75	75
(4) Existing Multicultural Services	380	392	407	424	441	459
(5) Existing NRP - Central Administration	1,250	1,428	350	0	0	0
(6) Existing City Community Engagement	80	85	90	95	95	95
<b>Total Uses</b>	<b>2,268</b>	<b>2,756</b>	<b>2,350</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Difference</b>	<b>420</b>	<b>0</b>	<b>-600</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Detail of Program Recommendation

As outlined above, the adopted budget allocates \$8.5 million for general neighborhood revitalization purposes. Multiple funding sources and transition of functions require a more detailed break out.

#### (1) New Neighborhood Funding

Sources	2008	2009	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
		Council Adopted				
Property tax	0	297.5	1,100	7,905	7,905	7,905
<b>Total</b>	<b>0</b>	<b>297.5</b>	<b>1,100</b>	<b>7,905</b>	<b>7,905</b>	<b>7,905</b>

This amount is dedicated to Neighborhood Investment and Community Innovation Funds, general neighborhood operations and the department of Neighborhood and Community Relations. As the program moves forward, neighborhood groups could move funding between operations and increase program funding.

Centralized administration begins its transition in 2009. The Council-Adopted budget establishes the Neighborhood and Community Relations Department. Transition funding is included for an Assistant City Coordinator and project management; NRP central administration funding drops to available levels. Transition resources (\$600,000) will need to be identified in 2010 to fund NCR as responsibilities between the two central administrative offices evolve. In 2011, these central administrative functions are funded by the new district revenues.

#### (2) Existing Neighborhood Group Citizen Participation Program: Recommended Sources

Sources	2008	2009	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
		Council Adopted				
CDBG	233	228	228			
Property tax	100	100	100			
<b>Total</b>	<b>333</b>	<b>328</b>	<b>328</b>	<b>0</b>	<b>0</b>	<b>0</b>

The program's funding source changes to the new property tax revenue in 2011 and moves to the overall neighborhood program above. Existing funding from general fund property tax and CDBG are quite volatile. The aim with this switch is to program a sustainable funding source for neighborhood operations.

#### (3) Existing Homelessness Program: Recommended Sources

Sources	2008	2009	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
		Council Adopted				
CDBG - homelessness outreach coordinator	75	75	75	75	75	75
Property tax - homelessness outreach	150	150				
<b>Total</b>	<b>225</b>	<b>225</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>75</b>

The program's outreach funding has been funded from one-time resources, as the status of the general fund permits. The Coordinator position is partly paid by the City, partly paid by Hennepin County. The program is not changed with its move to NCR.

**(4) Existing Multicultural Services: Recommended Sources**

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	120	117	113	110	107	104
Property tax	260	275	294	314	334	355
<b>Total</b>	<b>380</b>	<b>392</b>	<b>407</b>	<b>424</b>	<b>441</b>	<b>459</b>

The program moves from the Civil Rights department to NCR. The funding sources will not change, although because CDBG is a declining resource, property tax resources are shown as making up for a 3% decline each year. The move of this program to NCR does not change the program's position allocation.

**(5) Existing centralized neighborhood administration: Recommended Sources**

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
NRP central admin funds - admin set aside	1,250	1,428	350			
<b>Total</b>	<b>1,250</b>	<b>1,428</b>	<b>350</b>	<b>0</b>	<b>0</b>	<b>0</b>

NRP central administration drops to available levels in 2010 and ceases in 2011.

**(6) Existing City community engagement funding**

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
Property tax	80	85	90	95	100	105
<b>Total</b>	<b>80</b>	<b>85</b>	<b>90</b>	<b>95</b>	<b>100</b>	<b>105</b>

The program's funding source changes to the new property tax revenue in 2011 from the general fund property tax. The aim with this switch is to promote transparency and consistency in the funding source for City administration.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2009 expenditure budget for NCR is \$1 million, with contractual services accounting for 38%, and personnel expenses accounting for 62%. (The City's payments to neighborhood operations are classified as contractual services.) The department is supported by the general fund at 81%, and special revenue fund at 19%.

**REVENUE**

This department does not generate revenue.

## ORIGINAL BUDGET

The Mayor's recommended budget established this department. Transition funding is included for an assistant City Coordinator, transition management, and funding for neighborhoods whose administrative funding has been depleted (\$500,000). This funding level continues in 2010, with future year's allocations to be determined with overall neighborhood funding considerations. One-time funding is included for homeless outreach at \$150,000.

The Council modified the Mayor's recommendation as follows:

The Council directed Finance staff to prepare and return to the Council with a proposed tax increment finance plan to establish a redevelopment tax increment financing district, as provided under Laws of Minnesota 2008, Chapter 366, Article 5, Section 37. The plan will be circulated for public review and comment, consistent with State statutes and City ordinances, and submitted to the Council for consideration no later than July 31, 2009. The plan should consider the following financial parameters:

A. Annually provide after the administrative costs of the district:

- i. At least \$10 million to retire Target Center debt;
- ii. No more than \$14 million to be allocated as follows:
  1. \$2 million, if needed, to further expedite Target Center debt payment;
  2. \$8.5 million for general neighborhood revitalization purposes;
  3. \$3.5 million for neighborhood commercial community revitalization;
  4. Each of these three items would be proportionally reduced should their available revenues be less than \$14 million. If this proportionate reduction occurs, the dollars for general neighborhood revitalization purposes (item #2 above) shall be allocated as follows:
    - a) Full funding for Basic Citizen Participation Services, as defined by the Neighborhood Community Engagement Commission, up to \$3 million.
    - b) All other uses under general neighborhood revitalization purposes would be proportionately reduced."
- iii. Revenues received in excess of \$24 million can be applied to further expedite Target Center debt repayment, applied to the Neighborhood Investment Fund, or returned to the contributing tax jurisdictions.

B. That parcels comprising up to 50% of the captured tax capacity of the district will be decertified and their captured tax capacity returned to the tax base when they are no longer needed for Target Center debt. The following chart details the plans for the department that the Council adopted.

The Council also reallocated \$202,500 originally allocated for neighborhood administrative shortfalls.

## MAYOR'S REVISED BUDGET

The Mayor recommended no reduction to NCR.

## COUNCIL REVISED BUDGET

Council concurs with this recommendation.

The Council directs Finance staff to explore sources of non-General Fund dollars for community crime prevention efforts including CDBG. The Neighborhood and Community Relations Department is directed to work with the Minneapolis Police Department and in consultation with the Neighborhood and Community Engagement Commission to explore different models for neighborhood funding and oversight of community crime prevention staff. Finance will report to Public Safety and Regulatory Services and Ways and Means/Budget committees by August 1, 2009.

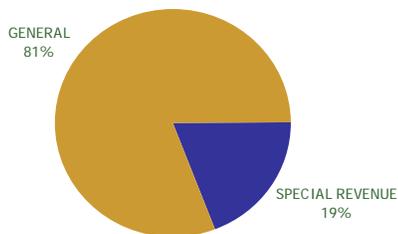
**RESULTS IMPLICATIONS**

This department is new and therefore does not yet have *Results Minneapolis* measures yet.

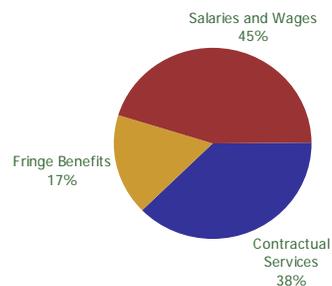
**NEIGHBORHOOD AND COMMUNITY RELATIONS  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	0	0	0	261,781	0.0%	261,781
Fringe Benefits	0	0	0	170,451	0.0%	170,451
Contractual Services	0	0	0	376,053	0.0%	376,053
<b>TOTAL GENERAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>808,285</b>	<b>0.0%</b>	<b>808,285</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	0	0	0	192,000	0.0%	192,000
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>192,000</b>	<b>0.0%</b>	<b>192,000</b>
<b>TOTAL EXPENSE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000,285</b>	<b>0.0%</b>	<b>1,000,285</b>

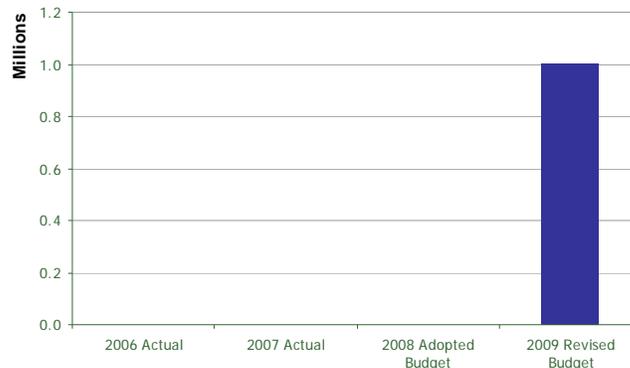
Expense by Fund



Expense by Category



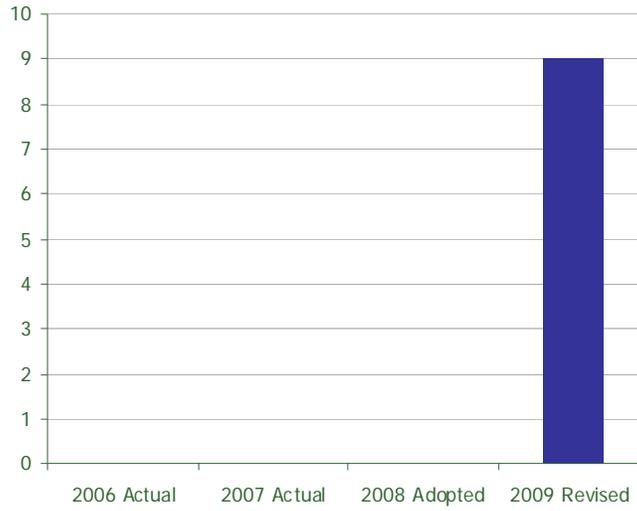
Expense 2006 - 2009



**NEIGHBORHOOD AND COMMUNITY RELATIONS**  
**Staffing Information**

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
NCR				9		
<b>TOTAL</b>				<b>9</b>		

**Positions 2006-2009**





## REGULATORY SERVICES AND EMERGENCY PREPAREDNESS

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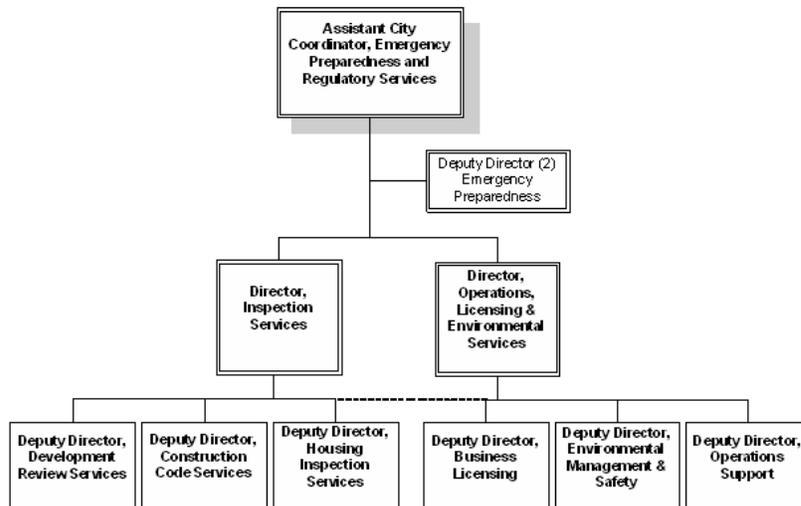
### MISSION

To ensure the safety, health, and livability of our community through information, education, regulation, and enforcement of applicable laws and regulations.

### BUSINESS LINES

- **Inspections Services:** Deals with structure planning and implementation and consists of the following service activities:
  - **Minneapolis Development Review**
  - **Construction Code Services**
  - **Housing Inspection Services**
- **Operations, Licensing & Environmental:** Deals with services, behaviors and activities, and consists of the following service activities:
  - **Business Licensing Services**
  - **Environmental Management & Safety**
  - **Operations Support**
- **Emergency Preparedness (EP):** 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.

### ORGANIZATION CHART



<b>FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES</b>		
<b>City Goal and Strategies</b>	<b>Department Goal</b>	<b>Objective</b>
Connected Communities- Customer-Focused, Outcome- Based, Performance-Driven Development Services	Customer Focused Services	Effective, efficient Development Review
Connected Communities- Customer-Focused, Outcome- Based, Performance-Driven Development Services	Customer Focused Services	Partner with Minneapolis 311 to provide more efficient call response for customers
Connected Communities	Customer Focused Service	Standardize Community Engagement efforts to City model
One Minneapolis – Equitable City Services	Customer Focused Service	Establish staffing models for service (internal department focus)
Connected Communities	Efficient, Effective Delivery of Services	Maximize use of technology (internal department focus)
One Minneapolis – Equitable City Services	Customer Focused Service	Establish staffing models for service (internal department focus)
Connected Communities	Efficient, Effective Delivery of Services	Maximize use of technology (internal department focus)
A Safe Place to Call Home – Crime Reduction and Lifecycle Housing Throughout the City	Efficient, Effective Delivery of Services	Streamline regulatory processes and regulatory requirements in Code of Ordinances
One Minneapolis - Close Race & Class Gaps	Efficient, Effective Delivery of Services	Hire to meet multilingual needs (Limited English Proficiency planning (internal department focus)
A Safe Place to Call Home	Efficient, Effective Delivery of Services	Reduce number of accidents caused by employees (internal focus)
One Minneapolis – Close Race & Class Gaps	Safe and Productive Work Environment	Develop and maintain a highly qualified, diverse workforce (internal department focus)
A Safe Place to Call Home – Community Policing, Accountability & Partnership	Safe Businesses and Consumer Safety	Commercial rental licenses and general retail licenses
A Safe Place to Call Home	Housing, Health and Safety	Conversion rental license inspections
A Safe Place to Call Home and A Premier Destination	Customer Focused Service and Safe Businesses and Consumer Safety	Focused Enforcement / Chronic Offenders
A Safe Place to Call Home and Premier Destination	Safe Businesses and Consumer Safety	Commercial Building Program
A Safe Place to Call Home and Premier Destination	Safe Businesses and Consumer Safety	Retail Business License
A Safe Place to Call Home	Customer Focused Service	Pet Licensing
A Safe Place to Call Home and Premier Destination	Safe Businesses and Consumer Safety	Annual Elevator Inspection Program

**RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE**

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 YTD	2008 Target	2011 Target
Annual Police Calls for Service at Top 15 Problem Grocery Stores	1,929	2,530	1,856	303	56	175	100
Average Days to Process Liquor Licenses	N/A	N/A	68	42	37	40	36
Reported Animal Bites	N/A	481	407	453	150		
Destruct Orders	N/A	3	1	59	13		
Number of Lead Poisoned Children (EBL>10)	172	206	215	166	37	125	50
Customer Satisfaction Rate with MDR	68%	N/A	N/A	91%	94%	90%	90%
Average Days to Route Formal Plans (MDR)	27	37	19	11	8	<10	<10
Percent of Permits Processed via the Citywide Web	7%	13%	15%	15%	17%	17%	25%
Citywide Valuation of Building Permits	\$945 M	\$855M	\$840M	\$761M	\$278M		
PSRS Decisions & Directors Orders	18	33	57	65	19	60	
Number of Minneapolis Foreclosures	N/A	863	1,610	2,895	813		
Number of Buildings Registered as Vacant	286	258	481	770	883		
PPU Calls for Service 12 Months Prior to 12 Months After PPU Intervention *	N/A	N/A	75%	60%	60%	60%	80%
Number of Housing Inspections	N/A	60,523	105,334	105,655	18,110	100,000	100,000
Rental Properties Inspected	N/A	7,377	8,320	7,541	2,469	7,600	8,000
Rental Properties Violations Written	N/A	32,175	31,463	28,948	7,464	30,000	30,000
Rental License Revocations	2	1	32	69	62	75	50
% of 311 Animal Control Requests Responded to Within SLA	N/A	N/A	N/A	90%	84%	90%**	90%**
% of 311 Exterior Nuisance Complaints Responded within SLA	N/A	N/A	N/A	87%	70%	90%**	90%**
% of 311 Residential Condition Complaints Responded within SLA	N/A	N/A	N/A	96%	88%	90%**	90%**

\* Snapshot in time that somewhat reflects average percent reduction in call-for-service. Volatility in the trend lines has to do with the type of properties on the list at the point-in-time. For example, if the department takes on an owner and only ½ of his/her properties have police calls; the average calls-for-service will be lower. Conversely, with low calls-for-service across the board, a small increase in one property will register as a large jump on the chart.

\*\* The projections for 2008 and for 2011 reflect our anticipated revision of some service level response times shortening the response time for residential condition complaints and re-prioritizing response in animal control.

**What 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 CPED to strategize on new efforts to minimize the negative impact. The department is currently developing a plan to facilitate rehabilitation and resale of the properties that are salvageable. (Hennepin County is also a partner in this program.) Funding for demolitions must be available for those houses that cannot be rehabilitated.

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. The department is also developing a number of programs and system improvements to increase inspectors and administrative staff through processes that will not take us off the five-year financial plan.

- **Fleet and Technology:** The department has been replacing older fleet vehicles within existing resources – this plan is working effectively and the department anticipates no changes to our fleet plan.
  - *Technology is an ongoing challenge, with the land management system (KIVA).* Regulatory Services has begun discussions and preliminary analysis with BIS on the strategy for replacement of the current KIVA application. 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.
  - *Fleet – Regulatory Services is transitioning into a green fleet.* 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 air the department breathe. Some examples are E85 flexible fuel vehicles and hybrid gas-electric vehicles. By the end of 2008, the department will have reduced the fleet by 27 vehicles that were not utilized to capacity, and have a fleet that includes 40 “green” vehicles (34% of fleet). For 2009, the department plan to purchase fleet replacements that are “green” whenever feasible.
- **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. Additionally, the following two items are proposed as sustainability efforts.

**Green Permit Fee Waiver**

Item	Positions	Revenue	Expense	Fund
Green Permit Fee Waiver	0.0	(\$100,000)	\$0	00100

Regulatory Services proposes permit fees for single-family solar projects be waived on the front end. The waived permit fees from Regulatory Services would reduce expected revenue, with an initial annual cap of \$100,000. This will encourage individual development of sustainable energy sources and contribute to the City’s efforts that sustainability and responsible environmental stewardship permeate every layer of the City organization. Customers will still need to pull permits and follow the applicable codes.

**Green Building**

Item	Positions	Revenue	Expense*	Fund
Green Building	1.0	\$0	\$137,000	00100

*\* Includes allocations for space, fleet, technology, etc.*

Regulatory Services has created a multi-disciplinary Green Building Work Team to facilitate the development and implementation of green building policies and practices. One staff person has been temporarily reassigned from other duties as an unpermitted work inspector to work on this initiative. This temporary reassignment has resulted in the successful rollout of the City’s green building website, the creation of multiple green building documents, and the incorporation of green building design into the City’s development review processes.

However, this reassignment has resulted in a reduced level of proactive enforcement of unpermitted work violations. The creation of a Green Building Coordinator to continue the work of this committee would ensure that Minneapolis is a national leader in the development of green building policies and practices.

***What changes to the ordinances are needed to improve services and/or reduce cost?***

**Ordinance Revision Initiative**

This project to update and simplify regulatory ordinances was authorized by Council in July of 2005 as part of a 5-year initiative. The project is on track with approximately 57% of ordinance changes made.

This project has evolved over time and is, in reality, an ongoing project, rather than a one-time initiative. One reason for that is many unanticipated ordinance changes not on the original list have become priorities and been added to the list. Examples include the recent place of entertainment changes for restaurants and the alcohol versus food sales percentage for some licensees. Another reason is that some serious issues have been addressed more than once, as needs arise, such as dangerous animal declarations and vacant and boarded buildings.

These additional changes keep the City flexible, competitive and more effective in dealing with today's issues.

Major changes have been accomplished:

- Administrative issuance of business licenses
- Air quality and abrasive blasting regulation
- Hazardous materials regulation
- Modifications for animal control regulations and dangerous animals
- Taxicab license issuance and reciprocity
- Rental license revision in the areas of heat, ventilation, pest extermination and carbon monoxide alarms
- Vacant and boarded building processing and fees

Major reviews are in process for the Liquor Code and the Building Code chapters of ordinance.

The department anticipates that some planned ordinance revisions will carry over into 2011, because of the accommodations made for emergent issues each year.

**Fee Indexing**

Revisions for ordinances providing for permit and license fees to allow for an administrative increase of 3% per year would allow the department to stay in compliance with budget direction. An alternative approach would be to allow for 3% or a specified consumer indexing tool (i.e., CPI), whichever is higher. This would avoid the risk of the department falling behind when the consumer indexing tool falls below 3%. License fees are not currently indexed, so they are brought to the City Council annually to request an increase to the rates.

**New Initiatives**

- **Focused Enforcement/Chronic Offenders**

Type of Staff	Revenue*	Expense**	Business Licenses	Problem Properties Unit	Total Staff
Inspector	\$1,300,000	\$1,096,000	2.0 positions	6.0 positions	8.0 positions

\* Revenues and expenses are already included in revolving fund estimates.

\*\* Includes allocations for fleet, technology, space, benefits, supplies, etc.

Regulatory Service is in the process of expanding its focus on “chronic offenders” in all divisions of the department, similar to the program developed to deal with license holders of problem grocery stores. The focusing of resources on chronic offenders puts pressure on Regulatory Services’ delivery of service to its remaining partners and performance of more routine tasks. As the department continues to expand its focused approach on a smaller number of chronic users of City resources, additional staffing is needed for such focuses to be sustainable for the long term. In particular, the department currently needs an adequate staffing model for the Problem Properties Unit and in Licenses for dealing with problem properties and businesses.

The Problem Properties Unit has a greatly increased workload due to the foreclosure crisis, with a sharp upswing in the number of vacant and boarded properties. The Licenses division also needs to focus resources on the problem businesses that continue to create issues for their communities. In addition, the department proposes creating a problem

property and businesses team. The team will regularly meet to form enforcement strategies for specific problem businesses. The team will include the Problem Properties Unit, Police, and others.

- **Retail Business License**

Item	Positions	Revenue	Expense*	Fund
Retail Business License	1.0	\$137,000	\$137,000	01600

\* Includes allocations for fleet, technology, space, etc.

This issue was referred from City Council on June 15, 2007 to the Public Safety and Regulatory Services Committee to set a public hearing adding a new chapter entitled, "Retail Sales Establishments Not Otherwise Licensed," requiring licensure of general retail establishments not otherwise licensed. A small percentage of any given community are responsible for creating the majority of the problems faced by all. Problematic businesses are no exception to this rule.

The Division of Licenses and Consumer Services has most recently used a coordinated approach to dealing with problem grocery and convenience stores. The department is using targeted enforcement and monitoring techniques toward 36 of our 400 grocery stores through the Grocery Store Task Force. The division is also monitoring approximately 20 of 600 on- and off-sale liquor establishments that create livability or safety problems.

Unlike many other jurisdictions, Minneapolis does not have a general business license requirement where all businesses are required to obtain a business license. The division often finds that certain business types that are creating livability, consumer, or safety problems are not required to obtain a business license. Examples of these types of businesses include cell phone stores, t-shirt shops, hair and nail salons, new furniture stores and dollar stores. Without the threat of license revocation, the department has little enforcement influence with these business owners.

- **Pet Licensing**

Item	Positions	Revenue	Expense
Pet Licensing	1.0	\$150,000	\$150,000

Regulatory Services was given a staff directive at the Public Safety and Regulatory Services Committee on January 9, 2008 to request a position through the budget process for pet licensing. The following goals were identified:

- Increase the number of pets licensed in the City. Within 24 months of implementation of online licensing, double number of animals licensed from 9,000 in 2007 to 18,000.
- Establish a user-friendly pet licensing program – expanded pet licensing and web-based pet licensing.
- Engage partners to increase the number of pets licensed by providing pet owners with the ability to purchase license at their sites.

- Increase the level of understanding of Minneapolis residents of the requirements and benefits of pet licensing. Increase number of strays reunited with owner within 24 hours.
- Increase revenue generated from pet licensing fees. Within 24 months of implementation of online licensing, increase licensing revenue by \$150,000.

• **Annual Elevator Inspection Program – New Unfunded Mandate**

Item	Positions	Revenue	Expense	Fund
Annual Elevator Inspection	3.0	\$489,901	\$489,901*	00100

\* Includes cost allocations for vehicles, fleet, space, technology, etc.

With the adoption of the Minnesota State Building Code in 2007, there is a new requirement for municipalities to ensure a level of public safety through an annual inspection program designed to ensure safe, continuing operation of elevators.

After performing a survey of twelve municipalities, it was determined that in order to implement an effective program for annual elevator inspections, it would be necessary to hire an additional three FTEs. One of the challenges of implementation of such a program is the unique certification requirements for elevator inspectors in the Minnesota State Building Code. These requirements make it impossible to rely on inspectors with other areas of expertise to perform any part of the annual elevator inspection requirement. Clerical needs will be provided by existing staff. Another option would be to contract out this service. Contractors would need to follow the requirements of the State law, with one position to manage the contract.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

For 2009, the department’s budget is \$32.9 million, a 9.8% increase from the 2008 adopted budget. An additional four positions were added due to an increase in revenue from the Rental Licenses Inspection at Point of Conversion Program. The expense budget for Regulatory Services includes \$9.2 million in federal, CDBG and other grant fund expenditures, up \$2.2 million from 2008.

The budget for this department includes \$113,800 in property services charges based on the Council’s adoption and implementation of a City-wide rate for City Hall. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Regulatory Services is \$32.8 million, a 9.4% increase over the 2008 Adopted budget.

**REVENUE**

In 2009, the department anticipates \$34.0 million in revenue with licenses and permits accounting for 65% of the total, or \$21.9 million. Revenue from special assessments is budgeted to grow by 143%, to \$3.7 million, over the 2008 adopted budget.

**FUND ALLOCATION**



In 2009, 72% of the department's budget is to be derived from the general fund (\$23.7 million). The remaining budget comes from federal grants (15% or \$5 million) and other grants (13% or \$4.3 million).

#### ORIGINAL BUDGET

The Mayor's recommended budget includes a reduction to growth of \$130,000 to this department. A green building position is funded within the department's budget.

The Mayor recommended Fire and Regulatory Services departments report to the Ways and Means/Budget Committee no later than October 6, 2008 that includes the following:

- Centralized oversight of inspection activities within Regulatory Services, and
- The feasibility of expanding City inspections to commercial properties performed by the Fire Department, including a fee structure that would fully recover the cost of these activities.

Standard operating procedures should be developed by Regulatory Services for all types of inspections. The Council approved the Mayor's recommendation. Additionally, the Council increased funding to this department by \$25,000 on a one-time basis to contract spay and neuter services.

#### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$130,000. Additionally, the Mayor recommends funding the Step Up program at a minimum of the 2008 funding level with the purpose of exposing and encouraging young people to government careers.

#### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendations.

The Council directs Health to report back to Health, Energy and Environment and Ways and Means/Budget committees by May 15, 2009 regarding potential cost savings from closing the public health lab and shall also work with the Police Department, Regulatory Services and other departments to determine whether or not there would be any additional costs incurred by other departments. The committees shall move forward with a final recommendation to the City Council on closing the public health lab effective January 1, 2010.

The Council further directs BIS, Police, Public Works, and Regulatory Services to consolidate all the cellular plans, services, and minutes under the management of a single department. The departments are further directed to submit a plan to Ways and Means no later than July 13, 2009, including identifying the responsible department as well as any staff and/or funding transfers that would be needed. All actions must be completed by December 31, 2009 to ensure savings can be fully realized in 2010.

The Council further directs Public Works to decrease the revenue budget by \$850,000 to reflect removal of the street light fee implementation in 2009. Public Works is to decrease the proposed expenditure appropriation by \$850,000. To offset this \$850,000 reduction, the following one-time funding allocations are to be eliminated:

- CPED: \$100,000 for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112)
- Capital project: \$250,000 for the Hiawatha LRT Signal Improvements project (TR019)
- Attorney: \$75,000 for a youth prostitution prevention pilot program

- Regulatory Services: \$25,000 for contract spay and neuter services
- Public Works: \$400,000 for ballpark area pedestrian improvements

The budget for this department includes a reduction of BIS charges of \$76,900 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Regulatory Services is \$32.7 million, a 9% increase over the 2008 Adopted budget.

#### RESULTS IMPLICATIONS

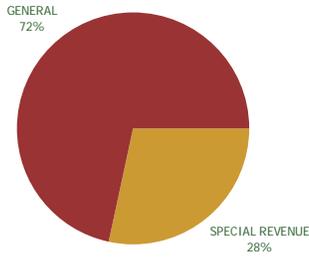
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

**REGULATORY SERVICES  
EXPENSE AND REVENUE INFORMATION**

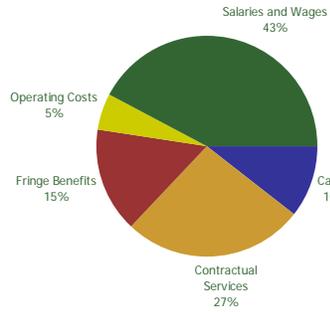
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	11,342,909	12,151,547	12,463,083	12,646,361	1.5%	183,278
Fringe Benefits	3,358,854	3,827,955	4,326,132	4,619,486	6.8%	293,354
Contractual Services	6,976,381	6,283,311	4,813,688	4,576,145	-4.9%	(237,543)
Operating Costs	832,157	1,282,112	1,179,362	1,418,286	20.3%	238,924
Capital	628,042	715,760	239,735	199,232	-16.9%	(40,503)
<b>TOTAL GENERAL</b>	<b>23,138,343</b>	<b>24,260,685</b>	<b>23,022,000</b>	<b>23,459,511</b>	<b>1.9%</b>	<b>437,511</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	210,495	279,543	621,845	1,168,046	87.8%	546,201
Fringe Benefits	53,327	70,080	175,873	417,501	137.4%	241,628
Contractual Services	1,680,311	2,065,935	3,490,035	4,117,547	18.0%	627,512
Operating Costs	193,364	331,605	318,095	327,002	2.8%	8,907
Capital	4,834	57,520	2,380,192	3,221,837	35.4%	841,645
<b>TOTAL SPECIAL REVENUE</b>	<b>2,142,331</b>	<b>2,804,683</b>	<b>6,986,040</b>	<b>9,251,934</b>	<b>32.4%</b>	<b>2,265,894</b>
<b>ENTERPRISE</b>						
Operating Costs	123,425	0	0	0	0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>123,425</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL EXPENSE</b>	<b>25,404,099</b>	<b>27,065,368</b>	<b>30,008,040</b>	<b>32,711,444</b>	<b>9.0%</b>	<b>2,703,404</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	21,166,246	21,088,247	22,267,098	21,328,872	-4.2%	(938,226)
Local Government	47,500	99,857	50,393	51,905	3.0%	1,512
Charges for Service	745,444	971,520	777,047	732,377	-5.7%	(44,670)
Charges for Sales	284	2,340	200	225	12.5%	25
Fines and Forfeits	272,691	455,527	354,320	469,047	32.4%	114,727
Special Assessments	1,197,142	2,319,732	0	1,500,000	0.0%	1,500,000
Contributions	583	735	0	0	0.0%	0
Other Misc Revenues	69,861	86,453	75,235	66,866	-11.1%	(8,369)
<b>TOTAL GENERAL</b>	<b>23,499,750</b>	<b>25,024,411</b>	<b>23,524,293</b>	<b>24,149,292</b>	<b>2.7%</b>	<b>624,999</b>
<b>SPECIAL REVENUE</b>						
License and Permits	0	0	85,000	584,800	588.0%	499,800
Federal Government	1,731,764	3,063,715	5,161,127	4,997,163	-3.2%	(163,964)
State Government	23,683	12,065	0	0	0.0%	0
Local Government	0	15,188	0	0	0.0%	0
Charges for Service	0	1,215	0	230,000	0.0%	230,000
Fines and Forfeits	0	0	0	10,000	0.0%	10,000
Special Assessments	0	0	1,540,000	3,974,400	158.1%	2,434,400
Contributions	0	21,103	0	21,000	0.0%	21,000
<b>TOTAL SPECIAL REVENUE</b>	<b>1,755,448</b>	<b>3,113,286</b>	<b>6,786,127</b>	<b>9,817,363</b>	<b>44.7%</b>	<b>3,031,236</b>
<b>TOTAL REVENUE</b>	<b>25,255,198</b>	<b>28,137,697</b>	<b>30,310,420</b>	<b>33,966,655</b>	<b>12.1%</b>	<b>3,656,235</b>

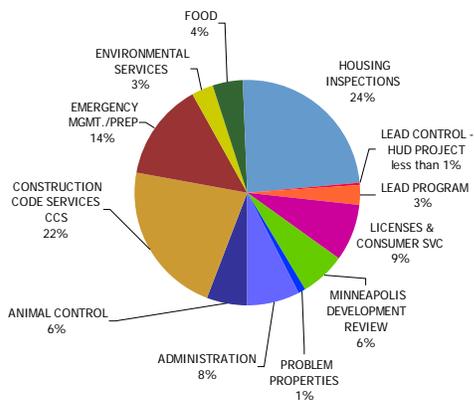
Expense by Fund, 2009 Revised Budget



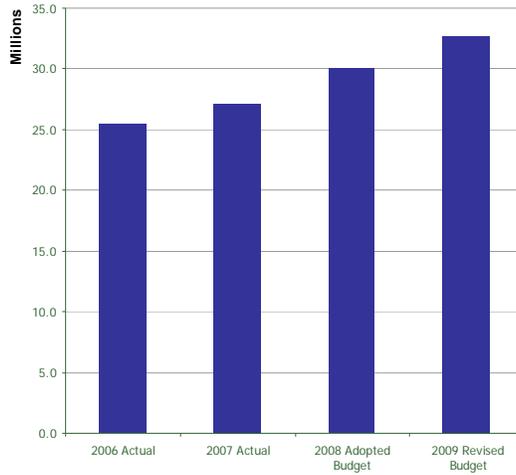
Expense by Category, 2009 Revised Budget



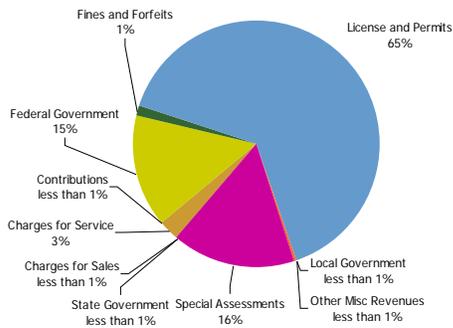
Expense by Division, 2009 Revised Budget



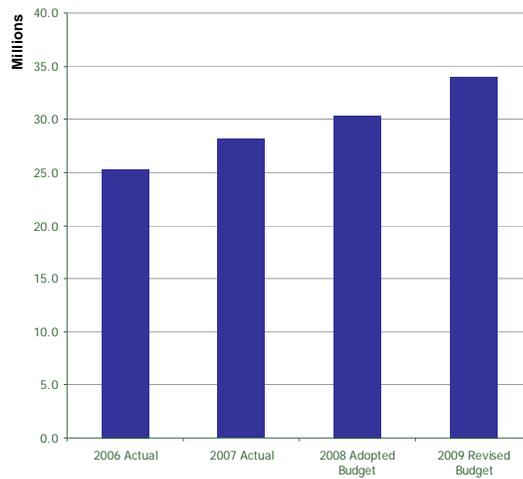
Expense 2006 - 2009



Direct Revenue by Type, 2009 Revised Budget



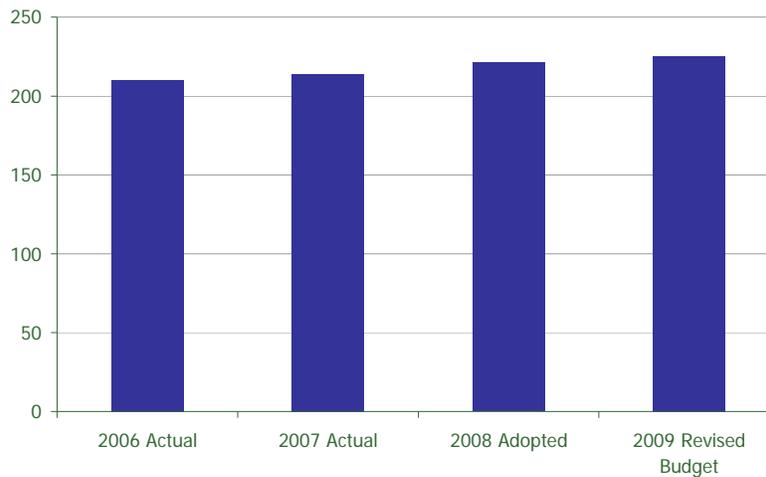
Revenue 2006 - 2009



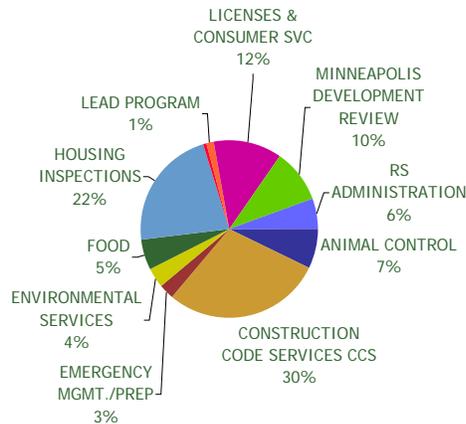
## REGULATORY SERVICES Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
ANIMAL CONTROL	21	20	20	16	-20.0%	(4)
CONSTRUCTION CODE SERVICES CCS	75	64	63	66	4.0%	3
EMERGENCY MGMT./PREP				6	100.0%	6
ENVIRONMENTAL SERVICES	9	10	10	8	-18.4%	(2)
FOOD	17	11	11	12	9.1%	1
HOUSING INSPECTIONS	37	44	36	50	40.0%	14
LEAD CONTROL - HUD PROJECT				1	100.0%	1
LEAD PROGRAM	3	6	7	3	-52.3%	(4)
LICENSES & CONSUMER SVC	21	24	27	28	3.7%	1
MINNEAPOLIS DEVELOPMENT REVIEW	15	23	23	22	-4.3%	(1)
PROBLEM PROPERTIES			7		-100.0%	(7)
RS ADMINISTRATION	12	12	17	13	-25.9%	(4)
<b>TOTAL</b>	<b>210</b>	<b>214</b>	<b>221</b>	<b>225</b>	<b>2.0%</b>	<b>4</b>

### Positions 2006-2009



### Positions by Division 2009 Revised Budget



## CIVIL RIGHTS

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### MISSION

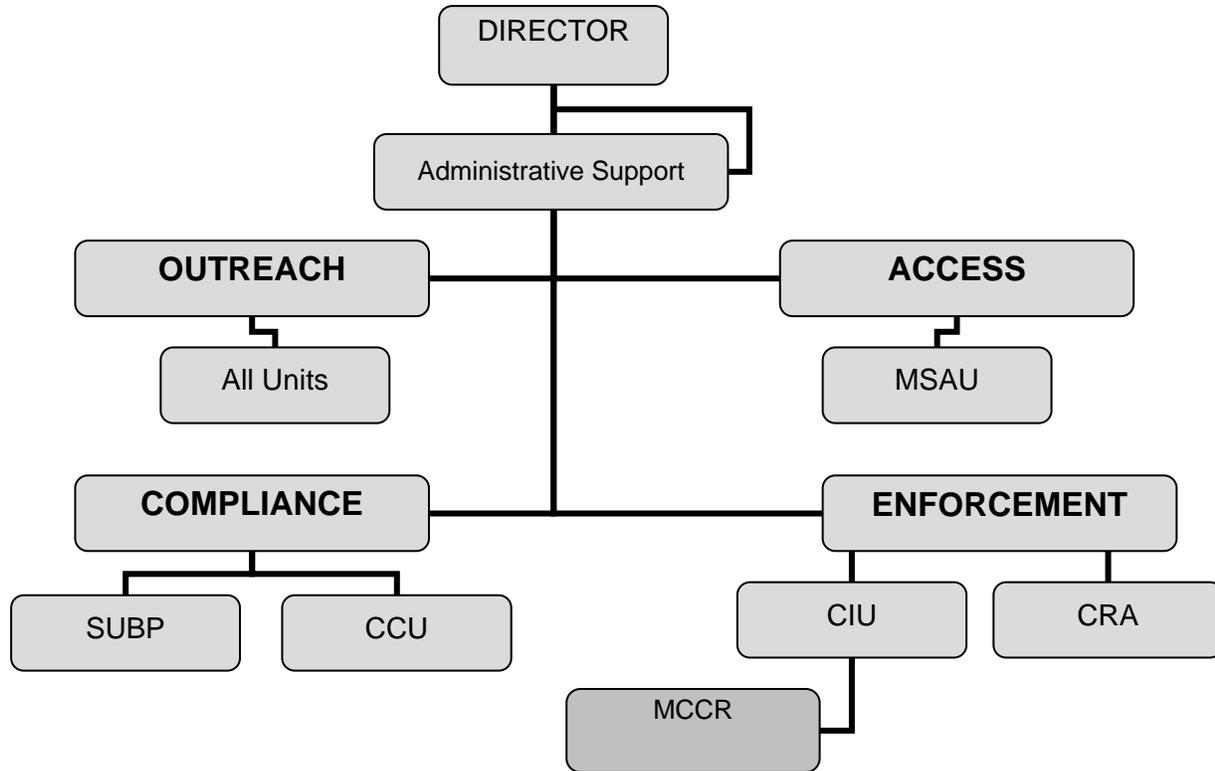
Through vigorous enforcement of the Federal, State and local civil rights laws, as well as education, mediation and conciliation, the Civil Rights strives to eliminate unlawful discriminatory practices, thus promoting the health, economic stability, access, welfare, peace, and safety of the community.

### 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 project goals for women and minority businesses in the awarding of 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 its work by: (1) initiating/investigating discrimination complaints; (2) reviewing complainant appeals of Director's "No Probable Cause" determinations; and (3) advising the Director and elected officials with respect to matters relating to the Commission's purpose.

**ORGANIZATION CHART**

**MINNEAPOLIS DEPARTMENT OF CIVIL RIGHTS  
BUSINESS LINE ORGANIZATION**



**FIVE – YEAR DEPARTMENTAL GOALS AND OBJECTIVES**

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	1b. Crime reduction: community policing, accountability & partnerships	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		
2 – One Minneapolis	2a. Close race and class gaps	Proactively support workforce diversity in the City by establishing and monitoring employment hiring goals in cooperation with the Human Resources Department and all other City Departments	1. Correct historical underutilization of women and minority owned businesses and under-employment of protected classes within the City

<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>						
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
<b>COMPLAINT INVESTIGATIONS UNIT</b>						
# of new complaints filed with CIU (including files transferred from the EEOC)	116	181	226	231	157	157
% of CIU cases resolved thru mediation/conciliation	18.7%	12.8%	17.8%	23%	25%	25%
Average CIU investigation completion time (days).	747	786	696	634	585	240
<b>CIVILIAN REVIEW AUTHORITY</b>						
# of new complaints filed with the CRA	128	85	89	75	100	80
Average time for completion of CRA investigations	255	292	252	202	192	141
% of cases resolved thru mediation	10%	4%	17%	9%	20%	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> 4.1%	<u>Female</u> 10%
			<u>Minority Skilled</u> 8%	<u>Minority Skilled</u> 11%	<u>Minority Skilled</u> 11%	<u>Minority Skilled</u> 15%
			<u>Minority Unskilled</u> 15%	<u>Minority Unskilled</u> 10.6%	<u>Minority Unskilled</u> 11%	<u>Minority Unskilled</u> 15%
# of women, small & minority business certified to do business w/ the City	590	674	674	708	775	N/A



<b>MULTICULTURAL SERVICES AND ACCESS UNIT</b>						
Interpreting/Translating Services	3469	3987	3946	3043	2542	2000
Access to City Services	323	1018	1169	1438	1758	2000
Outreach for City Services and other tasks.	52	59	100	196	300	300
<b>TOTAL</b>	<b>3844</b>	<b>5064</b>	<b>5215</b>	<b>46774</b>	<b>4600</b>	<b>4300</b>
<b>HOURS TOTAL</b>	-	-	<b>2467</b>	<b>3017</b>	-	-

***What key trends and challenges does your department face and how will they be addressed?***

**Challenge: Complainant Investigation Unit**

There are several challenges that face this Unit. The most significant are: (1) backlog of old complaints; (2) time required to investigate complaints that are filed; and (3) stability of the staff of complaint investigators.

The backlog situation continues to be troubling. 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.

The second challenge, relating to investigative timeframes, will be addressed by the application of a new intake and investigation methodology. This methodology is a result of the Business Process Improvement initiative. The new methodology was implemented on June 15, 2008. Additional improvements in effectiveness and efficiency will result in the implementation of the CAO's Practice Manager Database as the Unit's recordkeeping system. This system is tentatively planned to be implemented on August 1, 2008.

In regards to turn-over among the investigative staff, the department has implemented new hiring, management and training actions. Also, the more efficient methodology will improve staff morale and levels of job satisfaction.

**Challenge: Evaluation of the Contract Compliance Unit's Responsibilities, Workloads and Outcomes**

The MDCR commissioned an independent review of the Contract Compliance Unit's responsibilities, workloads and outcomes. The study was completed in May of 2007. As a result of the May 2007 analysis of the Contract Compliance Unit several new initiatives were implementing. 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.

Another major result of this activity is the purchase and implementation of a new computer based contract compliance monitoring system. This system is planning on going live August 1, 2008. It will result in significant increases in the efficiency and effectiveness of the Unit.

**Tend/Challenge: The number and size of contracts awarded to minority and women owned contractors remains small**

In 2007, the construction contracts awarded to minority and women owned businesses were as follows:

1. Total Contracts awarded – MBE = 4,796,041  
WBE = 10,022,449
2. % of total City expenditures – = 13%

The low level of performance has been the norm for decades. One of the results of this trend has been an increased demand from both elected officials and community residents to increase the participation of women and minority owned businesses. It is our expectation that several of the budget initiatives (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**

The City 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.

Not having a program places funding in jeopardy. Over the past couple of years, HUD has increasingly supported economic liability on recipients found in noncompliance. A new law was passed this year which would allow penalties up to ten (10) percent of the overall funding.

There has not been a Section 3 program administered by the City since the Heritage Park Project. It would appear that such a program and reporting requirement would fit best within the additional functions of Civil Rights. It would require that the department apply resources to develop a program which would certify, promote and monitor Section 3 employees and businesses. The department requests funding from CDBG or other resources to cover this need and fund one position (\$60,000).

**Challenge: Reducing the CRA process timeline**

The length of time to complete CRA investigations is important to the 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 of having open complaints against them. There are also implications for police administration in its own use of CRA findings to impose discipline on police officers.

**Challenge: Community Outreach Activities**

As the limited staff works to increase efficiency of CRA process, other aspects of the CRA ordinance are placed on hold. Specifically, this relates to the CRA outreach activities that are mandated by the City ordinance. The CRA is responsible for conducting a community outreach program, which has never been fully funded. This is a missed opportunity for the City to educate the community about policing and establishing additional community ties, which will ultimately assist with the public safety goal. As the City's only *independent* investigator of police misconduct allegations, the CRA has the ability to enter communities as a neutral observer and educator, which would allow the community to raise questions and receive answers regarding police actions.

**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 24 cases on its docket. A challenge in 2008 will be addressing the number of PC cases that are scheduled for a Public Hearing in 2008. There are nineteen (19) Probable Cause cases that will be scheduled for a Public Hearing. These hearings will stretch into 2009. This increase has resulted in concerns over resources. This concern 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 might explore the use of Administrative Law Judges to handle these cases, in addition to maximizing the attorney-commissioner positions with the Commission.

***What changes to the ordinance are needed to improve services and/or reduce cost?***

There are two areas where the 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. Section 166.16.

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.

Another potential cause for a change in the CRA Ordinance is the pending lawsuit initiated by the Minneapolis Police Federation ("the Federation). A decision in favor of the Federation will create a potential situation where an entity other than the CRA Board can override a CRA panel's sustained complaint. If this scenario occurs an ordinance change will be required.

A final 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.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

Civil Rights' 2009 budget of \$2.7 million is a 3.5% decrease from 2008.

### **REVENUE**

The department's revenue from EEOC (Equal Opportunities Employment Commission) work share agreement is projected in 2009 at \$54,000. This remains the same as 2008.

### **FUND ALLOCATION**

The department is funded by the general fund (87%) and CDBG funds (13%).

### **ORIGINAL BUDGET**

The Mayor recommended \$150,000 in one-time funding for a youth apprentice program, with a \$150,000 match from CPED. The Mayor also recommended the transfer of Multicultural Services to the Neighborhood and Community Relations Department. This includes a General Fund reduction of \$275,000 and CDBG reduction of \$117,000. The transfer will result in the transfer of six employees from Civil Rights to Neighborhood and Community Relations. The Mayor recommended \$90,000 in CDBG funding for federal monitoring and compliance and a reduction of \$10,000 to meet the five-year financial direction. The Council approved these recommendations.

### **MAYOR'S REVISED BUDGET**

The Mayor recommended a reduction of \$180,000.

The Mayor further recommended transferring the investigations function that continues to provide protections for Minneapolis residents from the City to the State effective January 1, 2010. The department should report back to the Health, Energy, and Environment Committee with a transition plan no later than June 1, 2009.

### **COUNCIL REVISED BUDGET**

The Council concurs with the Mayor's recommendations.

The Council directs staff to work with community stakeholders, including the commission on Civil Rights, Council members and the Mayor's office, to form a task force to analyze the performance of all business lines and make recommendations for budget reductions. This analysis shall include examination of the State Department of Human Rights' capability to handle all or part of the complaint investigations unit, and the service impacts to all business lines of a potential cut of \$300,000 (cumulative from 2009 and 2010) to the department's budget. The department is directed to report back to the Health, Energy, and Environment Committee with the task force recommendations no later than June 1, 2009.

The budget for this department includes a reduction of BIS charges of \$11,500 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Civil Rights is \$2,735,248, a 3.1% decrease from the 2008 Adopted budget.

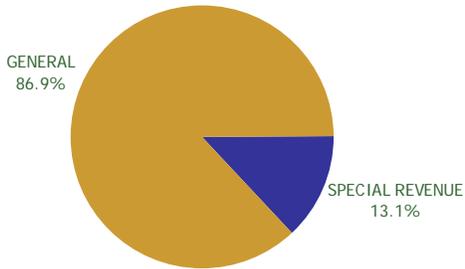
#### RESULTS IMPLICATIONS

The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

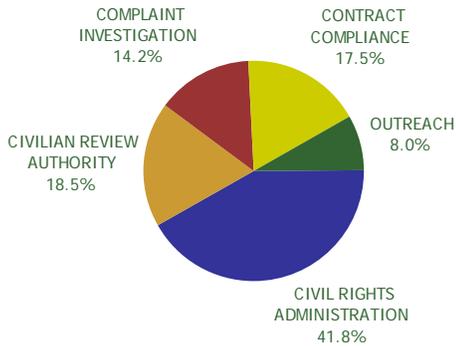
### CIVIL RIGHTS EXPENSE AND REVENUE INFORMATION

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	982,173	1,181,506	1,295,961	1,184,455	-8.6%	(111,506)
Fringe Benefits	236,916	310,161	423,680	425,635	0.5%	1,955
Contractual Services	673,983	584,969	532,635	488,685	-8.3%	(43,950)
Operating Costs	132,420	246,798	233,166	261,231	12.0%	28,065
Capital	0	0	6,558	6,742	2.8%	184
<b>TOTAL GENERAL</b>	<b>2,025,492</b>	<b>2,323,434</b>	<b>2,492,000</b>	<b>2,366,748</b>	<b>-5.0%</b>	<b>(125,252)</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	271,842	173,553	178,216	82,113	-53.9%	(96,103)
Fringe Benefits	76,797	51,717	54,532	30,764	-43.6%	(23,768)
Contractual Services	47,585	34,231	88,682	235,313	165.3%	146,631
Operating Costs	711	0	8,570	8,810	2.8%	240
<b>TOTAL SPECIAL REVENUE</b>	<b>396,935</b>	<b>259,501</b>	<b>330,000</b>	<b>357,000</b>	<b>8.2%</b>	<b>27,000</b>
<b>TOTAL EXPENSE</b>	<b>2,422,427</b>	<b>2,582,935</b>	<b>2,822,000</b>	<b>2,723,748</b>	<b>-3.5%</b>	<b>(98,252)</b>
<b>REVENUE</b>						
<b>GENERAL</b>						
Charges for Service	40,100	57	0	0	0.0%	0
Charges for Sales	0	35	0	0	0.0%	0
Other Misc Revenues	(1,100)	0	0	0	0.0%	0
<b>TOTAL GENERAL</b>	<b>39,000</b>	<b>92</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Federal Government	1,200	46,440	54,000	54,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>1,200</b>	<b>46,440</b>	<b>54,000</b>	<b>54,000</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>40,200</b>	<b>46,532</b>	<b>54,000</b>	<b>54,000</b>	<b>0.0%</b>	<b>0</b>

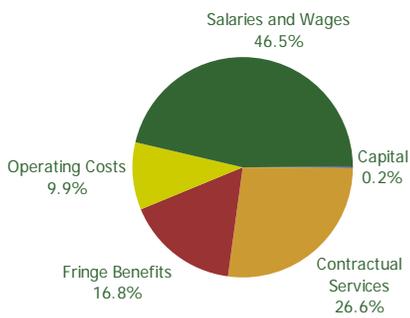
### Expense by Fund



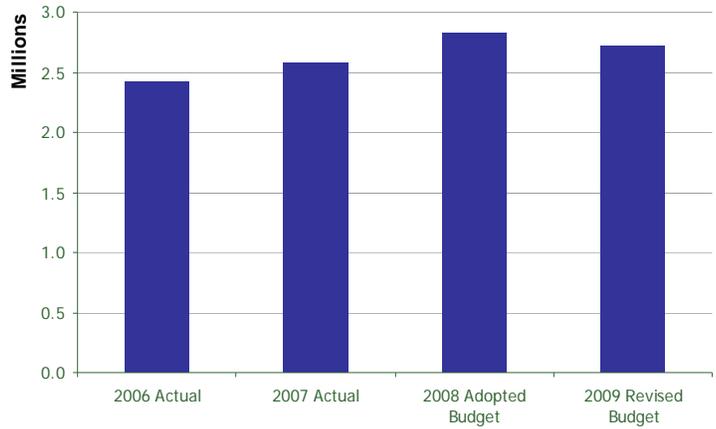
### Expense by Division



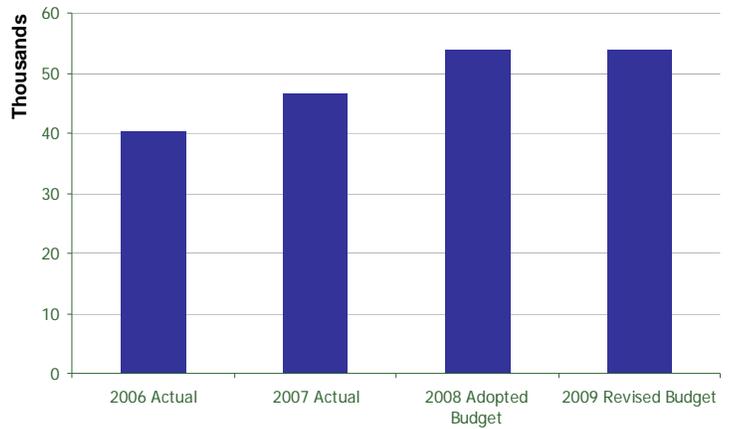
### Expense by Category



### Expense 2006 - 2009



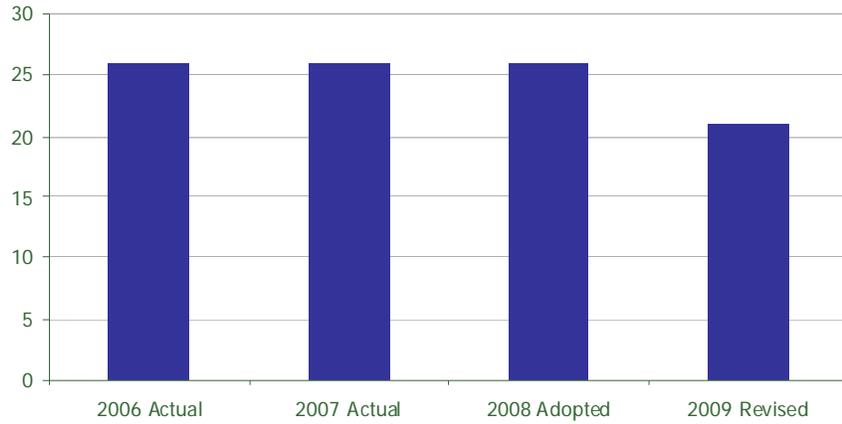
### Revenue 2006 - 2009



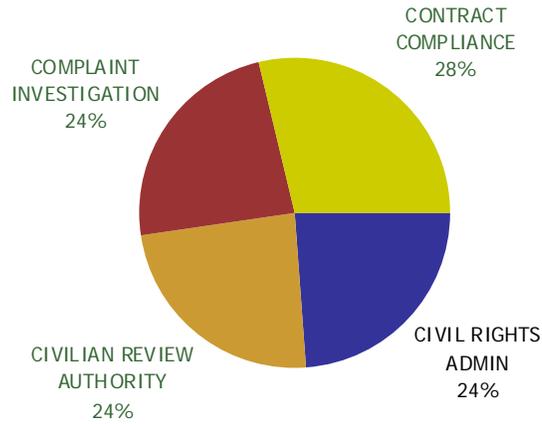
## CIVIL RIGHTS Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
CIVIL RIGHTS ADMINISTRATION	5	5	5	5	0.0%	
CIVILIAN REVIEW AUTHORITY	4	4	4	5	25.0%	1
COMPLAINT INVESTIGATION	5	5	5	5	0.0%	
CONTRACT COMPLIANCE	6	6	6	6	0.0%	
OUTREACH	6	6	6		-100.0%	(6)
<b>TOTAL</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>21</b>	<b>-19.2%</b>	<b>(5)</b>

**Positions 2006-2009**



**Positions by Division**



# COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

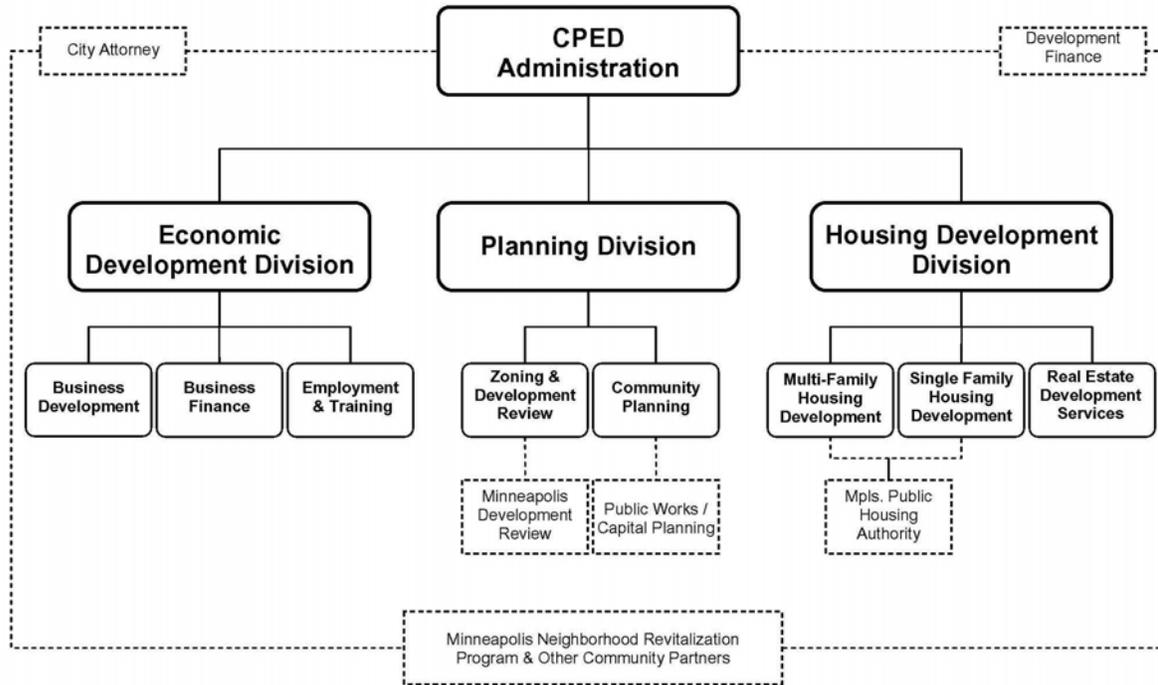
## MISSION

CPED works to grow a sustainable City.

## BUSINESS LINES

- **Community Planning** –prepares and integrates the implementation of the City's comprehensive plan and informs the City's development and infrastructure strategies.
- **Economic Policy & Development** –grows businesses and jobs throughout the City by providing financing, real estate assembly, and brownfield remediation.
- **Workforce Development** –manages a network that prepares Minneapolis residents for living-wage jobs and builds partnerships to improve career opportunities within the City.
- **Housing Policy & Development** –provides financing and administers programs for housing development, preservation and rehabilitation to advance a continuum of housing choices throughout the City.
- **Zoning and Development Review** –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, as well as staffing the Minneapolis Empowerment Zone.

## ORGANIZATION CHART



*Dotted lines indicate special relationships with other departments and partner organizations*



## FIVE –YEAR DEPARTMENT GOALS AND OBJECTIVES

City Goals	Department Goals	Objectives
<p><b>A Safe Place to Call Home:</b> <i>“Get Fit” and make healthy choices</i></p> <p><b>Connected Communities:</b> <i>Walkable, Bikable, Swimmable!</i> <i>Streets &amp; Avenues</i></p>	<p>Plan and develop a vibrant, sustainable community</p>	<p>The City’s parks, open space, riverfront and recreational opportunities will be maintained and enhanced as part of overall planning and development activities of the department</p> <p>The City’s historic street grid is maintained and re-established per City policy</p> <p>CPED will focus development efforts around priority neighborhood nodes, corridors, activity and growth centers in the City</p> <p>CPED is actively involved in long-term catalytic redevelopment projects</p> <p>Continue to pursue Corridor Housing and Market Building strategies</p>
<p><b>Enriched Environment:</b> <i>Arts – Large &amp; Small – Abound and Surround</i> <i>Upper Mississippi Planned and Proceeding</i> <i>Fully Implement the City’s Cultural &amp; Sustainable Work Plans</i></p>		<p>CPED is an active partner in coordinating various arts and culture programs and activities: CPED is lead for City’s Public Art program</p> <p>Assist with implementation of the relevant adopted plans, including Above the Falls, Industrial Land Use Plans, etc.</p> <p>Continue as key partner in implementing the recently adopted Arts &amp; Culture Plan &amp; contributor to the Sustainability Plan</p>
<p><b>One Minneapolis:</b> <i>Middle Class: Keep it, Grow it</i> <i>Equitable City Services &amp; Geographically Placed Amenities</i></p>	<p>Promote private sector growth to build a healthy economy</p>	<p>CPED will focus development efforts around priority neighborhood nodes, corridors, activity and growth centers in the City</p> <p>The housing stock is well designed and maintained</p> <p>The City’s use of public development resources and other tools will be used to leverage maximum private sector investment and public benefit</p> <p>CPED is actively involved in long-term catalytic redevelopment projects</p>

<p><b>Lifelong Learning Second to None:</b></p> <p><i>Economic Engine: Generating Ideas, Inventions and Innovations</i></p> <p><i>Embrace the U's outreach and Land-grant Expertise</i></p> <p><i>CPED is actively engaged with the University in its research, service, teaching, and development activities</i></p>		<p>The downtown will continue to offer diverse recreational and entertainment attractions and continue to thrive economically</p>
<p><b>A Premier Destination:</b></p> <p><i>Retain &amp; Grow Business in Life Sciences &amp; the Creative Economy</i></p> <p><i>Cleaner, Greener, Safer Downtown</i></p> <p><i>Jobs: Be a Talent Mecca</i></p> <p><i>Leverage Our Entertainment Edge ...Heck, Be Edgy!</i></p>		<p>The downtown will continue to offer diverse recreational and entertainment attractions and continue to thrive economically</p> <p>The City will maintain its unique cultural, architectural, historical, and entertainment assets.</p>
<p><b>A Safe Place to Call Home:</b></p> <p><i>Youth: Valued, Challenged &amp; Engaged</i></p> <p><b>One Minneapolis:</b></p> <p><i>Close Race &amp; Class Gaps: Housing, Educational Attainment, Health</i></p> <p><b>Lifelong Learning Second to None:</b></p> <p><i>21<sup>st</sup> Century Skills for All 21 Year-Olds</i></p> <p><i>Deconcentrate Poverty</i></p>	<p>Promote economic self-sufficiency for individuals and families</p>	<p>Residents have jobs skills and are provided opportunities to get on the path of economic self-sufficiency.</p> <p>Through the Minneapolis Promise education initiative; close the gaps in:</p> <ul style="list-style-type: none"> <li>-Unemployment rate</li> <li>-High School graduation rate</li> <li>-College attendance rate</li> </ul> <p>Increase % of minority/low-income homeownership</p> <p>Affordable housing options are available in all parts of the city and the region</p> <p>Reduce # of households below median income paying &gt;30% of income for housing</p>
<p><b>A Safe Place to Call Home:</b></p> <p><i>Lifecycle Housing Throughout the City.</i></p>	<p>Develop and preserve life-cycle housing throughout the city</p>	<p>The housing stock is well designed and maintained</p> <p>Partner with the Regulatory Services department to remove blight</p> <p>Planning – Preservation and Design Team</p> <p>Capture Minneapolis' share of projected regional growth, subject to increased regional investments</p>

		Support different housing options for seniors
		Address tear downs/"big foot" replacements Prevent home mortgage foreclosures
<b>One Minneapolis:</b> <i>Middle Class: Keep it, Grow it</i>		CPED will focus development efforts around priority neighborhood nodes, corridors, activity & growth centers in the City
		Improve single family home ownership rate
<b>One Minneapolis:</b> <i>Eliminate Homelessness</i> <i>Deconcentrate Poverty</i>		Continue to partner with Hennepin County other entities in implementing the Homelessness Commission recommendations
		Strengthen home values for existing & new homeowners
		Affordable housing options are available in all parts of the city and the region
		Reduce # of households below median income paying >30% of income for housing
<b>Connected Communities:</b> <i>Integrated, Multi-Modal Transportation Choices</i> <i>Border-to-Border</i>  <i>Northstar Completed; Central Corridor underway; SW Corridor Fully Designed</i>  <b>A Premier Destination:</b> <i>Reposition City in Minds of Region, State, Nation and World</i>	Partner effectively to promote regional growth and investment	People & business throughout the City are well served by CPED's active involvement in regional transportation and infrastructure planning  Support Central Corridor preliminary engineering and Southwest alternatives analysis  Benefit from public investments is maximized thru partnerships
		The city's housing production will support projected job and population growth

**RESULTS MINNEAPOLIS MEASURES**



**Planning**

The Planning Division has prepared the required update to the City's comprehensive plan known as the *Minneapolis Plan for Sustainable Growth*. The Plan has been informed by Results Minneapolis and announces the

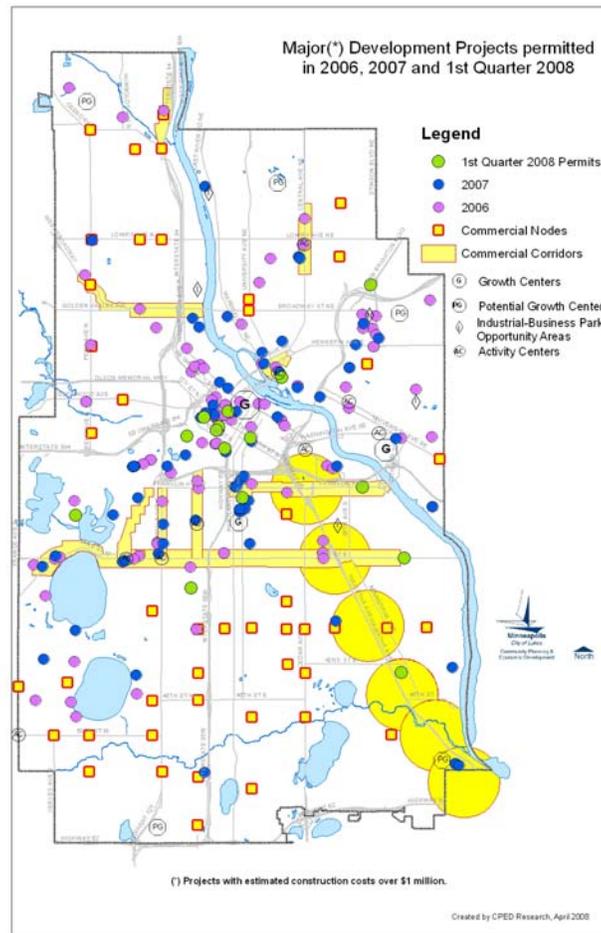
City's 10-year plan for sustainable growth. Public processes to vet this plan included:

- o During late 2007- early 2008, the division held five major public input meetings and gave more than 20 additional presentations about the plan to outside groups
- o Over 450 people attended the input meetings, and hundreds of pages of comments were compiled either at these meetings or via other avenues such as the website.

The plan was submitted to the Metropolitan Council in July for review. The Metropolitan Council has 120 days to complete its review, although it has the option to extend the review period if needed. Once the review is completed, the City Council will be asked to adopt this document as the official comprehensive plan for the City. During the remainder of 2008 and in 2009, the division will work on refining the strategy for plan implementation, which provides guidance for programs, investments, and policy throughout the entire City enterprise. This strategy will become the basis of the CPED business plan for 2010.

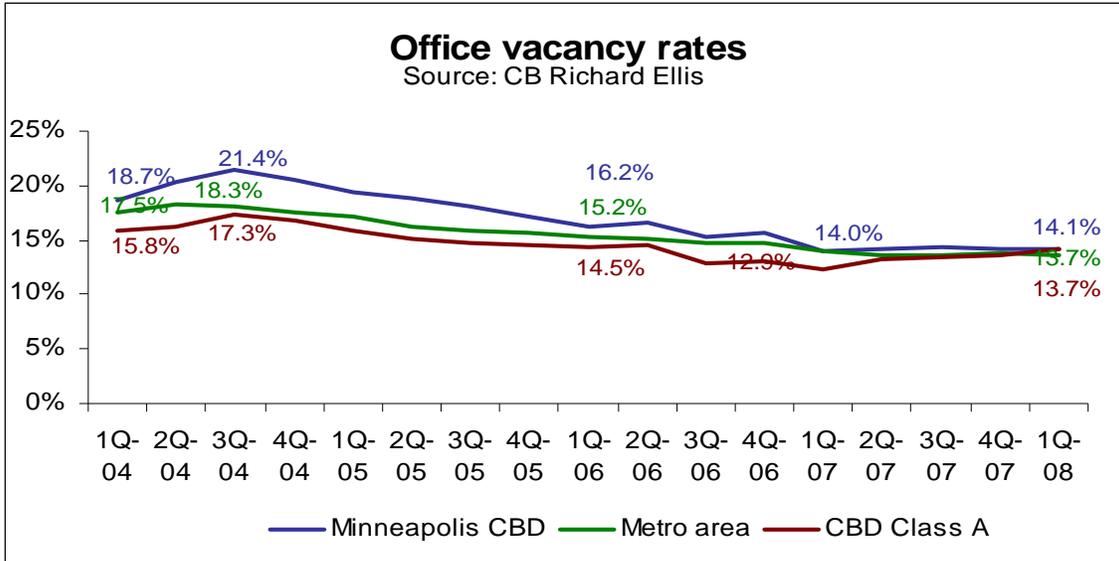
### Economic Development

CPED closely monitors economic trends and reports out a variety of metrics in both *Results Minneapolis* and in its quarterly *Minneapolis Trends* reports. Highlights of Results indicators appear below:

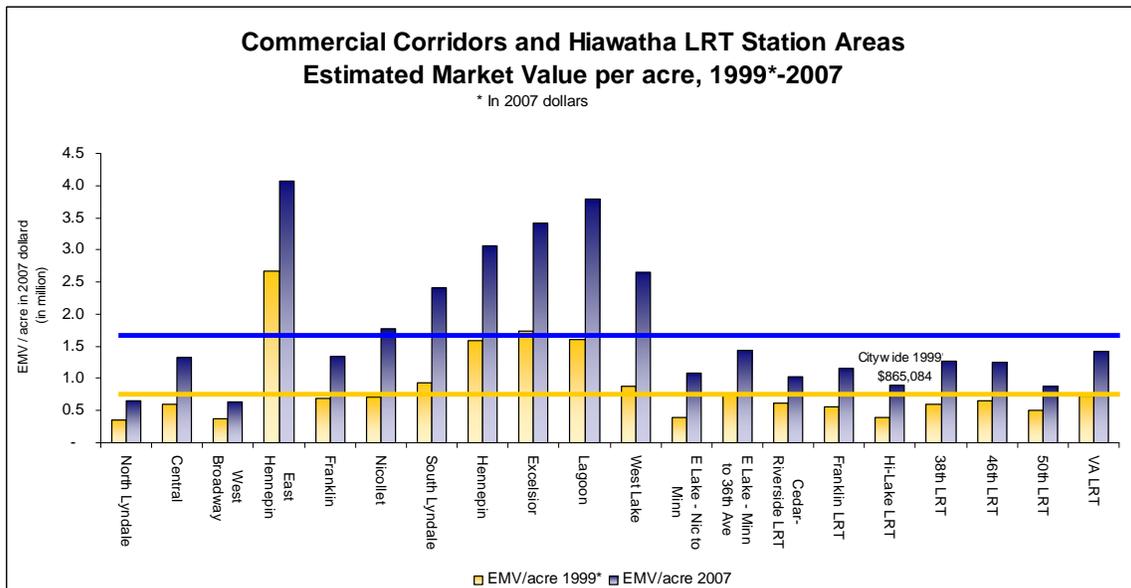


Major Projects Under Construction or with Completed Planning Applications as of April 1, 2008					
	1st quarter 2007	2nd quarter 2007	3rd quarter 2007	4th quarter 2007	1st quarter 2008
Total projects	177	150	144	152	142
Total estimated construction cost	\$1.2B	\$910M	\$968M	\$1.1B	\$1.1B
Residential units	7,013	6,161	5,838	6,267	5,996
Hotel rooms			992	1,068	1,228

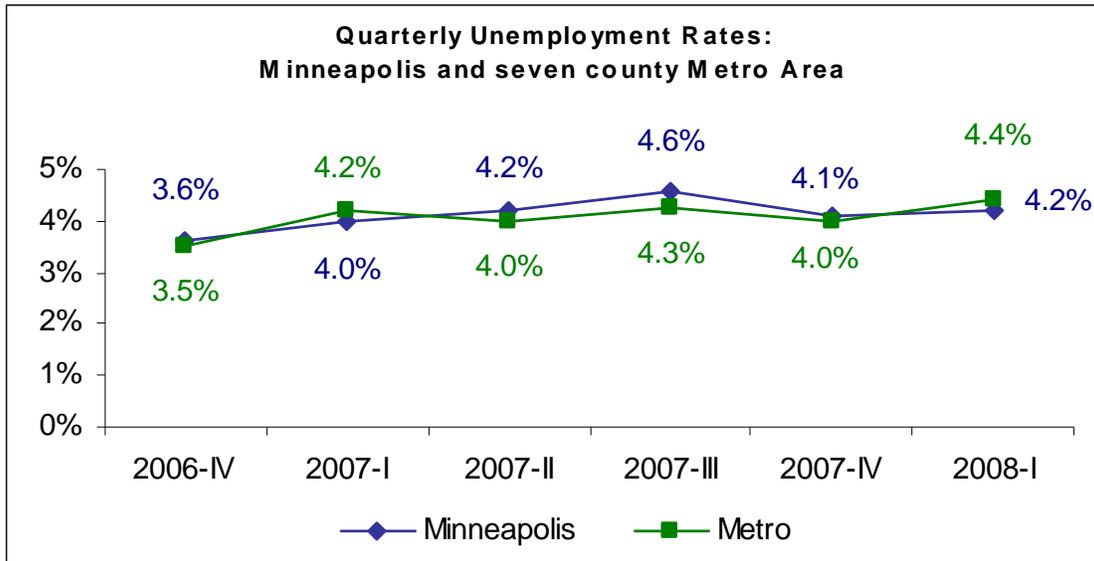
Note: Quarters are not additive as many projects take several quarters to complete.



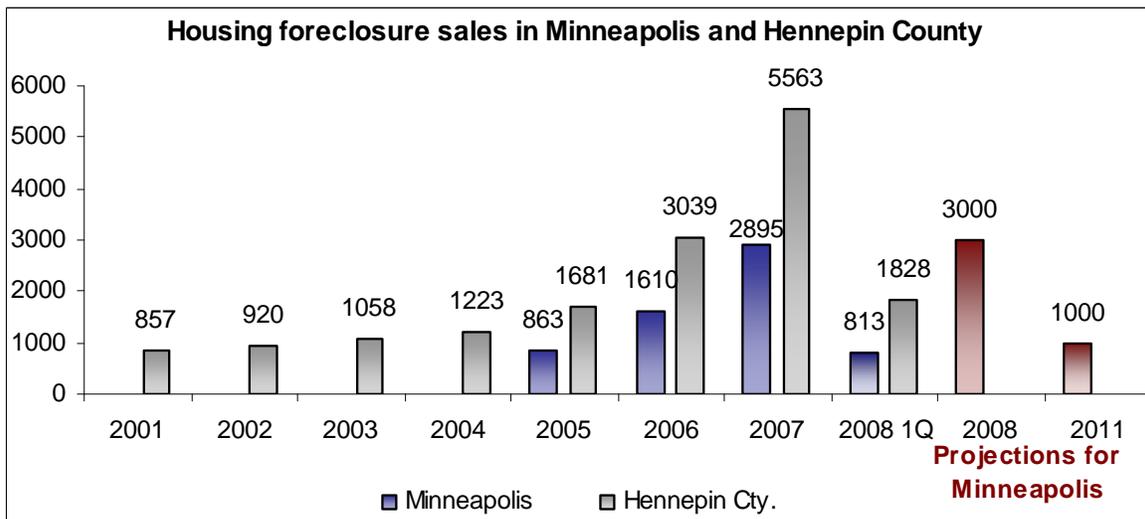
CPED's business finance and neighborhood commercial programs have contributed to increases in market value in key corridors, a key measure of economic health:



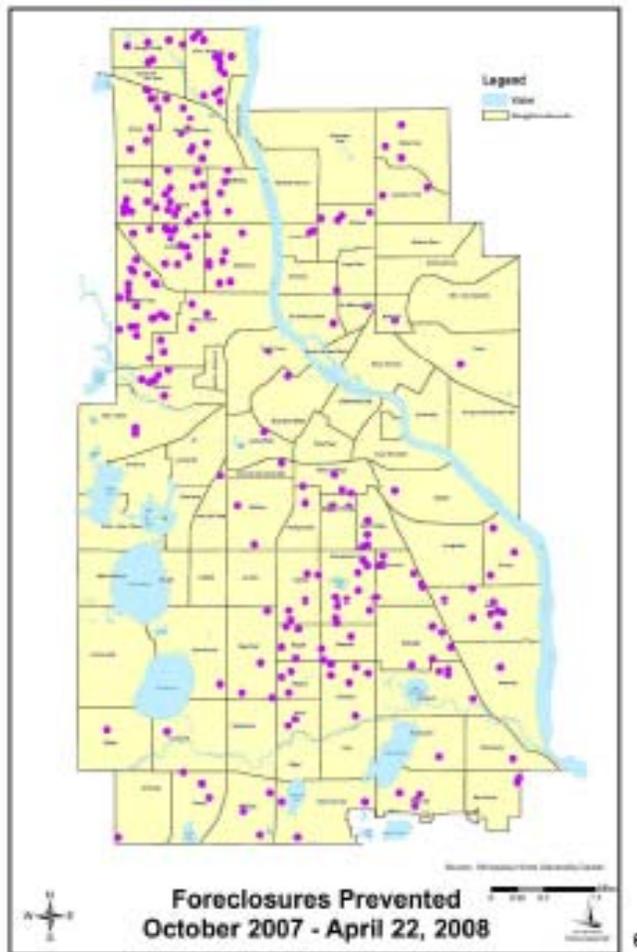
CPED's workforce development efforts have succeeded in the City's closing the unemployment rate gap between the City and metro-wide rates:



## Housing



CPED has increased its support of a variety of foreclosure prevention efforts, including funding for the MN Homeownership Center, which recently reported the following results:



***What key trends and challenges does the department face and how will each be addressed?***

**Foreclosures:** The high volume of foreclosures continues to pose challenges for affected communities, for the City, and for CPED. (See the [City's foreclosure web site: http://www.ci.minneapolis.mn.us/foreclosure/MortgageForeclosureMaps.asp](http://www.ci.minneapolis.mn.us/foreclosure/MortgageForeclosureMaps.asp) for current trends.) Based on interventions described below the department believe this market failure will recede in 2009. The department's response to this continuing crisis is multi-pronged, from immediate localized responses, to longer term market building strategies. The many City-initiated activities regarding foreclosures are described in the Five Point Strategy:

- **Prevent Foreclosure:** The City has aggressively moved to make foreclosure prevention its highest priority through stepped up support of the Home Ownership Center, 3-1-1, (*Don't Borrow Trouble*) Campaign, in partnership with neighborhood groups hosting housing fairs, and preparing and mailing out a foreclosure prevention insert in the June utility bill.

- **Prevent Properties from Becoming Boarded & Vacant** - CPED in partnership with the Family Housing Fund, Housing Minnesota and local lenders has formed the Strategic Acquisition Fund and Home Prosperity Fund and has risen over \$19 million to acquire and rehabilitate properties. Partner Greater Metropolitan Housing Corporation has acquired over 56 homes, primarily in North Minneapolis.
- **Rehabilitate or Remove Boarded & Vacant Buildings** - The City is moving aggressively to acquire and rehab properties. In addition, working closely with Regulatory Services, CPED is identifying and demolishing vacant and boarded buildings. This activity will be ongoing and presents a funding challenge for CPED.
- **Promote Reinvestment & Environmental Sustainability** - CPED continues to work in its six designated clusters on the Northside and promote investment in and around the clusters. In 2008 the Pohlad Family Foundation announced a multi-million dollar commitment for the Cottage Park cluster.
- **Attract & Retain a Healthy Housing Mix of Stable Residents:**
  - **Home Ownership Works Program** provides City rehabbed homes to first time home buyers.
  - **Minneapolis Advantage** is a \$10,000 down payment assistance program targeted to 18 neighborhoods most affected by foreclosures. All 50 loans budgeted in this pilot will be closed by fall of 2008, and the department is requesting funds to continue this pilot in 2009.  
([http://www.ci.minneapolis.mn.us/cped/minneapolisadvantage\\_home.asp](http://www.ci.minneapolis.mn.us/cped/minneapolisadvantage_home.asp))
  - **CityLiving** ([www.cityliving.org](http://www.cityliving.org)), a joint program with the city of St. Paul, offers mortgage loans and two types of home improvement loans to qualified buyers and owners.
  - **American Dream Down payment Initiative**, a program created to assist low-income first-time homebuyers in purchasing single-family homes by providing funds for down payment, closing costs, and rehabilitation carried out in conjunction with the assisted home purchase. ([http://www.ci.minneapolis.mn.us/cped/city\\_living.asp](http://www.ci.minneapolis.mn.us/cped/city_living.asp))
  - **Home Help** is a State program that can be used in conjunction with other City programs ([http://www.mnhousing.gov/consumers/home-buyers/loans/MHFA\\_003407.aspx](http://www.mnhousing.gov/consumers/home-buyers/loans/MHFA_003407.aspx))
  - **University of Minnesota and City Alliance** has proposed a \$750,000 five-point intervention to address the uniquely non-homesteaded market footprint in the five neighborhoods surrounding the University of Minnesota.
  - **Phillips Partnership Housing** is a plan under development now that would fortify housing east of Children's and Abbott Northwestern Hospital campuses. The model includes exterior improvements and a proposed *Minneapolis Advantage* – type match by employers.

CPED will continue to produce appropriate rental housing to support residents vacating foreclosed homes. Increasingly, CPED is pursuing partnerships that provide flexible financing for house seekers who are credit qualified. Some of these initiatives include: contract for deed, community land trust, and rent-to-own.

**Economic Slow Down:** The slowing of the national economy has affected Minneapolis residents, businesses, and communities; nationally and locally, the labor force and the ranks of the employed have declined. The DEED Labor Market Information website



(<http://deed.state.mn.us/lmi/Home.htm>) has the latest statewide information, and Minneapolis Trends ([http://www.ci.minneapolis.mn.us/cped/trends\\_reports\\_home.asp](http://www.ci.minneapolis.mn.us/cped/trends_reports_home.asp)) has local information. CPED is responding with aggressive short- and long-term strategies.

- **Great Streets and Business Finance Programs:** The department can spur economic development and strengthen businesses and business districts through creative use of the City's business financing tools and through provision of resources and technical assistance to community-based organizations. The department is working actively with business and community groups to promote awareness of available resources.
- **Dislocated Worker Program:** The Minneapolis Employment and Training Program (METP) administer Dislocated Worker programs for the City with state and federal funds granted through the Minnesota Job Skills Partnership Board. Due to a recent increase in metropolitan area layoffs, METP expects to request additional funds during the next year, which would enable approximately 600 residents to obtain new skills and living wage jobs.
- **Brownfields:** In 2007, the City earned a record-setting \$5.72 million in grants from the State, the Metropolitan Council and Hennepin County to clean up 17 brownfield sites covering 56 acres. The planned development projects for these 17 remediated sites will generate an estimated \$130 million in new construction activity, 1,100 new or retained jobs, 896 new housing units (475 affordable units), and significant commercial and industrial space. Through continued aggressive work, the department expects similar success in garnering resources for City redevelopment projects in 2008 and 2009.
- **Plan Implementation:** Planning staff will focus on providing high quality planning services to private and public development partners through strategic consultation, and adoption of responsive and predictable standards and processes that will support development and investment in this economic climate while furthering adopted City plans and policies. One example is the proposed zoning code text amendment that addresses stalled residential development projects, allowing developers additional time to secure financing in exchange for interim property improvements. Planning staff will facilitate cross-function teams charged with developing and implementing strategic project development plans.
- **Vacant commercial properties:** The department support the establishment of a Vacant and Boarded Commercial Building Task Force, comprised of the Fire Chief, Assistant City Coordinator for Regulatory Services, CPED Director and their staff, to develop recommendations associated with required registration, inspections, and funding for redevelopment.
- **Marketing:** CPED is completing the development of a marketing plan to retain and attract businesses to Minneapolis. The plan entails an aggressive business calling plan, focused on 6-8 key business sectors, and established protocols to retain and support the growth of existing businesses. The department will work to attract businesses in sectors offering good growth potential for Minneapolis, such as bioscience and green manufacturing, through outreach and recruitment.
- **The Sustainable Core:** Minneapolis has witnessed major corporations struggle with the decision to keep office functions downtown. To enable these companies to choose to stay, grow, or locate in downtown, the department are developing a set of benefits that reflect Minneapolis' value as a premier location within the region for attracting a skilled, educated

workforce, through access to affordable housing, transit, proximity of work to home, and continuing education that will become available to the employees of companies who choose to participate in this new program.

- **The Minneapolis Promise:** The Minneapolis Promise is preparing the next generation of Minnesota's well-educated and highly skilled workforce. This innovative approach, bringing together the City, Achieve Minneapolis, the Minneapolis Community and Technical College, and the University of Minnesota, offers Minneapolis youth a clear pathway to summer employment opportunities, career and college counseling, and access to higher education through the Power of YOU and the Founders Free Tuition Program. The Minneapolis Promise challenges youth to be motivated to create a bright future for themselves. As such it is a long-term investment in the future economic health of the City's younger residents. The 2008 Minnesota Legislature appropriated \$600,000 to fund the Power of YOU program.
- **Healthforce Minnesota:** In late 2007, CPED established a partnership with Healthforce Minnesota, one of four MNSCU Centers for Excellence. CPED pursued this partnership because health care is the City's largest industry and provides a variety of entry level and career laddering opportunities for city residents. The goals of the partnership are to better define the healthcare workforce needs in Minneapolis, and to develop strategies to prepare the workforce for current and future healthcare industry workforce needs.

**Infrastructure Coordination:** Concerns about infrastructure are at an all-time high. Maintenance projects compete with expansion projects over the same limited resources. Better coordination and planning can advance City objectives for routine infrastructure maintenance as well as support development of new infrastructure required to encourage new private investments on a timetable that works for the marketplace, normally months rather than years.

### **Sustainability**

- The Planning Director is serving as chair of the *City's Environmental Coordination Team (ECT)*. ECT's primary agenda is to implement the City's Sustainability Work Plan, including making progress on the 24 sustainability indicators, as well as developing a new Green Purchasing Policy.
- The *Minneapolis Plan for Sustainable Growth* is a deliberate title for this update to the 2000 comprehensive plan. The title indicates that Minneapolis will grow and that growth will be achieved in a manner that sustains our natural environment, while creating conditions for economic opportunity for current and future generations. The concept of sustainability is woven throughout the comprehensive plan.
- CPED has the opportunity to impact "green" development and jobs. Other jurisdictions are requiring LEED certification based on development type, size and funding. The market is driving sustainable development, especially with rising energy costs. LEED, as well as other "green" standards are now being sought by developers and owners, due to future increased market values. Even so, there are real and perceived market barriers to green development, especially in the current economy.
- CPED has made strides in green policy requirements for new multi-family construction. CPED's challenge is expanding these requirements to its other business lines.

- To provide a sustainable development environment for 2009, and beyond, CPED is working on a tiered approach: 1) provide education and links to available resources 2) require the appropriate green standard for City-assisted projects, 3) require performance metrics and reporting, and 4) create financial incentives by working with our numerous partners.
- Green jobs, whether components for sustainable energy such as wind power or green building elements, are increasingly a growth industry. Minneapolis has a reputation for being at the forefront of environmentalism. The City is home to a major research institution, and the department has a concentration of high-skilled workers and training programs that are assets for developing a concentration of green jobs. The department will aggressively market our workforce and financing products, and building relationships with researchers and manufacturers.

## FINANCIAL ANALYSIS

### EXPENDITURE

The total 2009 expenditure budget of \$125.3 million is a 19.5% decrease from the 2008 adopted budget of \$155.7 million. These reductions are in all expenditure categories except fringe benefits, although the majority of the decrease is due to reduced transfers of \$13.7 million from pre-1979 tax increment districts for debt service (these districts decertify by law in 2009), and a reduction in anticipated 2009 new capital expenditures, a project driven number that fluctuates dependent on the number, timing and degree of certainty of project activity.

Three positions which are part of the Empowerment Zone (EZ) budget are eliminated in 2009. This was anticipated as part of the close of this program. The one remaining EZ position has been shifted from Economic Policy and Development to the Executive Division. Three positions in the Finance Department, supporting development loans and contracts, have been transferred to CPED Multi-Family division.

The budget for this department includes \$26,052 in property services rent charges based on the Council's adoption and implementation of a City-wide rate for rent in which charges for City Hall tenants will now be reflected in department budgets. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for CPED is \$125,225,788, a 19.6% decrease from the 2008 Adopted budget.

### REVENUE

Excluding internal fund transfers, the department's projected revenue budget decreased by \$15.0 million (11.8%) compared to 2008. This primarily due to the reduction of tax increment receipts which is, in turn, due largely to the decertification of the pre-1979 districts. 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

The Mayor recommended:

- *Housing Advocacy Program (\$60,000)*: The housing advocacy program moved to CPED from Health and Family Support with \$60,000 in one-time funding as a bridge to long-term funding for the two positions which are moving along with the program.

- *Reductions to meet Five-Year Financial Direction (\$20,000)*: The Mayor's recommended budget included \$20,000 in reductions, which CPED may manage by accessing preliminary planning funds.
- *Youth Apprentice Program (matching funds \$150,000)*: The Mayor recommended \$150,000 in one time funding for a youth apprentice program in Civil Rights, with a \$150,000 match from existing programs in CPED.
- *Preparation for 2010 Census (\$100,000)*: The Mayor recommended one-time funding for the 2010 Census for recruiting and launching "Complete Count" committee, as well as laying the ground work for various outreach and public education efforts.
- *Green Manufacturing Initiative (\$100,000)*: The Making It Green Report, Phase I findings demonstrate encouraging prospects for the Cities of Minneapolis and St. Paul to participate actively in emerging green industries by building on the region's and our City's existing, substantial manufacturing job skills and business base. To jump-start Minneapolis' efforts to actively participate in green manufacturing opportunities, the Mayor recommended one-time funding to engage a consultant to:
  - coordinate research into best opportunities for converting existing skills and assets into green manufacturing opportunities;
  - map a strategy to engage private business, investors, and other partners in a coordinated implementation plan; and
  - begin plan implementation.

The Council approved the Mayor's recommendations. Additionally, along with the Neighborhood Community Engagement Commission (NCEC) Council directed CPED to develop programmatic criteria for this funding source that will be used to allocate project funding.

CPED is directed to include spending recommendations in its budget recommendations that reflect the established criteria and the neighborhood and community input as determined in the NCEC process. CPED is directed to report to the Council and NCEC at the end of each funding cycle on the use and status of Community Revitalization Fund funds.

CPED is directed to assess the work and performance of the Housing Advocates and develop a recommendation by July 31, 2009, whether to retain these services within the City or outsource the function to some other organization. CPED is directed to report back to the Community Development and Ways and Means/budget Committees by August, 2009, with its recommendation.

The Council further increased the CPED budget by \$100,000 on a one-time basis to promote the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112).

#### MAYOR'S REVISED BUDGET

The Mayor's revised budget recommended a reduction \$150,000.

#### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendation and further reduces \$100,000, for a total reduction of \$250,000. The \$100,000 was one-time funding for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112). See the Public Works for the full amendment.

The budget for this department includes a reduction of BIS charges of \$41,500 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for CPED is \$125,293,340, a 19.5% decrease over the 2008 Adopted budget.

## RESULTS IMPLICATIONS

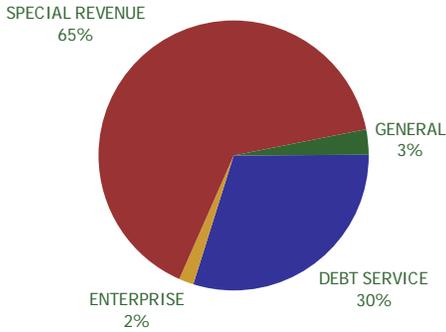
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

### CPED EXPENSE AND REVENUE INFORMATION

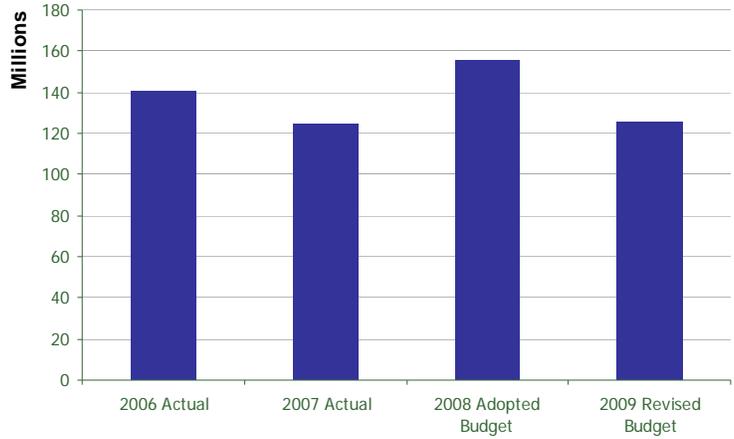
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	1,898,867	2,134,962	2,075,857	2,128,023	2.5%	52,166
Fringe Benefits	473,093	596,469	716,352	700,345	-2.2%	(16,007)
Contractual Services	1,011,687	829,488	554,836	894,017	61.1%	339,181
Operating Costs	146,243	147,473	127,055	156,654	23.3%	29,599
<b>TOTAL GENERAL</b>	<b>3,529,890</b>	<b>3,708,392</b>	<b>3,474,100</b>	<b>3,879,038</b>	<b>11.7%</b>	<b>404,938</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	6,610,126	6,388,750	7,047,801	6,863,041	-2.6%	(184,760)
Fringe Benefits	1,601,722	1,739,590	1,919,101	2,161,422	12.6%	242,321
Contractual Services	25,380,161	28,917,970	24,158,199	20,735,475	-14.2%	(3,422,724)
Operating Costs	992,819	1,942,443	2,213,108	2,231,060	0.8%	17,952
Capital	48,659,642	36,242,383	33,059,938	19,753,834	-40.2%	(13,306,104)
Debt Service	0	0	0	112,805	0.0%	112,805
Transfers	0	0	45,172,447	30,111,044	-33.3%	(15,061,403)
<b>TOTAL SPECIAL REVENUE</b>	<b>83,244,470</b>	<b>75,231,136</b>	<b>113,570,594</b>	<b>81,968,680</b>	<b>-27.8%</b>	<b>(31,601,914)</b>
<b>CAPITAL PROJECT</b>						
Salaries and Wages	62,574	9,132	0	0	0.0%	0
Fringe Benefits	13,319	2,984	0	0	0.0%	0
Contractual Services	21,615	28,723	0	0	0.0%	0
Operating Costs	202,546	60,292	0	0	0.0%	0
Capital	(7,475)	35,467	0	0	0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>292,579</b>	<b>136,598</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>DEBT SERVICE</b>						
Contractual Services	264,150	87,554	0	0	0.0%	0
Debt Service	49,139,549	42,663,058	35,940,000	37,254,261	3.7%	1,314,261
<b>TOTAL DEBT SERVICE</b>	<b>49,403,699</b>	<b>42,750,612</b>	<b>35,940,000</b>	<b>37,254,261</b>	<b>3.7%</b>	<b>1,314,261</b>
<b>ENTERPRISE</b>						
Salaries and Wages	143,750	120,682	143,687	123,853	-13.8%	(19,834)
Fringe Benefits	39,783	30,388	42,529	37,085	-12.8%	(5,444)
Contractual Services	2,953,478	2,269,465	721,313	340,923	-52.7%	(380,390)
Operating Costs	464,188	323,671	1,658,700	1,418,000	-14.5%	(240,700)
Capital	232,850	410	10,411	230,000	2,109.2%	219,589
Debt Service	88,034	56,697	125,000	0	-100.0%	(125,000)
<b>TOTAL ENTERPRISE</b>	<b>3,922,083</b>	<b>2,801,313</b>	<b>2,701,640</b>	<b>2,149,861</b>	<b>-20.4%</b>	<b>(551,779)</b>
<b>TOTAL EXPENSE</b>	<b>140,392,721</b>	<b>124,628,051</b>	<b>155,686,334</b>	<b>125,251,840</b>	<b>-19.5%</b>	<b>(30,434,494)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	652,588	618,804	1,000,000	1,046,000	4.6%	46,000
Charges for Service	498,916	400,151	543,000	543,000	0.0%	0
Other Misc Revenues	99	0	0	0	0.0%	0
<b>TOTAL GENERAL</b>	<b>1,151,603</b>	<b>1,018,955</b>	<b>1,543,000</b>	<b>1,589,000</b>	<b>3.0%</b>	<b>46,000</b>
<b>SPECIAL REVENUE</b>						
Property Taxes	71,161,367	77,334,414	83,035,437	63,114,310	-24.0%	(19,921,127)
Sales and Other Taxes	237	266	0	0	0.0%	0
Federal Government	6,452,515	5,339,368	6,938,878	7,446,000	7.3%	507,122
State Government	12,648,477	11,294,358	3,500,181	9,700,000	177.1%	6,199,819
Local Government	808,931	543,255	0	0	0.0%	0
Charges for Service	7,062,289	8,683,297	2,332,189	6,222,016	166.8%	3,889,827
Charges for Sales	2,609,866	1,574,924	10,221,650	9,345,000	-8.6%	(876,650)
Interest	7,560,213	8,627,063	86,659	144,390	66.6%	57,731
Gains	164,715	418,755	0	0	0.0%	0
Rents	4,150,271	4,564,549	5,141,176	6,285,309	22.3%	1,144,133
Contributions	60,133	211,896	0	50,000	0.0%	50,000
Other Misc Revenues	5,426,610	6,887,195	5,949,999	8,475,000	42.4%	2,525,001
Transfers In	0	15,714,287	0	2,776,337	0.0%	2,776,337
<b>TOTAL SPECIAL REVENUE</b>	<b>118,105,624</b>	<b>141,193,627</b>	<b>117,206,169</b>	<b>113,558,362</b>	<b>-3.1%</b>	<b>(3,647,807)</b>
<b>CAPITAL PROJECT</b>						
Transfers In	0	177,000	0	0	0.0%	0
Long Term Liabilities Proceeds	0	0	350,000	0	-100.0%	(350,000)
<b>TOTAL CAPITAL PROJECT</b>	<b>0</b>	<b>177,000</b>	<b>350,000</b>	<b>0</b>	<b>-100.0%</b>	<b>(350,000)</b>
<b>DEBT SERVICE</b>						
Interest	169,664	153,172	230,000	230,000	0.0%	0
Transfers In	0	41,562,970	0	23,785,521	0.0%	23,785,521
Long Term Liabilities Proceeds	10,545,000	1,750,000	0	0	0.0%	0
<b>TOTAL DEBT SERVICE</b>	<b>10,714,664</b>	<b>43,466,142</b>	<b>230,000</b>	<b>24,015,521</b>	<b>10,341.5%</b>	<b>23,785,521</b>
<b>ENTERPRISE</b>						
Charges for Service	2,268,015	3,766,870	2,300,000	225,000	-90.2%	(2,075,000)
Charges for Sales	0	513,816	1,000,000	0	-100.0%	(1,000,000)
Interest	345,872	341,625	416,000	0	-100.0%	(416,000)
Gains	6,314	18,791	0	0	0.0%	0
Rents	1,800,083	1,870,284	3,623,000	1,800,000	-50.3%	(1,823,000)
Other Misc Revenues	328,699	500	1,050,000	1,550,000	47.6%	500,000
<b>TOTAL ENTERPRISE</b>	<b>4,748,983</b>	<b>6,511,886</b>	<b>8,389,000</b>	<b>3,575,000</b>	<b>-57.4%</b>	<b>(4,814,000)</b>
<b>TOTAL REVENUE</b>	<b>134,720,874</b>	<b>192,367,610</b>	<b>127,718,169</b>	<b>142,737,883</b>	<b>11.8%</b>	<b>15,019,714</b>

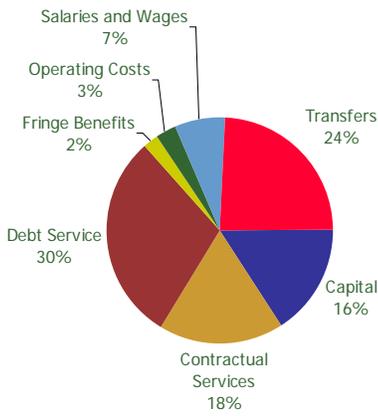
### Expense by Fund



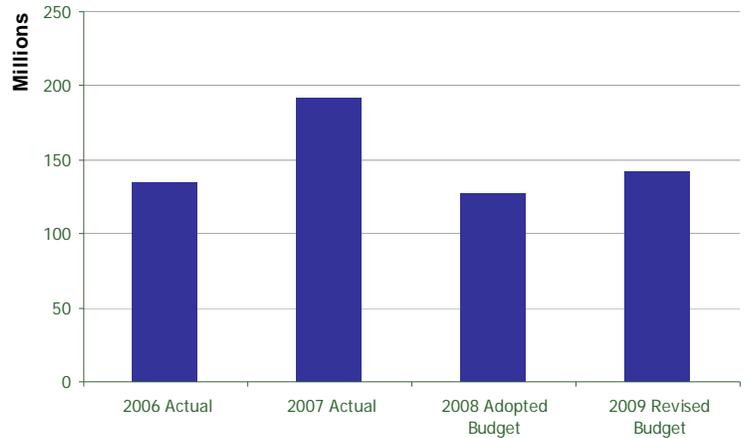
### Expense 2006 - 2009



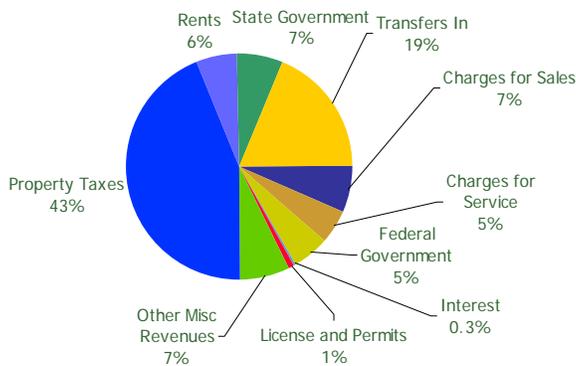
### Expense by Category



### Revenue 2006 - 2009



### Direct Revenue by Type

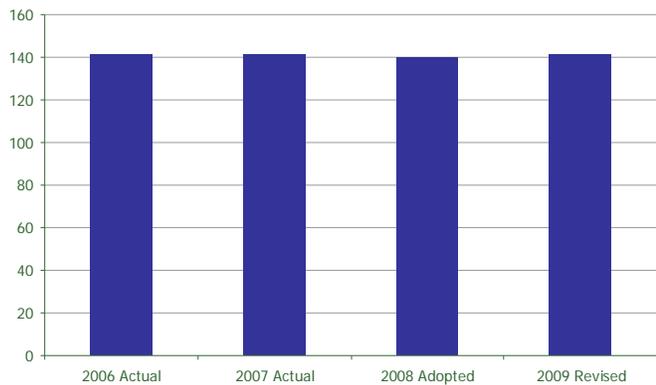


### CPED

#### Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
TOTAL	141	141	140	141	0.7%	1

### Positions 2006-2009



# FIRE

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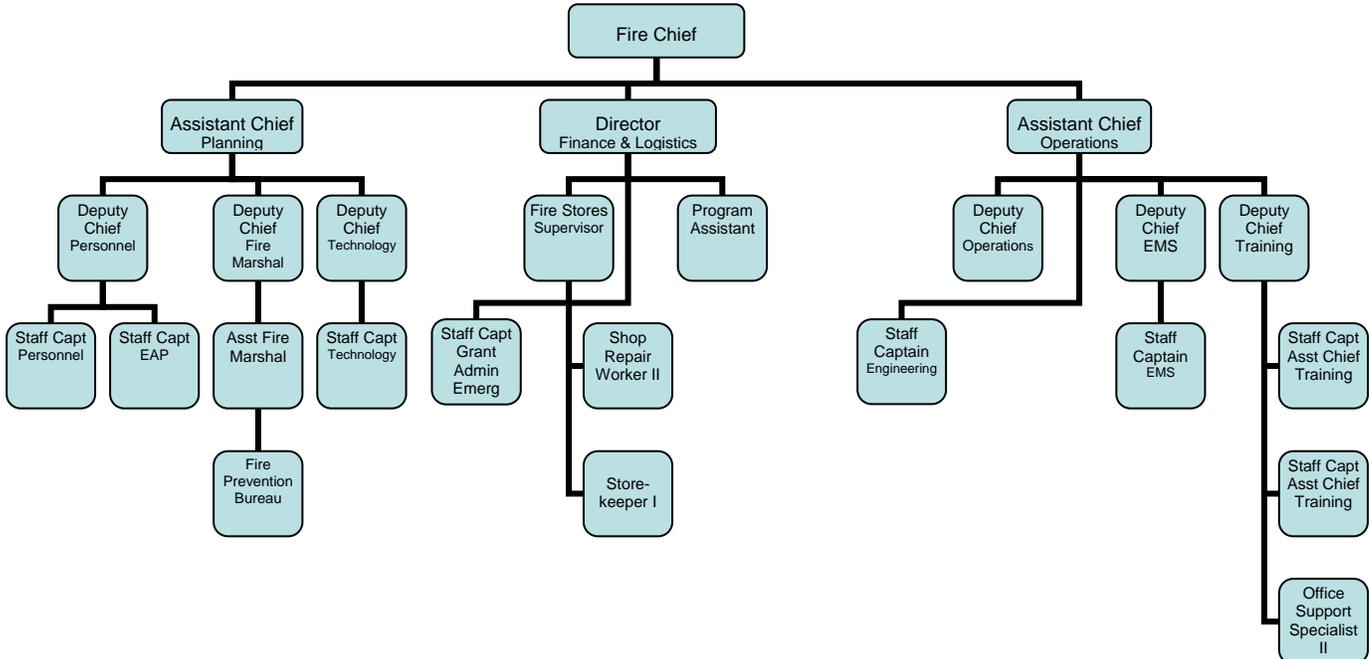
## MISSION

To provide professional emergency services that ensure the public safety of our community and the region we support.

## BUSINESS LINES

- **Response Business Line:** Safely minimize the loss of life and property due to emergency events.
  - Emergency Medical Services (EMS) – providing emergency medical services
  - Fire Response – providing effective response to fires
  - Haz-Mat and Specialized Rescue – providing other emergency response services such as Haz-Mat and specialized rescue services
  
- **Prevention Business Line:** Anticipate, prepare for and prevent future emergency events.
  - Emergency Preparedness – preparing the City for major emergency events, including nuclear, biological and chemical weapons of mass destruction
  - Fire Inspections and Enforcement – providing fire prevention inspections and enforcing the Fire Code
  - Fire Education – providing fire/EMS education programs and safety information to the public

## ORGANIZATION CHART





**FIVE –YEAR DEPARTMENTAL GOALS AND OBJECTIVES**

City Goal	Department Goal	Objectives
<b>A safe place to call home:</b> C. Lifecycle housing  <b>One Minneapolis:</b> C. Equitable City services	Provide effective customer service	Meet the standard of cover.
		Increase customer satisfaction with the Fire Department
<b>A safe place to call home:</b> C. Lifecycle housing D. Make healthy choices	Reduce risk in the community	Reduce public illness, injury and death
		Deliver life safety information to the public
		Keep structures safe
<b>One Minneapolis:</b> C. Equitable City services  <b>Lifelong learning:</b> E. Education: stronger partnerships	Strengthen the workforce	Recruit and retain a diverse workforce
		Improve employer employee relationships
		Capture revenue from sources outside the General Fund
<b>One Minneapolis:</b> C. Equitable City services	Provide good value to the taxpayers	Measure budget against benchmark cities

**RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE**

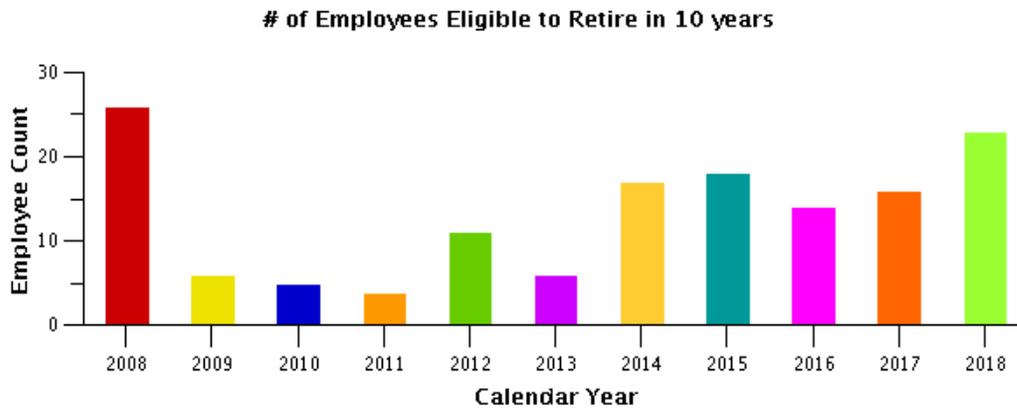
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
Percent of time that response to emergency events is five minutes or less	88.1%	85.8%	84.8%	83.2%	86.0%	90%
Percent of time 14 firefighters are on the scene at structure fires in eight minutes or less	90.5%	91%	85%	88%	90%	90%
Number of lives lost due to fire	6	5	2	2	1	0
Number of civilian injuries due to fire	37	31	29	21	24	20
Number of firefighter injuries	244	259	234	267	200	200
Total number of fires	2068	1775	1808	1859	1700	1500

**What key trends and challenges does the department face and how will each be addressed?**

- **Staffing Levels.** Adequate staffing levels continue to be the most significant challenge for the Fire department. To assist with staffing levels, a cadet class of 23 graduated in May

2008. The addition of the 23 new firefighters temporarily brought total staffing levels above the authorized levels. The addition of the firefighters will help the department attempt to meet National Fire Protection Association (NFPA) standard 1710 and will provide timely coverage during the busy summer months. Long term, the new firefighters will help address the expected attrition rates.

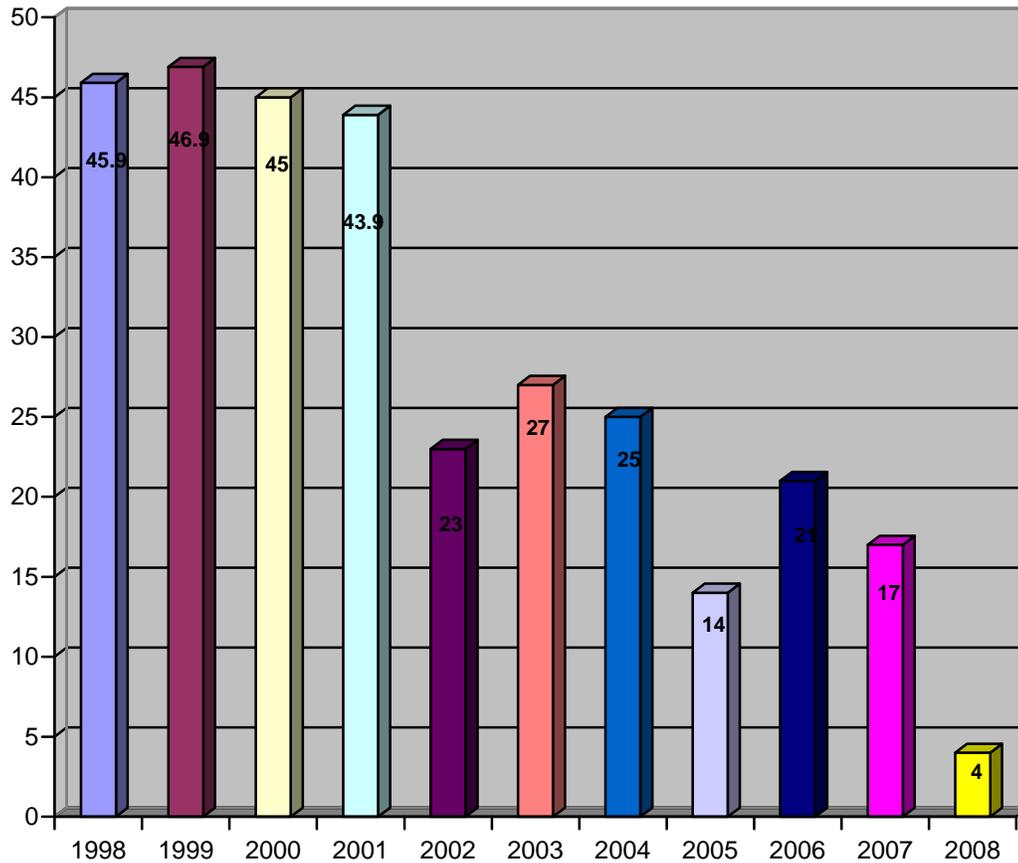
Traditionally, the department has experienced approximately 28 separations per year. However, over the next decade, a projected 147 employees will be eligible for retirement - peaking at 26 in 2008 and declining for several years until the year 2018, when it climbs to 23. To counter balance this potential loss of employees, future cadet classes will have to be considered. The stability of the budget will play a key role in determining the feasibility of new hires.



- Departmental Attrition.** Over the last ten years, the Fire department has averaged 28 employment separations per year. The department continuously operates within a few positions above or below authorized staffing level depending on the timing of retirements and resignations throughout the year. For 2008, the retirements were significantly lower than expected. In 2008, the retirements were significantly lower than expected. In 2008, 27 employees were eligible for retirement. As of June 1, only four employees had separated from service.

The department believes the recent negotiations over the possible merger of the Minneapolis Fire Relief Association into PERA Police and Fire has caused several retirees to delay their decision on retirement, awaiting an outcome on possible benefit increases. This development has resulted in the department operating above authorized levels. The goal of the department is to always keep the maximum number of firefighters available for emergency response within the limits of our approved expense budget, but the decrease in separations has caused staffing to plateau.

### Minneapolis Fire Department Attrition Rates



As previously mentioned, a stable budget forecast allowed the department to hire a cadet class in January of 2008. Ideally, the department would have also hired a class of 15 in January of 2007, providing close to 40 new firefighters. Because the 2007 class was deferred, the department's staffing plan needs to be re-examined and a determination made as to whether a cadet class for 2009 is feasible and affordable. Again, the decrease in the number of employees retiring has caused staffing levels to rise above authorized levels. Considerable staff turnover looms on the horizon. The department faces a balancing act between having cadets available to restore staff levels should the retirement rates again climb.

- Personal Protective Equipment.** The condition of personal protective gear (turnout gear) has severely deteriorated over the last five years. Of approximately 500 sets of turnouts, 129 are over 15 years old and 200 sets are between 6-10 years old. Many of these turnouts have been repaired more than once and are showing wear anticipated in a department that responds to over 30,000 calls per year. The current cadre of turnout gear fails to meet several mandated National Fire Protection Association standards: lack of a safety drag rescue device, to assist in rescuing a downed firefighter; the older turnout gear does not meet the level of thermal protection required; and, many sets exceed the 10-year life span recommendation. Each of these is a safety concern in itself, but combined pose an even greater risk for the safety of firefighters.

New turnout gear would also increase the efficiency of operation. The new turnouts are lighter and much easier to work in, meaning firefighters will be able to better perform their duties on the fire ground. The new turnouts will lead to less fatigue which has the potential to increase fire ground efficiency as well. Another efficiency of operation created by the purchase of new turnouts is some of the less worn, older gear could be used to create a replacement pool of turnouts. These turnouts would be loaned out when a set needs repair or maintenance. This would assure regular maintenance of the new turnouts prolonging their usefulness.

The department has taken several measures to gradually improve the condition of turnout gear, but most have been stop-gap measures that only address a small portion of the gear. The department has been applying private donations to the purchase of new gear, but again, this only allows for the infusion of a small number of sets. To generate a larger and much more immediate impact, the department has applied for a 2008 FEMA Assistance to Firefighters Grant to purchase 329 sets of turnout gear and bring the entire stock up-to-date and in compliance.

- **Apparatus Replacement.** Over the past three years, the department has fallen behind on its apparatus replacement schedule. There was either no budget accommodation provided, or the apparatus scheduled for delivery was delayed in an effort to address budget concerns. As a result, in the beginning of 2008 the department had four engines that were seven years past their life span; five engines that were four years past their life span, which included two primary front line apparatus. In addition to the engines, one aerial device (ladder truck) is three years past its average life span. Delayed apparatus replacement has resulted in an aging fleet out of service for repairs. Consequently an upward trend in vehicle repair and parts costs has occurred. In an effort to put the department's apparatus replacement schedule back onto a 13-year replacement schedule, the department has scheduled the delivery of three new engines in 2008.
- **Response Times.** With the current combination of projected staffing levels and apparatus deployment, the department is not able to meet response time requirement to arrive at the scene of 90% of emergency calls for service within 5 minutes or less. For 2007, response performance citywide was 83.2%, with outstanding performance in the core of the city making up for areas of the city performing much worse than adopted response standards.

Last year, the department revisited the entire Citywide response and deployment plan with the goal of identifying opportunities to increase emergency response performance within current personnel and equipment resources. **Using Results Minneapolis data, the department identified an issue of response depth around Station 21 in South Minneapolis.** Response performance in this area of the city ranged from 40-70%. This area had also seen a 20% increase in call volume since 2003. Also the area experienced to response delays caused by light rail train traffic. In January of 2008, the department implemented a new coverage plan with the assignment of a new truck at Station 21. Preliminary data indicates these changes have resulted in marked improvements in response times.

- **Training Facility/Emergency Operations Center (EOC).** Another key challenge for the Fire department will be costs associated with the new training facility/emergency operations center. While the new facility will primarily be used on a day-to-day basis by the Fire department, a majority of the operational costs are driven by the technology needs of the

EOC. Federal grant dollars will be used to purchase and implement the technology, but there is no cost-sharing plan to address ongoing operational costs for technology.

- **Internal Service Charges.** The department's increasing internal service charges continue to be of concern. The growing fuel costs, anticipated to be 30% higher in 2009, will cause major budget implications. As the annual fuel expenditure rises to over \$500,000, reallocation within other budget areas will have to be made.

The department has taken steps to implement fuel efficient vehicles by voluntarily converting all staff vehicles to E-85 beginning in 2004. The department is noted for having the highest percentage of E-85 utilization among city vehicles of that type. The department is also deploying hybrids into the vehicle replacement schedule and Fire was the first department to move toward apparatus powered by bio-diesel fuel.

- **Equipment Replacement Costs.** The City 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.

### ***New Initiatives***

- **Commercial Buildings.** The Fire department is working with Regulatory Services to explore options regarding the efficiencies of inspections divisions and the utilization of common tools for code compliance. One new area currently under discussion is the issuance of permits for commercial buildings. While Regulatory Services has the authority to permit a commercial building, the Fire department has the authority for inspection and enforcement of the fire codes. The implementation of a commercial permit or registration program would generate sufficient revenue that would be designated for the hiring of additional positions to create a cost recovery program that promotes safety throughout the city.
- **Video Conferencing.** The department has an opportunity to utilize the upcoming technology from the new Training Facility/EOC for video conferencing. Equipping all 19 fire stations with this upgrade would allow for on-site training and eliminate the need to travel away from stations, increasing response times.
- **Gas Line Damage.** Under state law, fire departments have the authority to charge for gas line hits in an attempt to recover costs associated with responding to these incidents. Minneapolis Fire has not executed this authority, but would like to investigate the cost efficiencies of initiating a plan to charge for services rendered.
- **Update of Fees.** Upon review of the fee increase mentioned above, the fire prevention services division identified several other fees and inspection opportunities that need to be re-examined and updated. For instance, our current fee for a hazardous materials permit has not been updated since it was enacted in 2001. The permit fees for 2007 generated \$157,000 which covers the cost of one hazardous materials coordinator. An increase in the fee would allow the department to pursue an additional FTE to assist with permitting additional businesses and provide for much needed follow-up on non-compliant permit holders. The inclusion of consumer price indexing.

The Fire Marshall is requesting an increase to the fees charged for fire safety systems plan review and inspections of new systems. The increased fees would cover the cost of an additional fire prevention plan reviewer – one new FTE. The additional plan reviewer will reduce the turn around time for reviewing plans to two weeks from the current six week average. The fire sprinkler industry is in support of this initiative.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The Fire Department's 2009 expense budget for all funds of \$51.3 million represents a 0.9% increase over the 2008 adopted budget. Personnel expenses make up \$43.4 million or 84% of the total budget. Salaries are 61% and benefits are 23%.

Non-personnel expenses make up \$7.9 million or 16% of the total budget. Contractual services are 12% and operating costs are 4%

In 2008, the Fire Department requested and Council approved the change to an ordinance related to increasing the fees for fire safety systems (plan review and inspections of new systems). The new fee was effective January 1, 2009. The change adds an additional fire prevention plan reviewer (one new FTE). The increased fees cover the cost of the new FTE.

### **REVENUE**

The Department anticipates \$4.7 million in revenue in 2009 compared to \$4.4 million in 2008. The increase is primarily due to anticipated revenue from the new commercial inspection program. Federal Government revenue was dramatically reduced to \$60,000. The Fire Department is no longer the fiscal recipient of state homeland security grants. The Department also receives \$1.9 million state government funds accounted for in the general fund that is allocated to offset most of the pension costs for active firefighters since 1980.

### **FUND ALLOCATION**

The Fire Department expense budget of \$51.3 million or 99.9% of total budget is funded through the general fund. The other \$70,000 or 0.1% is funded through the special revenue funds – primarily federal government, state and other local grants, and donations.

### **ORIGINAL BUDGET**

The Mayor recommended an addition of \$900,000 for turnout gear and other equipment on a one-time basis. The Mayor's recommended reduction of \$280,000 in 2009 to reflect the five-year financial direction results in a total of \$620,000 in one-time resources in 2009.

The Council approved the Mayor's recommendations and directed the Fire Department to amend its business plan by adding a key initiative to aggressively pursue automatic aid and mutual aid agreements with surrounding jurisdictions.

The Council also directed the Fire Department to allow the one-time resources to be used to purchase new turnout gear, apparatuses, and other firefighting equipment. Additionally, the Fire Department is directed to create long-term plans to address equipment needs for consideration in the 2010 budget, reporting back to PSRS/W&M no later than June 15, 2009 on the status of these plans.

### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$2,647,000. The Mayor further recommended the department implement process improvements to improve its service level on housing inspections. The Mayor also recommended the department implement a commercial inspection program and increase its revenue budget by \$800,000 in order to preserve firefighter positions.

### COUNCIL REVISED BUDGET

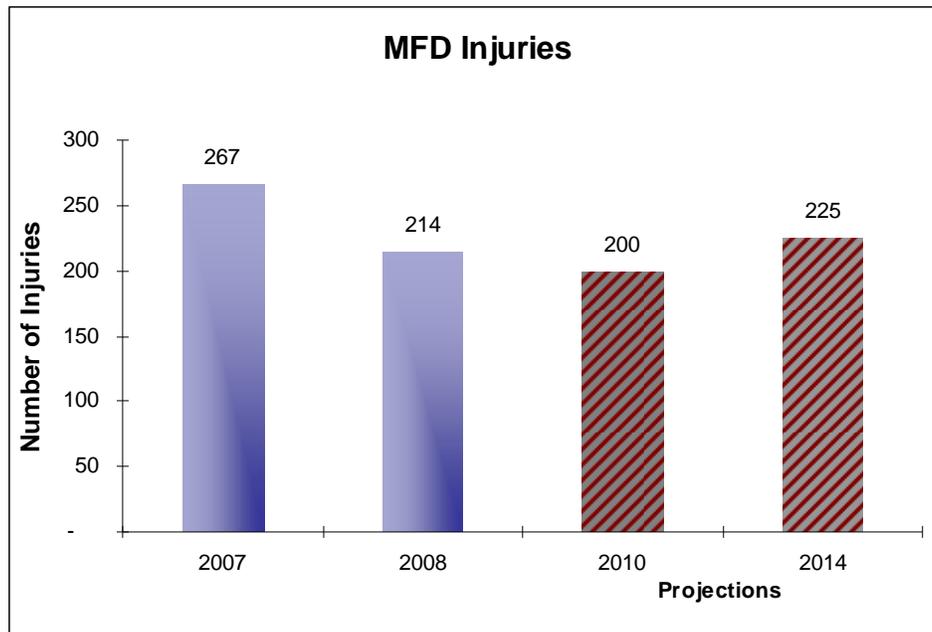
The Council concurs with the Mayor's recommendations.

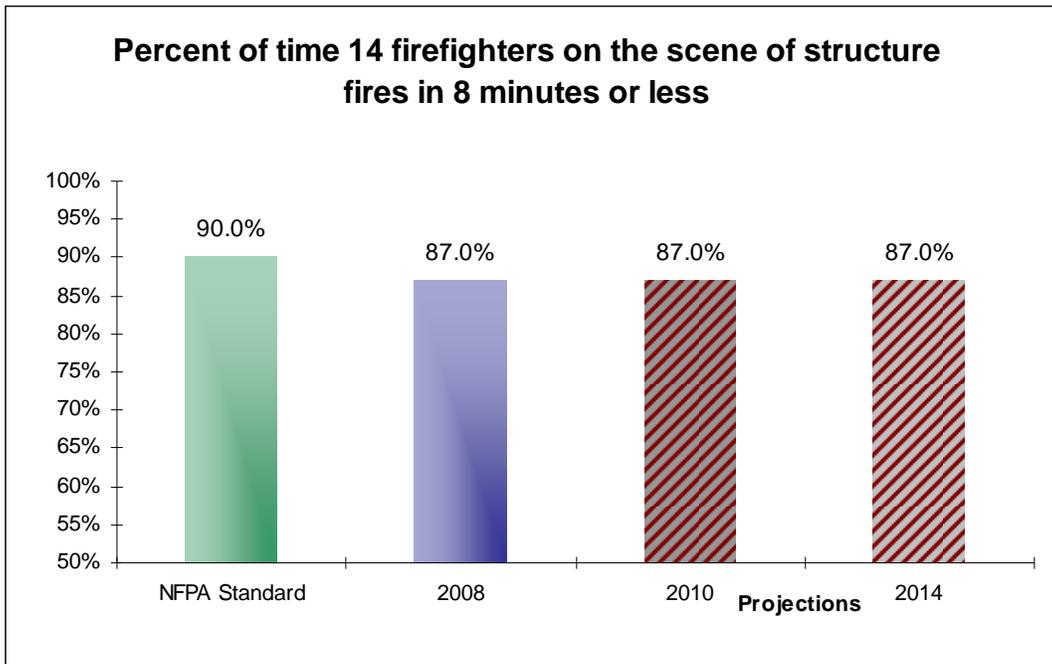
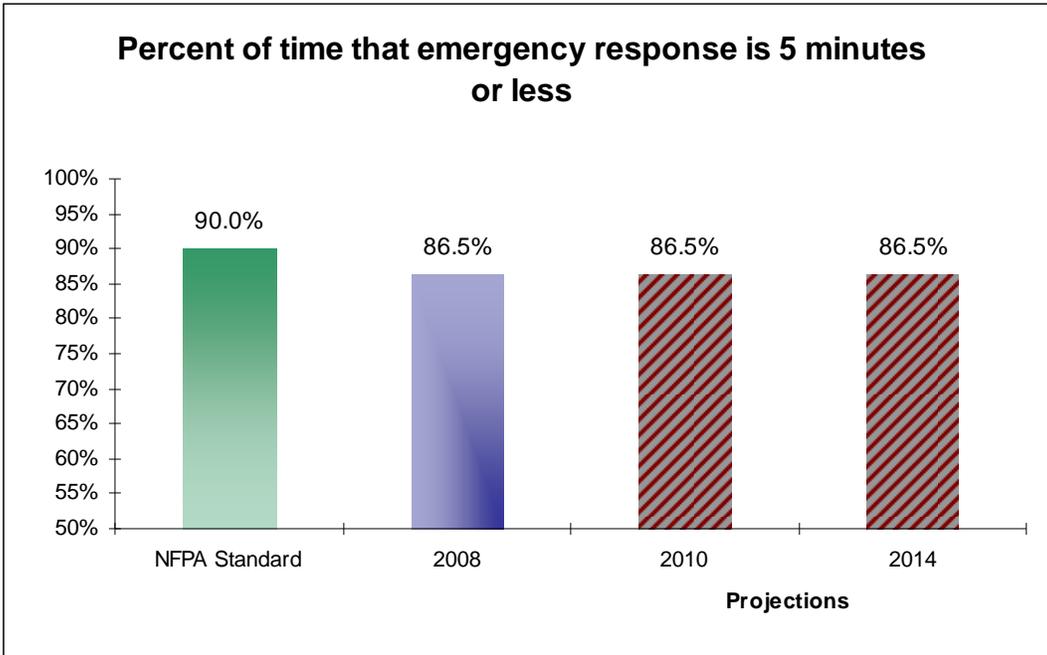
The Council further directs the Fire Department to report back to the Public Safety and Regulatory Services Committee on process improvements to housing inspections and further to work with Finance on responsible budget projections for citation revenue to be incorporated into the 2010 budget.

The budget for this department includes a reduction of BIS charges of \$29,300 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Fire is \$51,325,015, a 1.0% increase over the 2008 Adopted budget.

### RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.





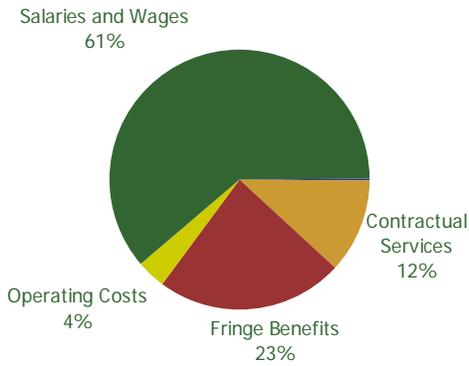


## FIRE DEPARTMENT EXPENSE AND REVENUE INFORMATION

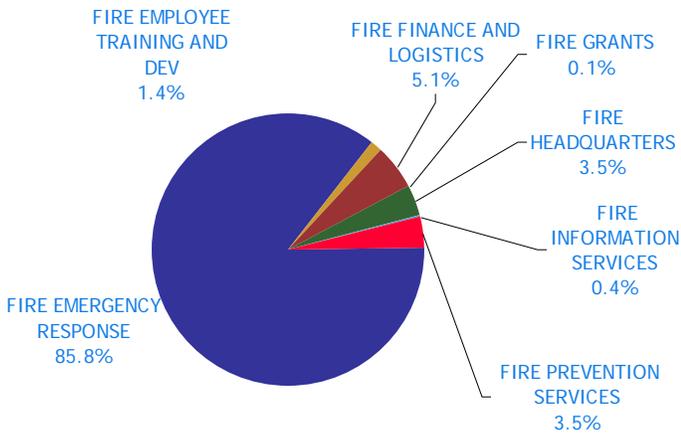
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	29,070,604	29,398,898	31,232,909	31,423,246	0.6%	190,337
Fringe Benefits	9,235,797	10,118,653	10,948,562	11,949,377	9.1%	1,000,815
Contractual Services	6,506,339	6,262,058	5,766,474	5,860,976	1.6%	94,502
Operating Costs	2,799,791	2,533,047	2,258,130	1,859,386	-17.7%	(398,744)
Capital	50,490	158,640	142,458	132,730	-6.8%	(9,728)
<b>TOTAL GENERAL</b>	<b>47,663,021</b>	<b>48,471,296</b>	<b>50,348,533</b>	<b>51,225,715</b>	<b>1.7%</b>	<b>877,182</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	65,419	285,993	0		0.0%	0
Fringe Benefits	0	18,110	0		0.0%	0
Contractual Services	1,331,038	174,180	255,493	67,000	-73.8%	(188,493)
Operating Costs	635,441	511,620	200,000		-100.0%	(200,000)
Capital	376,038	268,680	15,029	3,000	-80.0%	(12,029)
<b>TOTAL SPECIAL REVENUE</b>	<b>2,407,936</b>	<b>1,258,583</b>	<b>470,522</b>	<b>70,000</b>	<b>-85.1%</b>	<b>(400,522)</b>
<b>TOTAL EXPENSE</b>	<b>50,070,957</b>	<b>49,729,879</b>	<b>50,819,055</b>	<b>51,295,715</b>	<b>0.9%</b>	<b>476,660</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	1,514,585	1,425,528	1,521,100	2,269,062	49.2%	747,962
State Government	2,014,000	1,822,357	2,000,000	1,863,000	-6.9%	(137,000)
Charges for Service	206,802	166,531	174,600	174,600	0.0%	0
Charges for Sales	1,257	436	370	400	8.1%	30
Other Misc Revenues	308,813	299,904	280,000	290,000	3.6%	10,000
<b>TOTAL GENERAL</b>	<b>4,045,458</b>	<b>3,714,755</b>	<b>3,976,070</b>	<b>4,597,062</b>	<b>15.6%</b>	<b>620,992</b>
<b>SPECIAL REVENUE</b>						
Federal Government	5,358,970	2,716,019	450,508	60,000	-86.7%	(390,508)
State Government	38,493	81,339	0		0.0%	0
Local Government	5,451	0	0		0.0%	0
Contributions	3,912	17,163	20,014	10,000	-50.0%	(10,014)
<b>TOTAL SPECIAL REVENUE</b>	<b>5,406,827</b>	<b>2,814,520</b>	<b>470,522</b>	<b>70,000</b>	<b>-85.1%</b>	<b>(400,522)</b>
<b>TOTAL REVENUE</b>	<b>9,452,285</b>	<b>6,529,276</b>	<b>4,446,592</b>	<b>4,667,062</b>	<b>5.0%</b>	<b>220,470</b>

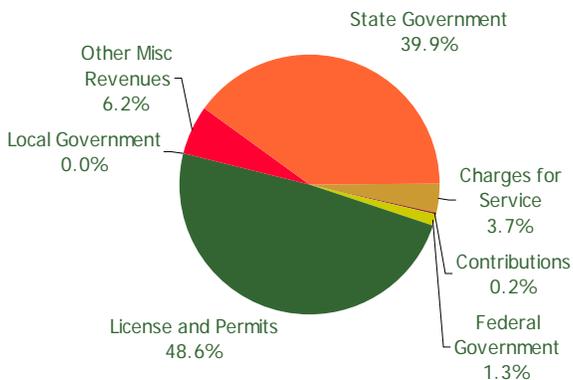
## Expense by Category



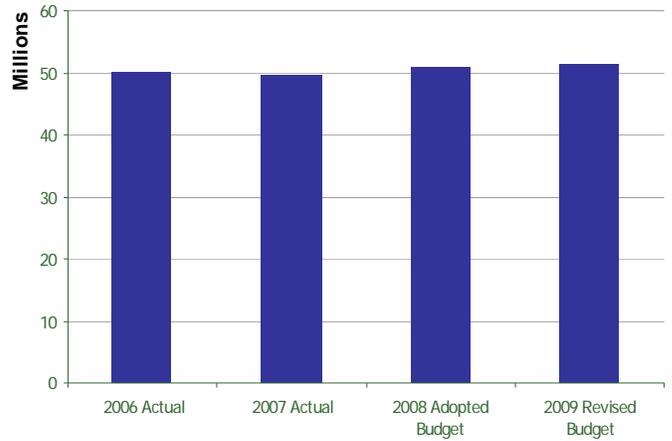
## Expense by Division



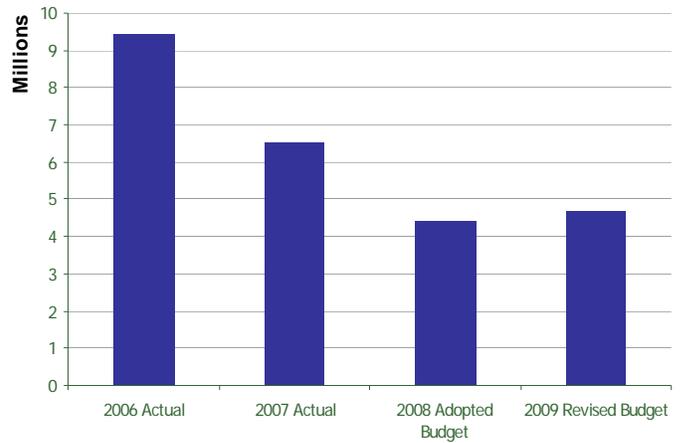
## Direct Revenue by Type



## Expense 2006 - 2009



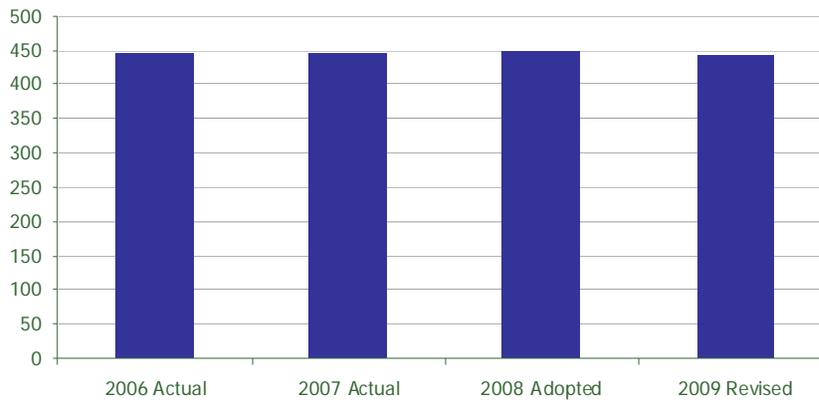
## Revenue 2006 - 2009



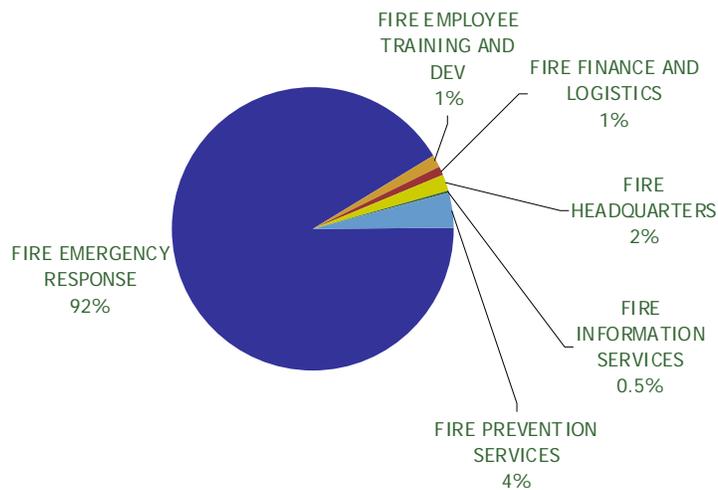
## FIRE DEPARTMENT Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
FIRE EMERGENCY RESPONSE	405	403	405	406	0.2%	1
FIRE EMPLOYEE TRAINING AND DEV				6		6
FIRE FINANCE AND LOGISTICS				5		5
FIRE HEADQUARTERS	21	22	22	8	-63.6%	(14)
FIRE INFORMATION SERVICES				2		2
FIRE PREVENTION SERVICES	19	22	22	17	-22.7%	(5)
<b>TOTAL</b>	<b>445</b>	<b>447</b>	<b>449</b>	<b>444</b>	<b>-1.1%</b>	<b>(5)</b>

**Positions 2006-2009**



**Positions by Division**



# HEALTH AND FAMILY SUPPORT

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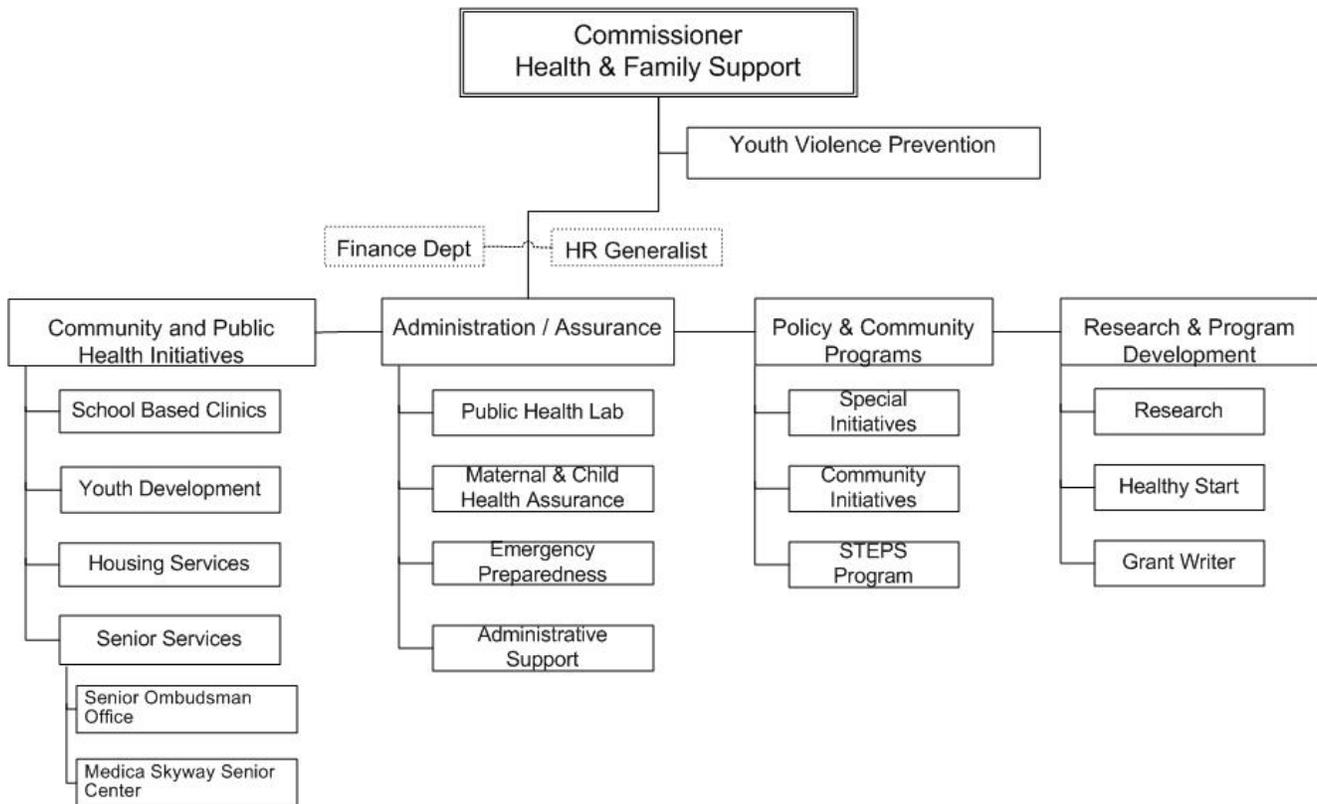
**MISSION**

To provide leadership in meeting the unique needs of our urban population and eliminating disparities by engaging partners in promoting individual and community health.

**BUSINESS LINES**

- Promote health: healthy residents, communities, and environments.
- Address factors affecting health: social conditions and physical environment.
- Protect the Public’s health: disease prevention and control and emergency preparedness.

**ORGANIZATION CHART**



## FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES

City Goals & Strategies	Department Goal	Objective
<p><b>One Minneapolis:</b> A. Close race &amp; class gaps</p> <p><b>Lifelong learning:</b> A. Kids ready-to-read by kindergarten</p>	Improve infant & child health	<ul style="list-style-type: none"> <li>Improved care coordination for pregnant women and young families to decrease infant mortality</li> <li>Increased proportion of children between the ages of 3 and 5 who have received preschool screening by age 3</li> <li>Decreased exposure of children to lead.</li> </ul>
<p><b>A safe place to call home:</b> E. Youth: valued, challenged &amp; engaged</p>	Youth development and violence prevention	<ul style="list-style-type: none"> <li>Community agreement on priority investment in youth violence prevention</li> <li>Engagement of disaffiliated youth in productive activities</li> <li>Increased state and national funding for youth development</li> </ul>
<p><b>One Minneapolis:</b> A. Close race &amp; class gaps</p>	Improve teen & young adult sexual health	<ul style="list-style-type: none"> <li>Decreased rate of sexually-transmitted diseases (STDs) among adolescents and young adults</li> <li>Increased access to health services and contraception for adolescents</li> <li>Increased healthy parenting of adolescents</li> </ul>
<p><b>A safe place to call home:</b> D. Make healthy choices</p> <p><b>Connected communities:</b> B. Walkable, bikable, swimmable!</p>	Increase exercise & healthy nutrition	<ul style="list-style-type: none"> <li>Implementation and maintenance of community strategies to increase physical activity</li> <li>Increased community awareness and institutionalization of healthy diets and behaviors and increase access to healthy foods</li> </ul>
<p><b>One Minneapolis:</b> A. Close race &amp; class gaps</p>	Assure maintenance of healthcare safety net for underserved populations	<ul style="list-style-type: none"> <li>Maintenance of community clinics and public health nursing to provide services for the uninsured</li> <li>Increased support for service providers who address unmet needs of underserved and/or new populations</li> </ul>
<p><b>A safe place to call home:</b> A. Close race &amp; class gaps</p> <p><b>One Minneapolis:</b> C. Equitable City services</p>	Assure preparedness for public health emergencies – today and into the future	<ul style="list-style-type: none"> <li>Formalized relationships with community partners to address vulnerable population needs</li> <li>Formalized regional relationships to streamline coordination and planning</li> <li>An updated plan</li> <li>A strong network of community agencies with developed and developed plans</li> </ul>

<b>RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE</b>							
Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2009 Target	2011 Target
Teen pregnancy rate defined as number of teen pregnancies per 1000 population aged 15-17 years.	49.9	45.1	53.3.	NA	48.0	47.0	46.0 by 2010 <sup>2</sup>
STI rate defined as Gonorrhea rate per 100,000 people	264	313.9	312.6	NA	225	180	161 by 2010 <sup>3</sup>
Percentage of population at healthy weight as defined by Body Mass Index among adults age 18 years and older	46.8% (2002 data)	46.8% (2002 data)	48.6% (2006)	NA	50.0%	51.0%	52.1% by 2010 <sup>4</sup>

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2009 Target	2011 Target
Infant mortality defined as number of deaths in the first year of life per 1000 live births <sup>1</sup>	6.2 (2002-2004)	6.0 (2003-2005)	6.5 (2004-2006)	NA	5.5	5.0	4.54 <sup>5</sup>
For whites (non-Hispanic)	3.4	3.7	4.5	NA	3.8	3.6	3.4
For Blacks (non-Hispanic)	9.8	10.1	10.0	NA	9.0	7.5	5.4
For American Indians	9.2	13.2	12.9	NA	10.0	7.2	5.4
For Asian/Pacific Islanders	2.9	2.3	3.0	NA	3.0	3.0	5.4
For Hispanics	7.5	5.2	5.6	NA	5.6	5.5	5.4
Number of 3-year-olds screened by Minneapolis Public Schools	601	647	740	835	900	950	1,000
Percentage of children 9-36 months old screened for lead poisoning	66%	64.8%	68.9%	NA	90%	95%	100% by 2010 <sup>6</sup>
Number of children 0-5 screening positive	384	374	351	NA	265	180	150
Number of homicide deaths among individuals aged 15-24 years	21	13	19	NA	16	12	10

## KEY TRENDS AND CHALLENGES

The department is completing the Community Health Assessment and Action Five -Year Plan, a planning process required by the Minnesota Department of Health every 5 years. The plan will leave in place current department priorities as reflected in the City 5 year goals. Additional efforts in the areas of teen pregnancy prevention, health literacy and youth violence are included in the plan. The Public Health Advisory Committee has encouraged the department to pay special attention to the influence of chemical use and mental health in relation to violence prevention and teen pregnancy.

The department receives funding from a number of sources. During the 2008 Minnesota Legislative Session, the Local Public Health fund was cut by 1.8%. This cut began in July 2008 and means \$26,700 less funding in 2008 and \$53,400 less in 2009. A new fund was also created by the Legislature in 2008 to support efforts to address obesity and tobacco use. A competitive process will be used to disperse the funds beginning in July 2009. DHFS will apply for these funds.

Federal funding decisions will also be affecting the department adversely. Funding for Pandemic Influenza planning will end in August of 2008. One Emergency Preparedness position will be eliminated as a result. No state or local funds come to the department to specifically support Emergency Preparedness. As the Federal Government continues to whittle its appropriation, this will affect the department's ongoing ability to maintain a level of preparedness to respond to public health and other emergencies.

<sup>1</sup> Infant mortality is reported as 3-year average rates because of low incidence. <sup>2</sup>(Source: Healthy People 2010), <sup>3</sup>(Source: Minneapolis Sustainability Indicators), <sup>4</sup> (Source: City of Minneapolis Sustainability Indicators), <sup>5</sup>(Source: Healthy People 2010), <sup>6</sup> (Source: MDH Guidelines & City of Minneapolis Sustainability Indicators)

Several major competitive grants are expected to end in 2009: Steps, Seen on da Streets and Healthy Start. Efforts are underway to apply for grants in related areas so that intensive activities to address obesity, STIs and infant mortality can continue.

Core Department staff is finding it increasingly difficult to respond to even basic requests because their time is committed to grant funded activities. The ability of the department to respond in a timely way to emerging needs and priorities is compromised.

The public health laboratory, which has historically had a business model that allowed it to recoup up to 90% of its funding through the revenue it generates, is experiencing financial challenges. This is partially due to a decrease in the number of refugees coming to the community who need laboratory screening tests. Another contributing factor is the change in business model of Regulatory Services which has resulted in fewer food sample tests. If this trend continues additional cost cutting efforts will be initiated including eliminating a staff position as early as fall of 2008.

The *Blueprint for Action: Preventing Youth Violence* was completed in January 2008. A coordinator was hired in April. The department is in the process of writing several grant proposals to implement *Blueprint* recommendations. Beyond these grants which address specific issues like gang violence, mentoring and healthy relationships, there is a need for increased and ongoing support for youth development activities targeted at youth who are disconnected and/or exhibiting high risk behavior.

City support for mentoring and outreach would help jumpstart these efforts and would provide the foundational underpinnings for grant funded efforts. A number of mentoring organizations have been mobilized to focus on serving young people living in the neighborhoods targeted in the *Blueprint for Action*. Additional resources are needed to recruit and train new mentors. The department proposed \$300,000 to assist mentoring recruitment, training and support in the four target neighborhoods.

A portion of Empowerment Zone funds (\$50,000) will be used in 2008 to pilot the door-to-door outreach strategy recommended in the *Blueprint for Action* in one targeted neighborhood. Additional resources will be needed to implement this strategy in each of the four remaining target neighborhoods. The department requested \$200,000 to implement door-to door outreach in remaining target communities in 2009 (\$50,000 for each of 4 communities). The Mayor does not recommend this funding.

In order to fully realize the impact of the recommendations of the *Blueprint for Action*, *preventing youth violence* the department proposed and the Mayor recommends funding for a **second year for Coordinator** to coordinate implementation of the plan and to actively pursue outside funding to support both community-based and government sponsored efforts.

## FINANCIAL ANALYSIS

### EXPENDITURE

For 2009 the department's total budget is approximately \$13.6 million, a 0.1% increase from the 2008 adopted 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. One position in the lab will be eliminated to align expenses with anticipated revenue.

## REVENUE

There is an overall 4.3 % revenue decrease. In 2009, the largest revenue source, federal grant fund availability, decreases by \$218,000 or 5.2% from the 2008 level, primarily due to decreases in federal grants. The second largest revenue source, charges for laboratory services, decreases by \$125,000 or 18.3% over the prior year. Because of this decrease the Lab will also decrease its expenses by eliminating one position.

## FUND ALLOCATION

The department's expense budget for the year 2009 is derived from the general fund (34%), federal grants (30%), CDBG (11%), and state and other local grants (25%).

## ORIGINAL BUDGET

In 2009 the Mayor recommended the department receive \$100,000 in one-time funding to assist domestic violence efforts, \$75,000 in one time funding for youth violence prevention activities and recommended the department internally fund identified related administrative needs, and \$150,000 in one time funding for the Youth are Here buses (\$100,000 from the general fund and \$50,000 from CDBG). The Mayor also recommended moving the housing advocacy program to CPED from Health and Family Support. The Mayor did not recommend any additional reductions for this department.

The Council approved the Mayor's Recommendation. Additionally, the Council directed funding for the Youth Hotline to be reduced by \$75,000. The department should increase funding by \$75,000 on a one-time basis for Somali Gang Outreach Efforts.

## MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$210,000.

## COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendations.

The Health Department is directed to report back to Health, Energy and Environment and Ways and Means/Budget committees by May 15, 2009 regarding potential cost savings from closing the public health lab and shall also work with the Police Department, Regulatory Services and other departments to determine whether or not there would be any additional costs incurred by other departments. The committees shall move forward with a final recommendation to the City Council on closing the public health lab effective January 1, 2010.

The Council further directs Health and Family Support staff to consult with City and external stakeholders, including the Senior Citizen's and Persons with Disabilities Advisory Committees, to ensure the Senior Ombudsperson's Office priority functions and the two advisory committees have sufficient administrative support. This shall include exploring options such as location of the office, prioritization and range of services provided, and coordination of efforts within the City to maximize the use of available resources. The Department will report back to the HE&E Committee no later than July 1.

The budget for this department includes a reduction of BIS charges of \$26,800 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Health and Family Support is \$13.4 million, a 1.6% decrease over the 2008 Adopted budget.



## RESULTS IMPLICATIONS

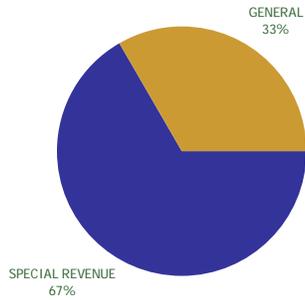
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

### HEALTH AND FAMILY SUPPORT EXPENSE AND REVENUE INFORMATION

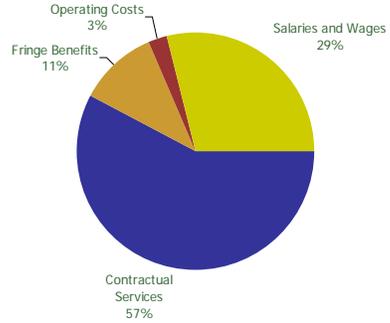
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	956,856	978,703	911,337	870,097	-4.5%	(41,240)
Fringe Benefits	279,490	308,655	318,245	361,865	13.7%	43,620
Contractual Services	2,297,923	2,543,567	2,529,674	2,967,955	17.3%	438,281
Operating Costs	159,024	242,768	321,744	275,624	-14.3%	(46,120)
<b>TOTAL GENERAL</b>	<b>3,693,293</b>	<b>4,073,693</b>	<b>4,081,000</b>	<b>4,475,542</b>	<b>9.7%</b>	<b>394,542</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	2,543,314	2,665,580	3,242,149	2,999,387	-7.5%	(242,762)
Fringe Benefits	755,480	789,240	1,013,713	1,092,551	7.8%	78,838
Contractual Services	7,244,052	6,334,014	5,197,548	4,785,438	-7.9%	(412,110)
Operating Costs	377,296	356,690	105,170	64,422	-38.7%	(40,748)
<b>TOTAL SPECIAL REVENUE</b>	<b>10,920,142</b>	<b>10,145,524</b>	<b>9,558,580</b>	<b>8,941,798</b>	<b>-6.5%</b>	<b>(616,782)</b>
<b>TOTAL EXPENSE</b>	<b>14,613,435</b>	<b>14,219,217</b>	<b>13,639,580</b>	<b>13,417,340</b>	<b>-1.6%</b>	<b>(222,240)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	711,305	658,790	680,000	555,300	-18.3%	(124,700)
Contributions	1,160	700	0		0.0%	0
<b>TOTAL GENERAL</b>	<b>712,465</b>	<b>659,490</b>	<b>680,000</b>	<b>555,300</b>	<b>-18.3%</b>	<b>(124,700)</b>
<b>SPECIAL REVENUE</b>						
Sales and Other Taxes	11,000	46,916	50,000	26,000	-48.0%	(24,000)
Federal Government	4,557,391	4,214,030	4,211,382	3,993,759	-5.2%	(217,623)
State Government	3,411,957	3,584,895	2,969,503	2,912,344	-1.9%	(57,159)
Local Government	519,931	389,651	120,000	147,000	22.5%	27,000
Charges for Service	188,540	264,179	240,000	245,000	2.1%	5,000
Contributions	213,657	232,999	125,000	160,000	28.0%	35,000
Other Misc Revenues	8,269	203,575	8,000	5,000	-37.5%	(3,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>8,910,745</b>	<b>8,936,244</b>	<b>7,723,885</b>	<b>7,489,103</b>	<b>-3.0%</b>	<b>(234,782)</b>
<b>TOTAL REVENUE</b>	<b>9,623,210</b>	<b>9,595,735</b>	<b>8,403,885</b>	<b>8,044,403</b>	<b>-4.3%</b>	<b>(359,482)</b>

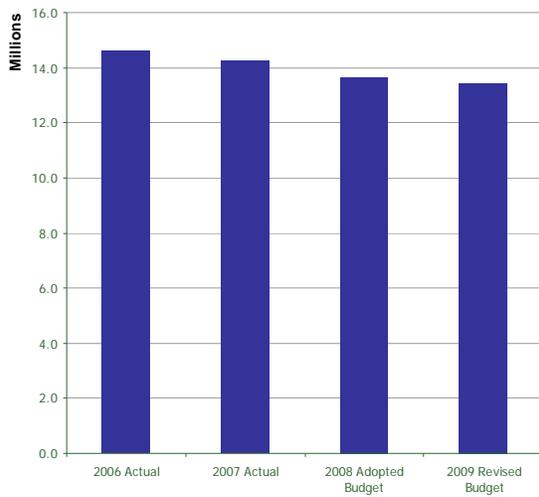
**Expense by Fund, 2009 Revised Budget**



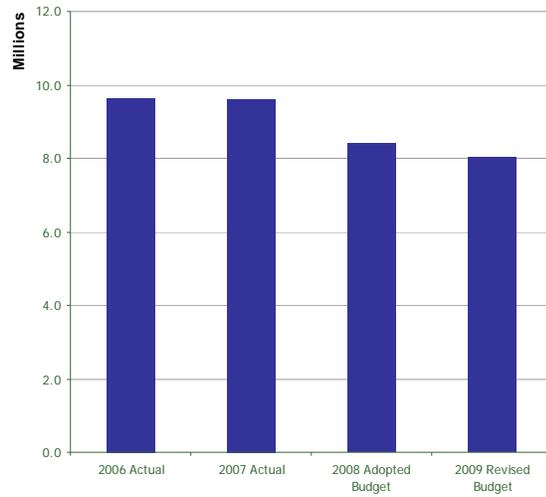
**Expense by Category, 2009 Revised Budget**



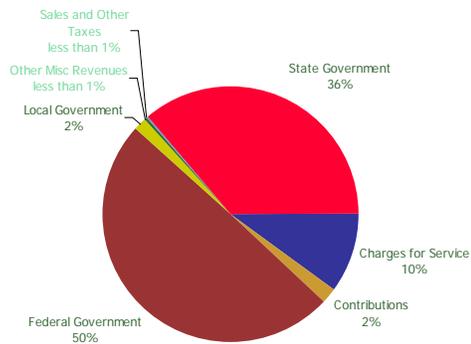
**Expense 2006 - 2009**



**Revenue 2006 - 2009**



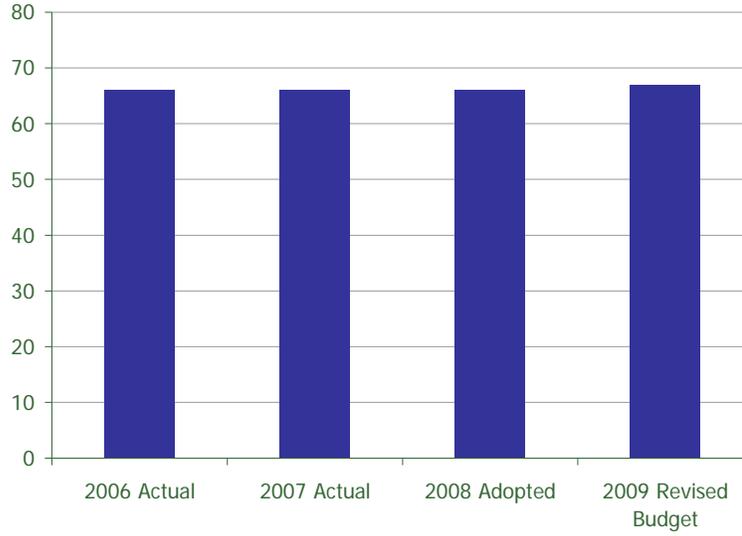
**Direct Revenue by Type, 2009 Revised Budget**



## HEALTH AND FAMILY SUPPORT Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
COMMUNITY SERVICES	66	66	66	67	1.5%	1
<b>TOTAL</b>	<b>66</b>	<b>66</b>	<b>66</b>	<b>67</b>	<b>1.5%</b>	<b>1</b>

Positions 2006-2009



# MAYOR

## MISSION

Dedicated to making Minneapolis a vibrant, safe city that offers opportunity for all.

## BUSINESS LINES

### • Policy Development

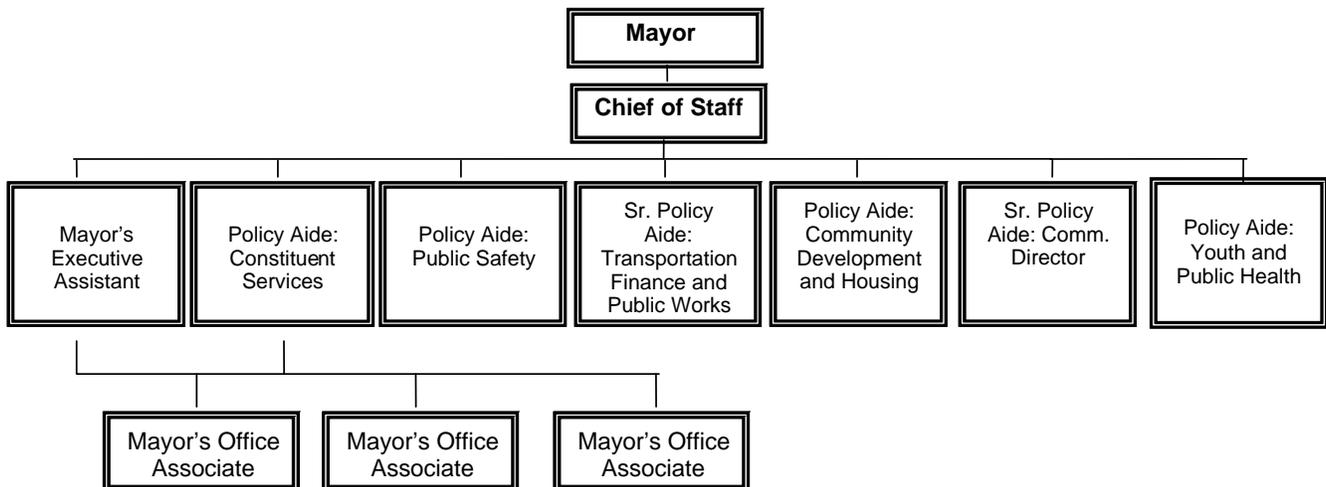
- Lead and support policy development that reflects the City's five-year goals.
- Partner with the City Council to develop and lead the strategic direction for the City.
- Develop responsible fiscal policies and an annual budget that reflects City's five-year goals.
- Support the work of the City to provide better, more coordinated and responsive services.
- Ensure that the community is actively engaged as an active partner in City work.

### • Policy & Program Promotion

- Champion the innovations and successes of Minneapolis as a premier destination, a growing economic and cultural leader.
- Promote education excellence as the lynchpin to a successful city.

### • Policy & Program Implementation

- Nominate and support strong City department heads.
- Oversee the performance and accountability of the Police and Civil Rights departments.
- Through Results Minneapolis as well as department head evaluations, ensure that the City enterprise is accountable for results.



## FINANCIAL ANALYSIS

### EXPENDITURE

The Mayor's 2009 budget of \$1.6 million is an increase of 13.5% over the 2008 adopted budget. The expenditures are in line with the five-year financial direction.

The budget for this department includes \$140,907 in property services charges based on the Council's adoption and implementation of a City-wide rate for space charges for City Hall

tenants will now be reflected in department budgets. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Mayor is \$1,418,000, a 3.2% increase over the 2008 Adopted budget.

#### 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 Mayor recommended and Council approved a reduction of \$10,000 to meet the financial direction.

#### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$60,000.

#### COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendation.

The budget for this department includes a reduction of BIS charges of \$5,200 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Mayor is \$1.5 million, an 8.7% increase over the 2008 Adopted budget.

#### RESULTS IMPLICATIONS

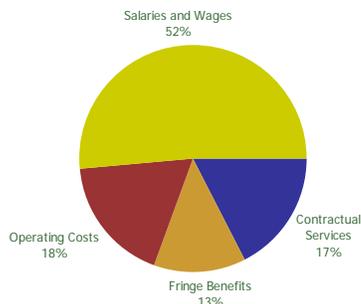
The department anticipates it can absorb the Council's revised cuts while minimizing impacts to its core services.

## MAYOR EXPENSE AND REVENUE INFORMATION

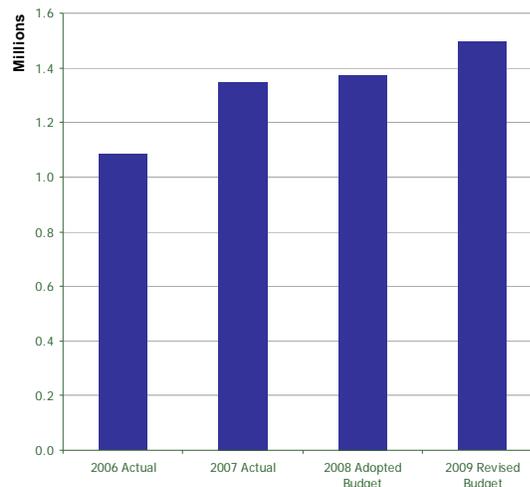
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	644,736	708,225	749,731	768,877	2.6%	19,146
Fringe Benefits	172,775	160,349	207,125	197,685	-4.6%	(9,440)
Contractual Services	158,926	159,988	185,023	259,945	40.5%	74,922
Operating Costs	104,983	272,425	232,121	267,200	15.1%	35,079
<b>TOTAL GENERAL</b>	<b>1,081,420</b>	<b>1,300,987</b>	<b>1,374,000</b>	<b>1,493,707</b>	<b>8.7%</b>	<b>119,707</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	2,948	39,288	0		0.0%	0
Fringe Benefits	226	6,074	0		0.0%	0
Contractual Services	0	1,100	0		0.0%	0
Operating Costs	0	310	0		0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>3,174</b>	<b>46,772</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>TOTAL EXPENSE</b>	<b>1,084,594</b>	<b>1,347,759</b>	<b>1,374,000</b>	<b>1,493,707</b>	<b>8.7%</b>	<b>119,707</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Charges for Service	0	41	0		0.0%	0
Other Misc Revenues	0	100	0		0.0%	0
<b>TOTAL GENERAL</b>	<b>0</b>	<b>141</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>SPECIAL REVENUE</b>						
Contributions	3,174	46,774	0		0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>3,174</b>	<b>46,774</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>3,174</b>	<b>46,914</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>

Expense by Category, 2009 Revised Budget



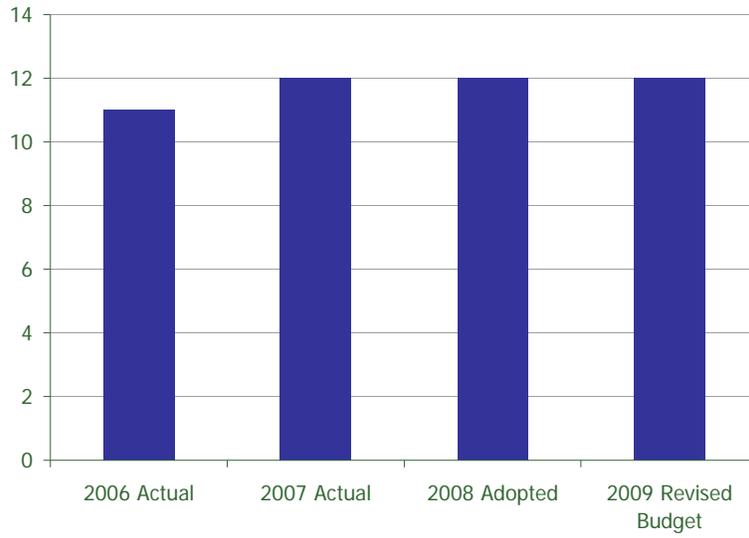
Expense 2006 - 2009



## MAYOR Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
MAYOR - ADMINISTRATION	11	12	12	12	0.0%	0
<b>TOTAL</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>0.0%</b>	<b>0</b>

Positions 2006-2009



# POLICE

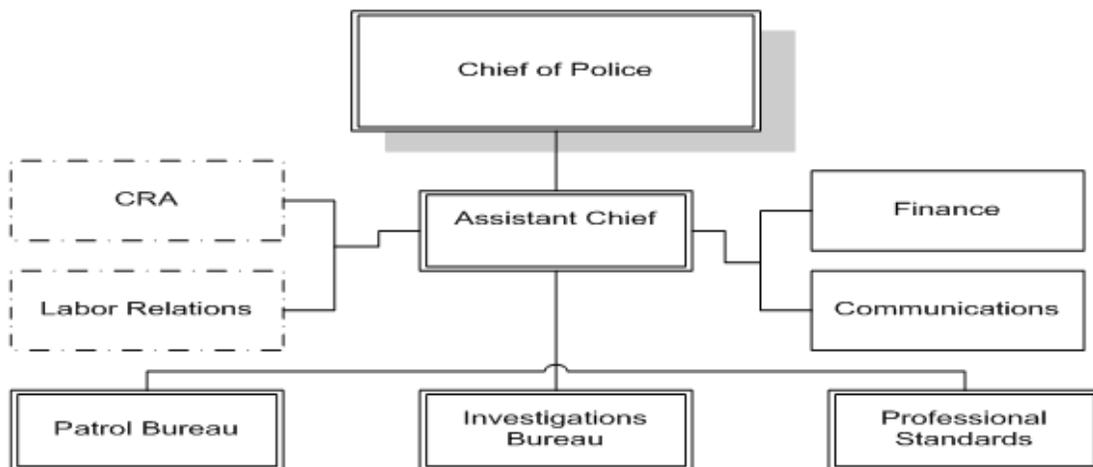
## MISSION

To prevent crime and improve community satisfaction.

## BUSINESS LINES

- **Patrol Bureau Business Line**
  - *Precincts* – Patrol (911 Responses, Directed Patrol), Investigations, Community Response Teams (CRT) SAFE/Crime Prevention Specialists
  - *Special Operations Division* – Strategic Operations Patrol, Traffic, SWAT, K9, Public Housing, Traffic Control Agents, Bomb/Arson, Police Reserves (volunteers), Homeland Security, Special Events and ISAC (Intelligence Sharing and Analysis Center)
  - *SAFE Central* – Crime Prevention Management, McGruff Houses, National Night Out, Graphics and support
- **Investigations Bureau Business Line**
  - *Criminal Investigations Bureau* - Homicide, Organized Crime, Juvenile, Juvenile Criminal Apprehension Team (JCAT), Robbery, Assault/VCAT, Sex Crimes, License and Forgery Fraud, Narcotics/Weapons, Family Violence (Domestic Assault, Child Abuse)
  - *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*
  - *Mediation Compliance*
  - *Administrative Services Division* – Research/Policy, Business Technology and Support (Employee Assistance, Stores, Court Liaison)

## ORGANIZATION CHART





<b>FIVE-YEAR DEPARTMENT GOALS AND OBJECTIVES</b>			
<b>City Goals &amp; Strategies</b>	<b>Department Goal</b>	<b>Objective</b>	
<p><b>A safe place to call home:</b> A. Guns, gangs, graffiti B. Crime reduction C. Lifecycle housing</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> B. Walkable, bikable, swimmable</p> <p><b>A premier destination:</b> B. Reposition &amp; grow businesses C. Cleaner, greener, safer downtown E. Leverage our entertainment edge</p>	Prevent and reduce all crime	Prevent loitering and street crime in high crime or high density areas	
		Serious and violent crime offenders will be arrested and charged	
		Increase cooperative strategies between department, businesses and community	
		Prevent juvenile crime and gang activity	
<p><b>A safe place to call home:</b> A. Guns, gangs, graffiti gone B. Crime reduction C. Lifecycle housing</p> <p><b>One Minneapolis:</b> C. Equitable City services</p> <p><b>Lifelong learning:</b> B. Economic engine E. Education: stronger partnerships</p> <p><b>Connected communities:</b> B. Walkable, bikable, swimmable C. Development services E. Streets &amp; avenues</p>	Increase community satisfaction	Manage expectations regarding deployment, response times and calls for service	
		Increase community satisfaction	
		Proceed with federal mediation agreement	
		Continue coordination with Civilian Review Authority (CRA)	
<p><b>A safe place to call home:</b> A. Guns, gangs, graffiti gone B. Crime reduction</p> <p><b>One Minneapolis:</b> A. Close race &amp; class gaps B. Middle class: keep it, grow it C. Equitable City services</p> <p><b>Lifelong learning:</b> B. Economic engine C. Skills for all 21-year-olds</p> <p><b>A premier destination:</b> A. Retain &amp; grow businesses C. Cleaner, greener, safer downtown</p>	Contribute to effective prosecutions	Increase case management	
		Improve arrests and quality of reports	
		Enhance chronic offender prosecutions	
	Promote department culture that values employee satisfaction, professionalism, and professional growth	Increase employee satisfaction	Increase number of prosecutions for investigations
			Increase employee satisfaction
			Maintain professionalism of the department
			Provide opportunities for professional growth

<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* Data</b>	<b>2009 Target</b>	<b>2012 Target</b>
Part I crimes	28,318	29,474	28,485	4,951	-5%	
Part II crimes	36,672	40,323	38,184	7,943		
Violent Crimes	5,571	6,483	5,660	1,044	-5%	
-Agg. Assault	2,471	2,870	2,579	453	-5%	
-Homicide	48	57	47	8	-5%	
-Rape	429	475	475	99	-5%	
-Robbery	2,623	3,081	2,559	480	-5%	
<b>Juveniles</b> involved in violent crime arrestees	294	282	293	54	-5%	
-Agg. Assault	99	116	116	21	-5%	
-Homicide	14	0	10	3	-5%	
-Rape	20	7	7	3	-10%	
-Robbery	161	159	160	40	-5%	
<b>Juveniles</b> involved in violent crime suspects	1,723	2,263	950	143	-50%	
Guns seized	1,032	1,458**	1,087	219	1,000	
Part I & II arrests	26,224	30,270	30,327	8,123	+5%	
-Adults	19,735	22,285	22,323	6,618		
-Juveniles	6,489	7,985	8,004	1,595		
Incidents closed by arrest/complaint	29,447	35,978	29,936	7,522		
Response time for priority one calls-citywide average	8.51	9.13	9.49	8.19	8.00	
Response time for priority two calls	25.16	26.12	25.15	21.16	25.00	
Response time for priority three calls	30.23	31.37	33.09	27.25	N/A	
Externally generated internal affairs complaints	127	154	23	11	+5%	
Curfew incidents	999	1,853	1,487	286	+5%	
Curfew arrests	1,790	3,534	1,903	294	+5%	

Source: Minneapolis Uniform Crime Reports (UCR).

\*First Quarter 2008 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?**

The department recognizes that there may be challenges to providing outstanding police services to the City over the next 5 years. The challenges and responses include:

- **Maintain decreases in violent crime**

The department has had success in the last two years focusing on violent and Part 1 crimes. The decrease in violent crimes is one of the best measures of the City's safety according to the FBI's Uniform Crime Reports (UCR). The majority of the MPD's resources are committed to the prevention and deterrence of crime.

- **Increased demand for police services**

*Increased calls for service* – with the growing population, ease of access through cell phones and decreases in other agency programs, the MPD is called upon to respond to a growing number of service calls. With community cooperation and law enforcement technology, the MPD can assure that the population receives the level of police service expected.

*Homeland Security concerns* – the collapse of 35 W bridge showed how important it is for department to plan cooperatively for such events. The primary duty of Homeland Security is infrastructure protection.

*Expansion of the First Precinct* - Since the First Precinct opened, it has had a 69% increase in staff with an anticipation of reaching 122 this summer. This increase has been done to accommodate the challenges of downtown as a neighborhood with a growing resident population and an entertainment center which will soon include a new ball park. This expansion will provide larger locker rooms to accommodate all staff offices for the Community Response Team (CRT), License Compliance Unit and a supervisor. The increased cost to the department will be \$285,000 per year.

- **Managing perceptions of crime**

Often the perception of crime is not reflective of the reality of an area's safety. After a single incident, the perception of any area as unsafe can increase disproportionately. Public information can help dispel the incorrect assumptions. For example, to provide people with the correct information about their safety, the First Precinct has worked with their partners and the department's Public Information Officers to tell the true story about crime downtown. The MPD will continue to publish actual crime statistics and information that will give the citizens a true picture. The Crime Prevention Specialists also conduct meetings and are available for questions and discussions on specific real and perceived problems.

- **Growing non-English speaking communities**

The MPD is reaching out to non-English speaking communities through bi-lingual liaisons and providing law enforcement information translated into numerous languages. Internally, the department provides training to all officers in various language, customs and cultures. The department is continuing its commitment to hire a diverse work force so that the department reflects the variety of cultures of the people who live in the city.

- **Recruitment of diversified workforce**

The MPD has increased its outreach to recruiting new hires. Currently, nineteen officers are on the Multicultural Recruitment Team. The department is continuing the Community Service Officer (CSO) program – where a new hire joins the department while completing their law enforcement education and skill requirements as part of the job. The CSO class of 2008 is 50% culturally diverse and 6.7% female. For the first quarter of 2008, 18.43% of the officers in the MPD were culturally diverse.

- **Meeting demands for technology**

The MPD actively 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 will remain an issue. Some essential pieces of equipment such as Mobile Data Computers (MDCs) can no longer handle the additional technology that needs to be added to them. If the MDCs were upgraded, they could integrate other technologies such as safety cameras and gun shot detection systems thus providing enhanced ability for officers to respond quickly in real time. Unfortunately, upgrading all the MDCs will be very costly. The department continues to look at best practices and outside funding for tools that will serve Minneapolis in the future.

*Strategic Information Center* -The Strategic Information Center (SIC) will centralize the monitoring, routing, storage and retrieval of video images from the city wide safety cameras and gun shot detection systems. In addition it is anticipated that these images would also stream from cameras along the city's Mississippi River as part of the system funded by Port Security Grant. As the number of these surveillance devices (safety cameras and gun shot detections systems) increases, so does the challenge of effectively extracting useful information for rapid decision making and proactive police work.

The SIC would allow these devices to be monitored in one location so that real time situations could be dealt with rapidly. In addition, a central location provides more efficient capturing and storage of the data for easy retrieval. It is hoped such equipment and activities could be included in the Emergency Operations and Training Center (EOTC). If that were the case, the estimated cost for the SIC at this point would be \$2 M with \$500,000 of ongoing annual costs. The one-time costs are included in the CLIC proposal for the EOTC.

With the expansion of the First Precinct, the department has an opportunity to use some of this space for an SIC. This space would house the camera monitoring equipment and staff as well as the Intelligence Sharing and Analysis Center (ISAC). Placing these two functions in close proximity would mean that activity observed on cameras could very quickly be used by ISAC to provide proactive data to police precincts. This opportunity for literally up-to-the-minute information should not be missed. Retired officers could be hired to monitor the cameras. The average cost for a civilian in the department is calculated at \$66,000 (base and fringe). If the department were to hire 10 people to work 24/7 this would total \$660,000 per year in salaries.

*Upgrades of the Mobile Data Computers* - As mentioned previously, the department's current mobile data computers (MDC) replaced the Mobile Data Terminals (MDT) in 2003. The MDC provides near instant access to criminal histories, drivers license, vehicle records and information from other law enforcement agencies. These functions have reduced the costs associated with booking and otherwise manual procedures. With the addition of digital squad cameras, gun shot detection systems and safety cameras; the capability of the current MDCs to handle the technology has been exceeded. New MDCs would also provide more efficient use of the digital cameras that are planned for each squad car. Because the department are replacing technology rather than purchasing new, is difficult to obtain grant funding for these purchases. The department plan to upgrade 1/3 of the current units a year. The cost to develop the support platform and convert the initial 1/3 would be about \$2M.

- **Improving community satisfaction with internal (IAU) investigations**

The department's Internal Affairs Unit (IAU) is developing an Early Intervention System to address potential issues before they arise. Throughout the next couple years, IAU will be monitoring cases for timely and thorough investigations. Looking toward any improvements that can be made in our current process, the Police Executive Research Foundation (PERF) is conducting an audit of internal affairs functions.

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The Police budget is \$128.4 million, a 0.7% increase over the 2008 budget. Personnel expenses make up about 80% of the total budget. There is an approximately 5% increase in personnel expenses from 2008. A \$3 million market rate adjustment was made for personnel costs to reflect settlements by other cities in the metro area.

Non-personnel expenses make up about 20% 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.

Two janitor positions were moved to Public Works and the rent was increased to reflect the addition of custodial services. One equipment specialist was moved into Police from Fleet Services.

The budget for this department includes \$1,193,125 in property services charges based on the Council's adoption and implementation of a City-wide rate for space in which charges for City Hall tenants will now be reflected in department budgets. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Police is \$127,222,795, a 0.2% decrease over the 2008 Adopted budget.

#### REVENUE

The department's revenue for 2009 is about \$21.7 million, a 1.1% increase from the prior year due primarily to increased revenue estimates for state revenues and charges for service. The revenue reductions reflect anticipated collections in fine and forfeitures (\$500,000) and declines in federal grants (\$250,000). Fines are the largest revenue source for the department. The revenue estimate for fines for 2009 is \$10.9 million.

The second largest revenue sources for the department are federal and state government aid. The department's general fund revenue budget receives about \$4.4 million in state aid to offset PERA pension costs. The department has also received \$3.5 million in federal grants from the U.S. Department of Justice. These current grants are for equipment, overtime, and technology enhancements. The 2009 current service level was increased by 2 state grant-funded positions.

The department's special revenue fund revenue makes up about 29% 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 and public housing patrol services.

#### FUND ALLOCATION

The majority (95%) 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

The Mayor recommended and Council approved a reduction of \$680,000 to the department to meet the five-year financial direction.

#### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$6,510,000 in the general fund. This reduction will be temporarily offset by the receipt of up to \$4.7 million in federal grant resources in 2009, and an additional amount in 2010. The remaining \$1.8 million will be achieved through the reduction of non-personnel expenditures, including overtime.

The Mayor directed the Attorney's Office, Finance, and Police to explore the causes of revenue shortfall related to fines. These departments are to explore the feasibility of implementing other collection processes including administrative citations for the 2010 budget and report back to the Public Safety and Regulatory Services and Ways & Means/Budget committees no later than May 1, 2009. The Mayor also directed Police to work with the Department of Finance to complete an immediate audit of the top 25 overtime recipients.

## COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendations.

The Health Department is directed to report back to Health, Energy and Environment and Ways and Means/Budget committees by May 15, 2009 regarding potential cost savings from closing the public health lab and shall also work with the Police Department, Regulatory Services and other departments to determine whether or not there would be any additional costs incurred by other departments. The committees shall move forward with a final recommendation to the City Council on closing the public health lab effective January 1, 2010.

The Council further directs Finance staff to explore sources of non-General Fund dollars for community crime prevention efforts including CDBG. The Neighborhood and Community Relations Department is directed to work with the Minneapolis Police Department and in consultation with the Neighborhood and Community Engagement Commission to explore different models for neighborhood funding and oversight of community crime prevention staff. Finance will report to Public Safety and Regulatory Services and Ways and Means/Budget committees by August 1, 2009.

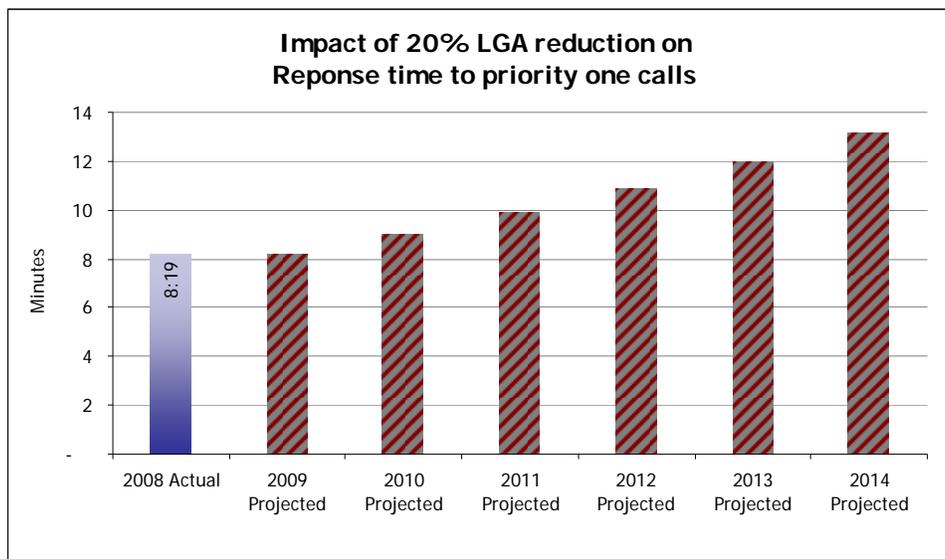
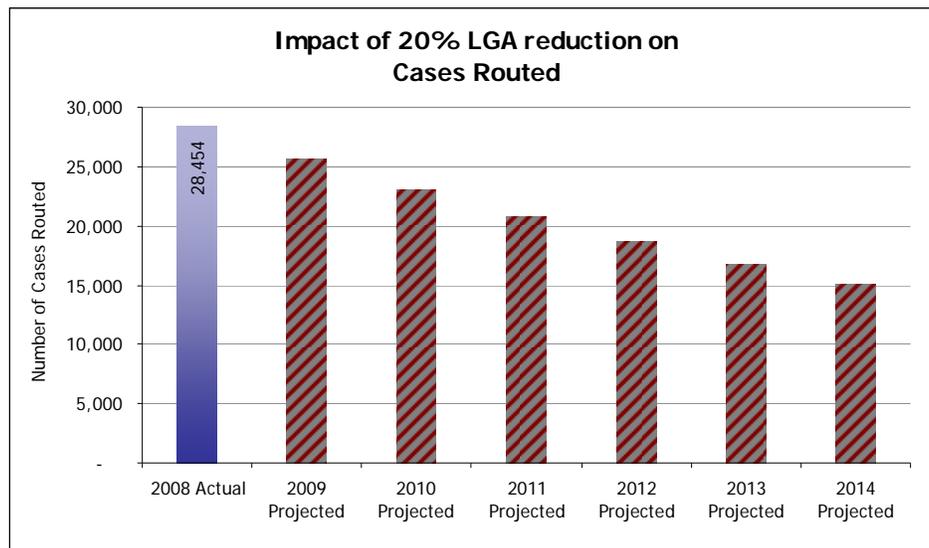
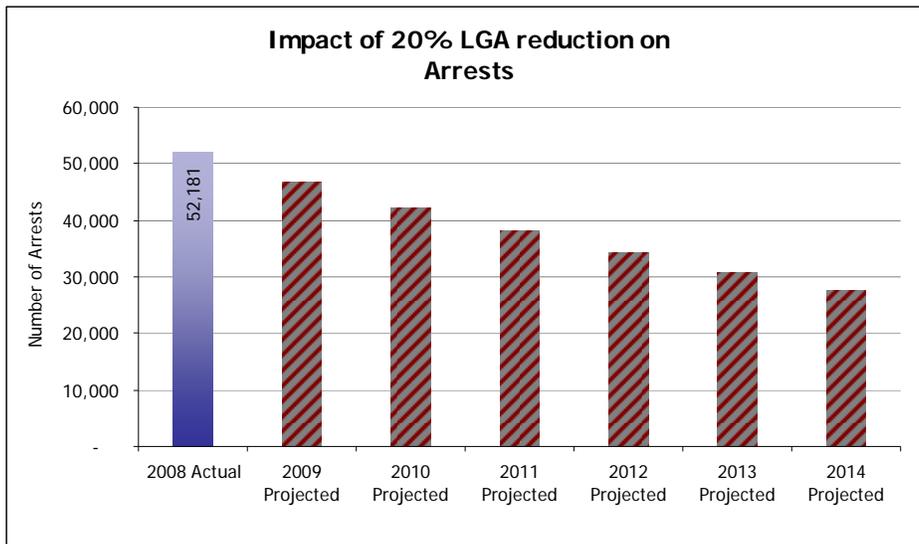
The Council further directs the Police department to implement reductions matching any shortfalls in federal resources it receives under the Byrne grant.

The Council further directs BIS, Police, Public Works, and Regulatory Services to consolidate all the cellular plans, services, and minutes under the management of a single department. The departments are further directed to submit a plan to Ways and Means no later than July 13, 2009, including identifying the responsible department as well as any staff and/or funding transfers that would be needed. All actions must be completed by December 31, 2009 to ensure savings can be fully realized in 2010.

The budget for this department includes a reduction of BIS charges of \$176,600 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Police is \$128,592,520, a 0.8% increase over the 2008 Adopted budget.

## RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.



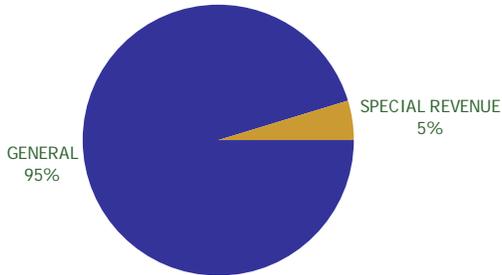
**POLICE  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	68,427,363	69,683,318	74,257,826	71,182,097	-4.1%	(3,075,729)
Fringe Benefits	19,098,787	21,370,351	23,144,510	24,996,093	8.0%	1,851,583
Contractual Services	16,885,601	17,693,114	15,355,399	16,691,744	8.7%	1,336,345
Operating Costs	8,048,113	7,472,474	8,198,837	9,027,069	10.1%	828,232
Capital	151,506	48,408	290,967	299,114	2.8%	8,147
<b>TOTAL GENERAL</b>	<b>112,611,370</b>	<b>116,267,665</b>	<b>121,247,539</b>	<b>122,196,117</b>	<b>0.8%</b>	<b>948,578</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	2,730,484	4,136,978	1,787,695	2,013,610	12.6%	225,915
Fringe Benefits	500,548	651,908	171,871	485,433	182.4%	313,562
Contractual Services	1,806,894	1,823,609	1,693,244	1,613,799	-4.7%	(79,445)
Operating Costs	980,458	730,744	1,053,177	1,499,498	42.4%	446,321
Capital	59,028	152,946	1,583,834	607,464	-61.6%	(976,370)
<b>TOTAL SPECIAL REVENUE</b>	<b>6,077,412</b>	<b>7,496,185</b>	<b>6,289,821</b>	<b>6,219,804</b>	<b>-1.1%</b>	<b>(70,017)</b>
<b>TOTAL EXPENSE</b>	<b>118,688,782</b>	<b>123,763,850</b>	<b>127,537,360</b>	<b>128,415,920</b>	<b>0.7%</b>	<b>878,560</b>

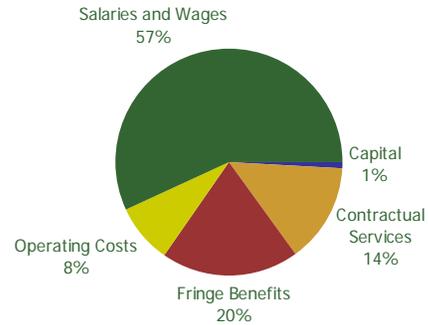
REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	0	0	400	400	0.0%	0
State Government	5,095,190	4,421,584	4,380,000	4,380,000	0.0%	0
Charges for Service	179,280	185,497	167,643	167,643	0.0%	0
Charges for Sales	75,017	0	0	0	0.0%	0
Fines and Forfeits	8,270,473	7,958,470	11,003,877	10,503,877	-4.5%	(500,000)
Contributions	75	0	0	0	0.0%	0
Other Misc Revenues	1,878	3,154	3,340	3,340	0.0%	0
<b>TOTAL GENERAL</b>	<b>13,621,912</b>	<b>12,568,705</b>	<b>15,555,260</b>	<b>15,055,260</b>	<b>-3.2%</b>	<b>(500,000)</b>
<b>SPECIAL REVENUE</b>						
Sales and Other Taxes	165,775	148,213	121,626	121,626	0.0%	0
License and Permits	634,333	917,781	492,751	571,985	16.1%	79,234
Federal Government	1,665,115	1,479,796	3,783,883	3,534,025	-6.6%	(249,858)
State Government	2,103,862	1,387,019	840,244	1,444,106	71.9%	603,862
Charges for Service	852,844	586,098	359,714	610,384	69.7%	250,670
Charges for Sales	3,060	250	0	0	0.0%	0
Fines and Forfeits	511,454	503,394	263,353	370,456	40.7%	107,103
Special Assessments	17,170	0	0	0	0.0%	0
Interest	13,992	11,753	0	0	0.0%	0
Contributions	117,913	143,969	74,966	28,000	-62.6%	(46,966)
Other Misc Revenues	3,025	3,111	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>6,088,542</b>	<b>5,181,384</b>	<b>5,936,537</b>	<b>6,680,582</b>	<b>12.5%</b>	<b>744,045</b>
<b>TOTAL REVENUE</b>	<b>19,710,454</b>	<b>17,750,089</b>	<b>21,491,797</b>	<b>21,735,842</b>	<b>1.1%</b>	<b>244,045</b>



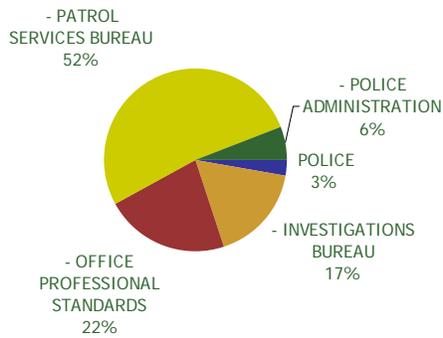
### Expense by Fund



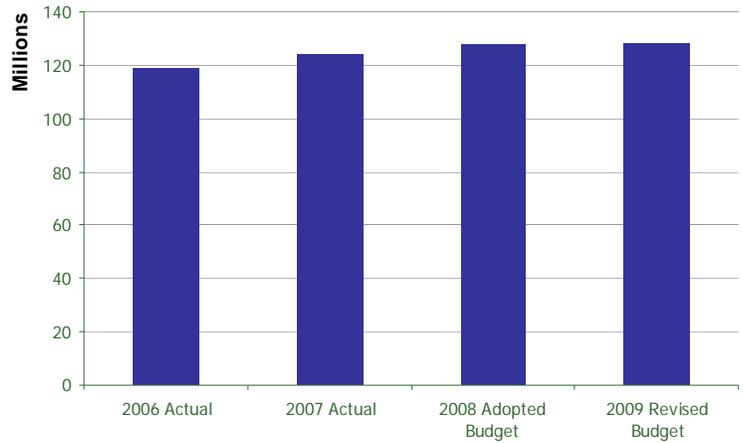
### Expense by Category



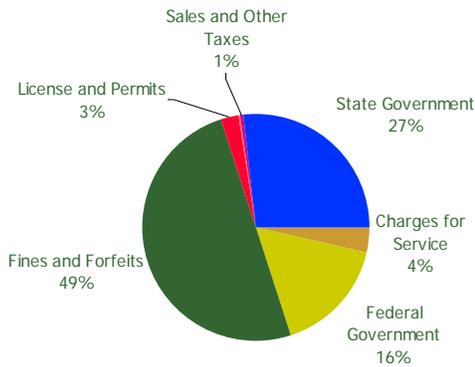
### Expense by Division



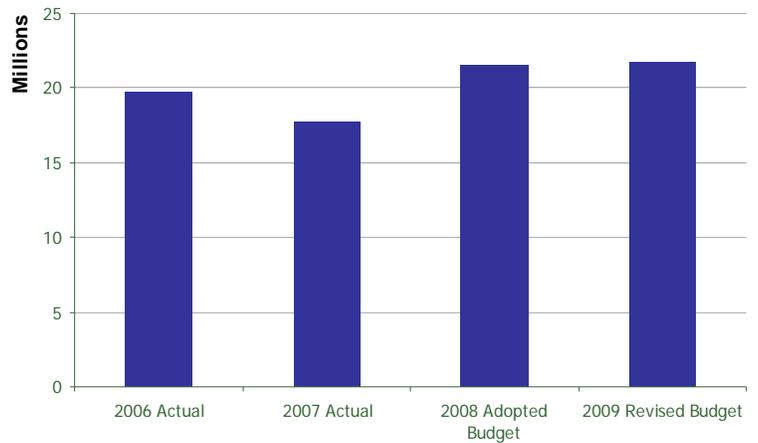
### Expense 2006 - 2009



### Direct Revenue by Type



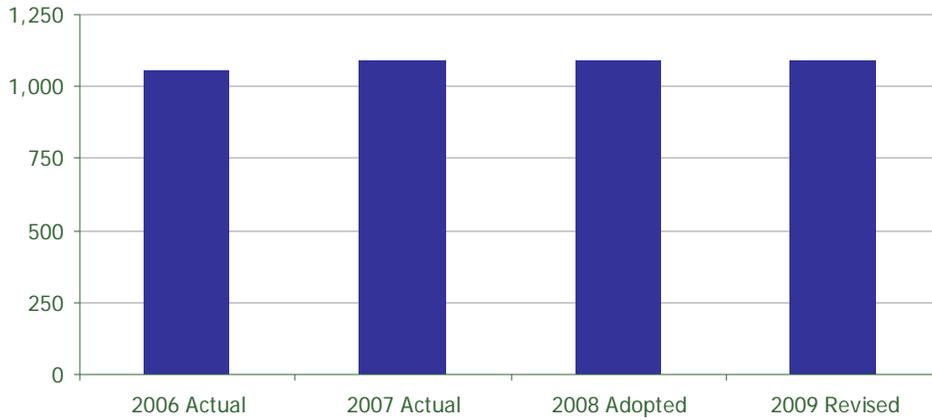
### Revenue 2006 - 2009



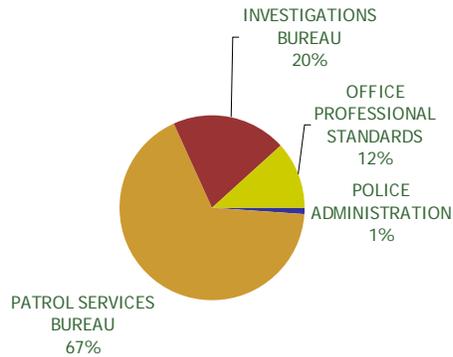
**POLICE  
Staffing Information**

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
INVESTIGATIONS BUREAU	150	143	143	218	52.1%	75
OFFICE PROFESSIONAL STANDARDS	141	154	154	127	-17.4%	(27)
PATROL SERVICES BUREAU	756	780	785	734	-6.5%	(51)
POLICE ADMINISTRATION	11	11	11	13	18.2%	2
<b>TOTAL</b>	<b>1,058</b>	<b>1,088</b>	<b>1,093</b>	<b>1,092</b>	<b>-0.1%</b>	<b>(1)</b>

**Positions 2006-2009**



**Positions by Division**



# PUBLIC WORKS

## MISSION

To be effective stewards of the public infrastructure, and provide valued city services that contributes to public safety, economic vitality and neighborhood livability in Minneapolis.

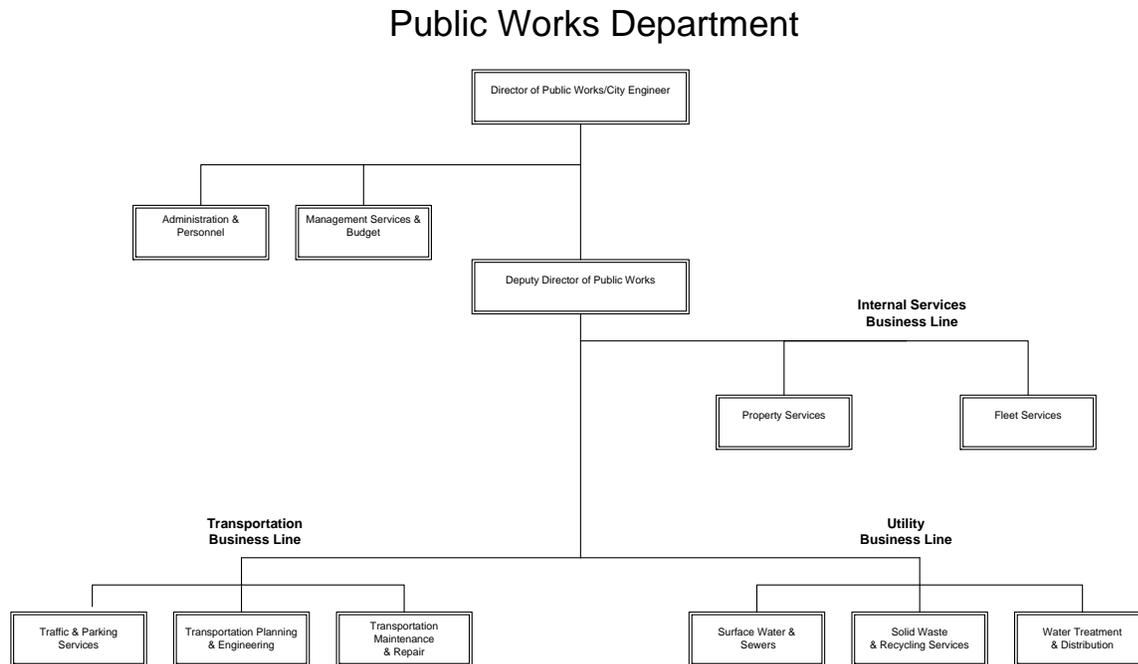
## BUSINESS LINES

**Internal Services** – The Internal Services business line is comprised of services that are provided primarily to internal City departments (Property Services and Fleet Services).

**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, yard waste, and coordination of Clean City activities (Surface Water & Sewers, Water Treatment & Distribution, and Solid Waste & Recycling Services).

**Transportation** – The Transportation Business Line offers people a variety of safe, convenient options for moving throughout the City and within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people and goods (Traffic & Parking Services, Transportation Planning & Engineering, and Transportation Maintenance & Repair).

## ORGANIZATION CHART

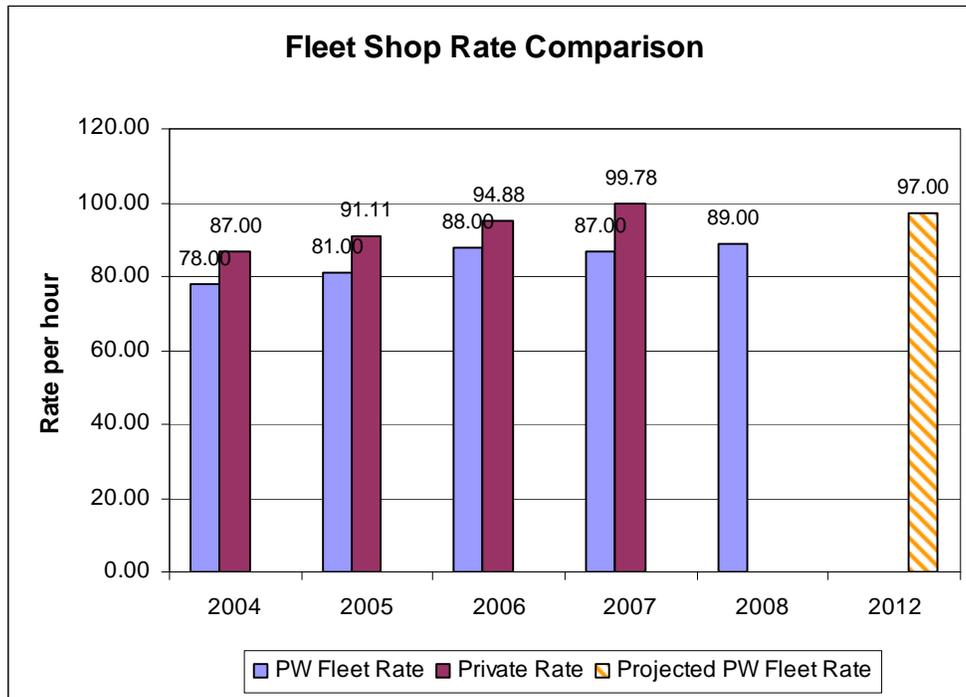


City Goals & Strategies	Department Goal	Objective
<p><b>A safe place to call home:</b> E. Youth: valued, challenged &amp; engaged</p> <p><b>One Minneapolis:</b> C. Equitable City services</p> <p><b>Lifelong learning:</b> D. Embrace the U's expertise E. Education: stronger partnerships</p> <p><b>Connected 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

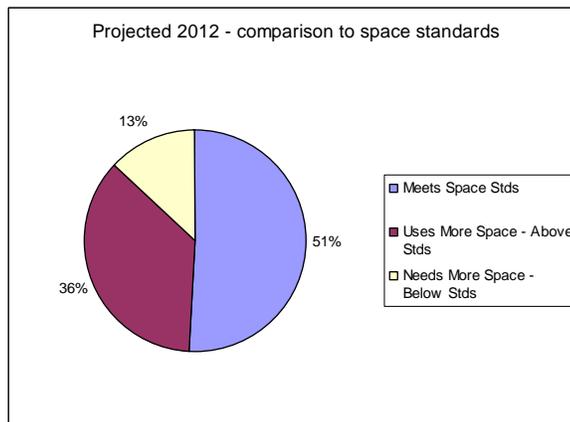
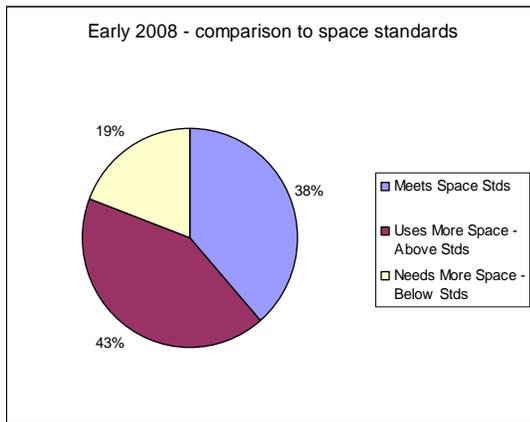
City Goals & Strategies	Department Goal	Objective
<p><b>A safe place to call home:</b> A. Guns, gangs, graffiti gone</p> <p><b>Connected communities:</b> A. Integrated, multimodal transportation B. Walkable, bikable, swimmable D. Northstar, Central Corridor, SW Corridor</p> <p><b>Enriched environment:</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

**INTERNAL SERVICES MEASURES:**

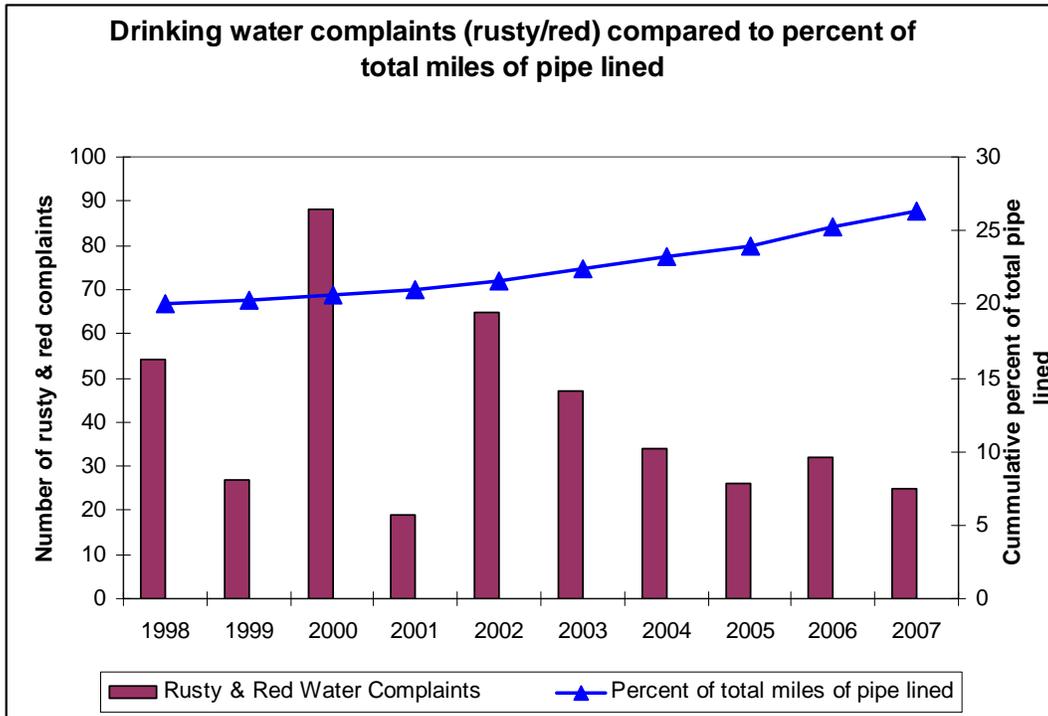


This measure indicates that the hourly rate charged for maintenance and repair services by Fleet Services is cheaper than the average comparable private repair shop rate. This is one measure used to evaluate the cost effectiveness of fleet maintenance and repair activities.

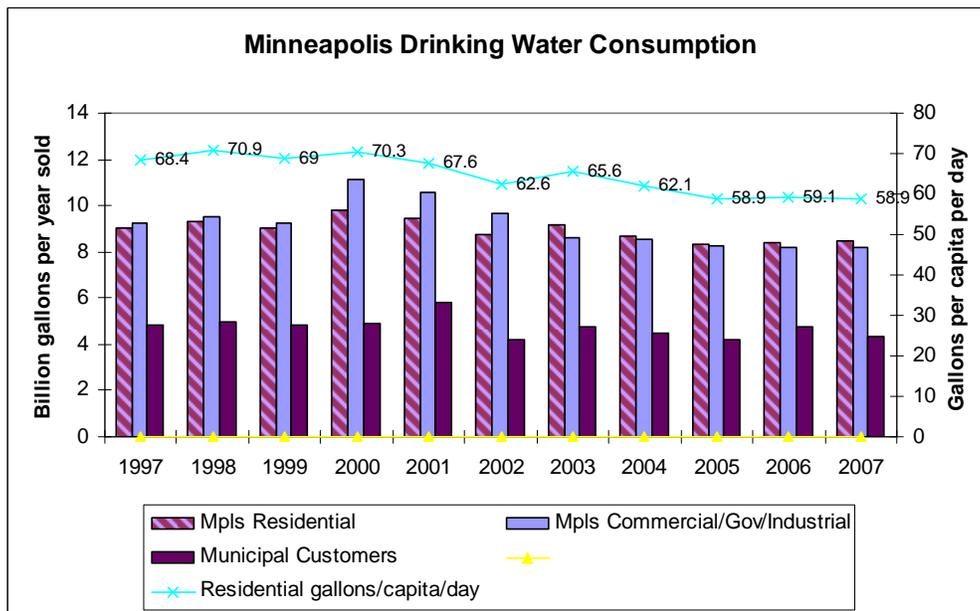


This measure indicates the City's progress toward compliance with city space standards, which are in place to ensure adequate space is provided to deliver city services while minimizing the cost of holding onto unnecessary space. Currently planned investment in facilities will be necessary to achieve the projected compliance, which will result in annual cost savings.

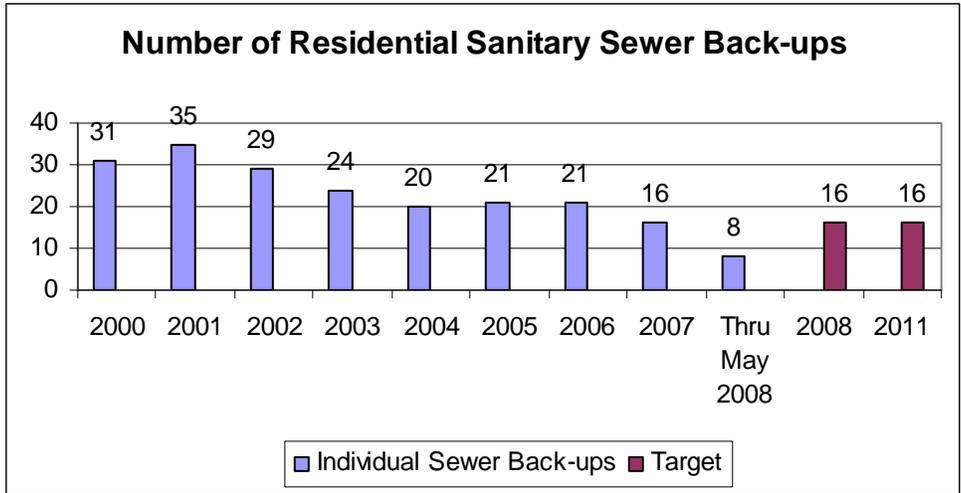
**UTILITIES MEASURES:**



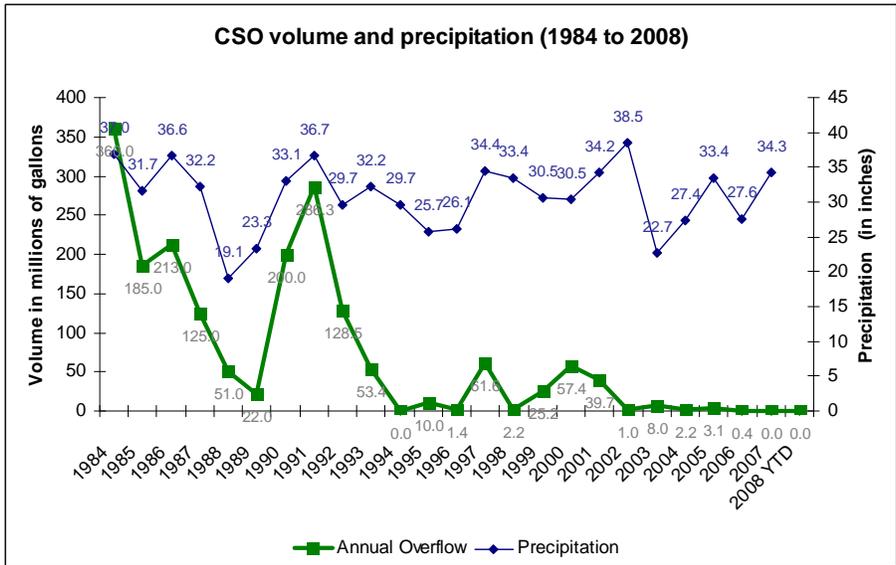
The number of complaints received about rusty/red water is one factor that is considered in determining where watermain cleaning and lining should be completed, and how much should be invested in this program. Complaints are tracked by location. The current capital program funds the cleaning and lining of approximately 1% of watermains per year.



Projecting water consumption is important to managing water rates. As consumption levels off, rates need to adjust to produce revenue to cover the costs of water production and distribution as well as debt service on the water capital program. If the department is successful in expanding the customer base, it will have a positive effect on future rates.

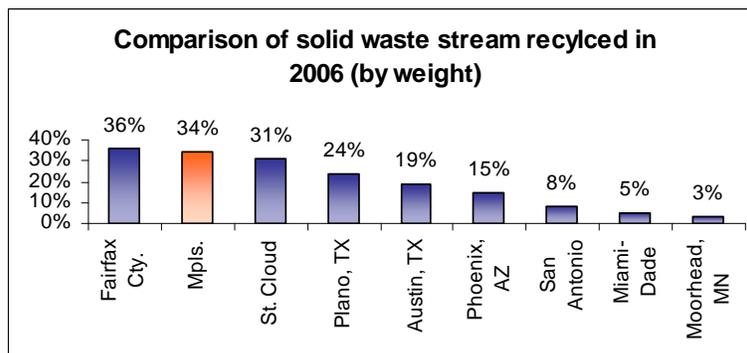
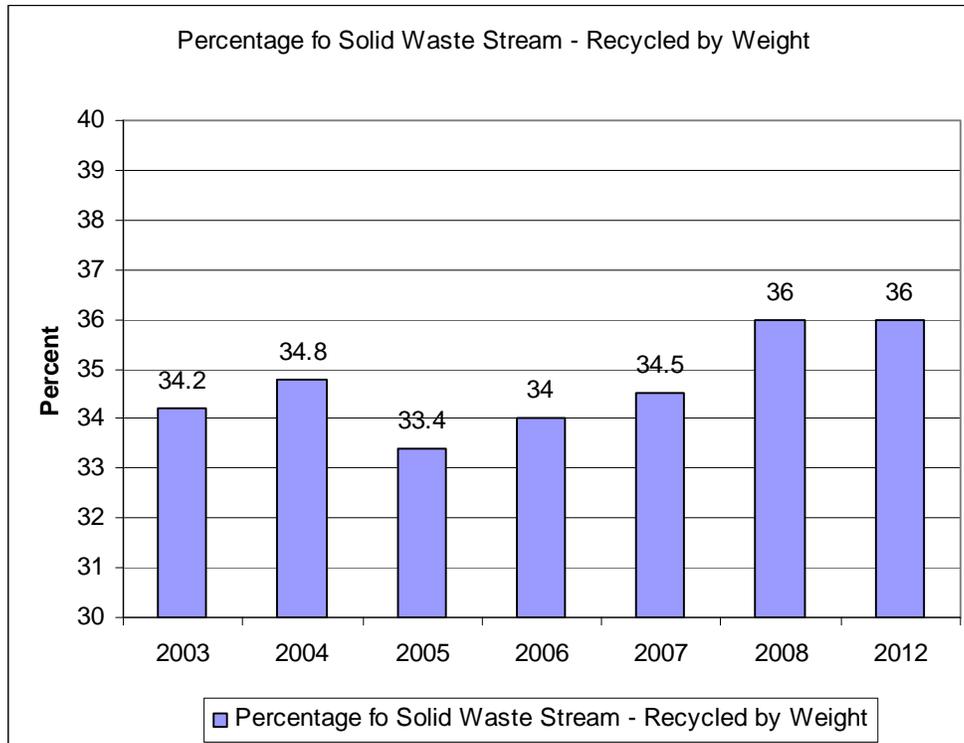


This measure indicates the number of residents experiencing a backup of the city sanitary sewer system. The rate of backups is below the national average.



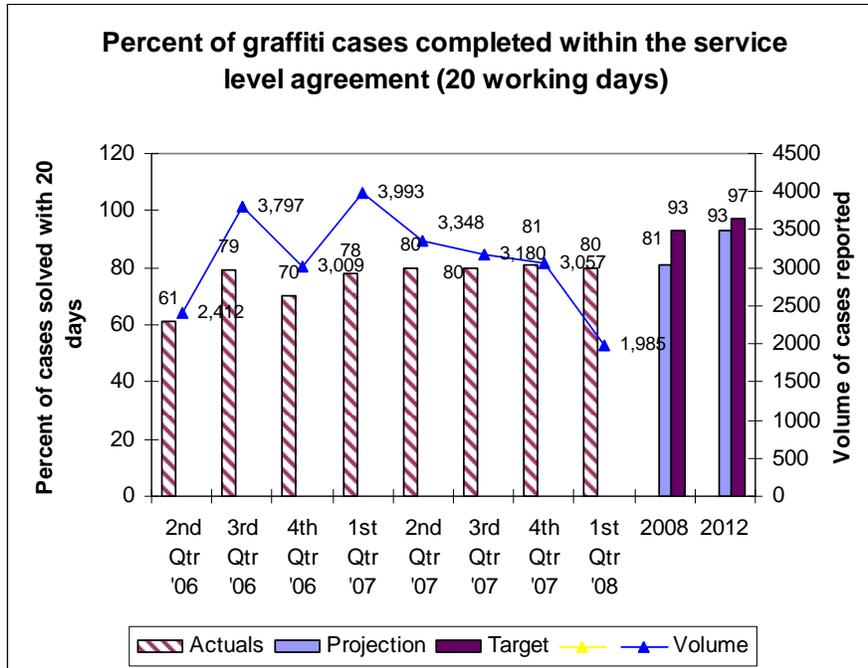
This measure illustrates that the city's investment in reducing inflow and infiltration into the sanitary sewer system has been effective as reducing combined sewer overflows (CSOs). Although the department has achieved no CSOs in recent years, a wet year could result in CSOs. Continued analysis is necessary to determine how much is reasonable for the City to invest to minimize the likelihood of a CSO event.





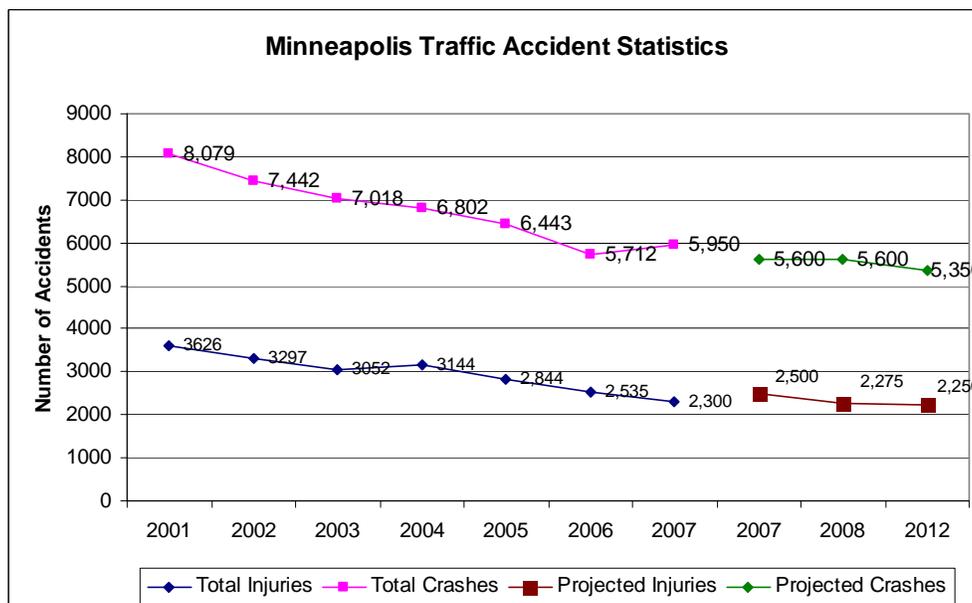
At 36%, the City has a high recycling rate when compared with other cities. Over 96% of residential customers recycle, which suggests there is minimal benefit to increasing efforts toward increasing the number of residential customers who recycle. Since the department does not know the percentage of the commercial waste stream that is recycled, the department is unable to determine the opportunity to increase recycling in this area. A significant investment of staff resources would be necessary to estimate the tonnage of the commercial waste stream that is recycled.

In 2008 a pilot program will begin for organics composting. Organics composting has the potential to significantly reduce the tonnage of solid waste being sent to the Hennepin Energy Recovery Center (HERC).

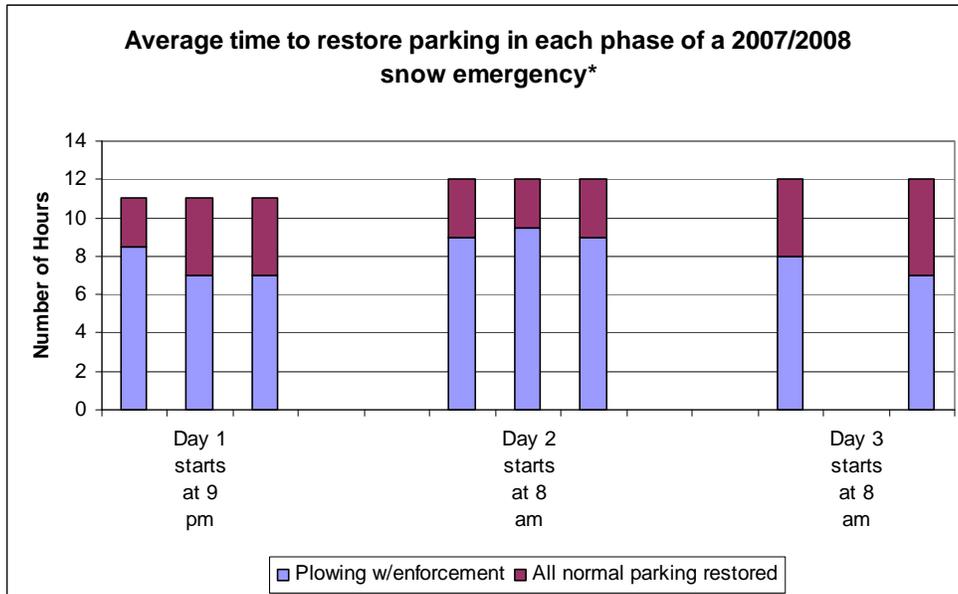


Only 80% of graffiti cases are closed within the service level agreement is that when entities other than the city abate graffiti (US Post Office, Xcel, Railroads, and MnDOT). The abatement is not usually reported to the city and therefore not recorded in the reporting system. In 2008, a new gang graffiti abatement program was initiated with the objective of decreasing the amount of time gang graffiti remains in place. Micro-grants for graffiti reduction were also provided to neighborhoods. Data on the effectiveness of these programs is not available at the time of budget submittal. However, Public Works will compile data from both program changes as it becomes available to evaluate their effectiveness.

### TRANSPORTATION MEASURES:



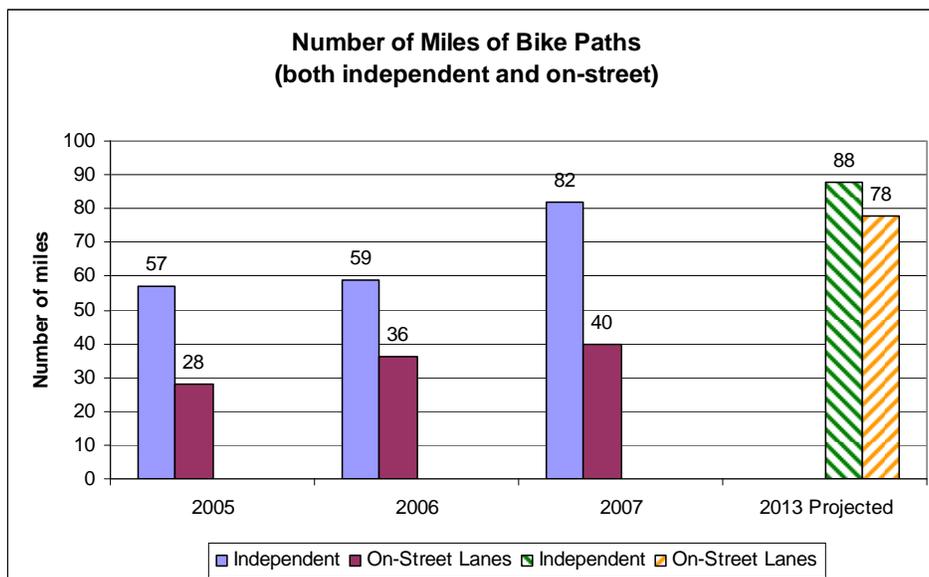
Public Works influences traffic safety through engineering, which is only one factor influencing traffic accident statistics. By focusing on the most problematic intersections, the department strives to reduce the number and severity of accidents in the City. The trend is downward despite increasing traffic volumes.



\* There have been 3 snow emergencies in the winter of 2007/2008 starting on the following days:

- Saturday, December 1<sup>st</sup> – 1<sup>st</sup> column of each day      Snow fall = 6.4 inches
- Monday, December 24<sup>th</sup> – 2<sup>nd</sup> column of each day      Snow fall = 4.0 inches
- Thursday, December 27<sup>th</sup> – 3<sup>rd</sup> column of each day      Snow fall = 4.7 inches

This measure indicates how quickly parking is restored on City streets on each day of a snow emergency. Collection of this data will help Public Works determine the effectiveness of its snow emergency operations, which is particularly useful in assessing the service level impact of staffing changes.



It is presumed that increasing the mileage of bicycle trails and lanes will contribute toward a higher percentage of travel by bicycle. By combining this measure with future measurement of mode share, the department can begin to evaluate how effective the addition of bicycle paths is toward increasing the bicycle mode share.

***What key trends and challenges does the department face and how will each be addressed?***

- **Water revenue increases not sufficient for increasing costs:** Water treatment commodity costs are increasing faster than the current service level adjustments. Examples of these commodities are chemicals and lime used to treat and soften drinking water and fuel used as part of hauling away sludge generated by the water processes. Combined with this is the fact that revenues are not keeping pace with the 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 major activities, and possible rate adjustments.
- **Water resources and sustainability:** 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 flow in the sanitary sewer system to the MCES treatment plant. Excess flow is non-sewage wastewater, or “clear water” (most commonly stormwater). The MCES plant capacity is limited, so during a heavy rain event, if there is a considerable amount of excess flow, some of the combined sewage and clear water can bypass the treatment plant and discharge to the Mississippi River untreated. The Met Council has calculated that Minneapolis must eliminate all 112.7 MGD of clear water that enters the sanitary sewer system.

To achieve this goal the City needs to identify and eliminate all the sources of inflow (stormwater directly connected to the sanitary sewer, streets, roof drains, foundation drains) 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. There will come a point at which it will be far more expensive to try to track down and resolve the remaining last few percent of the inflow and infiltration problem than to pay what in effect would be a demand charge to MCES. The department will continue to update elected officials on this progress and any anticipated decisions.

- **The challenge of graffiti abatement:** In 2007, the City centralized graffiti abatement services in Public Works. This consolidation has allowed a full understanding of the magnitude of the graffiti challenge and associated costs. The current program is funded from the Solid Waste & Recycling Fund balance, at a cost of more than \$1 million per year. A broader funding source is more appropriate to spread the cost to all property owners, rather than only Solid Waste & Recycling customers (single family to four-plex residential).

**FINANCIAL ANALYSIS**

The department’s 2009 budget is \$301.1 million, an 7.8% increase from 2008. The department is funded by the general fund, the capital projects fund, four internal service funds, and five enterprise funds. The overall change in personnel was a reduction of 3 positions for a total of 1200.

## ORIGINAL BUDGET

The Mayor's recommended budget included a reduction of \$220,000 to non-street and lighting repair areas of the department's budget. The Mayor also recommended \$3 million for ballpark area pedestrian improvements.

The Council concurred with the Mayor's recommendation on the reduction to growth and further recommends \$2.425 million for ballpark area pedestrian improvements; of this amount, \$425,000 may not be spent on infrastructure until Public Works reports to the Ways & Means Committee on the status of the improvements and affirmative action taken by the Council.

The Council further directed Public Works staff is directed to return to the Transportation Public Works and Ways and Means/Budget committees with a report regarding the gaps in bicycle path planning efforts. Staff is directed to return to these committees with recommendations regarding leveraging funding for this purpose on or before June 1, 2009, prior to any Council decision on the use of \$425,000 reserved in this budget for related ballpark area pedestrian improvements.

The Council directed Public Works to develop a plan that would, to the extent allowed by law, charge the participating properties in the special service districts for the costs associated with administering the district and report back to the Transportation and Public Works and Ways and Means committees by May, 2009.

## MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$2,225,000. In addition to reducing expenditures, the Mayor directed the Public Works department to introduce a street lighting utility fee for both residential and non-residential properties. For a typical residential property, the street lighting utility fee will be no more than \$20.00 a year. The Mayor further directed Public Works to develop a team to review fleet size, car share options, take home vehicles and parking policies and report back to the Transportation and Public Works Committee no later than June 1, 2009.

## COUNCIL REVISED BUDGET

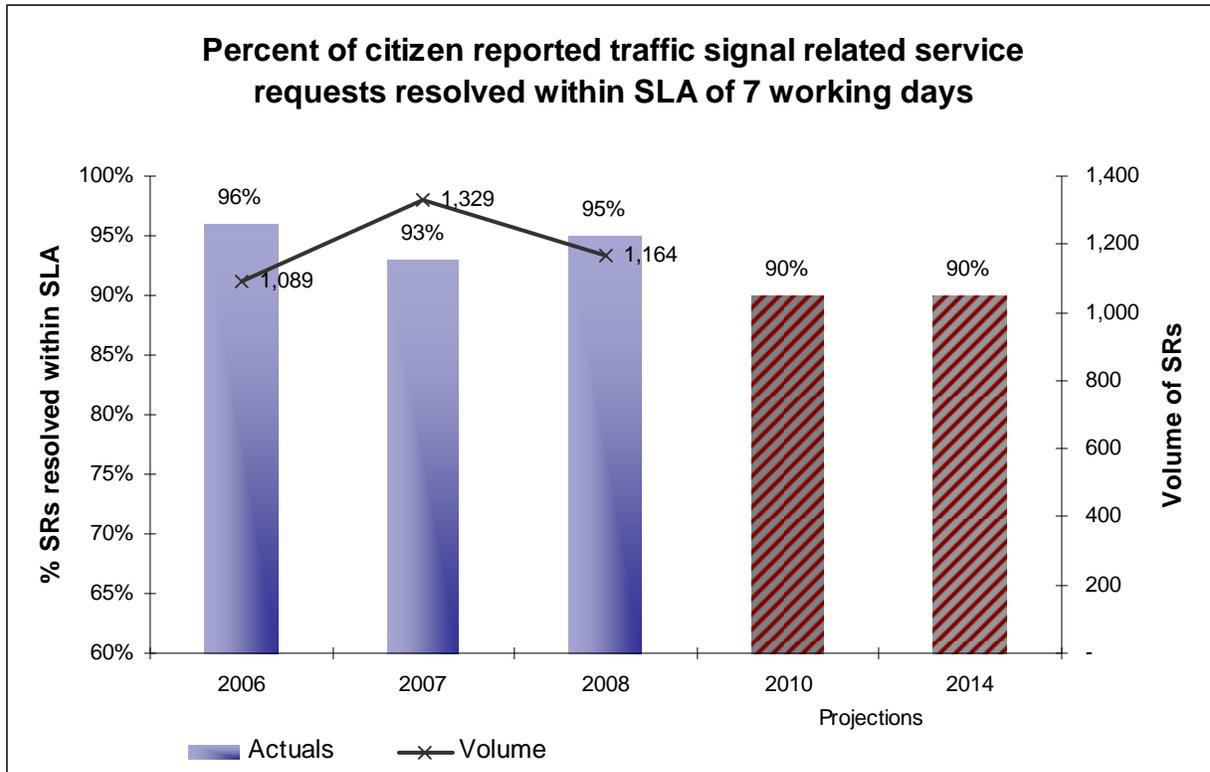
The Council concurs with the amount of reduction and directs Public Works to decrease the revenue budget by \$850,000 to reflect removal of the street light fee implementation in 2009. Public Works is to decrease the proposed expenditure appropriation by \$850,000. To offset this \$850,000 reduction, the following one-time funding allocations are to be eliminated:

- CPED: \$100,000 for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112)
- Capital project: \$250,000 for the Hiawatha LRT Signal Improvements project (TR019)
- Attorney: \$75,000 for a youth prostitution prevention pilot program
- Regulatory Services: \$25,000 for contract spay and neuter services
- Public Works: \$400,000 for ballpark area pedestrian improvements

The Council further directs BIS, Police, Public Works, and Regulatory Services to consolidate all the cellular plans, services, and minutes under the management of a single department. The departments are further directed to submit a plan to Ways and Means no later than July 13, 2009, including identifying the responsible department as well as any staff and/or funding transfers that would be needed. All actions must be completed by December 31, 2009 to ensure savings can be fully realized in 2010.

## RESULTS IMPLICATIONS

The following chart show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.

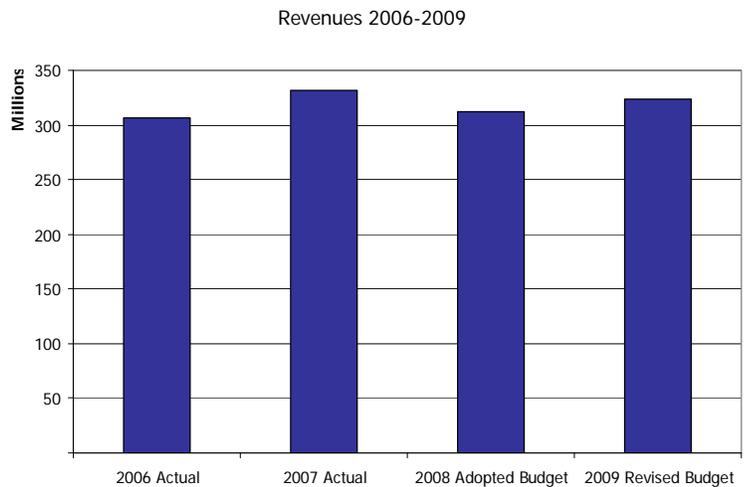
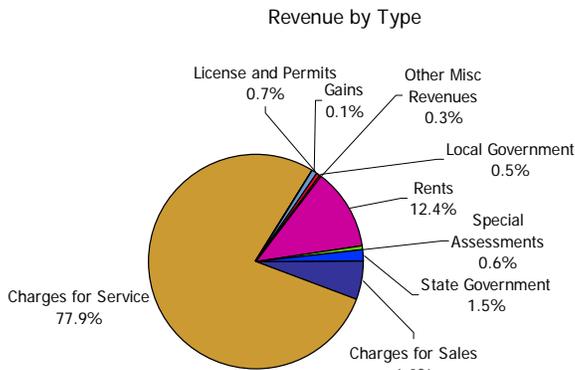
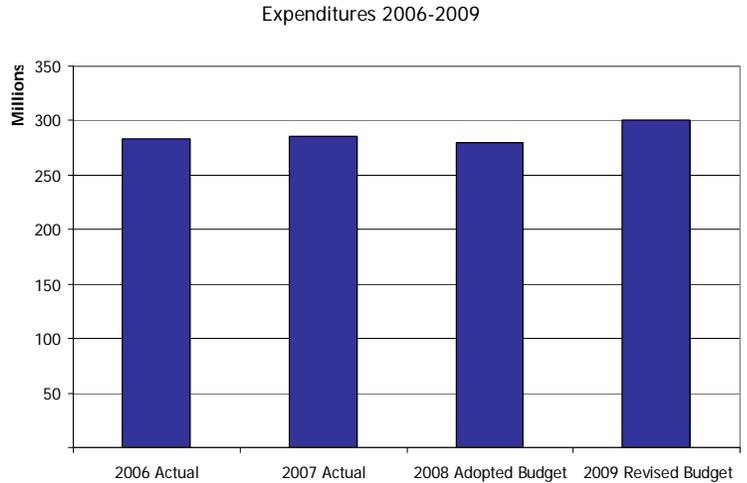
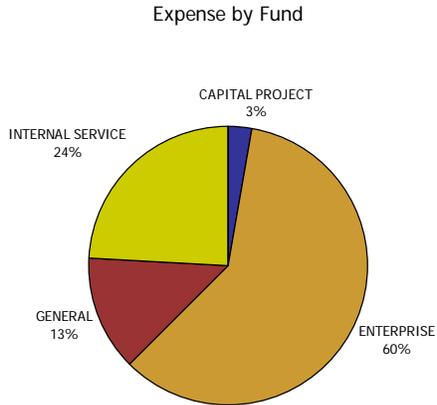


**PUBLIC WORKS  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>CAPITAL PROJECT</b>						
Salaries and Wages	2,856,168	2,785,089	3,662,084	3,880,804	6.0%	218,720
Contractual Services	1,594,171	1,652,356	2,861,951	3,042,660	6.3%	180,709
Operating Costs	192,666	155,013	154,684	190,725	23.3%	36,041
Fringe Benefits	799,933	867,876	1,284,106	1,427,712	11.2%	143,606
Capital	(3,464,328)	(3,481,566)	80,448	82,701	2.8%	2,253
<b>TOTAL CAPITAL PROJECT</b>	<b>1,978,610</b>	<b>1,978,768</b>	<b>8,043,273</b>	<b>8,624,602</b>	<b>7.2%</b>	<b>581,329</b>
<b>ENTERPRISE</b>						
Salaries and Wages	28,322,608	30,281,039	30,476,766	32,222,261	5.7%	1,745,495
Contractual Services	88,970,712	83,981,677	86,338,294	86,223,229	-0.1%	(115,065)
Operating Costs	59,163,554	59,944,893	41,386,611	44,449,662	7.4%	3,063,051
Fringe Benefits	11,275,091	11,875,955	12,911,534	14,286,422	10.6%	1,374,888
Capital			2,289,291	2,348,745	2.6%	59,454
Debt Service	500,001					
<b>TOTAL ENTERPRISE</b>	<b>188,231,966</b>	<b>186,083,564</b>	<b>173,402,496</b>	<b>179,530,318</b>	<b>3.5%</b>	<b>6,127,822</b>
<b>GENERAL</b>						
Salaries and Wages	11,307,873	11,534,513	11,259,473	11,390,608	1.2%	131,135
Contractual Services	17,837,896	18,878,168	18,393,101	18,077,633	-1.7%	(315,468)
Operating Costs	4,782,359	5,445,334	5,102,688	5,822,908	14.1%	720,220
Fringe Benefits	4,656,954	4,814,704	5,154,445	4,941,569	-4.1%	(212,876)
Capital	148,897	195,339	270,342	277,912	2.8%	7,570
<b>TOTAL GENERAL</b>	<b>38,733,979</b>	<b>40,868,058</b>	<b>40,180,049</b>	<b>40,510,629</b>	<b>0.8%</b>	<b>330,580</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	16,655,976	18,224,046	19,569,673	20,801,290	6.3%	1,231,617
Contractual Services	12,819,633	12,042,601	16,796,754	22,146,414	31.8%	5,349,660
Operating Costs	18,259,809	18,891,239	11,820,883	12,353,646	4.5%	532,763
Fringe Benefits	6,998,543	7,242,964	8,605,517	8,866,860	3.0%	261,343
Capital	21,297	4,301	720,360	8,140,530	1030.1%	7,420,170
<b>TOTAL INTERNAL SERVICE</b>	<b>54,755,258</b>	<b>56,405,151</b>	<b>57,513,187</b>	<b>72,308,741</b>	<b>25.7%</b>	<b>14,795,554</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	77,681	315,487	90,000	84,000	-6.7%	(6,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>77,681</b>	<b>315,487</b>	<b>90,000</b>	<b>84,000</b>	<b>-6.7%</b>	<b>(6,000)</b>
<b>TOTAL EXPENSE</b>	<b>283,777,494</b>	<b>285,651,028</b>	<b>279,229,005</b>	<b>301,058,291</b>	<b>7.8%</b>	<b>21,829,286</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>CAPITAL PROJECT</b>						
Charges for Sales	1,620	410				
Charges for Service	248,076	30,771	1,652,924	2,122,924	28.4%	470,000
License and Permits	213,396	287,423	263,159	263,159	0.0%	
Special Assessments	24,179	19,485	16,072	16,072	0.0%	
State Government	1,036,766	71,857	550,000	761,000	38.4%	211,000
<b>TOTAL CAPITAL</b>	<b>1,524,037</b>	<b>409,946</b>	<b>2,482,155</b>	<b>3,163,155</b>	<b>27.4%</b>	<b>681,000</b>
<b>ENTERPRISE</b>						
Charges for Sales	5,315,504	10,271,738	4,566,400	4,073,400	-10.8%	(493,000)
Charges for Service	213,209,583	221,976,961	220,838,263	226,823,042	2.7%	5,984,779
Federal Government	36,036					
Fines and Forfeits		41,789	45,000	45,000	0.0%	
Gains		25,274,650				
License and Permits	252,957	241,344	219,000	219,000	0.0%	
Local Government	1,008,557	1,114,294	1,132,921	1,073,403	-5.3%	(59,518)
Other Misc Revenues	142,518	109,342	210,941	194,181	-7.9%	(16,760)
Rents	214,075	21,060	3,000	3,000	0.0%	
Special Assessments	12,614,773	266,096	115,000	115,000	0.0%	
State Government	671,526	831,691	746,775	749,469	0.4%	2,694
<b>TOTAL ENTERPRISE</b>	<b>233,465,528</b>	<b>260,148,963</b>	<b>227,877,300</b>	<b>233,295,495</b>	<b>2.4%</b>	<b>5,418,195</b>
<b>GENERAL</b>						
Charges for Sales	73,741	23,509	33,500	28,500	-14.9%	(5,000)
Charges for Service	6,609,331	5,769,603	5,190,610	5,116,500	-1.4%	(74,110)
Contributions	50					
Franchise Fees	134,881	152,631	110,000	110,000	0.0%	
License and Permits	1,600,710	2,066,735	1,659,000	1,709,000	3.0%	50,000
Local Government	901,955	583,237	605,401	664,918	9.8%	59,517
Other Misc Revenues	851,289	457,948	651,242	651,242	0.0%	
Rents			2,400	2,400	0.0%	
Special Assessments	1,788,624	2,044,763	1,752,926	1,752,926	0.0%	
State Government	3,692,624	3,323,021	3,625,160	3,452,531	-4.8%	(172,630)
<b>TOTAL GENERAL</b>	<b>15,653,204</b>	<b>14,421,447</b>	<b>13,630,239</b>	<b>13,488,017</b>	<b>-1.0%</b>	<b>(142,222)</b>
<b>INTERNAL SERVICE</b>						
Charges for Sales	12,875,990	13,406,859	14,900,500	15,173,700	1.8%	273,200
Charges for Service	14,546,777	15,520,724	17,163,000	17,871,400	4.1%	708,400
Gains	81,471	(416,265)	200,000	200,000	0.0%	
Other Misc Revenues	161,002	824,939	13,000	13,000	0.0%	
Rents	27,860,225	27,412,216	35,438,500	40,026,583	12.9%	4,588,083
<b>TOTAL INTERNAL SERVICE</b>	<b>55,525,464</b>	<b>56,748,474</b>	<b>67,715,000</b>	<b>73,284,683</b>	<b>8.2%</b>	<b>5,569,683</b>
<b>TOTAL REVENUE</b>	<b>306,168,233</b>	<b>331,728,830</b>	<b>311,704,694</b>	<b>323,231,350</b>	<b>3.7%</b>	<b>11,526,656</b>



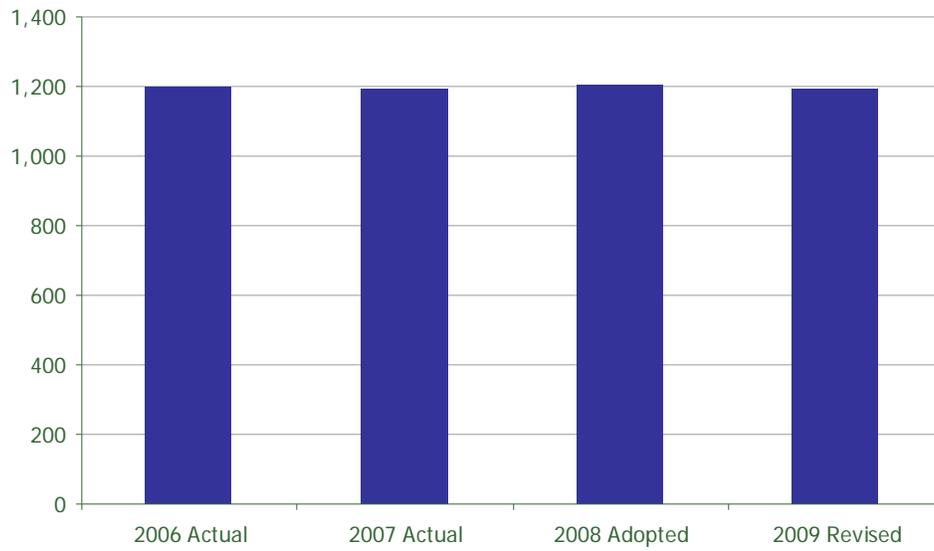


## PUBLIC WORKS

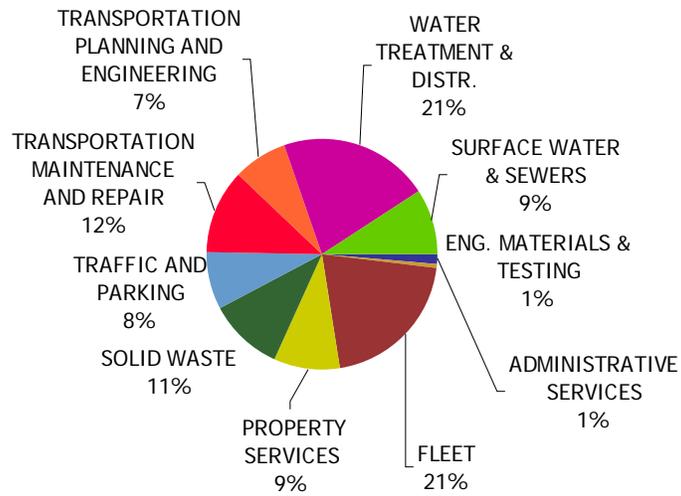
### Staffing Information

FTE's By Department	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
PW - ADMINISTRATIVE SERVICES	16	16	17	16	-8.8%	(2)
PW - ENG. MATERIALS & TESTING	21	20	20	7	-65.0%	(13)
PW - FLEET	248	248	247	247	-0.2%	(0)
PW - PROPERTY SERVICES	104	105	106	108	2.3%	2
PW - SOLID WASTE	128	129	128	129	0.8%	1
PW - TRAFFIC AND PARKING	100	99	98	94	-3.9%	(4)
PW - TRANSPORTATION MAINTENANCE AND REPAIR	151	149	151	145	-4.2%	(6)
PW - TRANSPORTATION PLANNING AND ENGINEERING	74	69	66	88	33.3%	22
PW - WATER TREATMENT & DISTR.	253	253	253	253	-0.1%	(0)
SURFACE WATER & SEWERS	103	109	117	110	-6.1%	(7)
<b>Total PUBLIC WORKS Depts</b>	<b>1,198</b>	<b>1,197</b>	<b>1,203</b>	<b>1,196</b>	<b>-0.6%</b>	<b>(7)</b>

### Positions 2006-2009



### Staffing by Division



## ADMINISTRATIVE SERVICES

### EXPENDITURE

The 2009 administrative services budget is \$2.6 million, a 9.3% decrease from the 2008 adopted budget.

The budget for this department includes \$113,424 in property services charges based on the Council's adoption and implementation of a City-wide rate for City Hall tenants will now be reflected in department budgets. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Public Works Administration is \$2,519,518, a 13.2% decrease from the 2008 Adopted budget.

### REVENUE

Revenue of \$2.2 million in administrative services results from overhead charged to other public works functions and also permit and plan review fees.

### FUND ALLOCATION

The Administrative Services division operates within the General Fund.

### ORIGINAL BUDGET

The Mayor recommended and Council approved no changes to the Administration division.

### COUNCIL REVISED BUDGET

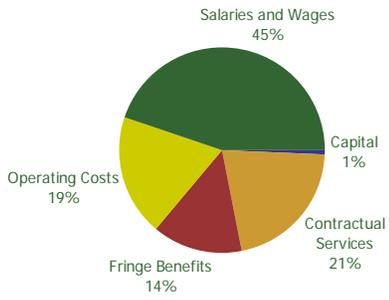
The budget for this department includes a reduction of BIS charges of \$8,800 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Public Works Administration is \$2,641,742, a 8.9% decrease over the 2008 Adopted budget.

## PUBLIC WORKS - ADMINISTRATIVE SERVICES EXPENSE AND REVENUE INFORMATION

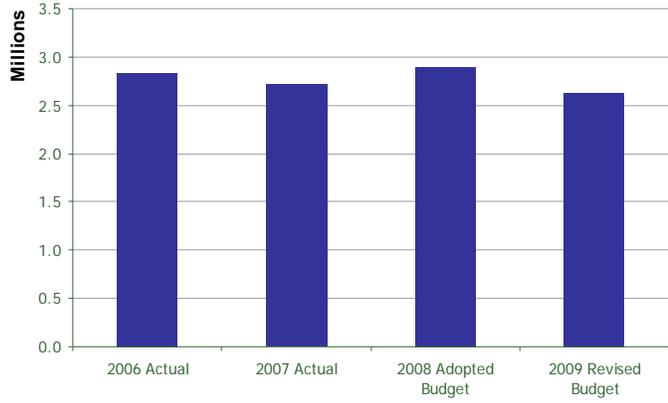
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	1,099,455	1,039,454	1,291,663	1,177,489	-8.8%	(114,174)
Fringe Benefits	319,772	295,990	425,206	370,526	-12.9%	(54,680)
Contractual Services	1,274,057	980,261	719,670	559,743	-22.2%	(159,927)
Operating Costs	137,945	398,401	447,727	507,412	13.3%	59,685
Capital	1,430	1,662	17,288	17,772	2.8%	484
<b>TOTAL EXPENSE</b>	<b>2,832,659</b>	<b>2,715,768</b>	<b>2,901,554</b>	<b>2,632,942</b>	<b>-9.3%</b>	<b>(268,612)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	0	335,897	360,000	335,000	-6.9%	(25,000)
Local Government	220,000	90,000	0	0	0.0%	0
Charges for Service	2,226,354	2,113,113	1,601,000	1,926,000	20.3%	325,000
Charges for Sales	0	24	0	0	0.0%	0
Other Misc Revenues	356,636	63	0	0	0.0%	0
<b>TOTAL REVENUE</b>	<b>2,802,990</b>	<b>2,539,098</b>	<b>1,961,000</b>	<b>2,261,000</b>	<b>15.3%</b>	<b>300,000</b>

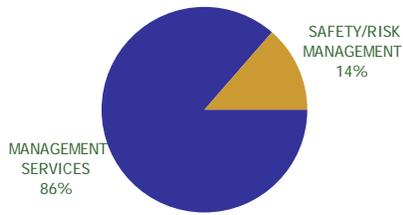
**Expense by Category**



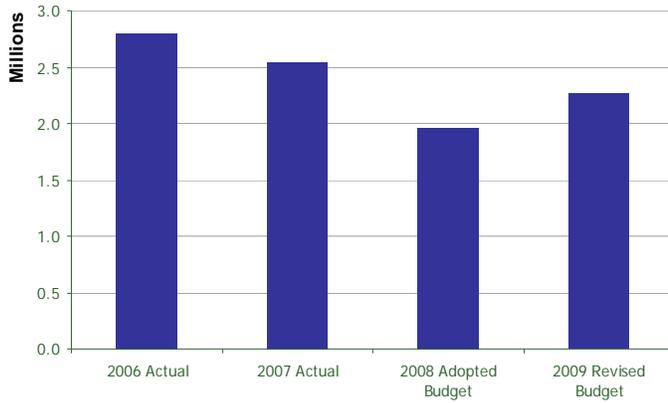
**Expense 2006 - 2009**



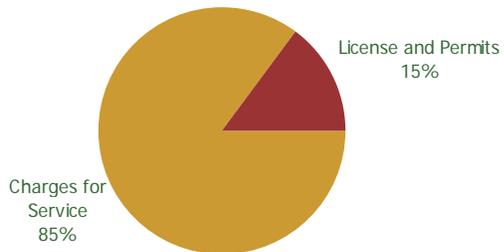
**Expense by Division**



**Revenue 2006 - 2009**



**Direct Revenue by Type**

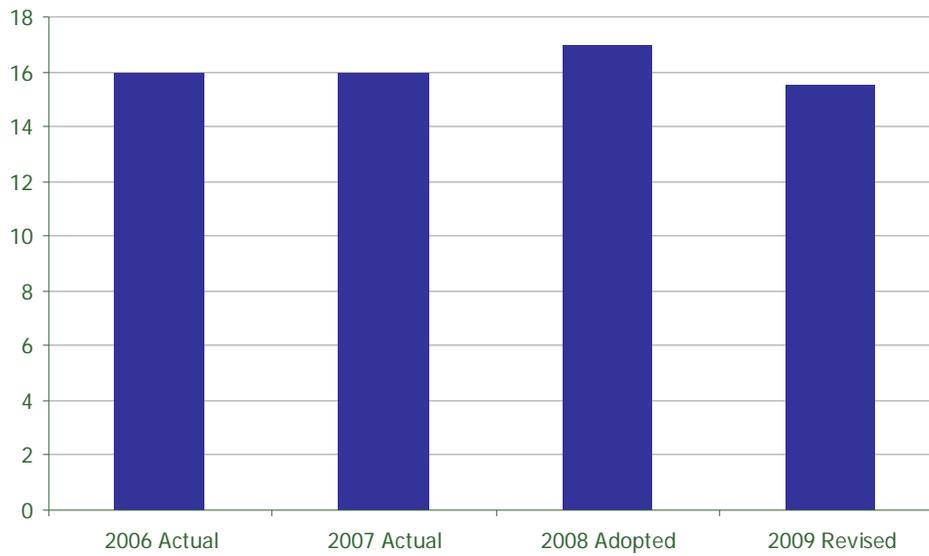


## PUBLIC WORKS - ADMINISTRATIVE SERVICES

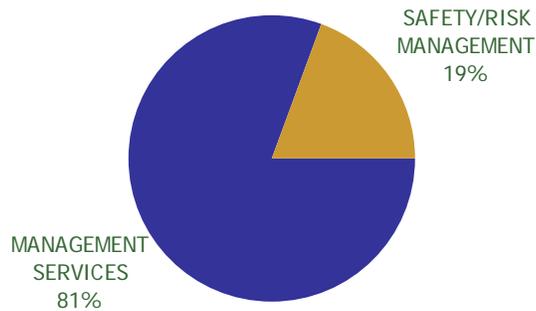
### Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
MANAGEMENT SERVICES	13	13	14	13	-10.7%	(2)
SAFETY/RISK MANAGEMENT	3	3	3	3	0.0%	
<b>TOTAL</b>	<b>16</b>	<b>16</b>	<b>17</b>	<b>16</b>	<b>-8.8%</b>	<b>(2)</b>

### Positions 2006-2009



### Positions by Division



## **ENGINEERING MATERIALS AND TESTING**

Engineering Materials and Testing is responsible for the centralized procurement, receiving, warehousing, and distribution of stocked inventory merchandise along with the purchase of special non-inventory materials and services. Since 1980, Central Stores has provided office supplies and non-specialty items to all City agencies. Together, Public Works and Finance completed a study in 1998, recommending a redesign, to revise overhead structure and directives for use of the stores fund for non-inventory purchases.

### **EXPENDITURE**

Central Stores was previously one of few divisions of the Engineering Materials and Testing division. Due to reorganization in the beginning of 2008, Central Stores is now the only division accounted for in the Engineering Materials and Testing fund, resulting in the significant decline between 2008 and 2009. Central Stores has a 2009 budget of \$1.7 million, a 42% decrease from the 2008 adopted budget.

### **REVENUE**

The division anticipates revenues of \$1.7 million, the same as the 2008 adopted budget.

### **FUND ALLOCATION**

The division is funded by the Engineering Materials and Testing internal service fund.

*For more information on the Engineering Material and Testing fund, please see the financial plans section of this document.*

### **ORIGINAL BUDGET**

The Mayor recommended and Council approved no changes to this division.

### **COUNCIL REVISED BUDGET**

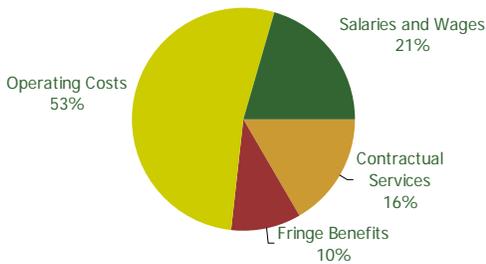
The budget for this department includes a reduction of BIS charges of \$1,000 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Engineering Materials and Testing is \$1,705,033, a 42.1% decrease over the 2008 Adopted budget.

## PUBLIC WORKS- ENGINEERING MATERIALS & TESTING EXPENSE AND REVENUE INFORMATION

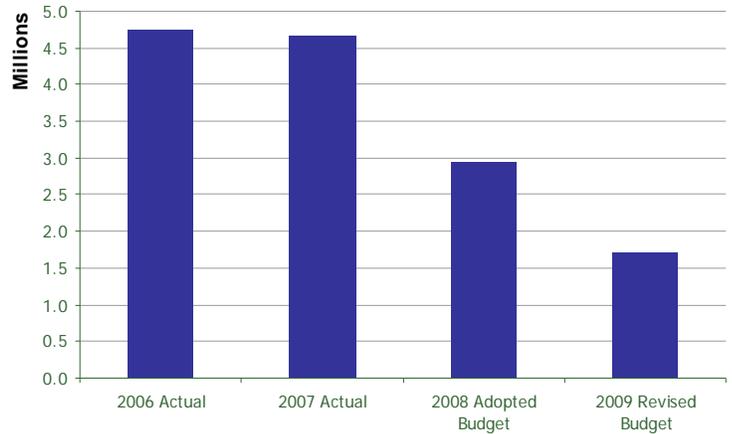
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Salaries and Wages	396,967	420,494	398,843	352,606	-11.6%	(46,237)
Fringe Benefits	173,426	217,038	219,501	170,044	-22.5%	(49,457)
Contractual Services	398,981	428,768	524,058	280,309	-46.5%	(243,749)
Operating Costs	3,778,528	3,604,849	1,802,022	898,752	-50.1%	(903,270)
Capital	0	0	2,259	2,322	2.8%	63
<b>TOTAL EXPENSE</b>	<b>4,747,902</b>	<b>4,671,149</b>	<b>2,946,683</b>	<b>1,704,033</b>	<b>-42.2%</b>	<b>(1,242,650)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Charges for Service	477,601	452,701	350,000	350,000	0.0%	0
Charges for Sales	4,209,066	4,100,930	1,379,500	1,379,500	0.0%	0
<b>TOTAL REVENUE</b>	<b>4,686,667</b>	<b>4,553,631</b>	<b>1,729,500</b>	<b>1,729,500</b>	<b>0.0%</b>	<b>0</b>

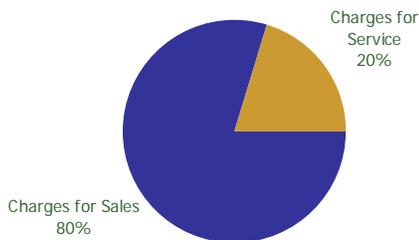
### Expense by Category



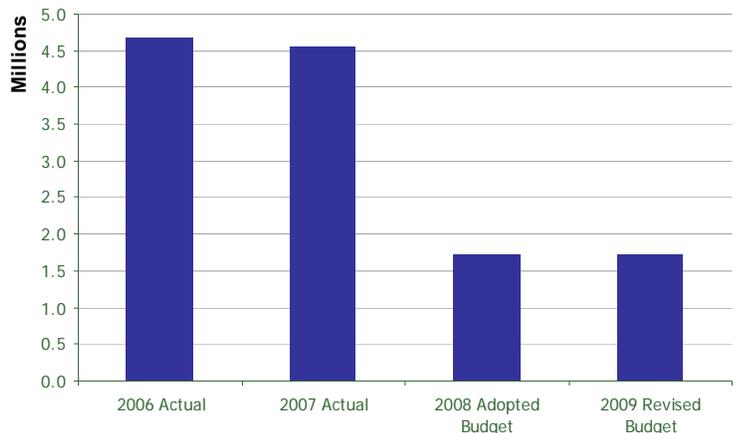
### Expense 2006 - 2009



### Direct Revenue by Type



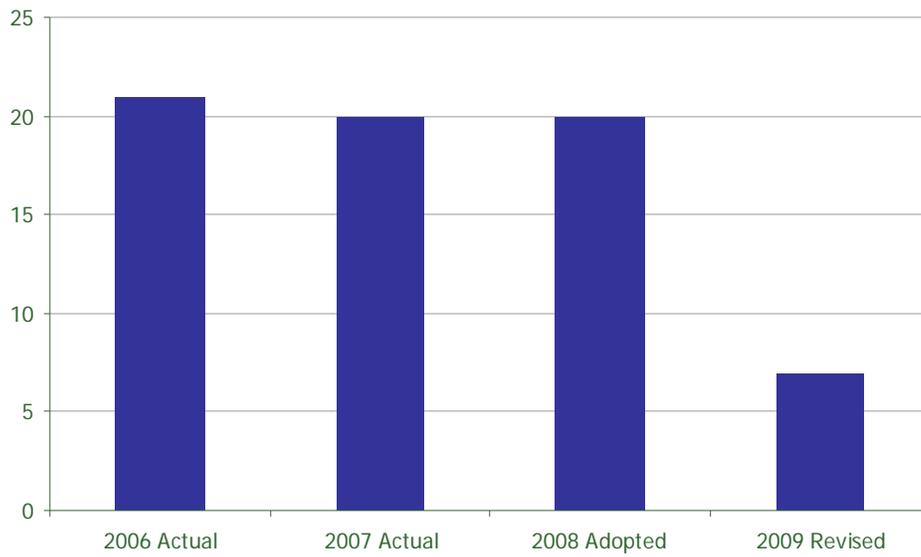
### Revenue 2006 - 2009



**PUBLIC WORKS - CENTRAL STORES (ENGINEERING MATERIALS & TESTING)  
Staffing Information**

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
PW - ENG. MATERIALS & TESTING	13	12	12		-100.0%	(12)
CENTRAL STORES	7	7	7	7	0.0%	
ASPHALT DISTRIBUTION & PROCURE	1	1	1		-100.0%	(1)
<b>TOTAL</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>7</b>	<b>-65.0%</b>	<b>(13)</b>

**Positions 2006-2009**





## **FLEET SERVICES**

### **EXPENDITURE**

The total expense budget for Fleet Services is \$42.1 million, an increase of 26.8% from the 2008 adopted budget of \$33.2 million. This increase is primarily due to capital expense being directly included in the fleet budget. Other causes for the increase include increases to personnel costs and contractual services as well as General Fund overhead.

The internal service funds received a larger increase in General Fund overhead in 2009 due to historically receiving lower payments to assist with long-term financial plans. Operating costs increased by 9.4% primarily due to the increase in cost of fuel. A current service level adjustment moved one Police equipment specialist position from Fleet Services to Police.

### **REVENUE**

The 2009 revenue budget of \$42.9 million is the same as 2008. The fund receives a transfer from the general fund of \$4.2 million in accordance with the adopted long-term financial plan.

### **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 a one-time increase of \$500,000 as a fuel reserve for department budgets to deal with increases in fuel rates.

The Council directed Public Works to decrease the fuel reserve fund by \$500,000. This change will be in effect only if fixed price fuel bids come in at a rate no higher than \$2.75/gallon for No. 2 diesel in the fuel contract that is in effect for the 2009 calendar year.

### **COUNCIL REVISED BUDGET**

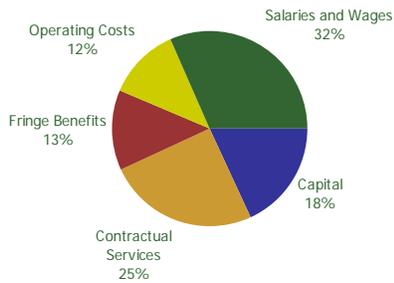
The budget for this department includes a reduction of BIS charges of \$12,000 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Fleet is \$42,093,850, a 26.8% increase over the 2008 Adopted budget.

## PUBLIC WORKS - FLEET SERVICES EXPENSE AND REVENUE INFORMATION

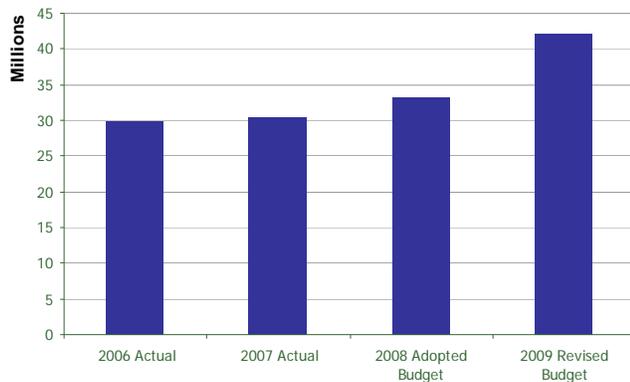
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Salaries and Wages	10,170,213	11,293,544	12,770,764	13,279,256	4.0%	508,492
Fringe Benefits	4,507,447	4,387,093	5,568,115	5,623,186	1.0%	55,071
Contractual Services	5,750,428	5,077,671	10,050,651	10,533,444	4.8%	482,793
Operating Costs	9,364,861	9,673,131	4,618,579	5,054,372	9.4%	435,793
Capital	2,439	0	186,373	7,591,591	3,973.3%	7,405,218
<b>TOTAL EXPENSE</b>	<b>29,795,388</b>	<b>30,431,439</b>	<b>33,194,482</b>	<b>42,081,850</b>	<b>26.8%</b>	<b>8,887,368</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Charges for Service	5,454,721	6,486,789	7,860,500	7,860,500	0.0%	0
Charges for Sales	5,212,835	5,655,182	7,800,000	7,800,000	0.0%	0
Gains	81,471	191,605	200,000	200,000	0.0%	0
Rents	20,829,793	20,262,893	27,004,000	27,004,000	0.0%	0
Other Misc Revenues	160,825	187,136	10,000	10,000	0.0%	0
<b>TOTAL REVENUE</b>	<b>31,739,644</b>	<b>32,783,605</b>	<b>42,874,500</b>	<b>42,874,500</b>	<b>0.0%</b>	<b>0</b>

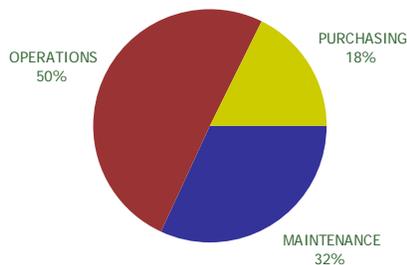
Expense by Category



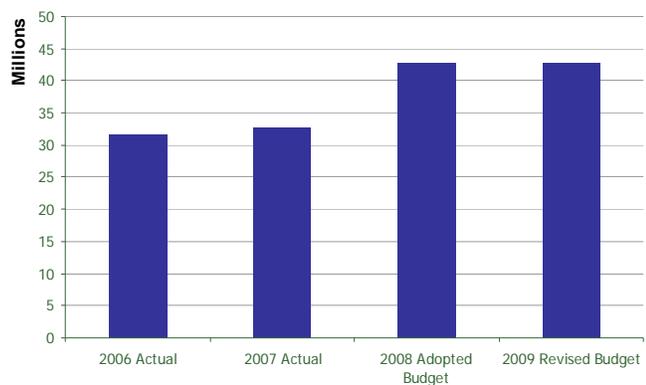
Expense 2006 - 2009



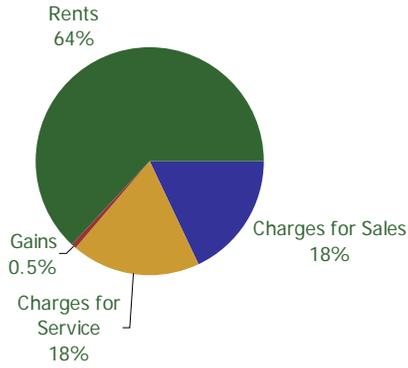
Expense by Division



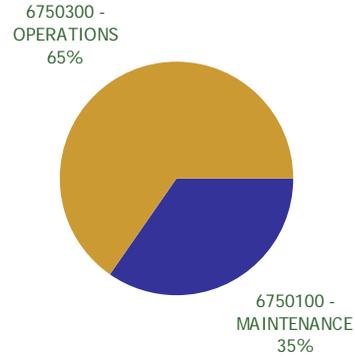
Revenue 2006 - 2009



### Direct Revenue by Type



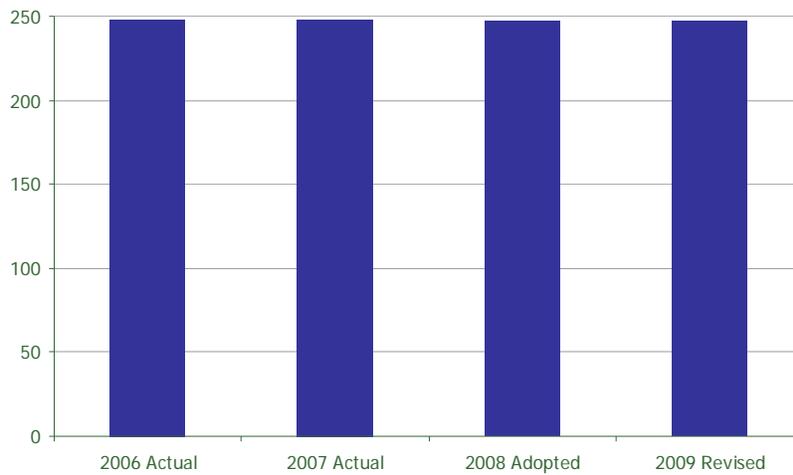
### Positions by Division



### PUBLIC WORKS - FLEET SERVICES Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
MAINTENANCE	87	87	86	86	-0.5%	(0)
OPERATIONS	161	161	161	161	0.0%	
<b>TOTAL</b>	<b>248</b>	<b>248</b>	<b>247</b>	<b>247</b>	<b>-0.2%</b>	<b>(0)</b>

### Positions 2006-2009



## PROPERTY SERVICES

### EXPENDITURE

The 2009 expense budget for Property Services is \$21.9 million, a 33.8% increase in expenditures over the 2008 budget. The majority of the increase is due to the Council's adoption and implementation of a City-wide rate for City Hall space. The division increased by the total City-wide amount of these charges (\$4,253,192) since the department will act as a pass-through to MBC. Part of the increase is due to the increase in personnel and a substantial increase in General Fund overhead due to historically low charges.

The budget for this department includes \$107,750 in property services charges based on the Council's adoption and implementation of a City-wide rate for City Hall tenants will now be reflected in department budgets. This charge was previously not reflected in departmental budgets. Backing out this increased charge and the City-wide amount, the 2009 budget for Public Works Property Services is \$17,517,214 a 7.1% increase over the 2008 Adopted budget.

### REVENUE

The division's revenue budget of \$17.9 million is an increase of 6.6% over the 2008 adopted budget of \$16.8 million.

### 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 that the Finance and Public Works Departments were directed to propose and implement a City-wide rate for City Hall space that will encompass all funding sources and would include all City Hall tenants.

The proposal included various options as compared to the current system of charges:

1. Average cost per square foot
2. Average cost per square foot with additional space charges
3. Fully-burdened costs

The proposal included various methods of billing including:

1. Increasing Property Services budget accordingly, thereby decreasing budgets of tenant departments
2. Having Property Services bill monthly/quarterly/annually for rent charges

The Finance and Public Works Departments will report back to Ways & Means/Budget Committee by October 6, 2008.

The Council approved the Mayor's recommendation and further approved the City-wide rate for City Hall space.

### COUNCIL REVISED BUDGET

The budget for this department includes a reduction of BIS charges of \$11,100 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this

reduction in charges, the 2009 supplemental budget for Property Services is \$21,889,256, a 33.8% increase over the 2008 Adopted budget.

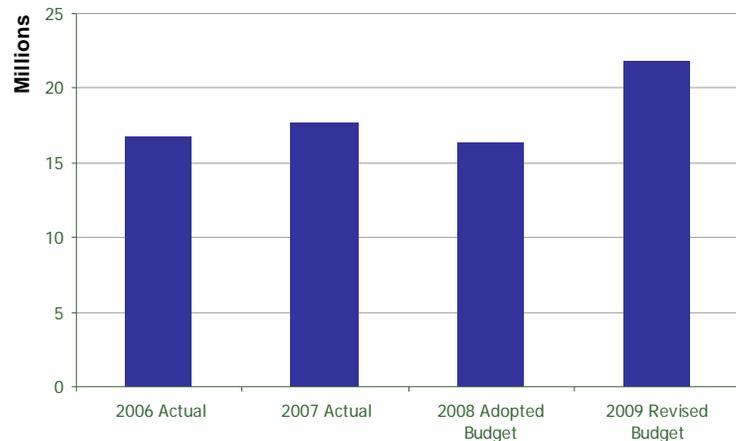
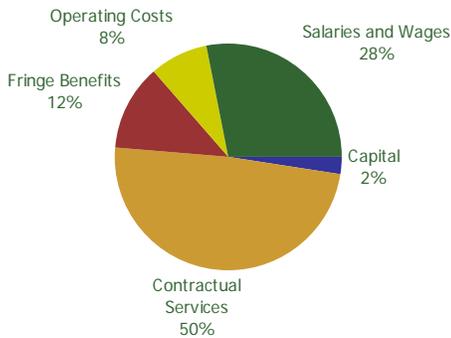
## PUBLIC WORKS - PROPERTY SERVICES EXPENSE AND REVENUE INFORMATION

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Contractual Services	0	0	25,000		-100.0%	(25,000)
<b>TOTAL GENERAL</b>	<b>0</b>	<b>0</b>	<b>25,000</b>		<b>-100.0%</b>	<b>(25,000)</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	5,458,475	5,846,880	5,654,827	6,129,257	8.4%	474,430
Fringe Benefits	2,116,994	2,417,668	2,530,278	2,662,729	5.2%	132,451
Contractual Services	6,386,058	6,273,414	5,859,279	10,725,889	83.1%	4,866,610
Operating Costs	2,818,721	3,142,476	1,773,938	1,831,953	3.3%	58,015
Capital	17,993	4,301	513,939	528,329	2.8%	14,390
<b>TOTAL INTERNAL SERVICE</b>	<b>16,798,241</b>	<b>17,684,739</b>	<b>16,332,261</b>	<b>21,878,156</b>	<b>34.0%</b>	<b>5,545,895</b>
<b>TOTAL EXPENSE</b>	<b>16,798,241</b>	<b>17,684,739</b>	<b>16,357,261</b>	<b>21,878,156</b>	<b>33.8%</b>	<b>5,520,895</b>

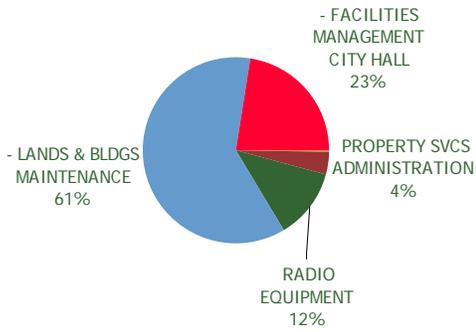
REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>INTERNAL SERVICE</b>						
Charges for Service	7,646,654	7,663,181	7,902,500	8,579,500	8.6%	677,000
Charges for Sales	702,724	690,078	430,000	530,000	23.3%	100,000
Gains	0	(607,869)	0		0.0%	0
Rents	7,030,432	7,149,323	8,434,500	13,022,583	54.4%	4,588,083
Other Misc Revenues	177	637,803	3,000	3,000	0.0%	0
<b>TOTAL REVENUE</b>	<b>15,379,987</b>	<b>15,532,516</b>	<b>16,770,000</b>	<b>22,135,083</b>	<b>32.0%</b>	<b>5,365,083</b>

### Expense by Category

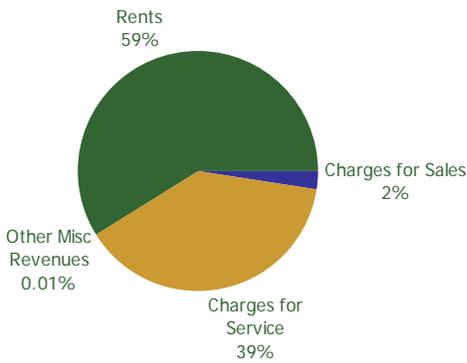
Expense 2006 - 2009



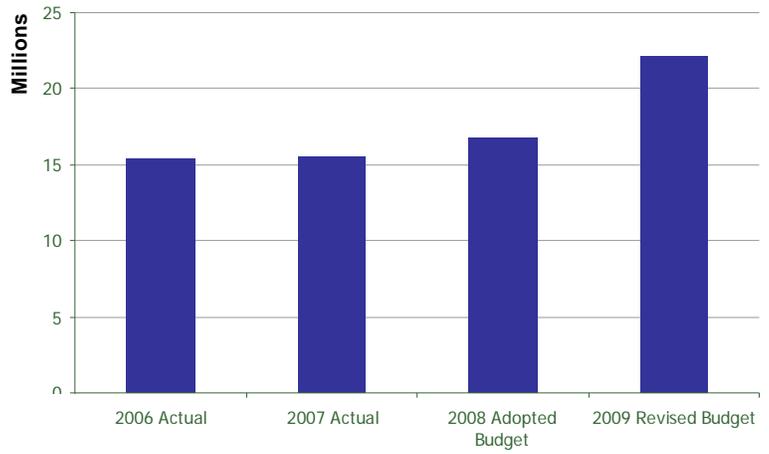
### Expense by Division



### Direct Revenue by Type



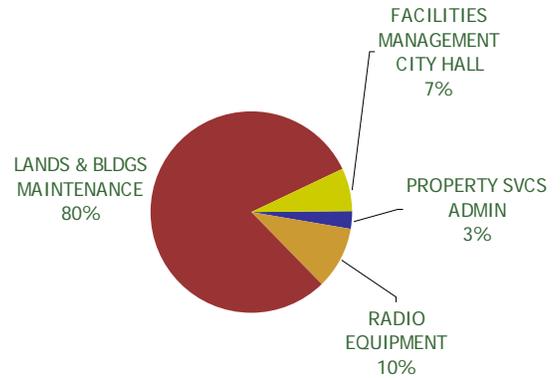
### Revenue 2006 - 2009



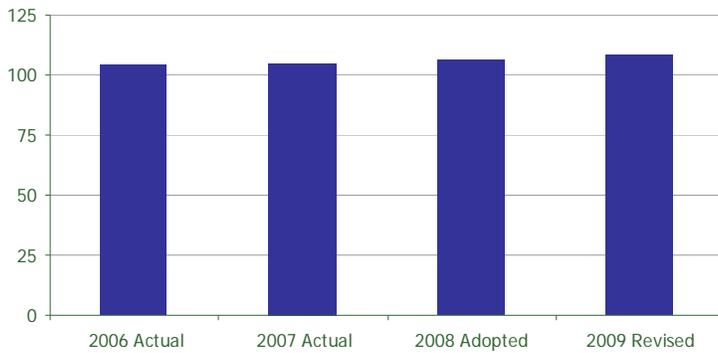
### PUBLIC WORKS - PROPERTY SERVICES Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
LANDS & BLDGS MAINTENANCE				87		87
FACILITIES MANAGEMENT CITY HALL				8		8
PROPERTY SVCS ADMINISTRATION	93	94	95	3	-96.8%	(92)
RADIO EQUIPMENT	11	11	11	11	0.0%	
<b>TOTAL</b>	<b>104</b>	<b>105</b>	<b>106</b>	<b>108</b>	<b>2.3%</b>	<b>2</b>

### Positions by Division



### Positions 2006-2009



## SOLID WASTE & RECYCLING SERVICES

### EXPENDITURE

The total 2009 expense budget is \$32.5 million compared to \$31.3 million for 2008. This is a 3.8% or \$1.2 million increase over the prior year.

### REVENUE

With a rate increase of \$1.00, from \$23 to \$24 for 2009, total anticipated revenues are \$30.5 million compared to \$31.5 million for 2008.

### 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 an increase in solid waste rates of \$1 above 2008 rates. Graffiti strategies are funded at \$1.2 million from the division's fund balance. The Mayor also recommended \$75,000 (one-time) from the General Fund for graffiti micro-grants. The Council approved the Mayor's recommendations.

### COUNCIL REVISED BUDGET

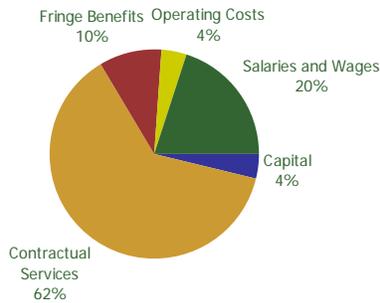
The budget for this department includes a reduction of BIS charges of \$7,800 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Solid Waste & Recycling is \$32,508,210, a 3.8% increase over the 2008 Adopted budget.

## PUBLIC WORKS - SOLID WASTE EXPENSE AND REVENUE INFORMATION

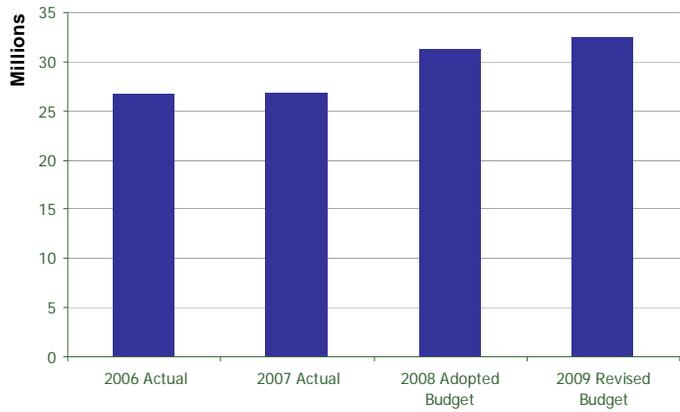
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Contractual Services	0	0	150,000	75,000	-50.0%	(75,000)
<b>TOTAL GENERAL</b>	<b>0</b>	<b>0</b>	<b>150,000</b>	<b>75,000</b>	<b>-50.0%</b>	<b>(75,000)</b>
<b>INTERNAL SERVICE</b>						
Fringe Benefits	0	11,315	0		0.0%	0
<b>TOTAL INTERNAL SERVICE</b>	<b>0</b>	<b>11,315</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>ENTERPRISE</b>						
Salaries and Wages	5,826,385	6,403,033	6,242,052	6,524,495	4.5%	282,443
Fringe Benefits	2,684,197	2,779,499	2,876,853	3,168,178	10.1%	291,325
Contractual Services	16,325,060	15,820,939	19,869,163	20,245,978	1.9%	376,815
Operating Costs	1,962,526	1,847,304	940,404	1,227,480	30.5%	287,076
Capital	0	0	1,224,979	1,259,278	2.8%	34,299
<b>TOTAL ENTERPRISE</b>	<b>26,798,168</b>	<b>26,850,775</b>	<b>31,153,451</b>	<b>32,425,410</b>	<b>4.1%</b>	<b>1,271,959</b>
<b>TOTAL EXPENSE</b>	<b>26,798,168</b>	<b>26,862,090</b>	<b>31,303,451</b>	<b>32,500,410</b>	<b>3.8%</b>	<b>1,196,959</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
Local Government	802,623	783,762	800,000	800,000	0.0%	0
Charges for Service	26,301,457	26,712,042	28,989,310	28,079,000	-3.1%	(910,310)
Charges for Sales	1,497,204	1,875,838	1,699,400	1,699,400	0.0%	0
Special Assessments	0	119,614	0	0	0.0%	0
Gains	0	13,807	0	0	0.0%	0
Rents	0	806	0	0	0.0%	0
Other Misc Revenues	14,868	17,363	0	0	0.0%	0
<b>TOTAL REVENUE</b>	<b>28,616,151</b>	<b>29,523,232</b>	<b>31,488,710</b>	<b>30,578,400</b>	<b>-2.9%</b>	<b>(910,310)</b>

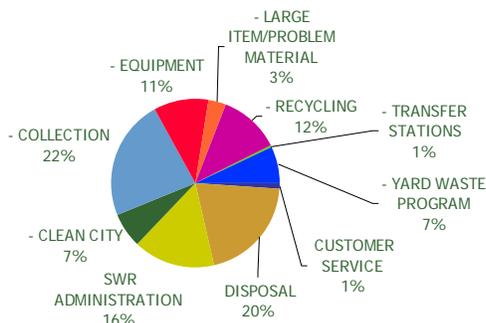
### Expense by Category



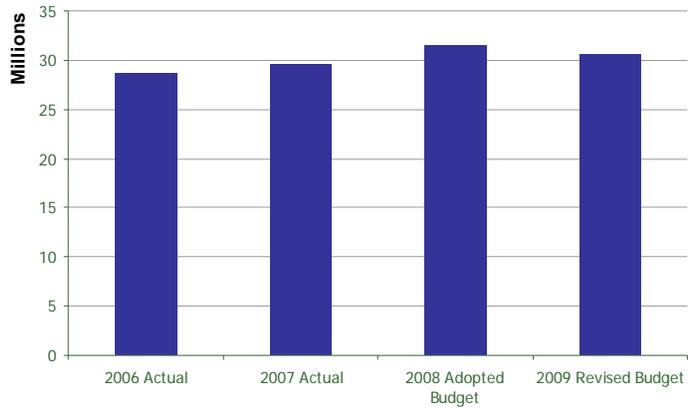
### Expense 2006 - 2009



### Expense by Division

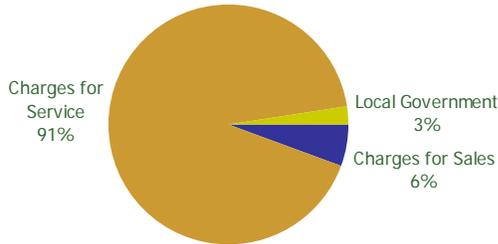


### Revenue 2006 - 2009

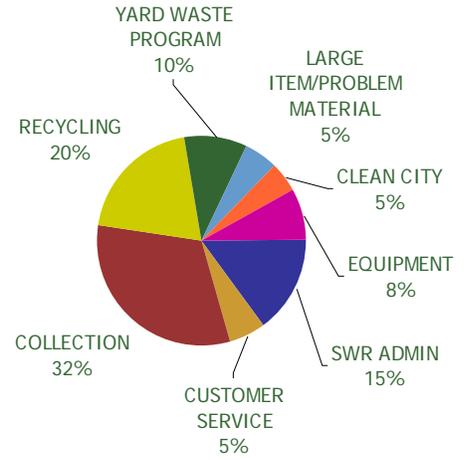




### Direct Revenue by Type



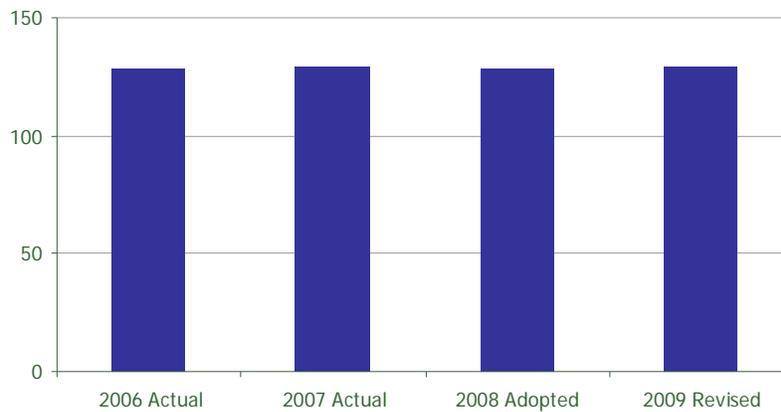
### Positions by Division



### PUBLIC WORKS - SOLID WASTE & RECYCLING Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
CLEAN CITY	18	15	5	6	20.0%	1
COLLECTION	38	41	44	41	-6.8%	(3)
EQUIPMENT	10	10	10	10	0.0%	
LARGE ITEM/PROBLEM MATERIAL	10	11	4	7	75.0%	3
RECYCLING	18	20	26	26	0.0%	
TRANSFER STATIONS	1	1				
YARD WASTE PROGRAM	9	9	13	13	-3.8%	(1)
SWR ADMINISTRATION	17	14	19	20	2.6%	1
CUSTOMER SERVICE	7	8	7	7	0.0%	
<b>TOTAL</b>	<b>128</b>	<b>129</b>	<b>128</b>	<b>129</b>	<b>0.8%</b>	<b>1</b>

### Positions 2006-2009



## SURFACE WATER AND SANITARY SEWER

### EXPENDITURE

The 2009 expense budget is \$55.3 million compared to \$53.9 million for 2008, an increase of \$1.4 million over the 2008 adopted budget. Over \$600,000 of the increase can be attributed to increased Metropolitan Council Environmental Services (MCES) charges estimated for 2009. The remaining portion is due to inflation.

The reduction in positions is due to Utility which is not accounted for in the Surface Water and Sanitary Sewer fund in 2009.

### REVENUE

The projected revenue is \$79.3 million compared to \$76.7 million for 2008. Revenue estimates are based on 2007 actual consumption and preset rates for years 2009 through 2013.

### 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 and Council approved an increase of \$0.16 in per unit sewer rates and \$0.51 in the Equivalent Stormwater Unit (ESU) rate.

### COUNCIL REVISED BUDGET

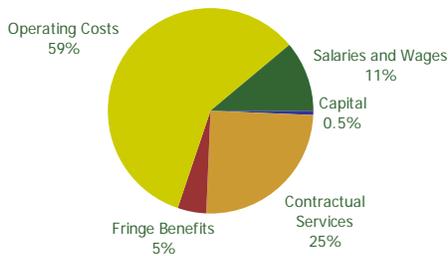
The budget for this department includes a reduction of BIS charges of \$13,200 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Surface Water & Sanitary Sewer is \$55,300,909, a 2.6% increase over the 2008 Adopted budget.

## PUBLIC WORKS - SURFACE WATER & SANITARY SEWER EXPENSE AND REVENUE INFORMATION

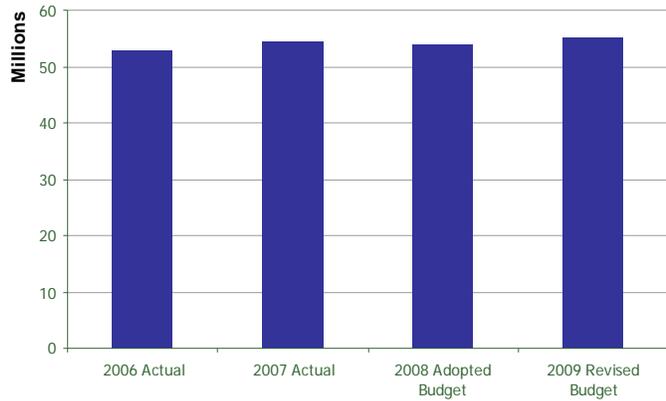
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	0	0	344,078		-100.0%	(344,078)
Fringe Benefits	0	0	140,344		-100.0%	(140,344)
Contractual Services	0	0	57,920		-100.0%	(57,920)
Operating Costs	0	0	25,707		-100.0%	(25,707)
Capital	0	0	1,200		-100.0%	(1,200)
<b>TOTAL GENERAL</b>	<b>0</b>	<b>0</b>	<b>569,249</b>		<b>-100.0%</b>	<b>(569,249)</b>
<b>ENTERPRISE</b>						
Salaries and Wages	5,256,961	5,295,682	5,599,444	6,174,224	10.3%	574,780
Fringe Benefits	2,131,742	2,099,812	2,456,827	2,539,318	3.4%	82,491
Contractual Services	13,292,236	12,575,829	13,861,979	13,920,390	0.4%	58,411
Operating Costs	32,338,906	34,372,706	31,128,966	32,389,498	4.0%	1,260,532
Capital	0	0	257,081	264,279	2.8%	7,198
<b>TOTAL ENTERPRISE</b>	<b>53,019,845</b>	<b>54,344,029</b>	<b>53,304,297</b>	<b>55,287,709</b>	<b>3.7%</b>	<b>1,983,412</b>
<b>TOTAL EXPENSE</b>	<b>53,019,845</b>	<b>54,344,029</b>	<b>53,873,546</b>	<b>55,287,709</b>	<b>2.6%</b>	<b>1,414,163</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
State Government	85,484	129,675	185,275	62,872	-66.1%	(122,403)
Local Government	111,767	85,028	85,642	37,442	-56.3%	(48,200)
Charges for Service	68,007,407	71,815,535	76,315,937	79,123,401	3.7%	2,807,464
Charges for Sales	550	0	0		0.0%	0
Fines and Forfeits	0	41,789	45,000	45,000	0.0%	0
Other Misc Revenues	34,082	83,473	50,841	53,841	5.9%	3,000
<b>TOTAL REVENUE</b>	<b>68,239,291</b>	<b>72,155,499</b>	<b>76,682,695</b>	<b>79,322,556</b>	<b>3.4%</b>	<b>2,639,861</b>

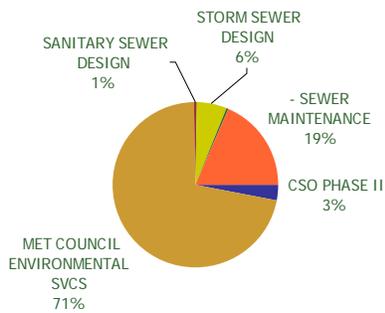
**Expense by Category**



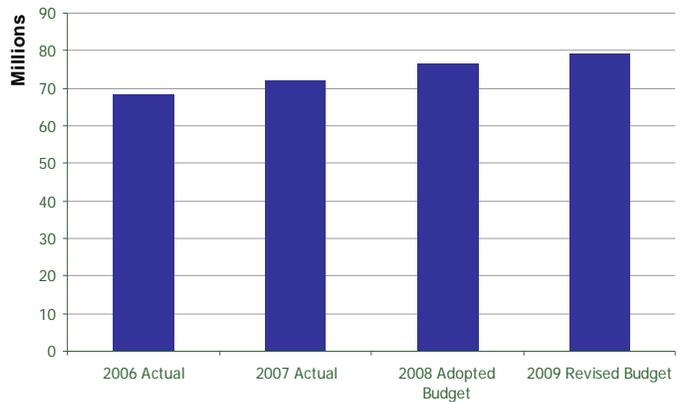
**Expense 2006 - 2009**



**Expense by Division**



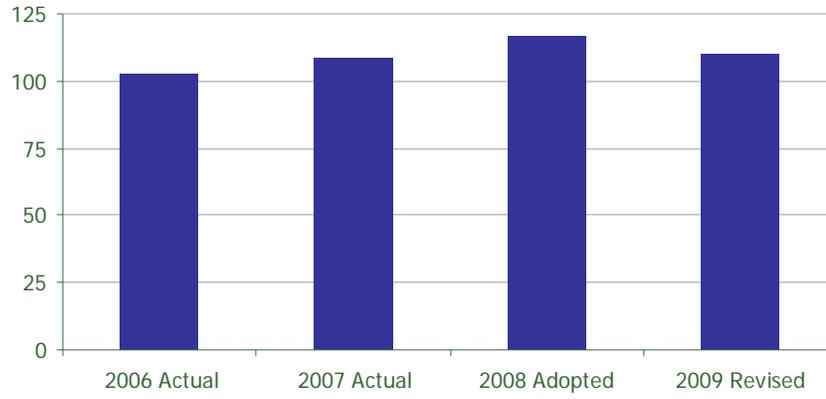
**Revenue 2006 - 2009**



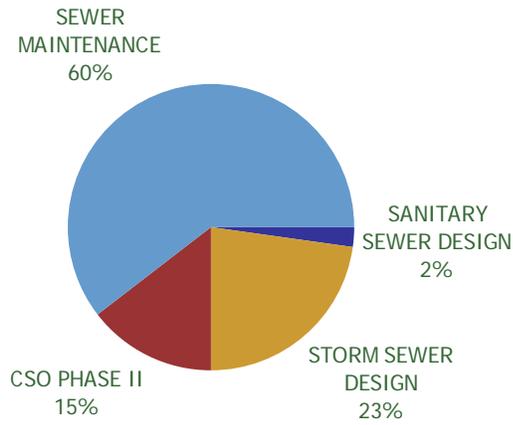
**PUBLIC WORKS - SURFACE WATER & SANITARY SEWER Staffing Information**

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
SEWER MAINTENANCE	64	64	66	66	0.6%	0
SANITARY SEWER DESIGN	3	3	4	3	-37.5%	(2)
STORM SEWER DESIGN				25		25
CSO PHASE II	20	26	25	16	-36.0%	(9)
UTILITY CONNECTIONS			7		-100.0%	(7)
WORK FOR OTHERS	16	16	15		-100.0%	(15)
<b>TOTAL</b>	<b>103</b>	<b>109</b>	<b>117</b>	<b>110</b>	<b>-6.1%</b>	<b>(7)</b>

### Positions 2006-2009



### Positions by Division



## **TRAFFIC & PARKING SERVICES**

### **EXPENDITURE**

The 2009 budget for Traffic and Parking Services totals \$50.1 million compared to \$50.8 million for 2008. This is a decrease of \$0.7 million or 1.4% less than 2008.

The division had a reduction in expenditures of \$0.4 million due to the sale of a parking ramp in 2008. The increase is due to an increase in BIS charges of \$131,380 and other vendor cost increases. The budget includes \$1.6 million in General Fund overhead charges.

The budget for this department includes \$77,054 in property services charges based on the Council's adoption and implementation of a City-wide rate for City Hall tenants. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Public Works Traffic & Parking Services is \$50,019,283 million, a 1.6% decrease from the 2008 Adopted budget.

### **REVENUE**

Projected revenue of \$57.7 million is less than the 2008 figure of \$57.9 million by 0.4%. The 2009 budget has decreased due to the sale of a parking ramp during 2008 and a decrease in Municipal State Aid funding of \$184,000.

### **FUND ALLOCATION**

This division is funded by the Municipal Parking Fund (89% of total budget), the General Fund (7%), and the Public Works Stores Fund (4%).

*Please see the Parking fund financial plans in the financial plan section of this book for more information.*

### **ORIGINAL BUDGET**

The Mayor recommended \$40,000 in one-time funds for a bike rack program. Additionally, the department is required to allocate, within existing resources, the City's portion of the assessment for a downtown improvement district (up to \$200,000). This amount represents the assessment for City parking facilities in the zone.

The Council approved the Mayor's recommendation and further directed Public Works to increase funding by \$500,000 on a one-time basis for resolving outstanding traffic issues on Trunk Highway 55 caused by the Hiawatha Light Rail Transit in the amount of \$250,000, and the remaining \$250,000 goes to the Transportation Planning and Engineering division for engineering studies for relieving traffic congestion anticipated due to the Central Corridor Light Rail Transit project (see also Transportation Planning and Engineering).

### **COUNCIL REVISED BUDGET**

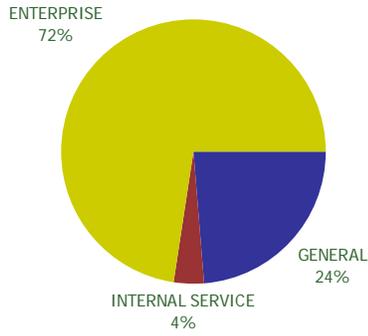
The budget for this department includes a reduction of BIS charges of \$21,300 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Traffic & Parking Services is \$50,117,637, a 1.4% decrease over the 2008 Adopted budget.

**PUBLIC WORKS - TRAFFIC & PARKING SERVICES  
EXPENSE AND REVENUE INFORMATION**

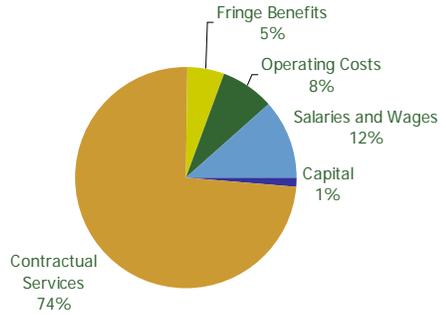
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	2,702,865	2,810,952	2,625,820	2,616,903	-0.3%	(8,917)
Fringe Benefits	1,211,202	1,240,932	1,168,302	1,119,701	-4.2%	(48,601)
Contractual Services	6,559,670	6,240,451	6,310,342	6,597,427	4.5%	287,085
Operating Costs	1,119,221	1,205,167	1,322,483	1,417,303	7.2%	94,820
Capital	0	0	71,676	73,683	2.8%	2,007
<b>TOTAL GENERAL</b>	<b>11,592,958</b>	<b>11,497,502</b>	<b>11,498,623</b>	<b>11,825,017</b>	<b>2.8%</b>	<b>326,394</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	0	50,925	0		0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>50,925</b>	<b>0</b>		<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	148,259	151,726	108,234	118,227	9.2%	9,993
Fringe Benefits	52,949	63,172	70,314	75,821	7.8%	5,507
Contractual Services	122,773	93,295	78,307	98,547	25.8%	20,240
Operating Costs	2,268,305	2,438,832	2,485,757	1,695,718	-31.8%	(790,039)
Capital	865	0	17,789	18,287	2.8%	498
<b>TOTAL INTERNAL SERVICE</b>	<b>2,593,151</b>	<b>2,747,025</b>	<b>2,760,401</b>	<b>2,006,600</b>	<b>-27.3%</b>	<b>(753,801)</b>
<b>ENTERPRISE</b>						
Salaries and Wages	2,464,698	2,918,679	2,886,153	3,107,413	7.7%	221,260
Fringe Benefits	760,189	963,123	1,184,442	1,429,808	20.7%	245,366
Contractual Services	35,706,960	34,549,326	31,162,458	30,386,728	-2.5%	(775,730)
Operating Costs	7,553,718	7,691,731	746,173	736,135	-1.3%	(10,038)
Capital	0	0	592,686	604,635	2.0%	11,949
Debt Service	500,001	0	0		0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>46,985,566</b>	<b>46,122,859</b>	<b>36,571,912</b>	<b>36,264,719</b>	<b>-0.8%</b>	<b>(307,193)</b>
<b>TOTAL EXPENSE</b>	<b>61,171,675</b>	<b>60,418,311</b>	<b>50,830,936</b>	<b>50,096,337</b>	<b>-1.4%</b>	<b>(734,599)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Franchise Fees	134,881	152,631	110,000	110,000	0.0%	0
License and Permits	1,581,826	1,716,158	1,284,000	1,359,000	5.8%	75,000
State Government	1,249,890	1,167,669	1,420,702	1,236,395	-13.0%	(184,307)
Local Government	475,361	399,557	483,045	489,489	1.3%	6,444
Charges for Service	93,689	105,949	202,500	202,500	0.0%	0
Charges for Sales	56,605	17,555	18,500	18,500	0.0%	0
Special Assessments	87,730	110,150	65,000	65,000	0.0%	0
Contributions	50	0	0		0.0%	0
Other Misc Revenues	491,728	450,536	622,492	622,492	0.0%	0
<b>TOTAL GENERAL</b>	<b>4,171,759</b>	<b>4,120,205</b>	<b>4,206,239</b>	<b>4,103,376</b>	<b>-2.4%</b>	<b>(102,863)</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	139,766	71,931	50,000	51,400	2.8%	1,400
Charges for Sales	2,751,365	2,960,669	1,910,000	1,963,200	2.8%	53,200
<b>TOTAL INTERNAL SERVICE</b>	<b>2,891,131</b>	<b>3,032,600</b>	<b>1,960,000</b>	<b>2,014,600</b>	<b>2.8%</b>	<b>54,600</b>
<b>ENTERPRISE</b>						
License and Permits	252,229	240,571	218,000	218,000	0.0%	0
Charges for Service	55,480,912	58,027,399	49,819,085	49,720,825	-0.2%	(98,260)
Charges for Sales	2,105,218	7,472,577	1,551,000	1,551,000	0.0%	0
Special Assessments	12,500,005	34,424	0		0.0%	0
Gains	0	25,260,842	0		0.0%	0
Rents	214,075	20,254	3,000	3,000	0.0%	0
Other Misc Revenues	65,650	8,159	138,000	138,000	0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>70,618,089</b>	<b>91,064,227</b>	<b>51,729,085</b>	<b>51,630,825</b>	<b>-0.2%</b>	<b>(98,260)</b>
<b>TOTAL REVENUE</b>	<b>77,680,979</b>	<b>98,217,031</b>	<b>57,895,324</b>	<b>57,748,801</b>	<b>-0.3%</b>	<b>(146,523)</b>

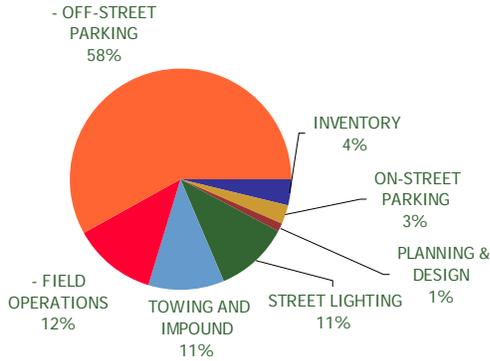
### Expense by Fund



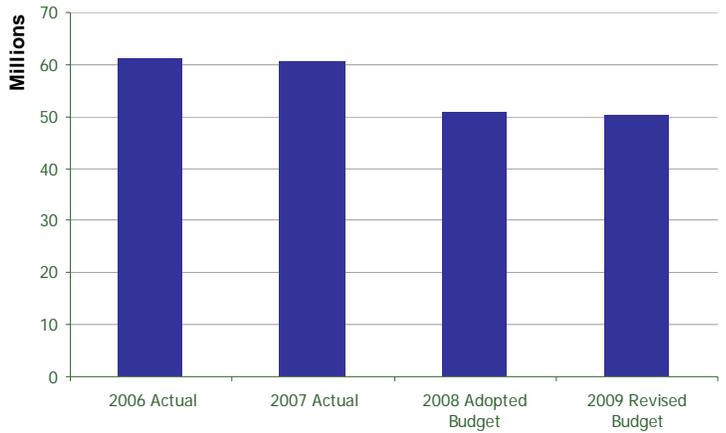
### Expense by Category



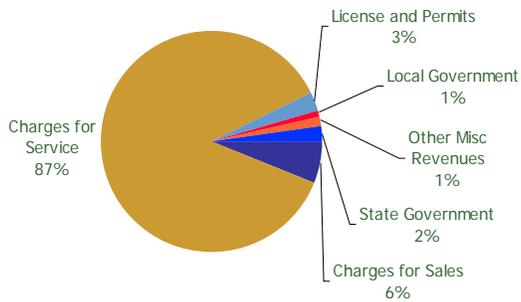
### Expense by Division



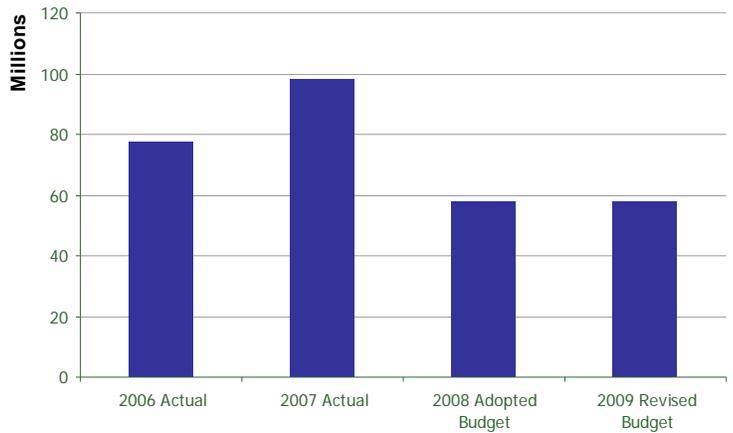
### Expense 2006 - 2009



### Direct Revenue by Type



### Revenue 2006 - 2009

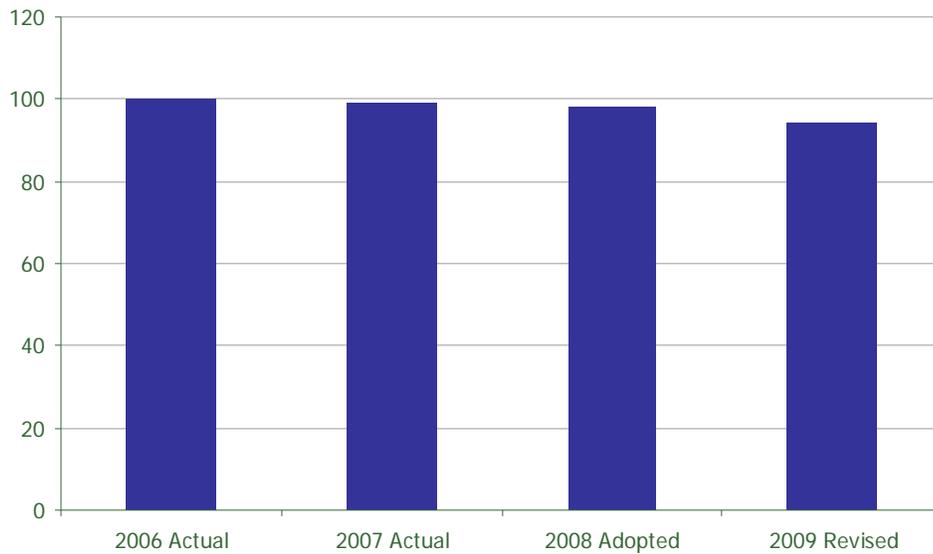


## PUBLIC WORKS - TRAFFIC AND PARKING SERVICES

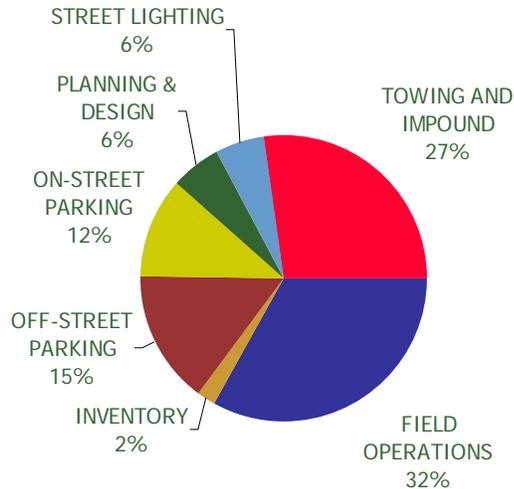
### Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
FIELD OPERATIONS	32	32	32	31	-2.8%	1
INVENTORY	2	2	2	2	0.0%	
OFF-STREET PARKING	13	13	14	14	0.7%	(0)
ON-STREET PARKING	13	12	11	11	-1.5%	0
PLANNING & DESIGN	9	8	7	5	-25.0%	2
STREET LIGHTING	6	6	6	5	-12.5%	1
TOWING AND IMPOUND	25	26	26	26	-1.5%	0
<b>TOTAL</b>	<b>100</b>	<b>99</b>	<b>98</b>	<b>94</b>	<b>-3.9%</b>	<b>4</b>

### Positions 2006-2009



### Positions by Division





## **TRANSPORTATION MAINTENANCE & REPAIR**

### **EXPENDITURE**

Transportation Maintenance and Repair's expense budget of \$33.5 million reflects a 3.8% increase over the 2008 adopted budget. The current service level is increased by \$300,000 to reflect experience with special pay expenses.

The budget for this department includes \$54,004 in property services charges based on the Council's adoption and implementation of a City-wide rate for City Hall tenants. This charge was previously not reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Public Works Transportation Maintenance & Repair is \$32,594,209 million, a 1.1% increase over the 2008 Adopted budget.

### **REVENUE**

The division's revenue budget is \$8.0 million, which is an overall 6.8% or \$488,000 decrease from 2008 adopted due to a \$500,000 reduction in utility cut revenue.

### **FUND ALLOCATION**

The division is funded by the General Fund, CDBG fund, Permanent Improvement fund, and the Surface Water and Sanitary Sewer fund. The General Fund budget (bridge, street repair, snow and ice, malls and plazas) increased by 4.6% from \$24.0 million in 2008 to \$25.1 million in 2009. The CDBG fund allocation for graffiti removal is \$84,000 for 2009.

The capital fund (sidewalk) budget increased 18.5% due to increased contractual services and the surface water & sewer fund increased by 0.4% due primarily to an increase in personnel charges.

Three positions were transferred from division to the Transportation Planning and Engineering division following the 2008 budget adoption to best align the support function for both capital programming and maintenance planning in Public Works. Also, the position of Director of Transportation Maintenance and Repair has been increased by the capital allocation of 30% to 100%.

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 vacant maintenance crew leader was transferred from Street Maintenance to Administration.

### **ORIGINAL BUDGET**

The Mayor recommended the department's budget be increased to reflect the City's portion of the assessment for a downtown improvement district (\$150,000). This amount represents the assessment for the City buildings in the zone. The department's budget is decreased by \$145,000 reflecting the reduction to growth included in the five-year financial direction. The Council approved the Mayor's recommendation.

### **COUNCIL REVISED BUDGET**

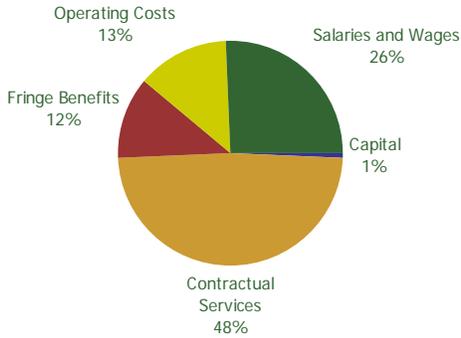
The budget for this department includes a reduction of BIS charges of \$19,500 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Transportation Maintenance & Repair is \$32,667,713, a 1.3% increase over the 2008 Adopted budget.

**PUBLIC WORKS - TRANSPORTATION MAINTENANCE AND REPAIR  
EXPENSE AND REVENUE INFORMATION**

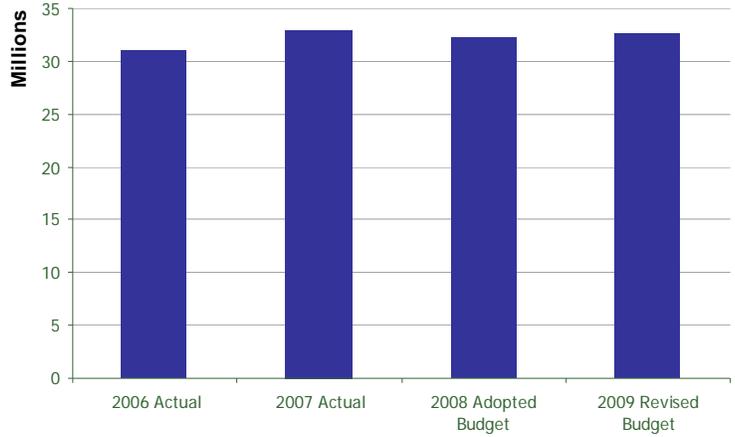
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	6,783,841	6,922,679	6,422,091	6,533,918	1.7%	111,827
Fringe Benefits	2,883,868	3,009,627	3,204,720	3,065,678	-4.3%	(139,042)
Contractual Services	9,834,778	11,435,452	10,855,755	10,589,912	-2.4%	(265,843)
Operating Costs	3,496,060	3,825,371	3,298,607	3,865,448	17.2%	566,841
Capital	147,467	193,677	174,649	179,539	2.8%	4,890
<b>TOTAL GENERAL</b>	<b>23,146,014</b>	<b>25,386,806</b>	<b>23,955,822</b>	<b>24,234,495</b>	<b>1.2%</b>	<b>278,673</b>
<b>SPECIAL REVENUE</b>						
Contractual Services	77,681	264,562	90,000	84,000	-6.7%	(6,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>77,681</b>	<b>264,562</b>	<b>90,000</b>	<b>84,000</b>	<b>-6.7%</b>	<b>(6,000)</b>
<b>CAPITAL PROJECT</b>						
Salaries and Wages	289,234	306,190	310,807	307,676	-1.0%	(3,131)
Fringe Benefits	83,305	97,721	106,953	119,647	11.9%	12,694
Contractual Services	132,562	151,404	154,610	250,123	61.8%	95,513
Operating Costs	25,253	12,279	6,881	7,978	15.9%	1,097
<b>TOTAL CAPITAL PROJECT</b>	<b>530,354</b>	<b>567,594</b>	<b>579,251</b>	<b>685,424</b>	<b>18.3%</b>	<b>106,173</b>
<b>ENTERPRISE</b>						
Salaries and Wages	1,310,671	1,157,338	1,474,897	1,529,125	3.7%	54,228
Fringe Benefits	568,494	427,104	555,503	615,255	10.8%	59,752
Contractual Services	4,872,063	4,783,022	5,141,368	5,073,497	-1.3%	(67,871)
Operating Costs	462,669	394,158	443,191	426,418	-3.8%	(16,773)
<b>TOTAL ENTERPRISE</b>	<b>7,213,897</b>	<b>6,761,622</b>	<b>7,614,959</b>	<b>7,644,295</b>	<b>0.4%</b>	<b>29,336</b>
<b>TOTAL EXPENSE</b>	<b>30,967,946</b>	<b>32,980,584</b>	<b>32,240,032</b>	<b>32,648,213</b>	<b>1.3%</b>	<b>408,181</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
State Government	2,442,735	2,155,352	2,204,458	2,216,135	0.5%	11,677
Local Government	206,594	93,679	122,356	175,429	43.4%	53,073
Charges for Service	3,852,317	3,144,108	2,937,110	2,538,000	-13.6%	(399,110)
Charges for Sales	17,136	5,930	15,000	10,000	-33.3%	(5,000)
Special Assessments	1,700,894	1,934,613	1,687,926	1,687,926	0.0%	0
Rents	0	0	2,400	2,400	0.0%	0
Other Misc Revenues	2,926	6,928	28,750	28,750	0.0%	0
<b>TOTAL GENERAL</b>	<b>8,222,601</b>	<b>7,340,610</b>	<b>6,998,000</b>	<b>6,658,640</b>	<b>-4.8%</b>	<b>(339,360)</b>
<b>CAPITAL PROJECT</b>						
License and Permits	213,396	287,423	263,159	263,159	0.0%	0
Charges for Service	238	0	39,924	39,924	0.0%	0
Special Assessments	24,179	19,485	16,072	16,072	0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>237,813</b>	<b>306,908</b>	<b>319,155</b>	<b>319,155</b>	<b>0.0%</b>	<b>0</b>
<b>ENTERPRISE</b>						
State Government	586,041	702,015	561,500	686,597	22.3%	125,097
Local Government	94,167	245,504	247,279	235,961	-4.6%	(11,318)
Charges for Service	65,167	240,881	225,000	1,000	-99.6%	(224,000)
Charges for Sales	9,957	2,873	1,000	1,000	0.0%	0
Special Assessments	114,768	112,057	115,000	115,000	0.0%	0
Other Misc Revenues	0	0	2,000	2,000	0.0%	0
<b>TOTAL ENTERPRISE</b>	<b>870,101</b>	<b>1,303,331</b>	<b>1,151,779</b>	<b>1,041,558</b>	<b>-9.6%</b>	<b>(110,221)</b>
<b>TOTAL REVENUE</b>	<b>9,330,515</b>	<b>8,950,850</b>	<b>8,468,934</b>	<b>8,019,353</b>	<b>-5.3%</b>	<b>(449,581)</b>

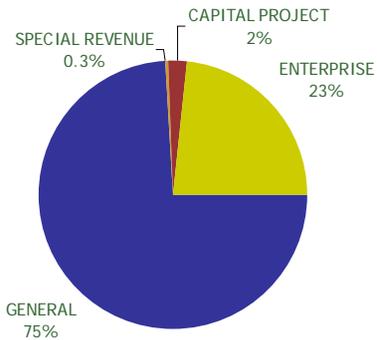
### Expense by Category



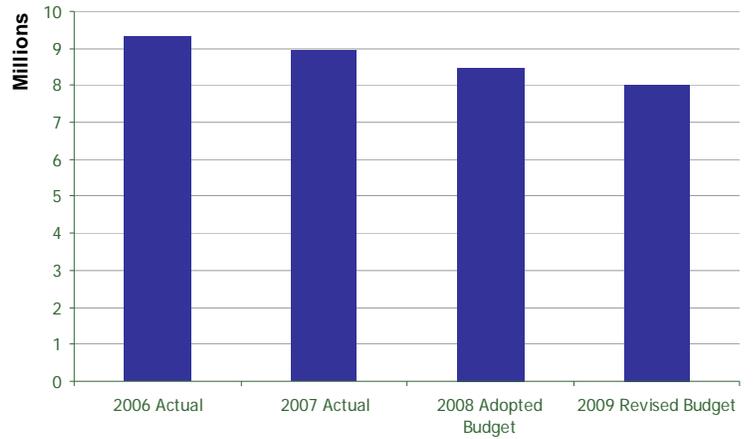
### Expense 2006 - 2009



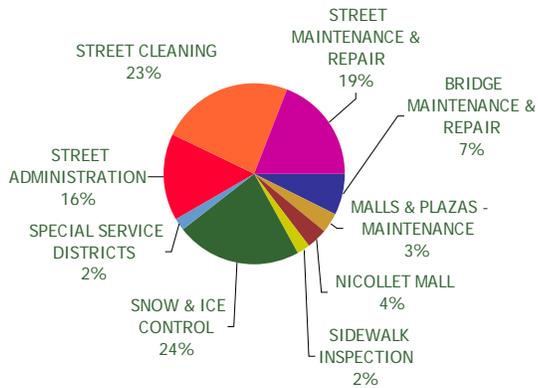
### Expense by Fund



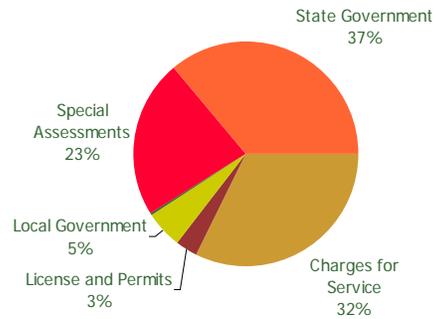
### Revenue 2006 - 2009



### Expense by Division



### Direct Revenue by Type

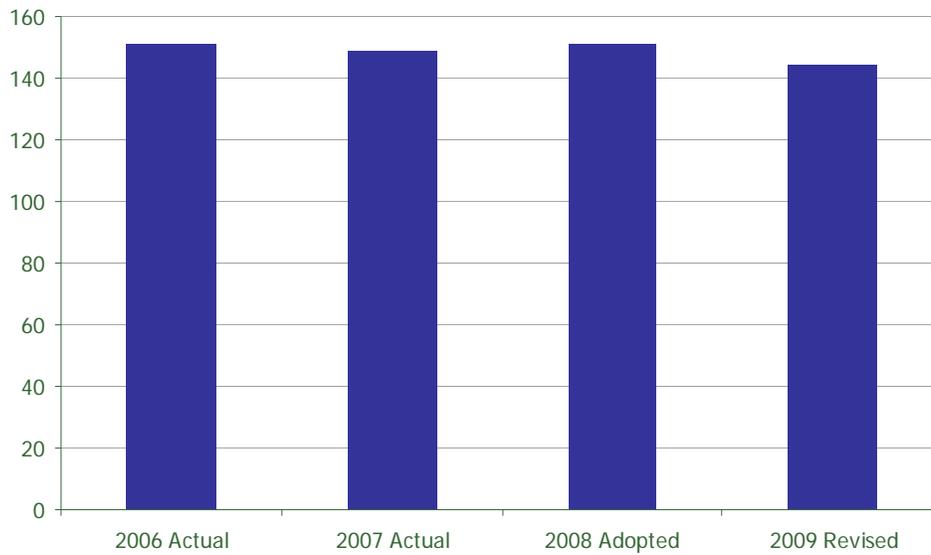


## PUBLIC WORKS - TRANSPORTATION MAINTENANCE AND REPAIR

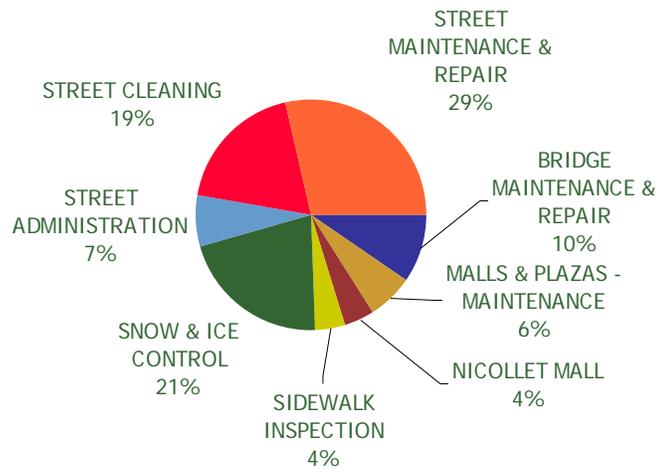
### Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
BRIDGE MAINTENANCE & REPAIR	15	14	14	14	0.0%	
MALLS & PLAZAS - MAINTENANCE	11	9	9	9	4.4%	0
NICOLLET MALL	6	6	6	6	1.7%	0
SIDEWALK INSPECTION	6	6	6	6	0.0%	
SNOW & ICE CONTROL	28	31	31	30	-1.9%	(1)
STREET ADMINISTRATION	11	10	11	11	-4.5%	(1)
STREET CLEANING	26	26	27	27	-0.7%	(0)
STREET MAINTENANCE & REPAIR	48	47	47	42	-11.7%	(6)
<b>TOTAL</b>	<b>151</b>	<b>149</b>	<b>151</b>	<b>145</b>	<b>-4.2%</b>	<b>(6)</b>

### Positions 2006-2009



### Positions by Division



## **TRANSPORTATION PLANNING & ENGINEERING**

### **EXPENDITURE**

During 2008, Transportation Planning & Engineering was expanded to include the Engineering Lab, Asphalt and Concrete Plants. Utility Connections was transferred back to the division from Surface Water & Sewers in addition to 3 positions that were transferred in from Pavement Management to the General Fund. The total budget for 2009 is \$14.3 million, a 32.3% increase from 2008 due to the reorganization.

### **REVENUE**

Total revenues for 2009 are budgeted at \$7.8 million, or \$831,000 increase from 2008.

### **FUND ALLOCATION**

The Transportation Planning & Engineering division is now funded by the General Fund, the Permanent Improvement fund and the Engineering Materials and Testing internal service fund.

The General Fund consists of the right of way management, special assessments, pavement management and the utilities connections areas. There was an increase of 0.4 positions in the Permanent Improvement Fund that was previously shared with the Surface Water & Sewers division.

The Engineering Materials and Testing fund is used to account for the City's purchase of bituminous mixes and ready-mix concrete for placement by various agencies within Public Works for construction and maintenance requirements. Also 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. The Council took action in December 2003, to suspend the production of bituminous mixes indefinitely at the City's asphalt plant.

### **ORIGINAL BUDGET**

The Mayor recommended no changes to the Transportation Planning & Engineering division.

Council directed Public Works to increase funding by \$450,000 for planning and engineering for the Central Corridor Light Rail Transit project.

The Council further directed Public Works to increase funding by \$500,000 on a one-time basis for engineering studies for relieving traffic congestion anticipated due to the Central Corridor Light Rail Transit project. The remaining \$250,000 goes to the Traffic and Parking Services division for resolving outstanding traffic issues on Trunk Highway 55 caused by the Hiawatha Light Rail Transit (see also Transportation Planning and Engineering).

### **COUNCIL REVISED BUDGET**

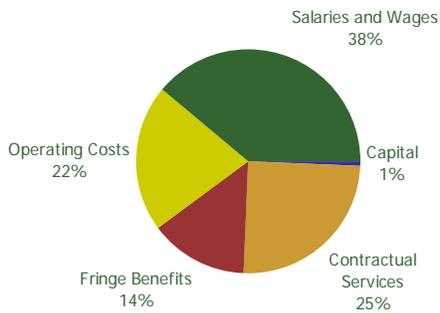
The budget for this department includes a reduction of BIS charges of \$13,500 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Transportation Planning & Engineering is \$14,333,955, a 32.4% increase over the 2008 Adopted budget.

**PUBLIC WORKS - TRANSPORTATION PLANNING AND ENGINEERING  
EXPENSE AND REVENUE INFORMATION**

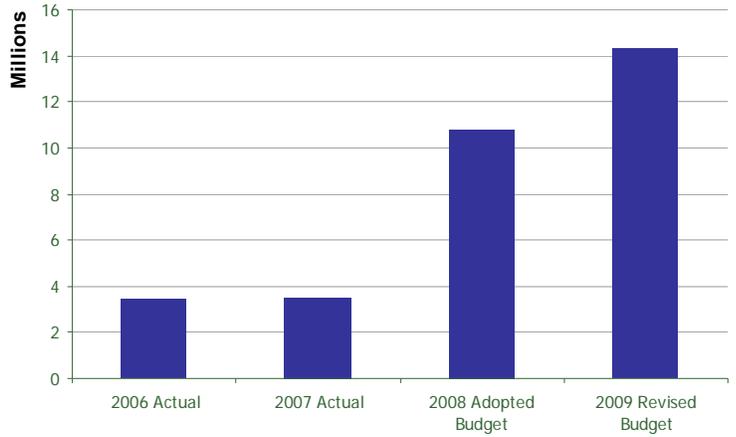
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	721,712	761,428	575,821	1,062,298	84.5%	486,477
Fringe Benefits	242,112	268,155	215,873	385,664	78.7%	169,791
Contractual Services	169,391	222,004	274,414	255,550	-6.9%	(18,864)
Operating Costs	29,133	16,395	8,164	32,746	301.1%	24,582
Capital	0	0	5,529	6,917	25.1%	1,388
<b>TOTAL GENERAL</b>	<b>1,162,348</b>	<b>1,267,982</b>	<b>1,079,801</b>	<b>1,743,175</b>	<b>61.4%</b>	<b>663,374</b>
<b>CAPITAL PROJECT</b>						
Salaries and Wages	2,566,934	2,478,899	3,351,277	3,573,128	6.6%	221,851
Fringe Benefits	716,628	770,155	1,177,153	1,308,065	11.1%	130,912
Contractual Services	1,461,609	1,500,952	2,707,341	2,792,537	3.1%	85,196
Operating Costs	167,413	142,734	147,803	182,747	23.6%	34,944
Capital	(3,464,328)	(3,481,566)	80,448	82,701	2.8%	2,253
<b>TOTAL CAPITAL PROJECT</b>	<b>1,448,256</b>	<b>1,411,174</b>	<b>7,464,022</b>	<b>7,939,178</b>	<b>6.4%</b>	<b>475,156</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	482,062	511,402	637,005	921,945	44.7%	284,940
Fringe Benefits	147,727	146,678	217,309	335,079	54.2%	117,770
Contractual Services	161,393	169,453	284,459	508,226	78.7%	223,767
Operating Costs	29,394	31,951	1,140,587	2,872,852	151.9%	1,732,265
<b>TOTAL INTERNAL SERVICE</b>	<b>820,576</b>	<b>859,484</b>	<b>2,279,360</b>	<b>4,638,102</b>	<b>103.5%</b>	<b>2,358,742</b>
<b>TOTAL EXPENSE</b>	<b>3,431,180</b>	<b>3,538,640</b>	<b>10,823,183</b>	<b>14,320,455</b>	<b>32.3%</b>	<b>3,497,272</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Adopted Budget	Percent Change	Change
<b>GENERAL</b>						
License and Permits	18,884	14,680	15,000	15,000	0.0%	0
Charges for Service	436,971	406,433	450,000	450,000	0.0%	0
Other Misc Revenues	0	421	0		0.0%	0
<b>TOTAL GENERAL</b>	<b>455,854</b>	<b>421,534</b>	<b>465,000</b>	<b>465,000</b>	<b>0.0%</b>	<b>0</b>
<b>CAPITAL PROJECT</b>						
State Government	1,036,766	71,857	550,000	761,000	38.4%	211,000
Charges for Service	247,838	30,771	1,613,000	2,083,000	29.1%	470,000
Charges for Sales	1,620	410	0		0.0%	0
<b>TOTAL CAPITAL PROJECT</b>	<b>1,286,224</b>	<b>103,038</b>	<b>2,163,000</b>	<b>2,844,000</b>	<b>31.5%</b>	<b>681,000</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	828,035	846,122	1,000,000	1,030,000	3.0%	30,000
Charges for Sales	0	0	3,381,000	3,501,000	3.5%	120,000
<b>TOTAL INTERNAL SERVICE</b>	<b>828,035</b>	<b>846,122</b>	<b>4,381,000</b>	<b>4,531,000</b>	<b>3.4%</b>	<b>150,000</b>
<b>TOTAL REVENUE</b>	<b>2,570,113</b>	<b>1,370,694</b>	<b>7,009,000</b>	<b>7,840,000</b>	<b>11.9%</b>	<b>831,000</b>

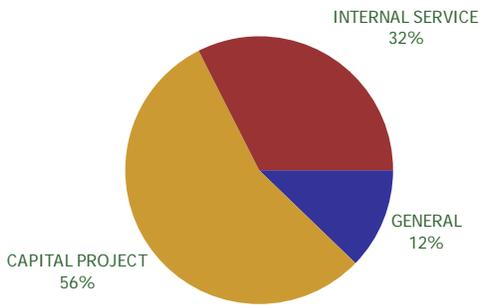
### Expense by Category



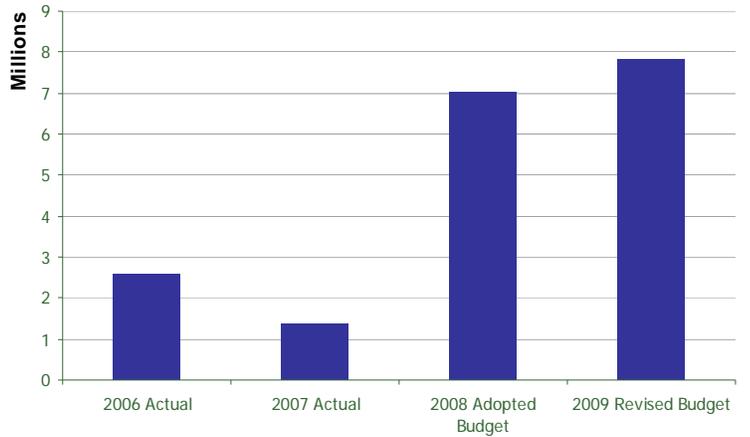
### Expense 2006 - 2009



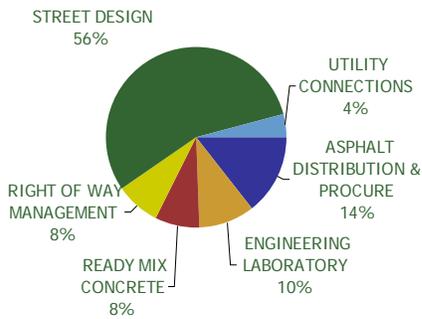
### Expense by Fund



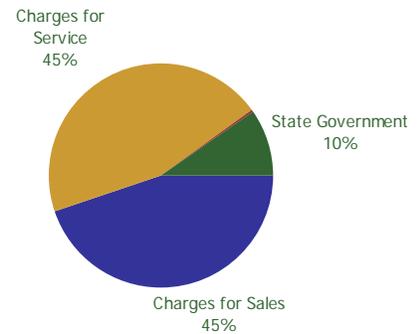
### Revenue 2006 - 2009



### Expense by Division



### Direct Revenue by Type

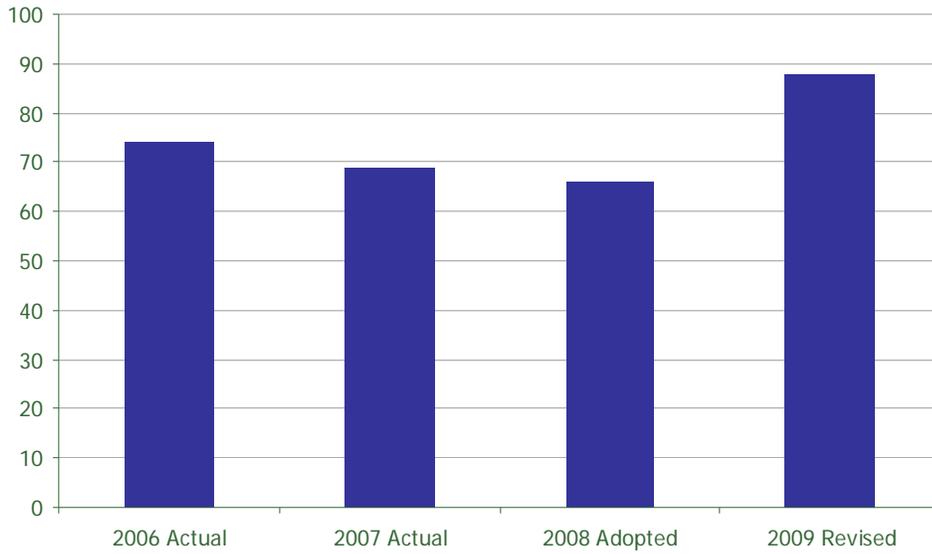


## PUBLIC WORKS - TRANSPORTATION PLANNING AND ENGINEERING

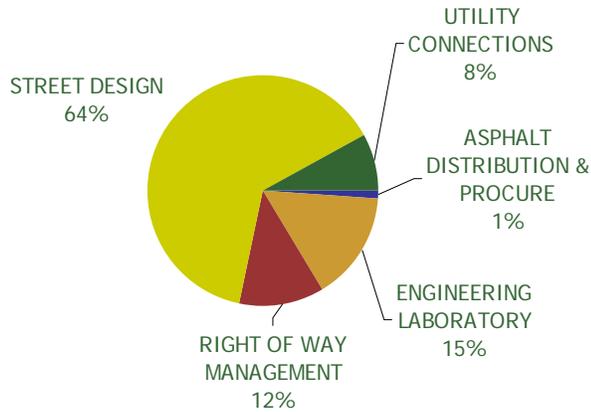
### Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
ASPHALT DISTRIBUTION & PROCURE				1		1
ENGINEERING LABORATORY				14		14
RIGHT OF WAY MANAGEMENT	3	3	3	11	250.0%	8
STREET DESIGN	59	54	56	56	0.0%	
UTILITY CONNECTIONS	12	12	7	7	0.0%	
<b>TOTAL</b>	<b>74</b>	<b>69</b>	<b>66</b>	<b>88</b>	<b>33.3%</b>	<b>22</b>

### Positions 2006-2009



### Positions by Division





## WATER TREATMENT & DISTRIBUTION SERVICES

### EXPENDITURE

The 2009 expense budget increases from \$44.8 million in 2008 to \$47.9 million in 2009, an increase of 7.1%.

### REVENUE

The 2009 revenue is projected to increase by approximately \$3.9 million to \$70.7 million, based on a 5.8% increase.

### FUND ALLOCATION

The division is fund completely by the Water enterprise fund.

*Please see the Water fund financial plan in the finance plan section of this book for more information.*

### ORIGINAL BUDGET

The Mayor recommended a \$0.16 increase in per unit water rates. The Mayor also recommended the department use its resources to fund up to \$50,000 in drinking fountain maintenance. The Council approved the Mayor's recommendation.

### COUNCIL REVISED BUDGET

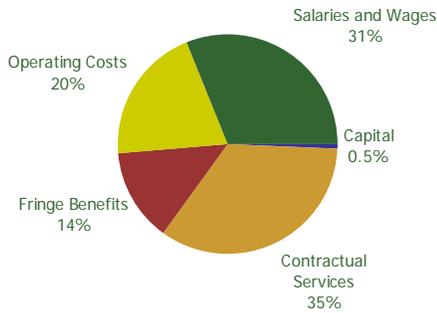
The budget for this department includes a reduction of BIS charges of \$23,200 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Water Treatment & Distribution is \$47,931,386, a 7.1% increase over the 2008 Adopted budget.

## PUBLIC WORKS - WATER TREATMENT & DISTRIBUTION EXPENSE AND REVENUE INFORMATION

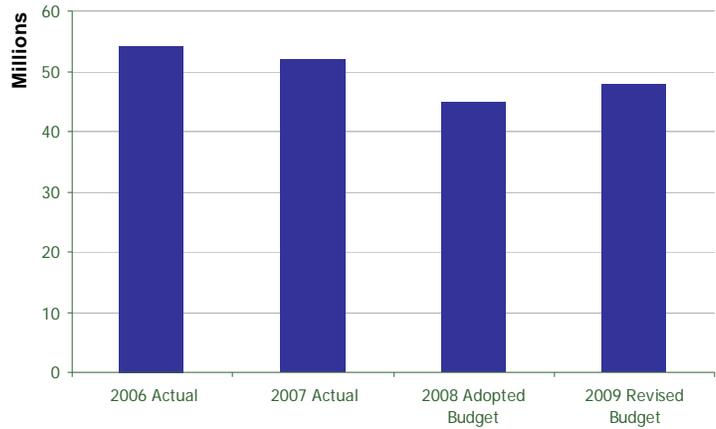
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
Salaries and Wages	13,463,893	14,506,307	14,274,220	14,887,004	4.3%	612,784
Fringe Benefits	5,130,469	5,606,417	5,837,909	6,533,862	11.9%	695,953
Contractual Services	18,774,393	16,252,561	16,303,326	16,596,636	1.8%	293,310
Operating Costs	16,845,735	15,638,994	8,127,877	9,670,131	19.0%	1,542,254
Capital	0	0	214,545	220,552	2.8%	6,007
<b>TOTAL EXPENSE</b>	<b>54,214,490</b>	<b>52,004,279</b>	<b>44,757,877</b>	<b>47,908,186</b>	<b>7.0%</b>	<b>3,150,309</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>ENTERPRISE</b>						
License and Permits	728	773	1,000	1,000	0.0%	0
Federal Government	36,036	0	0	0	0.0%	0
Charges for Service	63,354,640	65,181,104	65,488,931	69,898,816	6.7%	4,409,885
Charges for Sales	1,702,574	920,450	1,315,000	822,000	-37.5%	(493,000)
Other Misc Revenues	27,918	346	20,100	340	-98.3%	(19,760)
<b>TOTAL REVENUE</b>	<b>65,121,896</b>	<b>66,102,673</b>	<b>66,825,031</b>	<b>70,722,156</b>	<b>5.8%</b>	<b>3,897,125</b>

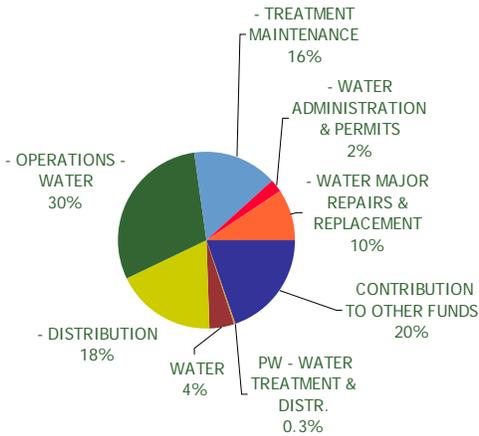
### Expense by Category



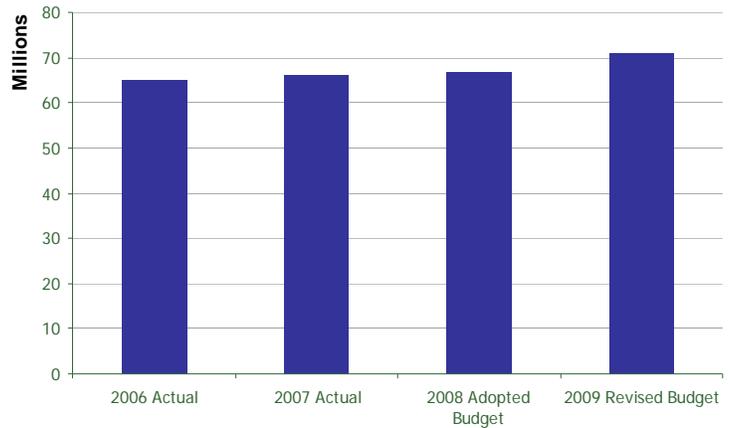
### Expense 2006 - 2009



### Expense by Division



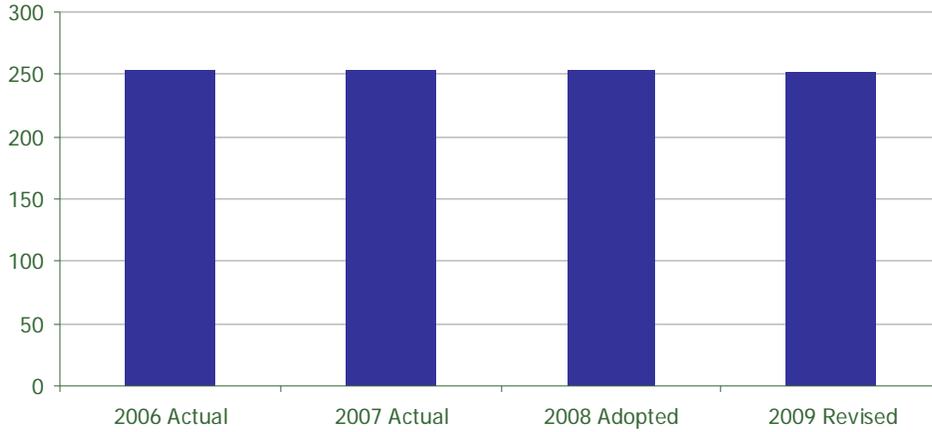
### Revenue 2006 - 2009



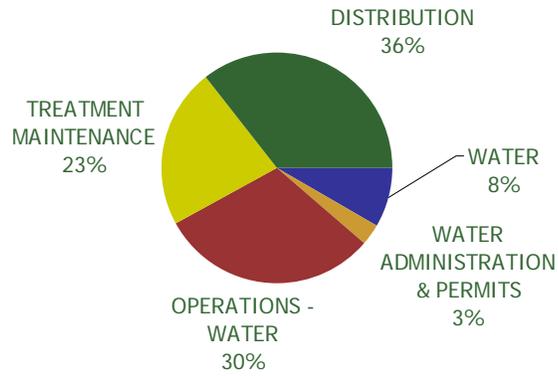
### PUBLIC WORKS - WATER TREATMENT & DISTRIBUTION Staffing Information

	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
DISTRIBUTION	92	94	91	90	-1.1%	(1)
OPERATIONS - WATER	80	77	82	77	-6.4%	(5)
TREATMENT MAINTENANCE	61	62	59	57	-3.4%	(2)
WATER ADMINISTRATION & PERMITS	7	7	8	8	0.0%	
WATER	13	13	13	21	61.5%	8
<b>TOTAL</b>	<b>253</b>	<b>253</b>	<b>253</b>	<b>253</b>	<b>-0.1%</b>	<b>(0)</b>

### Positions 2006-2009



### Positions by Division



**City of Minneapolis  
FY 2009 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	602
➤ Meet Minneapolis	606
➤ Municipal Building Commission	608
➤ Neighborhood Revitalization Program	613
➤ Park and Recreation Board	618
➤ Public Housing Authority	622
➤ Youth Coordinating Board	624

## BOARD OF ESTIMATE AND TAXATION

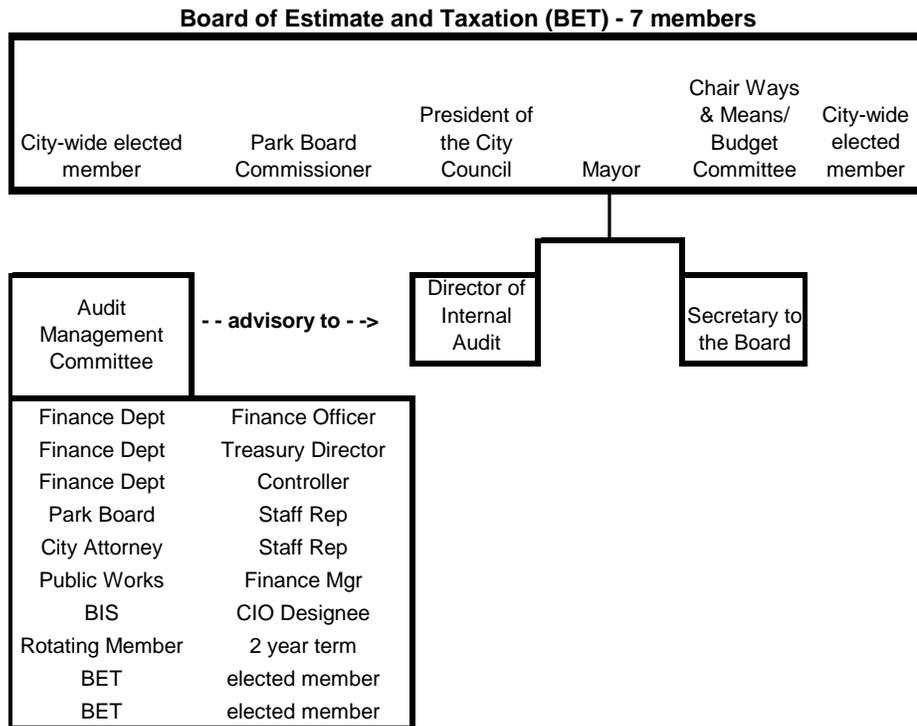
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### MISSION

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 approval by the City Council, the Park and Recreation Board will make requests to the BET for the sale of bonds. 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 2009 budget for the BET is \$342,800, a 4.0% or \$14,200 decrease from the 2008 adopted budget. There is no change in the number of positions.

### REVENUE

In 2009, the Board will receive \$105,000 from bond proceeds and \$254,834 from property taxes, a total increase of 2.8% over the 2008 adopted budget.

### ORIGINAL BUDGET

The Mayor recommended no changes to the BET's proposed budget. The Council adopted the Mayor's recommendation without changes.

### MAYOR'S REVISED BUDGET

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

### COUNCIL REVISED BUDGET

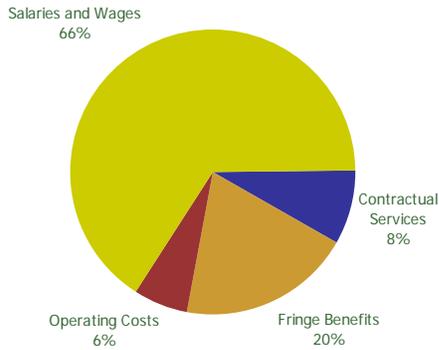
The budget for this department includes a reduction of BIS charges of \$200 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for BET is \$343,000, a 3.9% decrease from the 2008 Adopted budget.

## BOARD OF ESTIMATE & TAXATION EXPENSE AND REVENUE INFORMATION

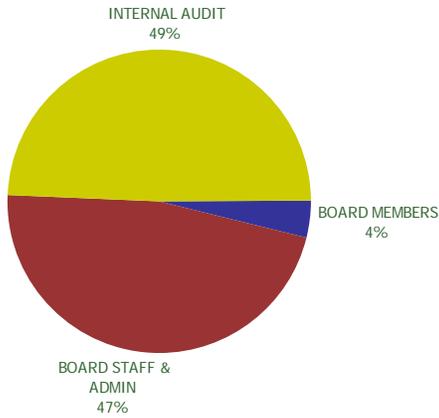
<b>EXPENSE</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>Percent Change</b>	<b>Change</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	197,890	205,978	201,653	226,844	12.5%	25,191
Fringe Benefits	41,364	37,574	62,739	67,067	6.9%	4,328
Contractual Services	68,530	71,428	73,883	27,981	-62.1%	(45,902)
Operating Costs	22,499	13,449	18,725	20,908	11.7%	2,183
<b>TOTAL SPECIAL REVENUE</b>	<b>330,283</b>	<b>328,429</b>	<b>357,000</b>	<b>342,800</b>	<b>-4.0%</b>	<b>(14,200)</b>
<b>TOTAL EXPENSE</b>	<b>330,283</b>	<b>328,429</b>	<b>357,000</b>	<b>342,800</b>	<b>-4.0%</b>	<b>(14,200)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Property Taxes	218,114	231,291	245,033	254,834	4.0%	9,801
Sales and Other Taxes	21	36	0		0.0%	0
State Government	8,651	7,612	0		0.0%	0
Long Term Liabilities Proceeds	0	0	105,000	105,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>226,785</b>	<b>238,939</b>	<b>350,033</b>	<b>359,834</b>	<b>2.8%</b>	<b>9,801</b>
<b>TOTAL REVENUE</b>	<b>226,785</b>	<b>238,939</b>	<b>350,033</b>	<b>359,834</b>	<b>2.8%</b>	<b>9,801</b>

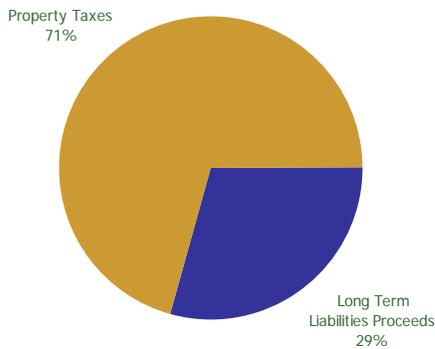
### Expense by Category



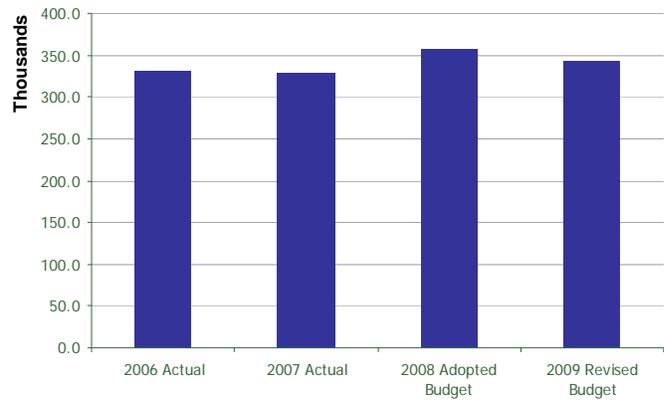
### Expense by Division



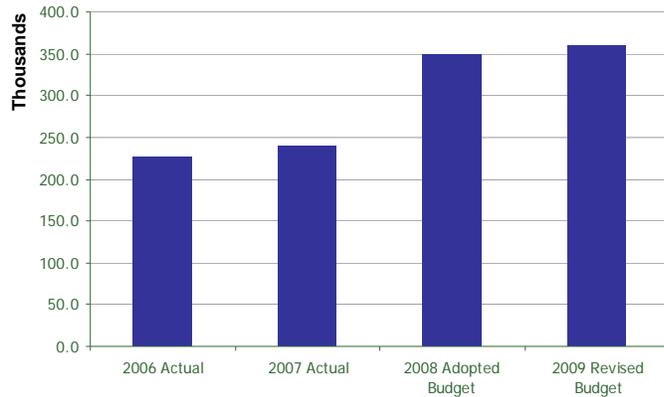
### Direct Revenue by Type



### Expense 2006 - 2009



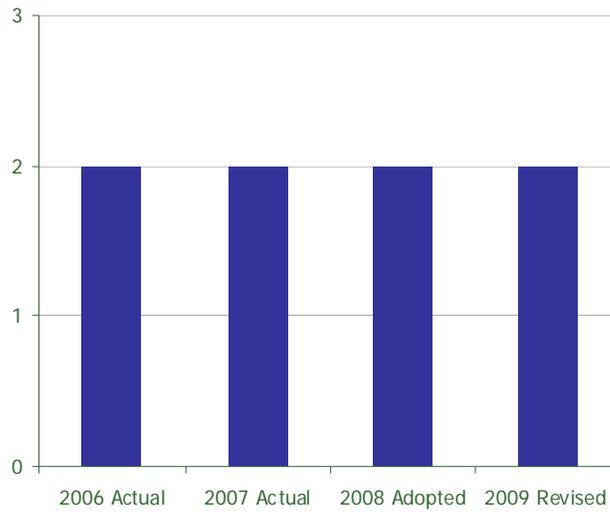
### Revenue 2006 - 2009



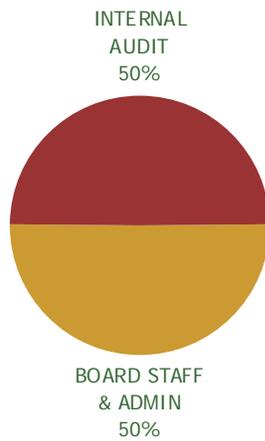
## BOARD OF ESTIMATE & TAXATION Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
BOARD OF ESTIMATE & TAXATION	2	2	2		-100.0%	(2)
BOARD STAFF & ADMIN				1		1
INTERNAL AUDIT				1		1
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0.0%</b>	

**Positions 2006-2009**



**Positions by Division**





## MEET MINNEAPOLIS

### MISSION

To sell, market and internationally promote Minneapolis as a premier, year-round destination for convention, trade show, corporate meetings and leisure travel. Meet Minneapolis is committed to service excellence to all of its clients and does so for the economic benefit and vitality of the members, businesses, and communities it serves.

### FINANCIAL ANALYSIS

Revenues	2006 Actual	2007 Adopted Budget	2008 Adopted Budget	2009 Revised Budget	Change
City funding base	4,910,000	4,910,000	4,910,000	4,970,000	60,000
1% dedicated lodging tax	1,900,000	2,200,000	2,350,000	2,350,000	0
MCC salary transfer	120,000	120,000	120,000	120,000	0
Minneapolis Unwrapped	50,000	50,000	50,000	50,000	0
Neighborhood marketing (Riverfront)	50,000	50,000	50,000	50,000	0
Sister city efforts	50,000	50,000	50,000	50,000	0
Subtotal city revenue	7,080,000	7,380,000	7,530,000	7,590,000	0
Annual 2 <sup>nd</sup> quarter adjustment for actual 1% lodging tax receipts	45,900				
<b>Total city appropriation</b>	<b>7,125,900</b>	<b>7,380,000</b>	<b>7,530,000</b>	<b>7,590,000</b>	<b>60,000</b>
<b>Total non-city revenue</b>	<b>2,216,720</b>	<b>1,891,600</b>	<b>1,900,000</b>	<b>1,900,000</b>	<b>0</b>
<b>Total Meet Minneapolis operational revenue</b>	<b>9,342,620</b>	<b>9,271,600</b>	<b>9,430,000</b>	<b>9,490,000</b>	<b>60,000</b>

**1% Dedicated Lodging Tax Projection:** Effective April 1, 2002, the lodging tax increased from 2% to 3%. Proceeds from this 1% increase are transferred to Meet Minneapolis each year.

**Annual second quarter adjustment for actual 1% lodging tax receipts:** The 1% tax proceeds are adjusted annually in the second quarter after the calendar year close to reconcile variances in projections. A positive variance would be paid to Meet Minneapolis; a negative variance would be deducted from its contract.

**Current 1% lodging tax receipts:** Revenues in 2009 are expected to be \$2.35 million.

**MCC salary transfer:** This is an annual \$120,000 salary transfer from the MCC sales department to Meet Minneapolis as a result of a merger in 2000. An additional \$60,000 is added in 2009.

**Minneapolis Unwrapped:** Minneapolis Unwrapped is a \$50,000 marketing project promoting downtown shopping through a website and holiday advertising. This project was transferred from the former Minneapolis Community Development Agency (MCDA) in 2002.

**Neighborhood Marketing (Riverfront):** This is a \$50,000 marketing project that coordinates promotional efforts of the neighborhoods around the Riverfront. This project was transferred from the former MCDA in 2002.

**Meet Minneapolis non-profit donations pass-through:** Meet Minneapolis operates a nonprofit fund with the name of the Minneapolis Convention Fund for receiving private contributions for City events. This allows contributors to legally qualify for a tax deduction for conventions and national sporting events. The nonprofit initiates the donations. Receipts

collected are transferred to City funds and paid back out to the beneficiary who is required to use the money for a dedicated purpose. Council action is required each year in accordance with tax law, to appropriate money to pay the funds to the beneficiary.

**Sister City:** In 2006, the Mayor and Council added \$50,000 to the Meet Minneapolis contract to fund Sister City efforts.

**Non-City Revenue:** This item includes revenue from in-kind contributions, memberships, advertising, registration booths, commissions, the information center, trolley, programs and miscellaneous other sources.

<b>Expenses</b>	<b>2006 Actual</b>	<b>2007 Adopted Budget</b>	<b>2008 Adopted Budget</b>	<b>2009 Revised Budget</b>	<b>Change</b>
Convention sales	2,073,000	2,313,000	2,471,400	2,471,400	0
MCC sales	595,000	475,000	475,000	535,000	60,000
Marketing	2,242,000	2,246,500	2,246,500	2,246,500	0
Tourism	838,500	873,000	873,000	873,000	0
Services	881,500	873,000	873,000	873,000	0
Organizational general	1,151,700	1,170,800	1,170,800	1,170,800	0
Visitor info center	156,500	100,000	100,000	100,000	0
Publications/advertising	226,572				0
Memberships/sponsorship	275,831	574,900	574,900	574,900	0
Administration	786,920	645,400	645,400	645,400	0
<b>Total Expenses</b>	<b>9,342,620</b>	<b>9,271,600</b>	<b>9,430,000</b>	<b>9,490,000</b>	<b>60,000</b>

#### ORIGINAL BUDGET

The Mayor recommended no changes to the Meet Minneapolis base budget. The Council adopted the Mayor's recommendation without changes.

#### MAYOR'S REVISED BUDGET

The Mayor made no further changes to the Meet Minneapolis base budget.

#### COUNCIL REVISED BUDGET

The Council made no further changes to the Meet Minneapolis base budget.

# MUNICIPAL BUILDING COMMISSION

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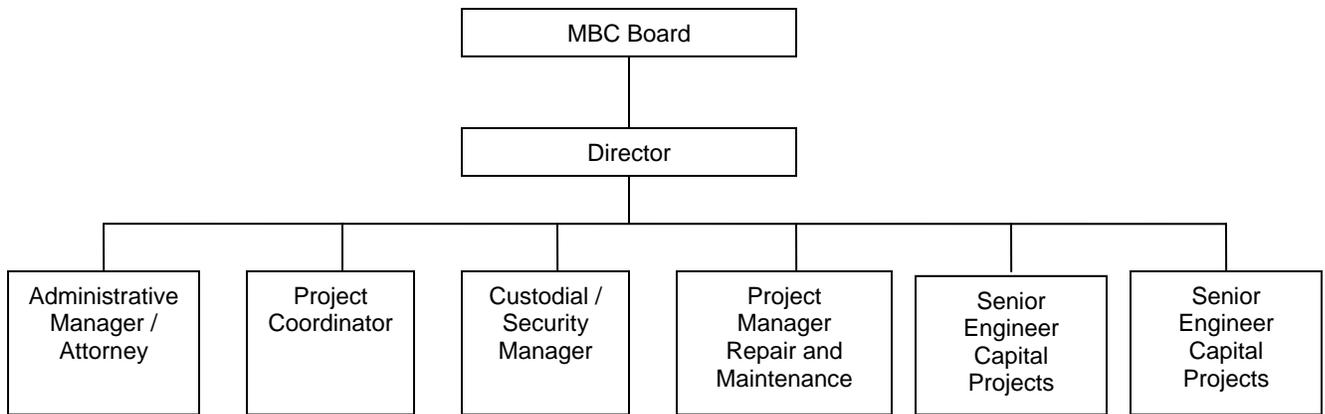
## MISSION

The mission of the Municipal Building Commission (“MBC”) is to provide effective and efficient services to operate, maintain, and preserve the Minneapolis City Hall and Hennepin County Courthouse, and to ensure a safe and functional environment for City and County government employees, citizens and elected officials.

## BUSINESS LINES

- **Care of the Minneapolis City Hall and Hennepin County Courthouse Building:** Operating, maintaining and preserving the building through custodial service, utility service, repair and maintenance, preventive maintenance activities, and capital improvements.
- **Control of the Minneapolis City Hall and Hennepin County Courthouse Building:** Staffing the MBC board, implementing board directives, coordinating space assignment, and meeting City and County tenant needs and management functions including planning, labor relations, emergency preparedness, security, communications, human resources, information technology, contract services, finance, accounting, payroll, and operating and capital budgeting activities.
- **Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse:** The MBC was founded in 1904 and became responsible for historical preservation activities of the buildings in 2006. These activities include carrying out all operating and capital activities to keep with the agency’s mission of providing effective and efficient services to operate, maintain and preserve this landmark building, and ensuring a safe and functional environment for government employees, citizens, and elected officials. MBC service activities under this business line include space rental operation, catering, café/deli operation, and vending/miscellaneous sales revenues.

## ORGANIZATION CHART



***What key trends and challenges does the department face and how will each be addressed?***

**Mechanical and life safety systems (MLSS) upgrade project:** The MBC has completed 11 stages of a 23-stage project to upgrade MLSS in City Hall and the Courthouse, which was initiated in 1999. The project involves updating heating, ventilation, air conditioning, and life safety systems in the City Hall and Courthouse building. Objectives of the project are to install life safety components that have not existed previously, and to replace tattered and failing systems before they collapse and leave the building unusable for City and County personnel. The project scope was spread out over a twelve year period to match funding availability.

**Utility costs and other budget constraints:** Costs for utilities – electricity, heating, and cooling – have grown at a rate above agency appropriation increases. Heating and chilled water costs are expected to increase significantly in 2009, with most of the monetary increase attributable to billing rates. While various project work in the building is providing increased energy efficiency, market rate costs for these services continue to rise beyond the control of the MBC. Additional funding is also needed in the utilities area to support the cost due to increased use of independent water cooling units for rooms with specialized computer equipment.

The City Hall and Courthouse building is a 100+ year-old facility with special needs and a unique work environment. The need for attracting and retaining high quality, hard working, knowledgeable and conscientious staff is becoming more crucial. Current staffing levels are not able to keep pace with agency workloads. After several years of budget and staff reductions coupled with minor appropriation increases, further staffing reductions are not feasible and would result in reduced or potentially eliminated services.

**Outdated systems and historic nature of the building strain resources:** During the 1970s and 1980s, various maintenance activities in the building were postponed. As a result, many systems and equipment pieces in the building were not maintained properly or were not replaced according to standard industry practices. This has resulted in old systems and equipment, and in some cases they are on the verge of breaking down. Current resource levels are not adequate to fully support and keep pace with the MLSS project, routine repair and maintenance, and preventive maintenance. MBC staff is forced to deal reactively to system and equipment failures, which is more costly and time consuming. The historic nature of the building also adds complexity to agency work activities since modern systems and equipment are not always easily incorporated without specialized processes and implementation methods.

**Maintaining and enhancing building security:** MBC staff worked with City and County staff to develop a proposal for implementing and improving building security systems, and instituting trained security personnel. To ensure the safety of tenants, visitors and property, continuation of the agency's security program is imperative. The MBC has completed initial security enhancements through a Homeland Security grant. These included the transition to an updated digital access and video control system, installation of a fiber backbone to allow for future system expansion, installation of a new security equipment room, design and installation of an equipment cooling room, and installation of duress/intrusion alarms, perimeter cameras and video recording equipment. All of these devices can be monitored by the Hennepin County Security Operations Center. The MBC has submitted a proposal for additional Homeland Security grant funding.

**What actions will the department take to meet five-year financial direction?**

The MBC has implemented various strategies to meet its annual budget. In past budget cycles, several line items have been reduced and most non-personnel expense categories have remained flat, essentially translating into lost funding when inflation is considered. The agency has reduced its workforce by 16 percent since 1999 from 74 positions down to 62 positions that care for and maintain the buildings and respond to tenant service needs. New revenue generation programs have been implemented. In addition, staff routinely applies for various energy-related rebates and grant funding, where applicable and feasible.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2009 MBC budget is \$8.5 million, a 6.3% increase. The largest increase is in contractual services due to significant increases in utility costs.

**REVENUE**

MBC’s 2009 revenues are budgeted at \$8.5 million, a 7.0% increase. It will receive \$4.3 million in property tax revenue, a 4% increase over the 2008 adopted budget. Refer to Schedule 13 for more information as this is not reflected in the property tax line item in the chart below.

**ORIGINAL BUDGET**

The Mayor recommended no changes to MBC’s base budget.

The Council approved \$150,000 in City funding for MBC on a one-time basis to offset additional utility costs in City Hall in 2009.

The Council approved \$202,500 in City funding for MBC on a one-time basis for: a) \$107,500 for the City’s share of the remaining cost for the City Hall Green Roof project (MBC10); and b) \$95,000 for the City Hall elevator (MBC04).

**MAYOR’S REVISED BUDGET**

The Mayor recommended a reduction of \$50,755 to the City’s share of the Municipal Building Commission’s costs.

**COUNCIL REVISED BUDGET**

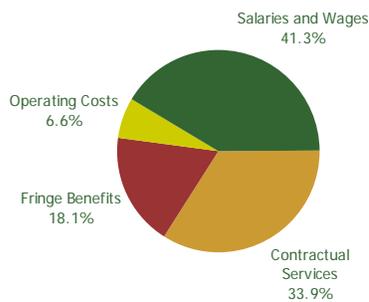
The Council concurs with the Mayor’s recommendation.

**MUNICIPAL BUILDING COMMISSION  
EXPENSE AND REVENUE INFORMATION**

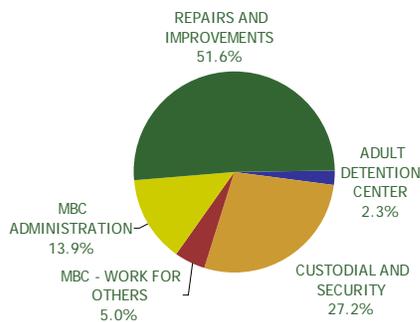
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	2,924,048	2,844,617	3,314,547	3,495,183	5.4%	180,636
Fringe Benefits	1,095,813	1,109,375	1,421,596	1,533,162	7.8%	111,566
Contractual Services	2,893,882	2,942,120	2,592,347	2,873,002	10.8%	280,655
Operating Costs	601,003	542,797	635,941	561,320	-11.7%	(74,621)
Capital	16,981	6,468	2,000	2,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>7,531,727</b>	<b>7,445,377</b>	<b>7,966,431</b>	<b>8,464,667</b>	<b>6.3%</b>	<b>498,236</b>
<b>TOTAL EXPENSE</b>	<b>7,531,727</b>	<b>7,445,377</b>	<b>7,966,431</b>	<b>8,464,667</b>	<b>6.3%</b>	<b>498,236</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Property Taxes	3,650,599	3,868,974	4,089,608	0	-100.0%	(4,089,608)
Sales and Other Taxes	346	604	0	0	0.0%	0
State Government	428,182	397,022	247,515	267,257	8.0%	19,742
Charges for Service	3,330,786	3,203,418	3,602,533	8,123,200	125.5%	4,520,667
Charges for Sales	71,281	5,530	2,200	6,000	172.7%	3,800
Interest	42	0	0	0	0.0%	0
Rents	80,760	99,069	50,000	2,200	-95.6%	(47,800)
Other Misc Revenues	1,053	1,620	600	150,600	25,000.0%	150,000
<b>TOTAL SPECIAL REVENUE</b>	<b>7,563,049</b>	<b>7,576,238</b>	<b>7,992,456</b>	<b>8,549,257</b>	<b>7.0%</b>	<b>556,801</b>
<b>TOTAL REVENUE</b>	<b>7,563,049</b>	<b>7,576,238</b>	<b>7,992,456</b>	<b>8,549,257</b>	<b>7.0%</b>	<b>556,801</b>

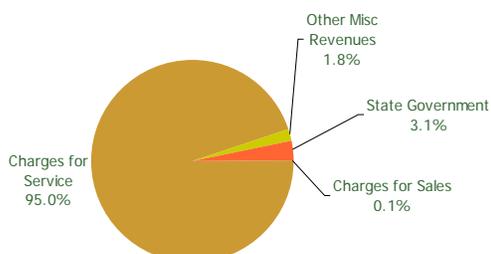
### Expense by Category



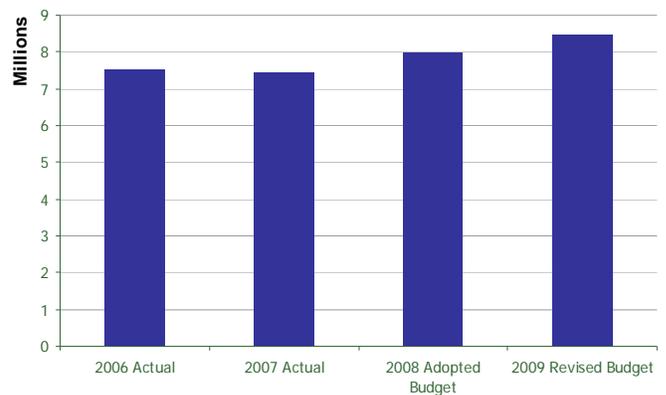
### Expense by Division



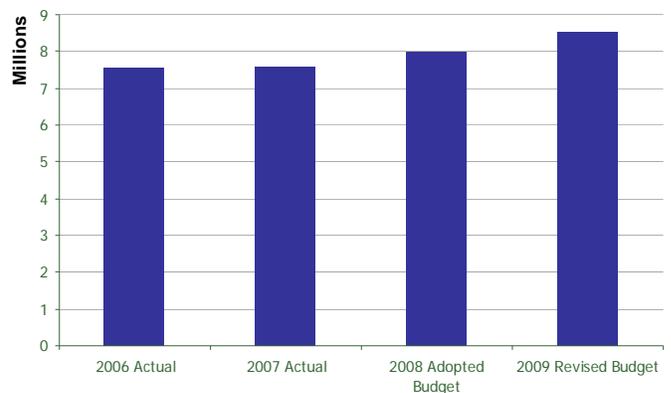
### Direct Revenue by Type



### Expense 2006 - 2009



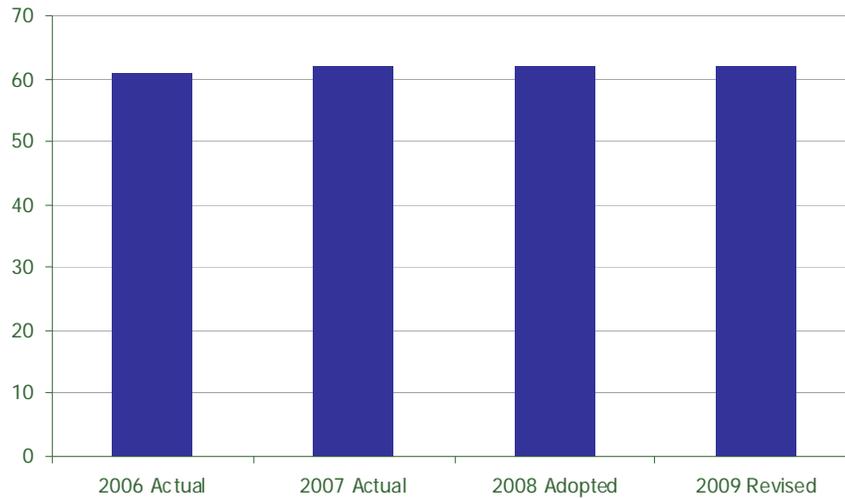
### Revenue 2006 - 2009



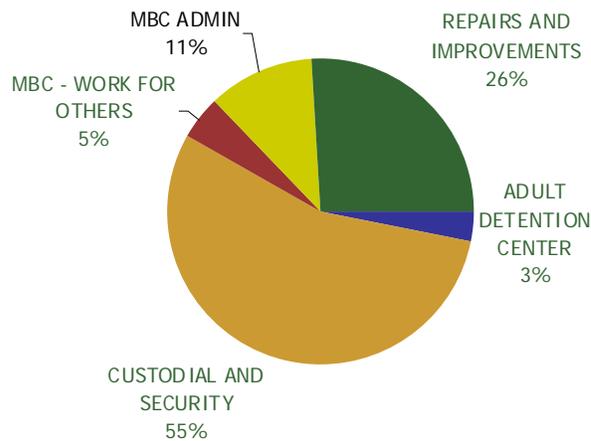
## MUNICIPAL BUILDING COMMISSION Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
ADULT DETENTION CENTER	1	2	2	2	0.0%	
CUSTODIAL AND SECURITY	34	34	34	34	0.0%	
MBC - WORK FOR OTHERS	3	3	3	3	0.0%	
MBC ADMINISTRATION	6	6	6	7	16.7%	1
REPAIRS AND IMPROVEMENTS	17	17	17	16	-5.9%	(1)
<b>TOTAL</b>	<b>61</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>0.0%</b>	

### Positions 2006-2009



### Positions by Division



## NEIGHBORHOOD REVITALIZATION PROGRAM

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### MISSION

Improve the quality of life and livability in the City by revitalizing its neighborhoods and making them better places to live, work, learn and play.

### GOALS

To accomplish its mission, the NRP adopted the following four goals for Phase I:

- Build neighborhood capacity;
- Redesign public services;
- Create a sense of community and place; and
- Increase intra- and intergovernmental collaboration.

In addition to these goals, the teamwork's evaluation report on Phase I identified the following three goals:

- Improve the lives of the citizens of Minneapolis and enhance neighborhood stability;
- Bring neighborhoods to a level at which they will attract private investment; and
- Improve the physical characteristics of neighborhoods, especially as embodied in infrastructure and housing.

Keeping in view the changed environment for the NRP and its participating jurisdictions, the Policy Board adopted the following six Goals for Phase II:

- Create a greater sense of community so people who live, work, learn and play in Minneapolis have an increased sense of commitment to and confidence in their neighborhood and City;
- Sustain and enhance neighborhood capability in order to strengthen civic involvement of all members of the community;
- Ensure neighborhood-based planning remains the foundation of the program, is informed, and leads to innovative approaches;
- Strengthen partnerships among neighborhoods and jurisdictions to identify and accomplish shared City-wide goals;
- Ensure government agencies learn from and respond to neighborhood plans so public services ultimately reflect neighborhood priorities; and
- Develop and support life cycle housing citywide through the preservation of existing housing and new construction by reaffirming the commitment to the state mandate that 52.5% of NRP funds be spent on housing.

### BUSINESS LINES

- **Assist neighborhoods with development of Neighborhood Action Plans (NAPs):** NAPs are the building blocks of the NRP program and are developed and written by the neighborhoods. Each NAP provides a vision for the neighborhood, identifies priorities for achieving that vision, and proposes specific implementation strategies. The NRP statute requires NAPs be prepared and approved before any NRP expenditures occur. NRP staff provide guidance on development of NAPs, monitor the public participation process, and help the neighborhood obtain needed professional or technical support during the process.
- **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 nonprofit 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 City staff for comments and to NRP's external counsel for a legal opinion on conformance with the NRP statute.

- **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 a NAP unless they are for planning, oversight or evaluation. NRP staff serve as contract administrators for the neighborhood organization activities associated with these functions and develop the scopes of service and budgets for the contracts. In this role, they review reimbursement requests, monitor performance and ensure that implementation of the plan is occurring as approved.

NRP staff coordinate 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 nonprofit vendors, and jurisdictions.

NRP staff work with neighborhoods and these organizations to clearly define the approved programs, projects, services or activities, and to draft appropriate scopes of service, program guidelines, and budgets prior to preparation of contracts or agreements.

- **Manage NRP's financial resources and expenditures:** NRP is responsible for expenditures of NRP funds and management of public resources provided to the program. NRP monitors and evaluates program activities and expenditures to ensure consistency with approved contracts and strategies in NAPs.

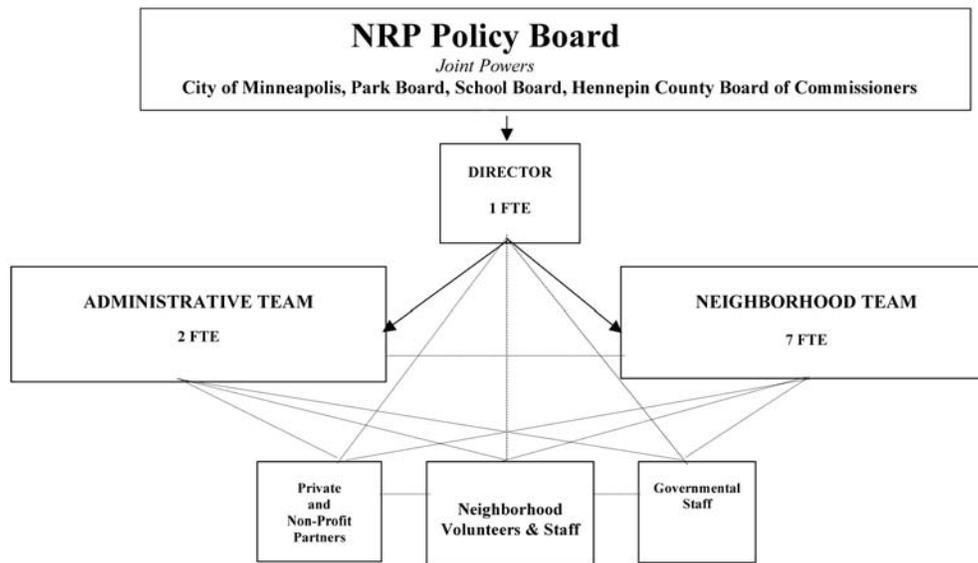
In addition, NRP works to minimize administrative costs for its central office and the neighborhoods by initiating group purchase discounts, special professional service arrangements, and elimination of duplicate activities.

One of the most important results to be achieved is meeting the statutory mandate that states 52.5% of all NRP funds are to be spent on housing, housing-related projects, services or activities.

- **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 government jurisdictions. NRP offers training that provides neighborhood volunteers and staff with specific skills designed to help create and maintain healthy organizations. Workshops are offered on a regular basis and upon request to individual neighborhoods.

## ORGANIZATION CHART

### NEIGHBORHOOD REVITALIZATION PROGRAM STAFF ORGANIZATIONAL CHART



## FINANCIAL ANALYSIS

### EXPENDITURE

The Neighborhood Revitalization Program's 2009 budget of \$1.4 million is approximately 14.5% lower than the 2008 adopted expenditure budget due to reduction of some staff from full to part time and a lower amount of projected audit costs for neighborhoods due to a change in funding threshold qualifications by the State Auditor.

### REVENUE

NRP's entire revenue budget originates from tax increment financing dedicated by State law and is budgeted at \$1.4 million in 2009. This amount is lower than the 2008 adopted budget by 14%.

### ORIGINAL BUDGET

The Mayor recommended no change to the NRP's budget proposal and the Council adopted the Mayor's recommendation without change.

### MAYOR'S REVISED BUDGET

The Mayor recommended no change to the NRP original budget.

COUNCIL REVISED BUDGET

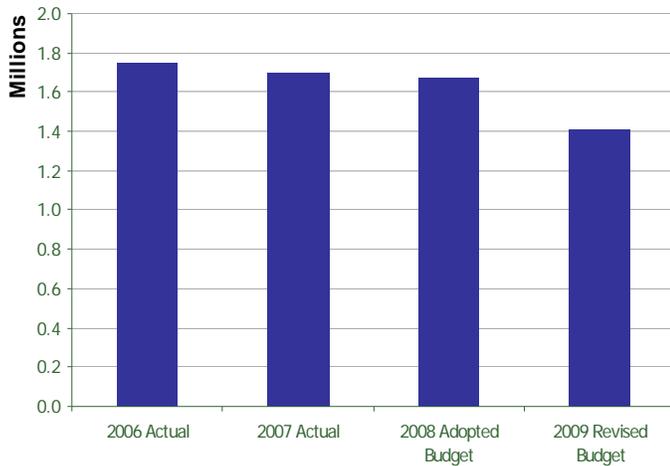
The budget for this department includes a reduction of BIS charges of \$800 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for NRP is \$1,428,619, a 14% decrease from the 2008 Adopted budget.

**NEIGHBORHOOD REVITALIZATION BOARD  
EXPENSE AND REVENUE INFORMATION**

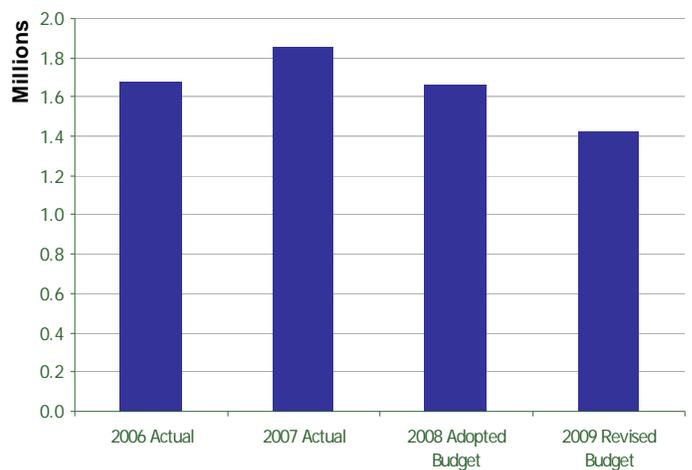
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	619,626	637,097	580,475	509,736	-12.2%	(70,739)
Fringe Benefits	141,671	151,326	155,000	138,184	-10.8%	(16,816)
Contractual Services	836,992	817,486	848,476	714,900	-15.7%	(133,576)
Operating Costs	96,351	81,788	83,050	61,499	-25.9%	(21,551)
Capital	9,203	5,797	3,500	3,500	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>1,703,843</b>	<b>1,693,494</b>	<b>1,670,501</b>	<b>1,427,819</b>	<b>-14.5%</b>	<b>(242,682)</b>
<b>TOTAL EXPENSE</b>	<b>1,703,843</b>	<b>1,693,494</b>	<b>1,670,501</b>	<b>1,427,819</b>	<b>-14.5%</b>	<b>(242,682)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
State Government	1,646,775	1,778,889	1,661,925	1,428,620	-14.0%	(233,305)
Charges for Service	0	15,186	0	0	0.0%	0
Other Misc Revenues	29,957	66,418	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>1,676,732</b>	<b>1,860,494</b>	<b>1,661,925</b>	<b>1,428,620</b>	<b>-14.0%</b>	<b>(233,305)</b>
<b>TOTAL REVENUE</b>	<b>1,676,732</b>	<b>1,860,494</b>	<b>1,661,925</b>	<b>1,428,620</b>	<b>-14.0%</b>	<b>(233,305)</b>

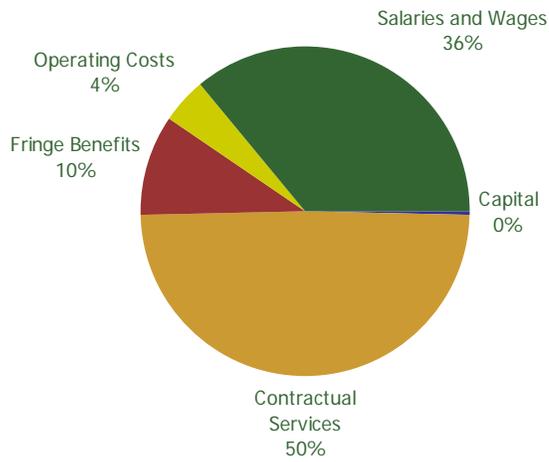
Expense 2006 - 2009



Revenue 2006 - 2009



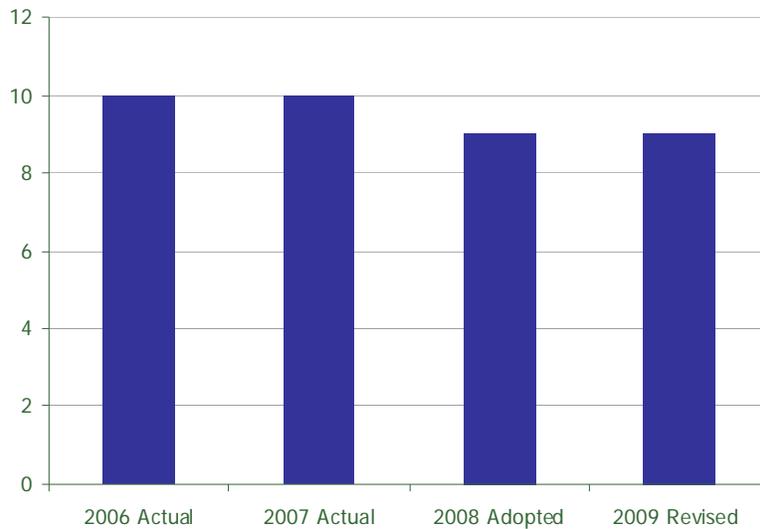
### Expense by Category



### NEIGHBORHOOD REVITALIZATION POLICY BOARD Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
NEIGH REVITALIZATN POL BD	10	10	9	9	0.0%	
<b>TOTAL</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>0.0%</b>	

### Positions 2006-2009



# PARK BOARD

## MISSION

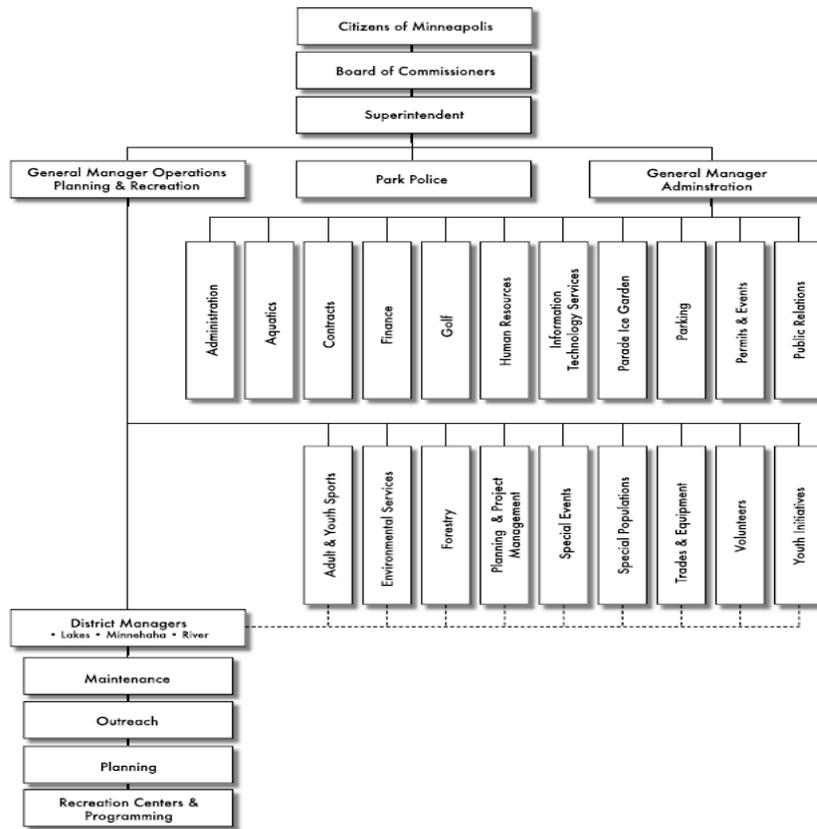
Strives to permanently preserve, protect, maintain, improve and enhance the City's parkland and recreational opportunities.

- **Environment:** Make the park and recreation system an outstanding example of balance, sound conservation, and ecological practice that leads the way for a healthy environment.
- **Recreation:** Ensure recreational opportunities that contribute significantly to the quality of life for Minneapolis residents.
- **Community:** Foster a sense of community, which promotes respect for and participation in community life.

## BUSINESS LINES

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• Park Administration</li> <li>• Planning</li> <li>• After School Program</li> <li>• Environmental</li> <li>• Equipment Supply</li> <li>• Forestry</li> <li>• Information Technology Services</li> </ul> | <ul style="list-style-type: none"> <li>• Park Maintenance</li> <li>• Parkway Maintenance</li> <li>• Park Police</li> <li>• Recreation Division</li> <li>• Park Rehabilitation</li> <li>• Special Services</li> </ul> |
|---|--|

## ORGANIZATIONAL CHART



## FINANCIAL ANALYSIS

### EXPENDITURE

The 2009 Park Board expenditure budget is \$90.3 million, a 2.4% increase over the 2008 adopted budget. Approximately 59.9% of budgeted expenses are for personnel.

### REVENUE

In 2009, Park Board revenues are projected to increase by 4.3% over the 2008 adopted budget. Property tax is the single largest source of income for the Park Board comprising 59.4% of total revenues. Expected revenue through property tax is anticipated to increase by 5.7% compared to the 2008 adopted budget. Other major sources of revenue are state government funding (12.5%), charges for services (15%) and rents (6.9%).

### ORIGINAL BUDGET

The Mayor recommended no change to the Park Board's budget proposal and the Council adopted the Mayor's recommendation without change.

### MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$1,990,069, the Park Board's share of the LGA reduction from the State.

### COUNCIL REVISED BUDGET

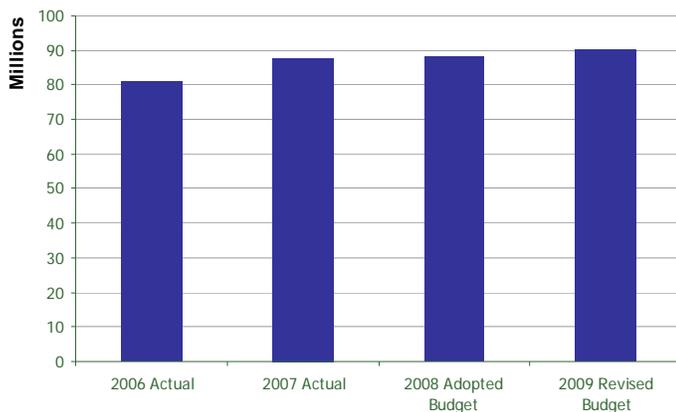
The Council adopted the Mayor's recommendation without change.

## PARK BOARD EXPENSE AND REVENUE INFORMATION

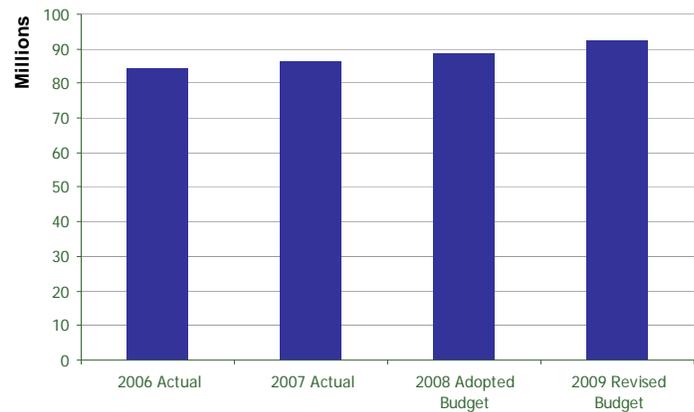
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	33,060,011	34,462,557	34,071,091	33,900,182	-0.5%	(170,909)
Fringe Benefits	10,712,014	11,408,982	12,984,597	13,174,914	1.5%	190,317
Contractual Services	14,808,487	15,842,186	14,337,230	15,267,577	6.5%	930,347
Operating Costs	14,901,020	16,117,775	14,985,303	16,754,033	11.8%	1,768,730
Capital	558,375	601,942	3,028,862	1,819,851	-39.9%	(1,209,011)
Debt Service	17,715	85,299	97,800	97,800	0.0%	0
Transfers	0	0	1,100,000	1,525,000	38.6%	425,000
<b>TOTAL SPECIAL REVENUE</b>	<b>74,057,622</b>	<b>78,518,741</b>	<b>80,604,883</b>	<b>82,539,357</b>	<b>2.4%</b>	<b>1,934,474</b>
<b>INTERNAL SERVICE</b>						
Salaries and Wages	1,693,578	1,951,773	1,722,223	1,769,978	2.8%	47,755
Fringe Benefits	1,778,288	2,322,941	2,305,636	2,475,178	7.4%	169,542
Contractual Services	509,864	473,122	472,351	476,104	0.8%	3,753
Operating Costs	2,927,146	2,906,302	1,712,226	1,691,428	-1.2%	(20,798)
Capital	169,568	1,391,449	1,440,018	1,388,159	-3.6%	(51,859)
<b>TOTAL INTERNAL SERVICE</b>	<b>7,078,444</b>	<b>9,045,587</b>	<b>7,652,454</b>	<b>7,800,847</b>	<b>1.9%</b>	<b>148,393</b>
<b>TOTAL EXPENSE</b>	<b>81,136,066</b>	<b>87,564,328</b>	<b>88,257,337</b>	<b>90,340,204</b>	<b>2.4%</b>	<b>2,082,867</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Property Taxes	45,088,347	48,476,804	51,890,360	54,838,501	5.7%	2,948,141
Sales and Other Taxes	3,428	6,019	3,000	3,000	0.0%	0
License and Permits	146,329	95,929	109,000	174,000	59.6%	65,000
Federal Government	5,151	14,145	0	0	0.0%	0
State Government	13,764,685	13,054,570	10,763,205	11,537,290	7.2%	774,085
Local Government	1,126,017	1,415,645	1,228,790	1,528,790	24.4%	300,000
Charges for Service	11,976,518	12,325,912	13,147,569	12,854,447	-2.2%	(293,122)
Charges for Sales	1,659	142,349	2,000	86,000	4,200.0%	84,000
Fines and Forfeits	602,083	614,780	596,500	696,500	16.8%	100,000
Interest	285	12	0	0	0.0%	0
Gains	0	(7,150)	0	0	0.0%	0
Rents	2,354,820	2,109,889	2,598,338	2,251,198	-13.4%	(347,140)
Contributions	971,994	791,019	253,000	203,000	-19.8%	(50,000)
Other Misc Revenues	47,078	33,318	16,200	61,700	280.9%	45,500
Transfers In	0	0	295,000	295,000	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>76,088,392</b>	<b>79,073,240</b>	<b>80,902,962</b>	<b>84,529,426</b>	<b>4.5%</b>	<b>3,626,464</b>
<b>DEBT SERVICE</b>						
Special Assessments	803,560	0	0	0	0.0%	0
Interest	26,996	0	0	0	0.0%	0
Gains	811	0	0	0	0.0%	0
<b>TOTAL DEBT SERVICE</b>	<b>831,367</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>
<b>INTERNAL SERVICE</b>						
Charges for Service	966,608	984,779	1,125,203	970,393	-13.8%	(154,810)
Charges for Sales	510,392	549,474	120,820	68,798	-43.1%	(52,022)
Gains	0	(109,581)	0	0	0.0%	0
Rents	3,483,225	3,575,260	3,829,606	4,102,372	7.1%	272,766
Contributions	177,419	0	0	0	0.0%	0
Other Misc Revenues	2,316,179	2,258,144	2,576,826	2,659,283	3.2%	82,457
<b>TOTAL INTERNAL SERVICE</b>	<b>7,453,824</b>	<b>7,258,075</b>	<b>7,652,455</b>	<b>7,800,846</b>	<b>1.9%</b>	<b>148,391</b>
<b>TOTAL REVENUE</b>	<b>84,373,583</b>	<b>86,331,316</b>	<b>88,555,417</b>	<b>92,330,272</b>	<b>4.3%</b>	<b>3,774,855</b>

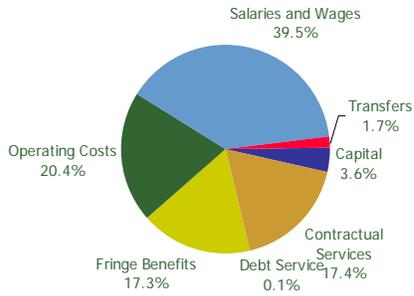
Expense 2006 - 2009



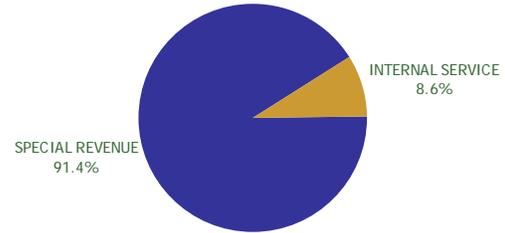
Revenue 2006 - 2009



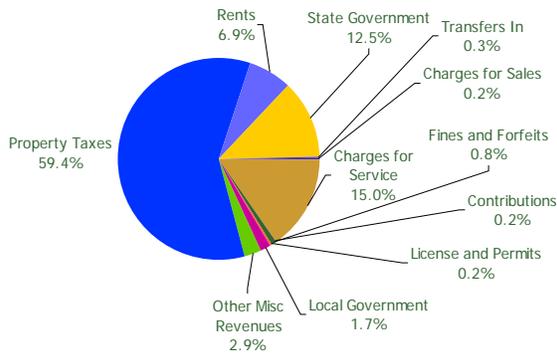
### Expense by Category



### Expense by Fund



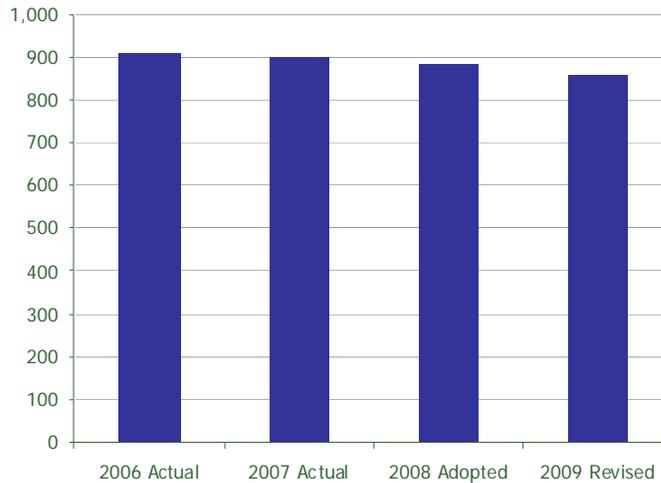
### Direct Revenue by Type



## PARK BOARD Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
PARK BOARD	910	902	886	859	-3.0%	(27)
<b>TOTAL</b>	<b>910</b>	<b>902</b>	<b>886</b>	<b>859</b>	<b>-3.0%</b>	<b>(27)</b>

### Positions 2006-2009





# 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.

**ORGANIZATION CHART**



**FINANCIAL ANALYSIS**

Sources & Uses	2006 Actual	2007 Actual	2008 Actual	2009 Revised
<i>Sources:</i>				
Tax Levy	\$1,169,859	\$1,212,965	\$1,259,076	\$1,289,613
CDBG Rehab	\$297,338	\$378,738	\$106,735	\$214,000
CDBG Citizen Participation	\$93,395	\$76,715	\$61,046	\$67,000
PILOT	\$295,000	\$271,456	\$295,229	\$300,000
<i>Uses:</i>				
Security Services	\$1,762,197	\$1,863,159	\$1,661,040	\$1,817,313
Citizen Participation	\$93,395	\$76,715	\$61,046	\$67,000

**Tax levy:** MPHA is classified as an independent board. The full tax levy amount is \$1,315,932. The budget request assumes 98% of the tax levy will be collected.

**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 payment in lieu of taxes. The City has agreed to reduce MPHA's PILOT by 50% since the inception of the high-rise security program. MPHA uses the savings to fund public housing costs.

**City services:** MPHA operates on a pay-as-you-go basis for City services utilized.

**ORIGINAL BUDGET**

The Mayor recommended no changes to MPHA's proposed budget. The Council adopted the Mayor's recommendations without change.

**MAYOR'S REVISED BUDGET**

The Mayor did not propose further changes to MPHA's budget.

### COUNCIL REVISED BUDGET

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 \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for MPHA is \$1,817,613, a 9.4% increase over the 2008 Adopted budget.

Minneapolis Public Housing Authority	2006 Adopted Budget	2006 Actual	2007 Actual	2008 Actual	2009 Revised	Percent Change
Positions	315	313	288	287	290	1.0%

## 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 three primary goals for 2009:

1. *Ensuring that all Minneapolis children enter kindergarten ready to learn.* Strategic activities related to this goal include using parent liaisons to do outreach to disengaged families and applying components of the Harlem Children's Zone, as well as funding a nurse at Head Start.
2. *Ensuring that all Minneapolis children and youth succeed in school.* Strategic activities related to this goal include supporting Family Connections Centers in Minneapolis Public Schools, increasing parent and community engagement in learning outcomes, and continuing as an active partner in the Minneapolis Redesign.
3. *Ensuring that all Minneapolis children and youth are prepared for the opportunities and challenges of adolescence and adulthood.* Strategic activities related to this goal include participation in joint planning efforts between parks, libraries and schools, increasing youth participation in positive activities, providing safe transportation to after-school opportunities, and facilitating the Minneapolis Youth Congress.

The 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 2009 expenditure budget for the YCB is \$1.9 million, no change from the 2008 adopted budget.

#### REVENUE

The YCB's 2009 revenue budget is \$1.9 million, no change from the 2008 adopted budget.

#### ORIGINAL BUDGET

The Mayor recommended \$150,000 in one-time funding for the Youth are Here buses (\$100,000 from the general fund, \$50,000 from CDBG). The Council adopted the Mayor's recommendation without change.

#### MAYOR'S REVISED BUDGET

The Mayor made no changes to the YCB original budget.

#### COUNCIL REVISED BUDGET

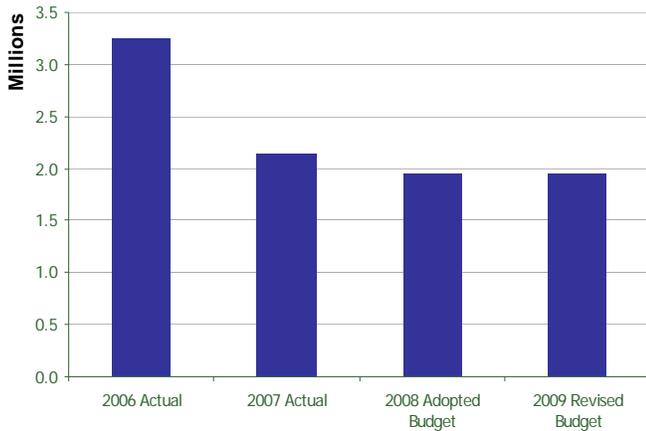
The budget for this department includes a reduction of BIS charges of \$1,400 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for YCB is \$1,949,045, unchanged from the 2008 Adopted budget.

## YOUTH COORDINATING BOARD EXPENSE AND REVENUE INFORMATION

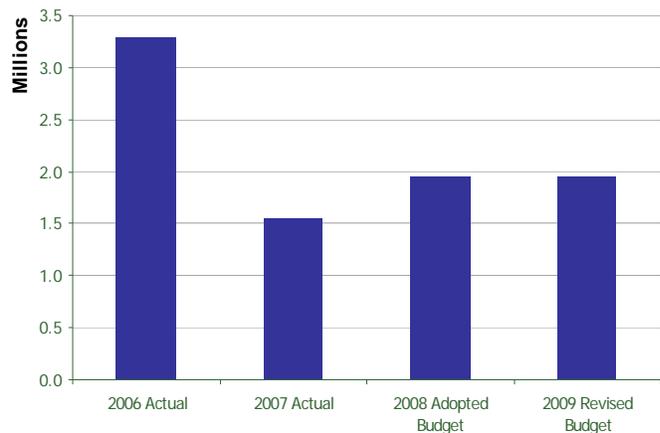
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Salaries and Wages	218,278	249,800	516,095	516,910	0.2%	815
Fringe Benefits	48,595	60,591	0	3,163	0.0%	3,163
Contractual Services	2,957,549	1,809,986	1,419,050	1,413,672	-0.4%	(5,378)
Operating Costs	17,327	16,874	13,900	13,900	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>3,241,749</b>	<b>2,137,251</b>	<b>1,949,045</b>	<b>1,947,645</b>	<b>-0.1%</b>	<b>(1,400)</b>
<b>TOTAL EXPENSE</b>	<b>3,241,749</b>	<b>2,137,251</b>	<b>1,949,045</b>	<b>1,947,645</b>	<b>-0.1%</b>	<b>(1,400)</b>

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
Federal Government	943,818	171,724	64,803	64,803	0.0%	0
Local Government	2,196,255	1,343,613	1,329,242	1,329,242	0.0%	0
Gains	0	0	25,000	25,000	0.0%	0
Rents	12,000	12,000	0	0	0.0%	0
Contributions	135,000	15,000	530,000	530,000	0.0%	0
Other Misc Revenues	986	1,114	0	0	0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>3,288,059</b>	<b>1,543,450</b>	<b>1,949,045</b>	<b>1,949,045</b>	<b>0.0%</b>	<b>0</b>
<b>TOTAL REVENUE</b>	<b>3,288,059</b>	<b>1,543,450</b>	<b>1,949,045</b>	<b>1,949,045</b>	<b>0.0%</b>	<b>0</b>

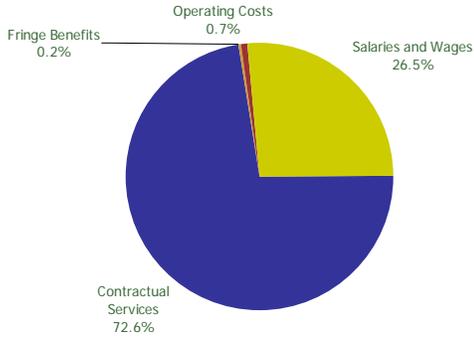
Expense 2006 - 2009



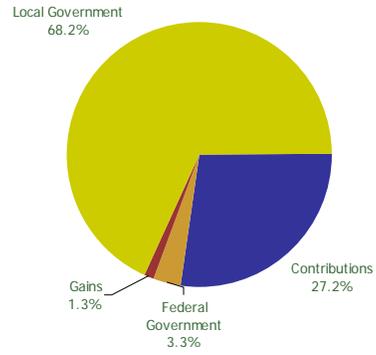
Revenue 2006 - 2009



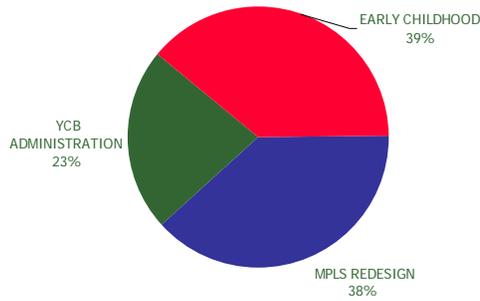
**Expense by Category**



**Direct Revenue by Type**



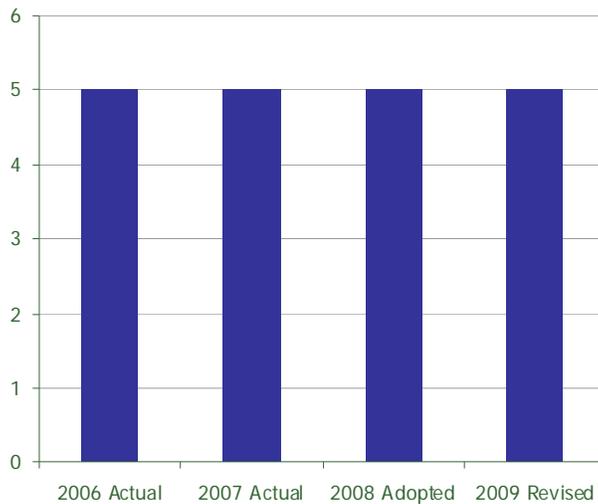
**Expense by Division**



**YOUTH COORDINATING BOARD  
Staffing Information**

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
YOUTH COORDINATING BOARD	5	5	5	5		
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>		

**Positions 2006-2009**



City of Minneapolis  
FY 2009 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.

**AMM** – Association of Metropolitan Municipalities.

**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.

**CCJ** – Council on Crime and Justice.

**CCNP** – Central City Neighborhoods Partnership, a community non-profit.

**CCP/SAFE** – Community Crime Prevention/Safety for Everyone, program of the Police Department.

**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 will ultimately replace 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.

**Decision Packages** – A document, which seeks approval from the Mayor and City Council, requesting a change in a Department's operations. The changes requested in Decision Packages are usually a result of a directive or an attempt to improve service levels and/or service delivery. Typically these changes involve an increase or reallocation of Department expenditures and occasionally offsetting revenue if recommended by the Department.

**Defined Benefit Pension Plan** – Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service and compensation.

**DHFS** – Department of Health and Family Support.

**Direct Expense** – Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable to a particular function.

**DNR** – Department of Natural Resources, a state government agency.

**DEED** – Department of Employment and Economic Development, state government agency.

**DWI** – Driving While Intoxicated.

**Duration** – In the context of investment disclosure, a measure of a debt investment's exposure to fair value changes arising from changing interest rates based upon the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price.

**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.

**FF&E** – Furniture, Fixtures and Equipment.

**Fiduciary Funds** – Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Final Amended Budget** – Original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized. 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.

**FMC** – Food manager certification.

**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. Reciprocal interfund activity comprises interfund loans and interfund services provided and used. Nonreciprocal interfund activity comprises interfund transfers and interfund reimbursements.

**Interfund Loans** – Amounts provided between funds and blended component units of the primary government with a requirement for repayment.

**Interfund Transfers** – Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

**Internal Service Funds** – Funds used to account for those City services which are financed and operated in a manner similar to private business enterprises and the

customer is other City departments instead of the public.

**ISAB** – Integrated Systems Advisory Board.

**IS Architecture** – Information Systems Architecture.

**ITS** – Information Technology Services, now BIS

**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 no 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 Highrise Representative Council, City's largest public housing resident organization that represents all residents in MPHA's 40 highrise apartment buildings located throughout the city of Minneapolis.

**MILES** – Minneapolis Industrial Land and Employment Strategy.

**MBE** – Minority-owned business enterprises.

**MDA** – Minnesota Department of Agriculture.

**MHz** – Megahertz Radio System.

**MINSTAT** – City's effort to centralize citizen contact, improve responsiveness and measure performance.

**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.

**MNHEALS** – Minnesota HEALS (Hope, Education, and Law and Safety), a program of comprehensive gun violence reduction strategies.

**MOAPPP** – Minnesota Organization on Adolescent Pregnancy Prevention & Parenting.

**Modified Accrual Accounting** – Recognizes expenses in the accounting period in which they are incurred and measurable. Recognizes revenues in the accounting period in which they are measurable and available.

**MPAAT** – Minnesota Partnership for Action Against Tobacco.

**MPCA** – Minnesota Pollution Control Agency.

**MPD** – Minneapolis Police Department.

**MPHA** – Minneapolis Public Housing Authority, the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis.

**MPI** – Minnesota Parking Incorporated, contract operator of the City's municipal ramps.

**MPRA** – Minneapolis Police Relief Association, a closed retirement plan for police officers.

**MPRB** – Minneapolis Park and Recreation Board, a directly elected body.

**MPS** – Minneapolis Public Schools.

**MRI** – Municipal Refuse Incorporated, provider of solid waste disposal in parts of Minneapolis.

**MSA** – Municipal State Aid – refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

**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.

**MUID** – Metropolitan Urban Indian Directors.

**MUPS** – Municipal Utility and Package System.

**MVNA** – Minneapolis Visiting Nurse’s Association, a community non-profit.

**MWW** – Minneapolis Water Works.

**NACCHO** – National Association of City and County Health Officials.

**NAMC** – National Association of Minority Contractors.

**NCIC** – National Crime Information Center.

**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.

**NELC** – Neighborhood Early Learning Centers.

**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 the 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.

**OTP** – Overtime Pay.

**Outcome Measures** – In the context of service efforts and accomplishments reporting, indicators that measure accomplishments or results that occur (at least partially) because of services provided. Results also include measures of public perceptions of outcomes.

**Own-source Revenues** – Revenues that are generated by a government itself (e.g., tax revenues; water and sewer charges; investment income) rather than provided from some outside source (e.g., intergovernmental aid and shared revenues).

**PAL** – Police Activity League.

**Pass-through Grants** – Grants and other financial assistance received by a governmental entity to transfer to, or spend on behalf of, a secondary recipient.

**PAVER** – Pavement Management System software application that computes the Pavement Condition Index (PCI) of roads and parking lots.

**Payment In Lieu of Taxes (PILOT)** – Payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

**PC/NPC** – Probable cause/ no probable cause.

**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.

**PERF** – Police Executive Research Forum.

**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.

**ROW** – Right of Way.

**RPO** – Rental Property Owners.

**RPZ** – Reduced Pressure Zone, from the State Plumbing Code.

**RTSF** – Real Time Strategic Forum, a means used to rank strategic information systems improvements.

**RTW** – Return to Work.

**SAC** – Sewer Access Credits, issued by the Metropolitan Council.

**SAFER** - Staffing for Adequate Fire and Emergency Response. A federal grant program aiming to help fire departments increase the number of frontline firefighters. SAFER is part of the Assistance to Firefighters Grants and is under the purview of the Office of Grants and Training of the Department of Homeland Security.

**SBA** – Small Business 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.

**SMG** – System Manager’s Groups of the Metropolitan Radio Board.

**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.

**SSC** – Skyway Senior Center.

**STD** – Sexually Transmitted Disease.

**STI** – Sexually Transmitted Infection.

**STS** – Sentence to Serve.

**SUBP** – Small and Underutilized Business Program of the Civil Rights Department.

**SW&R** – Solid Waste and Recycling.

**SWOT Analysis** – Strengths, Weaknesses, Opportunities and Threats Analysis.

**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.

**TC Tix** - A program that manages and operates a ticket outlet providing Meet Minneapolis a revenue source. It provides members and the community an opportunity to experience cultural events while promoting member businesses.

**TBD** – To be determined.

**TELESERVE** – is a system for reporting non-emergency crimes that occurred within the city limits of Minneapolis.

**TISH** – Truth in the Sale of Housing, division of Regulatory Services.

**TMP** – The Minneapolis Plan, the City’s comprehensive plan.

**TOC** – Technical Operating Committee of the Metropolitan Radio Board.

**Total Expenses** – The total costs of a cost center or department including debt service and capital improvements.

**TPA** – Third Party Administration.

**TRA** – Tenant Remedies Act.

**Truth In Taxation (TNT) Law** – In 1988, the Minnesota Legislature passed a law designed to make local governments more accountable for property tax increases. The law requires that local governments inform taxpayers of proposed tax levy amounts and adopt budgets at public hearings.

**UB** – Utility billing.

**UDAG** – Urban Development Action Grant, of the U.S. Department of Housing and Urban Development.

**UCR** – Uniform Crime Rate.

**Unisys** – Unisys Corporation – The City of Minneapolis has a strategic partnership with Unisys to manage and support 2700 personal computers and more than 100 servers over a seven year contract.

**Undesignated Unreserved Fund Balance** – Available expendable financial resources in a governmental fund that are not the object of tentative management plans (*i.e.*, designations).

**Unfunded Actuarial Accrued Liability** – Excess of the actuarial accrued liability over the actuarial value of assets. This value may be negative, in which case it may be expressed as a negative unfunded actuarial accrued liability, the excess of the actuarial value of assets over the actuarial accrued liability, or the funding excess.

**Unrealized Gains and Losses** – Difference between the carrying value of an asset and its fair value prior to sale.

**USCM** – U.S. Conference of Mayors.

**U.S. EPA** – United States Environmental Protection Agency.

**USPS** – United States Postal Service.

**Variable-rate Investment** – In the context of investment disclosure, and investment with terms that provide for the adjustment of its interest rate on set dates (such as the last day of a month or calendar quarter) and that, upon each adjustment until the final maturity of the instrument of the period remaining until the principal amount can be recovered through demand, can reasonably be expected to have a fair value that will be unaffected by interest rate changes.

**VEU** – Vehicle Equivalent Units.

**VoIP** – Voice Over Internet Protocol.

**VPN** – Virtual Private Network.

**Ways & Means/Budget Committee** – City Council 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.

**WTG** – Way to Grow.

**YCB** – Youth Coordinating Board, a joint power agreement of the City.

**YTD** – Year to date.

**Z&P** – Zoning and Planning, City Council Sub Committee

# MINNEAPOLIS CITY COUNCIL OFFICIAL PROCEEDINGS

## ADJOURNED SESSION OF THE REGULAR MEETING OF MARCH 6, 2009 HELD, MARCH 12, 2009

(Published March 18, 2009, in *Finance and Commerce*)

Council Chamber  
350 South 5th Street  
Minneapolis, Minnesota  
March 12, 2009 - 1:30 p.m.

The Council met pursuant to adjournment.

Council President Johnson in the Chair.

Present - Council Members Lilligren, Colvin Roy, Glidden, Remington, Benson, Goodman, Hodges, Samuels, Gordon, Hofstede, Ostrow, Schiff, Johnson.

Also Present - Mayor R. T. Rybak.

Lilligren moved to amend the agenda to add #3, passage of resolutions amending 2009 Capital Improvement Bonds. Seconded.

Adopted upon a voice vote.

Absent - Samuels, Hofstede.

Lilligren moved adoption of the agenda. Seconded.

The agenda, as amended, was adopted upon a voice vote 3/12/2009.

Absent - Hofstede.

### PETITIONS AND COMMUNICATIONS

#### **WAYS AND MEANS BUDGET (See Rep):**

FINANCE DEPARTMENT (273341)

2009 Supplemental Budget: Mark-up materials and 2009 Supplemental Budget Book.

*The following reports were signed by Mayor Rybak on March 13, 2009. Minnesota Statutes, Section 331A.01, Subd 10, allows for summary publication of ordinances and resolutions in the official newspaper of the city.*

### REPORTS OF STANDING COMMITTEE

The **WAYS & MEANS/BUDGET** Committee submitted the following reports:

**W&M/Budget** - Your Committee having under consideration the Mayor's 2009 Supplemental Budget recommendations, now recommends passage of the accompanying resolutions:

a) Amending the 2009 General Appropriation Resolution by establishing revised 2009 appropriation levels for City departments; and

b) Restoring the City's General Fund budget reserve.

(Petn No 273341).

Ostrow moved to amend footnote (c) of the resolution by changing the date "June 15, 2009" to read "August 1, 2009", as follows:

"(c) Finance staff is directed to explore sources of non-general fund dollars for community crime prevention efforts including CDBG. The Neighborhood and Community Relations Department is directed to work with the Minneapolis Police Department and in consultation with the Neighborhood and Community Engagement Commission to explore different models for neighborhood funding and oversight of community crime prevention staff. Finance will report to Public Safety and Regulatory Services and Ways and Means/Budget Committees by ~~June 15,~~ August 1, 2009." Seconded.

Gordon moved that the resolution be amended by deleting footnote (c). Seconded.

Colvin Roy moved to amend footnote (c) by deleting the language "funding and".

Johnson declared Colvin Roy's motion out of order.

Johnson declared Gordon's motion withdrawn, per his request.

Colvin Roy moved to amend footnote (c) by deleting the word "neighborhood" following the words "models for". Seconded.

Adopted upon a voice vote.

Ostrow moved to amend footnote (k)(2) of the resolution by changing the date "March 25th" to read "April 1st". Seconded.

Adopted upon a voice vote.

Ostrow's previous motion to amend footnote (c) was adopted upon a voice vote.

Gordon moved that the resolution be amended by adding the following language under Directions to Staff, as follows:

"Direct the Public Works department to work with the Finance department to update the parking fund financial plan in order to answer the following questions:

1. What is the total revenue the City brings in from parking operations? Please identify any net revenue above and beyond any obligations on that revenue to pay for operations, debt, etc.
2. What restrictions (legal or otherwise) would be in place for these revenues?
3. How much additional revenue would the City generate annually if we raised City parking rates \$.05, \$.10, \$.25, \$.50 and \$1?

Please report back to the Transportation & Public Works and Ways & Means/Budget Committee no later than July 1, 2009." Seconded.

Lost upon a voice vote.

Gordon moved that the resolution be amended by adding the following language under Directions to Staff, as follows:

"Direct the Finance department to work with the Convention Center to examine the Convention Center financial plan in order to answer the following questions:

1. What is the total revenue the City brings in from sales taxes? Please identify any net revenue above and beyond any obligations on that revenue to pay for operations, debt, etc.
2. What restrictions (legal or otherwise) are in place for these revenues?
3. How much additional revenue would the City generate annually if we raised the sales tax by an additional 0.5 percent?

Please report back to the Ways & Means/Budget Committee no later than July 1, 2009."

Lost for lack of second.

The report, as amended, was adopted 3/12/2009.

Resolution 2009R-090, amending the 2009 General Appropriation Resolution by establishing revised 2009 appropriation levels for City departments, was adopted 3/12/2009 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-090  
By Ostrow**

**Amending the 2009 General Appropriation Resolution by establishing revised 2009 appropriation levels for City departments.**

Resolved by The City Council of The City of Minneapolis:

That the 2009 General Appropriation Resolution, as amended, be further amended by reducing City department budgets in the General Fund in the following manner:

	<b>2009 Adopted Budget</b>	<b>2009 Revised Mayor Budget</b>	<b>2009 Revised Mayor Budget</b>
<b>GENERAL FUND</b>			
ASSESSOR	3,913,207	3,913,207	3,913,207
ATTORNEY	7,851,902	7,521,902	7,446,902
BIS	6,800,000	6,220,000	6,220,000
CITY COUNCIL/CLERK/ELECTIONS	7,995,773	7,675,773	7,675,773
FIRE	53,102,017	50,455,017	50,455,017
CIVIL RIGHTS	2,558,247	2,378,247	2,378,247
MAYOR	1,558,907	1,498,907	1,498,907
POLICE	128,882,717	122,372,717	122,372,717
HEALTH AND FAMILY SUPPORT	4,712,342	4,502,342	4,502,342
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,816,476	1,746,476	1,746,476
PW - TRANSPORTATION MAINTENANCE AND REPAIR	25,053,294	24,395,294	24,395,294
PW - ADMINISTRATIVE SERVICES	2,906,744	2,641,744	2,641,744
PW - SOLID WASTE	75,000	75,000	75,000
PW - TRAFFIC AND PARKING	12,063,217	11,841,217	11,841,217
HUMAN RESOURCES	6,290,314	5,970,314	5,970,314
FINANCE DEPARTMENT	19,848,417	19,278,417	19,278,417
911/311	11,004,498	10,724,498	10,724,498
REGULATORY SERVICES	23,691,415	23,561,415	23,536,415
CITY COORDINATOR	1,609,569	1,553,569	1,553,569
INTERGOVERNMENTAL RELATIONS	1,602,692	1,547,692	1,547,692
COMMUNICATIONS	2,617,722	2,537,722	2,537,722
NEIGHBORHOOD AND COMMUNITY RELATIONS	808,285	808,285	808,285
GENERAL FUND CONTINGENCY	2,346,004	2,196,004	2,196,004
LIBRARY	7,500,000	7,500,000	7,500,000
TRANSFER 4	43,425,034	43,425,034	43,425,034
CPED4	<u>4,146,036</u>	<u>3,996,036</u>	<u>3,896,036</u>
<b>Total GENERAL FUND</b>	<b>377,379,829</b>	<b>370,336,829</b>	<b>370,136,829</b>

Be It Further Resolved that the following amendments are hereby incorporated as footnotes into the 2009 Revised Operating Budget:

***Directions to Staff***

a) Finance and IGR are directed to work with all departments heads to review current CDBG allocations excluding those allocated by the Public Health Advisory Committee, and any additional CDBG funding and return to the Community Development Committee and Ways and Means by June 8, 2009 with a complete review of CDBG funding available for activities currently funded in the general fund across all departments for consideration in the 2010 budget process.

b) The Health Department is directed to report back to the Health, Energy and Environment and Ways and Mean/Budget Committees by May 15, 2009 regarding potential cost savings from closing the public health lab and shall also work with the Police Department, Regulatory Services and other departments to determine whether or not there would be any additional costs incurred by other departments. The Committees shall move forward with a final recommendation to the City Council on closing the public health lab effective January 1, 2010.

c) Finance staff are directed to explore sources of non-general fund dollars for community crime prevention efforts including CDBG. The Neighborhood and Community Relations Department is directed to work with the Minneapolis Police Department and in consultation with the Neighborhood and Community Engagement Commission to explore different models for funding and oversight of community crime prevention staff. Finance will report to Public Safety and Regulatory Services and Ways and Means/Budget Committees by August 1, 2009.

d) Delete the staff direction to Public Works directing Public Works to implement a street lighting utility fee.

e) Direct the Fire Department to report back to the Public Safety and Regulatory Services Committee on process improvements to housing inspections and further to work with Finance on responsible budget projections for citation revenue to be incorporated into the 2010 budget.

f) The Police Department is directed to implement reductions matching any shortfalls in federal resources it receives under the Byrne grant.

g) BIS is directed to identify opportunities for cost savings through alternative printing services, including the issuance of a Request for Proposals (RFP) in 2009 to ensure maximum savings for 2010. BIS is further directed to report to the Ways and Means/Budget Committee no later than September 14, 2009 on the possible and probable savings for each department.

h) BIS, Police, Public Works, and Regulatory Services are directed to consolidate all the cellular plans, services, and minutes under the management of a single department. The departments are further directed to submit a plan to Ways and Means/Budget Committee no later than July 13, 2009, including identifying the responsible department as well as any staff and/or funding transfers that would be needed. All actions must be completed by December 31, 2009 to ensure savings can be fully realized in 2010.

i) Health and Family Support staff are directed to consult with city and external stakeholders, including the Senior Citizen's and Persons with Disabilities Advisory Committees, to ensure the Senior Ombudsperson's Office priority functions and the two advisory committees have sufficient administrative support. This shall include exploring options such as location of the office, prioritization and range of services provided, and coordination of efforts within the City to maximize the use of available resources. The Department will report to the Health, Energy and Environment no later than July 1, 2009.

j) Public Works is directed to return to the Transportation and Public Works and Ways & Means/Budget Committees by April 15, 2009, with an update on the costs of the ballpark area pedestrian improvements and/or the Hiawatha LRT signal improvements and further to report on the extent to which any project closeouts could provide the potential to redirect funds to ballpark area pedestrian improvements and/or the Hiawatha Avenue signal improvements to the extent necessary.

k) 1) Direct the Finance Department to examine the financial impact of the City of Minneapolis' obligations to the Minneapolis Police Relief Association and the Minneapolis Fire Relief Association on the Minneapolis Park and Recreation Board, as well as the ten-year prior impact of those obligations on the MPRB.

2) Direct the Chair of the City's Intergovernmental Relations Committee to request from the MPRB President time on the agenda of the April 1st MPRB Committee meetings to present information about the level, governance and administration of the City of Minneapolis' obligations to the Minneapolis Police Relief Association and the Minneapolis Fire Relief Association and the impact of those obligations on the MPRB. Further, direct the Chair of the City's IGR Committee to request that the MPRB add support for the City's pension legislation to their 2009 legislative agenda.

l) Delete staff direction on page 4 of the Mayor's 2009 Supplemental Budget stating: "Civil Rights: The Mayor directs the department to report back to the Health, Energy, and Environment Committee with a transition plan no later than June 1, 2009." Add Staff Direction: Civil Rights: Staff is directed to work with community stakeholders, including the commission on Civil Rights, Council members and the Mayor's office, to form a task force to analyze the performance of all business lines and make recommendations for budget reductions. This analysis shall include examination of the State Department of Human Rights' capability to handle all or part of the complaint investigations unit, and the service impacts to all business lines of a potential cut of \$300,000 (cumulative from 2009 and 2010) to the Department's budget. The department is directed to report back to the Health, Energy, and Environment Committee with the task force recommendations no later than June 1, 2009.

***Changes to the Recommended Supplemental Budget with staff directions***

m) 1. The City Council appropriation shall be reduced by a cumulative total of \$241,846 and the City Clerk/Elections budget shall be increased by that amount. \$35,000 of this amount redirected to the City Clerk/Elections budget shall be utilized to fund Ranked Choice Voting. Attachment 1 (Petn No 273341) sets forth final 2009 Ward budget amounts; Attachment 2 (Petn No 273341) sets forth the amount by which Ward budgets shall be reduced. The Finance Officer and City Clerk are directed to implement any changes as appropriate. Other than the RCV, these savings may be used to reach the recommended reduction for the City Clerk/Council/Elections budget.

2. Ward budgets shall be reconciled mid-year; at year-end, any Ward budgets in deficit must be reconciled, per Council policy, by writing a personal check.

n) Direct the Finance Officer to reduce department charges and decrease appropriations for 2009 BIS charges once BIS has determined the reduced allocation across all City departments.

***Changes to the Recommended Supplemental Budget***

o) 1. Decrease the revenue budget in Public Works by \$850,000 to reflect removal of the street light fee implementation in 2009.

2. Offset \$850,000 of the recommended reduction by eliminating the following one-time funding allocations: \$100,000 in the CPED budget funding for the promotion of the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112); \$250,000 for the Hiawatha LRT Signal Improvements project (TR019); \$75,000 in the City Attorney's Office for a youth prostitution prevention pilot program; \$25,000 in the department of Regulatory Services (Animal Control Division) for contract spay and neuter services; and \$400,000 for ballpark area pedestrian improvements.

Adopted 3/12/2009.

Resolution 2009R-091, restoring the City's General Fund Budget Reserve, was adopted 3/12/2009 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-091**

**By Ostrow**

**Restoring the City's General Fund Budget Reserve.**

Resolved by The City Council of The City of Minneapolis:

That the following transfers be appropriated from the Hilton Legacy Fund to the City General Fund to restore a portion of the budget reserve and to decrease the transfer from the Hilton Legacy Fund to the City Capital Improvements Fund. To accomplish this, the following expense and revenue transfer appropriations are required:



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Increase transfer amounts:

Expense – Hilton Legacy Fund 01SPH– 1270100 – 901001	9,946,703
Revenue – City General Fund 00100 – 1270100 – 382501	9,946,703

Decrease transfer amounts:

Expense – Hilton Legacy Fund 01SPH – 1270100 – 904101	4,200,000
Revenue - Capital Improvements Fund 04100 – 1270100 – 382501	4,200,000

Adopted 3/12/2009.

**W&M/Budget** - Your Committee recommends passage of the accompanying resolution amending the 2009-2013 Five Year Capital Program, as shown in the "Capital Section" of the adopted 2009 Budget Book (Petn No 273163), fixing the maximum amounts of capital funds to be expended by the various funds under the jurisdiction of the City Council.

Adopted 3/12/2009.

Resolution 2009R-092, amending the 2009-2013 Five Year Capital Program, was adopted 3/12/2009 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-092  
By Ostrow**

**Amending the 2009- 2013 Five Year Capital Program and fixing the maximum amounts for 2009 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 2009 - 2013 as adopted is hereby amended 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 revised maximum appropriation amounts for 2009:

<b>Fund</b>	<b>Department</b>	<b>Amounts</b>	<b>Revenue Source</b>
<b>Project</b>		<b>(in thousands)</b>	<b>Description</b>
<b>34200 MBC - CAPITAL IMPROVEMENTS</b>			
<b>9010901 CAPITAL IMPROVEMENTS</b>			
MBC01 Life Safety Improvements		300	Net Debt Bonds
MBC02 Mechanical Systems Upgrade		500	Net Debt Bonds
MBC04 MBC Elevators		95	General Fund Transfer
MBC10 City Hall Green Roof (\$107,500)		108	General Fund Transfer
See footnote a) for details regarding MBC04 and MBC10			
<b>TOTAL FOR FUND 34200 - 9010901</b>		<b>1,003</b>	
<b>24400 LIBRARY - CAPITAL IMPROVEMENTS</b>			
<b>9010907 CAPITAL IMPROVEMENTS</b>			
Library Commitment to Hennepin County Library System		2,130	Net Debt Bonds
Library Commitment to Hennepin County Library System		2,925	Libr Referendum Bonds
<b>TOTAL FOR FUND 24400 - 9010907</b>		<b>5,055</b>	

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**14370 PARK - CAPITAL IMPROVEMENTS**

**9103000 FORESTRY & TREE DISEASE CONTROL**

PRKDT Diseased Tree Remova	500	Assessment Bonds
<b>TOTAL FOR FUND 14370 - 9103000</b>	<b>500</b>	

**14300 PARK - CAPITAL IMPROVEMENTS**

**9101000 PARKS CAPITAL IMPROVEMENT**

PRK21 Pedestrian Bridges	141	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>2,141</b>	

**04100 CITY - CAPITAL IMPROVEMENTS**

**9010000 CAPITAL IMPROVEMENTS**

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (CPED)**

ART01 Art in Public Places (ART09)	317	Net Debt Bonds
BR112 Nicollet Ave Reopening	0	General Fund Transfer
See footnote g) for additional details		
04100-8900420 CPED Subtotal	317	

**PUBLIC WORKS CAPITAL IMPROVEMENTS**

**PROPERTY SERVICES**

PSD01 Facilities – Repair & Improvements (PS901)	900	Net Debt Bonds
PSD03 Facilities - Space Improvements (PS903)	300	Net Debt Bonds
PSD11 Energy Conservations and Emissions Reduction (PS911)	300	Net Debt Bonds
See footnote b) for additional details regarding PSD11		
CTY02 City Property Reforestation	150	Net Debt Bonds
FIR01 Emergency Operations Training Facility (EOTF)	1,764	Net Debt Bonds
MPD01 MPD Forensic Laboratory	100	Net Debt Bonds
MPD05 Strategic Information Center	372	Net Debt Bonds
04100-9010923 Property Services Subtotal	3,886	

**PAVING CONSTRUCTION**

PV001 2009 Parkway Paving (PV901)	2,550	Net Debt Bonds
PV001 2009 Parkway Paving (PV901)	160	Assessment Bonds
PV001 2009 Parkway Paving (PV901)	0	Hilton Trust Funds
See footnote c) for additional details regarding PV001 & PV029		
PV003 2009 Street Renovation Program (PV903)	1,815	Net Debt Bonds
PV003 2009 Street Renovation Program (PV903)	665	Assessment Bonds
PV003 2009 Street Renovation Program (PV903)	0	Hilton Trust Funds
PV004 2009 CSAH Paving Program (PV904)	400	Municipal State Aid
PV004 2009 CSAH Paving Program (PV904)	575	Assessment Bonds
PV006 2009 Alley Renovation (PV906)	200	Net Debt Bonds
PV006 2009 Alley Renovation (PV906)	50	Assessment Bonds
PV007 University Research Park/Central Corridor	500	Assessment Bonds
PV008 I35W & Lake St Interchange Reconstruct Phase 4	125	Net Debt Bonds
PV029 Chicago Ave S (8th St S to 28th St E)	355	Net Debt Bonds
PV029 Chicago Ave S (8th St S to 28th St E)	4,690	Municipal State Aid
PV029 Chicago Ave S (8th St S to 28th St E)	4,520	Assessment Bonds
PV041 Glenwood Ave (2nd Ave N) Reconstruction	20	Net Debt Bonds
PV041 Glenwood Ave (2nd Ave N) Reconstruction	685	Municipal State Aid
PV041 Glenwood Ave (2nd Ave N) Reconstruction	95	Assessment Bonds

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**PUBLIC WORKS CAPITAL IMPROVEMENTS - Cont.**

PV047 3rd Ave N Reconstruction	345	Net Debt Bonds
PV047 3rd Ave N Reconstruction	150	Assessment Bonds
PV049 1st Ave N One-way to Two Way (1st to 12th St S)	265	Net Debt Bonds
PV049 1st Ave N One-way to Two Way (1st to 12th St S)	995	Municipal State Aid
PV050 Hennepin Ave One-way to Two-way (1st to 12th St S)	90	Net Debt Bonds
PV050 Hennepin Ave One-way to Two-way (1st to 12th St S)	805	Municipal State Aid
PV056 2009 Asphalt Pavement Resurfacing Program (PV956)	2,400	Net Debt Bonds
PV056 2009 Asphalt Pavement Resurfacing Program (PV956)	500	Municipal State Aid
PV056 2009 Asphalt Pavement Resurfacing Program (PV956)	2,325	Assessment Bonds
PV056 2009 Asphalt Pavement Resurfacing Program (PV956)	0	Hilton Trust Funds
PV058 Cottage Park Traffic Calming	90	Net Debt Bonds
PV059 2009 Major Pavement Maintenance (PV959)	700	Hilton Trust Funds
PV060 Central Corridor Light Rail Transit Study	700	General Fund Transfer
See footnote d) and e) for additional details regarding PV060		
PV00R Reimbursable Paving Program (PV90R)	3,500	Reimbursements
04100-9010937 Paving Construction Subtotal	30,270	

**SIDEWALK PROGRAM**

SWK01 2009 Defective Hazardous Sidewalks (SWK09)	195	Net Debt Bonds
SWK01 2009 Defective Hazardous Sidewalks (SWK09)	2,410	Assessments
04100-9010939 Sidewalk Subtotal	2,605	

**BRIDGE CONSTRUCTION**

BR101 Major Bridge Repair and Rehabilitation (BR901)	300	Net Debt Bonds
04100-9010938 Bridge Construction Subtotal	300	

**TRAFFIC CONTROL & STREET LIGHTING**

TR003 LED Replacement Program (TR903)	200	Net Debt Bonds
TR007 Traffic & Pedestrian Safety Improvements (TR907)	200	Net Debt Bonds
TR007 Traffic & Pedestrian Safety Improvements (TR907)	61	Municipal State Aid
TR007 Traffic & Pedestrian Safety Improvements (TR907)	308	Federal Government
TR007 Traffic & Pedestrian Safety Improvements (TR907)	17	Hennepin County
TR008 Parkway Street Light Replacement (TR908)	291	Net Debt Bonds
TR008 Parkway Street Light Replacement (TR908)	0	Hilton Trust Funds
TR010 Traffic Management Systems (TR910)	195	Net Debt Bonds
TR010 Traffic Management Systems (TR910)	455	Municipal State Aid
TR010 Traffic Management Systems (TR910)	2,400	Federal Government
TR010 Traffic Management Systems (TR910)	517	Hennepin County
TR011 City Street Light Renovation (TR911)	1,000	Net Debt Bonds
TR011 City Street Light Renovation (TR911)	0	Hilton Trust Funds
TR013 Railroad Crossing Safety Improvements (TR913)	335	Net Debt Bonds
TR013 Railroad Crossing Safety Improvements (TR913)	1,166	State of Minnesota
TR013 Railroad Crossing Safety Improvements (TR913)	73	Hennepin County
TR014 LRT TOD Improvements	100	Assessment Bonds
TR014 LRT TOD Improvements	300	Hennepin County
TR015 Safe Routes to School (TR915)	50	Net Debt Bonds
TR018 Ballpark Area Pedestrian Improvements	1,575	General Fund Transfer
See footnotes e), f), g) h) and i) for additional details regarding TR018		

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TR019 Hiawatha LRT Signal Improvements	0	General Fund Transfer
See footnote d) for additional details regarding TR019		
TR00R Reimbursable Transportation Projects (TR90R)	600	Reimbursements
04100-9010943 Traffic Control & Street Lighting Subtotal	9,843	
<b>BIKE TRAILS</b>		
BIK06 University of Minnesota Trail - Phase III	130	Net Debt Bonds
BIK06 University of Minnesota Trail - Phase III	2,045	Federal Government
BIK21 26th Ave N Bikeway Study	25	Net Debt Bonds
BIK22 18th Ave NE Bike Striping (Monroe to Stinson)	50	Net Debt Bonds
BIK23 Bike Boulevard Pilot	50	Net Debt Bonds
BIK24 Major Bike Maintenance Program (BIK924)	100	Hilton Trust Funds
04100-9010943 Bike Trails Subtotal	2,400	
<b>TOTAL FOR FUND 04100 - 9010000</b>	<b>49,621</b>	
<b>06400 INFORMATION TECHNOLOGY INTERNAL SERVICE FUND</b>		
<b>9010972 CAPITAL IMPROVEMENTS</b>		
BIS02 Central Traffic Signal Computer Replacement	50	Net Debt Bonds
BIS03 Enterprise Document Management	50	Net Debt Bonds
BIS04 Enterprise Infrastructure Capacity Upgrade	500	Net Debt Bonds
BIS06 GIS Application Infrastructure Upgrade	100	Net Debt Bonds
BIS10 Finance System Consolidation/Upgrade	700	Net Debt Bonds
BIS12 Mobile Assessor	100	Net Debt Bonds
<b>TOTAL FOR FUND 06400 - 9100972</b>	<b>1,500</b>	
<b>07100 SANITARY SEWER ENTERPRISE FUND</b>		
<b>9010932 CAPITAL IMPROVEMENTS</b>		
SW001 Sanitary Tunnel and Sewer Rehab Program (SW901)	250	Sanitary Sewer Bonds
See footnote j)		
SW036 Infiltration & Inflow Removal Program (SW936)	5,000	Sanitary Sewer Bonds
SW037 Irving Sewer Rehabilitation	3,726	Sanitary Sewer Bonds
<b>TOTAL FOR FUND 07100 - 9100932</b>	<b>8,976</b>	
<b>07300 STORMWATER ENTERPRISE FUND</b>		
<b>9010932 CAPITAL IMPROVEMENTS</b>		
SW002 Miscellaneous Storm Drains (SW902)	220	Stormwater Revenue
SW004 Implementation of US EPA Storm Water Regulations (SW904)	0	Stormwater Revenue
See footnote j)		
SW005 Combined Sewer Overflow Improvements (SW905)	1,500	Stormwater Bonds
SW011 Storm Drains & Tunnels Rehab Program (SW911)	0	Stormwater Bonds
See footnote j)		
SW011 Storm Drains & Tunnels Rehab Program (SW911)	500	Stormwater Revenue
SW030 Alternative Stormwater Management Strategies (SW930)	1,000	Stormwater Revenue
SW033 Flood Area 22 - Sibley Field	500	Stormwater Revenue
SW033 Flood Area 22 - Sibley Field	873	Minnehaha Cr WSD
SW033 Flood Area 22 - Sibley Field	840	USEPA
SW00R Reimbursable Sewer Projects (SW90R)	3,000	Reimbursements
BIK06 University of Minnesota Trail – Phase III	115	Stormwater Revenue
PV003 Street Renovation Program (PV903)	140	Stormwater Revenue
PV007 University Research Park/Central Corridor	800	Stormwater Revenue
PV029 Chicago Ave S (8th St S to E 28th St E)	145	Stormwater Revenue
<b>TOTAL FOR FUND 07300 - 9100932</b>	<b>9,633</b>	

**07400 WATER ENTERPRISE FUND**

**9010950 CAPITAL IMPROVEMENTS**

WTR09 Ultrafiltration Program	18,500	Water Bonds
WTR12 Water Distribution Improvements (WTR912)	4,750	Water Revenue
WTR14 The MWW Facilities Security Improvement (WTR914)	250	Water Revenue
WTR22 New Filter Presses	2,000	Water Bonds
WTR0R Reimbursable Water Projects	2,000	Reimbursements
<b>TOTAL FOR FUND 07400 - 9010950</b>	<b>27,500</b>	

**07500 MUNICIPAL PARKING ENTERPRISE FUND**

**9010946 CAPITAL IMPROVEMENTS**

RMP01 Parking Facilities - Repair and Impr (RP901)	1,700	Parking Bonds
<b>TOTAL FOR FUND 07500 - 9010946</b>	<b>1,700</b>	

**GRAND TOTALS FOR ALL FUNDS 107,629**

Be It Further Resolved that the following 2009 Capital Budget amendments are hereby incorporated as footnotes into the 2009 Capital Resolution:

a) Reallocate \$202,500 in one-time money in the Mayor's budget from the Neighborhood and Community Relations Department originally allocated for neighborhood administrative shortfalls to the Municipal Building Commission for two items: a) \$107,500 for the City's share of the remaining cost for the City Hall Green Roof (MBC10) project; and b) \$95,000 for MBC Elevators (MBC04).

b) Public Works should work with MBC to evaluate the return on investment of MBC proposals for lighting efficiency improvements in City Hall for potential funding.

c) Amend the Mayor's recommended 2009 capital budget as follows:

1. Decrease net debt bond funding in PV029 Chicago Avenue by \$800,000.
2. Increase net debt bond funding in PV001 Parkway Paving by \$800,000.

d) 1. Decrease the fuel reserve fund by \$500,000.

2. Increase funding in the department of Public Works by \$500,000 on a one-time basis for resolving outstanding traffic issues on Trunk Highway 55 caused by the Hiawatha Light Rail Transit in the amount of \$250,000 by establishing project TR019 Hiawatha LRT Signal Improvements, and providing funding for engineering studies for relieving traffic congestion anticipated due to the Central Corridor Light Rail Transit project by establishing project PV060 Central Corridor Light Rail Transit Study in the amount of \$250,000. These projects will be in effect only if fixed price fuel bids come in at a rate no higher than \$2.75/gallon for No. 2 diesel in the fuel contract that is in effect for the 2009 calendar year. \$250,000 for TR019 Hiawatha LRT Signal Improvements was cancelled (as detailed in footnote "o" of the Revised 2009 General Appropriation Resolution).

e) Of the \$3 million for ballpark area pedestrian improvements, the ballpark improvements would be reduced by \$450,000; \$550,000 may not be spent on infrastructure until Public Works reports to the Ways & Means/Budget Committee on the status of the improvements and affirmative action is taken by the Council. Increase funding in Public Works by \$450,000 for planning and engineering for the Central Corridor Light Rail Transit project. (This amendment adds \$450,000 to project PV060 Central Corridor Light Rail Transit Study in footnote d) above for a revised total of \$700,000).

f) Decrease the funding for ballpark area pedestrian improvements by \$25,000 on a one-time basis. Increase funding in the department of Regulatory Services (Animal Control) in the amount of \$25,000 (on a one-time basis) to contract spay and neuter services. (This reduces the reserved portion of the ballpark area pedestrian improvements project to \$525,000). \$25,000 funding for the contract spay and neuter services was cancelled (as detailed in footnote "o" of the Revised 2009 General Appropriation Resolution).

g) Amend the Mayor's Recommended 2009 Budget, as amended by the Ways & Means/Budget Committee, as follows:

1. Decrease the reserved funding in Public Works for ballpark area pedestrian improvements by \$100,000 (for a revised total of \$425,000).

2. Increase the CPED budget by \$100,000 on a one-time basis to promote the City goal of Connected Communities by advancing the project of reopening of Nicollet Avenue at Lake Street (BR112). \$100,000 funding for this project was cancelled (as detailed in footnote "o" of the Revised 2009 General Appropriation Resolution).

h) Public Works staff is directed to return to the Transportation & Public Works and Ways & Means/Budget committees with a report regarding the gaps in bicycle paths or lanes that have already been identified and reviewed through the City's bicycle path planning efforts. Staff is directed to return to these committees with recommendations regarding leveraging funding for this purpose on or before June 1, 2009, prior to any Council decision on the use of the \$425,000 reserved in this budget for related ballpark area pedestrian improvements.

i) In accordance with the Mayor's Supplemental Budget amendment offered on February 23, 2009, the Ballpark Area Pedestrian Improvements project (TR018) was reduced by \$450,000 to help restore the general fund reserve due to LGA cuts observed in December 2008. In accordance with the Ways & Means/Budget Committee action of March 9, 2009, this same project was reduced by another \$400,000 to a revised total of \$1,575,000 to preserve maintenance funding in the Public Works budget.

j) In accordance with the Mayor's Supplemental Budget amendment offered on February 23, 2009, the Sanitary and Stormwater Enterprise funds will be paying their share of the cost of constructing the Public Works Hiawatha Facility which is \$4,200,000. To cover these capital costs, the Sanitary Sewer fund is paying \$1,450,000 by reducing \$250,000 of bonding from the 2009 SW001 Sanitary Tunnel and Sewer Rehabilitation program and by contributing \$1,200,000 of sanitary sewer revenue. The Stormwater fund is covering its share of \$2,750,000 by eliminating the 2009 SW004 Implementation of US EPA Storm Water Regulations program for \$250,000 and by reducing the 2009 SW011 Storm Drains & Tunnels Rehabilitation program by \$2,500,000 of bonding. Prior year funding for the above programs will allow for continuing improvements without significant negative impacts to these programs. Bonding resolution 2008R-548 is being amended to accommodate these changes as well as another resolution to transfer the net enterprise fund revenues required to fund the Public Works Facility project.

Adopted 3/12/2009.

**W&M/Budget** - Your Committee recommends passage of the accompanying resolutions amending previously approved bonding resolutions, as reflected in the Revised 2009 Capital Appropriation Resolution, and for technical corrections and adjustments required as part of the passage of the 2009 Supplemental Budget.

Adopted 3/12/2009.

Resolutions 2009R-093 through 2009R-097, amending previously approved bonding resolutions as reflected in the Revised 2009 Capital Appropriation Resolution, were adopted 3/12/2009 by the City Council. A complete copy of each 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-093**

**By Ostrow**

**Amending Resolution 2008R-546 entitled “Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$8,130,000 for certain purposes other than the purchase of public utilities”, passed December 11, 2008.**

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution be amended by increasing the requested amount by \$1,010,000 for a revised total of \$9,140,000. The increases reflect a “technical correction” to the assessed portion of the accelerated infrastructure program. Individual projects are adjusted as follows:

PV001 2009 Parkway Paving (PV901) - 150,000 to 160,000	10,000
PV003 2009 Street Renovation Program (PV903) - 540,000 to 665,000	125,000
PV006 2009 Alley Renovation (PV906) – add project	50,000
PV056 2009 Asphalt Pavement Resurfacing Program – 1,500,000 to 2,325,000	<u>825,000</u>
Total Technical Corrections	\$1,010,000

Adopted 3/12/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-094**

**By Ostrow**

**Amending Resolution 2008R-547 entitled “Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$15,850,000 for certain purposes other than the purchase of public utilities”, passed December 11, 2008.**

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution be amended by increasing the requested amount by \$4,200,000 for a revised total of \$20,050,000. The increases reflect a change in the funding mechanism for projects included in the accelerated infrastructure program. Individual projects are adjusted as follows:

PV001 2009 Parkway Paving (PV901) – 2,400,000 to 2,550,000	150,000
PV003 2009 Street Renovation Program (PV903) – 1,015,000 to 1,815,000	800,000
PV006 2009 Alley Renovation (PV906) – add project	200,000
PV056 2009 Asphalt Pavement Resurfacing Program – 400,000 to 2,400,000	2,000,000
TR008 Parkway Street Light Replacement (TR908) – 141,000 to 291,000	150,000
TR011 City Street Light Renovation (TR911) – 100,000 to 1,000,000	<u>900,000</u>
Total Increase	\$4,200,000

Adopted 3/12/2009.

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The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-095**

**By Ostrow**

**Amending Resolution 2005R-661 entitled “Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$34,136,000 for certain purposes other than the purchase of public utilities”, passed December 19, 2005.**

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by reducing the bonds authorized by \$4,200,000 from \$34,136,000 to \$29,936,000. Bonds authorized for the Public Works Hiawatha Facility project PSD02 are hereby reduced by \$4,200,000 from \$11,062,000 to \$6,862,000 to reflect a change in how the project will be funded.

Adopted 3/12/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-096**

**By Ostrow**

**Amending Resolution 2008R-548 entitled “Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$13,226,000 for certain purposes other than the purchase of public utilities”, passed December 11, 2008.**

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution be amended by reducing the bonding authority for certain Sanitary and Storm Sewer projects and substituting that bonding authority for the Public Works Hiawatha Facility as indicated below.

Sanitary Sewer Project:

SW001 Sanitary Tunnel and Sewer Rehab Program (SW901) – reduce from 500,000 to 250,000	(250,000)
PSD02 Public Works Hiawatha Facility	250,000

Storm Sewer Project:

SW011 Storm Drains & Tunnels Rehab Program (SW911) – reduce from 2,500,000 to 0	(2,500,000)
PSD02 Public Works Hiawatha Facility	2,500,000

Adopted 3/12/2009.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2009R-097**

**By Ostrow**

**Appropriating Sanitary and Storm Sewer Enterprise Revenues to pay a portion of construction costs for the Public Works Hiawatha Facility.**



## MARCH 12, 2009

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Resolved by The City Council of The City of Minneapolis:

That the following transfers be appropriated from the Sanitary and Storm Sewer Enterprise funds to the Capital Improvements project fund to cover the non-bond funded share of construction costs for the Public Works Hiawatha Facility as follows:

Expense - Sanitary Sewer Fund 07100 – 1270100 – 904101	1,450,000
Revenue - Capital Improvements Fund 04100 – 9010923 – 387101	1,450,000
Expense – Storm Sewer Fund 07300 – 1270100 – 904101	250,000
Revenue - Capital Improvements Fund 04100 – 9010923 – 387301	250,000

Adopted 3/12/2009.

Lilligren moved to adjourn. Seconded.  
Adopted upon a voice vote 3/12/2009.

Steven J. Ristuben,  
City Clerk.

Unofficial Posting: 3/13/2009  
Official Posting: 3/17/2009