

**City of Minneapolis
2013 Budget**

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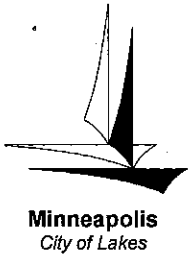
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December 2012

LETTER OF TRANSMITTAL

Dear Residents of the City of Minneapolis:

We are pleased to present the City of Minneapolis' 2013 Adopted Budget. The 2013 budget continues *budgeting by program* to clearly identify City spending on specific functions.

The 2013 Adopted Budget builds upon many of the significant organizational and financial changes that have occurred in recent years and continues the City's commitment to long-term financial and business planning. The Mayor recommended an increase of less than 1.8% in the City's tax levy from 2012, allowing for taxes to decrease in 2013 for the majority of Minneapolis taxpayers for the second year in a row. Furthermore, it is important to note that the adopted budget is structurally balanced over the next five years, as outlined in the five-year financial direction in the Financial Plans section of this document.

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

Balancing the budget over five years continues to be a challenge with significant financial pressures such as declining support from the federal and state governments, rising service demands and a continued desire for reducing growth in property taxes. This budget reflects a continued willingness to make difficult decisions in both the short and long-term to address the City's financial challenges.

Short Term Financial Challenges

The City's short term financial challenges for 2013 are considerable. The budget increases spending for City departments by less than 1% and decreases City property taxes on most homeowners, all while accounting for reduced funding from federal and state sources. On a positive note, the 2013 budget reflects significant savings realized from merging the former City pension funds into the statewide pension system.

Long-Term Financial and Results Planning

The City's long-term financial planning policies enable proactive financial management – matching our spending and revenue over the long term and providing stability for Minneapolis residents. These financial policies, and the strong work on linking resources to results through our *Results Minneapolis* program, provide much better information upon which to base our decisions. Future challenges include the impacts of changing property values, rising pension obligations, and the continued growth in the cost of providing basic City services.

Respectfully Submitted,

A stylized, handwritten signature in black ink, consisting of a large, sweeping loop followed by a few smaller strokes.

RT Rybak
Mayor

A handwritten signature in black ink, appearing to read "Barbara Johnson" in a cursive style.

Barbara Johnson
Council President

A handwritten signature in black ink, appearing to read "Betsy Hodges" in a cursive style.

Betsy Hodges
Chair, Ways & Means/Budget



Dear Minneapolis residents,

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

A Safe Place to Call Home

People and businesses thrive in a safe and secure city

Jobs & Economic Vitality

A world-class city and 21st century economic powerhouse

Livable Communities, Healthy Lives

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

Many People, One Minneapolis

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

Eco-Focused

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

A City That Works

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

These goals and information about Minneapolis program performance can be found in more detail on the City's website at www.minneapolismn.gov/results.

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.



2013 City of Minneapolis Budget in Brief

Budget Process

Mayor's Recommended Budget

June through August

The mayor holds budget meetings with departments to review budget proposals, policy changes, and alternative funding options. After the initial review, the mayor provides a budget and tax policy recommendation in August for the coming calendar year.

City Council Budget Review and Development

September through December

The City Council discusses the Mayor's Recommended Budget. Each City department, as well as certain boards and commissions, presents their budget to the Ways and Means/Budget Committee with all council members invited to attend. After these hearings, the Ways and Means/Budget Committee approves changes to the Mayor's Recommended Budget and forwards it to the full City Council for adoption.

Truth in Taxation

November

"Truth in Taxation" (or "TNT") property tax notices are mailed by Hennepin County to property owners indicating the maximum amount of property taxes that the property owner will be required to pay during the coming year from all taxing jurisdictions. These statements also indicate the dates when public budget hearings will be held. For the 2013 budget the City's public hearing was held on Nov. 28, 2012.

City Council Budget Adoption

December

At a public meeting held on Dec. 12, 2012, the City Council adopted a final budget that reflects any and all changes made to the Mayor's Recommended Budget. The final budget is referred to as the "Council Adopted Budget."

THE CITY'S FUNDS

The resources of the City are organized into funds. A fund is a group of related accounts, used to control money that has been dedicated for specific activities or objectives. By maintaining separate funds, the City is able to comply with laws that require certain money to be spent on specific uses. About 72 percent of the City's revenue is dedicated for a specific use. For example, the City may not raise water bills to pay for police services. Because most of the City's \$1.20 billion 2013 Council Adopted Budget is dedicated for specific purposes, most of the big spending decisions occur within the City's \$351.7 million General Fund budget.

REVENUES AND EXPENDITURES - CITYWIDE

Police and Fire

The Police and Fire Departments make up 15.9 percent of the City's budget. The City's 2013 Adopted Budget funds 850 sworn police personnel in five different precincts and 406 sworn fire personnel at 19 stations.

Community Planning & Economic Development

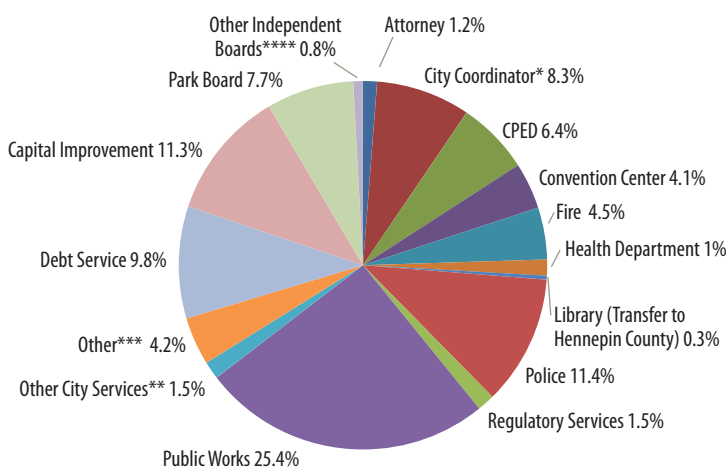
The Community Planning and Economic Development (CPED) Department accounts for about 6.4 percent of the City's budget. CPED's mission is to grow a sustainable city by helping businesses grow, developing an educated workforce and living-wage jobs, promoting homeownership, building housing, and interpreting and enforcing zoning, building and licensing codes to ensure the safety, health, and livability of our community.

Public Works

The Public Works Department makes up the largest part of the City's budget (25.4 percent). The main tasks of Public Works include the following: offering safe transportation to residents by maintaining streets, bike paths and sidewalks; offering high-quality drinking water to residents and visitors by managing the sewer and water system, and facilitating the collection and disposal of garbage and recycling.

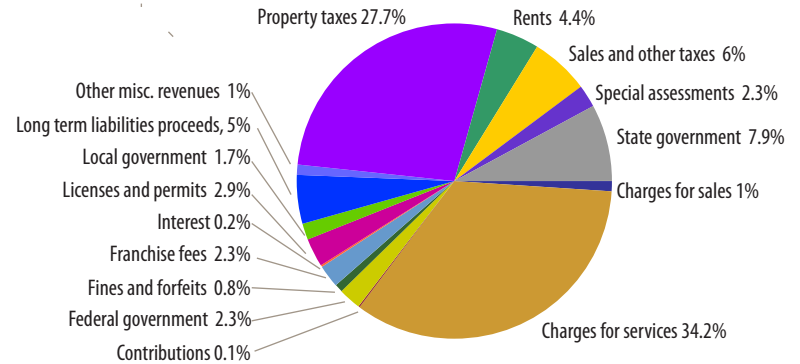
Total Expense Budget – Use of Funds

2013 Adopted Budget: \$1.20 billion



Total Revenue Budget – Sources of Funds

2013 Adopted Budget: \$1.18 billion



Federal government includes grant revenue received from the federal government

Fines & Forfeits includes revenue generated by traffic violations or property forfeiture

Franchise Fees revenues are received from utility companies who pay for use of the City's right of way

License and Permit revenues are generated by license and permit functions of the City, for example, building permits

Local Government is revenue from Hennepin County

Other Misc. Revenues includes contributions, gains, and interest

Property taxes are a major source of revenue and include tax increment funding used to fund development in economically disadvantaged areas of the City

Rents: City departments pay rent internally to cover building maintenance and safety updates

Sales and other taxes include some taxes unique to the City. For example, the City of Minneapolis collects a 0.5 percent sales tax. The City also collects additional taxes on lodging, restaurant, liquor and entertainment sales that are dedicated to help fund the Convention Center and economic development-related activities. Minneapolis sends 6.875 percent of the total sales tax rate collected to the State of Minnesota

Special Assessments are charged to property owners for projects such as sidewalk replacement, street projects, and delinquent utility bills based upon actual costs

State government revenues reflect money that comes from the State of Minnesota. The largest source is Local Government Aid (LGA). The State of Minnesota uses a formula to distribute LGA funds to cities in the State. In 2013, Minneapolis was appropriated \$64.1 million, equal to 2012. For more information on LGA and the distribution formula, please visit www.house.leg.state.mn.us/hrd/topics.asp?topic=32

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

* Includes Human Resources, Finance, 311, Intergovernmental Relations, Communications, Neighborhood and Community Relations, IT, 911 and Emergency Preparedness

** Includes Assessor, Internal Audit, City Clerk/Elections/Council, Civil Rights and Mayor

*** Includes Non-departmental, health and welfare, worker's compensation, liability, contingency and pensions

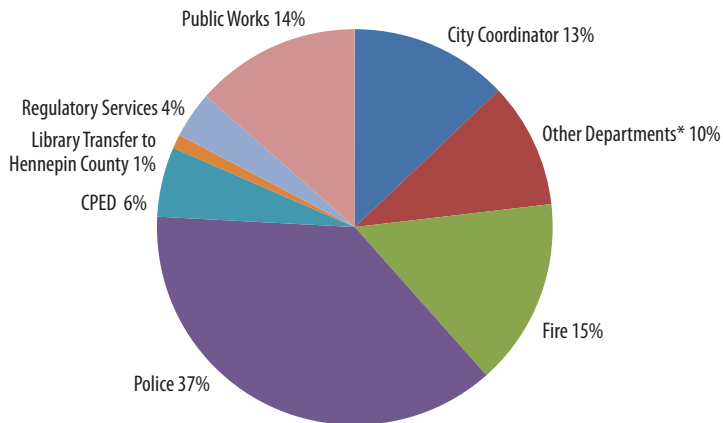
**** Includes Neighborhood Revitalization Program, Board of Estimate and Taxation, the City's contribution to Minneapolis Public Housing Authority, and municipal Building Commission

REVENUES AND EXPENDITURES - GENERAL FUND

The City has the most discretion in the General Fund which makes up about 29 percent of the citywide budget. The two major sources of funding for the General Fund are local property taxes and Local Government Aid from the State. These two sources make up 65 percent of the General Fund budget of \$351.7 million. Here is a more detailed look at the General Fund:

General Fund Expense Budget – Expenditures by Services

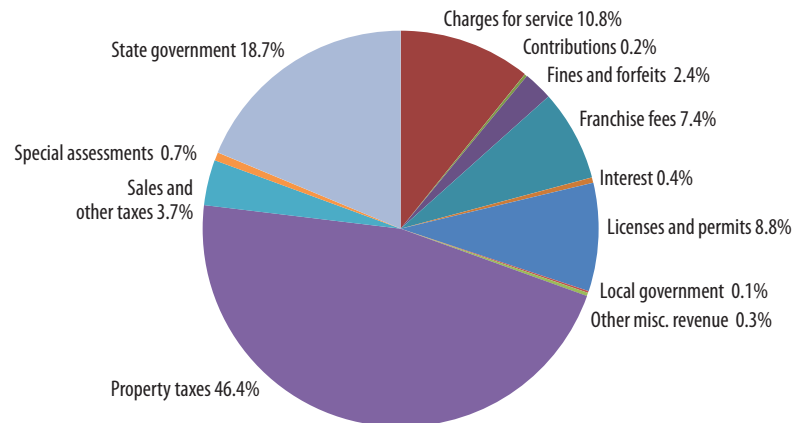
2013 Adopted Budget: \$351.7 million



*Other departments: Assessor, Attorney, Council/Clerk/Elections, Civil Rights, Internal Audit, Mayor and Contingency

General Fund Revenue Budget – Sources of Funds*

2013 Adopted Budget: \$368.6 million



*Category descriptions are the same as the Total Revenue Budget graph

CAPITAL PLAN

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include projects such as street construction, bridges, public buildings, traffic systems, park improvements, sewers, water infrastructure, etc.

Prior to the mayor presenting his recommended budget to the City Council, elected officials gather feedback from residents regarding what capital projects the City should undertake. The Capital Long-Range Improvement Committee (CLIC) 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 based upon a number of criteria and present their recommendations to the mayor and City Council.

The 2013 budget includes the 2013 - 2017 five-year capital plan. The five-year total for the capital budget is \$606.3 million, with 89 percent of it within the Public Works Department. The three biggest capital expense categories include street paving (\$198 million), storm sewers (\$100 million) and water infrastructure (\$114 million).

Capital projects tend to be costly, so the City often issues bonds to finance these projects. The City uses the cash received from bond sales to pay for capital projects, and repays investors over time at tax exempt interest rates determined by competitive bids received at the time the

bonds were issued. This process is similar to a homeowner taking out a home improvement loan to complete a major home repair project.

Debt Service and Bonds

The City's total general obligation debt outstanding as of Dec. 31, 2012, is \$768 million. General obligation bonds are backed by the full faith and taxing authority of the City. Approximately 18 percent of this debt is funded with future property tax payments, 36 percent is paid for by fees collected for sewer, water and parking services and the balance is supported by sales taxes, tax increment, special assessments and other user fees. Annually, the City pays between \$110 and \$130 million in principal and interest on its general obligation bonds.

The City's bonds receive the highest possible ratings from all three major credit rating agencies. The ratings represent the strength of the City's credit and thus the safety of investing in City bonds. The City's top bond ratings reflect the sound financial management of the City and allow the City to borrow money from investors at low interest rates.

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 42 percent of the revenue from property tax payments made by City residents. Hennepin County receives about 27 percent, and the School District about 27 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.

2013 Adopted Budget Property Tax Breakdown

Under the 2013 Adopted Budget, a Minneapolis home with an estimated value of \$195,500 will pay about \$3,177 in total property taxes, with approximately \$1,349 going to the City. See where that \$1,349 goes on the following chart and table:

City Property Tax Breakdown for Home Valued at \$195,500

Tax per City service sector	In dollars
Police	\$ 278.19
Park	229.08
Other City departments	179.92
Miscellaneous (includes contingency)*	159.86
Closed Pension Funds and Pension Management Plan	132.13
Fire	114.37
Capital and Debt Service	104.61
Public Works	85.83
Library referendum debt service	43.82
Independent Boards less Park	21.21

*Miscellaneous includes Internal Service Funds and the Target Center Financial Plans, transfers to IT for wi-fi commitments from General Fund departments, graffiti removal, and contingency funding.

Property Tax Breakdown
2013 Adopted Budget



UTILITY RATES

The City provides and charges for the following utilities: tap water, managing stormwater, managing sanitary sewers, and garbage/recycling. In the 2013 Adopted Budget, utility rates for a home with the average consumption will decrease by approximately 6.6 percent from 2012 rates. In 2013, the recycling credit that offset portions of residents' solid waste and recycling costs has not been renewed. However, because of the decrease in the solid waste and recycling fee, the cost borne by residents for this service who had previously received the credit in 2012 is essentially flat when accounting for this factor.

Average bill

Combined utility bill - Monthly and annual cost for average customer

	2012	2013 Monthly Average	2013 Annual Average	2013 Monthly \$ Change	2013 % Change
Water	\$ 27.60	\$ 28.32	\$ 340	\$ 0.72	2.6%
Sanitary Sewer	21.30	21.84	262	0.54	2.5%
Stormwater	11.70	11.82	142	0.12	1.0%
Solid Waste/Recycling	24.00	17.00	204	-7.00	-29.2%
Total	84.60	78.98	948	-5.62	-6.6%

If you have questions about any of the material presented in the Budget in Brief, please call 311 or (612) 673-3000.

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

If you need this material in an alternative format please call 612-673-2162. Deaf and hard-of-hearing people call at 612-673-3000. TTY users call 612-673-2157 or 612-673-2626.

Attention - If you have any questions regarding this material please call 311. Hmong - Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu 612-673 2800.

Spanish - Atención. Si desea recibir asistencia gratuita para traducir esta información, llama 612-673-2700.

Somali - Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la' aan wac 612-673-3500.

City of Minneapolis 2013 Budget

How to Use This Document

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 2013 budget document.

Introductory Section	This section, found before the first tab, includes lists of the City's elected officials, department and agency heads, the City's budget principles, and a citywide organization chart.
Section A: Table of Contents	The table of contents allows the user to pinpoint the page of a particular part of the City's budget.
Section B: Background Information	<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>
Section C: Strategic Planning	The strategic planning section lists the set of City goals and strategic directions which were adopted by the Mayor and the City Council in 2010. The citywide strategic plan provides clear direction for departments' business planning efforts. Annual budget process, dates for this year's budget process, and a description of integration of key processes follow. The City's financial decision calendar displays the annual flow of these processes. Links between the City goals and department five-year business plan goals are described in this section.
Section D: Financial Policies	This section presents the major financial policies adopted by the City Council and Mayor.
Section E: Financial Overview	<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.</p> <p>This section also contains a summary of major decisions in the budget, and enterprise level challenges.</p>
Section F: Financial Plans	<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 current year expenses, revenues, transfers and debt service.</p>

Section G: Financial Schedules	<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, charges for technology, fleet, property services, rent, and general fund overhead costs by department, all referenced in the appropriation resolutions.</p>
Section H: Capital Program	<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>
Section I: Operating Departments	<p>This section provides the most detail on a department-by-department basis, including departments' financial summaries. These summaries include expenditures by program, type (<i>i.e.</i> salaries, benefits, contractual services and operating expenses) and fund; the department's revenue estimates; and positions.</p> <p>Narrative summaries for each department, including primary businesses and program descriptions are included. A brief financial overview of the department is prepared by finance staff. Department organizational charts are included in this section.</p>
Section J: Independent Boards and Agencies	<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>
Section K: Glossary	<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>
Section L: Resolution	<p>The Council-Adopted Budget Resolution that outlines Council action on the Mayor's Recommended Budget is included for reference.</p>

**City of Minneapolis
2013 Budget**

Elected and Public Officials

Mayor

R.T. Rybak

City Council

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

Board of Estimate and Taxation

Board Members

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

Minneapolis Park and Recreation Board

Board Members

John Erwin	President, Commissioner at Large
Liz Wielinski	Vice President, Commissioner at Large
Bob Fine	Commissioner at Large
Liz Wielinski	Commissioner District 1
Jon Olson	Commissioner District 2
Scott Vreeland	Commissioner District 3
Anita Tabb	Commissioner District 4
Carol Kummer	Commissioner District 5
Brad Bourn	Commissioner District 6

Charter Department Heads / Assistant City Coordinators

Kevin Carpenter	Chief Finance Officer
Otto Doll	Chief Information Officer
Patrick Todd	City Assessor
Susan Segal	City Attorney
Casey Carl	City Clerk
Paul Aasen	City Coordinator
Velma Korbelt	Civil Rights Director
Sara Dietrich	Communications Director
	Community Planning and Economic Development Director
Jeremy Hanson-Willis	Convention Center, Director
Jeff Johnson	Fire Chief
John Fruetel	Health Commissioner
Gretchen Musicant	Human Resources Director
Tim Giles, Interim	Intergovernmental Relations Director
Gene Ranieri	Internal Auditor
Magdy Mossaad	Neighborhood and Community Relations Director
David Rubedor	Director of Regulatory Services
Jay Stroebel, Interim	Police Chief
Janee Harteau	Public Works Director/City Engineer
Steve Kotke	

Independent Boards/Agencies

Cora McCorvey	Public Housing Authority Executive Director
	Minneapolis Park and Recreation Board
Jayne Miller	Superintendent

**City of Minneapolis
2013 Budget**

Budget Principles

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

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

2. Live within our means.

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

3. Challenge assumptions – nothing is off the table.

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

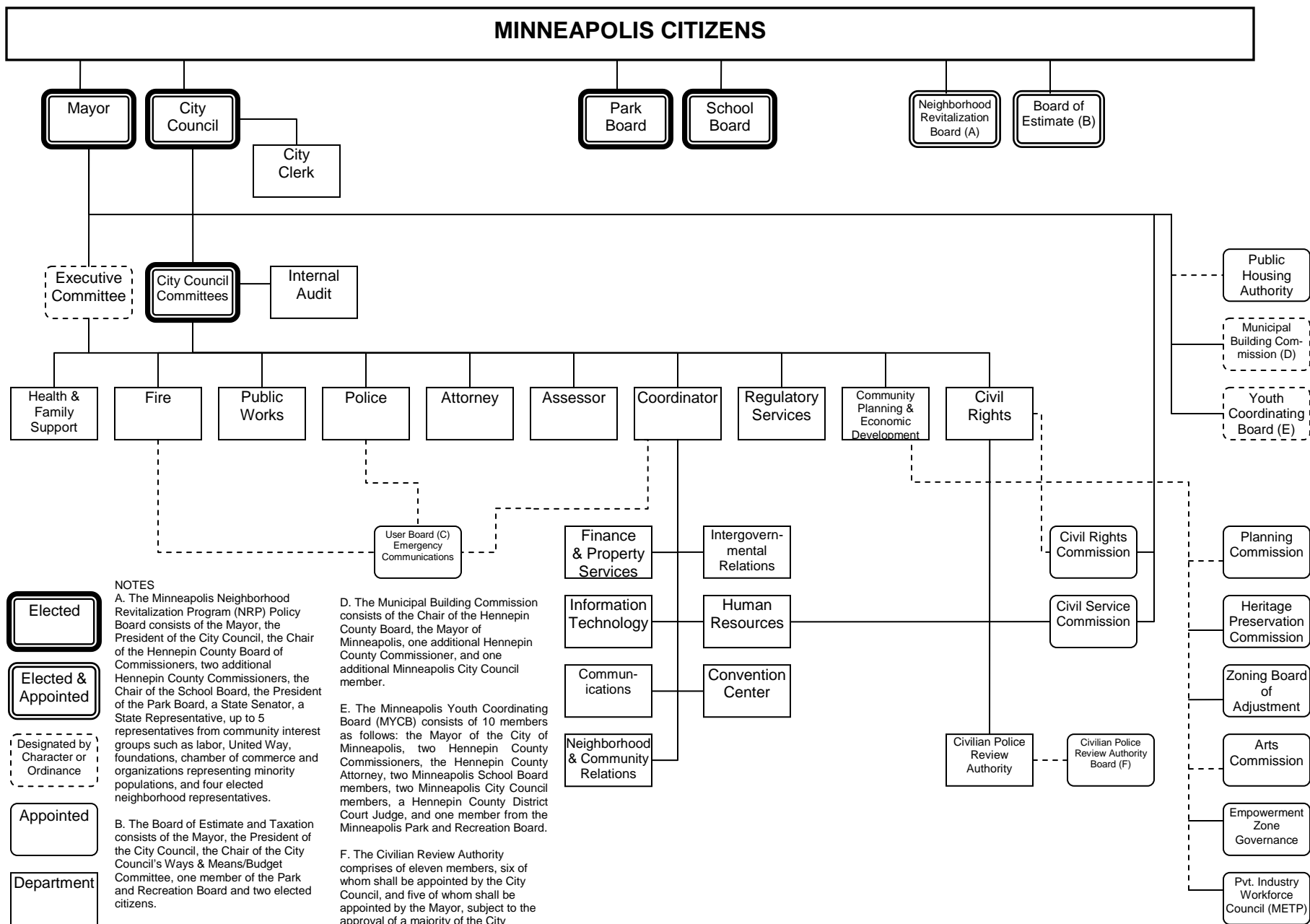
6. Protect core service delivery by avoiding duplication – both internal and external.

- ◆ Between different City departments and agencies,
- ◆ With the county, state, independent boards, or other levels of government,
- ◆ With non-profits or the private sector and
- ◆ 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 budget.

City of Minneapolis



NOTES

A. The Minneapolis Neighborhood Revitalization Program (NRP) Policy Board consists of the Mayor, the President of the City Council, the Chair of the Hennepin County Board of Commissioners, two additional Hennepin County Commissioners, the Chair of the School Board, the President of the Park Board, a State Senator, a State Representative, up to 5 representatives from community interest groups such as labor, United Way, foundations, chamber of commerce and organizations representing minority populations, and four elected neighborhood representatives.

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

C. The Minneapolis Emergency Communications Center (911) is managed by a User Board chaired by the City Coordinator. Members are the Police Chief, the Fire Chief and the Hennepin County Administrator.

D. The Municipal Building Commission consists of the Chair of the Hennepin County Board, the Mayor of Minneapolis, one additional Hennepin County Commissioner, and one additional Minneapolis City Council member.

E. The Minneapolis Youth Coordinating Board (MYCB) consists of 10 members as follows: the Mayor of the City of Minneapolis, two Hennepin County Commissioners, the Hennepin County Attorney, two Minneapolis School Board members, two Minneapolis City Council members, a Hennepin County District Court Judge, and one member from the Minneapolis Park and Recreation Board.

F. The Civilian Review Authority comprises of eleven members, six of whom shall be appointed by the City Council, and five of whom shall be appointed by the Mayor, subject to the approval of a majority of the City Council.

Department of Finance,
August, 2011



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Minneapolis
Minnesota**

For the Fiscal Year Beginning

January 1, 2012

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President

Executive Director

**City of Minneapolis
2013 Budget**

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City of Minneapolis 2013 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-17th Century, French explorers searching for the Northwest Passage were the first Europeans to visit the region. In the 1820s, at the confluence of the Minnesota and Mississippi rivers, soldiers from Fort Snelling constructed a saw-mill and a flour mill at the St. Anthony Falls. By the 1850s, the village of St. Anthony had been established on the east bank of the Mississippi and the village of Minneapolis on the west bank. The two towns were soon linked by a suspension bridge. Minneapolis' first volunteer fire company was organized in 1862, and the community was incorporated as a city in 1867. In 1872, Minneapolis and St. Anthony were united to form one city.



Location

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



Climate

Minneapolis has an average summer temperature of 70° F, and an average winter temperature of 16° F.¹ 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 approximately 390,000 people. Males and females each make up approximately 50% of the population. Children and youth under 18 make up 20% of the population. Seniors aged 65 and above, are 8% of the population. African Americans comprise 19% of the population, with Hispanics making up 11% of the population. People of American Indian and Alaska Native descent comprise 2% of the population and people of Asian ethnicity make up 6% of the population. People of another race, or those of two or more races, make up 4% of the population.²

¹ Source: Minnesota DNR, www.dnr.state.mn.us/faq/mnfacts/climate.html

² Source: US Census Bureau 2011 estimates, <http://quickfacts.census.gov/qfd/states/27/2743000.html>

Economy

In the early years, Minneapolis' economy was based on a booming lumber industry and the processing of Minnesota grain with the tremendous power-generating capabilities of St. Anthony Falls. Large flourmills along the river evolved into the international corporations of Pillsbury, Washburn Crosby (General Mills) and Cargill. In 2010, the ten largest Fortune 500 Companies headquartered in the metro area were as follows:³

Employer	Revenue (\$ million)
United Health Group	101,862
Target	69,865
Best Buy	50,272
Super Valu	37,534
CHS	36,916
3M	29,611
U.S. Bancorp	21,399
Medtronic	15,933
General Mills	14,880
Land O'Lakes	12,849

As of the third quarter 2011, the City's largest employment sectors were health care and social assistance (17%), educational service (11%), professional and technical assistance (10%), and finance and insurance (10%), and accommodation and food service (8%). The fastest growing employment sectors from first quarter of 2010 to first quarter of 2012 were real estate and rental and leasing, administrative and waste services, and accommodation and food services.⁴ With twenty-one accredited colleges and universities in the Minneapolis-St. Paul area, and four ABA-accredited law schools, the City's highly educated workforce continues to be a driving force of a strong economy. The University of Minnesota's highly acclaimed medical school, and the City's seven hospitals, has made Minneapolis a leader in the medical field.



Abbott Northwestern Hospital
(Piper Breast Center)

The City's unemployment rate rose from 2008-2009. Details follow:⁵

	2008	2009	2010	2011	2012
Total Labor Force	215,673	217,941	218,733	214,254	212,979
Employment	204,704	201,774	204,234	201,281	201,016
Unemployment	10,969	16,167	14,499	12,973	11,963
Unemployment rate	4.4%	7.4%	6.6%	6.1%	5.6%

³ Source: Official Statement, September 8, 2012, City of Minneapolis for General Obligation Various Purpose Bond Series 2012

⁴ Source: "Minneapolis Trends" available at

<http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/wcms1p-100744.pdf>

⁵ Source: Official Statement, September 8, 2012, City of Minneapolis for General Obligation Various Purpose Bond Series 2012

The City's top ten payers of property taxes in 2010 follow:⁶

Taxpayer	Type of Business	Net Tax Capacity*	Percentage of Total Net Tax Capacity
Northern States Power Co.	Utilities	\$6.4 million	1.47%
Target Corporation	Office Buildings and retail	\$4.2 million	0.95%
MB Mpls. 8 th Street LLC	Office Buildings	\$3.6 million	0.81%
Minneapolis 225 Holdings LLC	Office Buildings	\$3.4 million	0.78%
NWC Limited Partnership	Commercial/Industrial Buildings	\$3.3 million	0.75%
City Center Associates	Office Buildings	\$2.8 million	0.63%
First Minneapolis-Hines Co.	Banks	\$2.7 million	0.62%
Wells Operating Partnership LP I	Office Buildings	\$2.7 million	0.63%
Fifth Street Owner Corp.	Office Buildings	\$2.2 million	0.51%
Hilton Hotels Corp.	Hotel/Hospitality	\$2.2 million	0.50%
Total		\$33.6 million	7.65%



Neighborhoods

Minneapolis has 81 residential neighborhoods offering 177,309 residential housing units.⁷ 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

According to the City's analysis of the data from the State of Minnesota, approximately 132,000 jobs were located in downtown Minneapolis as of 2010.⁸ 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, with many stores located in Gaviidae Common, City Center, and the Crystal Court.

The Arts

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



⁶ Ibid

⁷ Source: Minneapolis Assessor, January 2012

⁸ Source: CPED analysis of DEED data as of 2010



Education

The City offers several vocational training and specialty schools. The main campus of the University of Minnesota sits on the banks of the Mississippi just minutes from downtown. It is a major land-grant research institution with a long tradition of community and public service, and it ranks among the top 20 universities in the U.S. It is also one of the largest. In addition to the University of Minnesota, other institutions of higher education include Minneapolis Community and Technical College, Dunwoody Institute, Minneapolis College of Art and Design, Augsburg College, Metropolitan State University, the University of Saint Thomas, St. Mary’s University, the College of Saint Catherine, and Capella University.

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

Sports and Outdoor Recreation

Many major league teams call Minnesota home. Fans

can watch Major League Baseball’s Minnesota Twins in action at Target Field, located in the Warehouse District of downtown Minneapolis. When the National Football League’s Minnesota Vikings are in town, the Metrodome can seat 64,000 football enthusiasts. The Minnesota Timberwolves of the National Basketball Association and the national champion Minnesota Lynx of the Women’s National Basketball Association play downtown in the Target Center. Minnesota’s National Hockey League team, the Wild, play in St. Paul. Minneapolis has the capacity to host large events at the City’s Convention Center.



Minneapolis residents not only watch sports, they participate actively. In 2008, *Men’s Fitness* magazine ranked Minneapolis number two on their top ten fittest cities list. Playing in summer softball leagues, golfing, jogging, swimming, playing tennis, biking or rollerblading around and sailing in the City’s lakes are favorite pastimes. In 2008, *Bicycling Magazine* awarded Minneapolis #1 Bike City.



The City’s Park and Recreation Board maintains 87 miles of walking and biking paths. The City also maintains sports fields, outdoor ice rinks, tennis courts, golf courses, and supervised beaches. In the winter, residents enjoy ice skating, ice fishing, skiing, and ice sailing. 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.



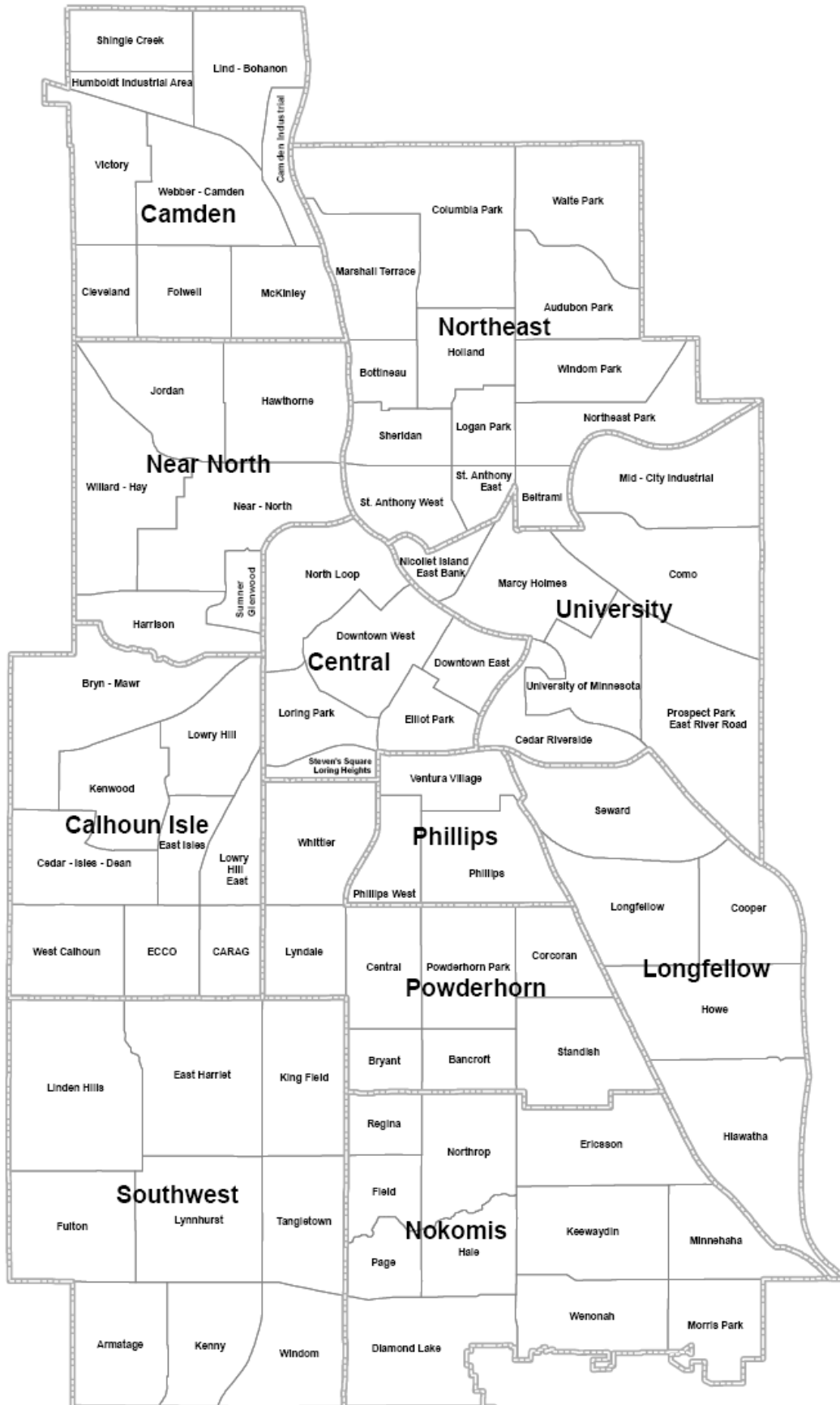
Nationally Recognized

Minneapolis has recently received national recognition as being a great place to visit, to live, run a business, and forge community connections. The following is a sample of some of the City's recent honors:

- ✚ 2011 Best city in the country for workers to find employment – *Forbes Magazine*
- ✚ 2011 Best Place to Live in a Big City Designed for Getting Outside – *Men's Journal*
- ✚ Cleanest City in America 2010 – *Travel and Leisure Magazine*
- ✚ Third Best Market for Young Professionals 2010 – *Forbes Magazine*
- ✚ # 8 on America's Best Cities List – *Outside Magazine*
- ✚ Minneapolis one of the "Best Places to Live in 2010" – *Men's Journal*
- ✚ Minneapolis/Saint Paul Named Top Metro Area for Business – *MarketWatch*
- ✚ Minneapolis Best City in the Country to Find Employment - *Forbes*
- ✚ Minneapolis Identified as the "Most Affordable Place to Live Well" – *Forbes*
- ✚ One of 2007's Top Destinations – *Frommer's*
- ✚ One of World's Top Biking Cities – *Travel + Leisure*
- ✚ # 1 Bike City – *Bicycling Magazine*
- ✚ City of Minneapolis Received Gold Award for "Bike Friendly Business" – *League of American Bicyclists*
- ✚ # 4 City for Eating Smart, Being Fit, and Living Well – *Cooking Light*
- ✚ Minneapolis Named the Nation's Second Fittest City – *Men's Fitness*
- ✚ # 3 Best Cities for Singles – *Forbes Magazine*
- ✚ Most Literate City – *Central Connecticut State University*
- ✚ # 4 Smartest City in America – *The Daily Beast*
- ✚ # 2 City to Have a Baby – *Fit Pregnancy*
- ✚ Best Cities for Working Mothers – *Forbes Magazine*
- ✚ Minneapolis/Saint Paul Ranks in Top 10 Areas in the Nation for Energy-Efficient Buildings - *EPA*
- ✚ # 7 Sustainable City – *Sustain Lane*
- ✚ Minneapolis Cleanest City in the Country – *Travel + Leisure*
- ✚ Minneapolis One of the 10 Greenest Cities in the Nation – *Move.com*
- ✚ Minneapolis/Saint Paul Area Ranked Top in the Nation for Volunteering – *National & Community Service*
- ✚ # 1 National Night Out City of 2007 – *National Association of Town Watch*

For links to more information on many of these top rankings, visit www.minneapolismn.gov/visitors/

MINNEAPOLIS COMMUNITIES AND NEIGHBORHOODS



Generated by the City of Minneapolis CPED Department, Planning Division

City of Minneapolis 2013 Budget

Form of Government


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

The City Finance Officer is charged with maintaining and supervising the various accounts and funds of the City as well as several boards and commissions. In addition, the city budget director is charged with assisting the Mayor, City Council and City departments in preparing the City's annual capital and operating budget. The City Finance Officer reports to the City Coordinator, who is appointed by the Mayor and serves as chief administrative officer of the City.

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

Blended component units

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

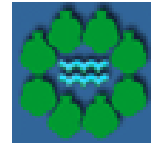
- ◆ **Municipal Building Commission.** The Municipal Building Commission (MBC) is an organization established January 4, 1904, by the State of Minnesota, to operate and maintain the Minneapolis City Hall/Hennepin County Court House Building, which was built pursuant to Chapter 395 of the Special Laws of 1887. The four commissioners are the Chairman of the Hennepin County Board of Commissioners, the Mayor of the City of Minneapolis, an appointee of the Hennepin County Board and an appointee of the Minneapolis City Council. The Mayor recommends the tax levy and budget for the City's share of the MBC's operations, and the City Council and Mayor approve the allocation of state local governmental aid to the MBC.
- 
- ◆ **Board of Estimate and Taxation.** The Board of Estimate and Taxation (BET) is established under Chapter 15 of the City Charter. It is composed of seven members, two of whom are elected by voters of the City. The Mayor or the Mayor's appointee, the President of the City Council and the Chair of the City Council's Ways and Means/Budget Committee are ex-officio members of the Board. The Minneapolis Park and Recreation Board annually selects one of its members to serve on the BET. By action of the City Council, or such other governing board of a department requesting the sale of bonds, the BET may vote to incur indebtedness and issue and sell bonds and pledge the full faith and credit of the City

for payment of principal and interest. The BET also establishes the maximum property tax levies for most City funds.

Discretely presented component units

The following organization is legally separate from the City, but 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 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 in 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. The major tenant of the Metrodome sports facility is the Minnesota Vikings.
- ◆ ***Minneapolis Public Housing Authority.*** The Minneapolis Public Housing Authority (MPHA) is the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis. A nine-member Board of Commissioners governs MPHA. The Mayor of Minneapolis appoints the Board Chairperson, and four Commissioners (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 Board consists of 10 members as follows: the Mayor of the City of Minneapolis, two Hennepin County Commissioners, the Hennepin County Attorney, two Minneapolis School Board members, two Minneapolis City Council members, a Hennepin County District Court Judge, and one member from the Minneapolis Park and Recreation Board.



**City of Minneapolis
2013 Budget
Chronology of Financial Decision Making**

1994	Agreement between the independent boards and the City on the division of Local Government Aid.
mid-late 1990's	Internal Service Funds deficits begin; COPS grant funds police expansion.
1997	First efforts to quantify and fund the Public Works infrastructure gap; attempt to increase pay as you go capital funding and reduce bonding.
1998-2000	Positive stock market returns leads to a reduction in the City's levy requirement for police and fire relief.
2000	Library referendum passes; Mayor and Council agree to enhanced capital funding for the Park Board at a level above funding for City projects.
2001	City loses AAA rating from Moody's. Reason cited: internal service fund deficits. Stock market falls – convention center and parking fund suffer directly from economic downturn; pension obligations escalate
2002	Adoption of maximum property tax increase policy; negative outlook from Fitch rating agency
2003	Adoption of Five-Year Financial Direction and Commitment to Business Planning; 2% Wage Policy; Local Government aid Reductions City uses 8% tax increase and 2% wage policy to manage employment costs during budget shortfalls
2004	Departments bring forward first five-year business plans
2006	Fitch removes negative outlook; Moody's maintains Aa1 citing pent up internal demands for spending
2007	Compensation philosophy replaces the 2% wage policy MERF pension "liquidity trigger" eliminated by the State Legislature Sale of six parking ramps
2008	Minneapolis Library System merges with Hennepin County Library System State Legislature imposes Levy Limits on Local Governments for 2009-2011; Governor unallots State aid in December—Minneapolis' cut: \$13.1 million
2009	Governor unallots State aid—Minneapolis loses \$8.6 million in 2009; \$21.3 million in 2010
2010	Minneapolis' revised LGA cut is \$25.9 million and MVHC is eliminated, costing the City an additional \$6.2 million on top of the LGA cuts. Minneapolis regains AAA rating from Moody's. MERF pension plan consolidated with statewide local government employee pension plan.
2011	Minneapolis' LGA is cut held flat from 2010 in 2011 as a response to the State's structural budget crisis
2012	City implements Priority Budgeting

**City of Minneapolis
2013 Budget
Background Information**

Fund Descriptions

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

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

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

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

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

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

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

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

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

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

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

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

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

Property Services. This fund is used to account for the physical management and maintenance of fire stations, police precinct buildings, the Minneapolis Public Service Center, and various other City office locations, except for the City Hall/County courthouse 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 administrative costs employee benefit programs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program.

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

Special Revenue Funds. Special revenue funds are used to account for the proceeds of revenue sources that are restricted by legal and regulatory provisions to finance specific activities. The City has thirty-four Special Revenue Funds, including community and economic development funds. These funds are used to account for the City's planning and community development goals, most of which are financed through property tax increment financing.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Capital Projects Funds	Debt Service Funds	Park Board Funds
Major Funds Included	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.
Revenue Sources	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
Expenditure Classifications	Capital project expenditures related to street construction and infrastructure projects	Payments of interest and principal on City's debt	Personnel, Operating Costs, Contractual Services, Equipment
Major Departments	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)
- Youth Coordinating Board (a joint board funded from the City's General Fund and grants)

**City of Minneapolis
2013 Budget**

Strategic Planning

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Business Plan Goals Related to City Goals C12

Minneapolis 2020 – A Clear Vision for the Future

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

Five-Year Goals (Adopted in 2010 for 2010 to 2014)

A Safe Place to Call Home

People and businesses thrive in a safe and secure city

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

Jobs & Economic Vitality

A world-class city and 21st century economic powerhouse

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

Livable Communities, Healthy Lives

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

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

Many People, One Minneapolis

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

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

Eco-Focused

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

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

A City That Works

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

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

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

**City of Minneapolis
2013 Budget
Strategic Planning
Annual Budget Process**

The City of Minneapolis annual budget process integrates information from the City's strategic and business planning process, capital long-range improvement committee process and the departmental performance measurement review process (*Results Minneapolis*) 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, CPED, and the capital long-range improvements committee (CLIC) review capital improvement proposals of the departments. CLIC is the citizen advisory committee to the Mayor and the City Council on capital programming.

Strategic planning

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

April–June

Operating budget development

Departments work in coordination with Finance to prepare operating budgets based on programs. In addition to preparing operating budgets for programs, departments prepare proposals that describe policy and organizational changes with financial implications. The program proposals form the basis for the Mayor's budget meetings with departments held in June and July.

June–August

Mayor's Recommended Budget

The 2013 Mayor's Recommended Budget will be based on program proposals submitted by departments. These program proposals are reviewed and discussed by the submitting department, the Mayor's Office, Council Members, the Coordinator's Office and Finance for priority-setting. In addition to reviewing operating budgets, the Mayor meets with representatives from CLIC before finalizing the capital budget recommendation. By City Charter, the Mayor must make recommendations to the City Council on the budget no later than August 15.

September

Maximum proposed property tax levy

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

October–November

City Council budget review and development. The City Council budget review and development process begins with a series of public hearings on the budget. Departments present their Mayor's Recommended Budget 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 budget recommendations to the City Council. The Committee-recommended budget includes any and all changes that are made to the Mayor's Recommended Budget.

Truth in Taxation

"Truth in Taxation" or "TNT" property tax statements are mailed by Hennepin County to property owners indicating the maximum amount of property taxes that the owner will be required to pay. These statements also indicate the dates when truth in taxation public hearings will be held. State law was changed in the 2009 Legislative session to eliminate a separate TNT hearing. It was replaced with a requirement to allow public comments at the meeting at which the final budget adoption occurs. The City Council has maintained this hearing as part of the regularly scheduled budget meetings. According to State law, the meeting must be held after 6:00 p.m.

December

City Council budget adoption

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

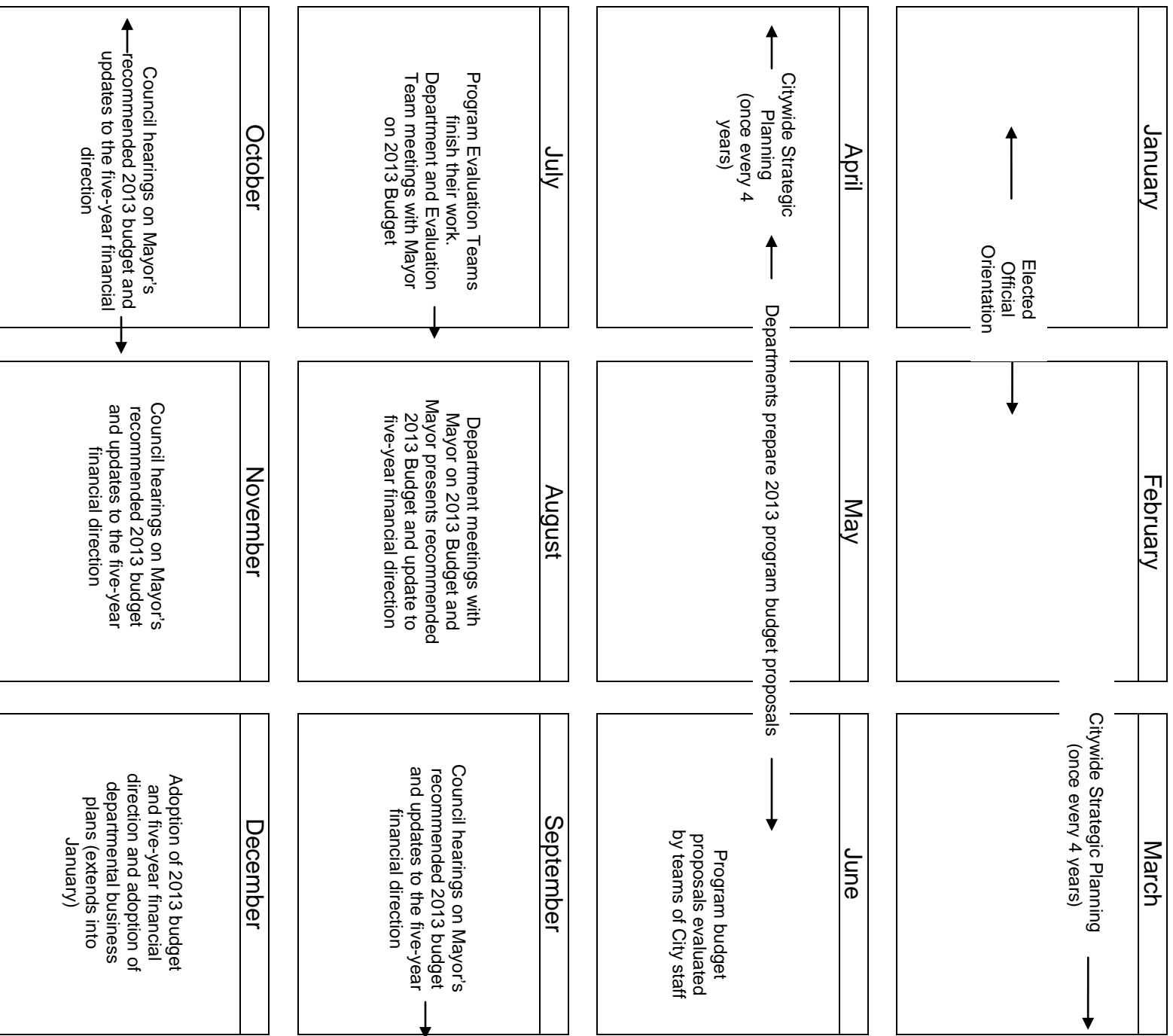
The independent boards and commissions adopt their own operating budgets. State law requires that final budget adoption occur after November 24.

Specific significant dates for 2013 budget adoption are as follows:

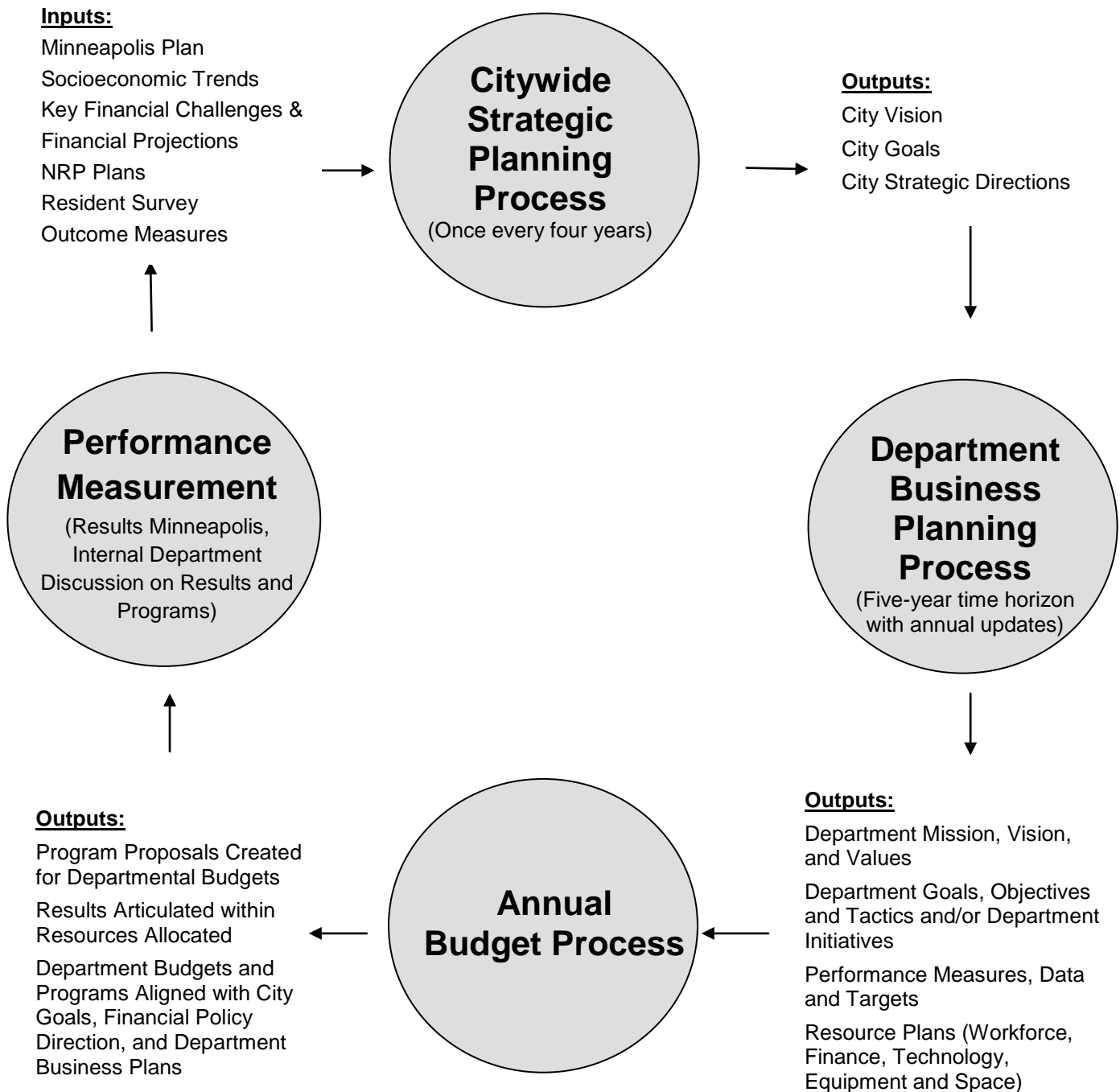
Jan-Feb	Business Plan updates
Apr 2	Capital project requests due for Capital Long Range Improvement Committee (CLIC) consideration
Apr 10 - Apr 28	CLIC review and presentations of capital proposals
Apr 11	State of the City Speech
May 24	Joint public hearing of CLIC and Planning Commission on 2013-2017 Capital Plan
June-July	Mayor meets with City departments and the independent boards to review budget programs
July-Aug	Mayor finalizes budget recommendation
July 13	CLIC report distributed to Mayor and Council
August 15	Mayor delivers budget message to City Council noon until 1:00 p.m. as required by the Charter
Aug 29	Board of Estimate public hearing on maximum property tax levies 5:05 p.m.
Sept 12	Board of Estimate meeting to set the maximum property tax levies 4:00 p.m.
Sept - Oct	Ways and Means Hearings on the Budget
Nov 28	Public Comment on Levy and Budget 6:05 p.m.
Dec 4	Markup by Ways and Means Committee, with all Council Members invited to attend 9:30 a.m. until noon and 1:00 p.m. until 4:30 p.m.
Dec 5	Markup by Ways and Means Committee, with all Council members invited to attend (if needed) 1:30 p.m. until 4:00 p.m.
Dec 12	Council budget adoption 6:05 p.m.

If layoffs are recommended, the Mayor needs to call a special City Council meeting requesting action to provide preliminary approval of the budget.

FINANCIAL/BUSINESS DECISIONS CALENDAR



INTEGRATING KEY CITY PROCESSES



City of Minneapolis 2013 Budget Integrating Key City Processes

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

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

Citywide Strategic Planning

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

In April 2010, the Mayor and the City Council adopted a new set of City Goals and Strategic Directions. This work builds on previous City goals and a resolution establishing commitment to business planning and the five-year financial direction. This strategic policy direction serves as a guide by which all other policy decisions should be assessed. As elected officials and departments make decisions throughout the year, they should be asking "does this support the City's strategic plan?"

Department Business Planning

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

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

Long-Term Timeline for Business Planning

The City has moved from asking departments to complete annual re-writes of their business plans to the development of one five-year 2010-2014 Business Plan accompanied by annual updates as needed at the end of each year following the adoption of the budget.

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
2013											 Election	Business Plan Annual Update
2014		City Goals & Strategic Directions Developed							Departments write 5-year 2014-2018 Business Plans			
2015	Council Approval of Business Plans											Business Plan Annual Update
2016												Business Plan Annual Update

The Annual Budget Process

Minneapolis' annual budget process is when the Mayor and City Council articulate their priorities for the upcoming year by allocating City financial resources accordingly. Through the further integration of the City's planning, budgeting and performance measurement processes, it is expected that the decisions surrounding the budget process will be better informed as these planning efforts come to fruition. The business plans provide greater clarity of the hoped-for future direction of departments, and performance measurement helps assess whether current strategies are yielding those expected results.

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

Performance Measurement

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

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

In addition to incorporating performance measures into the budget process, the City discusses department measures and community indicators during weekly *Results Minneapolis* progress conferences. *Results Minneapolis* is a performance measurement effort whereby each City department presents before a panel at least annually to discuss progress on outcomes that the departments deem most important in their decision-making process.



What is “Results Minneapolis?”

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

- A Safe Place to Call Home** – People and businesses thrive in a safe and secure city.
- Livable Communities, Healthy Lives** – Our built and natural environment adds character to our city, enhances our health and enriches our lives.
- Eco-Focused** – Minneapolis is an internationally recognized leader for a healthy environment and sustainable future.
- Jobs & Economic Vitality** – A world-class city and 21st century economic powerhouse.
- Many People, One Minneapolis** – Inclusiveness is a treasured asset; everyone’s potential is tapped.
- A City that Works** – Minneapolis is a model of fiscal responsibility, technological innovation and values-based, results-driven municipal government.

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

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

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

After several years of business planning and performance measurement at the City, *Results Minneapolis* provides the next step in institutionalizing a results-focused, data-driven and more transparent government. Monitoring performance helps City decision-makers to be more effective by providing the information they need to proactively implement management changes for improved results. *Results Minneapolis* ensures that all managers are focused on achieving common outcomes and resources are aligned with the greatest needs of the City.

Public reporting of our measures

While performance data had been publicly available City’s budget document, the City developed a more “public-friendly” website (www.minneapolismn.gov/results) in 2008 with the help of residents to share the City’s key performance information. This website is the residents’ window for monitoring the City’s progress on the critical areas that residents care about most.

**City of Minneapolis
2013 Budget**

**Department 2010-2014 Business Plan Goals
And Related City Goals**

City Goals Reference Key:

Goal 1 A Safe Place to Call Home



Goal 2 Livable Communities, Healthy Lives



Goal 3 Eco-Focused



Goal 4 Jobs & Economic Vitality

















Goal 5 Many People, One Minneapolis





































Goal 6 A City that Works

























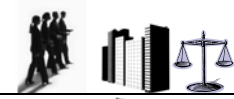







Department	Department Goals	Related City Goal(s)
311	311 prepared to handle any question or service a customer may have	
	Customer facing city services and business processes are continuously improved	
	311 is recognized as the primary portal to City nonemergency information and services	
	311 will be managed toward operational excellence - people, process and technology – to deliver the best customer service	
Assessor's Office	The Assessor's office is transparent in interactions with stakeholders and accountable for assuring all valuations are fair equitable and defensible.	
	Department efforts result in both incremental and breakthrough process improvements	
	Department employees are high-performing engaged and empowered	
	The department's institutional knowledge is maintained through training, mentoring and coaching	
	Technology based business solutions improve our efficiency and effectiveness	
City Attorney's Office	Domestic violence deterred through the "Minneapolis Model"	

	Reduce repeat livability crime to create welcoming neighborhoods and a thriving downtown	
	Violent crimes are aggressively prosecuted	
	Enhance the effectiveness and efficiency of the criminal justice system	
	Provide high quality legal services to better inform client decision making and achieve desired results	
	Minimize civil liability of City	
City Coordinator's Office	All our work supports better results on City goals & directions through smart and creative use of all resources, high-quality measurement data and strong connections to funding priorities	
	Good management tools are tested, available and used for process improvement, innovation and idea generation, and overall organizational development	
	Our partners and the reach of strategic partnerships –internal and external to government – grow exponentially in coming years	
	Sustainable is both our watchword and the way we do everything	
	Departmental or divisional silos disappear and cross-departmental collaboration in solving public problems is the City's cultural norm	
	The City's arts goals are clearly defined and communicated, and central to strengthening our economy through art & artist support and coordination	
Civil Rights	Enforce the Minneapolis Civil Rights Ordinance	
	Enforce the Minneapolis Civilian Police Authority Ordinance	
	Monitor employment/hiring goals for contractors supplying the city with goods, services and construction activities. Monitor small and underutilized business participation on city-assisted contracts Monitor contractor compliance with federal and city wage mandates	

Communications	Deliver open transparent access to City news and information	
	Manage the City's image so that Minneapolis is recognized as safe, green, healthy, vital, diverse and well-managed	
	Partner with City departments and leadership to foster an engaged and informed City workforce	
	City's Communications strategies and tools continuously evolve and improve to match emerging trends and best practices	
CPED	Plan and develop a vibrant, sustainable community	
	Promote Private Sector Growth to build a healthy economy	
	Promote economic self-sufficiency for individuals and families	
	Develop and preserve lifecycle housing throughout the city	
Convention Center	MCC is a safe environment for employees and visitors	
	MCC uses resources efficiently	
	MCC delivers quality products and services	
	MCC has a superior work culture that is employee focused and client-centered	
	MCC is recognized as a hospitality asset for the community and region.	
Finance	Reduce and minimize loss and risk exposure to the City and protect City assets	
	Optimize insurance values	

	Reduce accidents involving City employees, and maintain a safe and productive workforce	
	City decision-makers receive and make decisions based on strategic financial information	
	Departments manage and prioritize resources to provide services to Minneapolis residents and other City departments	
	The City plans for and makes effective use of available financial and personnel resources	
	City staff is able to follow user-friendly processes for development of annual operating and capital budgets	
	City debt is managed actively to take advantage of market conditions	
Fire Department	The department is committed to the mitigation of emergency occurrences and in limiting the negative impact of emergencies when they do occur, by providing education which is culturally sensitive, focused on saving lives, fire prevention and other general safety tips	
	Every dwelling has a smoke detector and CO2 monitor	
	Explore other business models of service delivery to identify innovative opportunities and initiate changes to improve the efficiency and effectiveness of operations	
	Maintain a state of readiness at all times no matter what event or incident triggers a suppression or rescue call	
	Promote employee safety, health and fitness as top priorities	
	Foster life long learning to meet the ever evolving changing public needs and expectations	
	Improve dept's capacity to better adapt to economic challenges, changing expectations/ accountabilities and new technology	
	Proactively foster relationships with all City departments	
	Maintain and maximize the use of the state of the art Emergency Operations Training Facility (ETOF)	
	Identify and implement technology based solutions to improve the efficiency and effectiveness of our services and programs	
Health and Family Support	Strong Urban Public Health Infrastructure	
	Healthy weight through active living and healthy eating	
	Healthy sexuality and relationships	

	Thriving and Violence Free Youth	
	A Healthy Start to Life and Learning	
Human Resources	An environment exists where City employees are motivated to contribute to organizational success	
	The City work environment values, respects and embraces diversity and inclusion	
	The City has a comprehensive approach to performance management that effectively aligns the individual contributions of employees to the accomplishment of citywide goals	
	The City is a continuous learning and development organization	
	HR strategy, policies and enterprise systems are progressive and support innovation, continuous improvement and effective utilization of City services & resources	
	Labor strategy supports City goals and collaborative labor management relationships	
Intergovernmental Relations	Resources will be found to fund city priorities	
	Grants Management resource for city departments	
	Achieve federal and state legislative agenda	
	Maintain and strengthen existing partnerships and where appropriate develop new ones	
	Cultivate Met Council relationship	
Neighborhood And Community Relations	Stakeholders are engaged and have the information they need to participate in neighborhood, community and City discourse, processes and opportunities	
	Empowered, inclusive and valued neighborhood organizations	
	City government is understandable, and services and programs are obtainable and equitable for all residents	

	Thriving, safe, sustainable and livable neighborhoods	
Police Department	Citizens have confidence in and trust their police force	
	A department which is a national leader in police innovation.	
	People in our community feel safe	
	A department which is a national leader in reduction of domestic violence	
	A department which is a national leader in addressing gang crime	
Public Works	A work environment that supports, empowers, develops and engages our employees	
	A work environment where continuous improvement is the culture	
	Infrastructure is managed in a sustainable manner, consistent with policy goals established by the council	
	Interaction with Public Works is a courteous, professional and responsive experience	
Regulatory Services	Through emergency preparedness, regulatory enforcement and education, Minneapolis properties (commercial and residential), streets and neighborhoods are safe for residents and visitors	
	Outdoor and indoor spaces are free of health hazards with residents making healthy choices	
	Minneapolis is considered a livable and inviting community to residents and visitors alike.	
	Regulatory Services is continually seeking means to improve our employees and the delivery of services to our customers	

**City of Minneapolis
2013 Budget**

Financial Policies

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**City of Minneapolis
2013 Budget
Financial Policies**

Financial Management Policies

OPERATING BUDGET 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, including those activities contained within the Internal Service Funds. To the extent that an activity is not self-supporting, long-term financial plans shall be created to secure a self-supporting state in the future.

Service Levels. 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 should be made as a part of the annual budget process. New initiatives will be financed by reallocating existing City resources to the services with the highest priorities as determined by the City Council. Services funded through the identification or raising of additional revenues may be given higher priority.
- **[New in 2013] Personnel Expenses.** Departments are to account for the salaries and benefits of permanent employees within their ongoing budget appropriations. Departments may use projections of bell-curve staffing to adjust the level of employees throughout the year as long as the department does not exceed its appropriated budget.
- **Overtime Limitation.** The policy approved by the Mayor and Council limits all departmental overtime to 5% of the budgeted amount for the salaries and wages category in the current budget year.
- **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.
- **Grant Funded Programs.** General governmental 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. Grant funding for permanent improvement funds and internal service and enterprise fund activities shall be accounted for in those funds. 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 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 and budgeted accordingly include the following: 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 and budgeted. Interest on special assessments receivable is not accrued or budgeted. Major revenues that are not accrued because they are not available soon enough to pay liabilities of the current period or are not objectively measurable include the following: delinquent property taxes and assessments, licenses, permits, fines and forfeitures. Delinquent property taxes are not budgeted, while the other categories are budgeted on a cash basis.

In the governmental funds, expenditures are generally budgeted when the related fund liability is incurred. Only the current portion of principal and interest expense on general long-term debt is budgeted. Compensated Absences and Other Post-Employment Benefits are not budgeted and are considered expenditures at the time they are paid out. Salary expenditures are budgeted based on full time equivalents (FTEs), regardless of the type of pay.

Proprietary [internal service and enterprise] funds use the accrual basis, and 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 and volume of service consumed, 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 Departments, the Public Works Department and the City Council/City Clerk/Elections areas are examples of what levels are considered to be legal levels of budgetary control within a fund, even though budgetary data may be presented at lower levels. Budget amendments at the department/fund level must be approved by the City Council. Budget amendments below the department/fund level may be approved by the appropriate department director, but are not required. Generally all appropriations for operating activity lapse at year end, with the exceptions of approved encumbrances and requests approved during the roll-over process after year end [See re-appropriation of authority in section on Authority of Finance Officer].

Purchase orders, contracts, and other commitments are recorded as encumbrances, which reserve appropriation authority. Encumbrances outstanding at year-end are reported as restrictions of fund balance. The appropriations for these encumbrances do not automatically transfer to the following year, but rather are included as part of the annual roll over processes.

Five-Year Financial Direction. City departments will prepare business plans with a rolling five-year planning horizon which reflect the anticipated allocation of general City revenues, including property tax and state aid revenue. This financial direction is based upon the City's shared revenue distribution policy which aligns the revenue growth of City departments and independent boards and is updated with each budget release.

Grant Funding in the Five-Year Financial Direction. All applications for grant funding require Council approval. Any department applying for grant funding should be aware of the effect on their budget of one-time-only funding, additional costs for maintenance, operation, and replacement of equipment and other capital assets purchased with grant funding, as well as grant funding that provides for funding of personnel and requires the maintenance of a minimum staffing level and/or maintenance of effort contribution. The department requesting the funding shall determine the amount of additional City resources that will be required to fund the ongoing services, maintenance and operation costs, and positions once the grant funding expires and report those estimates to the Finance Department. As a condition of accepting the funds, the Council shall identify permanent resources and amend the Five-Year Financial Direction to reflect adequate resources to cover the costs and retain the positions, if appropriate, once the grant funding ends.

REVENUE POLICIES

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

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

Revenue Distribution. Major sources of broad-based revenue, including Local Government Aid (LGA) and property tax revenue, shall be treated in the aggregate, allowing for changes in the level of resources to be consistently aligned among the City and independent boards. Future increases will be aligned with available resources, and the annual percentage change in revenue available for activities of the City, Park Board and MBC will be similar for each entity.

Costs of shared services among the jurisdictions will be funded prior to determining the amount of resources available for general operating expenditures. These costs include closed pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher's Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, and shared administrative costs.

City and independent board priorities that require an increase for one entity above others will be clearly funded to allow for maximum transparency.

The annual adjustment in revenues available to each entity in a given budget year for general activities will be based on the projected percentage increase in costs. The funding available for the activities will be based on the sum of the LGA, total tax collections, and total General Fund revenues after funding the costs of shared services outlined above. Available funding shall exclude funds transferred to other entities, including the following:

- *For the Park Board,* the funding amount shall exclude the General Fund Overhead transfer to the City, the General Fund Administration Fee transfer to

the City, and the costs of Park Board Capital Improvements funded from the Park Board levy.

- *For MBC*, the funding amount shall exclude the General Fund Overhead transfer to the City.
- *For the City's General Fund*, the funding amount shall exclude the General Fund Overhead not recovered from the Park Board, MBC, and others.

The tax revenue percentage change for the City, the Park Board, and MBC may vary from year to year based on adjustments to LGA, total General Fund revenues, and adjustments to those items excluded from general activities, as well as adjustments to the projected change in cost of providing services.

License, Permit and User Fees. The City shall implement user charges to supplement general revenue sources for identified services where the costs are related to the level of service.

[New in 2013] Local Sales Taxes. The City shall use the proceeds from local sales taxes dedicated by the State for municipal use as funding permits for the following purposes, as ordered below:

- For the payment of debt service obligations on the City's convention center.
- For operational support of the City's convention center, inclusive of maintenance, service, and marketing agreements.
- For baseline capital projects and maintenance at City facilities as allowed by law, including the City's convention center and Target Center.
- For establishment of reserves in a tax stabilization account to smooth changes in taxes levied.
- For infrastructure needs that promote economic development.
- For economic development-related public safety needs.
- For discretionary capital projects at the City's convention center and Target Center.

Cost of Service. The City shall establish user charges and fees at a level that reflects the cost of providing the service. Components of the user charges may 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.

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 may be set at different levels than charges to residents to minimize the tax burden on City residents.

Enterprise Service Fees and Rates. 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 shall be set such that these enterprise funds maintain a positive cash position throughout the year.

Administrative Fees. The General Fund Overhead Allocation Model shall be used to recover General Fund costs attributed to all non-General Fund activities.

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

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

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

City-Administered Special Assessments. The City Council has the authority to levy special assessments. There are four main areas of assessments:

- *Capital or Infrastructure/Public Works Improvements:* Most common types of assessments are for infrastructure improvements and replacements such as sidewalks, street improvements, water and sewer line repairs and special service districts. (Assessments for unpaid utilities are handled by the City's Finance Department.)
- *Inspections and Code Enforcement:* 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 fees and inspections.
- **[New in 2013]** *Tax-Forfeited Properties:* A portion of nuisance abatement special assessments under State statute may be cancelled for tax-forfeited properties.
- *Park Board:* Most common types of assessments are for tree removal, and parkway and sidewalk reconstruction.
- *Unpaid Citations and Invoices:* Most common types are for unpaid Administrative Citations and utility bills, as well as abatement and service invoices.

Method of Payment (Public Works 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 following the process outlined in MN Statutes 429.061. 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 be set annually based upon the financing cost of the improvement. The first installment shall be payable in the year following completion of the project and in the same manner as real estate taxes

Permanent Improvement Fund. The Permanent Improvement Fund is used to account for construction costs on basic governmental infrastructure projects. The fund is used to record both expenditures on projects and revenues received from outside funding sources as well as such internal sources as capital improvement tax levies, special assessments, and proceeds of bonds issued for public infrastructure projects. All project costs not assessed 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 shall be paid from the Permanent Improvement Fund and offsetting revenue. City Council approval is required in order for the Permanent Improvement Fund to cover insufficiencies.

Uniform Assessment Rate. The Uniform Assessment Rate is a standardized rate applied in street construction and street renovation projects. Assessments shall 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 construction 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, renovation, or resurfacing), funding category (local or other) and benefited parcel category (non-residential or residential).

Proceeds from Sale of Real Property. The Property Disposition Fund was created in section 14.120 of City Ordinance, which requires proceeds from the sale of City property to be deposited into a Property Disposition Fund. The proceeds of this 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 with the exception of enterprise and proprietary funds and those funds associated with economic development purposes.

FUND BALANCE POLICIES

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

General Fund Cash Flow and Contingency. The City shall maintain a minimum unallocated General Fund balance of 15% of the following year's revenue budget amount to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, and to meet unexpected increases in service delivery costs or unexpected revenue deficits. These funds will be used to avoid cash flow interruptions, generate interest income and avoid the need for short-term borrowing.

Adequate operating contingency reserves shall be maintained to provide for business interruption costs and other unanticipated expenditures of a non-recurring nature. Enterprise funds shall also maintain adequate capital fund reserves 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, including the following:

General Fund Operating Contingency. Separate from the unallocated general fund reserve balance, the City shall budget an operating budget contingency of not less than 1% of all budgeted general fund expenditures in each of the applicable years planned for in the City's Five-Year Financial Direction.

Non-General Governmental Funds. The appropriate balances shall be the amount needed to maintain positive cash balances throughout the year with exceptions made for those funds associated with economic development purposes.

Enterprise Funds. The City shall maintain a minimum cash balance in its Enterprise Funds equal to approximately three months of operating expense, or 25% of the annual operating budget. This 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, with exceptions made for those funds associated with economic development purposes.

Internal Service Funds. The following balances shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions:

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

Use of Fund Balances. 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, revenue and expense activity include bond proceeds and debt service. 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 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 and/or service level efficiencies.

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.

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 federal and state laws and regulations and generally accepted accounting principles (GAAP).

Accounting Standards. The City shall establish and maintain a central accounting system according to 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 all financial activity 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 as required by the Office of the Minnesota State Auditor.

INVESTMENT POLICIES

All revenues for the City of Minneapolis not immediately required for payment of obligations are placed in an investment pool to earn income for the City. The investment pool consists of the combined cash balances of the various funds of the City. The pooled cash is parceled out to investment management firms. Investment pool earnings are allocated monthly to the various funds. All investments must comply with State and Federal law, as well as the City's "Investment Guidelines." The "Investment Guidelines" contain the full investment policies of the City.

DEVELOPMENT FINANCE POLICIES

The objective of the 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. City staff shall identify sufficient public and private resources at the time a project is approved to ensure feasible completion and operation of the project. All development financing proposals shall be reviewed to ensure that the proposed finance plan is reasonable, balanced, and the best means by which to achieve City objectives, while adequately protecting citywide financial interests.

Tax Increment Policy. The Tax Increment Policy guides the City's use of the tax increment financing (TIF) tool, identifying the purposes and conditions under which TIF will be used and the factors to be considered when evaluating developers' applications for TIF assistance. The policy provides that TIF will only be used when the City has the financial capacity to provide needed public assistance and a developer can clearly demonstrate that the development will be able to meet its financial and public purpose commitments. The City seeks to recapture the public investment 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. The City will only issue general obligation tax increment bonds in rare situations and under certain strict criteria. Only those public improvements and public redevelopment costs directly associated with or needed to service proposed development plans or projects are to be financed through TIF.

The complete current Tax Increment Policy, approved by the City Council is available at: http://www.ci.minneapolis.mn.us/cped/resources/reports/cped_tax_increment_policy

Tax Abatement Policies. The Policy for the Use of Tax Abatement for Historic Properties identifies the circumstances in which the City will consider the use of tax abatement to support the substantial rehabilitation of designated historic preservation properties. Proposed uses of tax abatement must achieve one or more identified objectives, and the expected benefits to the City must at least equal the City's costs. The complete current policy, approved by the City Council is available in its entirety at: http://www.ci.minneapolis.mn.us/cped/resources/reports/cped_tax_abatement_historic

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.

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.

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 residents.

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.

ALLOCATION MODEL POLICIES

The City employs cost allocation models for a variety of purposes:

- Recovery of indirect costs for grants, capital projects, internal and external work-for-others.

- Internal Service Funds.
- To support activities and services of departments funded by the General Fund that are provided to other departments that are supported by other fund types.

The primary methodology used is Activity-Based-Costing which links the cost of the service provided to the consumption of the service.

- Cost allocation models should recover indirect labor, depreciation, general and administrative costs, and costs from other allocation models.
- Cost allocation models should abide by grant agreements, contracts and other applicable Federal, State and local guidelines.
- Cost allocation models should be reviewed and updated annually.

Internal Service Funds (ISF's): All ISF's use cost allocation models to recover costs.

General Fund Allocation Model. The City will recover costs within the General Fund related to services it provides to non-General Fund departments. The following General Fund departments participate in the allocation model:

Finance & PS	Coordinator Admin	Human Resources	Mayor
Civil Rights	IGR	CPED	Communications
City Clerk	Assessor	Internal Audit	

The allocation of those costs shall be based on a consistent methodology, applied enterprise-wide and developed and administered by the Finance and Property Services Department.

The General Fund overhead allocation model is not self-balancing in nature; costs that should be borne by one department will not be subsidized by another unless it is determined by the Finance and Property Services Department that a phase-in period is necessary.

The General Fund allocation model will adhere to the applicable policies set forth for Internal Service Funds.

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

Management Support Charges to Independent Boards. 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 prorated costs and collection of the charge will be finalized and communicated to the Independent Boards by December 31 of each year in accordance with the City's revenue policies.

ADMINISTRATIVE POLICIES

Year-End Report. The Finance department will report to the Ways and Means/Budget Committee on year-end expenditures and revenues by department and fund compared to authorized allocations for the prior fiscal year. This report will identify departments and funds

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 April. 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 meet authorized appropriations.

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. IT and Finance and Property Services should work with departments to ensure those costs are identified and included in the contract for technology services.

Contract Funding. 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.

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 & Property Services Department shall submit a quarterly gift report to the City Council's Ways and Means/Budget Committee for approval. Consistent with Minnesota Statutes, section 465.03, the department may not use the gift until it has been approved by a two-thirds vote of the City Council.

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

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

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

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

Central Requisitions and Receiving Policy. The City has developed a Central Requisitions and Receiving process as outlined on the City's Finance & Property Services Department internal website.

City Time Reporting. Every employee of City departments must follow the City's Time and Labor guidelines for time reporting and approval of compensation, reporting both working and non-working compensable hours. With the exception of Charter Department Heads, every employee's timesheet must be approved by a supervisor, regardless of FLSA exemption status.

Authority of the Finance Officer

The Finance Officer or his/her designee has the authority to approve the following 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 Deputy Finance Officer and/or Controller to sign real estate and bond documents in the absence of the Finance Officer.
- To amend appropriations related to technical accounting treatment changes.
- To adjust re-appropriations for grant funds within cost centers as appropriate.
- To assign fund balance in accordance with GASB 54 based on analysis provided by the City Controller.
- To allocate the State Insurance Aid payments received from the state for pension costs.
- To adjust the appropriations of the special revenue funds for payments to various pension organizations as may be required.
- 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 objectives within given programs and within normal CDBG program constraints.
- To make any necessary appropriation adjustments to allow departments to receive and spend funds consistent with Council-approved actions.
- To approve any and all transfers of eligible revenues into the Development Account (based on an eligibility assessment and analysis conducted by Finance & Property Services Department staff).
- To approve any and all transfers of eligible revenues into the Property Disposition Fund (based on approval by the Facilities, Space and Asset Management Committee and eligibility assessment conducted by Finance & Property Services Department staff).
- To appropriate available grant balances.
- To make appropriation adjustments to correct any errors, omissions or misstatements to accurately reflect the intent of the City Council in adopting the Operating or Capital Budget.
- **[New in 2013]** To reduce any capital appropriation whenever a revenue source is determined to be uncollectible for whatever reason.
- 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 and development program.
- **[New in 2013]** To approve the closure of non-bond funded capital projects.
- 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 internal allocation models and the appropriations attached to them.
- To reduce LGA payments to the Independent Boards if payment of the management support charge, or any other charges required by City Ordinance, are not received prior to the distribution of the December LGA payment. This reduction shall only occur after an affirmative vote of the Council to implement this authority.
- To re-appropriate funds and certify that an encumbrance is eligible for re-appropriation at the end of the fiscal year. Additionally, the Finance Officer may reject re-appropriation requests based on the financial health of the fund or extenuating circumstances. To be eligible for re-appropriation, requests must meet all of the following criteria:
 - 1) Be a valid encumbrance;
 - 2) Be a one-time expenditure, not a recurring budget item;
 - 3) Have a purpose consistent with the department's business plan;
 - 4) Have the budget year appropriation balance available for the encumbered item; and
 - 5) Have a positive fund financial position, i.e., status of the fund relative to work out plans and whether the fund's spending in the preceding year had expense in excess of revenue.

CDBG REPROGRAMMING POLICY

The City's current over-obligation of CDBG funds stands at \$4.4 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

carry out 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 expired for those projects that have not moved forward toward implementation as enumerated by meaningful financial obligation activity indicated by a minimum of 75% of appropriation expended on tangible project activities by the end of 2009 for appropriations authorized in 2006.

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

Projects with a twelve-month period of inactivity shall be cancelled if the project has been authorized for more than three years.

CAPITAL BUDGET POLICIES

The objective of the capital budget policies is to ensure maintenance of capital assets and 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.

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

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 from current revenues.

CAPITAL PROJECT ADMINISTRATION

Reduction of Appropriations if revenues do not materialize. The amounts appropriated for capital projects using various revenue sources are appropriated contingent upon the reasonable expectation of receipt of the identified revenue.

Reappropriation of Capital Projects. Capital project appropriations automatically roll over from year to year for ongoing projects. The balances of prior year appropriations supporting operating budgets and reimbursable projects in capital project funds, internal service funds and enterprise funds do not roll over from year to year.

Expiration of Revenue Funded Capital Projects in Enterprise funds. For certain enterprise fund capital projects, annual revenues are designated as the source of funding. These projects are typically for recurring major maintenance projects or ongoing long-term programs. 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 receive a new annual appropriation each year based on work needs, existing financial capacity and utility rate considerations. Bond appropriations authorized for these programs will be carried over upon request.

Reallocation of Bond Resources. Reallocation of excess bond proceeds must follow applicable charter, statutory and IRS regulations and provisions related to the issuance and use of those resources consistent with the City's comprehensive plan. Bonds cannot be reallocated until a project is completed and closed or abandoned. At the time of project closing, any excess bond proceeds will be reallocated according to the following priorities:

- 1) Completed projects with existing deficits;
- 2) Approved capital projects or programs with projected deficits;
- 3) Returned to the debt service fund to increase capacity for future capital programs.

Expiration of Capital Project Funding. For all capital appropriations, the City Council authorizations for bond issuance and project appropriation will expire a maximum of four years after original project appropriation.

The expiration of bond authorizations and project appropriations under this policy will automatically take place unless a request for extension is specifically made to the Ways and Means/Budget Committee and is approved by the City Council.

Annual Capital Project Status Report. The Finance and Property Services Department will report to the City Council's Ways & Means/Budget Committee annually on the status of capital projects. The annual capital project status report shall contain the following information by project and capital program year:

- 1) A list of open capital projects for which bonds or City funding sources have been authorized;
- 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 authorizations and appropriations identified for expiration in the following year.

The Finance and Property Services Department shall also report on capital project appropriations and bond authorizations that may be cancelled and bond proceed reallocations due to projects that have been completed or otherwise concluded, or because the purposes for which money was appropriated or bonds authorized or issued have been cancelled, completed, or otherwise abandoned.

DEBT POLICIES

The debt management policies provide a framework for managing the City's debt-funded 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 Finance Officer. The Debt Management Committee advises on the use of debt financing and debt management activities. The Debt Management Committee meets periodically at the call of the Director of Capital & Debt Management and includes the following persons:

- Finance Officer
- City Attorney
- Deputy Finance Officer/Director, Budget and Enterprise Financial Management
- 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 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. 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.

Conduit Debt Financings. The City maintains 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 shall 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.

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

General Obligation Revenue Bonds. The City issues general obligation revenue bonds to finance assets associated with its primary enterprise businesses including storm water and sanitary sewers, waterworks and parking ramps. Financial feasibility of capital projects is reviewed each year, including a review of the cash basis pro formas for these funds. Five-year business plans detailing projected operating costs and prior debt obligations are reviewed as well as revenue performance and rate setting analysis to ensure that adequate bond coverage ratios are achieved.

Tax Increment Bonds. The City uses tax increment bonds only where projects can be shown to be self-liquidating from tax increments arising in sufficient amounts, or where secured guarantees are provided for potential shortfalls, and with appropriate timing to avoid, to the maximum extent possible, the use of citywide property tax revenues and where maximum allowable guarantees are obtained.

The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment is either fully constructed or is underway and subject to the terms and conditions of a development agreement with the City. Alternatives, such as “pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues, are available as alternatives 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 asset financed and frequently chooses terms shorter than the economic life to minimize interest expense. 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. The City shall also obtain assurances of project viability and guarantees of completion prior to the issuance of bonds.

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.

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 as required by law. The Finance Officer is further authorized to adjust debt service budgets resulting from new bond sales and refunding bonds issued during the year.

Alternative Financing Arrangements. 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 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.

Accounting Adjustments. The Finance Officer is authorized to approve adjustments to capital appropriations between different capital departments for the same project within the same fund and revenue sources. Such appropriation adjustments 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.

Appropriation of Debt Service. Debt service funds shall be appropriated with sufficient funds to pay debt service requirements.

[New in 2013] Post Issuance Compliance Policy. The City of Minneapolis adopted a formal Post-Issuance Compliance Policy on August 3, 2012. This policy establishes the documentation requirements and management actions the City will perform to ensure compliance with the Internal Revenue Code and Treasury Regulations. Compliance with Treasury Regulations is required to maintain the tax-exempt status of the City's bonds. A copy of the full policy is available online here: <http://www.minneapolismn.gov/www/groups/public/@clerk/documents/webcontent/wcms1p-096355.pdf>

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 annual 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 related to the design and construction of the projects after approval of the capital budget. In addition, as approved by resolution 2008R-133, the City hereby declares its official intent to reimburse itself for expenditures for projects described as bond funded in the annual adopted capital resolution and subsequent related resolutions. The projects are more fully described on Capital Budget Request forms on file in the office of the Director of Capital and Debt Management. The reasonably expected source of funds to pay debt service on the tax-exempt bonds to be issued by the City consists of the following according to the designated bond type:

Bond Type	Source
Net Debt	Property Taxes
Equipment, Property Services or Information Technology	Internal User Fees
Sanitary Sewer	Sanitary Sewer Fund 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.

**City of Minneapolis
2013 Budget**

Financial Overview

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Residential Property Taxes and Utility Fees: Sample BillsE44
Commercial/Industrial and Apartment Property: Sample BillsE46

City of Minneapolis 2013 Budget

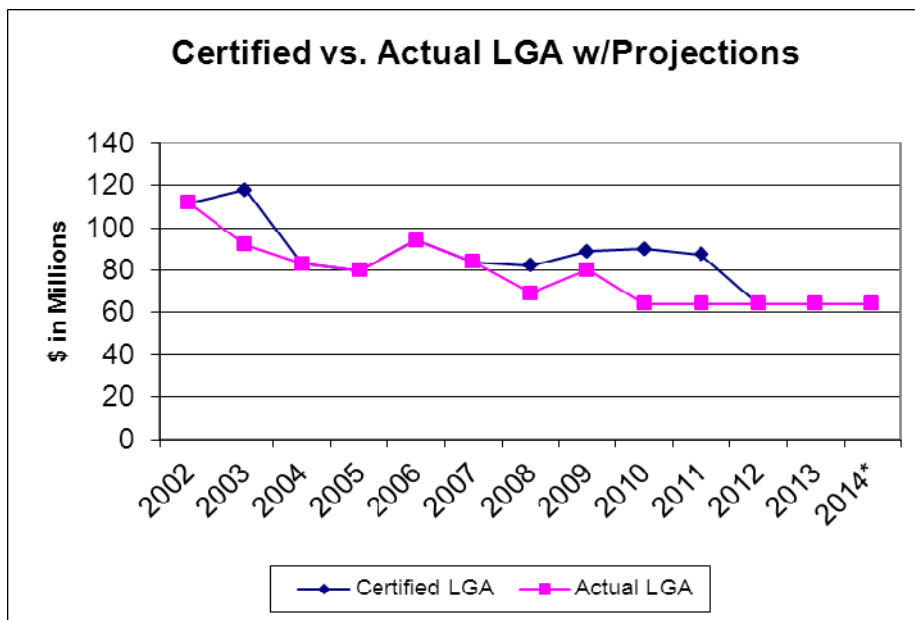
Financial Overview Prepared by the Minneapolis Finance Department

The 2013 Council Adopted Budget for all City funds of \$1.196 billion was adopted December 12, 2012. The 2013 budget represents a \$29 million, or 2.4%, *decrease* from the 2012 Council Adopted Budget of \$1.225 billion. The largest contributing factor to this decrease is the result of accelerated payments towards the City's bond obligations during 2012. The Mayor recommended, and the Council adopted, a 2013 property tax levy of \$284,560,000, an increase of 1.77%, or \$4,953,000 over the 2012 level.

2013 is the second year in which the budget is presented without transfers. Transfers have also been removed from charts and numbers within this document, including totals for comparative prior years. The 2013 Council Adopted Budget is further presented with financial information for the City's Independent Boards, although their budgets are moved separately from the Mayor's Recommended Budget process, and the Mayor's Recommended Budget did not include this information.

Local Government Aid (LGA)

Following several years of uncertainty in funding from the State of Minnesota in the form of LGA, including the loss of over \$70 million from 2008-2011, the State has appropriated \$64.1 million in LGA for Minneapolis in 2013. This is the same amount the City received for 2012. Of this \$64.1 million, the City will use \$56.4 million for its General Fund, allocate \$7.6 million to the Park Board, and the remaining \$0.2 million to the Municipal Building Commission (MBC). The following table shows the historical certified and actual LGA amounts including the reductions, as well as projected LGA levels for 2014 based on current law:



* 2014 amount is projected to remain the same as 2012 and 2013

Major Highlights

The 2013 Council Adopted Budget includes significant proposals to address future financial challenges. It is important to be aware of these initiatives when making comparisons between budget years, and to understand the context in which these decisions were made.

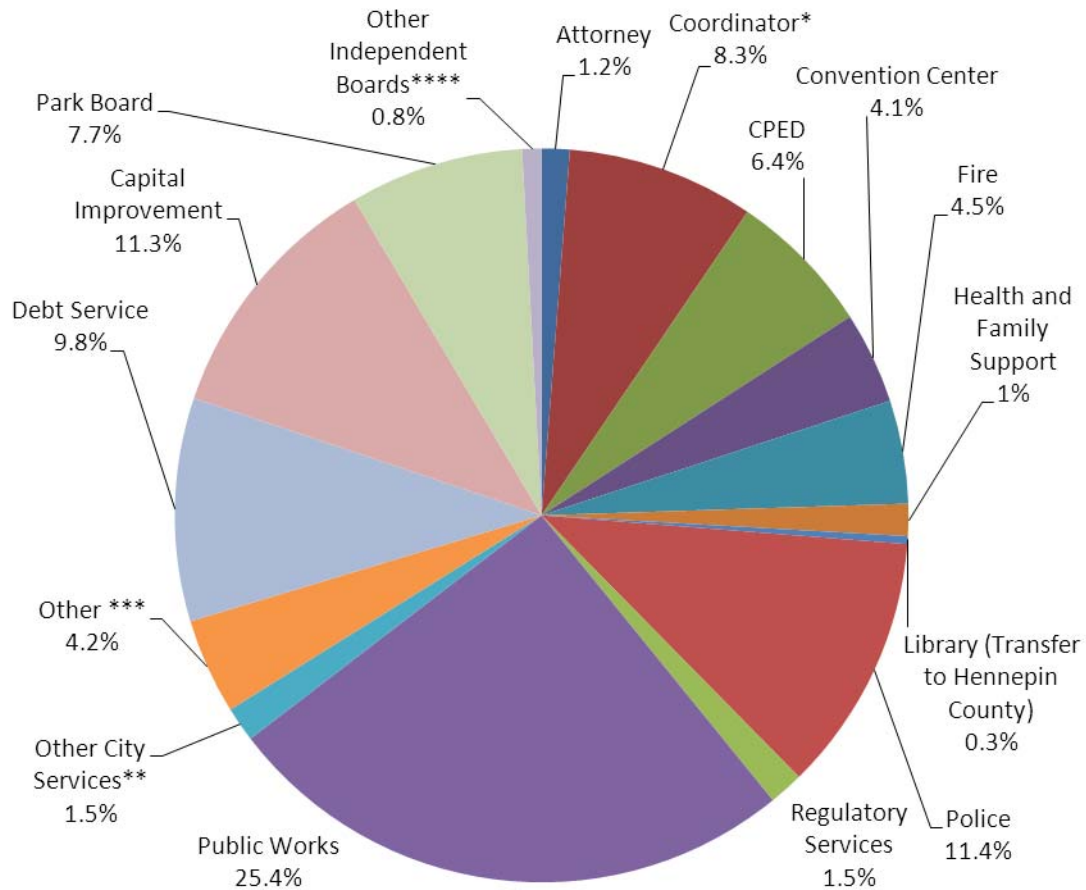
The highlights include the following:

- The budget for City departments increases by only 0.4% in 2013, or \$2.9 million, to help hold the property tax increase down to 1.77%. As part of this budget, the Mayor recommended and Council adopted departmental reductions in 2013 to reflect savings attributable to a lower cost for health insurance than was anticipated early in the budget development process.
- 2013 is the second year of a two-year implementation of Priority-Based Budgeting. In this process, departments make proposals for funding their programs. These proposals are essentially applications for funding based on the City's goals and priorities. Each proposal is allowed to apply for funding within a category.
- The Mayor recommended a major realignment of the Regulatory Services Department to reduce management overhead costs, more closely align revenue budgets with actual experience, and create symmetry between departmental missions and City programming.
- The 2013 Council Adopted Budget continues aggressive efforts to reduce the City's internal service fund deficits, build up public safety programs through the hiring of new cadets in the Police and Fire Departments in response to anticipated retirements, and to stabilize long-term obligations including pensions and bonded debt payments.
- The 2013 Council Adopted Budget begins to lay the foundation for a wave of development associated with the new stadium for the Minnesota Vikings and other uses. The City's support of the stadium project will impact several departments as permits are issued and construction progresses.
- It is also anticipated that the new stadium will provide the City with additional revenue that will serve to offset related expenses. Without this new revenue, the Mayor's proposed property tax levy would have been approximately \$5 million higher for 2013. The expanded revenue will offset additional Convention Center and Target Center operating and maintenance expenses and provide for increased police presence around City entertainment venues.
- Future challenges that the 2013 budget addresses, through the five-year financial direction, include the impacts of rebounding property values, rising pension obligations, and continued growth in the cost of providing City services due to inflationary pressures.

City Spending

Below is a summary of the 2013 Council Adopted Budget by major spending categories, excluding transfers.

Total Expense Budget – Use of Funds 2013 Council Adopted Budget \$1.20 Billion



* Includes Human Resources, Finance, 311, Intergovernmental Relations, Communications, Neighborhood and Community Relations, IT, 911 and Emergency Preparedness

** Includes Assessor, Internal Audit, City Clerk/Elections/Council, Civil Rights and Mayor

*** Includes Non-departmental, Health and Welfare, Worker's Compensation, Liability, Contingency and Pensions

**** Includes Neighborhood Revitalization Program, Board of Estimate and Taxation, the City's Contribution to Minneapolis Public Housing Authority, and Municipal Building Commission

Note: See the "City Council Operating Departments" section in the budget document for further explanation of changes between years.

Expenditures by Service

(In Millions of Dollars)

	2012 Adopted	2013 Adopted	% Change	\$ Change
Attorney	14.2	14.7	3.8%	0.5
Coordinator*	100.3	98.4	-1.9%	(2.0)
CPED	63.5	76.5	20.6%	13.1
Convention Center	48.7	48.5	-0.6%	(0.3)
Fire	52.3	54.3	3.9%	2.1
Health and Family Support	10.7	16.9	58.0%	6.2
Library (Transfer to Hennepin County)	5.0	4.1	-17.6%	(0.9)
Police	135.4	136.1	0.5%	0.7
Regulatory Services	40.1	18.1	-54.7%	(21.9)
Charter Departments Subtotal	470.2	467.7	-0.5%	(2.5)
PW - Administrative Services	2.8	2.9	3.2%	0.1
PW - Fleet	43.7	42.9	-1.7%	(0.7)
PW - Solid Waste	32.9	36.8	12.0%	3.9
PW - Traffic & Parking	56.4	53.4	-5.3%	(3.0)
PW - Transportation Maintenance and Repair	41.7	42.3	1.6%	0.7
PW - Transportation Planning & Engineering	11.4	11.3	-1.3%	(0.2)
PW - Water Treatment & Distribution	51.1	50.9	-0.4%	(0.2)
PW - Surface Water and Sewer - Stormwater	15.5	17.3	11.8%	1.8
PW - Surface Water and Sewer - Sanitary Sewer	44.3	46.5	5.1%	2.3
Public Works Subtotal	299.6	304.3	1.6%	4.7
Other City Services**	18.0	18.7	4.2%	0.7
Other ***	42.6	50.4	18.4%	7.8
Debt Service	180.8	117.7	-34.9%	(63.1)
Capital Improvement	112.8	135.1	19.8%	22.3
Subtotal	354.1	322.0	-9.1%	(32.2)
Park Board	90.8	91.7	1.0%	0.9
Other Independent Boards****	9.9	10.2	2.5%	0.3
Independent Boards Subtotal	100.7	101.9	1.2%	1.2
Total City Spending	\$1,224.6	\$1,195.8	-2.4%	(\$28.8)

* Includes Human Resources, Finance, 311, Intergovernmental Relations, Communications, Neighborhood and Community Relations, IT, 911 and Emergency Preparedness

** Includes Assessor, Internal Audit, City Clerk/Elections/Council, Civil Rights and Mayor

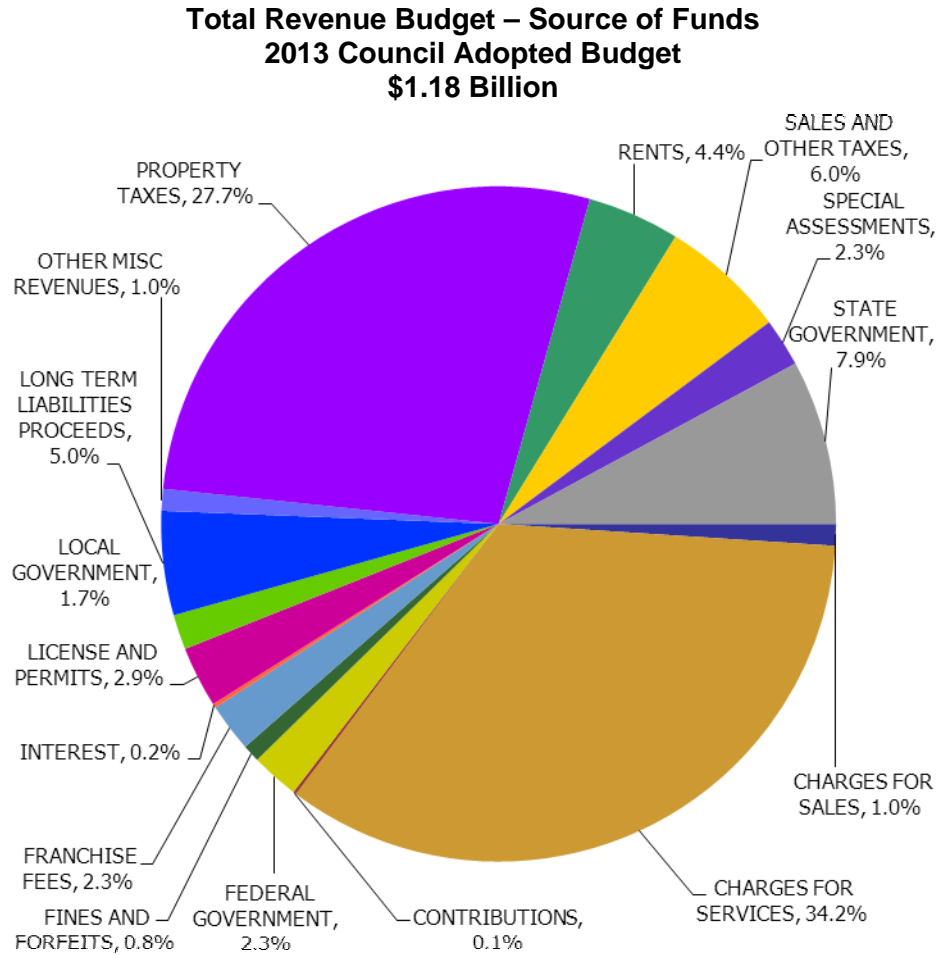
*** Includes Non-departmental, Health and Welfare, Worker's Compensation, Liability, Contingency and Pensions

**** Includes Neighborhood Revitalization Program, Board of Estimate and Taxation, the City's Contribution to Minneapolis Public Housing Authority, and Municipal Building Commission

Note: See "City Council Operating Departments" and section in the budget document for further explanation of changes between years.

City Sources of Revenue

Below is a summary of the 2013 Council Adopted Budget revenues by major category.



In 2013, the City forecasts \$1.182 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. For example, 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 the 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 these 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 such as street or sidewalk maintenance. Bond proceeds must go to purposes for which the debt was incurred. Local sales tax revenues generally support the Convention Center and Convention Center-related facilities, the Target Center, capital projects, and other economic development-related purposes. Like many Minnesota cities, Minneapolis pays for core City services (police, fire, streets, parks, etc.) primarily with property taxes and LGA.

Revenue by Type

Revenue Category	2012 Adopted	2013 Adopted	\$ Change	% Change
CHARGES FOR SALES	12.8	12.2	(0.6)	-4.6%
CHARGES FOR SERVICES	396.0	404.5	8.6	2.2%
CONTRIBUTIONS	1.5	1.7	0.2	15.1%
FEDERAL GOVERNMENT	34.1	27.2	(6.9)	-20.3%
FINES AND FORFEITS	10.8	9.8	(1.0)	-9.2%
FRANCHISE FEES	27.5	27.4	(0.1)	-0.4%
GAINS	0.2	0.2		0.0%
INTEREST	2.1	2.2	0.1	2.7%
LICENSE AND PERMITS	31.8	34.5	2.7	8.6%
LOCAL GOVERNMENT	11.9	19.8	7.9	66.3%
LONG TERM LIABILITIES PROCEEDS	49.2	58.9	9.7	19.7%
OTHER MISC REVENUES	29.3	12.4	(16.9)	-57.8%
PROPERTY TAXES	328.0	327.4	(0.6)	-0.2%
RENTS	54.1	52.3	(1.8)	-3.3%
SALES AND OTHER TAXES	65.5	71.2	5.7	8.7%
SPECIAL ASSESSMENTS	22.4	27.3	4.8	21.5%
STATE GOVERNMENT*	94.4	93.2	(1.2)	-1.2%
Total Revenue	\$1,171.6	\$1,182.2	\$10.7	0.9%

*LGA is reflected in the State Government line

The change in property tax revenue shows a different change than the change in levy because tax increment property tax revenue fluctuates due to the certification and decertification of tax-increment financing districts.

Budget by Fund

The City uses different “funds” to account for expense and revenue associated with the various services provided. The **General Fund**, where the City accounts for most property tax supported services, represents 29% of the 2013 Council Adopted Budget.

Special Revenue Funds are used for personnel costs, operating costs, contractual services and equipment that are funded by specific revenue sources. These funds support the convention center, health and family support, public safety, Federal, State and local grants and ongoing support of closed pension funds.

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

Debt Service Funds are used to pay interest and principal on City debt.

Internal Services Funds are used to account for business-like services that the City provides to other City departments. Internal services include information technology, fleet (e.g. police squad cars and fire equipment), property services, tort claims, and workers compensation claims.

Enterprise Funds include services that the City provides that operate like a “business” – similar to internal service funds but with external customers. Charges for services are expected to recover operating costs, indirect costs, capital investments, and interest expense. Enterprise services of the City include sanitary sewer services, stormwater management and flood mitigation, water treatment and distribution, solid waste and recycling, and parking.

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

Expense and Revenue by Fund Type

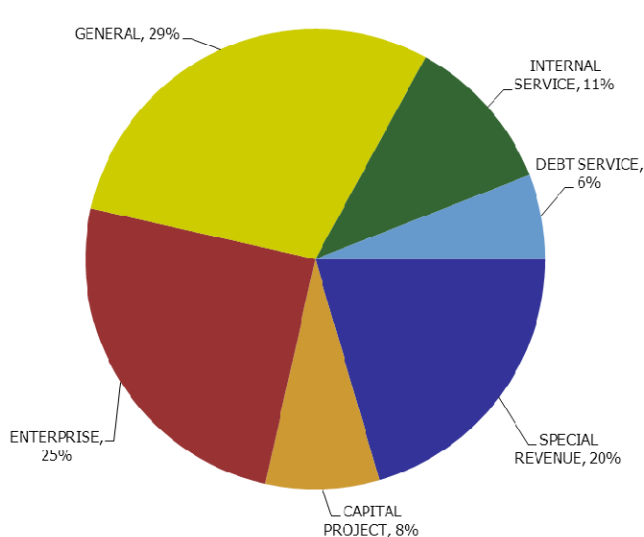
(in millions of dollars)

Expense:	2012 Adopted	2013 Adopted	% Change	\$ Change
GENERAL	\$337.9	\$351.7	4.1%	\$13.9
SPECIAL REVENUE	\$248.0	\$245.1	-1.2%	(\$2.9)
CAPITAL PROJECT	\$85.1	\$95.7	12.4%	\$10.5
DEBT SERVICE	\$121.6	\$71.3	-41.4%	(\$50.3)
INTERNAL SERVICE	\$138.9	\$132.4	-4.6%	(\$6.4)
ENTERPRISE	\$293.1	\$299.6	2.2%	\$6.4
Total	\$1,224.6	\$1,195.8	-2.4%	(\$28.8)

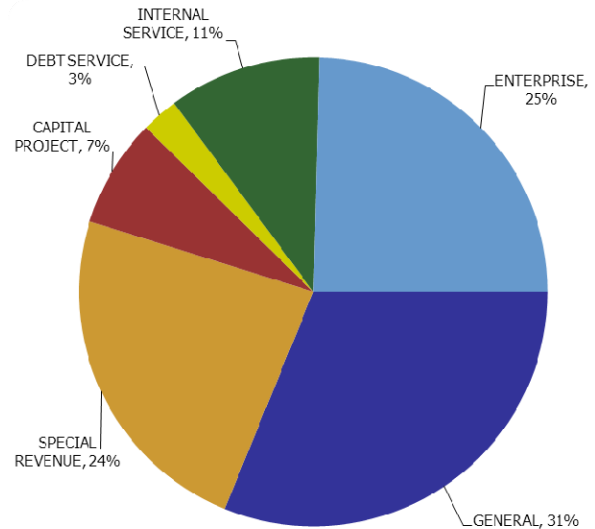
Revenue:	2012 Adopted	2013 Adopted	% Change	\$ Change
GENERAL	\$356.9	\$368.6	3.3%	\$11.7
SPECIAL REVENUE	\$303.7	\$279.9	-7.8%	(\$23.7)
CAPITAL PROJECT	\$75.1	\$88.6	17.9%	\$13.4
DEBT SERVICE	\$18.5	\$29.9	61.6%	\$11.4
INTERNAL SERVICE	\$123.7	\$124.3	0.5%	\$0.6
ENTERPRISE	\$293.7	\$291.0	-0.9%	(\$2.8)
Total	\$1,171.6	\$1,182.2	1.3%	\$10.7

Note: This chart shows General Fund revenues higher than expenditures due to the removal of transfers from the presentation of the 2013 Council Adopted Budget. Transfers are included in the Financial Plans section of the budget detailing the General Fund.

**Total City Expense Budget by Fund
2013 Council Adopted Budget
\$1.20 Billion**



**Total City Revenue Budget by Fund
2013 Council Adopted Budget
\$1.18 Billion**



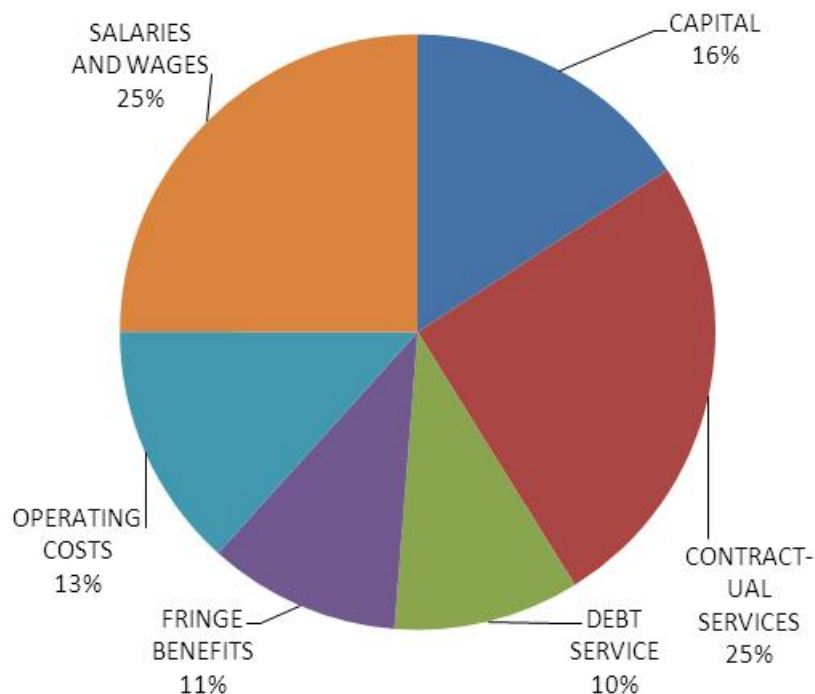
The largest portion of the City's budget is spent on personnel, which makes up \$424 million or 36% of the total budget. The 2013 Council Adopted Budget includes an overall increase of 29 budgeted full-time equivalent (FTE) positions, inclusive of the City's independent boards.

Spending by Major Categories (in millions of dollars)

Expense Category	2012 Adopted	2013 Council Adopted	\$ Change	% Change
CAPITAL	170.8	189.4	18.6	10.9%
CONTRACTUAL SERVICES	318.8	302.7	(16.1)	-5.0%
DEBT SERVICE	180.9	120.7	(60.2)	-33.3%
FRINGE BENEFITS	119.1	124.9	5.8	4.9%
OPERATING COSTS	141.8	159.5	17.7	12.5%
SALARIES AND WAGES	293.3	298.6	5.3	1.8%
Total Expense	\$1,224.6	\$1,195.8	(\$28.8)	-2.4%

*The Capital category includes capital improvements in the City's Capital Program as well as capital expenditures within operating departments.

Total City Budget – Expenditures by Category 2013 Council Adopted Budget \$1.20 Billion



Major Budget Pressures:

➤ Funding for Physical Infrastructure

Five-Year Capital Program Totals: For 2013 – 2017, the five-year capital program for City departments, independent boards and commissions totals \$606.27 million including all funding sources. The 2013 portion of this program is \$122.65 million which funds accelerated improvements to the City's infrastructure by continuing to support the expanded net debt bond program that was put in place for 2012. Below is a summary of the five-year capital program showing where infrastructure investments are planned by major infrastructure category.

Five-Year Capital Investment Allocation Council Adopted Budget								
Submitting Agency	Infrastructure Category	2013	2014	2015	2016	2017	Total	Percent of Total
Budget in Thousands								
MUNICIPAL BUILDING COMMISSION		1,854	1,070	1,460	1,060	1,230	6,674	1.10%
PARK BOARD		9,550	4,300	4,300	4,300	4,300	26,750	4.41%
PUBLIC WORKS DEPARTMENT	STREET PAVING	49,516	33,715	44,705	32,410	37,955	198,301	32.71%
	SIDEWALKS	3,210	3,365	3,520	3,675	3,830	17,600	2.90%
	BRIDGES	2,465	12,815	400	2,705	4,525	22,910	3.78%
	TRAFFIC CONTROL & STREET LIGHTING	5,880	7,125	9,335	9,085	5,320	36,745	6.06%
	BIKE TRAILS	1,150	1,575	0	0	0	2,725	0.45%
	SANITARY SEWERS	8,000	8,000	8,000	7,250	7,250	38,500	6.35%
	STORM SEWERS	15,750	24,805	19,138	22,730	17,850	100,273	16.54%
	WATER INFRASTRUCTURE	18,700	23,900	24,000	22,300	24,700	113,600	18.74%
	PARKING RAMPS	1,700	1,700	1,700	1,700	1,700	8,500	1.40%
	Public Works Department Totals	106,371	117,000	110,798	101,855	103,130	539,154	88.93%
INFORMATION TECHNOLOGY		1,150	1,850	2,900	1,750	1,700	9,350	1.54%
MISCELLANEOUS PROJECTS		3,720	4,465	4,475	4,885	6,800	24,345	4.02%
	Grand Totals	122,645	128,685	123,933	113,850	117,160	606,273	100.00%

For more details regarding the Five-Year Capital Improvement Program, please see the Capital Program section of this book.

➤ 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 the IT Department and the department heads. These technology assets are capitalized and the bond payments are structured within the useful life of the asset. For 2013, a total of \$1.15 million in technology projects are funded through property tax supported debt with a five-year plan total of \$9.35 million.

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

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.

➤ **Funding for Pension Liabilities**

The City's levies for its former closed pension funds that have been merged into the Minnesota State Public Employees' Retirement Association (PERA) increased from \$20.1 million in 2012 to \$27.3 million in 2013. This increase is detailed for each of the three former pension funds below.

The Minneapolis Employee's Retirement Fund (MERF) Division of PERA:

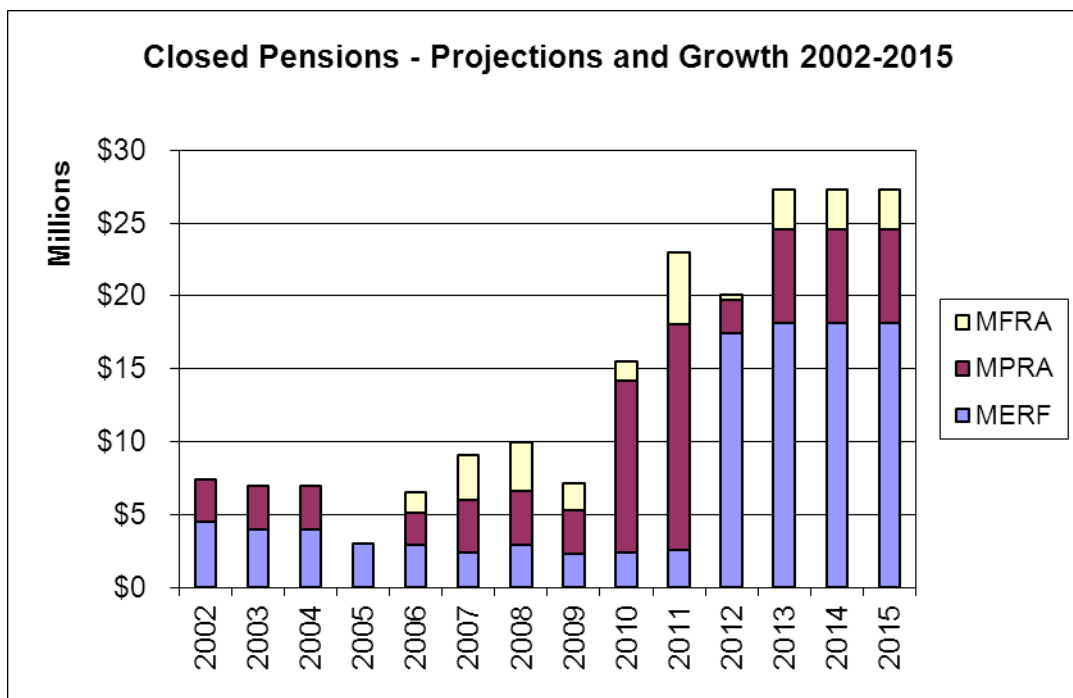
The 2013 levy for MERF-related costs is \$18.2 million, up from \$17.5 million in 2012. The increase is due to legislation passed in 2010 that called for a gradual increase in City funding to cover a share of the cost associated the agreement that merged MERF into PERA. The City's share of MERF expenses is expected to be fairly stable through 2031 unless the MERF Division of PERA does not meet actuarial assumptions for its investment returns or if the actuarial assumptions for PERA are changed by the State.

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

In 2011, legislation was passed by the State that merged the MPRA into PERA Police and Fire on January 1, 2012. The 2013 levy for the former MPRA is \$6.4 million, up from \$2.3 million in 2012. The increase is due to the State's changing of the actuarial investment return assumption and lower asset values at the time of merger than what was projected.

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

In 2011, legislation was passed by the State that merged the MFRA into PERA P&F on January 1, 2012. The 2013 levy for the former MFRA is \$2.7 million, up from \$0.3 million in 2012. The increase is due to the State's changing of the actuarial investment return assumption and lower asset values at the time of merger than what was projected.



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. State law changed the \$2.25 million City levy to a \$2.25 million contribution in 2012. This change increased the total levy for this purpose as the City previously contributed its net TRA levy collection, which was less than \$2.25 million because the City does not collect 100% its levy. In 2013, the City must levy \$2.4 million for TRA to insure that net collections provide the \$2.25 million. The 2013 TRA levy reflects a decrease of \$50,000 from 2012 as the 2012 levy included back taxes for prior years’ short payments of \$80,000.

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

The employers’ contribution level in PERA’s Coordinated Plan is remains at 7.25% for 2013. The Police and Fire Plans’ employer’s contribution level remains at 14.4% in 2013. The estimated total cost of contributions to PERA for the City in 2013 is \$28.1 million, which is covered in the budgets of the department in which the employees work.

	2012	2013	Change
PERA	\$13.1	\$13.4	\$0.3
PERA Police & Fire	\$14.3	\$14.7	\$0.4
Total	\$27.4	\$28.1	\$0.7

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

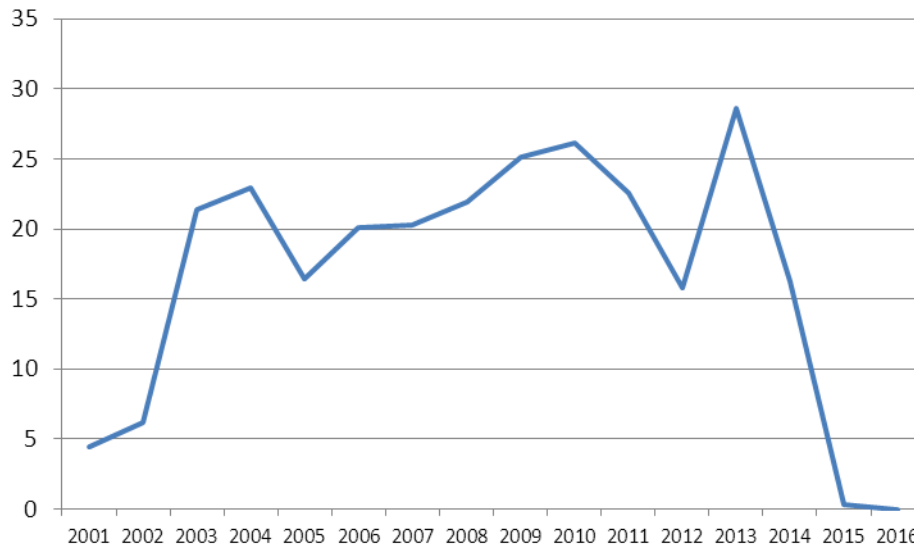
During the 1990s, external demands negatively impacted the ability for revenue to support these internal services to keep pace with the growth in expenditures. Significant negative cash balances resulted because annual expenses exceeded revenues. Today, the combined balance is no longer negative. This is a vast improvement over the position of the funds since 2000 when the net asset deficit was \$61.7 million. At year-end 2011, the City’s three internal services funds with long-term financial plans had combined net assets of \$53.3 million. Additionally, all three funds had positive cash balances at 2011 year-end.

Status of Workout Plans (in millions)

	Adopted	Original Cash Deficit (2000)	Original Net Asset Deficit (2000)	2011 Year-End Net Assets	Target Date for Positive Cash Balance	2011 Year-End Cash Balance
Self-Insurance	2003	(\$8.10)	(\$49.50)	(\$4.10)	2007	\$48.60
Equipment	2001	-16.6	0	35.2	2003	12.3
IT	2000	-12.9	(12.2)*	22.2	2009	11.0
Internal Service Fund *		(\$37.60)	(\$61.70)	\$53.30		\$71.90
Parking Fund	2004	(\$8.60)	\$75.70	\$157.20	2010	\$11.60

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

General Fund Support for Internal Service Funds



The financial plans of the Self-Insurance, Fleet, and Intergovernmental Services (IT) internal service funds rely on transfers from the General Fund to eliminate deficits. The graph above presents the schedule of General Fund transfers to the three internal service funds with deficits.

To meet the goals of the adopted long-term financial plans, these transfers continue to comprise a substantial portion of the City's budget. In order to create capacity over the ten-year plan which is used to hold down property tax levy increases in 2016 and beyond, the Council adopted an acceleration of the workout plan transfer schedule, thereby moving up full completion of these obligations from 2019 to 2015. This acceleration, or pre-payment, causes a spike in planned General Fund transfers in 2013 as indicated on the preceding chart. Transfers to the Self Insurance Fund and Equipment Fund will be completed in 2014; transfers to the Intergovernmental Services Fund and Property Services Fund will be completed in 2015.

➤ Growth in personnel costs

- **Personnel Changes.** The 2013 Council Adopted Budget increases the FTE count of City positions by 29.4, inclusive of the City's independent boards, from 4,810.9 to 4,840.3.
- **Salary and wages.** The 2013 Council Adopted Budget includes an increase in personnel expenditures (\$298.6 million in salaries and wages, compared to a 2012 total of \$293.3 million. It also includes \$124.9 million in fringe benefits, compared to \$119.1 million in 2012).
- **Benefits.** Health and dental insurance expenditures are budgeted to increase from \$58.9 million in 2012 to \$61.5 million in 2013. This estimate is based on changes and experience related to the current plan design and the competitive procurement processes. The anticipated health premium increase in 2013 is 5.0% due to continuation of the current contract.

➤ **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 to provide for an additional declining base contribution for 10 years. In 2013, that contribution is approximately \$4.1 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 existing bonds issued by the City for Library purposes.

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

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

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

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

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

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

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

➤ **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

Recent financial downturns in the economy coupled with State budget cuts and reduced funding from the Federal government have led to challenges for the City. At a time when demand for services is rising, funding has been reduced. For example, the rising foreclosure rate in Minneapolis resulted in an increased need for home inspection and monitoring. Despite the improvements occurring throughout the economy, the impact of this growth has not been fully realized by the City yet as government is typically a "lagging" sector.

Shrinking Workforce and Increased Demands

In response to the economic downturn and increasing hardship on the City's taxpayers, the City has made large cuts to its workforce by reducing position counts by over 560 FTEs across all City departments and independent boards since 2008. This reduction in staffing has placed increased pressure on remaining employees as the workloads have not decreased. Increasing demands on employees coupled with decreasing wages when

inflation is taken into account, also create challenges for morale and retaining personnel with a high level of institutional knowledge.

Increased Demand for Technological Solutions

Departments note the 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, several enterprise software systems will need to be upgraded over the next three years, the full financial impact of which is not yet known. Other examples include increased computer and internet bandwidth usage, the growth in demand for wireless connectivity, and a drive toward enhancing the City's interaction with residents through technological means, as well as the challenge of training employees in the use of these technologies.

Regulatory Complexity/Unfunded Mandates

Departments have noted increased complexity of protocols and regulations at many levels. Civil Rights identified the 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 to meet standards required by Metropolitan Council Environmental Services or facing penalties. The City Clerk notes additional election requirements as a result of the implementation of Instant Runoff Voting (IRV). Furthermore, 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 the growing complexities of their program administration.

Reliance on Tenuous Inter-Governmental Funding

Reliance on tenuous funding from State and Federal entities for many 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 severe statewide reductions and wide year-to-year fluctuations because the stability of the program is tied to the State's financial health, which has improved only very recently. The uncertainty that surrounds these funds requires much time and energy of City managers who administer these programs with the goal of ensuring the best outcomes possible.

Increased Demand for Infrastructure Maintenance

The 2012 budget responded to critical infrastructure needs and reduced support from the State by expanding the amount of property tax supported resources for capital improvements from the previous five-year plan by over \$56 million - from \$94 million to \$150 million. For 2013 – 2017 and future years, the intent is to sustain this higher level of property tax supported (net debt bond) funding to continue the infrastructure acceleration program which would otherwise have concluded in 2013. This ongoing higher capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, parks, traffic signals and economic development projects that enhance the property tax base. Even with the previously implemented infrastructure acceleration program from 2009 – 2013 and the higher net debt bond resource levels, there is a large backlog of infrastructure needs that still must be addressed. The current emphasis for these funds is primarily on improving street paving.

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. From natural disasters such as the North Minneapolis tornado to physical infrastructure disasters like the I-35W bridge collapse, Minneapolis City departments continue to build and strengthen relationships with other governmental entities to maximize the effectiveness of security planning and build systems to mitigate and prevent disasters and crises.

Stadium/Hospitality Facilities

Construction of the new multi-purpose stadium with the State of Minnesota and the Minnesota Vikings 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. The City must also contribute toward maintenance of the Target Center and Convention Center.

Aging Facilities and Equipment

There are not adequate resources available for sufficient maintenance or replacement of many City facilities and major equipment types at the most cost-effective frequencies. The Fire Department has noted a funding shortage for equipment updates in the next five to ten years as equipment reaches the end of its useful life cycle. City Hall and other City facilities are in need of upgrades to their mechanical and safety systems. Similar concerns are also noted by the Target Center and Convention Center.

Foreclosure

The volume of foreclosures creates challenges throughout the City. 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 recover, Minneapolis continues to employ foreclosure prevention outreach and counseling, engage in community building and marketing efforts to prepare the market for a rebound, and promote rental and ownership-oriented property development. Minneapolis has also partnered with other organizations to clear or rehabilitate dilapidated homes and pursue infill development on vacant lots.

Downtown Real Estate Market

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

Major Changes in the 2013 Council Adopted Budget

This section of the 2013 Council Adopted Budget is descriptive of changes the Mayor made to program submissions from departments, organized by department, along with further changes adopted by the Council. It is anticipated that in future years, program submissions and organization of this section will be based on goal areas as opposed to departments.

➤ Citywide

As a starting point for 2013 budgeting, departments were given a target budget number and asked to submit, for existing programs, proposals that were funded by the target amount. Any changes the Mayor recommended to those proposals along with changes that that Council adopted are reflected in the descriptions below.

The Mayor's Recommendation and Council Adopted Budget reduced health care budgets for all departments to reflect the final contract amounts for health care costs in 2013.

The Citywide Financial Policies, normally put forth in August as part of the Mayor's budget process with minor edits, were rewritten and moved by the Mayor in November as part of the Council Adopted Budget. These adopted financial policies are contained within the Financial Policies section of this book.

The 2008 adopted long-term financial plans began accelerating the General Fund's contribution to the adopted workout plans for the internal service funds to create capacity to hold down future-year property tax levy increases. Over the last few years, the General Fund has accelerated the workout plan schedule to move forward the full completion date from 2019 to 2015. The Council Adopted Budget for 2013 continues support for this course of action and completes the General Fund's contributions to these workout plans in 2015.

All City departments with fees are directed to work with the Finance Department to review and analyze the City's existing fee structure to determine fiscal relationship between cost of providing activities and ability to recoup costs. The study shall be complete by April 1, 2013, and presented to the Ways & Means/Budget Committee and the Regulatory, Energy & Environment Committee during their regularly scheduled meetings in April 2013. The results of the fees study will be incorporated into the development of a methodology and process to support any proposed ongoing adjustments to existing fees. The proposed methodology and process shall be presented to the Ways & Means/Budget Committee and Regulatory, Energy & Environment Committee by June 30, 2013.

The Transition Committee for the proposed reorganization of Regulatory Services Department business units, including City staff and City Council Members appointed by the Council in 2012, will continue to meet in 2013 for the purpose of: (1) Continuing to provide coordination and oversight for any necessary transition work extending into 2013 regarding the reorganized business units of Regulatory Services and the assignment of business units formerly in Regulatory Services into Departments of Community Planning & Economic Development and Health & Family Support; and (2) Focusing on community engagement to maximize service to community and business process improvement opportunities; and (3) Evaluating opportunities for enhancing and improving the Office of Administrative Services, which is part of the Department of Regulatory Services.

➤ Departments

Listed below are summaries of the actions reflected in the Mayor's Recommended Budget and Council Adopted Budget, compared to the program budget submissions made by departments.

Assessor

Mayor's Recommended Budget: The Mayor recommended no adjustments to this program in 2013.

Council Adopted Budget: Council approved the Mayor's recommendations.

Attorney

Mayor's Recommended Budget: The Mayor recommended that the budget for the City Attorney's Office should include funding to maintain current levels of staffing for the Civil Division in the Self Insurance Fund. The City Attorney's Office proposal for the General Fund removed 4 FTEs and the Mayor reduced this cut to 2 FTEs.

Council Adopted Budget: Council approved the Mayor's recommendations and amended the budget to include funding for the domestic violence team as follows: Increase the City Attorney's General Fund (00100) appropriation by \$100,000 on a one-time basis and add two FTEs (one Assistant City Attorney and one Paralegal) in the Criminal Division on-going. Use 2013 budget savings in Human Resources from sequencing of hiring for open positions to decrease Human Resources expense appropriation by \$100,000 on a one-time basis. Further, Council made the following staff directions: (1) The City Attorney department is directed to use on-going savings from attrition and sequencing of hiring to maintain the two positions (one Assistant City Attorney and one Paralegal) in the 2014 base budget. (2) The City Attorney department is further directed to make a request to rollover \$75,000 for domestic violence team contracts as part of the rollover process. (3) Direct the City Attorney's Office to request \$40,000 of 2012 rollover process to be used for restorative justice contracts. (4) City Departments are further directed to work with the Finance Department and City Attorney to incorporate the results of the fees study into the development of a methodology and process to support any proposed ongoing adjustments to existing fees. The proposed methodology and process shall be presented to the Ways & Means/Budget Committee and Regulatory, Energy & Environment Committee by June 30, 2013.

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

Information Technology

Mayor's Recommended Budget: The department reduced 3 vacant FTE. The Mayor recommended the department's proposed budget, and also recommended the department

receive \$200,000 in one-time funding to initiate work on a Managed Services RFP. Additionally, the Mayor recommended no general fund resources for wireless support.

In addition, the Mayor gave IT, City Coordinator and Regulatory Services staff the direction to determine whether the City's Land Management System might incorporate the Intelligent Operating Platform program proposal.

Council Adopted Budget: Council approved the Mayor's recommendations and added the following staff direction: The Information Technology department is to report to the Information Technology Policy Group and Ways and Means/Budget Committee by March 31, 2013 regarding major technology projects for 2013 including resource allocation (staffing time and funding) for implementing the projects.

City Clerk

Mayor's Recommended Budget: The Mayor recommended no programmatic changes to the proposed budget and provides funding for two supplemental requests.

- City Clerk – Supplemental Request: The Mayor recommended additional one-time funding of \$77,000 to provide for 1 additional FTE as per contractual obligations.
- Elections and Voter Services – Ranked Choice Voting Supplemental Request: The Mayor recommends an additional \$100,000 in one-time funding to provide for extra technology expenses associated with the Ranked Choice Voting initiative.

Council Adopted Budget: Council approved the Mayor's recommendations.

City Council

Mayor's Recommended Budget: The Mayor recommended no programmatic changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

City Coordinator Administration

Mayor's Recommended Budget: The Mayor recommended no changes to the department's proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations and added the following staff directions:

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

The City Coordinator department is directed to request \$30,000 for the St. Anthony Falls Heritage Board partnership on a one-time basis as part of the 2012 rollover process.

The City Coordinator department is directed to request \$15,000 for the Midtown Safety Center partnership on a one-time basis as part of the 2012 rollover process.

The City Coordinator department is directed to request \$75,000 for the Minneapolis Public Housing Authority "Project Lookout" partnership on a one-time basis as part of the 2012 rollover process.

311 (a Division of City Coordinator Administration)

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

911 (a Division of City Coordinator Administration)

Mayor's Recommended Budget: The Mayor recommended an increase of \$282,000 to the proposed budget to fund the department at a level to maintain 2012 staffing levels.

Council Adopted Budget: Council approved the Mayor's recommendations and increased 911's General Fund (00100) expense appropriation by \$110,000 and added two FTEs for 911 Operators. Decrease Human Resources department's General Fund (00100) expense appropriation by \$110,000 from the Workforce Planning program and decrease one FTE. The Council directed the 911 department to use ongoing savings from attrition and sequencing of hiring to fully fund the two 911 Operator positions in 2013 and to maintain the positions in the 2014 base budget.

Emergency Management (a Division of City Coordinator Administration)

Mayor's Recommended Budget: The Mayor approved the department's base budget recommendations with the following exceptions. The Mayor recommended fleet charges on two vehicles be transferred for public safety purposes, but reserved for Emergency Management during emergencies. Additionally, the Mayor recommended spending in contractual services be held at 2012 spending levels.

Council Adopted Budget: Council approved the Mayor's recommendations.

Civil Rights

Mayor's Recommended Budget: The Mayor recommended the following programmatic changes:

- **Police Conduct Oversight Commission:** The Mayor recommended \$17,000 in additional program funding for administration expense for the new PCOC.
- **One Minneapolis Equity in Employment:** The Mayor recommended providing \$265,000 in ongoing funding for this Civil Rights program as it only had one-time funding in 2012 which was previously budgeted in both Civil Rights and CPED.

Council Adopted Budget: Council approved the Mayor's recommendations.

Communications

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget, and recommended an additional \$110,500 in one time funding for Government Access Equipment.

Council Adopted Budget: The Council approved the Mayor recommendations and included the following staff direction: The Communications Department is directed to request \$46,000 for the MTN contract on a one-time basis as part of the 2012 rollover process.

Convention Center

Mayor's Recommended Budget: The Mayor recommends no programmatic changes to the proposed expense budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

CPED

Mayor's Recommended Budget: As part of the restructuring of the Regulatory Services Department, the Mayor recommended shifting the Minneapolis Development Review and Business Licensing Divisions from Regulatory Services into CPED.

There is a difference in how some divisions of Regulatory Services show up on the organizational chart and how their budget is written programmatically. Because of this the Mayor's recommended budget moves the Environmental Health/Licenses and Consumer Services program and the Minneapolis Development Review program from Regulatory Services into CPED. The Environmental Health/Licenses and Consumer Services program includes both the Business Licensing division and the Environmental Health division. The Mayor recommended moving the Environmental Health division to the Health and Family Support Department, which causes the Mayor's recommended budget to overstate the financial impact within CPED by including the Environmental Health division component of that programmatic move.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments convened to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committees elected to break apart current Regulatory Services divisions, program proposals, and funding structures. The committee had a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget.

Specific recommendations of the Mayor pertaining to the Environmental Health Division within the Environmental Health/Licenses and Consumer Services budget program currently shown as moving to CPED include the elimination of one management FTE and the adoption of a "health risk impact fee" to fund adding six Health Inspector FTEs to support a more robust food inspection program.

The Mayor also recommended the transfer of 1 management FTE to CPED from Regulatory Services.

For CPED's budget, the Mayor recommended funding Greater MSP with \$125,000 from within CPED's budget allocation.

The Mayor further recommended the following changes to CPED budget programming:

- Corridor Vitality Investment Program: The Mayor recommended the elimination of 1 Planner FTE.
- Minneapolis Youth Program: The Mayor recommended an enhanced program to provide over 100 Minneapolis teens access to an enriching summer work experience.
- Protection, Preservation and Design of the Built and Natural Environment: The Mayor recommended a reduction of 1 FTE in Plan Administration and 1 FTE in Zoning Enforcement.
- Green Homes North: The Mayor recommended \$607,378 to provide the City's share of funding in 2013 for over 100 new "green" homes in North Minneapolis over the next five years.

Council Adopted Budget: To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory

Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

Amend the Mayor's recommended 2013 Capital budget for Community Planning and Economic Development by increasing the revenue in the Capital Improvement Fund (04100) by \$605,000 for the Art in Public Places program.

Amend the Mayor's recommended 2013 Capital budget for Community Planning and Economic Development by decreasing expense appropriation in the Capital Improvement Fund (04100) by \$200,000 for the Art in Public Places program.

Direct the Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

Finance & Property Services

Mayor's Recommended Budget: The Mayor recommended no programmatic changes to the proposed budget and recommends funding 1 additional FTE to augment existing internal controls, particularly around grant management. In addition, the Mayor recommended \$150,000 in one-time funding, in conjunction with \$850,000 in one-time funding in HR, to support upgrades to the enterprise Compass and HRIS systems.

Council Adopted Budget: Council approved the Mayor's recommendations and directed the Finance and Property Services department to:

- Amend all schedules and language according to amended budgets.
- Adjust the five year financial direction according to amended budgets and staff directions.
- City Departments are directed to work with the Finance Department to review and analyze the City's existing fee structure to determine fiscal relationship between cost of providing activities and ability to recoup costs. The study shall be complete by April 1, 2013, and presented to the Ways & Means/Budget Committee and the Regulatory, Energy & Environment Committee during their regularly scheduled meetings in April 2013.

- City Departments are further directed to work with the Finance Department and City Attorney to incorporate the results of the fees study into the development of a methodology and process to support any proposed ongoing adjustments to existing fees. The proposed methodology and process shall be presented to the Ways & Means/Budget Committee and Regulatory, Energy & Environment Committee by June 30, 2013.
- The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

Fire

Mayor's Recommended Budget: The Mayor recommended no programmatic changes to the proposed budget and recommends an additional \$1.1 million of ongoing funding to maintain staffing levels for the SAFER Grant and in anticipation of significant attrition. If the department is awarded a second SAFER Grant in 2012, the additional general fund allocation will be reduced by the amount of the new award.

Council Adopted Budget: Council approved the Mayor's recommendations and added the following staff direction:

The Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

Health and Family Support

Mayor's Recommended Budget: As part of the reorganization of the Regulatory Services Department, the Mayor recommends shifting the Environmental Services Division from the Regulatory Services Department into the Health and Family Support Department.

By program, the Mayor's recommended budget transfers the Environmental Services and Lead & Healthy Homes programs into the Health and Family Support Department from Regulatory Services.

The Mayor also recommended \$203,000 of additional ongoing funding for the Environmental Services program to reduce environmental toxin pollution, improve energy efficiency in buildings and implement a new building energy benchmarking program.

As noted in the departmental recommendation language for CPED, the Mayor also recommended moving the Environmental Health Division from the Regulatory Services Department to the Health and Family Support Department. Because this Division within Regulatory Services is contained within the Environmental Health/Licenses and Consumer Services program, and the Mayor's recommended budget depicts that program moving to CPED, the financial impact on the Health and Family Support Department is understated, which includes the recommendations detailed in the CPED section about establishing a "health risk fee" to pay for an additional 6 FTE.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments will convene to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committee may elect to break apart current Regulatory Services divisions, program proposals, and funding structures. It is anticipated that the committee will have a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget.

The Mayor also recommended the following changes to Health and Family Support's ongoing programs:

- Preventing High-Risk Youth from Becoming Victims of Crime: The Mayor recommends \$165,000 in one-time funding and \$110,000 and 1.1 FTE in ongoing support for this new initiative.
- Safe and Healthy Homes Investment Partnership: The Mayor recommends \$50,000 in one-time funding to better align city and community resources so that residents receive improved, efficient, and coordinated assistance with addressing indoor health issues.

Council Adopted Budget: Council approved the Mayor's recommendation and made the following changes:

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

Direct the Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund

(01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

Human Resources

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget. Additionally, the Mayor recommended the following programs in addition to the department's base:

- ERP Application Re-Implementation & Application Assessment: The Mayor recommends \$850,000 million in funding on a one time basis (in conjunction with \$150,000 in one-time funding for Finance and Property Service) to support upgrades to the enterprise HRIS and Compass systems.
- Halogen Licensing (supports *Perform Minneapolis*): The Mayor recommends \$93,000 for this program.
- Workforce Planning: The Mayor recommends \$657,000 and 6 new FTE for this ongoing program
- Metropass Subsidy: The Mayor recommends \$100,000 in ongoing funding for this program. The funding will come from the parking fund as subsidized employee parking is moved to only city-owned ramps.
- Testing and Staffing Services: The Mayor recommends \$50,000 for this program.

Council Adopted Budget: The Council approved the Mayor's recommendation and amended the budget to use 2013 budget savings in Human Resources from sequencing of hiring for open positions to decrease Human Resources expense appropriation by \$100,000 on a one-time

basis and decrease Human Resources department's General Fund (00100) expense appropriation by \$110,000 from the Workforce Planning program and decrease one FTE.

Additionally, the Council directed the Human Resources that none of the FTEs approved as part of the Workforce Planning program shall be hire until after a Director of Human Resources is hired and is able to review and approve of the program as it has been proposed.

The Human Resources Department is directed to capture and reallocate \$100,000 in salary savings from the sequencing of hiring FTEs associated with the Workforce Planning program and to use those funds on a one-time basis to apply towards enterprise-wide training efforts.

Intergovernmental Relations

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget. Additionally, the Mayor recommended one FTE and \$90,000 in ongoing funding for a position to assist with solicitation, receipt and tracking of public funds through grants and other non-federal public sources.

Council Adopted Budget: Council approved the Mayor's recommendations.

Internal Audit

Mayor's Recommended Budget: The Mayor recommended no programmatic changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

Mayor

Mayor's Recommended Budget: The Mayor recommended no programmatic changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

Neighborhood and Community Relations

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget. Additionally, on a one time basis, the Mayor recommended \$25,000 in one-time funding for Resident Partners.

Council Adopted Budget: Council approved the Mayor's recommendations.

Police

Mayor's Recommended Budget: The Mayor recommended no programmatic changes to the proposed budget. In addition, the Mayor recommended an additional \$2.5 million in ongoing funding to provide for a larger number of sworn personnel in the department during the summer months as well as \$50,000 in funding dedicated to the Mad Dads organization.

Council Adopted Budget: Council approved the Mayor's recommendations and added the following staff directions:

The Minneapolis Police Department is directed to use their 2011 unused rollover and 2013 budget savings from attrition and contracts to provide \$510,000 in General Fund (00100) to retain six Community Crime Prevention Specialists.

The Minneapolis Police Department and the Police Chief are directed to provide a 2013 workforce plan for Crime Prevention Specialists to the Public Safety, Civil Rights and Health and Ways & Means/Budget Committees by April 1, 2013.

Public Works

Mayor's Recommended Budget: Please see division sections below for Mayor's recommendation.

Council Adopted Budget: Public Works is directed to report to the Transportation and Public Works committee by January 31, 2013 with proposed specific projects for the 2013 Capital Budget for the Paving Program.

Administration

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

Fleet Services

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

Solid Waste and Recycling

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget. Also, the Mayor recommends a rate of \$24.70 for 2013.

Council Adopted Budget: Council approved the Mayor's recommendations and reduced the Mayor's recommended 2013 Solid Waste and Recycling rate by \$7.70. The Mayor's recommended rate of \$24.70 included a recycling credit and the program will no longer have a recycling credit. The new rate is set at \$17.00. In addition, the Council amended the Mayor's Recommended 2013 Budget for Public Works by decreasing the revenue appropriation in the Solid Waste and Recycling Fund (07700) by \$885,604. The rate was changed to make the removal of the recycling credit cost-neutral to customers.

Surface Water & Sanitary Sewer – Sanitary Sewer

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget. Also, the Mayor recommends a rate of \$3.14 per 100 cubic feet in 2013. The division added positions within existing resources in 2013 to reflect actual staffing patterns.

Council Adopted Budget: Council approved the Mayor's recommendations and amended the Mayor's Recommended 2013 operating budget for Public Works by increasing the appropriation in the Sanitary Sewer Fund (07100) by \$339,017 for SAC charges paid to Metropolitan Council.

Surface Water & Sanitary Sewer – Stormwater

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget. Also, the Mayor recommended a rate of \$11.82 per ESU in 2013.

Council Adopted Budget: Council approved the Mayor's recommendations.

Traffic & Parking Services

Mayor's Recommended Budget: As part of the reorganization of the Regulatory Services Department, the Mayor recommended the Traffic Control division of Regulatory Services be moved into Traffic and Parking Services. The Mayor's recommended budget reflects the move of the Traffic Control budget program into the Traffic and Parking Services Division within the Public Works Department.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments will convene to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committee may elect to break apart current Regulatory Services divisions, program proposals, and funding structures. It is anticipated that the committee will have a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget.

The Mayor recommended no changes to the proposed budget of this division. The Mayor also recommended the division's proposal for graffiti removal.

Council Adopted Budget: To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food

moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

Transportation Maintenance and Repair

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

Transportation Planning and Engineering

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget.

Council Adopted Budget: Council approved the Mayor's recommendations.

Water Treatment and Distribution

Mayor's Recommended Budget: The Mayor recommends no changes to the proposed budget. Also, the Mayor recommended a water utility rate of \$3.29 per unit in 2013.

Council Adopted Budget: Council approved the Mayor's recommendations.

Regulatory Services

Mayor's Recommended Budget: The Mayor recommended that the Regulatory Services Department be restructured, with the Development Review and Business License Divisions moving to CPED, the Environmental Health and Environmental Services Divisions moving to the Health and Family Support Department, and the Traffic Control Division moving to the Public Works Department.

There is a difference in how some divisions of Regulatory Services show up on the organizational chart and how their budget is written programmatically. By program, the Mayor's recommended budget reflects the move of the Development Review and the entire Environmental Health/Licenses and Consumer Support programs to CPED, the Environmental Services and Lead and Healthy Homes programs moved to Health and Family Support, and the

Traffic Control program moved to Public Works.

The Mayor also recommended the elimination of 2 management FTEs within the remaining Regulatory Services Department, the elimination of 1 management FTE within the Environmental Health/Licenses and Consumer Services program and the transfer of 1 management FTE to CPED. The Mayor recommends no other programmatic changes to the department's remaining programs.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments will convene to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committee may elect to break apart current Regulatory Services divisions, program proposals, and funding structures. It is anticipated that the committee will have a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget. After all changes are final, the Mayor recommends that the department's name should be changed to the Department of Inspections.

Council Adopted Budget: To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory

Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

In addition, the Council adopted the following staff directions:

Direct the Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new Departments.

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

Property Tax and Fee Changes

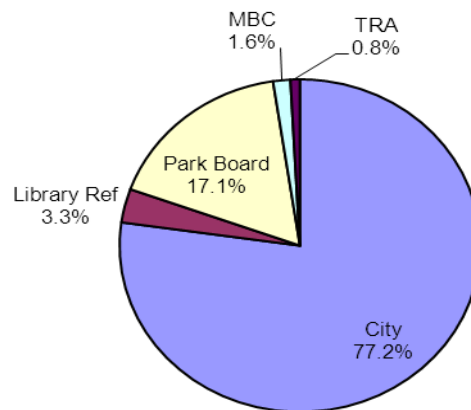
➤ Property Tax Revenue

The City's 2013 Council Adopted Budget includes an estimated net tax capacity rate of 2.582%. This rate is the combined rate for the City, the Board of Estimate and Taxation, the Minneapolis Park and Recreation Board, and the Municipal Building Commission (MBC). The Library referendum is a \$9.3 million market value based tax with an estimated tax capacity rate of 0.0287% for 2013 and is not included in the City's net tax capacity rate.

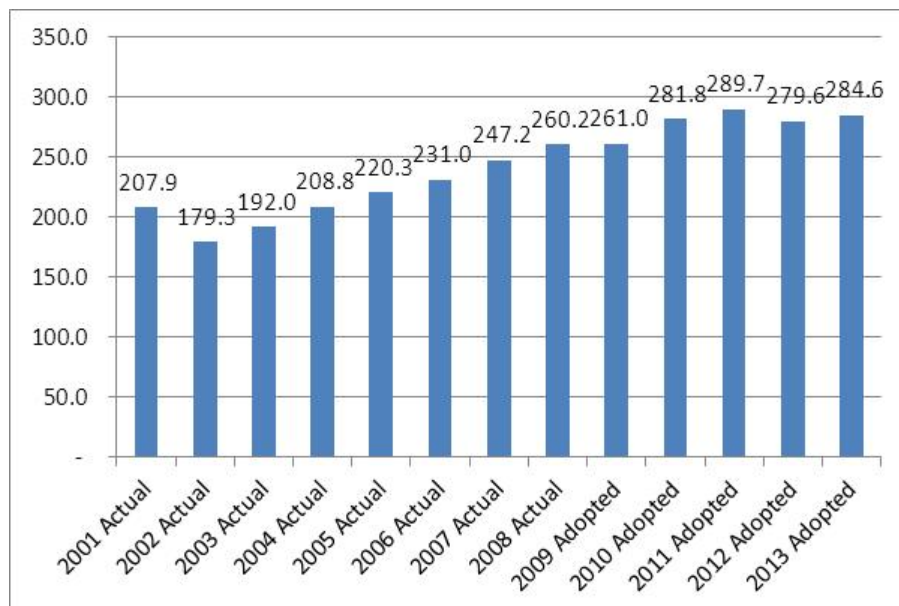
Also, three Special Taxing District Levies were adopted:

- 1) The Teacher's Retirement Association levy with an estimated net tax capacity rate of 0.637%
- 2) The Minneapolis Chapter 595 levy with an estimated net tax capacity rate of 0.316%
- 3) The Minneapolis Public Housing Authority with an estimated net capacity rate of 0.002%

Property Tax by Fund - \$284.6 Million



Property tax revenue in constant 2012 dollars*



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

➤ **Shared Revenue Approach**

As a part of the 2010 budget process, the Mayor recommended and Council adopted a shared revenue approach that makes cost shared between the City and its independent boards more transparent, as they are noted “above the line” prior to determining the revenue available for general operating expenditures for each entity. These costs include closed pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher’s Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, and shared administrative costs. This policy clearly isolates changes to City policies and the funding of those policy changes. Future increases are aligned with available resources, and the annual percentage change in revenue available for general fund activities of the City, Park Board and MBC is the same for each entity. These distributions are allocated during the Council Adopted Budget process.

➤ **Market Value Exclusion Program**

When the Market Value Homestead Credit (MVHC) was eliminated by the State during the 2011 Special Session, it was replaced with the Market Value Exclusion Program. This program excludes part of the taxable value of homes from consideration for taxation. Homes with \$76,000 in market value receive the maximum exclusion of \$30,400, with exclusions gradually decreasing until the exclusion is fully phased out at \$413,800. As a result of the exclusions, the City’s overall tax base shrinks which means, all other variables being equal, that the tax rate charged to all properties increases. The City considers this is a transfer of tax burden from the State, which previously paid credits on behalf of the homeowner under the former MVHC, to all properties. The tax burden shifts from the State to the local taxpayers and generally more heavily toward commercial and industrial properties as they are not subject to the valuation exclusion.

Under the former MVHC, the same valued home across the State received the same credit. Under the new exclusion methodology, the effect on same-valued homes will vary greatly in different communities depending on many factors. These factors include the tax base composition within the property classifications, the tax rate of the jurisdiction, and the unique mix of properties in each taxing jurisdiction as all taxing districts are affected. Each of these variables may change on a yearly basis, occasionally resulting in sizeable changes in the amounts of property taxes assessed to any one property. The table on the following page shows the percentage of Minneapolis residential properties grouped according to changes in their estimated City tax impacts payable in 2013.

**Percentage tax change of City taxes from 2012 to
2013 payable at 1.77% levy change**

Percentage tax change (City portion)			Percentage of parcels in group*
more than - 30 %			0.72%
-20.00%	to	-30.00%	2.66%
-15.00%	to	-20.00%	4.46%
-10.00%	to	-15.00%	14.90%
-7.50%	to	-10.00%	12.01%
-5.00%	to	-7.50%	14.19%
-2.50%	to	-5.00%	13.63%
0.00%	to	-2.50%	7.25%
2.50%	to	0.00%	29.21%
5.00%	to	2.50%	0.23%
7.50%	to	5.00%	0.17%
10.00%	to	7.50%	0.10%
more than + 10 %			0.46%

*This table shows that 69.8% of City properties have decreasing City taxes payable from 2012 to 2013. 29.2% will have a tax increase of 0% to 2.5% with less than 1% of properties having an increase of greater than 2.5%. These three groups comprise 99.8% of residential parcels that have not changed in homestead status and have not had improvements since taxes payable in 2009.

- **Water, Sanitary Sewer and Stormwater Utility Fees:** For 2013, the Council Adopted Budget for Water and Sanitary Sewer fees include both a variable rate component based on water usage and a fixed rate component based on the size of the water meter servicing the property. The table below provides a summary what of an average residential customer's utility bill will change to in 2013 from 2012. The 2013 Council Adopted Budget also reduces the solid waste and recycling fee by \$7.00 per month and removes the recycling credit on residential bills, effectively leaving the cost flat to consumers that previously received the recycling credit. For detailed information on these changes, please refer to the narratives within the Public Works Department sections of this document.

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

	2012	2013 Monthly Average	2013 Annual Average	2013 monthly dollar change	2013 % change
Water	\$27.60	\$28.32	\$340	\$0.72	2.6%
Sanitary Sewer	\$21.30	\$21.84	\$262	\$0.54	2.5%
Stormwater	\$11.70	\$11.82	\$142	\$0.12	1.0%
Solid Waste/Recycling*	\$24.00	\$17.00	\$204	-\$7.00	-29.2%
Total	\$84.60	\$78.98	\$948	-\$5.62	-6.6%

*The reduction of the recycling credit offsets the decrease in the solid waste and recycling fee for 2013, essentially leaving the out-of-pocket costs borne by consumers flat from 2012.

- **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 2013 Council Adopted Budget anticipates the total franchise fee revenue will decrease by \$100,000 from the 2012 Council Adopted Budget, from \$27.5 million in 2012 to \$27.4 million in 2013. The decline in revenue is due to eliminating revenue from the bus stop advertising franchise fee.

There are three franchise agreements that provide revenue for the City. The franchise agreement with Xcel Energy for electricity requires the company to pay the City 5% of its gross revenues for Minneapolis residential service customers, 3% of gross revenues for Minneapolis commercial/industrial customers, and 5% of gross revenues for Minneapolis small commercial/industrial customers. The residential rate will drop to 4.5% of gross revenues beginning in January 2013. 2013, the Council Adopted Budget anticipates Xcel will pay the City \$16.2 million from this agreement, the same amount as 2012.

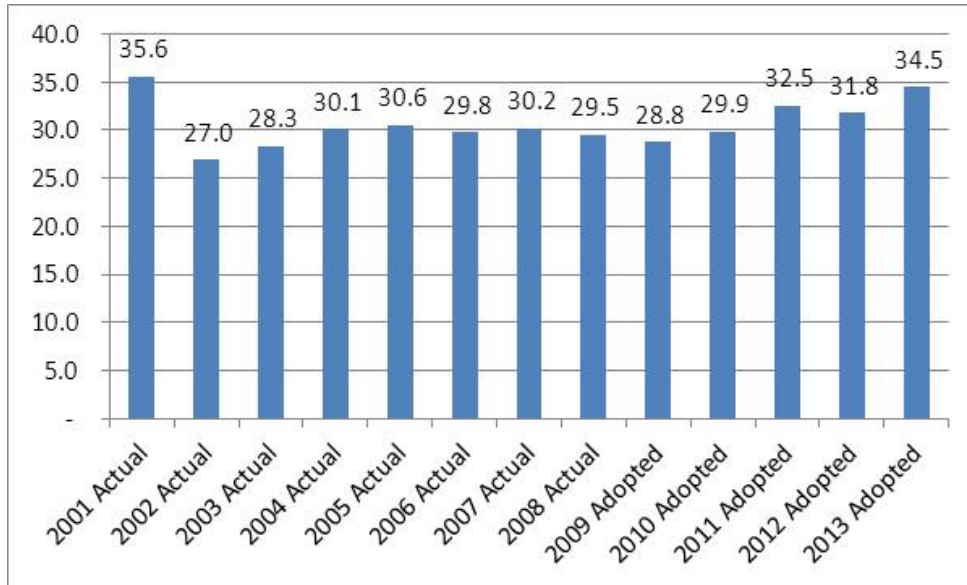
The franchise agreement with CenterPoint Energy for natural gas requires the company to pay the City 4.25% of gross revenues for Minneapolis residential buildings with four units or less, 5% for small commercial/industrial/firm or "interruptible" customers (customers who have agreements to allow their service to be interrupted, generally during peak loads), and 3% for large volume interruptible customers. For 2013, the Council Adopted Budget anticipates CenterPoint Energy will pay the City \$8.1 million from this agreement, the same amount as 2012.

The City also has a cable television franchise with Comcast that is anticipated to generate \$3.1 million for the City in 2013, the same as in 2012. Comcast also collects an "access fee" from subscribers to support public, educational and government (PEG) access programming. It is estimated Comcast will collect \$800,000 from subscribers for the access fee in 2013, the same amount as 2012. There are ten PEG channels in the City of Minneapolis: four public, three educational and three government channels.

- **Community Development Block Grant:** The 2013 Council Adopted Budget allocates \$10.7 million in CDBG funding for City programs, the same amount as 2012.

- **Other fee changes:** The licenses and permit fee revenue is expected to increase from \$31.8 million in 2012 to \$34.5 million in 2013 due to recent and projected activity levels and current projections.

License and permit revenue in constant 2012 dollars (\$ in millions)



*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 are updated charts are from the City Assessor's Office with estimated market values and corresponding tax capacity by property group for the 2012 assessment, payable in 2013 property taxes.

Group	2012 Estimated Market Value	% of Total	% Change	Tax Capacity	% of Total	% Change
Real Estate						
Commercial	\$6,036,325,700	18.5%	0.8%	\$118,343,477	29.8%	0.9%
Industrial	1,286,702,700	3.9%	-1.2%	25,268,745	6.4%	-1.2%
Residential	21,514,704,900	65.9%	-5.0%	205,912,855	51.8%	-5.4%
Apartment	3,365,828,300	10.3%	3.1%	39,965,911	10.1%	2.8%
Other	20,771,100	0.1%	0.5%	276,999	0.1%	0.6%
Sub Total	\$32,224,332,700	98.8%	-3.0%	\$389,767,987	98.0%	-2.5%
Personal Property						
All	406,469,900	1.2%	5.8%	7,767,797	2.0%	6.1%
Grand Total	\$32,630,802,600	100.0%	-2.9%	\$397,535,784	100.0%	-2.3%

Change in Tax Capacity by Group

The following table provides the estimated changes in tax increment financing, fiscal disparities contribution, and fiscal disparities distribution for taxes payable 2013:

For Taxes Payable in 2013	
Real Estate Tax Capacity	\$389,767,987
Personal Property Tax Capacity	\$7,767,797
Gross Tax Capacity	\$397,535,784
- Less Increment Financing	(\$27,186,847)
- Less Fiscal Disparities Contribution	(\$47,101,081)
+ Plus Fiscal Disparities Distribution	\$51,075,667
Adjusted Net Tax Capacity	\$374,323,523

Commercial and Industrial Trends

The City of Minneapolis maintains the highest concentration of commercial office buildings in the State of Minnesota and therefore is the largest contributor of revenue to the state general tax on a per city basis. Minneapolis's 2012 commercial/industrial tax base is \$7.3 billion dollars, of which \$4.1 billion resides in the Minneapolis Central Business District (CBD).

Between January 2011 and January 2012 the Minneapolis CBD experienced a slight increase in the commercial and industrial tax base. Citywide, the commercial and industrial tax base for Minneapolis increased from \$7.1 billion dollars in 2011 to \$7.3 billion dollars in 2012.

Apartments

The 2012 apartment market continues to outperform the other markets in Minneapolis with a 2.3% market increase over 2011. Apartment vacancy rates in Minneapolis decreased during 2012. Supply is increasing, and more than 500 units were permitted in 2011. Average rents remained relatively unchanged overall, with rents in North Minneapolis increasing slightly while rents in South and Southwest Minneapolis decreased slightly. Typical monthly rents ranged from \$685 for studio apartments to \$1,295 for three bedroom apartments.

Residential

Consistent with national trends, residential property values in Minneapolis have been negatively impacted by foreclosures, short-sales and the current recession. Prices of single family values peaked in early 2007 with a median citywide value of \$213,000. By 2012, that median property value declined to \$170,000, or a reduction of 20.1 percent in five years. The Minneapolis Area Association of Realtors reports the median sale price of residential homes decreased from \$161,150 in January 2011 to \$157,348 in January 2012. Much of the decrease can be attributed to the lingering supply of foreclosure inventory in the market. Residential foreclosure sales in Minneapolis decreased 25.5 percent from 2,308 (FY 2010) to 1,719 (FY 2011), a sign that the foreclosure market is trending downward, one positive indicator for the Minneapolis residential market. As of January 2012, the residential tax base was reduced by 5.4% percent from 2011.

The tables below shows the overall growth or decline in the market value by the three main property type classifications from payable 2000 to 2012:

Payable	Change in Market Value		
	Commercial/Industrial	Residential	Apartment
2000	17.70%	9.50%	13.00%
2001	23.10%	16.00%	18.70%
2002	20.80%	23.40%	27.50%
2003	12.50%	15.40%	16.40%
2004	-5.50%	15.10%	14.10%
2005	3.00%	12.20%	6.50%
2006	11.40%	12.90%	6.80%
2007	11.80%	6.40%	-1.20%
2008	10.41%	2.63%	3.31%
2009	1.30%	-3.12%	1.82%
2010	-0.09%	-3.60%	0.53%
2011	-9.80%	-4.40%	-6.70%
2012	-4.50%	-9.10%	-5.20%
2013	0.46%	-5.37%	2.79%

2013 Adopted Budget Property Tax Levies

	2012 Adopted	2013 Adopted Budget		
		2013 Adopted Levies	% Change from 2012	\$ Change from 2012
By Major Funds				
General Levies	\$277,157,000	\$281,139,000	1.44%	\$3,982,000
Special Levies Other*	\$2,450,000	\$3,421,000	39.63%	\$971,000
Grand Totals	\$279,607,000	\$284,560,000	1.77%	\$4,953,000

	2012 Adopted	2013 Adopted Budget		
		2013 Adopted Levies	% Change from 2012	\$ Change from 2012
By Entity				
City**	\$216,355,000	\$219,634,000	1.52%	\$3,279,000
Municipal Building Commission	\$4,285,000	\$4,410,000	2.92%	\$125,000
Park Board	\$47,217,000	\$48,616,000	2.96%	\$1,399,000
Library Referendum***	\$9,300,000	\$9,300,000	0.00%	\$0
Public Housing Authority	\$0	\$200,000		\$200,000
Teachers' Retirement	\$2,450,000	\$2,400,000	-2.04%	(\$50,000)
Grand Totals	\$279,607,000	\$284,560,000	1.77%	\$4,953,000

- * Special Levies other Include; Chapter 595 (HRA), Public Housing Authority, Teachers' Retirement
 ** Includes General Fund, Permanent Improvement, Bond Redemption, Board of Estimate & Taxation, and closed pension funds (MERF,MPRA,MFRA) & HRA Levies
 ***This remains a City obligation after the Library System consolidation

2013 Adopted Budget Property Tax Levies

	2012 Adopted	2013 Adopted Budget		
		2013 Adopted Levies	% Change from 2012	\$ Change from 2012
Levy Only Entities				
Public Housing Auth	\$0	\$200,000		\$200,000
Teachers Retirement	\$2,450,000	\$2,400,000	-2.04%	(\$50,000)
Library Referendum***	\$9,300,000	\$9,300,000	0.00%	\$0
Board Estimate & Taxation	\$170,000	\$175,000	2.94%	\$5,000
Perm. Imp Fund	\$1,000,000	\$1,000,000	0.00%	\$0
Bond Redemption Fund	\$18,750,000	\$21,200,000	13.07%	\$2,450,000
MERF	\$17,461,000	\$18,150,000	3.95%	\$689,000
MFRA	\$325,000	\$2,745,000	744.62%	\$2,420,000
MPRA	\$2,275,000	\$6,415,000	181.98%	\$4,140,000
Subtotals	\$51,731,000	\$61,585,000	19.05%	\$9,854,000
Levy & LGA Entities				
Municipal Building Commission	\$4,285,000	\$4,410,000	2.92%	\$125,000
Park & Recreation Board	\$47,217,000	\$48,616,000	2.96%	\$1,399,000
General Fund Levy*	\$176,374,000	\$169,949,000	-3.64%	(\$6,425,000)
Subtotals	\$227,876,000	\$222,975,000	-2.15%	(\$4,901,000)
Grand Totals	\$279,607,000	\$284,560,000	1.77%	\$4,953,000

* Includes the Chapter 595 (HRA) Levy

2013 Adopted Budget Activities Approach

Municipal Building Commission (MBC)	2012	2013	% Change	\$ Change
Municipal Building Commission Levy	\$4,285,000	\$4,410,000	2.92%	\$125,000
Municipal Building Commission Tax rev	4,199,295	4,321,397	2.91%	\$122,102
MBC LGA Rev	193,067	193,067	0.00%	\$0
MBC Tax Rev & LGA	\$4,392,362	\$4,514,464	2.78%	\$122,102
One Time Expenditure for elevator repair				
LESS MBC's Trf to City General Fund OH	(50,619)	(52,600)	3.91%	(\$1,981)
MBC Activities Tax Rev & LGA	\$4,341,743	\$4,461,864	2.77%	\$120,121
MBC \$\$ Change		\$120,121		
MBC % Change		2.77%		
MBC Activities % Change After Cost ESC		0.00%		

Park Board	2012	2013	% Change	\$ Change
Park Board Operations				
Park Board Levy	\$47,217,000	\$48,616,000	2.96%	\$1,399,000
Park Board Tax rev	46,272,605	47,643,448	2.96%	\$1,370,843
Park Bd LGA Rev	7,570,039	7,570,039	0.00%	\$0
Park Board Tax Rev & LGA	\$53,842,644	\$55,213,487	2.55%	\$1,370,843
LESS Park Board's Trf to City General Fund OH	(931,670)	(839,100)	-9.94%	\$92,570
LESS Park Board's Trf to City General Admin Fee	(125,491)	(129,000)	2.80%	(\$3,509)
LESS Park Board's Capital Projects from Levy	(4,865,867)	(5,000,000)	2.76%	(\$134,133)
Park Board Activities Tax Rev & LGA	\$47,919,616	\$49,245,387	2.77%	\$1,325,771
Park Board Activities \$\$ Change		\$1,325,771		
Park Board Activities % Change		2.77%		
Park Board Activities % Change After Cost ESC		0.00%		

City General Fund	2012	2013	% Change	\$ Change
City GFd Levy	\$176,374,000	\$168,928,000	-4.22%	(\$7,446,000)
City GFd Tax rev	172,846,520	165,549,440	-4.22%	(\$7,297,080)
Chapter 595 Levy - Special Levy GFd Dept. \$\$		1,000,580		\$1,000,580
General Fund Revenues	145,949,134	154,832,800	6.09%	\$8,883,666
City LGA Rev	56,378,894	56,378,894	0.00%	\$0
City General Fund Revenue	\$375,174,548	\$377,761,714	0.69%	\$2,587,166
Less Payment to the Co for Library System non Tax \$\$	(4,982,000)	(4,106,000)	-17.58%	\$876,000
Less Gen Fd Revenue Transfer to BIS for Wi-Fi	(484,444)	(491,260)	1.41%	(\$6,816)
Less Revenue Transfer to Target Finance Plan	(92,000)	(89,000)	-3.26%	\$3,000
Less Revenue Transfer to Solid Waste Graffiti	(150,000)	(150,000)	0.00%	\$0
LESS City General Fund (Trf to Pen DS sinking Fd)	(24,440,220)	(715,400)	-97.07%	\$23,724,820
LESS City GFd trf to Internal Service Funds \$ in Total	(15,785,218)	(28,732,619)	82.02%	(\$12,947,401)
LESS City GFd OH Not recovered from Park Bd	(833,820)	(442,480)	-46.93%	\$391,340
LESS Park Board's Trf to City General Fund OH	(931,670)	(839,100)	-9.94%	\$92,570
LESS MBC's Trf to City General Fund OH	(50,619)	(52,600)	3.91%	(\$1,981)
LESS City GFd OH Not recovered from MBC	(159,001)	(163,905)	3.08%	(\$4,904)
LESS Other's Trf to City General Fund OH	(20,397,131)	(19,793,500)	-2.96%	\$603,631
LESS City GFd OH Not recovered from Other's	(545,365)	(276,106)	-49.37%	\$269,259
LESS General Fund one time \$\$ in 2013	0	(1,728,000)		(\$1,728,000)
LESS General Fund one time \$\$ in 2012	(1,020,000)	0	-100.00%	\$1,020,000
Chapter 595 Levy 40% to Aff Housing Trust	0	(400,840)		(\$400,840)
City GFd Activities	\$305,303,060	\$319,780,904	4.74%	\$14,477,844
General Fund Activities \$\$ Change		\$14,477,844		
General Fund Activities % Change		4.74%		
General Fund Activities % Change After Cost ESC		1.97%		

Residential Property Tax – Sample Bills

Residential Property Levy & Utility Fee Estimated impact

with Estimated Market Value Change of >>

	0.0%				-5.0%				-10.0%			
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change		
Assessed Market Value (MV)	\$133,000	\$133,000	0.0%	\$0	\$126,350	-5.0%	(\$6,650)	\$119,700	-10.0%	(\$13,300)		
Market Value Credit Exclusion	(\$25,270)	(\$25,270)			(\$25,869)			(\$26,467)				
Taxable Value	\$107,730	\$107,730	0.0%	\$0	\$100,482	-6.7%	(\$7,249)	\$93,233	-13.5%	(\$14,497)		
Tax Capacity	\$1,077	\$1,077	0.0%	\$0	\$1,005	-6.7%	(\$72)	\$932	-13.5%	(\$145)		
City Property Taxes												
Tax Capacity based Taxes	\$781	\$792	1.4%	\$11	\$739	-5.4%	(\$42)	\$686	-12.2%	(\$95)		
MV Referendum Tax	\$37	\$38	2.7%	\$1	\$36	-2.7%	(\$1)	\$34	-8.1%	(\$3)		
Total City Property Taxes	\$818	\$830	1.5%	\$12	\$775	-5.3%	(\$43)	\$720	-12.0%	(\$98)		
Utility Fees												
Water	\$331	\$340	2.6%	\$9	\$340	2.6%	\$9	\$340	2.6%	\$9		
Storm	\$140	\$142	1.0%	\$1	\$142	1.0%	\$1	\$142	1.0%	\$1		
Sanitary Sewer	\$256	\$262	2.5%	\$6	\$262	2.5%	\$6	\$262	2.5%	\$6		
Solid Waste Recycling	\$288	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)		
Total Utilities	\$1,015	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)		
Total City Property Taxes & Utility	\$1,833	\$1,778	-3.0%	(\$55)	\$1,723	-6.0%	(\$110)	\$1,668	-9.0%	(\$165)		

Residential Property Levy & Utility Fee Estimated impact

with Estimated Market Value Change of >>

	0.0%				-5.0%				-10.0%			
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change		
Assessed Market Value (MV)	\$195,500	\$195,500	0.0%	\$0	\$185,725	-5.0%	(\$9,775)	\$175,950	-10.0%	(\$19,550)		
Market Value Credit Exclusion	(\$24,005)	(\$19,645)			(\$20,525)			(\$21,405)				
Taxable Value	\$171,495	\$175,855	2.5%	\$4,360	\$165,200	-3.7%	(\$6,295)	\$154,546	-9.9%	(\$16,950)		
Tax Capacity	\$1,715	\$1,759	2.5%	\$44	\$1,652	-3.7%	(\$63)	\$1,545	-9.9%	(\$169)		
City Property Taxes												
Tax Capacity based Taxes	\$1,244	\$1,293	3.9%	\$49	\$1,215	-2.3%	(\$29)	\$1,136	-8.7%	(\$108)		
MV Referendum Tax	\$54	\$56	3.7%	\$2	\$53	-1.9%	(\$1)	\$50	-7.4%	(\$4)		
Total City Property Taxes	\$1,298	\$1,349	3.9%	\$51	\$1,268	-2.3%	(\$30)	\$1,186	-8.6%	(\$112)		
Utility Fees												
Water	\$331	\$340	2.6%	\$9	\$340	2.6%	\$9	\$340	2.6%	\$9		
Storm	\$140	\$142	1.0%	\$1	\$142	1.0%	\$1	\$142	1.0%	\$1		
Sanitary Sewer	\$256	\$262	2.5%	\$6	\$262	2.5%	\$6	\$262	2.5%	\$6		
Solid Waste Recycling	\$288	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)		
Total Utilities	\$1,015	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)		
Total City Property Taxes & Utility	\$2,313	\$2,297	-0.7%	(\$16)	\$2,216	-4.2%	(\$97)	\$2,134	-7.8%	(\$179)		

Residential Property Levy & Utility Fee Estimated impact

with Estimated Market Value Change of >>

	0.0%				-5.0%			-10.0%		
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change
Assessed Market Value (MV)	\$532,000	\$532,000	0.0%	\$0	\$505,400	-5.0%	(\$26,600)	\$478,800	-10.0%	(\$53,200)
Market Value Credit Exclusion	na	na			na			na		
Taxable Value	\$532,000	\$532,000	0.0%	\$0	\$505,400	-5.0%	(\$26,600)	\$478,800	-10.0%	(\$53,200)
Tax Capacity	\$5,400	\$5,400	0.0%	\$0	\$5,068	-6.2%	(\$333)	\$4,735	-12.3%	(\$665)
City Property Taxes										
Tax Capacity based Taxes	\$3,916	\$3,971	1.4%	\$55	\$3,726	-4.9%	(\$190)	\$3,482	-11.1%	(\$434)
MV Referendum Tax	\$148	\$153	3.4%	\$5	\$145	-2.0%	(\$3)	\$137	-7.4%	(\$11)
Total City Property Taxes	\$4,064	\$4,124	1.5%	\$60	\$3,871	-4.7%	(\$193)	\$3,619	-10.9%	(\$445)
Utility Fees										
Water	\$331	\$340	2.6%	\$9	\$340	2.6%	\$9	\$340	2.6%	\$9
Storm	\$140	\$142	1.0%	\$1	\$142	1.0%	\$1	\$142	1.0%	\$1
Sanitary Sewer	\$256	\$262	2.5%	\$6	\$262	2.5%	\$6	\$262	2.5%	\$6
Solid Waste Recycling	\$288	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)
Total Utilities	\$1,015	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)
Total City Property Taxes & Utility	\$5,079	\$5,072	-0.1%	(\$7)	\$4,819	-5.1%	(\$260)	\$4,567	-10.1%	(\$512)

Residential Property Levy & Utility Fee Estimated impact

with Estimated Market Value Change of >>

	0.0%				-5.0%			-10.0%		
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change
Assessed Market Value (MV)	\$1,334,000	\$1,334,000	0.0%	\$0	\$1,267,300	-5.0%	(\$66,700)	\$1,200,600	-10.0%	(\$133,400)
Market Value Credit Exclusion	na	na			na			na		
Taxable Value	\$1,334,000	\$1,334,000	0.0%	\$0	\$1,267,300	-5.0%	(\$66,700)	\$1,200,600	-10.0%	(\$133,400)
Tax Capacity	\$15,425	\$15,425	0.0%	\$0	\$14,591	-5.4%	(\$834)	\$13,758	-10.8%	(\$1,668)
City Property Taxes										
Tax Capacity based Taxes	\$11,185	\$11,343	1.4%	\$158	\$10,730	-4.1%	(\$455)	\$10,117	-9.5%	(\$1,068)
MV Referendum Tax	\$372	\$383	3.0%	\$11	\$364	-2.2%	(\$8)	\$344	-7.5%	(\$28)
Total City Property Taxes	\$11,557	\$11,726	1.5%	\$169	\$11,094	-4.0%	(\$463)	\$10,461	-9.5%	(\$1,096)
Utility Fees										
Water	\$331 #	\$340	2.6%	\$9	\$340	2.6%	\$9	\$340	2.6%	\$9
Storm	\$140 #	\$142	1.0%	\$1	\$142	1.0%	\$1	\$142	1.0%	\$1
Sanitary Sewer	\$256 #	\$262	2.5%	\$6	\$262	2.5%	\$6	\$262	2.5%	\$6
Solid Waste Recycling	\$288 #	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)	\$204	-29.2%	(\$84)
Total Utilities	\$1,015	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)	\$948	-6.6%	(\$67)
Total City Property Taxes & Utility	\$12,572	\$12,674	0.8%	\$102	\$12,042	-4.2%	(\$530)	\$11,409	-9.3%	(\$1,163)

Commercial/Industrial and Apartment Property Tax – Sample Bills

Commercial/Industrial Property					0.0%			-5.0%			-10.0%		
with Estimated Pay 2013 Market Value Change of													
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change
Assessed Market Value (MV)	\$275,000	\$275,000	0.0%	\$0	\$261,250	-5.0%	(\$13,750)	\$247,500	-10.0%	(\$27,500)			
Tax Capacity	\$4,750	\$4,750	0.0%	\$0	\$4,475	-5.8%	(\$275)	\$4,200	-11.6%	(\$550)			
City Property Taxes													
Tax Capacity based Taxes	\$2,228	\$2,404	7.9%	\$176	\$2,265	1.7%	\$37	\$2,126	-4.6%	(\$102)			
MV Referendum Tax	\$77	\$79	3.0%	\$2	\$75	-2.2%	(\$2)	\$71	-7.3%	(\$6)			
Total City Property Taxes	\$2,305	\$2,483	7.7%	\$178	\$2,340	1.5%	\$35	\$2,197	-4.7%	(\$108)			

Commercial/Industrial Property					0.0%			-5.0%			-10.0%		
with Estimated Pay 2013 Market Value Change of													
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change
Assessed Market Value (MV)	\$10,375,000	\$10,375,000	0.0%	\$0	\$9,856,250	-5.0%	(\$518,750)	\$9,337,500	-10.0%	(\$1,037,500)			
Tax Capacity	\$206,750	\$206,750	0.0%	\$0	\$196,375	-5.0%	(\$10,375)	\$186,000	-10.0%	(\$20,750)			
City Property Taxes													
Tax Capacity based Taxes	\$96,983	\$104,647	7.9%	\$7,665	\$99,396	2.5%	\$2,413	\$94,145	-2.9%	(\$2,838)			
MV Referendum Tax	\$2,890	\$2,977	3.0%	\$86	\$2,828	-2.2%	(\$63)	\$2,679	-7.3%	(\$212)			
Total City Property Taxes	\$99,873.11	\$107,624	7.8%	\$7,751	\$102,224	2.4%	\$2,351	\$96,824	-3.1%	(\$3,050)			

Apartment Property					0.0%			-5.0%			-10.0%		
with Estimated Pay 2013 Market Value Change of													
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change
Assessed Market Value (MV)	\$404,000	\$404,000	0.0%	\$0	\$383,800	-5.0%	(\$20,200)	\$363,600	-10.0%	(\$40,400)			
Tax Capacity	\$5,050	\$5,050	0.0%	\$0	\$4,798	-5.0%	(\$253)	\$4,545	-10.0%	(\$505)			
City Property Taxes													
Tax Capacity based Taxes	\$3,662	\$3,714	1.4%	\$52	\$3,528	-3.7%	(\$134)	\$3,342	-8.7%	(\$320)			
MV Referendum Tax	\$113	\$113	0.0%	\$0	\$110	-2.2%	(\$2)	\$104	-7.3%	(\$8)			
Total City Property Taxes	\$3,774	\$3,826	1.4%	\$52	\$3,638	-3.6%	(\$136)	\$3,446	-8.7%	(\$328)			

Apartment Property					0.0%			-5.0%			-10.0%		
with Estimated Pay 2013 Market Value Change of													
	2012	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change	2013	% Change	\$ Change
Assessed Market Value (MV)	\$722,000	\$722,000	0.0%	\$0	\$685,900	-5.0%	(\$36,100)	\$649,800	-10.0%	(\$72,200)			
Tax Capacity	\$9,025	\$9,025	0.0%	\$0	\$8,574	-5.0%	(\$451)	\$8,123	-10.0%	(\$903)			
City Property Taxes													
Tax Capacity based Taxes	\$6,544	\$6,637	1.4%	\$93	\$6,305	-3.7%	(\$239)	\$5,973	-8.7%	(\$571)			
MV Referendum Tax	\$201	\$201	0.0%	\$0	\$197	-2.2%	(\$4)	\$186	-7.3%	(\$15)			
Total City Property Taxes	\$6,745	\$6,838	1.4%	\$93	\$6,501	-3.6%	(\$244)	\$6,159	-8.7%	(\$586)			

City of Minneapolis 2013 Budget

Financial Plans

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

➤ Five-year Financial Direction 2014-2018	F2
➤ Demands on the Property Tax 10 Year Projection	F17
➤ Special Revenue Funds	F20
- Convention Center Special Revenue Fund	F20
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**City of Minneapolis
2013 Budget**

**Five-year Financial Direction 2014-2018
(Including detailed information on the City's General Fund)**

Introduction

In addition to projecting property tax needs for ten years, the City supports its long term financial planning with the creation of the Five-Year Financial Direction. This plan reflects the City's ongoing commitment to long-term financial planning. 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 \$431.4 million in the financial direction, \$382.6 million is in the City's general fund, which is the primary funding source for public safety, street paving, snow plowing and other general government services. The purpose of recommending a 2014-2018 financial direction is to provide guidance for departments on available planned resources in the City's General Fund.

General Fund

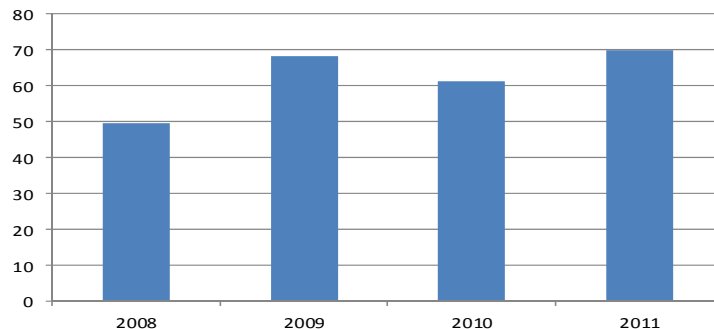
The general fund is the general operating fund of the City. Combined, the two largest revenues (state aids and property tax) have historically accounted for approximately 60-70% of total financial resources for the general fund. The top four sources of revenue account for more than 80% of the general fund's annual financial resources. Licenses and permits and charges for services, in addition to state aids and property taxes comprise these four largest sources.

Historical Financial Performance

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

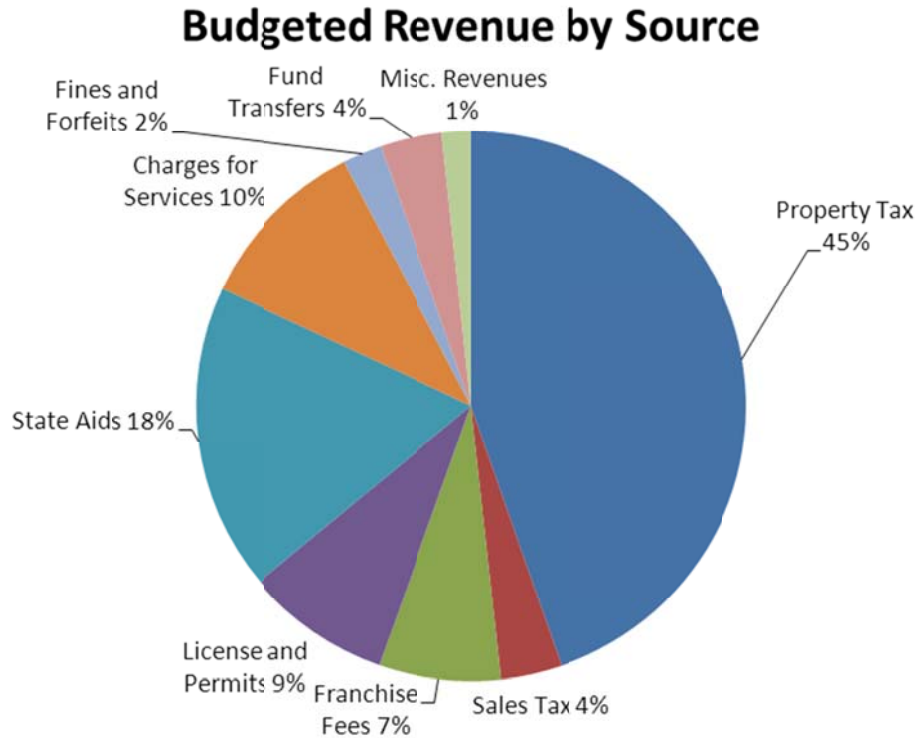
The general fund began 2011 with a fund balance of \$61.4 million. The 2011 year-end fund balance in the General Fund was \$69.9 million, which is above the stated fund balance requirement of 15% of the following year's revenue budget.

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



2013 General Fund Revenue Budget

The 2013 recommended budget includes a total of \$382.6 million of revenues for services incorporated in the financial direction, including \$13.9 million in transfers from other funds. Budgeted revenues are expected to increase less than 1% over the 2012 budget. General fund revenues by source are reflected in the chart and table below:



Revenue Source	2011			% Chg from 2012 Adopted	2012 Adopted as % of Total	2013 Adopted as % of Total
	Actual	2012 Adopted	2013 Adopted			
Property Tax	170.6	177.1	170.9	-3.5%	46.7%	44.7%
Sales Tax	0.0		13.7	100%	0.0%	3.6%
Franchise Fees	29.1	27.5	27.4	-0.4%	7.2%	7.2%
License and Permits	30.4	29.3	32.6	11.1%	7.7%	8.5%
State Government	67.8	67.0	69.0	3.0%	17.6%	18.0%
Charges for Services	37.8	40.3	39.7	-1.5%	10.6%	10.4%
Fines and Forfeits	9.5	9.5	8.8	-6.8%	2.5%	2.3%
Fund Transfers	24.9	22.6	13.9	-38.3%	6.0%	3.6%
Misc. Revenues	7.4	6.2	6.5	4.1%	1.6%	1.7%
Total	377.5	379.5	382.6	0.8%	100.0%	100.0%

State Aids (including Local Government Aid):

The City's local government aid (LGA) allocation in 2013 is certified at the same level (\$64.1 million) as 2011 and 2012. This is based on legislative actions during the 2012 session.

After 2013 the City is assumed to receive a reduction in LGA of \$0.3 million each year as a result of state legislative provisions capping LGA formula-related reductions. This equates to \$265,000 fewer resources available in the general fund annually.

Franchise fees are paid by various utility companies for use of City rights-of-way. Franchise fees are a percentage of total utility revenues. The City's collections vary directly with the paying utility's gross revenues. There are four franchise agreements that provide revenue for the City:

- The 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 drops to 4.5% of gross revenues beginning in January 2013. This franchise agreement expires on December 31, 2014. For 2013, the City is anticipating \$16.2 million in revenues from this franchise agreement.
- The franchise agreement with Center Point Energy 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 2013, the City is anticipating \$8.1 million in revenues from this franchise agreement.
- The City anticipates \$3.1 million in revenue from the cable franchise in 2013:

The 2013 budget anticipates the total franchise fee revenue to be \$27.4 million.

Licenses and Permits are issued by the City for a wide variety of regulated activities. Building permits are a major component of this revenue category. The 2013 budget anticipates an 11.1% increase in licenses and permit revenue.

Fines and Forfeitures include traffic fines, administrative citations, and forfeitures related to certain state and federal crimes. Citywide collections from are anticipated to decline by 9.8% in 2013.

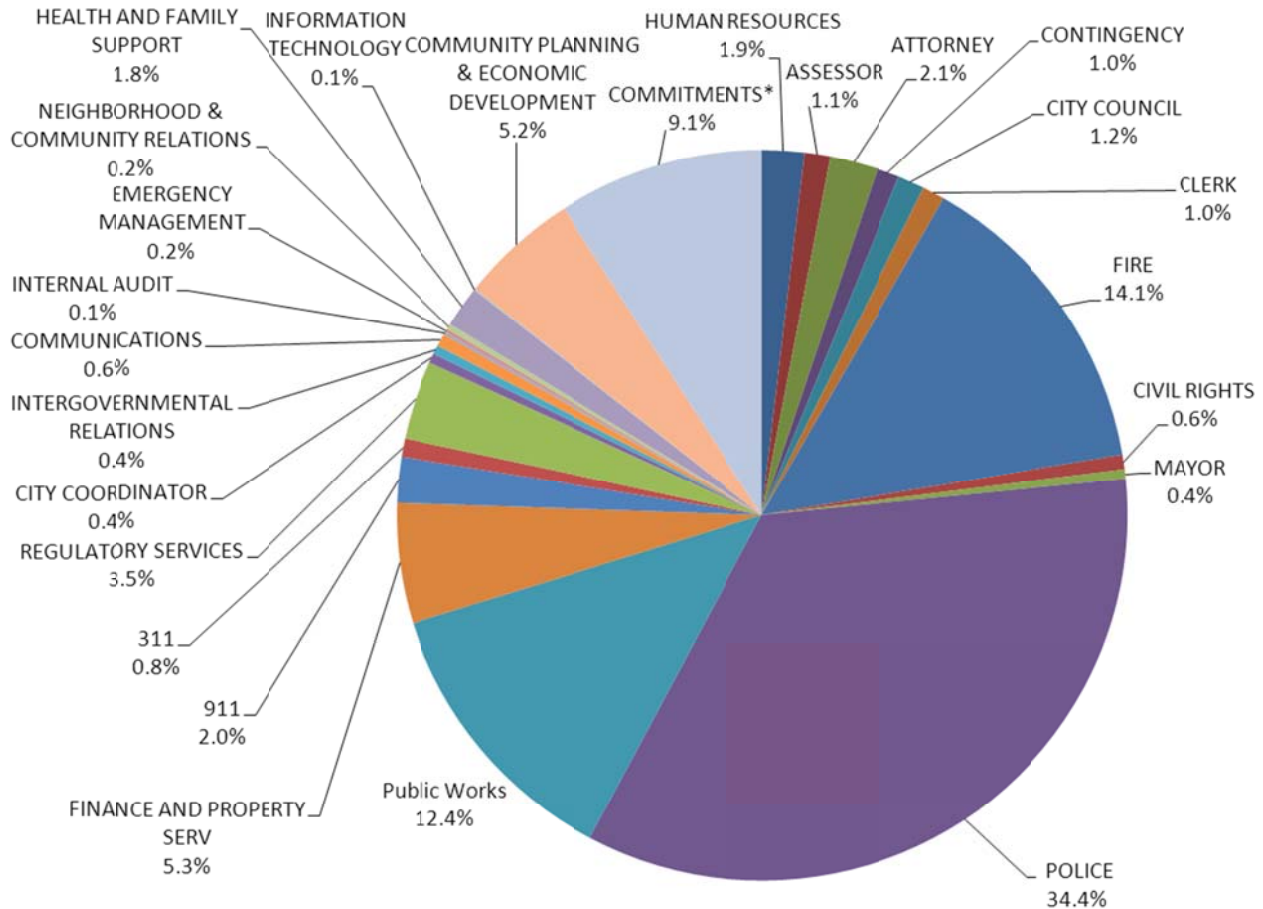
2013 General Fund Expenditure Budget

The 2013 recommended budget for services included in the financial direction is \$431.1 million, which includes \$34.2 million in transfers to other funds.

Approximately 64% of the overall expenditure budget is related to personnel costs. In the General Fund, salary and wage expenditures increased from \$169.0 million in 2012 to \$175.6 million in 2013. The salary and wages expense category also includes overtime costs, contractually-obligated payments, and one-time funding.

Employer health insurance costs increases 5% from 2012. This is a significant drop from the estimated 10% increase in the City’s planning estimates which allowed for reallocation of funds and levy reduction during the initial budget recommendation process. Programmatic budgets reflect the reduction in health care costs.

The general fund provides funding in some shape or form for most City functions. A breakdown of the allocation of the \$431.1 million in the 2013 general fund budget is reflected in the chart below.



*Commitments include: transfers to the internal service funds, pension obligations, payment to Hennepin County related to the library system, and other miscellaneous transfers.

Five-Year Financial Direction

The Five-Year Financial Direction for the 2013 budget includes a tax policy of 1.77% in 2013, 2.5% in 2014 and 2015, 2.75% in 2016, 3.0% in 2017 and 3.25% in 2018. These percentages reflect statutorily-required costs and provide for the following current service level cost escalator for departments: 2.8% in 2013, 3.4% in 2014; 3.5% in 2015; 3.5% in 2016; 3.5% in 2017 and 3.6% in 2018.

The 2013 budget is the basis for future projections: In other words, what is included in the 2013 budget is the starting place for the 2014-2018 department budget estimates. One-time 2013 supplemental items are removed from department budgets in 2014 and beyond.

The financial direction from 2014 to 2018 contains updates to departmental resources: The financial direction includes the most updated assumptions about contract settlements and other commitments.

Reductions to departmental growth required in 2013 only. The departmental cuts necessary to balance the five-year financial direction are required in 2013. Any future balances have been allocated to the operating contingency fund.

Salary Assumptions – The City adopted a compensation philosophy in 2007. The philosophy does not specify a salary policy; rather, it anticipates that salary settlements will vary within and between bargaining units. Assumptions are updated annually as contracts are settled.

Capital and Debt Service (including pensions)

As part of last year’s budget and in response to critical infrastructure needs and reduced support from the State of Minnesota, the amount of property tax supported resources for capital improvements was expanded from the previous five-year plan by over \$56 million, from \$94 million to \$150 million. For 2013 – 2017 and future years, the intent is to sustain this higher level of property tax supported (net debt bond) funding to continue the infrastructure acceleration program, which otherwise would have concluded in 2013. This ongoing higher capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, parks, traffic signals and economic development projects that enhance the property tax base. Even with the infrastructure acceleration program from 2009 – 2013 and the higher net debt bond resource levels, there is a large backlog of infrastructure needs that still must be addressed. The current emphasis for these funds is primarily on improving street paving.

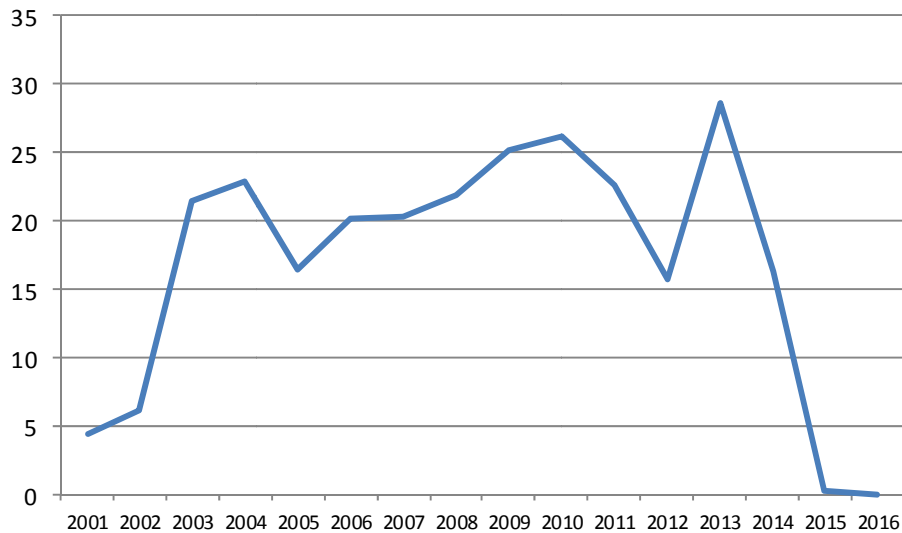
The Net Debt Bond (NDB) program is funded by property tax collections. The five-year financial direction for the bond redemption levy includes increases in 2014 with more significant

increases in 2015 and beyond for capital improvements. These increases are possible due to improvements in the internal service fund financial plans which reduce the demand for property

Summary of Five-Year Financial Direction (dollars in millions)	
Department	2018 Resources
Police	156.244
Fire	64.653
Public Works	56.448
Community Planning and Economic Developn	23.606
Regulatory Servcies	15.838
Health and Family Support	7.994
Civil Rights	2.925
Capital (pay-go and debt)	35.28
Pensions	26.764
All other spending	84.42
Total	474.170

tax resources. The plan to pay off the remaining pension bonds in 2012 also creates financial capacity to continue the expanded NDB program.

Internal Service Fund obligations. The 2008 adopted long-term financial plans began accelerating the General Fund's contribution to the adopted workout plans for the internal service funds to create capacity to hold down later year property tax levy increases. Over the last few years the General Fund has accelerated the workout plan schedule to move forward the full completion date from 2019 to 2015. The 2013 adopted budget continues support for this course of action.



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

Description (year decided)	Amount (millions)
Hilton Legacy Fund (2003) – proceeds from the sale of the City's share in the downtown hotel	\$12.5
Year-end savings from 2004 (2005)	\$15.0
One-time LGA, general fund resources (2005 for 2006)	\$10.0
2007 one-time resources	\$3.0
Pre-payment of BIS workout plan obligations for 2012 (2009)	\$1.5
Pre-payment of Self Insurance Fund workout plan obligations for 2011 (2010)	\$3.5
Payment of pension obligations (2010 Revised)	\$2.8
Pre-payment of Self Insurance Fund workout plan obligations for 2012 and 2013 (\$5.6 million); reduction to transfer of \$1 million to the Self Insurance Fund given fund's financial performance (2011)	\$4.6
Postponement of Fleet Fund workout plan obligations for 2012 to 2013 and prepayment of 2014 obligations in 2013 (net zero impact)	\$0
Acceleration of workout plan obligations and \$3.6 million reduction to BIS workout plan obligations	\$3.6
Acceleration of workout plan obligations: \$1.1 million to equipment, \$0.236 million to Intergovernmental Services, \$2.3 million to Property Services (2013)	\$3.7
Payment of pension debt in 2012 (2012)	\$50.5
Total	\$110.7

Funding for pension liabilities. The property tax levy needed to support closed pension fund-related obligations is \$27.3 million in 2013, and will remain at that level through 2030. The debt service portion will be retired in 2012, which will eliminate the remaining pension debt obligations issued for the City's closed funds in 2013 and all future years. The five-year financial direction includes obligations for three closed pension funds: the Minneapolis Police Relief Association, the Minneapolis Firefighters' Relief Association, and the Minneapolis Employees Retirement Fund. All three funds are administered by the Public Employees Retirement Association, (PERA). Additionally, the City has continuing obligations to PERA for the pension plan to which most current City employees belong.

Change in Contingency for Adverse Circumstances

Contingency exists for adverse and unforeseen circumstances. Examples of adverse circumstances the City has encountered include winter seasons with heavy snowfall, reductions in LGA, unemployment costs and increased pension obligations.

Other Pressures Facing the City 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 property tax increases to support future services. Reducing the growth in property taxes in the face of declining LGA and other factors may 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.
- *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 Increases:* The City will continue to see issues related to the ability to keep up with enterprise demands while subject to increased costs.
- *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 from 2008 through 2017. Recently, City departments have increased their usage of this service to full capacity. The wireless commitment was reflected in the budgets for non-General Fund departments starting in 2011 (The share of the commitment for departments in the General Fund is transferred directly to the Intergovernmental Services Fund and, therefore, is not reflected in the operating budgets of those departments).

Property Tax Revenue Distribution.

In 2010, the City adopted a "shared revenue" approach based on the sum of the following revenue sources: total property tax revenue, total Local Government Aid revenue, and total General Fund revenues. From this total, shared costs are deducted, including: pension obligations, previously approved internal service fund workout plans, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Teacher's Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and

Taxation, General Fund Overhead associated with the Park Board and Municipal Building Commission (MBC), General Fund Overhead for others, General Fund transfers to other funds, General fund support of the Wi-Fi commitment, Target Center, graffiti removal, election transition costs, property tax stabilization account, Mayor initiatives for 2013, and City Support of the Affordable Housing Trust Fund. The remaining revenues are then identified as being available for “activities.”

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

Aside from the policy decisions listed above, the annual percentage change in revenue available for activities of the City, Park Board and MBC are the same for each entity beginning in 2014.

Assumptions for the 2013-2018 Five Year Financial Direction

- The tax policy for 2013-2018 is as follows: 1.77% in 2013; 2.5% in 2014-2015; 2.75% in 2016, 3.0% in 2017, and 3.25% in 2018. These percentages reflect statutorily-required costs and provide for the following current service level cost escalator for departments: 2.8% in 2013, 3.4% in 2014, 3.5% in 2015-2017; and 3.6% in 2018.
- Contingency increased to provide cushion for uncertainty related to seasonal and economic conditions.
- Health increases are assumed at 5% in 2013; 9.5% for 2014 -2018; and 12% thereafter.
- This budget has an increase of \$56 million in a capital program in 2013 for Public Works capital projects.
- Reductions in LGA of \$0.265 million annually (excluding independent boards) are reflected in 2014-2018.
- Revenues in the general fund are NOT assumed to increase, except for licenses and permits which are anticipated to increase by 3.0% annually, the cost allocation model for internal City departments, and the government service fee, include cost escalators.
- Full funding of internal service fund debts are included.
- Entertainment tax revenue is no longer treated as a transfer into the general fund. It is recorded as direct revenue into the general fund.
- Other local tax revenue is recorded as a transfer into the general fund.

2013 Property Tax Supported Budgets						
	2013 Council	2013 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	
General Fund						
<u>General Fund Commitments</u>						
Internal Service Funds Financial Plans	28.633	-	-	-	28.633	28.633
Transfers to BIS for WiFi from Gen Fd Depts	0.491	-	-	-	0.491	0.491
Graffiti Removal	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.089	-	-	-	0.089	0.089
Payment to County for Library System	4.106	-	-	4.106	-	4.106
Pension Debt Service Mgmt Plan	0.715	-	-	-	0.715	0.715
Total General Fund Commitments	34.184	-	-	4.106	30.078	34.184
<u>General Fund Departments</u>						
Police	131.564	10.357	35.330	22.458	57.856	126.001
Fire	53.790	3.959	14.525	9.233	23.786	51.503
Subtotal for Police & Fire	185.354	14.316	49.856	31.691	81.641	177.504
Assessor	4.315	0.063	1.239	0.788	2.030	4.120
Attorney	8.075	0.020	2.319	1.474	3.797	7.610
IT	0.200	-	0.058	0.037	0.095	0.191
City Council	4.538	-	1.323	0.841	2.166	4.330
City Clerk/Elections	3.779	0.109	1.070	0.680	1.752	3.611
City Coordinator Administration	1.628	-	0.475	0.302	0.777	1.553
311	3.122	-	0.910	0.578	1.490	2.979
911	7.726	-	2.220	1.411	3.635	7.266
Emergency Management	0.693	-	0.202	0.128	0.331	0.661
Civil Rights	2.463	-	0.718	0.456	1.176	2.350
Communications	2.136	3.930	-	-	-	3.930
Community Planning & Economic Development (CPED)	20.034	24.780	-	-	1.001	25.781
Contingency	3.884	-	-	-	3.884	3.884
Finance	20.323	-	5.924	3.766	9.701	19.390
Health and Family	6.946	2.347	0.645	0.410	1.057	4.459
Human Resources	7.129	-	2.139	1.360	3.503	7.002
Intergovernmental Relations	1.510	-	0.440	0.280	0.721	1.441
Internal Audit	0.382	-	0.111	0.071	0.182	0.364
Mayor	1.598	-	0.466	0.296	0.763	1.525
Neighborhood & Community Relations	0.934	-	0.272	0.173	0.446	0.891
Public Works	47.530	14.777	10.900	6.929	17.850	50.456
Regulatory Services	13.336	12.242	1.251	0.795	2.048	16.336
Subtotal for all other departments	162.281	58.268	32.682	20.775	58.405	170.130
Total General Fund Departments	347.635	72.584	82.538	52.466	140.046	347.634
<u>General Fund transfer for Rent</u>						
Transfers for City Hall rent	0.748	-	-	-	0.748	0.748
Total General Fund	382.567	72.584	82.538	56.572	170.872	382.566
<u>Other Property Tax-Supported Commitments</u>						
Capital - Permanent Improvement	0.980	-	-	-	0.980	0.980
Debt Service	20.776	-	-	-	20.776	20.776
Pensions - Direct Levy for MPRA, MFRA and MERF	26.764	-	-	-	26.764	26.764
Subtotal	48.520	-	-	-	48.520	48.520
Total Property Tax Supported Commitments	431.086	72.584	82.538	56.572	219.392	431.086
				2013 Total Revenue	431.086	
				2013 Total Expense	431.086	

2014 Property Tax Supported Budgets								
	Prior Year Total Expense	Projected Growth in spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues
					Other General City Revenues	Local Government Aid	Property Tax Revenue	
General Fund								
<u>General Fund Commitments</u>								
Internal Service Funds Financial Plans	28.633	(12.357)	16.276	-	-	-	16.276	16.276
Transfers to BIS for WiFi from Gen Fd Depts	0.491	0.007	0.498	-	-	-	0.498	0.498
Graffiti Removal	0.15	-	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.089	0.455	0.544	-	-	-	0.544	0.544
Payment to County for Library System	4.106	(0.868)	3.238	-	-	3.238	-	3.238
Post election transition costs	0	0.350	0.350	-	-	-	0.350	0.350
Pension Debt Service Mgmt Plan	0.715	-	0.715	-	-	-	0.715	0.715
Total General Fund Commitments	34.184	(12.413)	21.771	-	-	3.238	18.533	21.771
<u>General Fund Departments</u>								
Police	131.564	5.789	137.353	10.357	36.473	23.476	64.191	134.498
Fire	53.79	2.237	56.027	3.959	14.954	9.625	26.318	54.856
Subtotal for Public Safety	185.354	8.026	193.380	14.316	51.427	33.101	90.509	189.354
Assessor	4.315	0.147	4.462	0.063	1.264	0.813	2.224	4.363
Attorney	8.075	0.171	8.246	0.020	2.363	1.521	4.158	8.061
IT	0.200	(0.200)	-	-	-	-	-	-
City Council	4.538	0.152	4.690	-	1.347	0.867	2.371	4.584
City Clerk/Elections	3.779	(0.054)	3.725	0.109	1.038	0.668	1.828	3.643
City Coordinator Administration	1.628	0.055	1.683	-	0.483	0.311	0.851	1.645
311	3.122	0.107	3.229	-	0.927	0.597	1.632	3.156
911	7.726	0.263	7.989	-	2.294	1.477	4.038	7.809
Emergency Management	0.693	0.024	0.717	-	0.206	0.132	0.362	0.701
Civil Rights	2.463	0.084	2.547	-	0.731	0.471	1.287	2.489
Communications	2.136	(0.042)	2.094	3.930	-	-	-	3.930
Community Planning & Economic Development (CPED)	20.034	0.650	20.684	25.483	-	-	1.001	26.484
Contingency	3.884	0.398	4.282	-	-	-	4.282	4.282
Finance	20.323	0.537	20.860	-	5.991	3.856	10.544	20.391
Health and Family	6.946	0.015	6.961	2.417	1.305	0.840	2.297	6.859
Human Resources	7.129	(0.532)	6.597	-	1.895	1.219	3.334	6.449
Intergovernmental Relations	1.510	0.051	1.561	-	0.448	0.289	0.789	1.526
Internal Audit	0.382	0.013	0.395	-	0.113	0.073	0.200	0.386
Mayor	1.598	0.054	1.652	-	0.474	0.305	0.835	1.615
Neighborhood & Community Relations	0.934	0.006	0.940	-	0.270	0.174	0.475	0.919
Public Works	47.530	1.623	49.153	14.777	9.873	6.355	17.376	48.380
Regulatory Services	13.336	0.455	13.791	12.609	-	-	-	12.609
Subtotal for all other departments	162.281	3.976	166.257	59.409	31.024	19.968	59.883	170.283
Total General Fund Departments	347.635	12.002	359.637	73.725	82.451	53.069	150.392	359.637
<u>General Fund transfer for Rent</u>								
Transfers for City Hall rent	0.748	0.022	0.770	-	-	-	0.770	0.770
Total General Fund	382.567	(0.389)	382.178	73.725	82.451	56.307	169.695	382.178
<u>Other Property Tax-Supported Commitments</u>								
Capital - Permanent Improvement	0.980	-	0.980	-	-	-	0.980	0.980
Debt Service	20.776	6.517	27.293	-	-	-	27.293	27.293
Pensions - Direct Levy for MPRA, MFRA and MERF	26.764	-	26.764	-	-	-	26.764	26.764
Subtotal	48.520	6.517	55.037	-	-	-	55.037	55.037
Total Property Tax Supported Commitments	431.087	6.128	437.215	73.725	82.451	56.307	224.732	437.215
							2014 Total Revenue	437.215
							2014 Total Expense	437.215
							(Additional cuts needed)/Cushion for adverse circumstances	0.000

2015 Property Tax Supported Budgets								
	Prior Year Total Expense	Projected Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues
					Other General City Revenues	Local Government Aid	Property Tax Revenue	
General Fund								
<u>General Fund Commitments</u>								
Internal Service Funds Financial Plans	16.276	(15.962)	0.314	-	-	-	0.314	0.314
Transfers to BIS for WIFI from Gen Fd Depts	0.498	0.007	0.505	-	-	-	0.505	0.505
Graffiti Removal	0.150	-	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.544	0.009	0.553	-	-	-	0.553	0.553
Payment to County for Library System	3.238	(0.875)	2.363	-	-	2.363	-	2.363
Property tax stabilization account	0	6.586	6.586	-	-	-	6.586	6.586
Post election transition costs	0.35	(0.350)	-	-	-	-	-	-
Pension Debt Service Mgmt Plan	0.715	-	0.715	-	-	-	0.715	0.715
Total General Fund Commitments	21.771	(10.585)	11.186	-	-	2.363	8.823	11.186
<u>General Fund Departments</u>								
Police	137.353	3.886	141.239	10.357	36.921	23.662	67.509	138.449
Fire	56.027	2.216	58.243	3.959	15.313	9.814	28.000	57.086
Subtotal for Public Safety	193.380	6.102	199.482	14.316	52.235	33.475	95.509	195.536
Assessor	4.462	0.154	4.617	0.063	1.285	0.823	2.349	4.520
Attorney	8.246	0.285	8.531	0.020	2.401	1.539	4.390	8.350
City Council	4.690	0.162	4.852	-	1.369	0.877	2.503	4.748
City Clerk/Elections	3.725	(0.389)	3.336	0.109	0.910	0.583	1.665	3.267
City Coordinator Administration	1.683	0.058	1.738	-	0.490	0.314	0.897	1.701
311	3.229	0.112	3.340	-	0.942	0.604	1.723	3.269
911	7.989	0.276	8.264	-	2.331	1.494	4.263	8.088
Emergency Management	0.717	0.025	0.741	-	0.209	0.134	0.382	0.726
Civil Rights	2.547	0.088	2.635	-	0.743	0.476	1.359	2.578
Communications	2.094	0.072	2.166	3.930	-	-	-	3.930
Community Planning & Economic Development (CPED)	20.684	0.680	21.365	26.207	-	-	1.001	27.208
Contingency	4.282	(0.038)	4.244	-	-	-	4.244	4.244
Finance	20.860	0.721	21.581	-	6.088	3.901	11.131	21.121
Health and Family	6.961	0.240	7.201	2.490	1.329	0.852	2.430	7.101
Human Resources	6.597	0.228	6.825	-	1.925	1.234	3.520	6.679
Intergovernmental Relations	1.561	0.054	1.615	-	0.456	0.292	0.833	1.581
Internal Audit	0.395	0.014	0.409	-	0.115	0.074	0.211	0.400
Mayor	1.652	0.057	1.709	-	0.482	0.309	0.882	1.673
Neighborhood & Community Relations	0.940	0.033	0.973	-	0.274	0.176	0.502	0.952
Public Works	49.153	1.698	50.851	14.777	10.177	6.522	18.607	50.083
Regulatory Services	13.791	0.477	14.268	12.988	-	-	-	12.988
Subtotal for all other departments	166.257	5.007	171.260	60.584	31.527	20.205	62.891	175.206
Total General Fund Departments	359.637	11.109	370.742	74.900	83.762	53.680	158.400	370.742
<u>General Fund transfer for Rent</u>								
Transfers for City Hall rent	0.770	0.026	0.796	-	-	-	0.796	0.796
Total General Fund	382.178	0.550	382.724	74.900	83.762	56.043	168.019	382.724
<u>Other Property Tax-Supported Commitments</u>								
Capital - Permanent Improvement	0.980	-	0.980	-	-	-	0.980	0.980
Debt Service	27.293	7.007	34.300	-	-	-	34.300	34.300
Pensions - Direct Levy for MPRA, MFRA and MERF	26.764	0	26.764	-	-	-	26.764	26.764
Subtotal	55.037	7.007	62.044	-	-	-	62.044	62.044
Total Property Tax Supported Commitments	437.215	7.557	444.768	74.900	83.762	56.043	230.063	444.768
							2015 Total Revenue	444.768
							2015 Total Expense	444.768
							(Additional cuts needed)/Cushion for adverse circumstances	0.000

2016 Property Tax Supported Budgets									
	Prior Year Expense	Projected Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues	
					Other General City Revenues	Local Government Aid	Property Tax Revenue		
General Fund									
<i>General Fund Commitments</i>									
Internal Service Funds Financial Plans	0.314	(0.314)	-	-	-	-	-	-	
Transfers to BIS for WIFI from Gen Fd Depts	0.505	(0.023)	0.482	-	-	-	0.482	0.482	
Graffiti Removal	0.150	-	0.150	-	-	-	0.150	0.150	
Target Center Financial Plan	0.553	0.008	0.561	-	-	-	0.561	0.561	
Payment to County for Library System	2.363	(0.803)	1.560	-	-	1.560	-	1.560	
Property tax stabilization account	6.586	(2.078)	4.508	-	-	-	4.508	4.508	
Pension Debt Service Mgmt Plan	0.715	-	0.715	-	-	-	0.715	0.715	
Total General Fund Commitments	11.186	(3.210)	7.976	-	-	1.560	6.416	7.976	
<i>General Fund Departments</i>									
Police	141.239	4.437	145.676	10.357	37.967	23.790	70.852	142.966	
Fire	58.243	2.037	60.280	3.959	15.802	9.901	29.489	59.152	
Subtotal for Public Safety	199.482	6.474	205.956	14.316	53.769	33.691	100.342	202.118	
Assessor	4.617	0.161	4.778	0.063	1.323	0.829	2.469	4.684	
Attorney	8.531	0.298	8.829	0.020	2.472	1.549	4.613	8.653	
City Council	4.852	0.169	5.021	-	1.409	0.883	2.629	4.921	
City Clerk/Elections	3.336	0.617	3.953	0.050	1.095	0.686	2.044	3.875	
City Coordinator Administration	1.738	0.061	1.799	-	0.505	0.316	0.942	1.763	
311	3.340	0.117	3.457	-	0.970	0.608	1.810	3.388	
911	8.264	0.289	8.553	-	2.400	1.504	4.479	8.382	
Emergency Management	0.741	0.026	0.767	-	0.215	0.135	0.402	0.752	
Civil Rights	2.635	0.092	2.727	-	0.765	0.479	1.428	2.672	
Communications	2.166	0.076	2.242	3.930	-	-	-	3.930	
Community Planning & Economic Development (CPED)	21.365	0.712	22.077	26.954	-	-	1.001	27.955	
Contingency	4.244	0.220	4.464	-	-	-	4.464	4.464	
Finance	21.581	0.755	22.335	-	6.267	3.927	11.695	21.888	
Health and Family	7.201	0.252	7.453	2.565	1.372	0.859	2.560	7.355	
Human Resources	6.825	0.239	7.064	-	1.982	1.242	3.698	6.922	
Intergovernmental Relations	1.615	0.056	1.672	-	0.469	0.294	0.875	1.638	
Internal Audit	0.409	0.014	0.423	-	0.119	0.074	0.221	0.414	
Mayor	1.709	0.060	1.769	-	0.496	0.311	0.926	1.733	
Neighborhood & Community Relations	0.973	0.034	1.007	-	0.282	0.177	0.527	0.986	
Public Works	50.851	1.779	52.630	14.777	10.621	6.655	19.820	51.872	
Regulatory Services	14.268	0.499	14.767	13.377	-	-	-	13.377	
Subtotal for all other departments	171.260	6.526	177.786	61.735	32.761	20.527	66.601	181.624	
Total General Fund Departments	370.742	13.000	383.742	76.051	86.530	54.218	166.943	383.742	
<i>General Fund transfer for Rent</i>									
Transfers for City Hall rent	0.796	0.028	0.824	-	-	-	0.824	0.824	
Total General Fund	382.724	9.818	392.542	76.051	86.530	55.778	174.183	392.542	
<i>Other Property Tax-Supported Commitments</i>									
Capital - Permanent Improvement	0.980	-	0.980	-	-	-	0.980	0.980	
Debt Service	34.300	-	34.300	-	-	-	34.300	34.300	
Pensions - Direct Levy for MPRA, MFRA and MERF	26.764	-	26.764	-	-	-	26.764	26.764	
Subtotal	62.044	-	62.044	-	-	-	62.044	62.044	
Total Property Tax Supported Commitments	444.768	9.818	454.586	76.051	86.530	55.778	236.227	454.586	
							2016 Total Revenue	454.586	
							2016 Total Expense	454.586	
							(Additional cuts needed)/Cushion for adverse circumstances	(0.000)	

2017 Property Tax Supported Budgets								
	Prior Year Total Expense	Projected Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are receipted at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues
					Other General City Revenues	Local Government Aid	Property Tax Revenue	
General Fund								
<u>General Fund Commitments</u>								
Transfers to BIS for WIFI from Gen Fd Depts	0.482	(0.019)	0.463	-	-	-	0.463	0.463
Graffiti Removal	0.150	-	0.150	-	-	-	0.150	0.150
Target Center Financial Plan	0.561	0.008	0.569	-	-	-	0.569	0.569
Payment to County for Library System	1.56	(0.780)	0.780	-	-	0.780	-	0.780
Property tax stabilization account	4.508	(3.592)	0.916	-	-	-	0.916	0.916
Pension Debt Service Mgmt Plan	0.715	-	0.715	-	-	-	0.715	0.715
Total General Fund Commitments	7.976	(4.383)	3.593	-	-	0.780	2.813	3.593
<u>General Fund Departments</u>								
Police	145.676	5.158	150.834	10.357	38.487	24.000	75.361	148.204
Fire	60.280	2.135	62.415	3.959	16.015	9.987	31.359	61.320
Subtotal for Public Safety	205.956	7.293	213.249	14.316	54.502	33.987	106.720	209.524
Assessor	4.778	0.169	4.947	0.063	1.338	0.834	2.620	4.856
Attorney	8.829	0.313	9.142	0.020	2.499	1.558	4.894	8.971
City Council	5.021	0.177	5.198	-	1.424	0.888	2.789	5.101
City Clerk/Elections	3.953	0.140	4.093	0.050	1.108	0.691	2.169	4.017
City Coordinator Administration	1.799	0.064	1.863	-	0.510	0.318	0.999	1.828
311	3.457	0.122	3.579	-	0.981	0.612	1.920	3.512
911	8.553	0.303	8.856	-	2.426	1.513	4.751	8.690
Emergency Management	0.767	0.027	0.795	-	0.218	0.136	0.426	0.780
Civil Rights	2.727	0.097	2.823	-	0.773	0.482	1.515	2.770
Communications	2.242	0.079	2.321	3.930	-	-	-	3.930
Community Planning & Economic Development (CPED)	22.077	0.746	22.823	27.722	-	-	1.001	28.723
Contingency	4.464	0.233	4.697	-	-	-	4.697	4.697
Finance	22.335	0.791	23.126	-	6.336	3.951	12.406	22.693
Health and Family	7.453	0.264	7.717	2.642	1.391	0.867	2.723	7.622
Human Resources	7.064	0.250	7.314	-	2.004	1.250	3.924	7.177
Intergovernmental Relations	1.672	0.059	1.731	-	0.474	0.296	0.929	1.698
Internal Audit	0.423	0.015	0.438	-	0.120	0.075	0.235	0.430
Mayor	1.769	0.063	1.831	-	0.502	0.313	0.982	1.797
Neighborhood & Community Relations	1.007	0.036	1.042	-	0.286	0.178	0.559	1.023
Public Works	52.630	1.864	54.493	14.777	10.881	6.785	21.306	53.750
Regulatory Services	14.767	0.522	15.289	13.778	-	-	-	13.778
Subtotal for all other departments	177.786	6.333	184.119	62.982	33.270	20.747	70.844	187.844
Total General Fund Departments	383.742	13.626	397.368	77.298	87.772	54.734	177.564	397.368
<u>General Fund transfer for Rent</u>								
Transfers for City Hall rent	0.824	0.029	0.853	-	-	-	0.853	0.853
Total General Fund	392.542	9.272	401.814	77.298	87.772	55.514	181.230	401.814
<u>Other Property Tax-Supported Commitments</u>								
Capital - Permanent Improvement	0.980	-	0.980	-	-	-	0.980	0.980
Debt Service	34.300	-	34.300	-	-	-	34.300	34.300
Pensions - Direct Levy for MPRA, MFRA and MERF	26.764	-	26.764	-	-	-	26.764	26.764
Subtotal	62.044		62.044	-	-	-	62.044	62.044
Total Property Tax Supported Commitments	454.586	9.272	463.858	77.298	87.772	55.514	243.274	463.858
							2017 Total Revenue	463.858
							2017 Total Expense	463.858
							(Additional cuts needed)/Cushion for adverse circumstances	(0.000)

2018 Property Tax Supported Budgets									
	Prior Year Total Expense	Projected Growth in Spending	Current Year Total Expense	Direct Revenue (received by the department)	Allocated Revenues for Presentation Purposes <i>These revenues are received at the Fund Level, but have been allocated to departments in this table for presentation purposes.</i>			Total Revenues	
					Other General City Revenues	Local Government Aid	Property Tax Revenue		
General Fund									
General Fund Commitments									
Transfers to BIS for WiFi from Gen Fd Depts	0.463	(0.267)	0.196	-	-	-	0.196	0.196	
Graffiti Removal	0.150	-	0.150	-	-	-	0.150	0.150	
Target Center Financial Plan	0.569	0.009	0.578	-	-	-	0.578	0.578	
Payment to County for Library System	0.78	(0.780)	-	-	-	-	-	-	
Property tax stabilization account	0.916	(3.464)	(2.548)	-	-	-	(2.548)	(2.548)	
Post election transition costs	0	0.400	0.400	-	-	-	0.400	0.400	
Pension Debt Service Mgmt Plan	0.715	-	0.715	-	-	-	0.715	0.715	
Total General Fund Commitments	3.593	(4.102)	-0.509	-	-	-	(0.509)	(0.509)	
General Fund Departments									
Police	150.834	5.410	156.244	10.357	39.028	24.210	80.113	153.708	
Fire	62.415	2.238	64.653	3.959	16.237	10.072	33.330	63.598	
Subtotal for Public Safety	213.249	7.648	220.898	14.316	55.265	34.282	113.443	217.307	
Assessor	4.947	0.177	5.125	0.063	1.354	0.840	2.780	5.037	
Attorney	9.142	0.328	9.470	0.020	2.528	1.568	5.189	9.306	
City Council	5.198	0.186	5.385	-	1.441	0.894	2.957	5.291	
City Clerk/Elections	4.093	0.147	4.240	0.050	1.121	0.695	2.301	4.167	
City Coordinator Administration	1.863	0.067	1.930	-	0.516	0.320	1.060	1.896	
311	3.579	0.128	3.708	-	0.992	0.615	2.036	3.643	
911	8.856	0.318	9.174	-	2.454	1.522	5.038	9.014	
Emergency Management	0.795	0.029	0.823	-	0.220	0.137	0.452	0.809	
Civil Rights	2.823	0.101	2.925	-	0.782	0.485	1.606	2.874	
Communications	2.321	0.083	2.404	3.930	-	-	-	3.930	
Community Planning & Economic Development (CPED)	22.823	0.783	23.606	28.513	-	-	1.001	29.514	
Contingency	4.697	0.333	5.030	-	-	-	5.030	5.030	
Finance	23.126	0.830	23.955	-	6.409	3.975	13.155	23.539	
Health and Family	7.717	0.277	7.994	2.721	1.411	0.875	2.896	7.902	
Human Resources	7.314	0.262	7.576	-	2.027	1.257	4.160	7.444	
Intergovernmental Relations	1.731	0.062	1.793	-	0.480	0.298	0.985	1.762	
Internal Audit	0.438	0.016	0.454	-	0.121	0.075	0.249	0.446	
Mayor	1.831	0.066	1.897	-	0.507	0.315	1.042	1.864	
Neighborhood & Community Relations	1.042	0.038	1.080	-	0.289	0.179	0.593	1.061	
Public Works	54.493	1.955	56.448	14.777	11.148	6.915	22.883	55.724	
Regulatory Services	15.289	0.549	15.838	14.192	-	-	-	14.192	
Subtotal for all other departments	184.119	6.734	190.853	64.266	33.800	20.967	75.412	194.445	
Total General Fund Departments	397.368	14.383	411.751	78.582	89.065	55.249	188.855	411.751	
General Fund transfer for Rent									
Transfers for City Hall rent	0.853	0.031	0.884	-	-	-	0.884	0.884	
Total General Fund	401.814	10.312	412.126	78.582	89.065	55.249	189.230	412.126	
Other Property Tax-Supported Commitments									
Capital - Permanent Improvement	0.980	-	0.980	-	-	-	0.980	0.980	
Debt Service	34.300	-	34.300	-	-	-	34.300	34.300	
Pensions - Direct Levy for MPRA, MFRA and MERF	26.764	-	26.764	-	-	-	26.764	26.764	
Subtotal	62.044	-	62.044	-	-	-	62.044	62.044	
Total Property Tax Supported Commitments	463.858	10.312	474.170	78.582	89.065	55.249	251.274	474.170	
							2017 Total Revenue	474.170	
							2017 Total Expense	474.170	
							(Additional cuts needed)/Cushion for adverse circumstances	0.000	

Five-Year Summary of Property Tax Supported Budgets

	2013 Expense	5-Year Projected Growth in Spending	2018 Expense	Avg Annual % Incr over 5-yr period	2018 Direct Revenue	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>			2018 Total Revenues
						2018 General City Revenues (Non-Direct)	2018 Local Government Aid	2018 Property Tax Revenue	
General Fund									
General Fund Commitments									
Internal Service Funds Financial Plans	28.633	(28.633)	-	-100.0%	-	-	-	-	-
Transfers to BIS for WIFI from Gen Fd Depts	0.491	(0.295)	0.196	-60.1%	-	-	-	0.196	0.196
Graffiti Removal	0.150	-	0.150	0.0%	-	-	-	0.150	0.150
Target Center Financial Plan	0.089	0.489	0.578	549.4%	-	-	-	0.578	0.578
Payment to County for Library System	4.106	(4.106)	-	-100.0%	-	-	-	-	-
Property tax stabilization account	-	(2.548)	(2.548)	0.0%	-	-	-	(2.548)	(2.548)
Post election transition costs	-	0.400	0.400	100.0%	-	-	-	0.400	0.400
Pension Debt Service Mgmt Plan	0.715	-	0.715	0.0%	-	-	-	0.715	0.715
Total General Fund Commitments	34.184	(34.693)	(0.509)	-101.5%	-	-	-	(0.509)	(0.509)
General Fund Activities									
Police	131.564	24.468	156.244	18.8%	10.357	39.028	24.210	80.113	153.708
Fire	53.790	10.166	64.653	20.2%	3.959	16.237	10.072	33.330	63.598
Subtotal for Public Safety	185.354	34.634	220.898	19.2%	14.316	55.265	34.282	113.443	217.307
Assessor	4.315	0.810	5.125	18.8%	0.063	1.354	0.840	2.780	5.037
Attorney	7.975	1.452	9.470	18.7%	0.020	2.528	1.568	5.189	9.306
BIS	0.200	-	-	0.0%	-	-	-	-	-
City Council	4.538	0.723	5.385	18.7%	-	1.441	0.894	2.957	5.291
Clerk/Elections	3.779	0.627	4.240	12.2%	0.050	1.121	0.695	2.301	4.167
City Coordinator Administration	1.628	0.289	1.930	18.5%	-	0.516	0.320	1.060	1.896
311	3.122	0.586	3.708	18.8%	-	0.992	0.615	2.036	3.643
911	7.616	1.393	9.174	20.5%	-	2.454	1.522	5.038	9.014
Emergency Management	0.693	0.130	0.823	18.8%	-	0.220	0.137	0.452	0.809
Civil Rights	2.463	0.443	2.925	18.7%	-	0.782	0.485	1.606	2.874
Communications	2.136	0.360	2.404	12.6%	3.930	-	-	-	3.930
Community Planning & Economic Development (CPED)	14.349	3.711	23.606	64.5%	28.513	-	-	1.001	29.514
Contingency	3.825	0.908	5.030	31.5%	-	-	-	5.030	5.030
Finance	20.323	3.698	23.955	17.9%	-	6.409	3.975	13.155	23.539
Health and Family	4.561	1.263	7.994	75.3%	2.721	1.411	0.875	2.896	7.902
Human Resources	7.339	1.197	7.576	3.2%	-	2.027	1.257	4.160	7.444
Intergovernmental Relations	1.510	0.273	1.793	18.7%	-	0.480	0.298	0.985	1.762
Internal Audit	0.382	0.067	0.454	18.7%	-	0.121	0.075	0.249	0.446
Mayor	1.598	0.275	1.897	18.7%	-	0.507	0.315	1.042	1.864
Neighborhood & Community Relations	0.934	0.171	1.080	15.6%	-	0.289	0.179	0.593	1.061
Public Works	52.172	8.891	56.448	8.2%	14.777	11.148	6.915	22.883	55.724
Regulatory Services	16.533	2.483	15.838	-4.2%	14.192	-	-	-	14.192
Subtotal for all other departments	161.991	29.751	190.853	17.8%	64.266	33.800	20.967	75.412	194.445
Total General Fund Activities	347.345	64.385	411.751	37.0%	78.582	89.065	55.249	188.855	411.751
General Fund transfer for Rent									
Transfers for City Hall rent	0.748	0.079	0.884	18.2%	-	-	-	0.884	0.884
Total General Fund	382.277	29.771	412.126	7.8%	78.582	89.065	55.249	189.230	412.126
Other Property Tax-Supported Commitments									
Capital - Permanent Improvement	0.980	-	0.980	0.0%	-	-	-	0.980	0.980
Debt Service	20.776	6.517	34.300	65.1%	-	-	-	34.300	34.300
Pensions - Direct Levy for MPRA, MFRA and MERF	26.764	-	26.764	0.0%	-	-	-	26.764	26.764
Subtotal	48.520	6.517	62.044	0.651	-	-	-	62.044	62.044
Total Property Tax Supported Commitments	430.797	36.288	474.170	10.1%	78.582	89.065	55.249	251.274	474.170
							2013 Max 2018 Max	219.392 251.274	
							(Additional cuts needed)/Cushion for adverse circumstances	0.000	

City of Minneapolis 2013 Budget

Ten-Year Projection of Demands on the Property Tax

Background

Longer term financial planning is integral to the City's budget process. In order to identify and plan for demands on the property tax levy, the City implemented a ten-year property tax projection initiative. The ten-year projection was first produced in the spring of 2002 to surface all the demands on the property tax to which the City had committed. This projection led to the adoption of the 8% maximum property tax policy in the summer of 2002 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 resource parameters for department business plans. This policy was subsequently amended in 2010 to fund shared costs and provide consistent levels of operating resources for the City and independent boards. Projections now serve as general guidance for departmental resource planning as the City adopted the Priority Budgeting Process.

Assumptions in the Ten-Year Projection

For details on the financial outlook for the City, please refer to the schedule of projected demands on the property tax.

- Included in the projections is a property tax stabilization account that will smooth property tax levy increases and decreases to provide a more stable percent change from year to year. This funding mechanism is planned to start in 2015.

General Fund Operations Assumptions

- It is anticipated that salary settlements will vary within and between bargaining units. Assumptions are updated annually as contracts are settled.
- Annual increases in health insurance premiums of 5.0% in 2013, 9.5% in 2014-2018, and 12% thereafter.
- Non-personnel increases are assumed to be 3.5% each year.
- No increase in departmental and citywide revenue (except for some regulatory services, CPED and Health revenues which are expected to increase by 3%). Please see the discussion in the 2014-2018 five-year financial direction, earlier under this same tab, for more information by department.
- Internal Service Funds financial plans are phased out at an accelerated schedule. The final transfer is scheduled for 2015.
- Commitments for the library are included in the general fund. In 2010 and beyond, the property tax levy for operations are included in the Hennepin County levy.

Capital and Debt Assumptions

- As part of last year's budget and in response to critical infrastructure needs and reduced support from the State of Minnesota, the amount of property tax supported resources for capital improvements was expanded from the previous five-year plan by over \$56 million, from \$94 million to \$150 million. For 2013 – 2017 and future years, the intent is to sustain this higher level of property tax supported (net debt bond) funding to continue the infrastructure acceleration program, which otherwise would have concluded in 2013. This ongoing higher capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, parks, traffic signals and economic development projects that enhance the property tax base. Even with the infrastructure acceleration

program from 2009 – 2013 and the higher net debt bond resource levels, there is a large backlog of infrastructure needs that still must be addressed. The current emphasis for expenditures in this program is primarily on improving street paving.

- The Net Debt Bond (NDB) program is funded with property tax collections. The five-year financial direction for the bond redemption levy includes increases in 2014 and more significant increases for 2015 and beyond for capital improvements. These increases are possible due to improvements in the internal service fund financial plans which reduce the demand for property tax resources previously needed to eliminate their deficits. The plan to pay off the remaining pension bonds in 2012 also creates financial capacity to continue the expanded NDB program.

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

	BUDGET YEAR 2013	5 Year Financial Directions Planning Time Line					2019	2020	2021	2022	2023
		2014	2015	2016	2017	2018					
General Fund* Less Pension Mgmt. Plan (* Includes the Chapter 595 (HRA) Levy)	\$18.143	(\$1.330)	(\$1.836)	\$5.996	\$6.872	\$7.814	\$10.849	\$13.983	\$15.520	\$16.479	\$17.303
City Capital/Debt											
Permanent Imp Fund	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Bond Redemption Fund	\$2.401	\$6.517	\$7.007	\$0.000	\$0.000	\$0.000	\$0.980	\$0.000	\$0.000	\$0.000	\$0.000
Subtotal City Capital/Debt	\$2.401	\$6.517	\$7.007	\$0.000	\$0.000	\$0.000	\$0.980	\$0.000	\$0.000	\$0.000	\$0.000
City Totals Less Trf Pension Mgmt. Plan	\$20.544	\$5.187	\$5.171	\$5.996	\$6.872	\$7.814	\$11.829	\$13.983	\$15.520	\$16.479	\$17.303
Independent Boards & Closed Pension Funds											
Board of Estimate & Taxation	\$0.005	\$0.004	\$0.010	\$0.005	\$0.005	\$0.005	\$0.005	\$0.005	\$0.005	\$0.005	\$0.004
Library Referendum Levy	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Park & Recreation Board	\$1.371	\$1.721	\$1.799	\$1.883	\$1.972	\$2.067	\$2.354	\$2.503	\$2.666	\$2.844	\$3.040
Municipal Bldg. Commission	\$0.123	\$0.153	\$0.160	\$0.168	\$0.175	\$0.186	\$0.209	\$0.225	\$0.238	\$0.255	\$0.272
Mpls Public Housing Authority	\$0.196	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Teachers Retirement Assoc	(\$0.049)	(\$0.098)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Subtotal Independent Boards	\$1.646	\$1.780	\$1.969	\$2.056	\$2.152	\$2.258	\$2.568	\$2.733	\$2.909	\$3.104	\$3.316
Pension Mgmt. Plan	(\$17.336)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Independent Bds & Closed Pension Funds	(\$15.693)	\$1.780	\$1.969	\$2.056	\$2.152	\$2.258	\$2.568	\$2.733	\$2.909	\$3.104	\$3.316
Incremental Property Tax Revenue	\$4.658	\$6.967	\$7.140	\$8.052	\$9.024	\$10.072	\$14.397	\$16.716	\$18.429	\$19.583	\$20.619
Total Property Tax Revenue	\$278.869	\$285.641	\$292.781	\$300.833	\$309.857	\$319.929	\$334.326	\$351.042	\$369.471	\$389.054	\$409.673
% Change Property Tax	1.77%	2.50%	2.50%	2.75%	3.00%	3.25%	4.50%	5.00%	5.25%	5.30%	5.30%
	BUDGET YEAR 2013	5 Year Financial Directions Planning Time Line					2019	2020	2021	2022	2023
		2014	2015	2016	2017	2018					

**City of Minneapolis
FY 2013 Budget
Financial Plan**

Convention Center Special Revenue Fund

Background

The Convention Center Special Revenue Fund accounts for the maintenance, operation and marketing of the City-owned Convention Center and related facilities, as well as various local 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, and cultural, religious, and sporting events - all of which benefit and showcase the City, the metropolitan region, and the State of Minnesota. The marketing of the Convention Center, as well as the City overall, is supported by providing funding to Meet Minneapolis, 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 2011 fund balance for the Convention Center Special Revenue Fund was \$43.9 million, an increase of \$3.9 million from 2010. The cash balance in the fund grew by approximately \$4.3 million. In addition, the Convention Center Facilities Reserve Fund had a 2011 year-end fund balance of \$5.75 million. The 2011 increase in fund balance can be largely attributed to an increase in operating and local tax revenue, coupled with lower capital investment and operating expenses.

For 2011, the operating deficit (operating revenue less operating expenses) dropped to \$(9.7) million from \$(11.8) million in 2010.

The increase in local sales taxes was largely due to increases in consumer spending within the City of Minneapolis, in addition to summer events such as the U2 concert at TCF Stadium. Details of recent history for the local sales taxes are provided below:

Comparative amounts collected:

<u>Local Sales Taxes (in millions)</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>% chg.</u>
0.5% Citywide Sales tax	\$26.5	\$27.3	\$29.9	9.5%
3.0% Downtown Restaurant Tax	\$9.9	\$10.5	\$11.0	4.8%
3.0% Downtown Liquor Tax	\$3.8	\$4.6	\$4.6	0.0%
<u>2.625% Lodging Tax *</u>	<u>\$5.7</u>	<u>\$5.8</u>	<u>\$6.3</u>	<u>8.6%</u>
Total Tax Collection	\$45.9	\$48.2	\$51.8	7.5%

* Lodging Tax was reduced from 3% effective 07/01/2009

Until 2012, the entertainment tax of 3.0% flowed through the Convention Center Fund, though it was ultimately transferred to the General Fund to offset additional public safety costs associated with City-wide entertainment activities. Starting in 2012, the entertainment tax is credited directly into the General Fund. A history of recent collections of the entertainment tax is provided at the top of the following page:

<u>Entertainment Taxes (in millions)</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>% chg.</u>
3.0% Entertainment Tax	\$9.1	\$13.2	\$14.1	6.8%

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 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. Food and beverage commission sales account for the other miscellaneous operating revenue.

In 2011, total operating revenue was \$14.7 million, which was an increase of \$1.8 million from 2010 and nearly \$500,000 over the 2011 budget.

2012 Projections

Operating revenue is currently projected to come in at approximately \$15.1 million, which would be up \$0.7 million from 2011 results. With operating expenses projected to be approximately \$24.0 million, a decrease of \$0.4 million from 2011, the operating deficit is projected to be \$(8.9) million. The ongoing management of operating expenses includes a variety of cost containment activities:

- Reduction in energy consumption
- Identifying and implementing operating efficiencies
- Realignment of the workforce
- Managing overtime

Capital investments for equipment, maintenance and improvements are projected at \$5.2 million, but the budget has been encumbered and the Convention Center anticipates submitting a rollover request for the obligated, but unspent funds. In addition, \$4.2 million in bonds were issued this year to finance the replacement of the domes. Debt service for this bond issue will commence in 2013, with all of the bond debt retired by 2017.

City funding of Meet Minneapolis is projected to be approximately \$8.1 million, \$300,000 under budget and approximately \$500,000 above 2011.

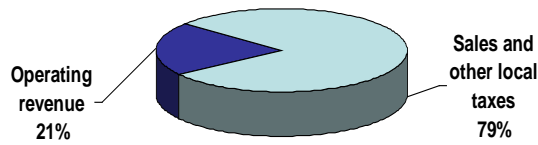
Local sales taxes are projected to be \$55.0 million in 2012, a 6% increase from 2011 actuals. Although no longer booked into the Convention Center Fund, entertainment taxes are estimated at \$14 million, which is near 2011 levels.

2013 Budget

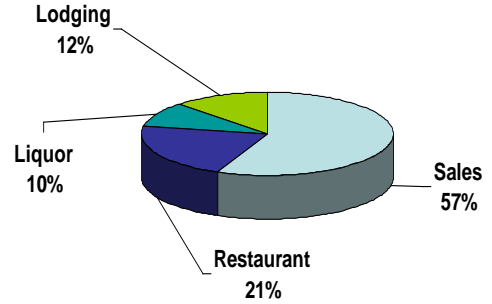
Operating Revenues

The 2013 revenues for the Convention Center have been adjusted to reflect the actual historical receipts and anticipated event activity. Total operating revenue for 2013 is budgeted to be \$14.8 million which is approximately \$300,000 lower than the most recent 2012 projection. The Convention Center is doing better in 2012 than originally projected when the 2013 budget was developed and adopted. Though the Convention Center continues to discount rents heavily to be competitive, operational changes made in the beginning of 2011 generated positive results in all operational areas, particularly in rental revenue along with charges for services and equipment. The 2013 budget projections will be reviewed and adjusted after the first quarter.

Convention Center Fund Revenues



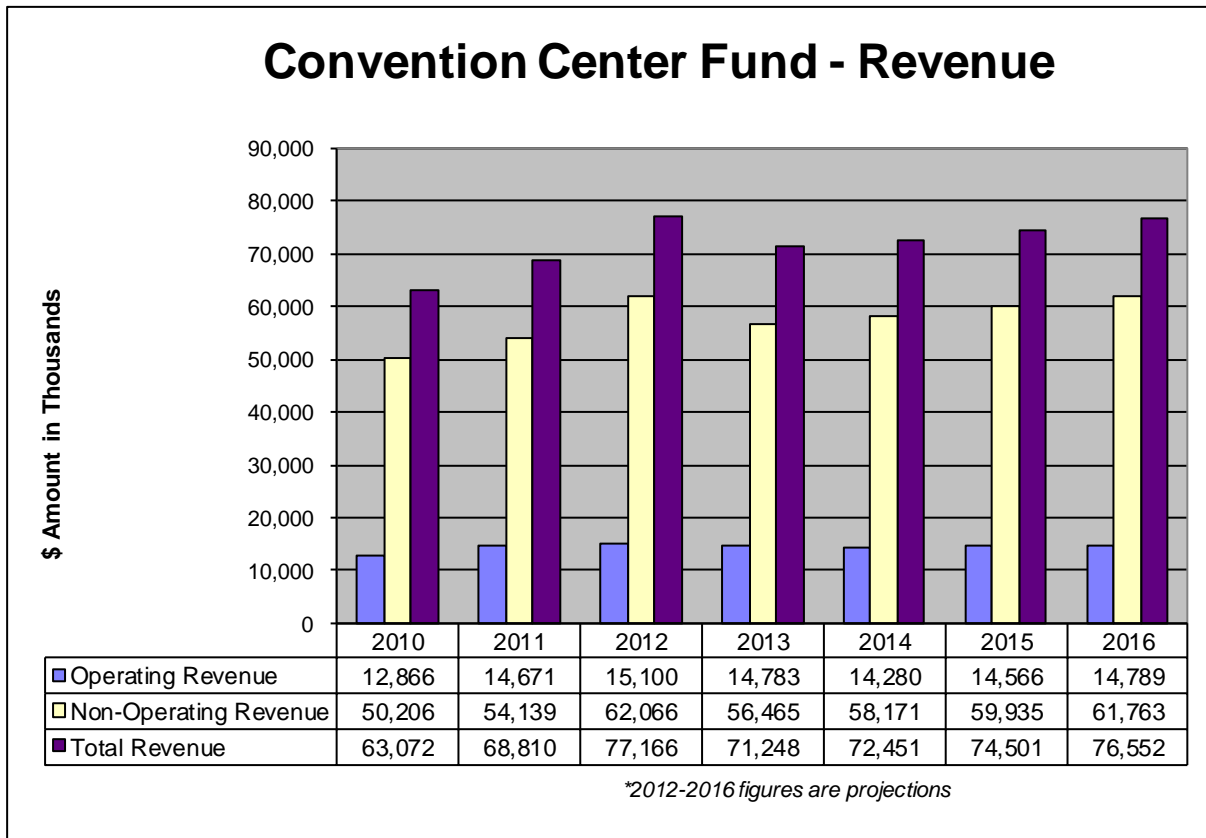
Sales and Other Taxes



Convention Center Special Revenue Fund Predicted Revenue Growth	
Tax Type	Current Growth Assumption 2013-2016
0.5% Sales	2.6%
2.625% Lodging Tax	3.0%
3.0% Restaurant Tax	3.4%
3.0% Liquor Tax	5.6%

Local sales tax revenue

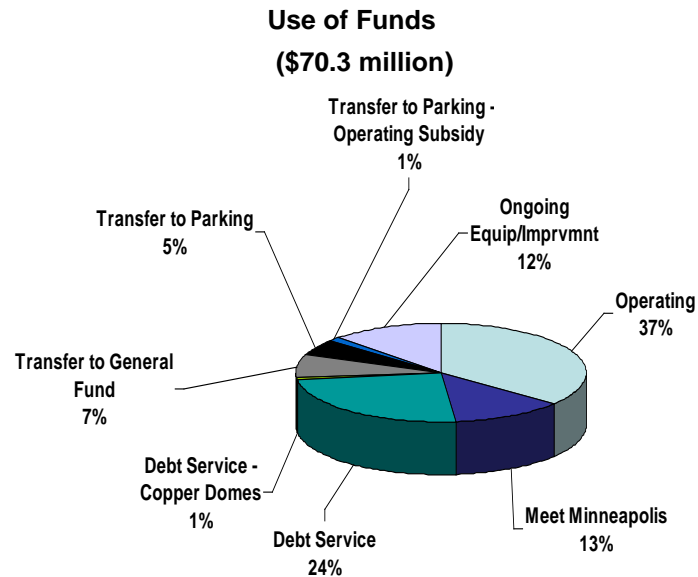
Local sales tax revenue is budgeted to increase 2% in aggregate for 2013, compared to projected full-year 2012 with the largest increases seen in restaurant, liquor, and lodging taxes. The entertainment tax (no longer booked in the Convention Center Fund), is budgeted at \$15 million, a 2.0% increase from projected 2012 levels.



Note: Non-operating revenue includes bonds issued, transfers in and local taxes through 2012; after 2012, there is no revenue from bonds or transfers.

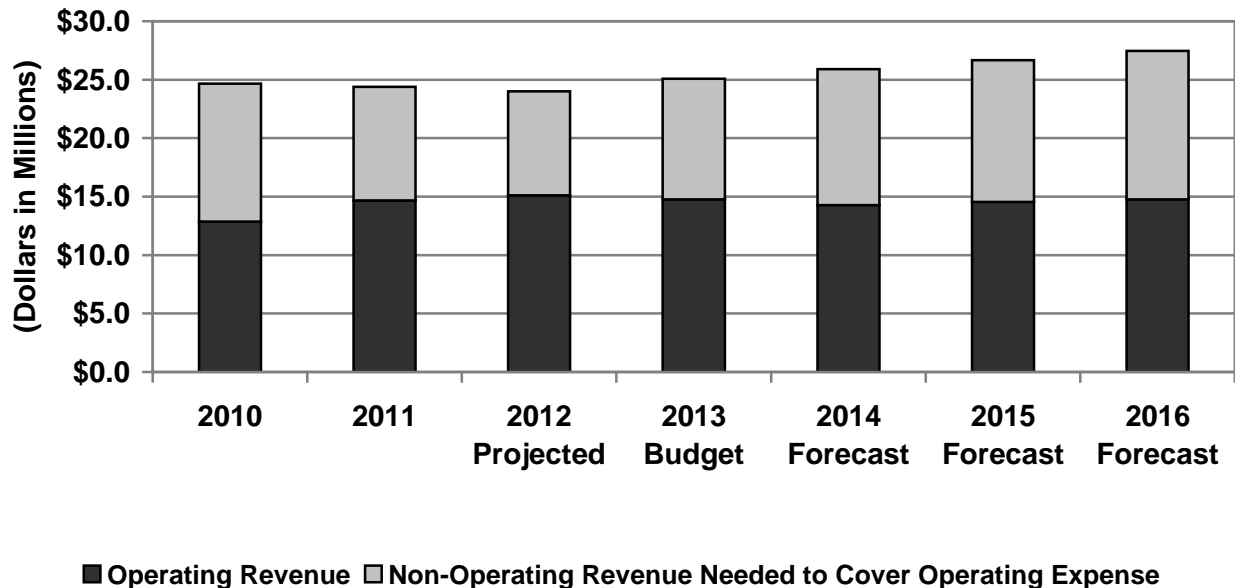
Expenditures

Operating expenses are budgeted at \$25.1 million, up slightly from a projected \$24.0 million in 2012. At this level, the operating deficit is budgeted to be \$(10.3) million. The budget for Meet Minneapolis is \$8.9 million, up \$750,000 from projected 2012. Capital investments for 2013 are budgeted at \$8.9 million, per the long-term capital plan previously adopted by City Council. Beginning in 2013, \$5.0 million in sales tax revenue will be transferred to the General Fund from the Convention Center in addition to the \$250,000 that has historically been transferred for public safety purposes in conjunction with activities at the Convention Center.



* Entertainment tax and Target Center transfers are reported below the Use of Funds total

Operating Revenue and Expense (Excludes Ongoing Equipment & Improvement)



Cash Fund Balance

Between the Convention Center Special Revenue Fund and the Facility Reserve Fund the ending 2013 cash balance is budgeted at approximately \$35 million.

Debt Service

The 2013 budget includes full funding to meet the annual debt service payments of both \$20.7 million for the outstanding debt and \$600,000 for the anticipated new debt to be issued for the dome replacement.

Forecasts for 2014-2016

Operating revenue is currently forecasted to range between \$14.3 million and \$14.8 million, based on already booked events and projections for additional bookings. For planning purposes, operating expenses are forecasted to increase 3.0% annually from budgeted 2013 levels, though cost containment efforts should lead to lower actual operating costs. The 2014 forecast for Meet Minneapolis is roughly flat to 2013, with 2.8% annual inflators thereafter.

Capital investments are forecasted to rise to \$9.1 million, \$9.5 million and \$10.6 million over this period, all in line with the long-range capital plan.

No new debt service is forecast and all existing debt service (including the projected debt service from the anticipated debt for the dome replacement) is fully funded.

Local sales tax revenues are forecast to continue to increase by 2.6% annually. The \$5.25 million annual transfer from local sales taxes to the general fund is funded in each year of the forecast period.

Due to conservative forecasting on future operating deficits (2016 operating deficit of \$(12.7) million), forecasted cash balances drop from \$31.6 million to \$29.9 million in 2016.

Convention Center Related Programs

The Convention Center Department has three programs:

MCC Events Program

The Convention Center Events Program provides sales, event coordination, delivery of audio visual, utility, security, and guest services to international, national, regional, state, and local clients and other attendees. Events drive economic impact into the City and these clients and attendees purchase goods and services from local businesses contributing to a vibrant downtown.

MCC Facility Program

The Convention Center Facility Program provides the physical building and grounds of the Convention Center, as well as the building trades and grounds staff who maintain this City asset. The MCC Events Program uses the building.

MCC Tallmadge Program

The Convention Center Tallmadge building is currently operating as an office building that is leased to local businesses. Within the next several years, as lease contracts expire, the Convention Center will implement their long-term strategy to repurpose the building into a visitor center and restaurant to provide amenities and access to cultural/recreational activities for visitors. This asset is attracting national and economic impact to the City.

Mayor's Recommendation

The Mayor recommends no changes to this fund.

Council Adopted Budget

Council approved the Mayor's Recommendations

City of Minneapolis
FY 2013 Council Adopted Budget
Financial Plan (in thousands of dollars)

Convention Center Special Revenue Fund

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
<i>Operating Revenues:</i>									
Charges For Services	4,501	5,347	5,140	5,405	5,339	-1.2%	5,191	5,294	5,336
Rents	6,203	6,580	6,492	7,006	6,400	-8.6%	6,555	6,688	6,822
Other Miscellaneous Operating	2,162	2,744	2,509	2,689	3,044	13.2%	2,534	2,584	2,631
Sub-Total	12,866	14,671	14,141	15,100	14,783	-2.1%	14,280	14,566	14,789
<i>Non-Operating Revenues:</i>									
Sales Tax	27,266	29,922	28,842	31,700	31,500	-0.6%	32,319	33,159	34,021
Restaurant Tax	10,491	11,032	11,097	11,400	12,000	5.3%	12,408	12,830	13,266
Liquor Tax	4,586	4,599	4,865	5,450	5,700	4.6%	6,019	6,356	6,712
Lodging Tax	5,790	6,300	6,125	6,400	6,800	6.3%	7,004	7,214	7,431
Interest	342	162	145	277	200	-27.8%	206	212	219
Other Misc Non Operating	731	624	314	1,028	265	-74.2%	215	164	114
Bonds Issued - Domes	-	-	5,000	4,200	-	-100.0%	-	-	-
Premiums and Accrued Interest (Bonds)	-	-	-	111	-	-100.0%	-	-	-
Transfer From Convention Facilities Reserve	1,000	1,500	1,500	1,500	-	-100.0%	-	-	-
Sub-Total	50,206	54,139	57,888	62,066	56,465	-9.0%	58,171	59,935	61,763
Total	63,072	68,810	72,029	77,166	71,248	-7.7%	72,451	74,501	76,552
Entertainment Tax	13,176	14,077	-	-	-	-	-	-	-
Use of Funds:									
Convention Center Operations	24,667	24,392	25,968	24,000	25,092	4.6%	25,912	26,689	27,490
Ongoing Equipment/Improvement	7,990	1,612	7,076	5,200	8,765	68.6%	9,115	9,480	10,628
Meet Minneapolis	6,976	7,525	8,388	8,138	8,888	9.2%	8,803	9,052	9,309
Capital Improvements - Domes	-	-	5,000	3,894	-	-100.0%	-	-	-
Transfer To Gen Fund	250	250	250	250	5,250	2000.0%	5,250	5,250	5,250
Transfer To Conv Facilities Reserve	1,150	1,150	1,150	1,150	-	-100.0%	-	-	-
Transfer To Debt Service	19,037	22,214	20,075	19,834	16,947	-14.6%	17,087	23,462	24,092
Transfer to Debt Service - Domes	-	-	-	-	586	0.0%	1,774	1,020	520
Transfer To Other Debt Service Fund	73	153	400	400	-	-100.0%	-	-	-
Transfer for Gen Fund Debt Service (Bonds)	0	0	-	111	-	-100.0%	-	-	-
Transfer To Parking Fund for Debt Service	10,544	6,589	5,580	5,580	3,729	-33.2%	4,195	-	-
Transfer to Parking Fund - Operating Subsidy	1,000	1,000	-	-	1,000	0.0%	1,000	1,000	1,000
Total	71,687	64,885	73,887	68,557	70,257	2.5%	73,136	75,953	78,289
Transfer to Gen Fund - Ent. Tax	12,469	13,997	-	-	-	-	-	-	-
Transfer to Target Center - Ent. Tax	706	80	-	-	-	-	-	-	-
Net Income	(8,615)	3,925	(1,858)	8,609	991	-88.5%	(684)	(1,452)	(1,737)
Fund Balance/Retained Earnings:									
Beginning Balance	48,625	40,009	43,933	43,933	52,542	19.6%	53,533	52,849	51,397
Ending Balance	40,009	43,933	42,075	52,542	53,533	1.9%	52,849	51,397	49,660
Ending Cash Balance	21,079	25,362	23,504	33,971	34,962	2.9%	34,278	32,826	31,089
Convention Center Facility Reserve Fund Balance	6,100	5,750	5,400	5,400	5,400	0.0%	5,400	5,400	5,400

Notes:

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.

Beginning in 2011, BIS will be transferring \$1.5 million annually to the MCC with a final payment of \$1.75 million in 2016 to repay their loan from the MCC.

The loan is being accounted for on the balance sheet.

**City of Minneapolis
2013 Budget
Financial Plan**

Arena Reserve Special Revenue Fund

Background

The Arena Reserve Special Revenue Fund accounts for the maintenance and operation of the City-funded portion of the Target Center. The day to day operations are managed by AEG, one of the leading sports and entertainment presenters in the world. The City pays AEG an annual operator reimbursement for contracted services for operating and promoting the Target Center.

The entertainment tax directed to the Arena Fund reflects entertainment tax proceeds generated from Target Center activities. Also, the Arena Fund is credited with a transfer from the Parking Fund, per Council action and the long-term Target Center finance plan. This transfer reflects the estimated parking revenue received from events at Target Center.

The Arena Reserve Fund also receives financing from three Tax Incremental Financing (TIF) sources: The Arena TIF District, the Consolidated TIF District and the Common Project. These revenues are restricted for specific purposes, such as debt service, capital expenses, and certain administrative costs.

2012 Projections

In 2012, the unrestricted Arena revenue, before the \$2.0 million capital contribution from AEG, is projected to finish at \$4.397 million which is above the \$3.933 million budget. The Target Center is having a good year with a large increase in Timberwolves event attendance and several large concerts and events. Due to this increased activity, entertainment tax is projected to be \$1.3 million, \$400,000 over budget. For the year, total capital investments are projected at \$4.13 million, including the \$2.0 million capital contribution from AEG, as well as an additional \$1.5 million that will be carried forward for completion in 2013.

2013 Budget

Revenues

Revenues from the TIF sources are budgeted to be \$7.4 million, a reduction of \$700,000 from 2012 projections. Entertainment tax revenues are budgeted at \$1.3 million, consistent with the current projected 2012 levels and the parking revenue transfer is budgeted at \$3.1 million. In addition, \$92,000 is budgeted for base property taxes paid by the primary tenant of the Arena.

Expenditures

The major expenditure funded with the TIF revenue in the 2013 budget is \$5.3 million of existing debt service. In addition, TIF revenue is budgeted to fund \$2.25 million in capital improvements in 2013 as well as \$100,000 in administrative costs. Budgeted expenditures funded with other non-TIF sources include an additional \$1.8 million in capital improvements, \$20,000 in administrative costs and a \$1.47 million operator reimbursement.

Renovation project

The 2013 budget contemplates a significant renovation project for the Arena and the public realm surrounding it. To finance the City's share of the project, it is likely that the City will issue taxable general obligation bonds, with local sales tax revenues being the primary revenue source for debt service on these bonds. Negotiations have commenced with AEG, the Timberwolves/Lynx and LifeTime Fitness to discuss each party's contribution to the overall project. As a result of these negotiations, it is possible that certain of the financial inter-relationships among the parties may change. The current 2013 budget includes a placeholder to reflect the financial impact of the renovation within the Arena Reserve Fund. \$2.5 million in annual local sales tax revenues has been identified to fund an estimated \$2.5 million in new debt service obligations on an annual basis which is reflected in the budget as an expense. As negotiations progress, and the sizing and timing of any new debt issuance and revised financial ramifications become more certain, the information in the financial schedule for the Arena Reserve Fund will be revised.

Mayor's Recommended Budget

The Mayor recommended no changes to this fund.

Council Adopted Budget

The Council adopted the Mayor's recommendation.

**City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)**

Arena Reserve Special Revenue Fund

	2010 Actual	2011 Actual	2012 Budget	Original 2012 Projected	Revised 2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Tax Increment Funds:										
Common Project TIF Contribution (01CPK)	1,909	1,989	2,073	2,073	2,073	1,438	-30.6%	1,474	1,515	1,556
Arena Tax Increment (01CPK)	795	953	972	930	930	949	2.0%	-	-	-
Consolidated TIF District (01CON)	0	5,282	5,000	4,925	4,947	4,955	0.2%	5,120	5,310	5,360
Interest Earnings (01CPK & 01CON)	54	80	11	106	68	101	48.5%	99	123	149
Sub-Total	2,758	8,304	8,056	8,034	8,018	7,443	-7.2%	6,693	6,948	7,065
Use of Tax Increment Funds:										
Transfer to Debt Service (01CPK)	1,488	1,157	-	-	50	-	-100.0%	-	-	-
Transfer to Debt Service (01CON)	-	2,529	4,956	4,956	4,956	5,272	6.4%	4,250	4,492	4,740
Capital Improvements/Admin	-	1,759	3,676	3,676	2,126	3,864	81.7%	-	-	-
Sub-Total	1,488	5,445	8,632	8,632	7,132	9,136	28.1%	4,250	4,492	4,740
Net Available After Current Debt	1,270	2,859	(576)	(598)	886	(1,693)		2,443	2,456	2,325
Cumulative TI Balance for Current Debt	7,850	10,709		10,111	11,595	9,902		12,345	14,801	17,126
Source of Non-Restricted Funds:										
Estimated Local Taxes	-	-	-	-	-	2,500	0.0%	2,500	2,500	2,500
Event Parking	2,241	2,758	2,941	2,941	2,941	3,129	6.4%	3,323	3,523	3,728
Entertainment Tax	706	80	900	1,200	1,335	1,300	-2.6%	1,340	1,380	1,420
Arena Base Tax	92	89	92	92	92	89	-3.3%	545	555	562
AEG Capital Investment				2,000	2,000					
Interest Earnings (01260)	14	13	-	56	29	56	93.1%	59	64	84
Sub-Total	3,053	2,940	3,933	6,289	6,397	7,074	10.6%	7,767	8,022	8,294
Use of Non-Restricted Funds:										
Estimated New Debt Service	-	-	-	-	-	0	0.0%	2,700	3,500	3,500
Capital Improvements	36	1,312	2,036	2,750	2,000	1,791	-10.5%	2,905	2,520	2,522
Administration	105	228	237	55	69	22	-68.1%	122	124	127
Operator Reimbursement (see note)	1,367	1,563	1,500	1,250	1,483	1,470	-0.9%	1,440	1,410	1,385
Sub-Total	1,508	3,103	3,773	4,055	3,552	3,283	-7.6%	7,167	7,554	7,534
Net Income for Operations	1,545	(163)	160	2,234	2,845	3,791	33.3%	600	468	760
Cumulative Operations Fund Balance	2,772	2,610		4,844	5,455	9,246		9,846	10,314	11,074
Total Anticipated Capital Expenditures	36	3,071		6,331	4,031	5,557		2,905	2,520	2,522
Notes:										
Common Project Tax Increment (01CPK)	May only be used for debt service and capital costs									
Arena Tax Increment (01CPK)	May only be used for debt service, certain administrative costs, and capital costs									
Consolidated TIF District (01CON)	May only be used for debt service									
2012 Maximum Operator Reimbursement was \$1,500,000.										

**City of Minneapolis
2013 Budget
Financial Plan**

Community and Economic Development Funds

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 and non-tax increment revenues, reductions in federal grant allocations, and limited flexible resources.

2013 Budget

Revenues

These revenue projections are based on assumptions that need to be validated annually:

- Revenues from federal grant programs are reduced as a result of federal actions. While CPED has experienced much success with grant seeking, it is anticipated that revenues from state and local grants may be reduced as the availability of revenue is reduced.
- 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 from changes in the lending and housing markets.
- There will be annual variations in program income. These are shown as declining at a 5 percent rate.
- Revenue from the Consolidated TIF District will be used to pay existing Target Center debt in 2013 and will be used in 2014 and beyond for Target Center debt and neighborhood revitalization activities. The financial plan does not include any assumptions regarding this district, since currently none of the revenues will be directly available for CPED activities.

Expenditures

The expenditure projections contain assumptions that also must be revisited annually in the context of revised revenues and department performance measures:

- CPED staff levels are being increased by 108 positions to a total of 225 funded positions as a result of the transfer of services from Regulatory Services to CPED.
- The tax increment revenues will continue to be restricted to existing debt and contractual obligations.

Debt Service

Bonded debt payable from tax increment revenues will remain outstanding beyond 2013. It is anticipated that tax increment revenue will be sufficient to pay debt service on these obligations.

General Fund Resources

Projected general fund revenues and expenditures are consistent with the Five-Year Financial Direction.

Mayor's Recommended Budget

Please see the CPED Department narrative in the Operating Departments section of this budget book.

Council Adopted Budget

Please see the CPED Department narrative in the Operating Departments section of this budget book.

City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)

Projected CPED Revenues & Expenditures

	2011 Revised	2012 Adopted	2013 Adopted Budget	% Chg from 2012	2014 Forecast	2015 Forecast	2016 Forecast
Local Funds							
General Fund Total	3.320	3.505	24.780	607.0%	25.494	26.229	26.985
GF Property Tax & Non-Direct Revenue	1.702	1.647	1.001		1.001	1.001	1.001
General Fund LGA	0.478	0.406	-		-	-	-
General Fund Direct Revenues	1.140	1.452	23.780		24.493	25.228	25.985
Tax Increment	61.329	44.972	30.387	-32.4%	24.606	22.050	19.859
Capital Bonding (CIP) (Public Arts Proj)	0.347	0.346	0.605	74.9%	0.445	0.435	0.375
Dev Acct (Non-TI)	7.715	5.919	6.719	13.5%	4.735	2.435	2.150
Affordable Housing TI		2.000	2.000	0.0%	-	-	-
Interest Earnings all Funds	2.190	2.080	1.248	-40.0%	1.240	1.229	1.227
Housing Program Fees & Revenues	1.339	1.090	1.393	27.8%	1.383	1.371	1.369
Economic Dev Program Fees & Revenues	4.333	4.930	4.777	-3.1%	4.728	4.670	4.667
Other Project & Program Income	9.450	8.422	8.528	1.3%	8.436	8.328	8.335
Transfers (Debt Services)	6.000	4.000	4.000	0.0%	4.000	4.000	4.000
Federal Funds							
CDBG & NSP	10.316	9.198	8.041	-12.6%	8.041	8.041	8.041
ESG	0.573	0.939	0.830	-11.6%	0.830	0.830	0.830
HOME	3.766	2.058	2.153	4.6%	2.153	2.153	2.153
Other State/Local Grants	4.500	4.500	4.500	0.0%	4.500	4.500	4.500
Total Projected Revenues	115.177	93.958	99.962	6.4%	90.591	86.271	84.492
Appropriated							
<u>Business Lines:</u>							
Economic Policy & Development	15.352	10.544	10.181	-3.4%	10.072	9.840	10.086
Workforce Development	11.029	8.874	8.796	-0.9%	8.824	8.818	9.038
Housing & Policy Development	16.021	14.484	14.090	-2.7%	14.076	13.973	14.322
Long Range Planning	1.768	1.487	2.160	45.2%	2.124	2.055	2.106
Development Services	2.361	2.401	13.199	449.7%	12.897	12.340	12.648
<u>CPED Support:</u>							
Executive & Support Services	4.761	5.074	4.784	-5.7%	4.783	3.719	3.812
Transfer & Debt Service	52.909	49.245	39.651	-19.5%	30.555	27.770	25.580
Total Projected Uses	104.199	92.110	92.861	0.8%	83.331	78.514	77.592
Difference	10.978	1.848	7.101		7.260	7.757	6.899

**City of Minneapolis
2013 Budget
Financial Plan**

Neighborhood & Community Relations Special Revenue Fund

Background

The Neighborhood & Community Relations (NCR) Special Revenue Fund accounts for neighborhood revitalization efforts funded by TIF district funds. It is primarily managed by the NCR department with the assistance of the Finance & Property Services Department.

In 2008, the Minnesota Legislature passed special legislation authorizing the City of Minneapolis to establish a non-contiguous redevelopment tax increment financing (TIF) district comprised of all, or portions of, the property located within the City's 15 existing pre-1979 TIF districts. The legislation provided that the new district could be (and was) certified on January 1, 2010 and must be terminated no later than December 31, 2020. This new TIF district is the Consolidated Redevelopment Tax Increment Financing District. The tax increment revenue generated by the Consolidated TIF District may be spent anywhere within the City of Minneapolis.

Pursuant to the Special Legislation, tax increment funds from the Consolidated TIF District may be expended only 1) to pay principal and interest on bond obligations issued by the City or the Minneapolis Community Development Agency ("MCDA") for Target Center; and 2) for neighborhood revitalization purposes.

Historical Financial Performance

In 2011, the City established this Fund and through 2011, the NCR portion has established a fund balance of \$2.4 million. The City decided to reduce property tax levies in 2012-2013 by using reprogrammed NRP resources (\$10 million) to fund neighborhood revitalization services for these two years.

2013 Budget

Revenues

The total revenue budgeted for 2013 is \$1.3 million; \$1.2 million of this is the result of a transfer in of reprogrammed Phase II NRP funds.

Expenditures

Expenditures from the NCR Special Revenue Fund include funding for Neighborhood Support Services and NCR Administrative costs. Total budgeted expenditures for 2013 are \$1.3 Million.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget for this fund. Additionally, on a one time basis, the Mayor recommended \$25,000 in one-time funding for Resident Partners.

Council Adopted Budget

Council approved the Mayor's recommendations.

**City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)**

NCR Special Revenue Fund

	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Sources of Funds:								
Consolidated TIF	5,133					5,122	5,309	5,361
Transfer in- Reprogrammed Phase II NRP Funds (01SNR)		5,210	1,200	1,200	0.0%			
Transfer in- NRP Fund Interest- Post 2009 (01SNR)				104				
Total Sources	5,133	5,210	1,200	1,304	8.7%	5,122	5,309	5,361
Uses of Funds:								
Community Participation Program	2,009	4,010	836		-100.0%	3,700	3,800	3,900
Rebuilding Our Community				104				
Community Innovation Fund							300	
Reserve Fund								
2012-2013 Equity Fund			370					
Neigh. Support & Admin	680	1,200	1,200	1,200	0.0%	1,236	1,273	1,311
Total Uses	2,689	5,210	2,406	1,304	-45.8%	4,936	5,373	5,211
Net Income	2,444	-	(1,206)	-	100.0%	186	(64)	150
Fund Balance -Beginning	-	2,444	2,444	1,238		1,238	1,424	1,360
Fund Balance - Ending	2,444	2,444	1,238	1,238		1,424	1,360	1,510

**City of Minneapolis
2013 Budget
Financial Plan**

Regulatory Services Special Revenue Fund

Background

The Regulatory Services Special Revenue Fund accounts for the City's nuisance building abatement efforts and is primarily managed by the Regulatory Services Department with the assistance of the Finance & Property Services Department. The Fund is used not only for the abatement of buildings that have been deemed to be in nuisance condition pursuant to Chapter 249 but also removal of nuisance conditions. Property owners are charged to recover the costs of these activities and all recovered costs are credited back to this fund. In 2013 the Construction Code Services department of Regulatory Services was transferred to Community Planning and Economic Development (CPED). A portion of the activities in the Regulatory Services Special Revenue Fund are now managed by CPED.

Historical Financial Performance

The City established this fund in 2008, and through 2011, it has established a fund balance of \$5.5million. This balance is the result of various initiatives in previous years and the availability of grant funds to pay for certain eligible expenses. Both of these revenue sources are not projected to continue leaving special assessments and direct property owner charges as the only sources of revenue for this fund. These resources will face challenges in 2013 and beyond, including lower than expected assessment collections and reductions in grant allocations.

2013 Budget

Revenues

Revenues for the Regulatory Services Special Revenue Fund have been declining since 2011. The total revenue budgeted for 2013 is \$4.3 million; \$3.9 million of this is from special assessments. In 2013 Regulatory Services share of these revenues is \$3.9 million and CPED's share is \$361,000. Revenue in future years revenue is expected to decline by 5% annually.

Expenditures

Expenditures from the Regulatory Services Special Revenue Fund include services such as demolitions, boardups, nuisance grass cutting, nuisance tree removals, and nuisance rubbish removal. In order to continue to spend down fund balance, total budgeted expenditures for 2013 are \$5.0M or \$633,000 in excess of revenue. Regulatory Services appropriation is \$4.6 million, and CPED's appropriation is \$360,000.

Mayor's Recommended Budget

The Mayor recommends no changes to this fund.

Council Adopted Budget

The Council amended the Mayor's recommendation for this fund through the implementation of the Regulatory Services Transition Committee's plans to move Construction Code Services from Regulatory Services to CPED as part of the 2013 Council Adopted Budget.

City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)
Regulatory Services Special Revenue Fund

Special Revenue Fund	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg from 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Special Revenue Fund	7,365	5,944	6,052	4,800	4,568	95%	4,339	4,122	3,916
Uses of Funds:									
Special Revenue Fund	7,247	7,241	8,452	5,000	5,212	104%	5,264	4,328	3,995
Net Income	118	(1,297)	(2,400)	(200)	(644)	322%	(925)	(206)	(79)
Fund Balance at start of year	6,657	6,775	5,478	5,478	5,278		4,634	3,709	3,503
Fund Balance at end of year	6,775	5,478	3,078	5,278	4,634	-	3,709	3,503	3,424

**City of Minneapolis
2013 Budget
Financial Plan**

Municipal Parking Fund

Background

The Municipal Parking Fund accounts for the operation and maintenance of parking ramps, lots, on-street parking, and a municipal impound lot. Major parking related capital construction and development activities also occur in this fund.

Historical Financial Performance

The financial condition of the Parking Fund has historically been stable, but presents a future financial challenge to the City due to cash flows. While the fund continues to generate positive changes in net assets, and, with the help of Convention Center sales tax and tax increment and abatement revenues, is capable of satisfying its debt service while restoring its productive assets, it is unable to sustain the current levels of dividend payments to other funds.

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 (\$7.2 million in year 2012) from the Minneapolis Convention Center to pay the debt service and a small portion of the operating costs for the Convention Center-related parking facilities. The fund also receives transfers (\$7.1 million in 2012) from tax increment and abatement revenue to pay part of major development projects in downtown area.

For historical trends, the 2010 and 2011 operating revenues and expenses are presented in the 2013 Parking Fund budget chart (see on a following page). Increases in revenues and expenses for 2010 can be attributed to approximately \$6 million in reimbursement from the State for improvements made to the State-owned ramps to facilitate event parking for Target Field. Additionally, other miscellaneous revenues for that year include approximately \$13 million in proceeds from the sale of ramps which was used to pay off a portion of the long-term debt.

The Parking Fund cash balance for year 2011 was \$11.6 million. The parking system creates a positive cash flow from the parking system operations. However with the projected transfers out to other funds, the Parking Fund may have a negative cash position in future years. Based on current and proposed budgets the Parking Fund cash balances are going to continue to decrease.

2013 Budget

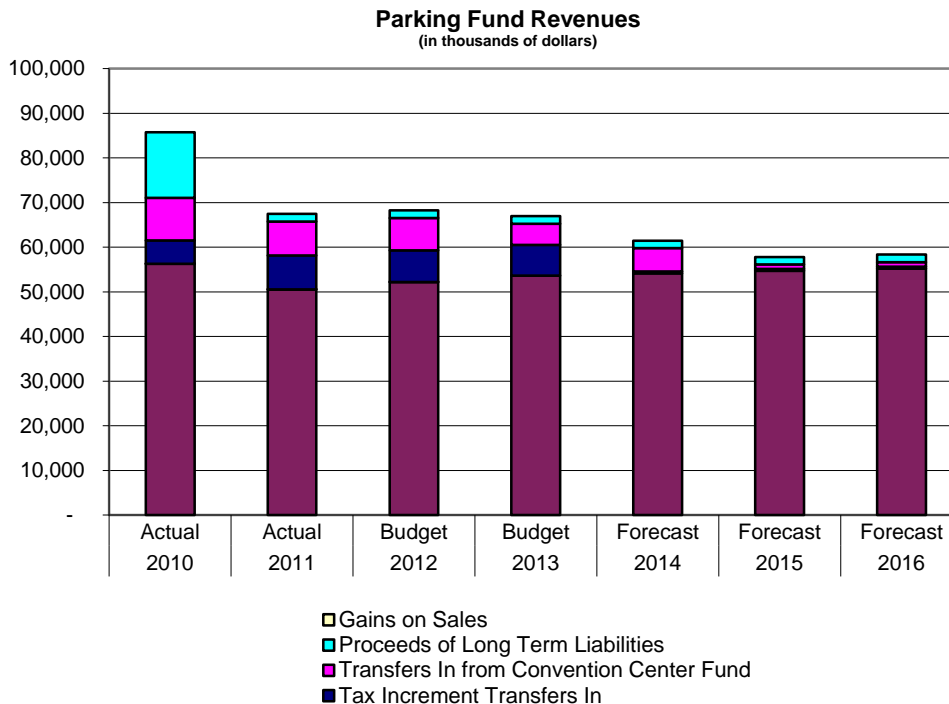
Revenues

The parking system operating revenue budget for 2013 increased 2.6% to \$55.9 million from \$54.5 million projected for 2012. The 2013 revenue budget incorporates an increase in on-street revenues due to implementation of new smart-meters and associated operational changes, a decrease in impounding revenues due to a decline in day-to-day tows, a decrease in

auction revenues due to a decline in scrap metal prices, and a slight increase in off-street revenues.

Off-Street System Revenue Assumptions (2013)	
Utilization Percentage in 2010	79%
Number of Parking Stalls in the system	20,238
Forecasted Revenue increase	2013 4.4% 2014 1.0% 2015 1.0%
Assumed rate increases (if any)	0.05%
System-wide average event rate	\$ 10.00
System-wide average daily rate	\$ 7.25
System wide average monthly rate	\$ 135.00
Number of new stalls in the system	2013 0 2014 0 2015 0

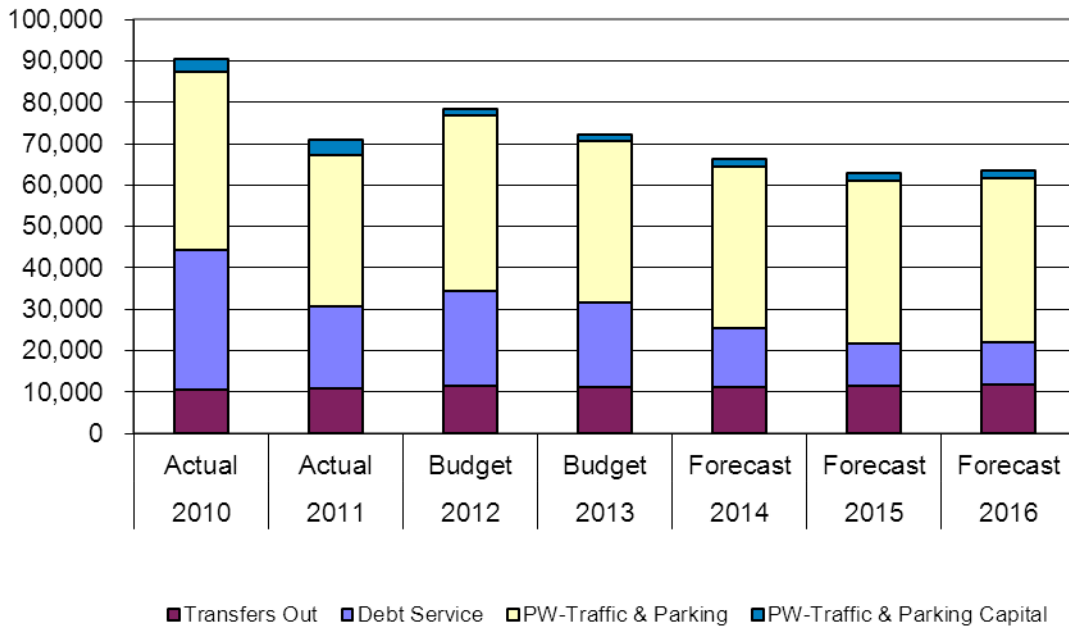
For assumptions regarding sales tax revenue, please see the Convention Center Finance Plan.



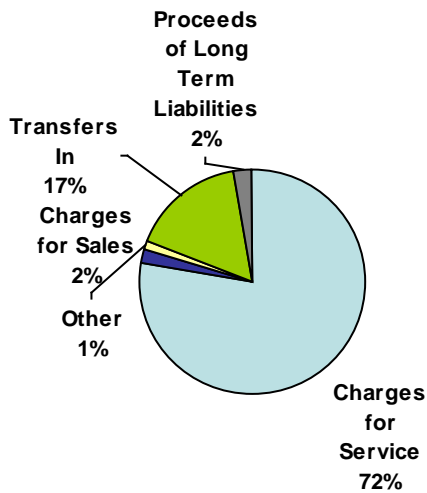
Expenditures

The parking system operating budget for 2013 stands at \$38.7 million which is a decrease of 5.7% from 2012 projected expenditures. The decrease for 2013 is due to a combination of operational efficiencies attained through automation and centralization, removal of one-time charges associated with automation initiatives, completion of on-street meter implementation, and declining costs of towing due to a decrease in day-to-day tows. The capital budget for 2013 is set at \$1.7 million, the same level as 2012 due to on-going repair and improvement work in the City-owned parking facilities.

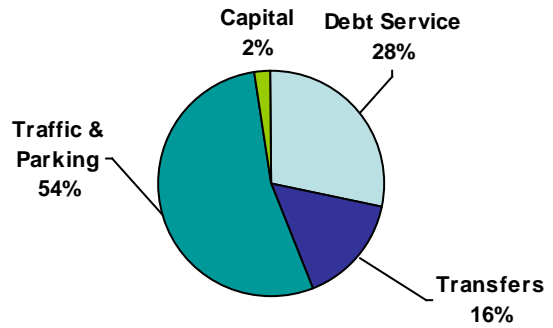
Parking Fund Expenditures (in thousands of dollars)



Source of Funds (\$69.2 million)



Use of Funds (\$72.2 million)



Debt Service

Total debt service, which includes principal and interest on bonds issued for construction of municipal parking ramps, is \$20.5 million for 2013. 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. These transfer revenues total \$11.6 million for 2013.

Transfers

The transfer to the general fund increased by \$0.1 million for 2013 to \$7.9 million. The transfer to the Target Center Arena Fund increases in 2013 by \$0.2 million to \$3.1 million over 2012, and is scheduled to increase in future years. Revenues from State-owned garages continue to be transferred to the State on a daily basis. An annual transfer of \$146,000 to the Solid Waste and Recycling fund supports service for bus shelter litter containers. Lastly, there was a transfer to the Minneapolis Employees Retirement Fund (MERF) debt service fund that ended in 2012.

As discussed above, the transfers into the parking fund include revenues from sales tax along with revenues from tax increment and abatement. The transfer of sales tax revenue from the Convention Center Special Revenue Fund is \$4.7 million for 2013 down from \$7.2 million for 2012. The transfers from the CPED Special Revenue fund for tax increment and abatement are budgeted to decrease \$0.2 million, from \$7.1 million in 2012 to 6.9 million in 2013. These revenue transfers are primarily used towards debt service payments and are scheduled to mostly disappear by the end of 2014 as most of the debt for their respective ramps is paid off.

Mayor's Recommended Budget

As part of the reorganization of the Regulatory Services Department, the Mayor recommended the Traffic Control division of Regulatory Services be moved into Traffic and Parking Services. The Mayor's recommended budget reflects the move of the Traffic Control budget program into the Traffic and Parking Services Division within the Public Works Department.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments will convene to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committee may elect to break apart current Regulatory Services divisions, program proposals, and funding structures. It is anticipated that the committee will have a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget.

The Mayor recommended no changes to the proposed budget of this division. The Mayor also recommended the division's proposal for graffiti removal.

Council Adopted Budget

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase

Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)

Municipal Parking Fund - 7500

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Budget	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Licenses and Permits	292	268	240	280	240	-14.3%	242	245	247
Charges for Service, Sales/Permits	56,278	50,572	52,193	55,353	53,623	-3.1%	54,159	54,701	55,248
Charges for Sales	1,670	1,779	1,670	1,670	1,500	-10.2%	1,515	1,530	1,545
Special Assessments	65	57	543	57	543	852.6%	543	543	543
Interest			-	-	-		-	-	-
Rents (Transportation)	3	2	4	5	4	-13.0%	4	4	4
Other Misc Revenues	8	9	46	41		-100.0%	-	-	-
<i>Total Operating Revenue</i>	<i>58,316</i>	<i>52,687</i>	<i>54,696</i>	<i>57,406</i>	<i>55,910</i>	<i>-2.6%</i>	<i>56,464</i>	<i>57,023</i>	<i>57,588</i>
Tax Increment Transfers In	5,272	7,607	7,098	7,098	6,902	-2.8%	423	423	423
Transfers In from Convention Center Fund	9,505	7,589	7,230	7,230	4,728	-34.6%	5,195	1,000	1,000
Other Transfers In			-	-	-		-	-	-
<i>Total Transfers In</i>	<i>14,777</i>	<i>15,196</i>	<i>14,328</i>	<i>14,328</i>	<i>11,630</i>	<i>-18.8%</i>	<i>5,618</i>	<i>1,423</i>	<i>1,423</i>
Proceeds of Long Term Liabilities	14,725	1,700	1,700	1,700	1,700		1,700	1,700	1,700
Total	87,818	69,583	70,724	73,434	69,240	-5.7%	63,782	60,146	60,711
Use of Funds:									
Debt Service	33,726	19,665	22,875	22,875	20,539	-10.2%	15,831	11,925	10,820
General Fund Transfer Out	7,818	7,818	7,818	7,818	7,918	1.3%	7,818	7,818	7,818
Target Arena Transfer Out	2,241	2,758	2,941	2,941	3,129	6.4%	3,323	3,523	3,728
Debt Service Transfer Out	126	42	-	-	-		-	-	-
MERF Liability Transfer Out	111	198	477	477		-100.0%			
Sanitation Transfer Out	146	146	146	146	146		146	146	146
<i>Total Transfers Out</i>	<i>10,442</i>	<i>10,962</i>	<i>11,382</i>	<i>11,382</i>	<i>11,193</i>	<i>-1.7%</i>	<i>11,287</i>	<i>11,487</i>	<i>11,692</i>
PW-Traffic & Parking	43,099	36,450	42,563	36,597	38,742	5.9%	39,129	39,521	39,916
PW-Traffic & Parking Capital	3,077	3,905	1,700	1,700	1,700		1,700	1,700	1,700
Total	90,344	70,982	78,520	72,554	72,174	-0.5%	67,947	64,633	64,128
Change in Net Assets	6,815	8,891	1,134	9,810	4,785	-51.2%	(1,182)	(5,202)	(4,178)
Net Assets	148,318	157,209	158,343	158,128	162,913	3.0%	161,731	156,529	152,351
Modified Change in Net Assets (Net Income Est)									
(-) Depreciation	6,776	6,735	6,910	6,910	6,910		6,910	6,910	6,910
(-) Proceeds of LTD	14,725	1,700							
(+) Traffic & Park Capital	3,077	3,905							
(+) Principal Paid	27,765	14,820	15,840	15,840	14,629	-7.6%	9,894	6,195	6,149
Total	52,343	27,160	22,750	22,750	21,539	-5.3%	16,804	13,105	13,059
Cash Balances	12,781	11,649	3,853	12,529	9,595	-23.4%	5,429	942	(2,475)
Notes:									
Cash Balance does not include depreciation or impact of all arbitrage funds, but does include principal paid on bonds. (Represent more of a sources and uses statement rather than an audited Net Income statement)									
Income statement was not available for projections, so the modified fund margin was used to compute retained earning to reflect the adjustment for depreciation expense and principal paid on bonds.									
Revenue and expense forecast are based on 1.0% increases respectively									
Construction cash not included in current year and projected years									
Cash balances above are actual for 2010 and 2011									

**City of Minneapolis
2013 Budget
Financial Plan**

Solid Waste and Recycling Fund

Background

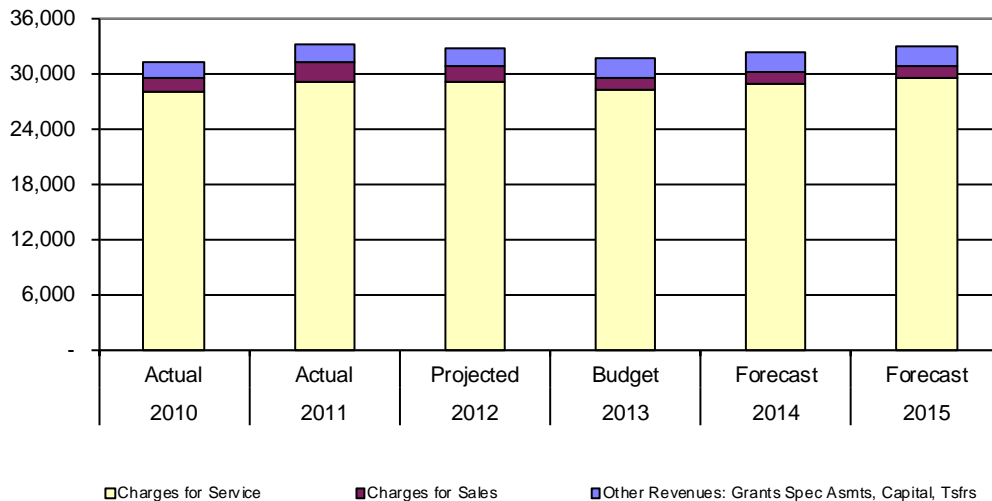
The Solid Waste and Recycling Fund provides services related to collection, disposal, and recycling of household waste, yard waste, and problem materials. Graffiti removal and the organics program are also part of its activities. There are nine programs that are budgeted for 2013 under the Solid Waste fund. The Solid Waste Division provides weekly and bi-weekly pickups of trash, yard-waste, and recycling materials. It also operates a solid waste transfer station providing service to over 105,000 households. City crews provide approximately one-half of the solid waste collection service with the other half of the service provided through a contract with a consortium of companies specializing in waste collection.

Funding for Solid Waste and Recycling activities is primarily generated from solid waste collection fees. The Fund also receives grants from Hennepin County. Additional revenue is generated through recyclable sales, miscellaneous services, and organic programs.

Historical Financial Performance

The overall financial condition of the Solid Waste and Recycling Fund has remained stable over the years. Total revenues for year 2011 were at \$33.0 million compared to \$31.2 million, an increase of \$1.8 million, or 6% over 2010. Revenues from monthly collection services increased by \$1 million due to increase in rates. An additional \$700K increase was generated through sales of scrap metals and recyclables. Total expenditures for 2011 came to \$32.1 million compared to \$30.8 million for 2010, an increase of \$1.3 million or 4%. \$1.7 million of this increase is due to capital purchase of land. This increase was slightly off-set by a decrease in operations of \$400K. The 2011 year-end cash balance for this fund was \$22.4 million compared to \$21.9 million in 2010.

**Solid Waste Fund Revenues
(in thousands of dollars)**



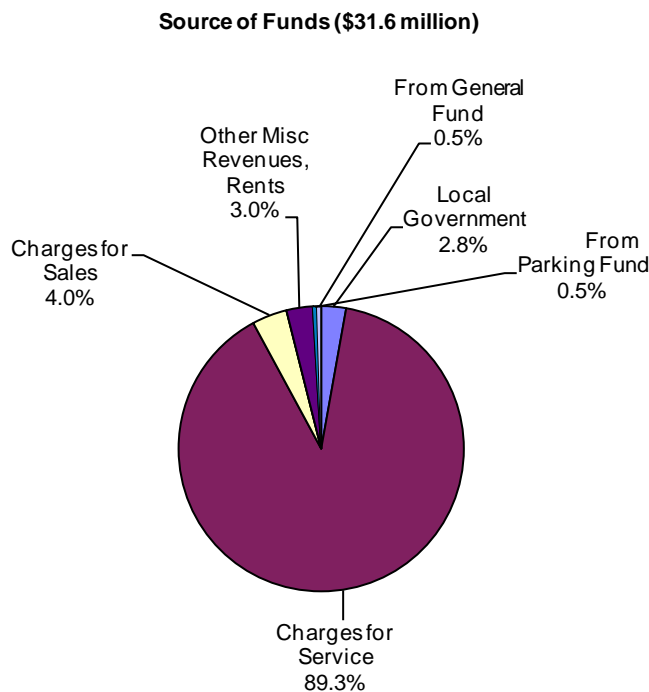
Revenue Assumptions (2013)	
Number of dwelling units	105,429

For 2012, year-end revenues from collection are projected to reach \$29.1 million, and the total revenues for the fund are projected at \$32.8 million. Expenses for the Solid Waste and Recycling Fund are projected at \$35.4 million. This projected deficit of \$(2.6) million is mainly due to the capital outlay scheduled for 2012 relating to the purchase of 30,000 carts. With a fund balance in excess of \$22 million, the Solid Waste and Recycling Fund will be able to absorb these costs.

2013 Budget

Revenues

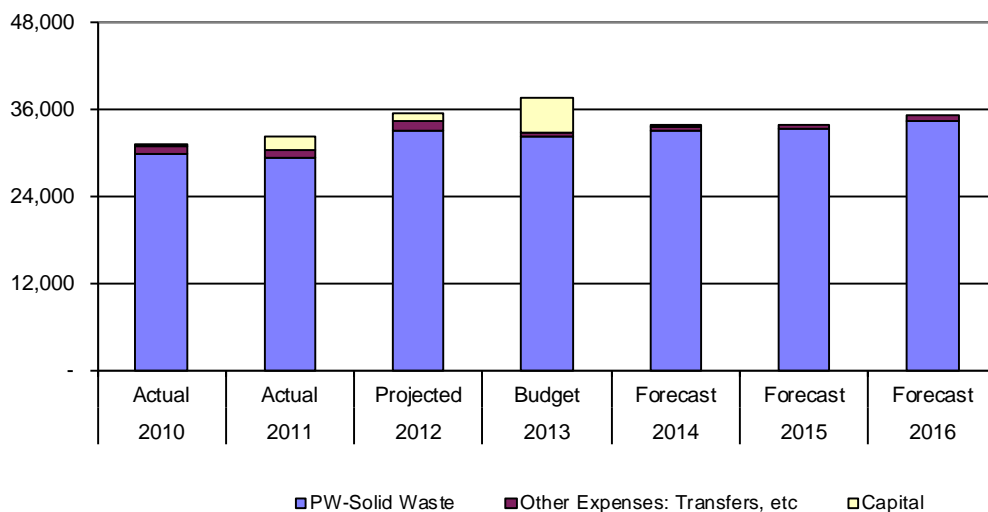
The total revenue budget for the Fund for 2013 amounts to \$31.6 million compared to \$32.8 million projected for 2012. This is a decrease of \$1.2 million or 3.5% over the 2012 projection. Service revenue has been estimated at \$28.2 million compared to \$29.1 million projected for 2012. For 2013, the collection fee has been set at \$17 per dwelling unit. Monthly charges for large and small disposal carts are set at \$5 and \$2, respectively. Due to the increasing market for scrap metals, recyclable sales for 2013 are expected to increase to \$1.3 million, \$300 K less than projected estimate of \$1.6 million for 2012. Funds from local government include a Hennepin County recycling grant of \$880,000 and reimbursement of \$11,000 from the State for graffiti removal. Revenues generated from debris removal, special district maintenance, and various miscellaneous sources are estimated at \$625,000. For 2013 and future years, an additional \$320K is expected to be generated from other City departments for graffiti related work done on streets, bridges and other City properties.



Expenditures

The total expenditure budget for 2013 amounts to \$37.5 million compared to \$35.4 million projected for 2012, an increase of \$2.1 million or 5.9%. Cart purchases planned for 2013 amount to \$1 million of this increase. A mattress recycling program scheduled to start in 2013 with a yearly estimate of \$650,000 is an additional cost to the Fund which will continue in future years. The shared cost of the billing system, Enquesta, and additional equipment purchases are expected to increase by \$500,000.

Solid Waste Fund Expenditures
(in thousands of dollars)



Transfers

The 2013 budget includes a \$700,000 transfer from Solid Waste and Recycling to the General Fund to pay for snow plowing, which enables delivery of solid waste and recycling services in the alleys. This transfer is projected to continue at \$700,000 in coming years.

The 2012 budget included a transfer of \$571,000 to the Debt Service Fund for pension obligations related to the Minneapolis Employees Retirement Fund (MERF). This obligation for 2013 and for futures years will be included and paid out of the operating budget

The Solid Waste and Recycling Fund will continue to receive \$146,000 from the Parking Fund for litter container pick-ups in downtown area. Since 2004, the Fund has been receiving \$50,000 as an annual transfer from the General Fund for graffiti removal. The Fund also anticipates an additional \$100,000 for micro grants.

Debt Service

This fund does not have any capital debt service payments.

Cash Balance

The Solid Waste and Recycling Fund is projected to have a \$13.8 million cash balance at the end of 2013.

Mayor's Recommended Budget

Mayor's Recommended Budget: The Mayor recommended no changes to the proposed budget. Also, the Mayor recommends a rate of \$24.70 for 2013.

Council Adopted Budget

Council approved the Mayor's recommendations and reduced the Mayor's recommended 2013 Solid Waste and Recycling rate by \$7.70. The Mayor's recommended rate of \$24.70 included a recycling credit and the program will no longer have a recycling credit. The new rate is set at \$17.00. In addition, the Council amended the Mayor's Recommended 2013 Budget for Public Works by decreasing the revenue appropriation in the Solid Waste and Recycling Fund (07700) by \$885,604. The rate was changed to make the removal of the recycling credit cost-neutral to customers.

**City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)**

Solid Waste Fund - 7700

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Sources of Funds:									
Local Government	888	890	808	864	891	3.1%	880	880	880
Charges for Service	27,945	28,938	28,337	29,051	28,226	-2.8%	28,872	29,536	30,221
Charges for Sales	1,445	2,173	1,000	1,629	1,251	-23.2%	1,251	1,251	1,251
Special Assessments	244	256		460	-	-100.0%			
Other Misc Revenues, Rents	515	585	450	460	945	105.4%	945	945	945
Operating Transfers In:									
From Parking Fund	146	146	146	146	146		146	146	146
From General Fund	50	50	150	150	150		150	150	150
Total	31,233	33,038	30,891	32,760	31,608	-3.5%	32,244	32,908	33,593
Use of Funds:									
PW-Solid Waste	29,824	29,282	31,500	32,889	32,055	-2.5%	32,838	33,137	34,344
Transfers									
To General Fund	700	700	700	700	700		700	700	700
To MERF Fund	151	236	571	571		-100.0%			
General Services Capital									
Capital	167	1,908	1,380	1,287	4,775	271.0%	-	-	-
Human Resources									
Total	30,842	32,126	34,151	35,447	37,530	5.9%	33,538	33,837	35,044
Change in Net Assets	392	912	(3,202)	(2,629)	(5,922)		(1,295)	(929)	(1,452)
Net Asset Balance	27,919	30,539	27,337	27,910	21,988		20,693	19,765	18,313
Cash Balance	21,924	22,372	19,170	19,743	13,822		12,527	11,599	10,148

**City of Minneapolis
2013 Budget
Financial Plan**

Sanitary Sewer Fund

Background

The operating budget is set up under the Sanitary Sewer Collection & Treatment program. This program within the Fund accounts for 95% of the contractual payments made to the Metropolitan Council Environmental Services (MCES) for sewage interceptor and treatment services. It also accounts for maintenance and design work, capital programs and long-term debt services.

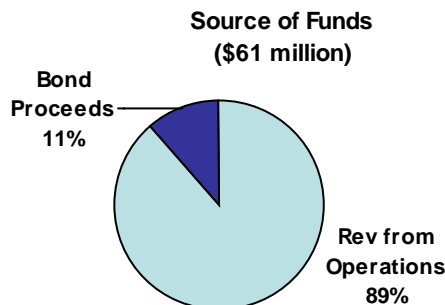
Historical Financial Performance

Total 2011 revenues were \$52.5 million compared to \$53.8 million in 2010. This is a decrease of \$1.3 million, or 2%, over 2010 and is mainly due to decreases in revenues from Capital programs. Sanitary service revenue totaled \$44.9 million, compared to the 2010 total of \$45.1 million. The expenditures for 2011 totaled \$51.1 million compared to \$50.8 million over 2010. An expenditure increase of \$3 million related to design, maintenance, Met Council, SAC charges, and debt services was offset by a decrease of \$2.6 million in MERF and capital programs.

2013 Budget

Revenues

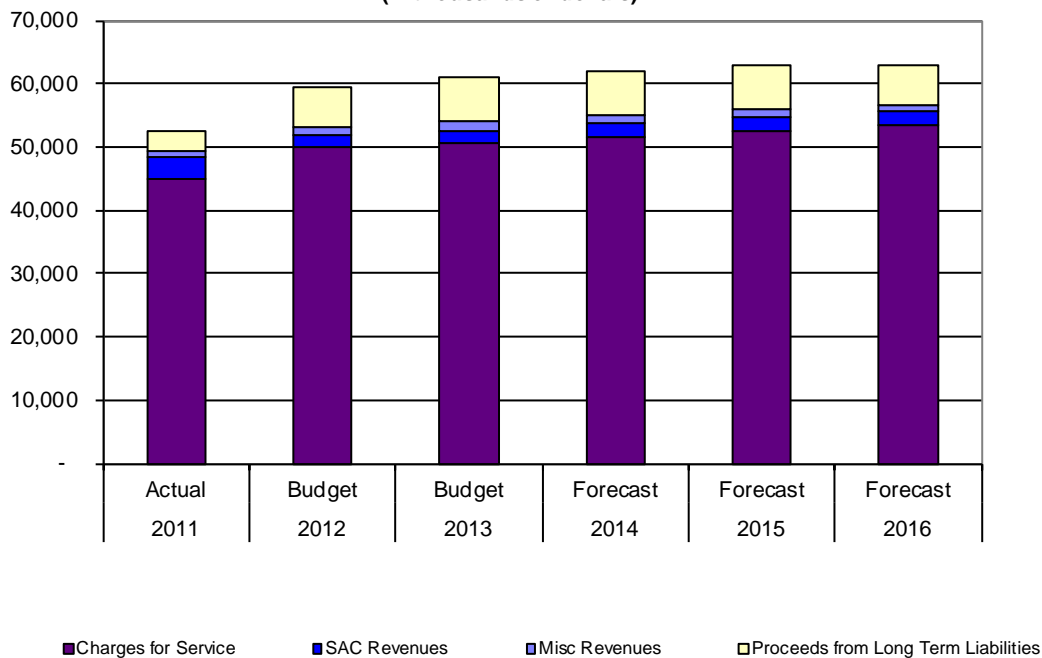
The total revenue budget for the Sanitary Sewer Fund for 2013 amounts to \$61.0 million compared to \$68.6 million, a decrease of \$7.6 million, or 11.1%, over 2012 projected revenues. This decrease is mainly due to an increase in SAC revenues recognized in 2012 corresponding to the unexpected increase in SAC expenditures recognized in that same year.. Monthly sanitary utility charges, Sewer Access Charges (SAC), design and miscellaneous projects, along with proceeds from capital programs make up the sources of revenue for the Sanitary Sewer Fund. Revenues from operations account for 89% of the budget and bond proceeds from capital programs make up the remaining 11%. Sanitary sewer rates are comprised of variable and fixed rates. For 2013, the variable sewer rate has been set at \$3.14 per one hundred cubic feet; meanwhile, fixed rates are based on meter sizes. Revenue estimates were increased to fund sanitary collection and treatment programs, retirements (MERF program), capital programs, debt payments and shared meter costs.



Year	Rate (cost per 100 per cubic feet)	% Increase	Average Monthly Bill	Total Planned Revenue from Utility Fee
2013	\$3.14	3.00%	\$18.84	\$50.6 million
2014	\$3.24	3.20%	\$19.44	\$51.6 million
2015	\$3.34	3.10%	\$20.04	\$52.5 million
2016	\$3.44	3.00%	\$20.64	\$53.5 million
2017	\$3.44	0.00%	\$20.64	\$54.5 million

Sanitary Sewer Fund Revenues

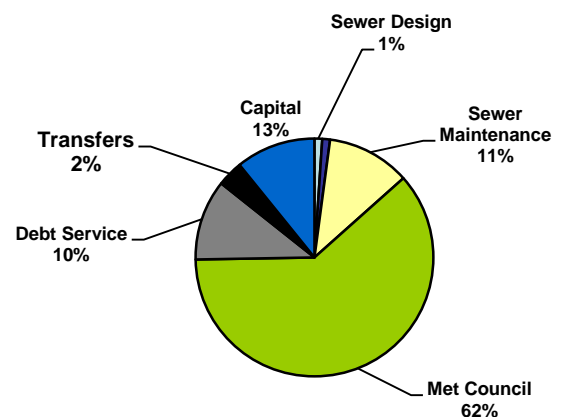
(in thousands of dollars)



Expenditures

The total expenditure budget for 2013 amounts to \$61.9 million compared to \$62.9 million projected for 2012. This is a decrease of \$1.0 million, or 1.4%, over 2012 projections. This decrease is due to the unexpected increase in SAC expenditures recognized in 2012. Maintenance and design work, Met Council, capital programs, and long-term debt are funded from this budget. The increase of \$1.8 million in Met Council over 2012 is mainly due to the rate increase for treatment services. Design and maintenance budgets increased by \$400 over 2012 due to realignment of personnel, planned implementation of FOG

Use of Funds (\$61.9 million)

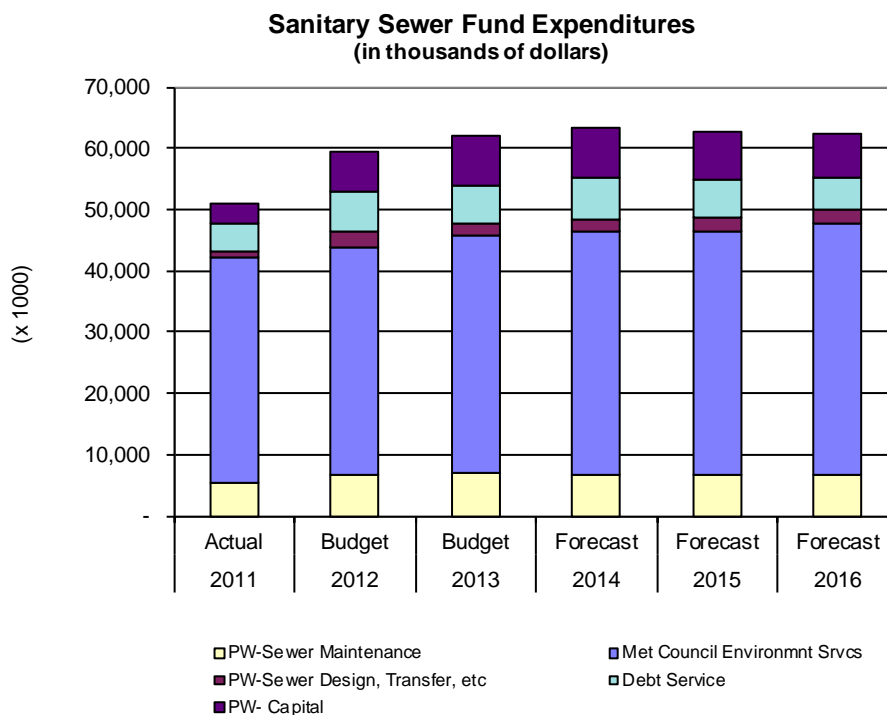


(Fat, oil and grease) program, and a one-time software expenditure of \$295K.

Capital expenditures for 2013 total \$8.0 million compared to \$6.5 million for 2012. This increase of \$1.5 million is due to sanitary tunnel and sewer rehabilitation work scheduled for 2013. The largest expense in the Sanitary Sewer Fund is the service charge paid to Met Council Environmental Services (MCES). The estimated payment to MCES for 2013 is \$34.9 million, a 6.0% increase over 2012. The Sanitary Sewer Fund bears 95%, or \$33.2 million, of this cost with the remaining \$1.7 million paid from the Storm Water Fund. Minneapolis is the largest customer in the MCES system. (Please note, this payment is only a portion of the Met Council Environmental Services line as shown on the plan).

Debt Service & Transfers

Capital programs for 2013 include the inflow/infiltration and tunnel sewer rehab programs. An additional component of the capital program includes repair work on existing infrastructures. For 2013, \$6.3 million is set aside as debt service payments for bonds sold in current and previous years to fund these projects. A transfer from this fund is made to the Water fund to cover shared meter expenses. For 2013, the transfer is estimated at \$1.1 million.



Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Also, the Mayor recommends a rate of \$3.14 per 100 cubic feet in 2013. The division added positions within existing resources in 2013 to reflect actual staffing patterns.

Council Adopted Budget

Council approved the Mayor's recommendations and amended the Mayor's Recommended 2013 operating budget for Public Works by increasing the appropriation in the Sanitary Sewer Fund (07100) by \$339,017 for SAC charges paid to Metropolitan Council.

City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)

Sanitary Sewer Fund - 07100

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg from 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Charges for Service	45,142	44,900	49,867	51,369	50,585	-1.5%	51,568	52,526	53,461
SAC Revenues	2,984	3,592	2,000	10,345	2,060	-80.1%	2,060	2,060	2,060
Other Misc Revenues	1,241	990	1,226	400	1,319	229.8%	1,319	1,319	1,222
Proceeds from Long Term Liabilities	4,477	3,020	6,500	6,500	7,000	7.7%	7,000	7,000	6,250
Total	53,843	52,501	59,593	68,613	60,964	-11.1%	61,947	62,905	62,993
Use of Funds:									
PW-Sew er Design	298	366	632	475	773	62.7%	755	772	789
PW-Sew er Maintenance	5,470	5,510	6,796	6,200	7,087	14.3%	6,542	6,667	6,745
MERF Debt Service -New Plan	-	-	-	-	-		292	292	292
Met Council Environment Svcs	34,897	36,731	36,833	42,303	38,656	-8.6%	39,712	39,775	40,863
Debt Service	3,551	4,618	5,217	5,217	4,594	-11.9%	4,192	2,645	1,040
Future Debt Service			1,367	-	1,709		2,582	3,455	4,219
Transfers									
To MERF Debt Service	825	577	1,112	1,112	-	-100.0%	-	-	-
To Water Fund			994	1,058	1,149	8.6%	1,149	1,149	1,149
PW- Capital	5,709	3,309	6,500	6,500	8,000	23.1%	8,000	8,000	7,250
Total	50,750	51,111	59,451	62,865	61,969	-1.4%	63,224	62,754	62,347
Change in Net Assets	3,093	1,390	142	5,749	(1,005)		(1,277)	151	646
Net Asset Balance	96,156	100,825	100,967	106,573.25	105,568		104,290	104,441	105,088
Cash Balances									
Operating Cash	12,474	15,430	15,573	21,179	20,173		18,896	19,047	19,693
Construction Cash	4,177	5,338							

City of Minneapolis

2013 Budget Financial Plan

Storm Water Fund

Background

The Storm Water Collection and Street Cleaning programs make up the budget for the Storm Water Fund. The Fund accounts for street cleaning, design, construction, and maintenance of the City's storm drain system. A portion of the Storm Water Fund is used for sanitary 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 water from the sanitary sewer lines.

Historical Financial Performance

In 2011 total revenues increased to \$53.7 million compared to \$46.1 million in 2010. This increase amounts to \$7.6 million, or 17%. Bond revenues from capital programs increased by \$4.2 million. Design revenues account for \$900K of this increase, and revenues from maintenance agreements with Hennepin County and the State along with Storm Eleven reimbursements account for \$1.3 million. A rate increase of \$0.33 per Equivalent Storm Water Unit (ESU) in utility billings accounted for \$1.1 million of the increase in the Fund's 2011 revenues. The expenditure of \$50.4 million in 2011 is an increase of \$12.5 million, or 33%, compared to \$37.9 million in 2010. Of this increase, \$9.1 million comes from Capital programs and \$6.2 million debt service payments. These increases were offset by a decrease in operating expenditures and transfers of \$2.9 million.

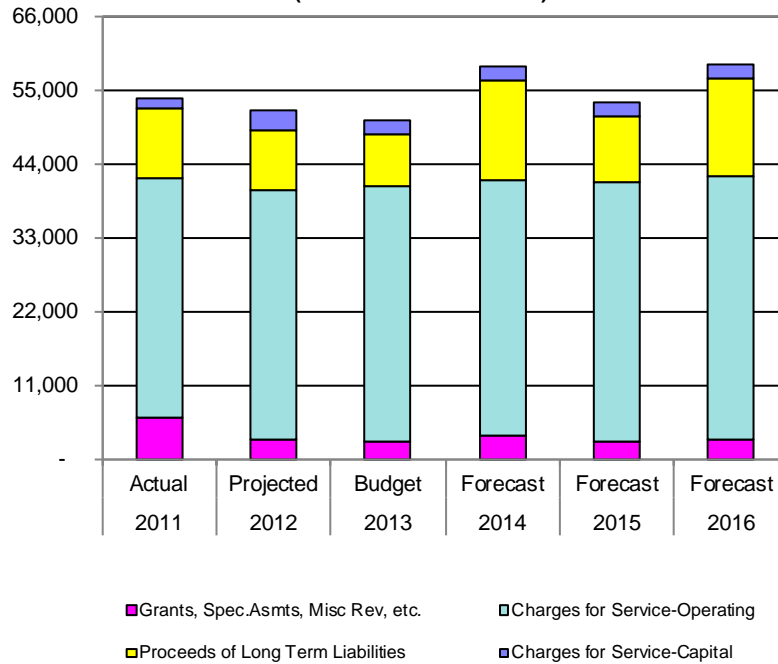
2013 Budget

Revenues

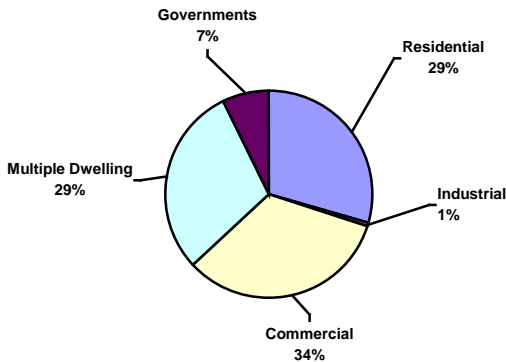
The 2013 revenue budget totals \$50.4 million, compared to \$51.8 million projected for 2012, a decrease of \$1.4 million, or 2.7%. The increase in revenue of \$600K from operations and design work, has been off-set by the decrease in revenues of \$1.0 million in Capital programs. The Storm Water rate or the rate per ESU for 2013 has been set at \$11.82. This rate increase of \$0.12 in storm water billings is estimated to put service revenue at \$37.8 million, \$1 million more than the 2012 projected revenue of \$36.9 million. Revenues from the maintenance agreement with the County/State are expected to remain at \$915K which is \$550K less than 2012 projections; meanwhile, design revenues are estimated at \$1.6 million, an increase of \$400 K over 2012 projection.

Year	Rate per ESU (Equivalent Storm Water Unit)	% Increase	Total Planned Revenue from Utility Fee
2013	\$11.82	1%	\$37.8 million
2014	\$11.94	1%	\$38.2 million
2015	\$12.06	1%	\$38.6 million
2016	\$12.22	1.3%	\$39.1 million
2017	\$12.38	1.3%	\$39.6 million

Stormwater Fund Revenues
(in thousands of dollars)



Total Active Sewer Property Types

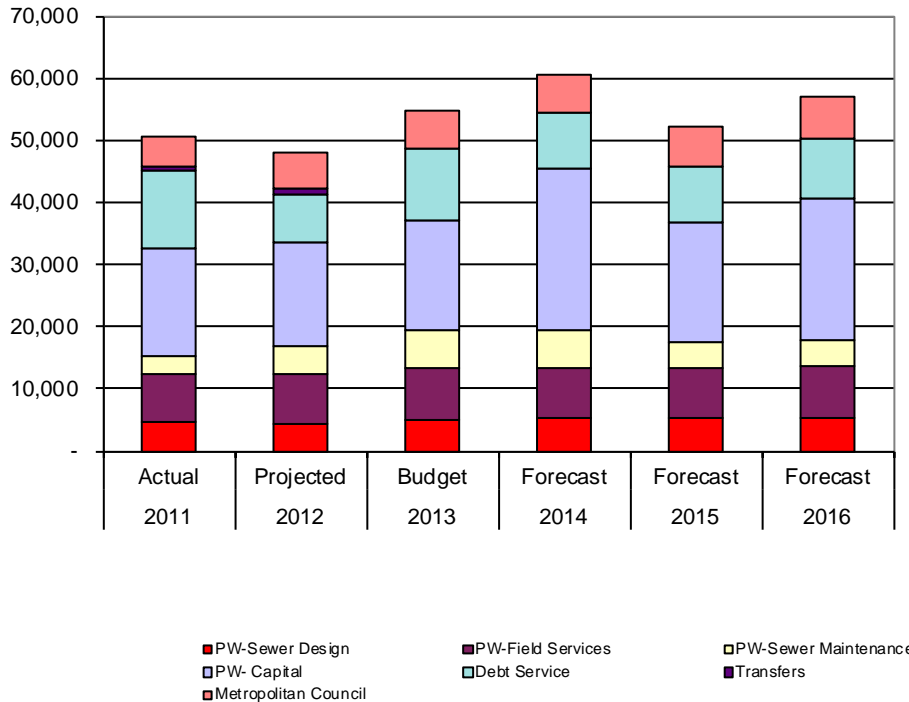


Total Usage Units (in thousands)	
Property Type	Count
Residential	4,387
Commercial	4,911
Government	1,079
Industrial	69
Multiple Dwelling	4,395
Total	14,840

Expenditures

The 2013 total expenditure budget for the Storm Water Fund amounts to \$54.6 million compared to \$48.0 million projected for 2012, an increase of \$6.6 million, or 13.8%. The fund's operating budget is used for design, maintenance, overflow programs, Met Council payments, and street cleaning. The operating budget for 2013 totals \$25.4 million which is \$2.7 million more than the \$22.7 million projected for 2012. Capital programs are estimated at \$17.7 million compared to \$16.5 million projected for 2012. Capital programs are funded by operating revenue and bonds. For 2013, \$9.7 million of capital projects are Storm revenue funded and the remaining \$8 million are bond funded.

Stormwater Fund Expenditures (in thousands of dollars)



Combined Sewer Overflow (CSO)

The Combined Sewer Overflow project started in 2004. Working with property owners, this project aims to identify and disconnect roof drain overflow from the sanitary system. This is an on-going program and \$875 K has been allocated for 2013 from the operating budget with additional funding coming from the Capital programs.

Debt Service & Transfers

The debt service payments are primarily for bonds that were sold previously to finance the Combined Sewer Overflow (CSO) and flood mitigation programs. For 2013, debt service payments are estimated at \$11.6 million compared to \$7.7 million projected for 2012.

Transfers related to the MERF pension plan are now part of the operating budget. For 2012, these transfers were estimated at \$1.1 million. For 2013 and future years, MERF will be paid out of the fund's operating budget; the current estimate for 2013 is \$300K. Both the debt service and transfers are funded through fund balance generated by Storm Water revenues.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Also, the Mayor recommended a rate of \$11.82 per ESU in 2013.

Council Adopted Budget

Council approved the Mayor's recommendations.

**City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)**

Storm Water Sewer Fund - 7300

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Federal Government		421							
State Government	1,148	1,938	670	1,068	670	-37.3%	670	670	670
Local Government	266	400	246	400	245	-38.8%	245	245	246
Charges for Service-Operating	34,543	35,621	36,322	36,878	37,835	2.6%	38,222	38,609	39,125
Design & Misc Revenues	1,650	2,580	1,392	1,200	1,629	35.8%	2,417	1,553	1,989
Charges for Sales	35	-	-	-	-		-	-	-
Special Assessments	686	744	60	300	60	-80.0%	60	60	60
Interest	-	-	-	-	-		-	-	-
Charges for Service-Capital	1,557	1,581	3,000	3,000	2,000	-33.3%	2,000	2,000	2,000
Proceeds of Long Term Liabilities	6,191	10,415	9,000	9,000	8,000	-11.1%	14,830	9,888	14,480
Total	46,075	53,700	50,690	51,846	50,439	-2.7%	58,444	53,025	58,570
Use of Funds:									
PW-Sewer Design	4,434	4,615	5,114	4,433	5,034	13.6%	5,138	5,246	5,405
PW-Field Services	6,994	7,798	8,056	8,056	8,158	1.3%	8,303	7,987	8,130
PW-Sewer Maintenance	3,651	2,811	4,265	4,490	6,081	35.4%	6,020	4,118	4,206
Metropolitan Council	5,121	4,707	6,089	5,794	6,174	6.6%	6,322	6,474	6,630
Debt Service	6,208	12,443	7,400	7,691	7,927	3.1%	4,085	3,030	2,600
Future Debt Service	-	-	3,111	-	3,604		4,724	5,815	7,118
Transfers	3,311	700	1,112	1,112		-100.0%			
PW- Capital	8,214	17,363	14,850	16,461	17,700	7.5%	26,090	19,448	22,800
Total	37,933	50,437	49,997	48,036	54,678	13.8%	60,682	52,118	56,889
Change in Net Assets	8,142	3,264	692	3,809	(4,239)		(2,239)	908	1,681
Net Asset Balance	267,781	284,557	285,249	288,366	284,127		281,889	282,797	284,478
Cash Balances	22,676	24,531	25,223	28,339	22,539		20,300	21,208	22,889
Construction Cash	3,484	2,057							
Total Cash Balance	26,160	26,588	25,223	28,339	22,539		20,300	21,208	22,889

**City of Minneapolis
2013 Budget
Financial Plan**

Water Fund

Background

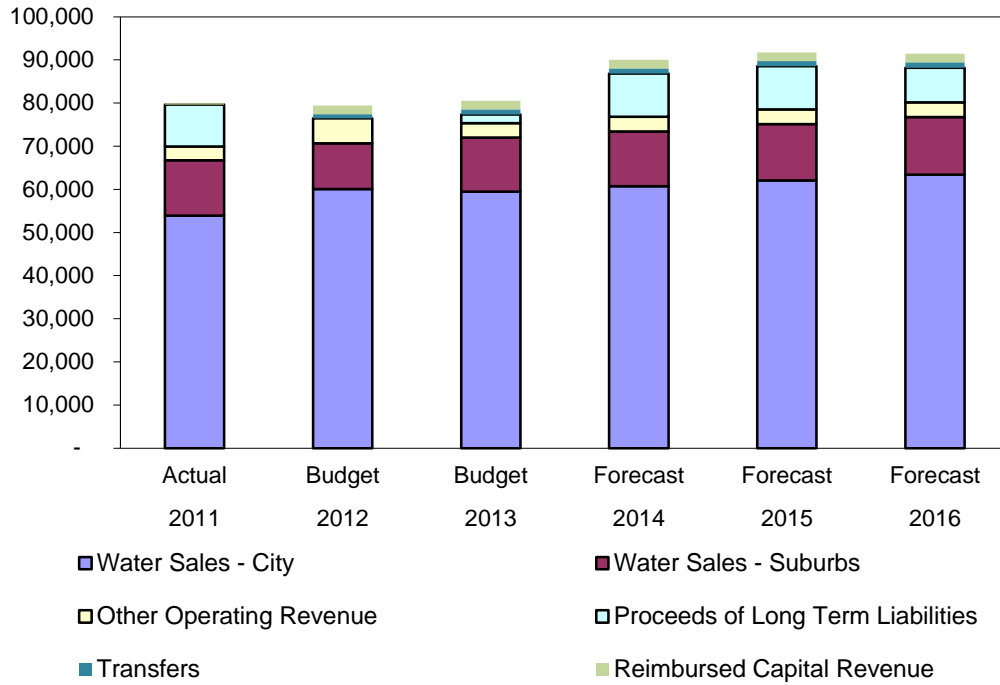
The Water Fund accounts for the operation, maintenance, and capital program of the water treatment and distribution system for the City of Minneapolis and several suburban city customers. The City currently sells water to seven suburbs including Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal, Edina, and the Metropolitan Airport Commission.

Historical Financial Performance

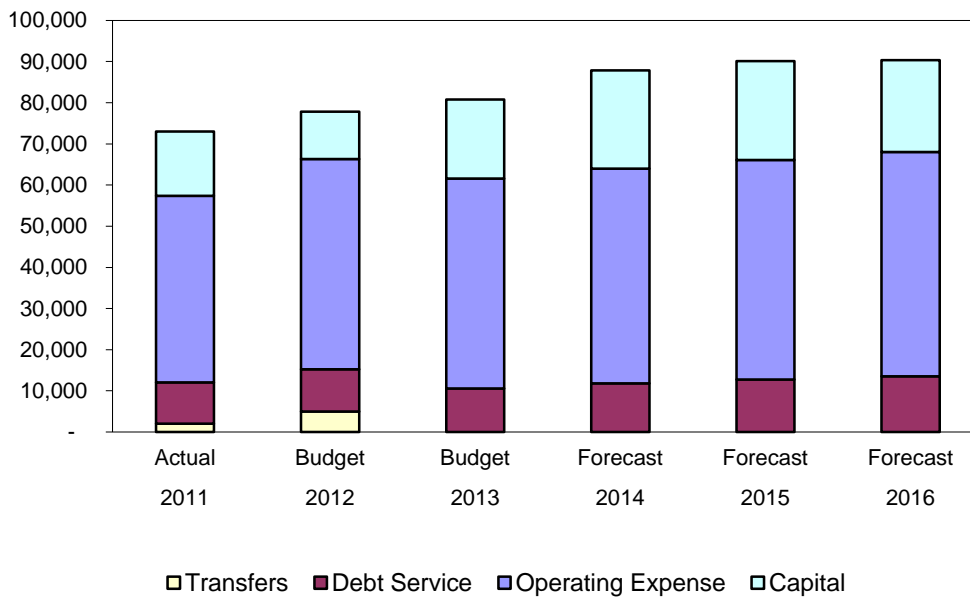
The net assets of the Water Fund have increased over the past several years due primarily to scheduled rate increases and major capital improvements. The following table shows the revenue earned from Minneapolis and suburban sales for years 2010 – 2011, the projected 2012 revenue, and the 2013 budgeted revenue:

Source of Revenue	2010	2011	2012 Projected	2013 Budget
Bloomington	\$3,543,587	\$3,015,665	\$2,967,685	\$3,129,543
Columbia Heights	1,156,604	1,185,559	1,351,203	1,235,632
Hilltop	106,734	99,005	75,125	72,334
Joint Water Commission	5,694,488	7,572,427	7,242,033	6,964,828
Edina	194,026	204,920	244,222	212,125
MAC	N/A	823,274	869,942	865,842
Total Suburban	\$10,695,439	\$12,900,850	\$12,750,212	\$12,480,304
Minneapolis	\$53,167,300	\$53,869,105	\$60,581,308	\$59,500,950
Total Revenue	\$63,862,739	\$66,769,955	\$73,331,520	\$71,981,254

Water Fund Revenues (In thousands of dollars)



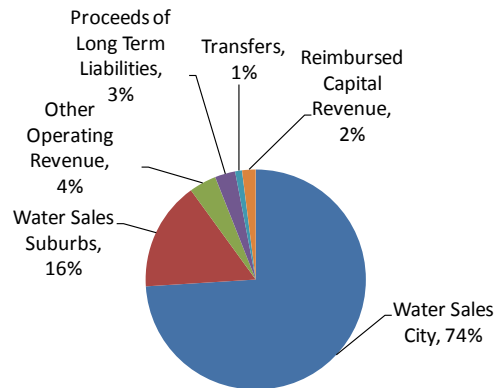
Water Fund Expenses (In thousands of dollars)



2013 Budget

Revenues

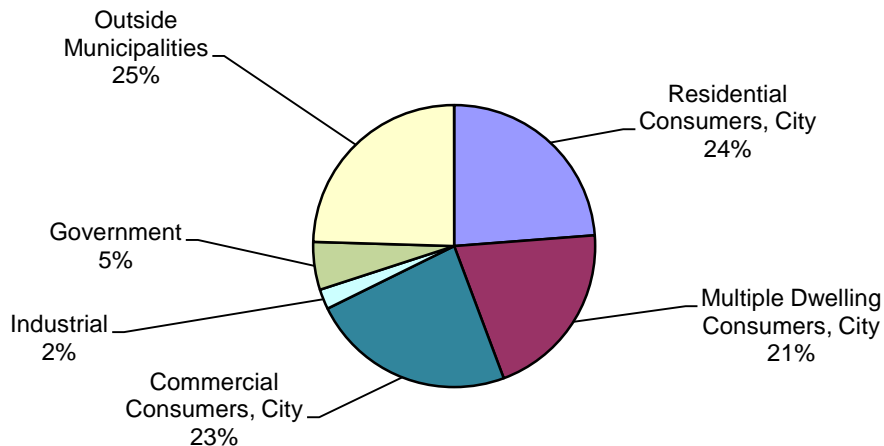
The 2013 revenue budget of \$80.5 million is 4% lower than the 2012 projected revenue of \$83.9 million. There are projected rate increases for years 2013 – 2016 to pay debt service for the capital expenses, as well as to cover anticipated growth in operating expenses and to repair infrastructure. Rate increases may not result in increased revenue, however, due to variable water consumption. A long-term trend has shown that Minneapolis water consumption has decreased over the past several years.



Water Utility Rates

The budget includes a fixed rate charge based on meter size as well as a variable rate charge of \$3.29/unit. The fixed rate charge helps to cover the high fixed costs of operating the utility which increases the utility's financial stability as it continues to operate in an environment of declining consumption due to conservation efforts.

Charges for Services by Customer Consumption (Based on 2011 Consumption)



¹ Rate is based on cost per 100 cubic feet and assumes 8 units of water are consumed per month for a 5/8" meter. The fixed rate increases as the meter size increases.

Year	Fixed Rate (5/8" Meter)	Rate (cost per 100 cubic feet)	Cost Per Month for Average Consumer ¹	Variable % Increase	Total Monthly Cost Increase per Household	Total Planned Revenue from Utility Fee
2013	\$2.00	\$3.29	\$26.32	2.81%	\$0.72	\$59.5 Million
2014	\$2.00	\$3.38	\$27.04	2.74%	\$0.72	\$60.7 Million
2015	\$2.00	\$3.48	\$27.84	2.96%	\$0.80	\$62.0 Million
2016	\$2.00	\$3.58	\$28.64	2.87%	\$0.80	\$63.3 Million
2017	\$4.00	\$3.58	\$28.64	0.00%	\$4.00	\$66.3 Million

The following table shows the projected revenue earned from suburban utility sales:

Year	Combined Average Rate	% Increase	Total Revenue Earned from Utility Fee - Suburbs
2013	\$2.10	2.81%	\$12.5 Million
2014	\$2.15	2.74%	\$12.7 Million
2015	\$2.22	2.96%	\$13 Million
2016	\$2.28	2.87%	\$13.3 Million
2017	\$2.28	0.00%	\$13.2 Million

Expenses

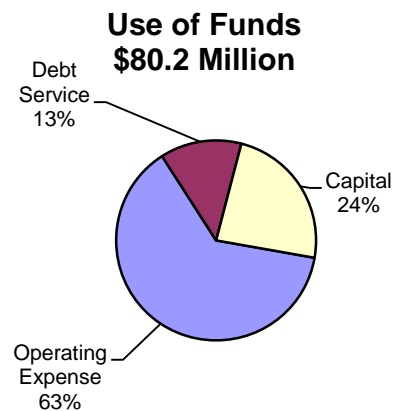
The 2013 expense budget is \$80.4 million, a 1.4% increase over the 2012 projected expense of \$79.3 million. The budget provides funding for water treatment and distribution and the capital improvement program. Current capital projects include improvements to the water distribution network, treatment infrastructure improvements, rehabilitation of the Fridley filter facility and replacement of the distribution maintenance facility. The 2013 capital budget of \$19.2 million represents a 66.4% increase from the 2012 capital budget.

Pension Obligations

The Water Fund incurs expenses related to its share of the Minneapolis Employee Retirement Fund (MERF) pension obligations. There will be \$2.3 million 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 total of \$10.2 million is primarily for bonds and notes sold to finance the Water Fund's Construction program.



Mayor's Recommended Budget

The Mayor recommends no changes to the proposed budget. Also, the Mayor recommended a water utility rate of \$3.29 per unit in 2013.

Council Adopted Budget

Council approved the Mayor's recommendations.

City of Minneapolis									
2013 Budget									
Financial Plan (In thousands of dollars)									
Water Fund - 7400									
	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg from 2012 Budget	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Water Sales - City	53,459	53,869	60,574	60,581	59,501	-1.8%	60,702	62,053	63,384
Water Sales - Suburbs	10,695	12,901	10,081	12,750	12,480	23.8%	12,747	13,047	13,342
Other Operating Revenue	1,508	3,171	4,794	7,332	3,358	-30.0%	3,390	3,423	3,459
Proceeds of Long Term Liabilities	15,692	9,732		215	2,000		10,000	10,000	8,000
Transfers									
From Sewer Fund for Meter Shop			994	994	1,149	15.6%	1,184	1,219	1,254
From General Fund					22				
Reimbursed Capital Revenue	365	247	2,000	2,000	2,000		2,000	2,000	2,000
Total	81,719	79,920	78,443	83,872	80,510	-4.0%	90,023	91,742	91,439
Use of Funds:									
Operating Expense	47,916	45,267	51,106	50,910	50,901	-0.4%	52,145	53,303	54,500
Debt Service	9,518	10,038	10,226	10,273	10,152	-0.7%	10,454	10,691	10,906
Future Debt Service	-	-	-	-	231	100.0%	1,389	2,092	2,655
Transfers									
To Debt Service for MERF Liability	1,258	2,042	4,992	4,992	-	-100.0%	-	-	-
To Debt Service - Other	249	-	-	-	-		-	-	-
Capital	19,762	15,674	11,510	13,174	19,150	66.4%	23,900	24,000	22,300
Total	78,703	73,021	77,834	79,349	80,434	3.3%	87,888	90,086	90,361
Water Works Fund Margin	3,016	6,899	609	4,523	76		2,135	1,656	1,078
Water Net Assets	176,894	186,111	186,720	190,634	190,710	2.1%	192,845	194,501	195,579
Cash Balance	13,227	14,877	15,488	19,401	15,226	-1.7%	17,361	19,017	20,095

**City of Minneapolis
2013 Budget
Financial Plan**

Public Works Stores Fund

Background

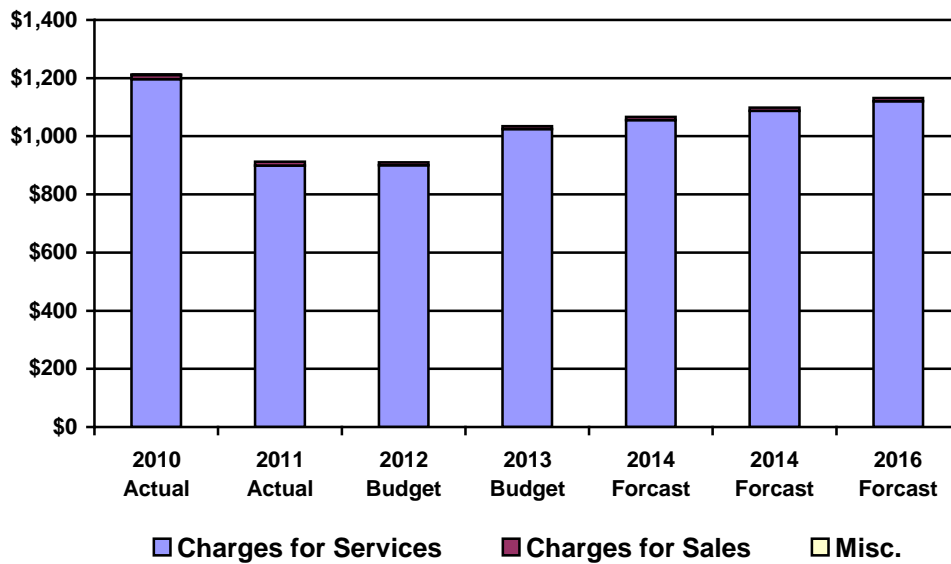
The Public Works Stores Fund accounts for the centralized procurement, receiving, warehousing, and distribution of stocked inventory items and the purchase of special goods and services through Central Stores and Public Works Traffic Stores.

Historical Financial Information

Public Works operated Central Stores beginning 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 the City's office supplies and non-specialty items. In April 2011, Central Stores was transitioned from the Public Works department to become a cost center within the department of Finance & Property Services. Central Stores remains an internal service division and transactions are recorded to the Public Works Stores Fund. Public Works Traffic Stores purchases components for traffic signals, controllers, and street lights.

A revised overhead structure implemented in 1998, resulted in positive net income for years 2000 through 2007. For year ending 2010, PW Stores recorded net income of \$20,000. The net loss for 2011 was \$(198,000).

Public Works Stores Revenue
(in thousands of dollars)



2013 Budget

Revenues

Revenues for 2013 are budgeted at \$1.0 million, a decrease of 47.2% from the 2012 projected revenue of \$2.0 million. Revenues for 2012 are projected to be higher than budgeted due to an increase in inventory items sold from Traffic Stores to capital projects in the last half of 2012. In 2012, the fund received additional revenue from processing orders for goods for City Departments. The 2013 revenue budget was calculated using historical levels of inventory sales. The majority of orders for goods that are not inventoried are processed by the Finance & Property Services Department.

Expense

The 2013 expense budget of \$1.0 million is a 12.7% decrease from the 2012 projected expense of \$1.2 million. The primary reason for the decrease is that the final debt payment of \$117,000 related to the Minneapolis Employees Retirement Fund (MERF) unfunded pension liability was budgeted and paid in 2012.

Transfers

Beginning in 2013, this fund will not have a transfer out for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability. The City determined to retire bonds related to this debt service in 2012 resulting in substantial savings to the City and creating a large increase to this debt payment for the proprietary funds. The Public Works Stores Fund used fund balance as the source of funding for this payment.

Debt Service

This fund does not have long-term debt.

Net Assets and Cash Balance

The year-end net asset balance for 2011 was \$3.0 million, a decrease of \$198,000 from the ending net asset balance of \$3.2 million in 2010. The financial policy for the net asset balance for this fund determines that the fund should maintain a net asset balance, at a minimum, equal to 15% of the operating budget. For year ending 2011, the benchmark for net assets is \$0.2 million and the fund exceeded the benchmark by \$2.8 million.

The fund has experienced a negative cash balance since year-end 2006 when the balance was a deficit of \$(900,000). By 2010, the deficit had improved to \$(826,000). In 2011 the deficit cash balance increased to \$(1,027,000).

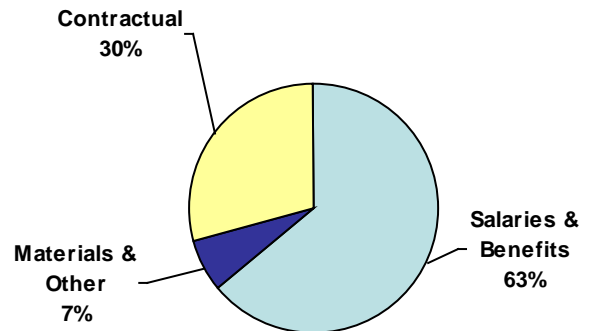
Mayor's Recommended Budget

The Mayor recommended no changes to this fund.

Council Approved Budget

Council approved the Mayor's recommendations.

**Public Works Stores Funds
Use of Funds
(\$1.0 million)**



City of Minneapolis
2013 Budget
Financial Plan (in thousand of dollars)
PW Stores Fund - 06300*

	2010 Actual	2011 Actual	2012 Budget Projected	2013 Budget Projected	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:								
Charges for Services	1,196	899	900	1,905	-46.2%	1,056	1,087	1,120
Charges for Sales	15	13	10	55	-81.8%	10	11	11
Misc Revenues	1	-	-	-	0.0%	-	-	-
Total	1,211	912	910	1,960	-47.2%	1,066	1,098	1,131
Use of Funds:								
Salaries and Fringes	730	666	652	668	-0.6%	684	704	726
Contractual Services	376	299	293	308	-0.3%	316	326	335
Materials and Other	52	92	113	100	-30.0%	72	74	76
Transfers	33	51	117	117	-100.0%	-	-	-
Total	1,191	1,108	1,175	1,193	-12.7%	1,072	1,104	1,138
Change in Net Assets	21	(196)	(265)	767	(6)	(6)	(6)	(7)
Net Assets	3,224	3,026	2,761	3,793	3,787	3,781	3,774	3,768
Cash Balance	(826)	(1,027)	(1,292)	(260)	(266)	(272)	(279)	(285)
Target Cash Reserve¹	172	155	159	159	157	161	166	171
Variance Cash to Target Reserv	(998)	(1,182)	(1,451)	(419)	(423)	(433)	(445)	(456)

* This fund includes Cental Stores (Department of Finance) and Public Works Traffic Stores.

¹The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve the PW Stores Fund should be maintained at a minimum of 15% of the operating budget.

Note: The 2014-2016 forecasts for source and use of funds are calculated using a factor of 3.0% to capture increases in revenues and expense.

**City of Minneapolis
2013 Budget
Financial Plan**

Engineering Materials and Testing Fund

Background

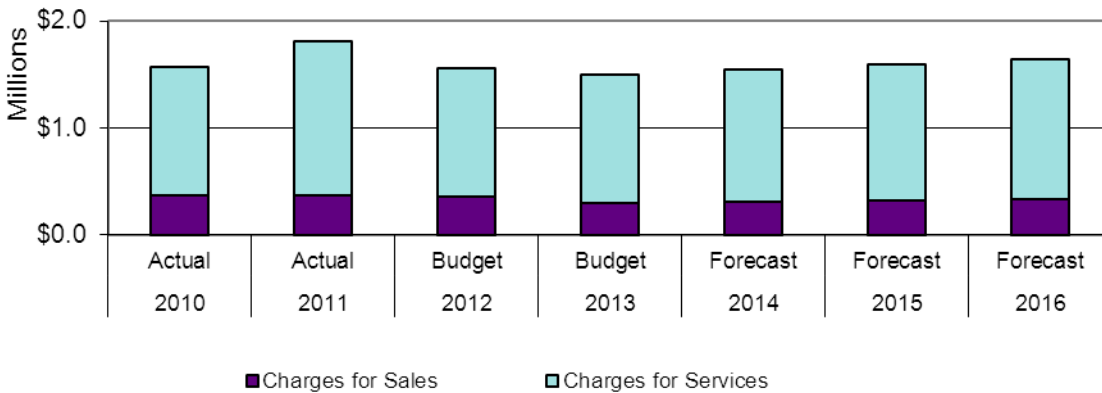
The Engineering Materials and Testing Fund accounts for City purchases of hot-mix asphalt and ready-mix concrete in order to ensure compliance with State and Federal standards and specifications, and to provide quality control of these materials. The Engineering Laboratory is a component of this fund 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 overhead charged on the procurement of hot-mix asphalt and ready-mix concrete materials along with fees for 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 2008, this fund had a decrease in net assets of \$1.5 million of which \$777,000 is due to the loss on the disposal of the asphalt plant. In 2011, the net assets increased \$394,000 bringing the ending balance from \$735,000 in 2010 to \$1,129,000 in 2011. The cash balance increased from a balance of \$802,000 in 2010 to a balance of \$1,164,000 in 2011.

Engineering Materials and Testing Revenues



2013 Budget

Revenues

The 2013 revenue budget is \$1.5 million, a 23.3% decrease from the 2012 projected revenue of \$2.0 million. In 2012, it is projected that revenue will increase significantly over the budgeted amount due to a significant yearly increase in City road construction/overlay projects and maintenance activities. In addition to this increase in City scheduled work, the Central Corridor Light Rail project is a large project with a very tight construction schedule that has had a

significant impact on City infrastructure. There also appears to be an increase in private sector development work being done this year and this adds to the workload with regards to its impact to the City infrastructure. These factors are coupled with extremely favorable early spring weather, which resulted in the commencement of outside construction and maintenance activities earlier than historically normal.

This fund generates revenue from testing and inspection services provided by the Engineering Lab and the sale of concrete and asphalt from outside vendors to other City departments. Product types and quantities are identified for customer departments. An allocation model determines product costs to allow the fund to generate revenues that match operating expenditures. The 2013 revenue budget includes \$1.2 million earned from charges for services provided by the Engineering Lab and \$300,000 as mark up on the sale of asphalt and concrete.

Expense

The 2013 expense budget is \$1.55 million, a increase of 1.9% from the 2012 projected expense of \$1.52 million. The decrease is primarily due to the transfer out for MERF related debt that occurs in 2012 which will not recur in 2013.

The fund will have a one-time increase of \$100,000 to the expense budget for a capital purchase of a soil drilling rig to conduct soils investigation and monitor construction conditions. Currently the Lab has a very outdated soils drill rig that is well beyond its useful life. It is the Lab's intention to procure an appropriately sized drill rig to meet the current and anticipated future needs of the City.

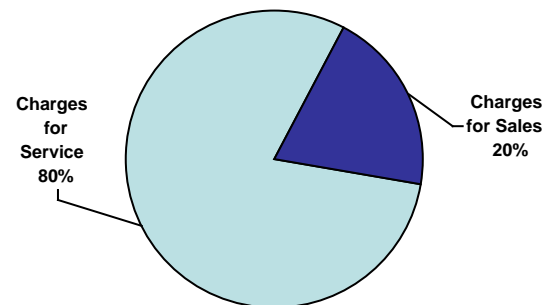
Transfers

There are no transfers scheduled in 2013 for this fund. The 2012 budget included a transfer out of \$195,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability. The City determined to retire bonds related to this debt service in 2012 resulting in substantial savings to the City and creating a large increase to this debt payment for the proprietary funds. The Engineering Lab and Materials Fund used fund balance as the source of funding for this payment.

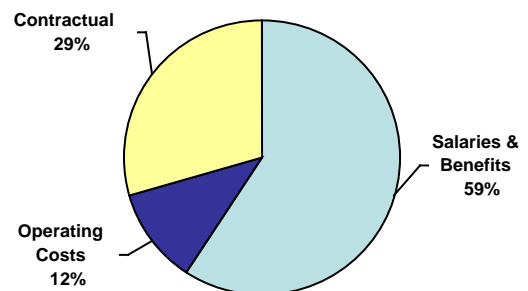
Debt Service

This fund does not have any long-term debt.

**Source of Funds
(\$1.5 million)**



**Use of Funds
(\$1.6 million)**



Net Assets and Cash Balance

The Engineering, Materials and Testing Fund has a positive net asset balance of \$1.1 million at year-end 2011, an increase of \$393,653 from the 2010 ending balance of \$0.7 million. The net asset balance is projected to be \$1.3 million at the end of 2012 and to decrease slightly to \$1.2 million in 2013. The financial policy for the net asset balance for this fund determines that the fund should maintain a net asset balance equal to 15% of the operating budget. For year ending 2011, the benchmark for net assets is \$0.2 million and the fund exceeded the benchmark by \$0.9 million. The net asset balance is projected to exceed the benchmark of \$0.2 million for both 2012 and 2013 by \$1.0 million each year.

The 2011 year-end cash balance is \$1.2 million, an increase of \$362,738 from the 2010 year-end balance of \$0.8 million. Financial reserve policies for the internal service funds determine that the cash reserve target for the Engineering, Materials and Testing fund should not be less than 15% of the operating budget, or \$0.2 million for 2011. The fund exceeded the benchmark by \$0.9 million. The cash balance is projected to be \$1.3 million and \$1.2 million in 2012 and 2013 respectively, exceeding the cash reserve benchmark each year by \$1.0 million.

Mayor's Recommended Budget

The Mayor recommended no changes.

Council Adopted Budget

Council Approved the Mayor's Recommendations

City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)

Engineering, Materials and Testing - 06000*

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Charges for Services	1,194	1,438	1,200	1,435	1,200	-16.4%	1,236	1,273	1,311
Charges for Sales	371	373	352	521	300	-42.4%	309	318	328
Total	1,565	1,812	1,552	1,956	1,500	-23.3%	1,545	1,591	1,639
Use of Funds:									
Personnel Services	761	822	923	810	917	13.2%	944	972	1,002
Contractual Services	390	424	456	440	458	4.0%	472	486	500
Materials and other	102	80	82	80	180	124.9%	82	84	86
Transfers Out	57	88	195	195	-	-100.0%	-	-	-
Total	1,310	1,414	1,655	1,525	1,554	1.9%	1,496	1,541	1,586
Change in Net Assets	245	394	(103)	431	(54)		49	50	53
Net Assets	735	1,129	1,026	1,560	1,506		1,555	1,605	1,659
Cash Balance	802	1,164	1,061	1,595	1,541		1,590	1,640	1,694
Target Cash Reserve¹	210	220	248	248	234		225	232	239
Variance Cash to Target Reserve	592	944	813	1,347	1,307		1,365	1,408	1,455

* This fund includes the Public Works divisions Engineering Lab, Asphalt Distribution, and Ready-Mix Concrete.

¹The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Engineering, Materials and Testing Fund should be maintained at a minimum of 15% of the operating budget.

Note: The 2014-2016 forecasts for source and use of funds are calculated using a factor of 3.0% to capture increases in revenues and expense.

**City of Minneapolis
2013 Budget
Financial Plan**

Intergovernmental Services Fund

Background

The Intergovernmental Services Fund accounts for all of the operations of the Information Technology Department (IT) including information and technology functions, the managed services contract with Unisys, the Project Management Office (PMO), and telecommunications operations. Information Technology activities accounts for 94.6% of the operating activities in the fund. The fund also records transactions for operations within the City Clerk's office related to central mailing and printing services, representing 4.5% of operating activities. A portion of the Human Resources budget that is designated for internal training is included in this fund, representing 0.9% of operating activities.

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 year-end 2002, the fund has achieved positive increases to the net asset balance bringing the balance from a deficit of (\$40.8) million in 2002 to a positive net asset position of \$22.2 million in 2011. For 2012, the fund is projected to increase net assets by \$2.8 million for an ending balance of \$25.0 million.

The deficit in this fund was partially due to debt issued to finance technology purchases. The long-term financial plan addressed this issue by providing cash transfers to pay off the debt. In 2009, \$16.8 million of bonds were refunded and in 2010 another \$4.56 million of bonds were refunded resulting in interest savings of \$.59 and \$.16 million respectively on future debt payments. Debt service payments of \$10.7 million for 2011 and \$9.6 million for 2012 will extinguish all debt related to the past deficits. By 2013, the debt outstanding will be \$2.6 million and will be paid for with transfers from the bond redemption levy.

In 2011, IT incurred \$5.3 million of expense for technology projects. The PMO office charges City departments for the cost of purchasing or creating technology enhancements and provides quality, low-cost project management for implementing these technology-related projects. The charges to City departments are calculated to generate enough revenue to cover the overhead expense of the department. In addition, the City Council appropriated \$1.3 million for technology capital projects in 2012 which are funded by net debt bonds. For 2013, the City Council approved \$1.2 million for capital projects that will be funded through net debt bonds. The majority of the funding for technology projects is derived from grants and City departments' operating budgets.

The Information Technology department continues to be active with new initiatives:

- **Citywide:** *First-of-a-Kind*, The City is participating in the IBM First-of-a-Kind project to create solutions for cross department coordination leveraging analytics and optimization, business process modeling and asset management technologies. These advanced technology solutions will leverage the citywide wireless network, Strategic Information Center, and camera infrastructure already in place at the City of Minneapolis.
- **Department Specific:** *Enterprise Land Management*, The City will acquire and implement a system that will provide workflow automation and transaction processing for the City's emergency response resource management, regulatory enforcement, inspections,

permitting, development, planning, and constituent self-service and other land management and reporting processes, among many other department-specific projects.

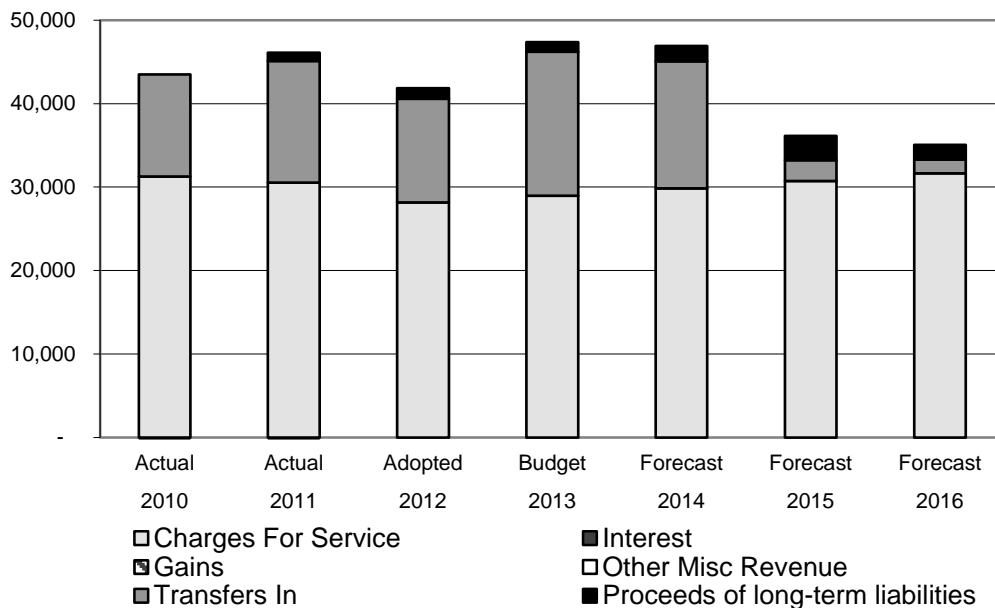
The net asset position in this fund will increase as it continues to provide services to City departments with charges determined through its allocation model and collect fees for service with PMO. The allocation model assigns costs to customers on a “level of effort” basis and began charging customer departments the allocated rates 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 represented the financial condition of the fund and the importance of implementing the strategies to meet the guidelines of the financial plan. This trend has been reversed: at year-end 2011, net assets improved to \$22.2 million.

The updated long-term financial plan projected the net asset balance at year-end 2011 to increase to \$18.4 million. The actual net asset balance at year-end 2011 is \$22.2 million, representing an increase of \$5.3 million from the 2010 ending balance of \$16.9 million. The fund's cash balance has also increased as projected in the long-term financial plan. From 2003 to 2011 the cash balance increased by \$14.9 million from a deficit of \$3.2 million to a positive of \$11.7 million at year-end 2011. It should be noted that the cash balance primarily consists of deferred revenue, or cash received from other City departments as prepayment for future technology projects.

Information Technology Fund Revenues
(in thousands of dollars)



2013 Budget

Revenues

The 2013 revenue budget is \$47.4 million, an increase of 2.4% from the 2012 projected revenue. To fund the cost of providing information technology services, the original financial plan required that this fund receive an annual transfer from the general fund. In 2011, the fund received \$11.1 million from the general fund and \$2.5 million from the bond redemption fund. Revenue transfers from the general fund in 2012 and 2013 are \$10.1 million and \$14.2 million respectively. In addition, the fund will receive transfers from the bond redemption fund of \$1.1 million in 2012 and \$2.1 million in 2013. For fiscal years 2011 through 2016, the Self Insurance Fund transfers \$1.0 million to the Intergovernmental Services Fund annually.

Charges for service are increased in 2013 as compared to the 2012 original budgeted amount due to additional revenue received from City departments through the cost allocation model and from charges directly to City departments for additional IT services.

Allocation Model Implications

The allocation model has five components on the customer expense side: IT application support; IT operating; telecommunications; data connectivity; and special customer specific services. Revenues generated through the allocation model will recover the following:

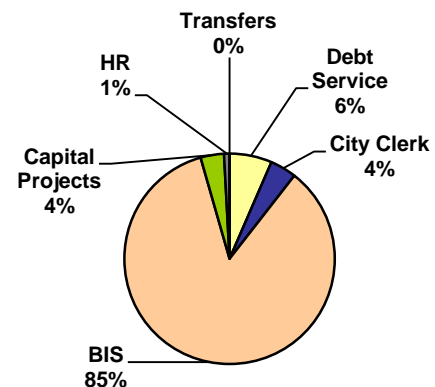
- IT operating costs at a level that conforms to the Council-adopted financial plan.
- Debt service resulting from phone system purchase.
- A small portion for City Clerk data center operations and Human Resources operations.

Revenue Assumptions (2013)	
Number of PC's	2,676
Number of telephones	2,868

Expenses

The 2013 expense budget is \$31.9 million, a decrease of 26.7% from 2012 projected expense budget. The primary reason for the decrease is due to the debt payment decreasing from \$9.6 million in 2012 to \$2.1 million in 2013. Operating expenses in the Intergovernmental Services Fund are comprised of the following: salaries/benefits, contractual, operating, equipment. Of the total operating budget for 2013, the IT expense budget comprises 94.6%. A portion of the operating expenses of the City Clerk's office and Human Resources are included in this fund and comprise 4.5% and 0.9%, respectively, of the total operating budget. Capital expense for information technology investments are budgeted in the Intergovernmental Services Fund. Capitalized assets are reported in this fund as is the depreciation expense. For 2013, the capital budget is \$1.2 million, a decrease of 9.8% from the 2012 budget. In 2011, the fund began to pay \$1.5 million annually as loan repayment to the Convention Center, with final payment of \$1.75 million in 2016.

**Intergovernmental Services Fund
Use of Funds by Department
(\$31.9 million)**



Transfers

Transfers into this fund for 2013 include a transfer from the general fund of \$13.5 million in accordance with the long-term financial plan, \$0.2 million to fund City Hall rent, \$0.5 million for the general fund wireless allocation, a \$2.1 million transfer from the general debt service fund, and \$1.0 million transfer from the Self Insurance Fund. Beginning 2013, the City proprietary funds will not continue to transfer payments to the Pension Debt Service fund related to debt service of Minneapolis Employees Retirement Fund's (MERF) unfunded pension liability. In 2012, bonds related to this debt were retired resulting in substantial savings to the City and creating a large one-time debt payment for the various City funds. The Intergovernmental Services Fund will use fund balance as a revenue source for this payment and recover this cost through the cost allocation model in years 2013 through 2015.

Debt Service

In 2013, the fund will have a beginning bond liability of \$3.1 million. A debt service payment of \$2.1 million in 2013 including \$101,848 of interest will leave an ending balance of bonds payable of \$1.1 million at year end.

Net Assets and Cash Balance

The financial policy related to the net asset balance for the Intergovernmental Services Fund determines that the net asset balance should not fall below two times the fund's annual depreciation. The annual depreciation for 2011 is \$12.1 million and the year-end net asset balance is \$22.2 million which brings the fund within \$2.0 million of benchmark amount of \$24.2 million. The financial policy for cash balance states that the minimum cash balance should be equal to 15.0% of the operating budget. The year end cash balance for 2011 is \$11.9 million and the fund had a 2011 total operating budget of \$25.3 million resulting in a benchmark amount of \$3.8 million. At year end 2011, the fund's cash balance exceeded the benchmark by \$8.1 million.

Mayor's Recommended Budget

The Mayor did not recommend any changes to this fund.

Council Adopted Budget

Council adopted the Mayor's recommendations.

**City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)**

Intergovernmental Services Fund

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Charges For Service	31,275	30,565	28,187	32,800	28,983	-11.6%	29,852	30,748	31,671
Other Miscellaneous Revenue	(78)	(6)	-	-	-		-	-	-
Operating Transfers In	12,245	14,549	12,407	12,186	17,255	41.6%	15,223	2,499	1,658
Proceeds of Long term Liabilities	-	1,000	1,275	1,275	1,150	-9.8%	1,850	2,900	1,750
Total	43,442	46,108	41,869	46,261	47,388	2.4%	46,926	36,147	35,079
Use of Funds:									
Transfers	395	448	1,072	1,072	-	-100.0%	-	-	-
Debt Service	9,438	10,302	9,604	9,604	2,057	-78.6%	736	504	-
City Clerk	1,342	1,237	1,303	1,250	1,286	2.9%	1,325	1,364	1,405
Human Resources	153	179	261	280	268	-4.3%	276	284	293
Information Technology	26,443	25,619	26,674	30,000	27,106	-9.6%	27,950	28,824	29,673
Capital Projects	(39)	(60)	1,275	1,275	1,150	-9.8%	1,850	2,900	1,750
Total	37,732	37,725	40,188	43,481	31,866	-26.7%	32,137	33,877	33,121
Change in Net Assets	3,225	5,321	1,681	2,780	15,522		14,789	2,270	1,958
Net Assets	16,903	22,225	23,906	25,005	40,526		55,315	57,585	59,543
Cash Balance¹	8,438	11,860	12,041	13,140	27,161		40,450	41,220	41,428
Target Cash Reserve	4,369	3,800	4,175	4,175	4,038		4,160	4,286	4,410
Variance Cash to Target Reserve	4,069	8,060	7,866	8,965	23,123		36,290	36,934	37,018

¹ The cash balance for years 2012 through 2016 is reduced by \$1.5 million for repayment of Minneapolis Convention Center loan. At year end 2011, fund 06400 has a liability balance of \$13.3 million in deferred revenue resulting from prepayments by City departments for future IT projects. These prepayments result in an increase to the cash balance.

² The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Intergovernmental Services Fund should be at a minimum equal to 15% of the operating budget.

**City of Minneapolis
2013 Budget
Financial Plan**

Fleet Services Division Fund

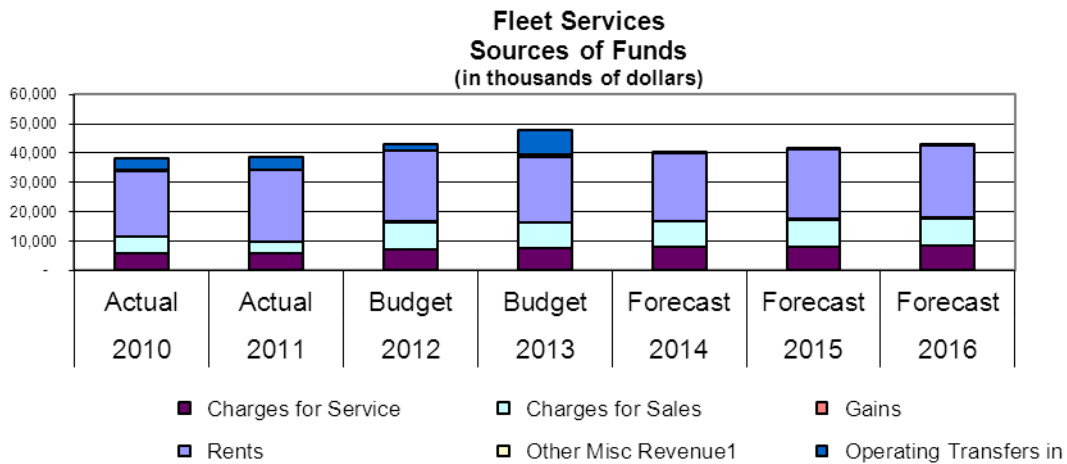
Background

The Fleet Services Division Fund manages the acquisition, maintenance and disposal of 1300 units of equipment; primarily the City’s fleet of vehicles, including police cars, fire trucks, snow plows, sedans and pickup trucks along with off road equipment. This fund provides technicians to maintain the equipment as well as the drivers and operators for the equipment that is used in construction and snow removal. In addition, the fund manages the dispatch of City-owned and contractual equipment. The City’s fleet of vehicles and equipment has an acquisition value of \$66.8 million and accounts for 47.5% of the net value of the long-term assets in this fund.

Historical Financial Performance

In 2000, the fund had a deficit cash position of \$17.8 million due to costs of operation exceeding revenues collected from City departments. A long-term financial plan was developed in 2001 to generate sufficient revenue to cover the full cost of operations. The fund maintained a positive cash balance through 2011 with the exception of the year ending 2008 when the cash balance was a deficit of \$49,000. At the end of 2011, the cash balance was \$12.3 million. The target cash reserve balance for this fund is \$4.3 million to be attained by year end 2013.

The original long-term financial plan financed fleet purchases by issuing general obligation bonds. Upgrading the fleet reduced the average age of the fleet, reducing maintenance costs in the fund. Historically, the fund continues to follow the plan to maintain a positive cash balance, increase net assets, and to end its reliance on bonds to fund the fleet purchases. In 2006, the practice of issuing bonds to finance fleet replacement was discontinued.

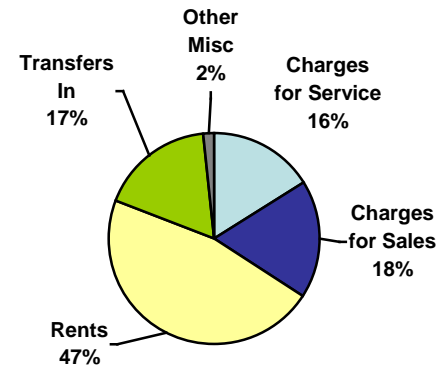


2013 Budget

Revenue

The Fleet Services Division uses activity-based costing to bill internal customers for use of vehicles. This method establishes a fleet rental rate that covers the replacement cost of the vehicles after the useful life. Maintenance, repairs and fuel costs of the fleet are charged separately. These charges are billed at a rate that allows the Fleet Services Division to match revenue to expense. Total revenues for 2013 are budgeted at \$47.8 million, an increase of 7.7% from the 2012 projected revenue of \$44.4 million. The increase in projected revenue is due to an increase in the general fund transfer from \$1.9 million in 2012 to \$8.3 million in 2013 as part of a previously adopted schedule.

Source of Revenue (\$47.8 million)



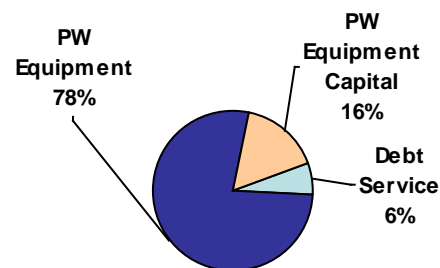
Expense

The 2013 expense budget is \$45.8 million which represents a decrease of 2.4% from the 2012 projected expense of \$46.9 million. The decrease in expense is primarily due to a projected decrease in the transfer out for 2013. In years 2010 and 2012, Fleet Services purchased fewer vehicles than planned causing the net income for the fund to increase over the planned amount. This increase to net income is recorded as an increase to the net asset balance.

Transfers

The transfer out from this fund for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability ended with a final payment in 2012. In 2012 the transfer out was \$2.2 million to retire bonds related to this debt service. The Fleet Services Division is using fund balance as a revenue source for this payment and will recover the cost of the payment through the Fleet allocation model for years 2012 through 2014.

Use of Funds (\$45.9 million)



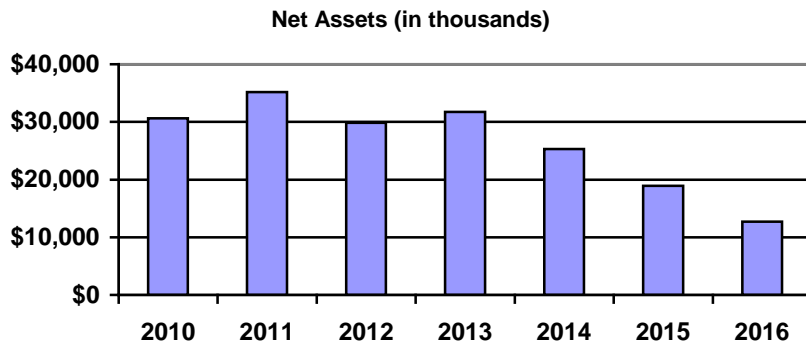
In 2013, the fund will receive a transfer from the general fund of \$8.3 million as determined by the long term financial plan to assist with debt service payments. The fund is not scheduled to receive transfers from the general fund after 2013.

Debt Service

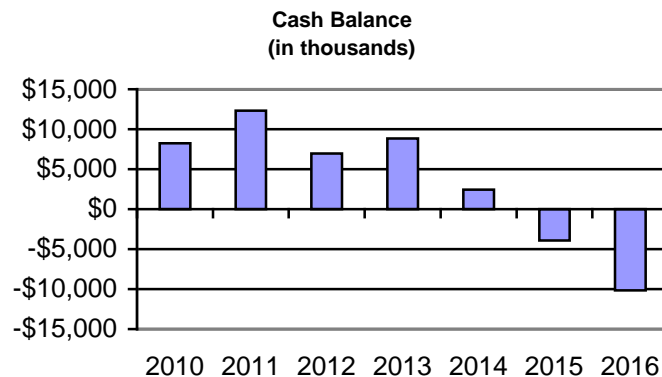
As part of the fleet modernization effort that began in 1997, the City issued bonds to finance fleet upgrades and to build new maintenance facilities. In 2010, the City issued \$22.3 million of refunding bonds to refinance current debt at a lower interest rate. Principal and interest payments totaling \$2.9 million are due in 2013 related to these bonds.

Net Assets

A primary objective of the long-term financial plan is to increase the fund's net assets and the cash balance from the deficit balances in 2002. The fund has steadily increased its net asset balance since 2003 when the financial plan was first implemented. The net asset balance at year-end 2011 was \$35.2 million, an increase of \$4.5 million from the 2010 ending balance of \$30.6 million. The financial policy related to net asset balance for the Fleet Services Division states that the value of net assets should not fall below two times the annual depreciation amount. The annual depreciation for Fleet Services in 2011 was \$6.5 million. The 2011 balance of \$35.2 million is \$22.2 million greater than the benchmark amount. The 2012 projected net asset balance is \$32.6 million.



The 2011 ending cash balance of \$12.3 million is an increase of \$4.1 million from the 2010 ending balance of \$8.2 million. The target cash balance for 2011 as determined by the cash reserve policy is \$2.8 million. The 2012 projected balance is \$7.0 million. The following chart illustrates the historical and projected cash performance of the fund:



Mayor's Recommended Budget

The Mayor recommended no changes to this fund.

Council Adopted Budget

Council adopted the Mayor's recommendations.

**City of Minneapolis
2013 Budget
Financial Plan (in thousand of dollars)**

Fleet Services Divison - 06100

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Charges for Service	5,850	5,863	7,346	8,022	7,656	-4.6%	7,886	8,122	8,366
Charges for Sales	5,586	4,026	9,198	9,053	8,634	-4.6%	8,893	9,160	9,435
Gains	169	36	200	221	200	-9.5%	200	200	200
Rents	22,378	24,250	24,254	24,584	22,343	-9.1%	23,013	23,704	24,415
Other Misc Revenue	136	179	30	554	630	13.7%	30	30	30
Operating Transfers in	4,180	4,299	1,926	1,926	8,315	331.7%	-	-	-
Total	38,299	38,653	42,954	44,360	47,778	7.7%	40,022	41,216	42,445
Use of Funds:									
Debt Service	3,590	2,996	3,010	3,010	2,916	-3.1%	2,827	2,870	2,834
Transfers	581	923	2,222	2,222	-	-100.0%	-	-	-
PW Equipment	25,687	25,982	35,748	34,323	35,487	3.4%	36,548	37,641	38,767
PW Equipment Capital	1,687	4,912	7,906	7,390	7,425	0.5%	7,000	7,000	7,000
Total	31,545	34,813	48,886	46,945	45,828	-2.4%	46,375	47,511	48,601
Change in Net Assets	4,060	4,549	(5,932)	(2,585)	1,950		(6,353)	(6,295)	(6,156)
Net Assets	30,608	35,157	29,225	32,572	34,522		28,169	21,874	15,718
Cash Balance	8,235	12,303	6,371	9,718	11,668		5,315	(980)	(7,136)
Target Cash Reserve¹	2,108	2,838	3,569	2,838	4,300		4,442	4,607	4,776
Variance Cash to Target Cash Reserve	6,127	9,465	2,802	6,880	7,368		873	(5,587)	(11,912)

¹ The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Fleet Services Division should be at a minimum equal to 15% of the operating budget. The target cash for years 2010 through 2013 is a phase-in amount.

Note: The 2014-2016 forecasts for source and use of funds are calculated using a factor of 3.0% to capture increases in revenues and expense.

City of Minneapolis 2013 Budget Financial Plan

Property Services Fund

Background

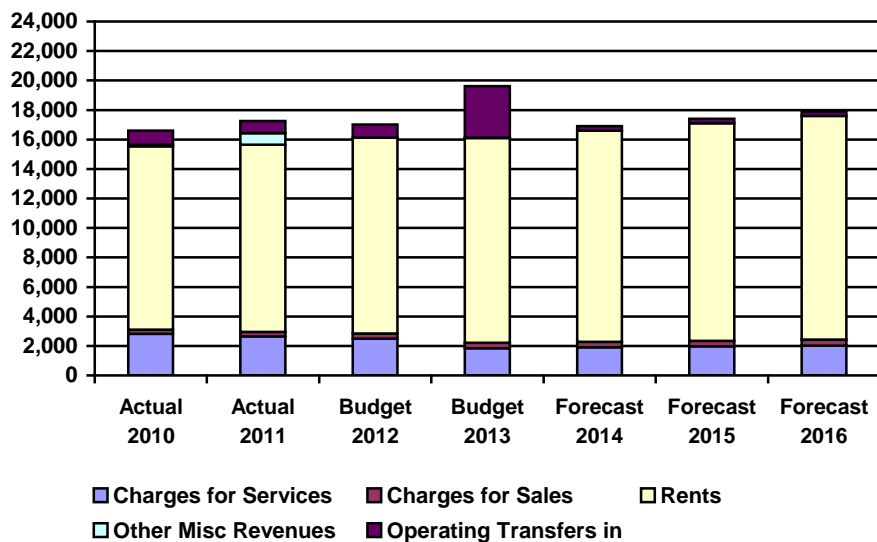
The Property Services Fund is an internal service fund responsible for the operations and maintenance for the majority of the City owned buildings including police precincts, fire stations, public works buildings, parking structures and specialty facilities. At this time, the fund does not provide any services to the Convention Center, City Hall, or the Minneapolis Park and Recreation Board facilities. The fund is also responsible for the Radio Shop which maintains the City's emergency communications network and accounts for the coordination and management of special property projects. In 2004, the Property Services division assumed the responsibility for space and asset management and security management. In 2007, the division began providing energy management for City properties.

In April 2011, the Property Services Fund was transitioned from the Public Works department to the Finance department within the City Coordinator. The activities in this fund remain an internal service fund and report to the Chief Financial Officer.

Historical Financial Performance

This fund collects revenue from the City departments that use its goods and services (building space, operational maintenance, security, space and asset management, energy management, janitorial and radio services). The proposed building and equipment rental rates charged to City departments are calculated through cost allocation models using historical and anticipated operational costs. The rate structure is configured to enable the fund to charge the amount required to recover the cost of the goods and services provided to City departments and the cost of the fund's overhead.

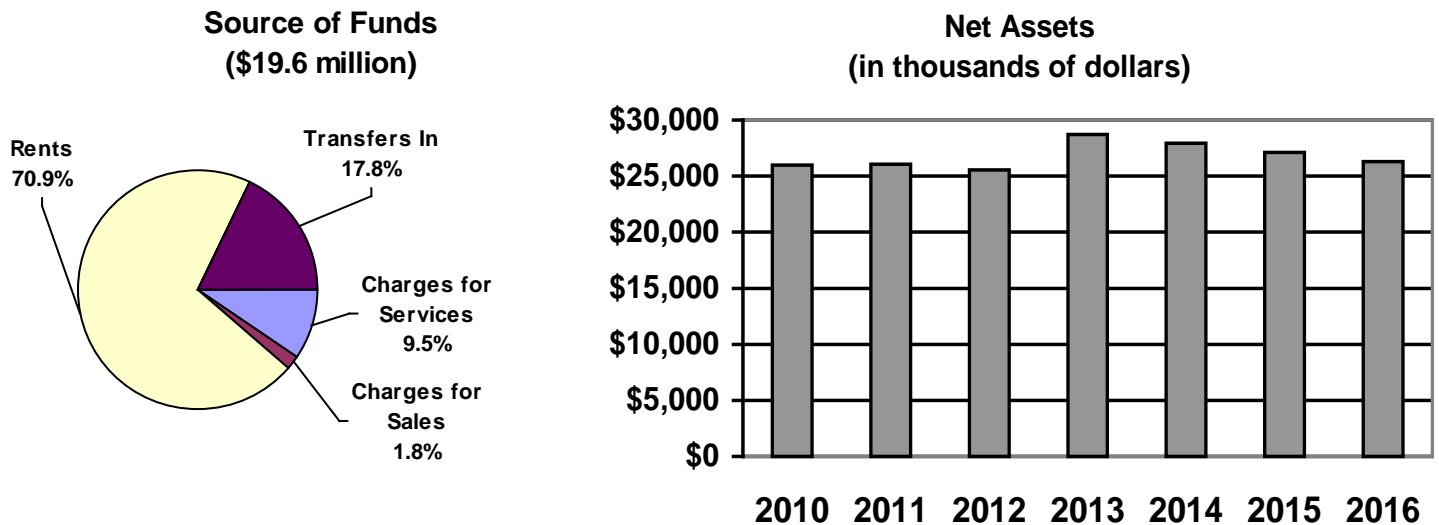
Property Services Revenues
(in thousands of dollars)



2013 Budget

Revenues

The 2013 revenue budget for this fund is \$19.6 million, or an increase of 14.7% from projected 2012 revenue of \$17.1 million. The increase in revenue is primarily related to an increase in the transfer from the general fund from \$0.9 million in 2012 to \$3.5 million in 2013. In addition, there is a \$0.3 million increase in revenue related to pass-through rent revenue collected from City departments that occupy City Hall and paid to the Municipal Building Commission for maintenance services. The Radio Shop charges for sales are expected to increase as mobile phone and data usage increase across City departments.



Expense

The 2013 expense budget is \$17.2 million, an increase of 1.6% from projected 2012 expense of \$16.9 million. The increase in expense is primarily related to expected increases in costs for Facilities Management services. Approximately 40% of the expenses of the fund are related to labor costs for services provided throughout the City. The 2013 budget includes an increase in labor and fringe costs across the division. Also included in this fund's expense budget is \$4.5 million of pass-through cost for services provided by the Municipal Building Commission for maintaining the City's space in City Hall. This is an increase of \$300,000 from the pass through cost in 2012.

Transfers

The 2013 expense budget does not include transfers to other City funds. The 2012 budget included a transfer out of \$598,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded pension liability. This payment retired bonds related to this debt service in 2012 resulting in substantial savings to the City. The cash balance in the Property Disposition Fund, which is included in the Property Services Fund, provided payment for this debt. The Property Disposition fund will be reimbursed for this payment through revenue generated by increasing the rents for City buildings as determined by the rent allocation model for years 2013 through 2015.

The fund receives a transfer of \$3.5 million in 2013 from the general fund which includes \$3.2 million for the general fund's portion of the debt service related to the 800MHz emergency communications project for years 2013 through 2018. In addition, the 2013 transfer includes \$308,324 to cover the cost of City Hall rent that Property Services pays for space it occupies in

City Hall. Beginning in 2014, the fund will only receive a transfer from the general fund for the cost of City Hall rent.

Debt Service

The Radio Shop, a division of Property Services, has management responsibility for the \$14.0 million 800 MHz radio system. The Property Services Fund recognizes the fixed asset, 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.

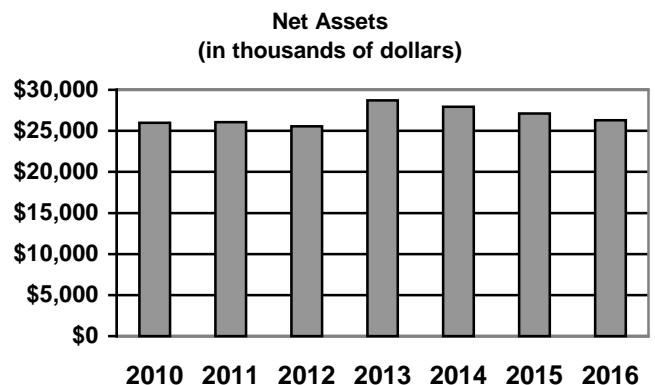
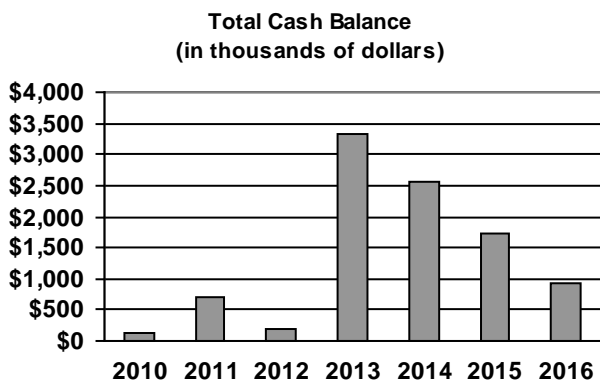
The debt service for 800 MHz radio system is funded as follows in 2013:

\$523,250	Portion covered by transfer from the general fund
<u>\$350,000</u>	Property services portion of debt
\$873,250	Total debt service (Year 2013)

Net Assets and Cash Balance

The Property Services Fund has a positive net asset balance of \$26.1 million at year-end 2011, an increase of \$71,000 from the 2010 ending balance of \$26.0 million. The fund does not recover the cost of depreciation of the buildings or equipment that are included as 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 rent allocation model. The fund is also experiencing a decline in net assets due to the loss of income resulting from vacant space in the downtown campus City buildings. The financial policy for the net asset balance for the Property Services Fund determines that the value of net assets should not fall below two times the annual depreciation amount. The depreciation for Property Services in 2011 is \$1.1 million. The 2011 net asset balance of \$26.1 million is \$23.9 million greater than the benchmark amount.

The 2011 year-end cash balance is \$699,000, an increase of \$573,000 from the 2010 year-end balance of \$126,000. The Property Services Fund cash balance includes operating cash and the cash balance in the Property Disposition, a fund that receives proceeds from the sale of City property. The cash balance in the Property Disposition Fund at year end 2011 was \$1.4 million, leaving a deficit balance of \$0.7 million in operating cash. Financial reserve policies for the internal service funds determine that the cash reserve for the Property Services fund should not be less than 15% of the operating budget, or \$1.4 million for 2011.



Mayor’s Recommended Budget

The Mayor recommended no changes to this fund.

Council Adopted Budget

Council adopted the Mayor’s recommendations.

City of Minneapolis
2013 Budget
Financial Plan (in thousand of dollars)
Property Services Fund - 06200

	2010	2011	2012	2012	% Chg		2014	2015	2016
	Actual	Actual	Budget	Projected	2013	From 2012	Forecast	Forecast	Forecast
					Budget	Projected			
Source of Funds:									
Charges for Services	2,818	2,657	2,486	2,600	1,855	-28.7%	1,911	1,968	2,027
Charges for Sales	284	298	355	380	360	-5.2%	371	382	394
Rents	12,428	12,700	13,281	13,200	13,896	5.3%	14,313	14,742	15,178
Other Misc Revenues	122	781	3	23	4	-82.6%	4	4	4
Transfers In	951	821	894	894	3,493	290.7%	300	300	300
Total	16,603	17,257	17,019	17,097	19,608	14.7%	16,899	17,396	17,903
Use of Funds:									
Property Services Administration	1,508	1,538	1,267	1,300	1,387	6.7%	1,428	1,470	1,514
Radio Equipment	1,409	1,459	1,793	1,600	1,770	10.6%	1,823	1,878	1,934
Municipal Market	16	26	40	40	41	1.5%	42	43	44
Facilities Management	13,082	12,988	12,971	12,500	13,105	4.8%	13,498	13,903	14,320
Debt Service	838	880	864	864	873	1.1%	886	918	894
Transfers Out	925	421	598	598	-	-100.0%	-	-	-
Total	16,855	16,892	17,533	16,902	17,175	1.6%	17,677	18,212	18,706
Change in Net Assets	(1,219)	71	(514)	195	2,433		(778)	(816)	(802)
Net Assets	25,991	26,062	25,548	26,257	28,690		27,912	27,096	26,294
Total Cash Balance	126	699	185	894	3,327		2,549	1,733	931
Operating Cash balance¹	(944)	(699)	(1,213)	(504)	1,929		1,151	335	(467)
Target Cash Reserve²	890	1,426	1,920	1,920	1,900		1,942	2,018	2,096
Variance Operating Cash to Target	(1,834)	(2,125)	(3,133)	(2,424)	29		(791)	(1,683)	(2,563)

Cash Reserve

¹ Total cash balance is the sum of cash recorded to the Property Disposition fund and to the Property Services fund. Operating cash is the cash balance generated from Property Service fund operations and recorded in the Property Services fund.

² The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Property Services Fund should be equal to 15% of the operating budget at a minimum. For years 2010 and 2011, the target cash is a phase-in amount.

Note: The 2014-2016 forecasts for source and use of funds are calculated using a factor of 3.0% to capture increases in revenues and expense.

**City of Minneapolis
2013 Budget
Financial Plan**

Self-Insurance Fund

Background

The Self-Insurance Fund records tort liability settlements, workers' compensation claims, severance payments to employees who meet eligibility requirements and the related administrative costs of these and other services. An activity-based allocation model assigns charges to City departments to cover these expenses.

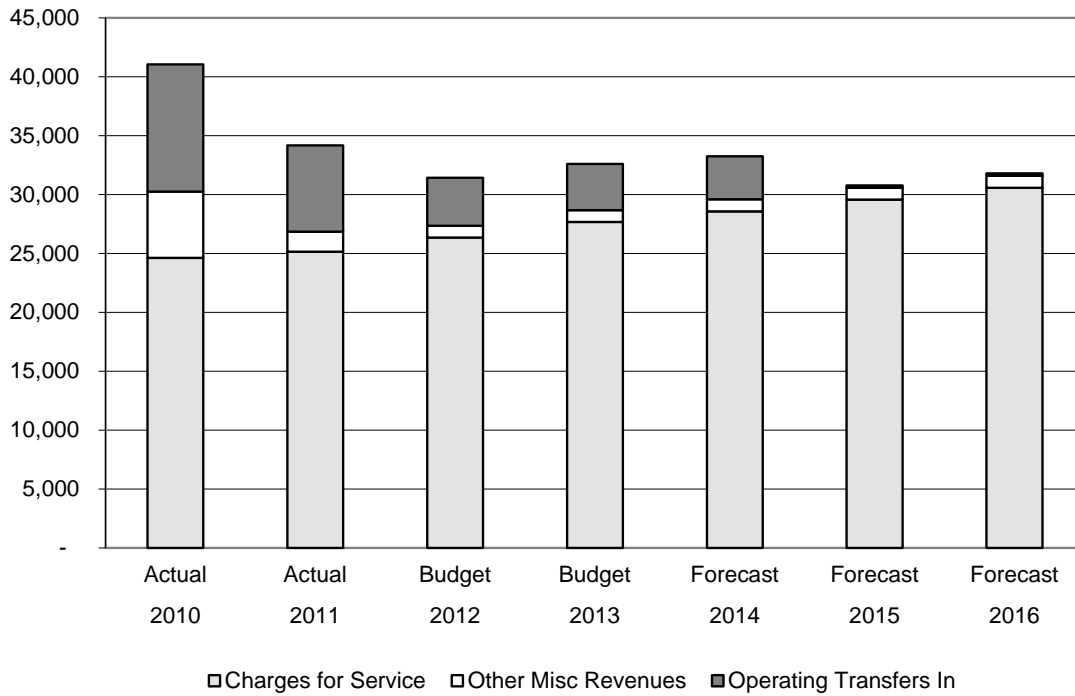
Historical Financial Performance

The net assets of the Self-Insurance Fund reflected a negative position of \$4.1 million at year-end 2011, improving \$39.2 million from the 2002 ending balance of a negative \$43.3 million. One reason for the negative balance is the required accounting recognition of liability for unpaid claims. The 2011 unpaid claims liability is \$50.1 million representing an increase of \$2.8 million from the 2010 liability of \$47.3 million. An actuarial study completed for year-end 2011 calculated the increase to the unpaid claims liability based on historical paid claims, incurred loss, and estimated reserves for claims unpaid.

In 2003, the City Council adopted a financial plan for the Self-Insurance Fund to increase net assets and attain a positive cash balance by year-end 2006. The financial plan was updated in 2008 and adopted by the City Council. The fund continues to perform above the financial plan cash projections and ended 2011 with a cash balance of \$48.8 million, an increase of \$6.7 million from the 2010 ending balance of \$42.1 million. Financial policies related to the internal service funds determine that a reserve cash balance for the Self Insurance Fund should be maintained equal to the unpaid claims liability amount plus 10% of the annual department operating budgets. The target reserve cash balance for 2011 is \$51.0 million which equals the unpaid claims liability at year end of \$50.1 million plus 10%, or \$0.9 million, of the total 2011 operating budgets. The ending 2011 cash balance is \$2.5 million less than the amount determined by the financial policy.

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

Self-Insurance Revenues
(in thousands of dollars)

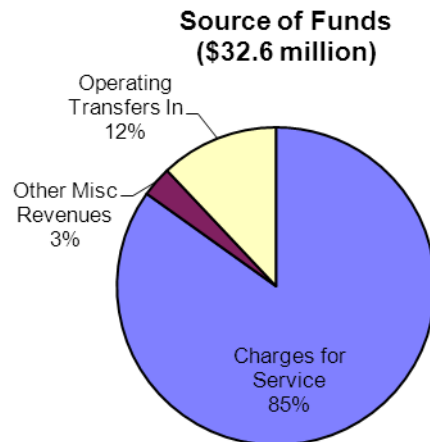


2013 Budget

Revenues

Revenue recorded in this fund primarily consists of funds received from City departments through an allocation model for litigation, risk management, and employee benefit services. In addition, the fund collects revenue to provide for payment of liability settlements and for workers compensation costs.

The 2013 budgeted revenue for the Self Insurance Fund is \$32.6 million, an increase of 3.8% from the 2012 projected revenue of \$31.5 million. The transfer in from the general fund is \$4.0 million, slightly decreased from the \$4.1 million transfer in 2012.

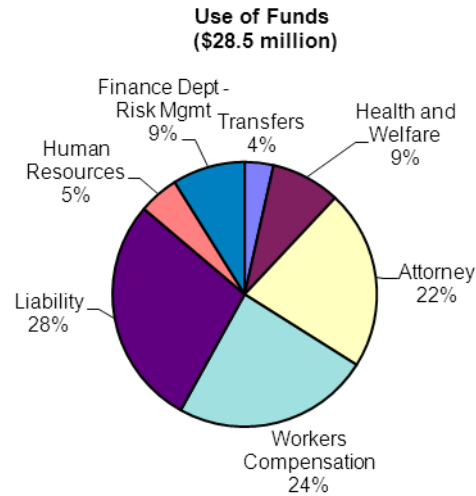


Expense

The expense budget for 2013 is \$28.5 million, an increase of 10.6% from the projected 2012 expenses of \$24.0 million.

The Unused Sick Leave program provides a payout of unused sick leave to qualified employees upon separation from the City. Payments are funded by 0.7% gross salary 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 worker's compensation payments are estimated at \$6.9 million for 2013. This is a 12.9% decrease from the 2012 projected amount of \$7.9 million. The actuarial study predicted an increase in liability payments of 6.8% from 2012 to 2013. Actual liability payments for 2012 are projected to be less than the amount predicted in the actuarial study resulting in a significant increase in the amount budgeted for 2013 when compared to the projected 2012 payments.



Transfers

The 2013 revenue budget includes a \$3.7 million transfer from the general fund per the fund's long-term financial plan and a transfer of \$0.2 million as an appropriation for the cost of City Hall rent. The expense budget includes a \$1.0 million transfer to the Intergovernmental Services Fund to assist with payment of debt service as determined by the long-term financial plan.

Debt Service

This fund does not have long-term debt.

Net Assets

The net asset balance at year end 2011 is a deficit of \$4.1 million representing a decrease in the deficit from \$6.6 million at year end 2010. The net asset balance has increased from the 2002 deficit of \$43.3 million since the implementation of the long term financial plan. The financial reserve policy relating to the internal service funds states that the net asset balance for the Self Insurance Fund should not fall below zero.

The fund experienced an increase in cash of \$6.3 million in 2011, bringing the cash balance to \$48.6 million. The financial reserve policy relating to the internal service funds states that the Self Insurance fund should maintain a cash balance equal to the unpaid claims liability plus 10% of the annual operating budgets within the fund. For year ending 2011 the reserve cash balance is \$51.0 million.

Mayor's Recommended Budget

The Mayor does not recommend any changes to the 2013 budget.

Council Adopted Budget

Council approved the Mayor's recommendations.

City of Minneapolis
2013 Budget
Financial Plan (in thousands of dollars)

Self Insurance Fund - 6900

	2010 Actual	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Source of Funds:									
Charges for Service	24,615	25,149	26,345	26,191	27,670	5.6%	28,576	29,563	30,583
Other Misc Revenues	5,629	1,703	1,010	1,191	1,011	-15.1%	1,010	1,010	1,010
Operating Transfers In	10,810	7,330	4,071	4,071	3,955	-2.8%	3,663	200	200
Total	41,054	34,182	31,426	31,453	32,636	3.8%	33,249	30,773	31,793
Use of Funds:									
Transfers	140	1,217	1,485	1,485	1,000	-32.7%	1,000	1,000	1,000
Health and Welfare ¹	5,316	794	2,361	800	2,420	202.5%	2,493	2,567	2,644
Attorney	5,488	6,580	6,052	6,080	6,263	3.0%	6,451	6,644	6,843
Workers Compensation	9,555	8,489	6,617	7,900	6,877	-12.9%	7,088	7,141	7,362
Liability	7,957	10,770	7,515	4,000	8,031	100.8%	8,330	8,694	9,073
Human Resources	1,294	1,598	1,369	1,500	1,406	-6.3%	1,448	1,492	1,536
Finance Dept - Risk Mgmt	2,459	2,244	2,466	2,100	2,535	20.7%	2,611	2,690	2,770
Total	32,209	31,692	27,865	23,865	28,532	19.6%	29,420	30,227	31,230
Change in Net Assets	8,845	2,489	3,561	7,588	4,104		3,829	545	563
Net Assets	(6,588)	(4,099)	(538)	3,489	7,593		11,422	11,968	12,531
Cash Balance	42,081	48,571	52,132	56,159	60,263		64,092	64,638	65,201
Target Cash Reserve	48,289	51,040	52,785	52,785	54,597		56,647	58,710	60,847
Variance Cash to Target Reserve	(6,208)	(2,469)	(653)	3,374	5,666		7,445	5,928	4,353

¹The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Self Insurance Fund should not be less than the total of the unpaid claims liability balance plus 10% of the annual operating budgets within the fund.

**City of Minneapolis
2013 Budget**

Capital Program

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City of Minneapolis
2013 – 2017 Capital Program
Capital Budget Narrative Overview

CAPITAL IMPROVEMENT BUDGET DEVELOPMENT

The City adopts a five-year capital improvement program (CIP) that is updated annually. Each year, City departments & independent boards and commissions prepare new and/or modify existing capital budget requests (CBRs). The CBRs are then reviewed by the Capital Long-Range Improvement Committee (CLIC) which is a citizen advisory committee to the Mayor and City Council. The CLIC process is facilitated by Finance & Property Services staff.

CLIC is comprised of 33 appointed members, including two members per Council Ward and seven at-large members appointed by the Mayor. The overall committee elects a Chair and Vice Chair. The committee functions with two programmatic task forces of approximately the same number of members. Each task force, currently titled “Transportation” and “Human Development” 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 task forces receive and review all 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 requests and offer explanations. Task force members then rate all proposals using a rating system with specific criteria and create a numerical ranking for each project. Highest-ranking projects are then balanced against available resources by year to arrive at a five-year capital improvement program recommendation to the Mayor and City Council.

For this five-year plan covering years 2013 - 2017, there were 96 CBRs reviewed and rated. The total requested capital budget for the five years was \$670.59 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 2013-2017 CAPITAL IMPROVEMENT PROGRAM

Five-Year Capital Program Totals: For 2013 – 2017, the five-year capital program for City departments, independent boards and commissions totals \$606.27 million including all funding sources. The 2013 portion of this program is \$122.65 million and funds accelerated improvements to the City’s infrastructure by continuing to support the expanded net debt bond program that was established in 2012.

The table below provides a high level summary by year of the Council Adopted five-year capital program including all funding sources:

Submitting Agency	Infrastructure Category	2013	2014	2015	2016	2017	Total	Percent of Total
Budget in Thousands								
PARK BOARD	NEIGHBORHOOD PARKS	9,550	4,300	4,300	4,300	4,300	26,750	4.41%
PUBLIC WORKS	TRANSPORTATION INFRASTRUCTURE	62,221	58,595	57,960	47,875	51,630	278,281	45.90%
	UTILITY FEE BASED ENTERPRISES	44,150	58,405	52,838	53,980	51,500	260,873	43.03%
Public Works Department Totals		106,371	117,000	110,798	101,855	103,130	539,154	88.93%
OTHER AGENCIES	CITY HALL, TECHNOLOGY, MISC.	6,724	7,385	8,835	7,695	9,730	40,369	6.66%
COUNCIL ADOPTED FIVE-YEAR CAPITAL PROGRAM		122,645	128,685	123,933	113,850	117,160	606,273	100.00%

Property Tax Supported Net Debt Bond Program:

The Net Debt Bond (NDB) program is funded by property tax collections. The five-year financial direction for the bond redemption levy includes increases in 2014 with more significant increases in 2015 and beyond for capital improvements. These increases are possible due to improvements in the internal service fund financial plans which reduce the demand for property tax resources. Retiring the remaining pension bonds in 2012 also created financial capacity to continue the expanded net debt bond program. These property tax supported bonds help to leverage many other funding sources in the five-year plan. Below are highlights of certain NDB totals (in millions) – individual project funding details are contained later in this document.

Expanded NDB Resources for Capital Improvements: The base NDB funding levels were increased in the 2012 – 2016 capital program from \$94 million to \$150 million. For 2013 – 2017 and future years, the intent is to maintain a higher level of NDB funding to continue the Infrastructure Acceleration Program (IAP) which would otherwise have concluded in 2013. This capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, parks, traffic signals and economic development projects that enhance the property tax base. These additional resources are combined with municipal state aid, special assessments and remaining IAP funds. Total funding for individual projects can be found in the “Capital Budget Detail for Funded Projects” report later in this document.

\$ millions	2013	2014	2015	2016	2017	TOTAL
NDB funding totals	\$40.24	\$29.60	\$29.16	\$25.00	\$25.00	\$149.00

Public Works – NDB funding: The 2013 capital budget includes \$28.77 million in NDB funding for Public Works projects. Included in the five-year plan is \$6.8 million for infrastructure projects related to economic development to enhance the property tax base. These economic development projects will be managed by the Community Planning and Economic Development Department in cooperation with the Public Works Department as part of the Street Paving section of the capital program. Below is a summary of the 2013 - 2017 NDB allocation for the Public Works infrastructure program.

\$ millions	2013	2014	2015	2016	2017	TOTAL
NDB – Public Works	\$28.77	\$19.76	\$17.82	\$14.81	\$12.77	\$93.93

Neighborhood Parks NDB and other funding sources: The 2013 capital budget includes \$9.25 million for Park improvements including \$5.0 million of net debt bonds, \$3.75 million of Park capital levy and other sources. Below is a summary of the total 2013 – 2017 funding for neighborhood parks capital improvements, excluding the Diseased Tree Program.

\$ millions	2013	2014	2015	2016	2017	TOTAL
NDB – Park Board	\$ 5.00	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$15.00
Park Capital Levy	\$ 3.75	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 9.75
Infrastructure Acceleration	\$.13					\$.13
Other Local Governments	\$.37					\$.37
Total Neighborhood Parks	\$ 9.25	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$25.25

In addition to the neighborhood parks funding mentioned above, the Park Board also allocated additional Park Capital Levy funding for parkway paving and parkway street lighting of \$3.86 million and \$5.84 million respectively in this five-year capital plan. These projects will be managed by the Public Works Department and will also contain additional funding sources including net debt bonds, special assessments and other local government funding.

NDB funding for Municipal Building Commission (MBC), Information Technology and Miscellaneous Projects: The 2013 capital budget includes \$6.47 million in NDB 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, including City Hall. These categories use 26.9% of the available NDB resources in the five-year plan. Below is a summary of the 2013 - 2017 NDB funding for MBC, Information Technology and Miscellaneous projects.

\$ millions	2013	2014	2015	2016	2017	TOTAL
NDB - Other	\$ 6.47	\$ 7.34	\$ 8.83	\$ 7.70	\$ 9.73	\$40.07

Infrastructure Acceleration Program (IAP): In addition to the NDB funding above, this capital budget completes the infrastructure acceleration program with \$1.43 million for 2013. This program which was implemented from 2009 to 2013 helped to accelerate improvements to paving projects, economic development, street lighting, pavement and bikeway maintenance and park infrastructure improvements. Funding came from one-time trust funds and leveraged other funding sources – funding for individual 2013 projects is identified as “Transfer from Special Revenue Funds” later in this document.

Utility Fee Supported Capital: The 2013 - 2017 capital budget includes funding for sanitary and stormwater sewers, water and parking related infrastructure improvements which are supported by utility rates and parking fees. Long-term financial plans are used to determine utility fees and parking rates required to support operations and infrastructure costs. The table below does not include utility fund contributions of \$4.82 million over the five-year period for utility work performed as part of certain paving projects. Individual project details and utility rate details can be found later in this document.

Below is a summary of the Council Adopted capital budgets for these businesses:

Submitting Agency	Infrastructure Category	2013	2014	2015	2016	2017	Total	Percent of Total
Budget in Thousands								
PUBLIC WORKS	Utility Fee/Rate Based Enterprises							
	Sanitary Sewer	8,000	8,000	8,000	7,250	7,250	38,500	14.76%
	Stormwater Sewer	15,750	24,805	19,138	22,730	17,850	100,273	38.44%
	Water	18,700	23,900	24,000	22,300	24,700	113,600	43.55%
	Parking	1,700	1,700	1,700	1,700	1,700	8,500	3.26%
	Public Works Utility Fee Based Totals	44,150	58,405	52,838	53,980	51,500	260,873	100.00%

Relationship between the Capital and Operating Budgets: As part of each capital budget request, submitting agencies identify whether the capital request will result in an increase or decrease in annual operating costs. Departments are instructed to manage operating cost increases or decreases within existing operating budget funding levels.

CITY DEBT

Minneapolis' total general obligation debt decreased from \$883 million at 12/31/2011 to \$768 million at 12/31/2012.

2012 Bond Sales and Refunding Transactions

In 2012, the City of Minneapolis issued bonds & notes totaling \$141.378 million. Of this amount, \$104.443 million was issued to refund existing debt. Below are details of the 2012 debt issuances.

In September 2012, the City issued \$37.5 million of General Obligation Various Purpose Bonds, Series 2012. Of this amount, \$31.4 million was issued to fund a variety of capital infrastructure improvements for the public works department, parks system, municipal building commission, Convention Center and technology department. The remaining \$6.1 million was used to refund \$4.6 million of General Obligation Improvement Bonds, Series 2004 and \$1.5 million of General Obligation Various Purpose Bonds, Series 2004. The bonds were issued in fixed rate mode and had interest rates ranging from 1.00% to 2.00% and a final maturity date of December 1, 2024. The refunding details for each series follow.

For the \$4.6 million portion of the above bonds related to the refunding of the General Obligation Improvement Bonds, Series 2004, the City received net proceeds of \$4.743 million including a \$.143 million net premium. This refunding resulted in an aggregate debt service savings of \$.682 million and an economic gain of \$.667 million or 12.24% net present value savings on the refunded bonds debt service. The refunded bonds were redeemed on December 1, 2012.

For the \$1.5 million portion of the above bonds related to the refunding of the General Obligation Various Purpose Bonds, Series 2004, the City received net proceeds of \$1.562 million including a \$.062 million net premium. This refunding resulted in an aggregate debt service savings of \$.225 million and an economic gain of \$.218 million or 12.73% net present value savings on the refunded bonds debt service. The refunded bonds were redeemed on December 1, 2012.

In September 2012, the City also issued \$3.0 million of General Obligation Tax Increment Refunding Bonds (Heritage Park), Series 2012. The City received net proceeds of \$3.002 million including a net premium of \$.002 million. These proceeds along with \$2.788 million of cash on hand were used on October 26, 2012 to redeem \$5.75 million of General Obligation Tax

Increment Bonds (Heritage Park), Series 2003B. This refunding resulted in an aggregate debt service savings of \$1.166 million and an economic gain of \$.674 million or 10.37% net present value savings on the refunded bonds debt service. The bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 3.00% and a final maturity date of March 1, 2026.

In September 2012, the City also issued \$28.86 million of General Obligation Library Referendum Refunding Bonds, Series 2012. The City received net proceeds of \$29.147 million including a net premium of \$.287 million. These proceeds were used on December 1, 2012 to redeem \$6.5 million of General Obligation Library Referendum Bonds, Series 2002 and \$22.6 million of General Obligation Library Referendum Bonds, Series 2004. The net premium allowed the City to reduce the size of the refunding bond issue by \$.24 million. The refunding bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 2.375% and a final maturity date of December 1, 2025. The refunding details for each series follow.

For the \$6.4 million portion of the above refunding bonds issued to refund \$6.5 million of General Obligation Library Referendum Bonds, Series 2002, the City received net proceeds of \$6.512 million including a \$.112 million net premium. This refunding resulted in an aggregate debt service savings of \$1.335 million and an economic gain of \$1.206 million or 15.66% net present value savings on the refunded bonds debt service.

For the \$22.46 million portion of the above refunding bonds issued to refund \$22.6 million of General Obligation Library Referendum Bonds, Series 2004, the City received net proceeds of \$22.635 million including a \$.175 million net premium. This refunding resulted in an aggregate debt service savings of \$5.575 million and an economic gain of \$5.041 million or 18.03% net present value savings on the refunded bonds debt service.

In September 2012, the City also issued \$22.06 million of General Obligation Parking Assessment Refunding Bonds, Series 2012. The City received net proceeds of \$22.08 million including a net premium of \$.02 million. These proceeds were used on December 1, 2012 to redeem \$22.06 million of General Obligation Parking Assessment Bonds, Series 2002. This refunding resulted in an aggregate debt service savings of \$5.924 million and an economic gain of \$5.285 million or 19.16% net present value savings on the refunded bonds debt service. The bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 2.50% and a final maturity date of December 1, 2026.

In October 2012, the City issued \$5.535 million of General Obligation Improvement Bonds, Series 2012. These bonds were issued for a variety of special assessment projects related to street paving and street lighting. The bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 2.625% and a final maturity date of December 1, 2032.

2012 Notes Issued

In December 2011, the City entered into contracts for two general obligation term loan notes totaling \$43.82 million with US Bank to refund the remaining balances of five series of variable rate bonds. The general obligation tax-exempt variable rate refunding notes were issued to replace Dexia Credit Local as the liquidity provider on the variable rate bond series. The refunding transactions took place on January 3, 2012 at which time the notes were drawn in full.

Proceeds from the \$15.84 million General Obligation Term Loan Note Series 2011A along with funds on hand were used on January 3, 2012 to redeem \$5.82 million of General Obligation Block E Bonds, Series 2000A, \$7.11 million of General Obligation Various Purpose Refunding

Bonds, Series 2003 and \$3.86 million of General Obligation Tax Increment Bonds (Mill Quarter Ramp), Series 2005 bonds. The interest rate on the note is equal to 70% of the one-month LIBOR rate plus a spread. The final maturity date on the Series 2011A note will be December 1, 2032. Because the refunded bonds and refunding notes were both in variable rate mode, there is no way to determine the difference in debt service costs and there was no expectation of interest savings from these transactions.

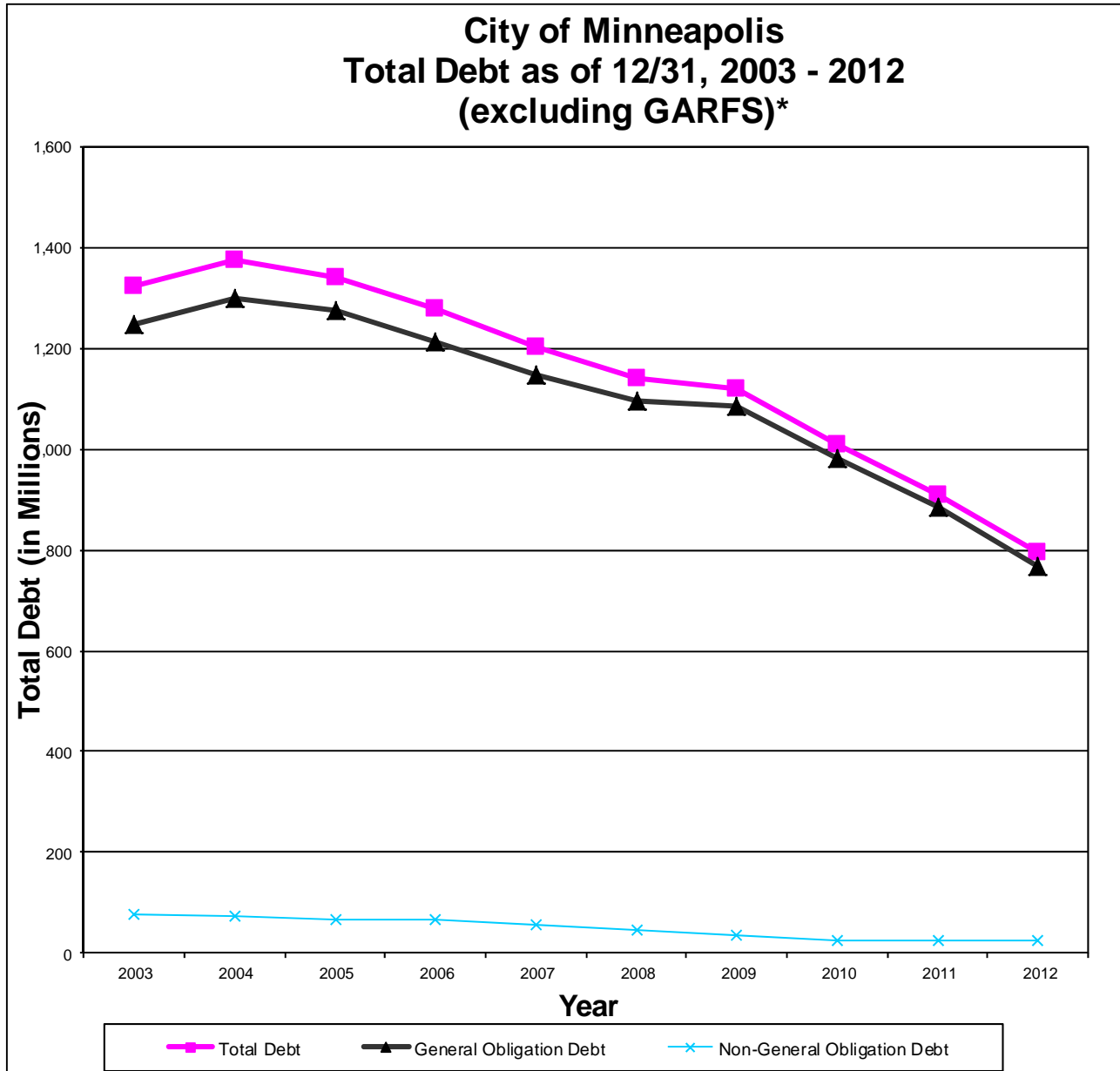
Proceeds from the \$27.98 million General Obligation Term Loan Note Series 2011B along with funds on hand were used on January 3, 2012 to redeem \$15.61 million of General Obligation Guthrie Parking Ramp Bonds, Series 2003 and \$13.30 million of General Obligation Guthrie Parking Ramp Bonds, Series 2005. The interest rate on the note is equal to 70% of the one-month LIBOR rate plus a spread. The final maturity date on the Series 2011B note will be December 1, 2033. Because the refunded bonds and refunding notes were both in variable rate mode, there is no way to determine the difference in debt service costs and there was no expectation of interest savings from these transactions.

The City entered into six general obligation notes with the Minnesota Public Facilities Authority (PFA) to finance the City's drinking water ultra-filtration projects and new filter presses project. The notes are part of a federally sponsored below market financing program related to the Safe Drinking Water Act and the City saves 1.5% on interest costs by participating in the program. During 2012, the City received additional proceeds of \$.15 million on Note 5 which completed the projects financed with these notes totaling \$104.19 million over the years. At December 31, 2012, the outstanding debt balance of the six notes in this program is \$87.856 million.

In July 2012, the City entered into a general obligation note with the PFA for \$.59 million to finance a portion of the 37th Ave N Storm Sewer project. This note is part of the Clean Water Revolving Fund and has provisions similar to the Water notes mentioned above. The City received \$.452 million of note proceeds by the end of 2012. The interest rate on this note is at 1.0% with a final maturity date of August 20, 2013. During 2012, the City repaid \$.290 million of this note, leaving an outstanding balance at December 31, 2012 of \$.162 million.

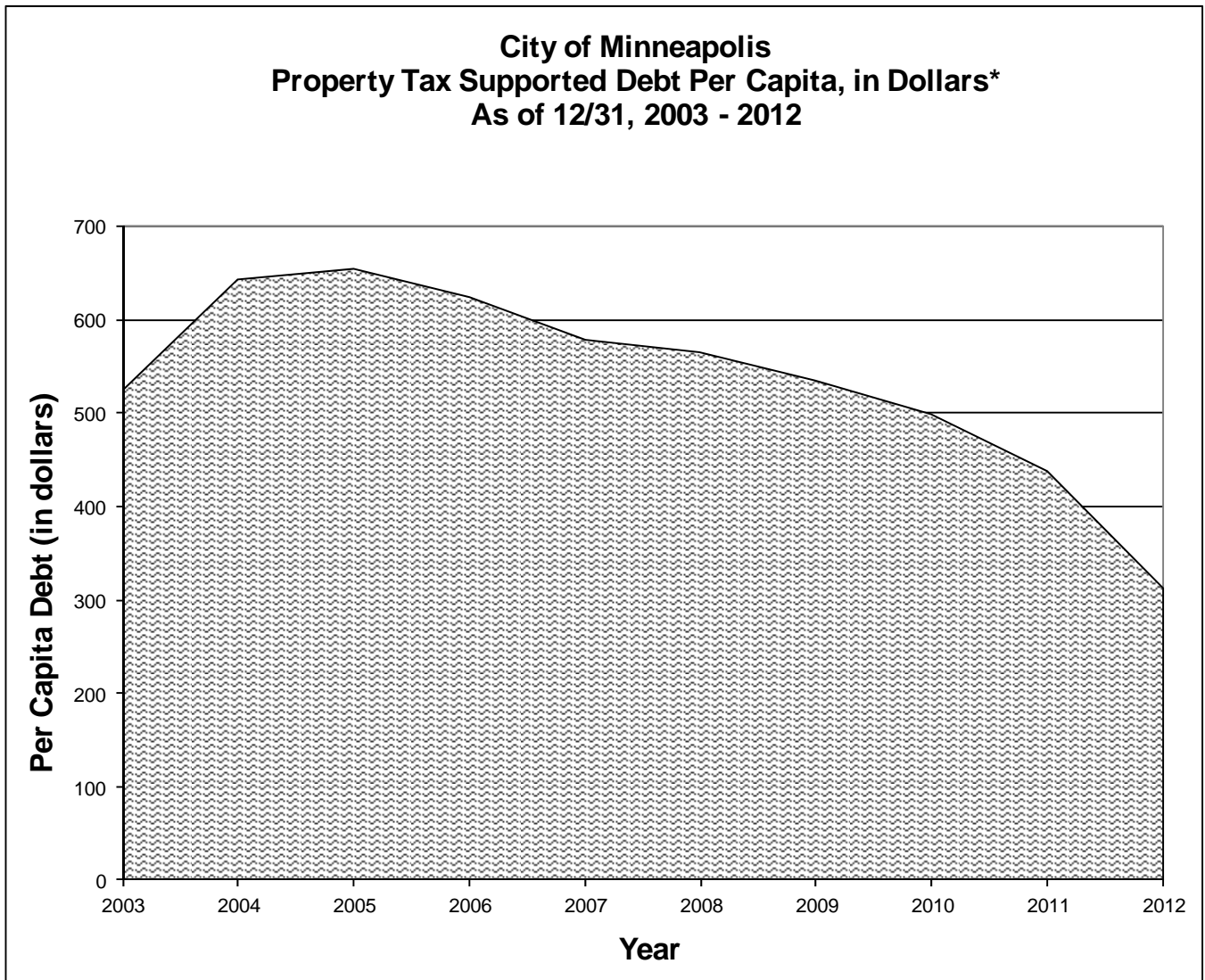
DEBT TRENDS

Management of the City's debt involves consideration not only of the total amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures. The chart below shows a ten-year history of the total City debt level for years 2003 – 2012. The total includes general obligation debt, backed by the full faith and credit of the City, and non-general obligation debt, which includes tax increment backed revenue bonds and notes. The chart excludes \$88.185 million of General Agency Reserve Fund System (GARFS) bonds since the City is not responsible for paying debt service on these bonds.



PER CAPITA DEBT

The chart below shows changes in general obligation debt per capita over the past decade for the portion of the City's debt paid for with property taxes. From 2003 - 2005, the City issued significant property 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 from 2006 to 2012 are partially due to the City using one-time resources to accelerate the pay down of all categories of property tax supported debt including infrastructure, library referendum and pension bonds. A large portion of the reduction in 2012 reflects retiring \$50.5 million of pension bonds.

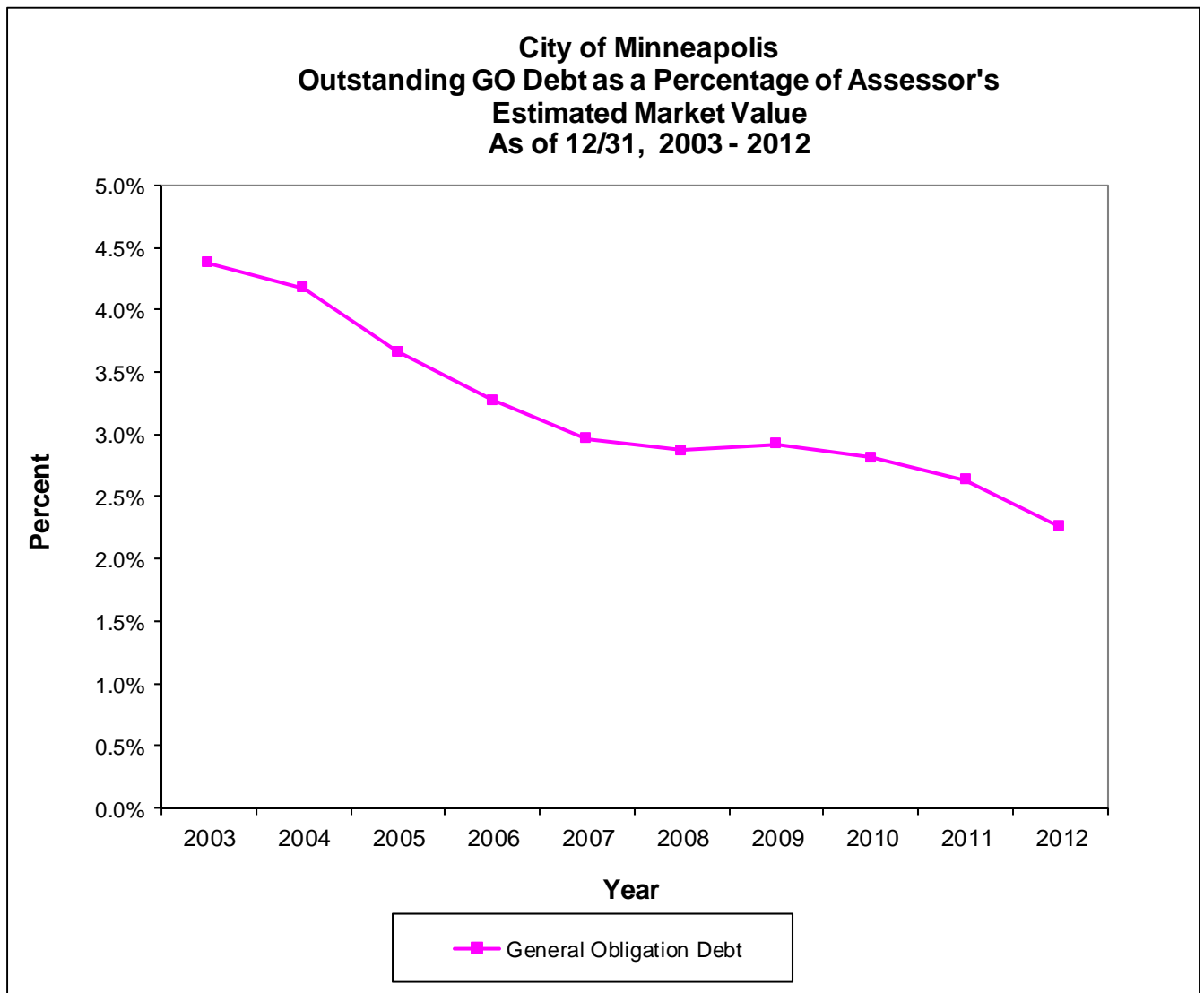


* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the City less that indebtedness supported by revenues other than general property taxes. Funding from self-supporting enterprises of the City offset a portion of the property tax supported pension related debt included above. Population figures used in this graph come from the official census in 2010 or from data provided by the Metropolitan Council for the other years.

DEBT CAPACITY – TOTAL DEBT

A primary goal of the City's debt management effort is to maintain the ability to incur debt at low interest rates without endangering the ability to finance essential City services.

One key management ratio used in monitoring the City's debt is total general obligation (GO) debt outstanding as a percent of estimated market value of Minneapolis' taxable property. The ratio of outstanding GO debt to the taxable market value equaled less than three percent from 2007 through 2012. While property values experienced a decline of approximately \$6.4 billion during this timeframe, the trend line benefitted by a reduction of \$412 million in Total Debt applicable to the calculation.



COMPUTATION OF THE CITY'S LEGAL DEBT MARGIN

The following is the computation of the estimated legal debt margin as of December 31, 2012. This calculation determines the maximum statutory limit of general obligation debt that can be issued by the City and be funded by property taxes.

	Dollars in Thousands
Real Property (2012 Estimated Market Value)	\$ 33,215,186
Personal Property (2012 Estimated Market Value)	384,066
Adjustment for Exempt Personal Property (1966 Market Value)	298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution	34,520
Total Assessed Value	33,931,802
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	\$ 1,131,060
General Obligation Bonds Subject to Debt Limit:	
Supported by Property Tax Levy	137,475
Supported by Special Assessments:	
Park Diseased Trees	760
Self-Supporting (Supported by Internal User Charges):	
Management Information Systems	3,115
Park Board - Land for athletic fields & energy efficiency	4,830
Public Works Fleet and Equipment	21,290
Property Fund	4,775
Total General Obligation Bonds Subject to Debt Limit	172,245
Less: Estimated Assets in Debt Service Funds at 12/31/12	(17,614)
Total Debt Applicable to Debt Limit	154,631
Legal Margin for New Bonds Subject to Debt Limit	\$ 976,429

SUMMARY OF OUTSTANDING CITY DEBT

Long-term liabilities (in thousands) at December 31, 2012 are detailed below.

	Balance 1/1/2012	Additions	Retirements	Balance 12/31/2012	Amounts Due Within One Year
Governmental activities:					
<u>Bonds and Notes</u>					
Property Tax Supported GO Bonds*	\$ 188,340	\$ 45,735	\$ 96,600	\$ 137,475	\$ 22,360
Self-Supporting GO Bonds	178,865	4,200	15,235	167,830	13,010
GO Improvement Bonds	50,975	10,135	11,970	49,140	7,661
Tax Increment GO Bonds	128,255	3,000	24,155	107,100	9,555
Tax Increment GO Notes		5,170	350	4,820	370
Revenue Bonds	25,990	-	780	25,210	825
Revenue Notes	15,276	-	581	14,695	310
Internal Service Fund Related GO Bonds	40,065	2,775	13,660	29,180	4,960
Total Governmental Bonds and Notes	627,766	71,015	163,331	535,450	59,051
Business-type activities:					
<u>Bonds and Notes</u>					
Stormwater Fund GO Bonds	15,486	5,400	6,265	14,621	6,650
Stormwater Fund GO Note	-	452	290	162	162
Sanitary Sewer Fund GO Bonds	14,400	1,750	4,600	11,550	4,150
Water Fund GO Bonds	26,521	-	2,250	24,271	2,201
Water Fund GO Note	91,251	151	3,546	87,856	3,781
Municipal Parking Fund GO Bonds	149,200	23,960	77,480	95,680	14,629
Municipal Parking Fund GO Notes	-	38,650	-	38,650	-
CPED Related Non GO Fund					
General Agency Reserve Fund System	91,985	-	6,610	85,375	3,630
Revenue Notes	310	-	153	157	117
Total Bonds and Notes	389,153	70,363	101,194	358,322	35,320
Grand Total Bonds & Notes	\$ 1,016,919	\$ 141,378	\$ 264,525	\$ 893,772	\$ 94,371

* This category includes debt issued for the City's general infrastructure capital program, the library referendum and pension liabilities. There are no pension bonds outstanding at December 31, 2012.

Note: The above table includes the issuance of \$37.538 million of new money bonds and notes for capital improvements in 2012 and issuance of \$103.84 million of refunding bonds and notes.

AMORTIZATION OF OUTSTANDING GOVERNMENTAL CITY DEBT

As of December 31, 2012, annual debt service requirements for Governmental activities* (in thousands) to maturity follows:

Year Ending	Governmental Activities			
	Bonds		Notes	
Dec 31:	Principal	Interest	Principal	Interest
2013	\$ 53,411	\$ 16,006	\$ 680	\$ 517
2014	48,766	14,467	720	483
2015	52,101	12,996	770	444
2016	40,721	11,270	820	407
2017	40,936	10,187	870	365
2018 – 2022	182,771	29,789	5,230	1,104
2023 – 2027	60,369	7,273	1,225	79
2028 – 2032	7,670	622	9,200	
	<u>\$ 486,755</u>	<u>\$ 102,610</u>	<u>\$ 19,515</u>	<u>\$ 3,399</u>

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
	Principal	Interest	Principal	Interest
Dec 31:	Principal	Interest	Principal	Interest
2013	4,960	886	59,051	17,409
2014	3,700	750	53,196	15,700
2015	3,665	627	56,536	14,067
2016	3,220	508	44,761	12,185
2017	3,345	413	45,151	10,965
2018 – 2022	10,290	330	198,291	31,223
2023 – 2027	-	-	61,594	7,352
2028 – 2032	-	-	16,870	622
	<u>\$ 29,180</u>	<u>\$ 3,514</u>	<u>\$ 535,450</u>	<u>\$109,523</u>

* Governmental activities include the basic infrastructure assets required to provide services to the residents such as parks, libraries, streets, roads, bridges, traffic signals, street lighting, police and fire stations, public buildings, technology platforms, fleet equipment, etc. Governmental activities are supported by property taxes, other governmental aids and other general revenues.

Note: The above table includes the issuance of \$27.885 million of new money bonds and notes for capital improvements in 2012 and issuance of \$43.13 million of refunding bonds and notes in 2012.

AMORTIZATION OF OUTSTANDING BUSINESS TYPE CITY DEBT

As of December 31, 2012, estimated annual debt service requirements for Business-type activities* (in thousands) to maturity follows:

Year Ending	Bonds		Notes		Total		Total					
	Dec 31:	Principal	Interest	Principal	Interest	Principal	Interest					
2013	\$	31,260	\$	12,366	\$	4,060	\$	4,239	\$	35,320	\$	16,605
2014		21,970		11,330		3,885		4,130		25,855		15,460
2015		16,820		9,647		4,360		4,026		21,180		13,673
2016		17,359		7,347		4,455		3,920		21,814		11,267
2017		10,934		6,704		7,905		3,810		18,839		10,514
2018 – 2022		49,624		27,170		46,540		15,010		96,164		42,180
2023 – 2027		53,650		15,593		33,670		9,195		87,320		24,788
2028 – 2032		12,850		8,086		15,830		3,755		28,680		11,841
2033 – 2037		6,595		2,835		6,120		456		12,715		3,291
2038 – 2040		10,435		1,863		-		-		10,435		1,863
Total	\$	231,497	\$	102,941	\$	126,825	\$	48,541	\$	358,322	\$	151,482

* Business-type activities include those City functions that operate similar to a private business such as Water, Stormwater and Sanitary 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.

Note: The above table includes the anticipated issuance of \$9.653 million of new money bonds and notes for capital improvements in 2012 and issuance of \$60.71 million of refunding bonds and notes in 2012.



Five-Year Capital Investment Allocation Council Adopted Budget

		Budget in Thousands					Total	Percent of Total
		2013	2014	2015	2016	2017		
MUNICIPAL BUILDING COMMISSION		1,854	1,070	1,460	1,060	1,230	6,674	1.10%
PARK BOARD		9,550	4,300	4,300	4,300	4,300	26,750	4.41%
PUBLIC WORKS DEPARTMENT								
	STREET PAVING	49,516	33,715	44,705	32,410	37,955	198,301	32.71%
	SIDEWALKS	3,210	3,365	3,520	3,675	3,830	17,600	2.90%
	BRIDGES	2,465	12,815	400	2,705	4,525	22,910	3.78%
	TRAFFIC CONTROL & STREET LIGHTING	5,880	7,125	9,335	9,085	5,320	36,745	6.06%
	BIKE TRAILS	1,150	1,575	0	0	0	2,725	0.45%
	SANITARY SEWERS	8,000	8,000	8,000	7,250	7,250	38,500	6.35%
	STORM SEWERS	15,750	24,805	19,138	22,730	17,850	100,273	16.54%
	WATER INFRASTRUCTURE	18,700	23,900	24,000	22,300	24,700	113,600	18.74%
	PARKING RAMPS	1,700	1,700	1,700	1,700	1,700	8,500	1.40%
	Public Works Department Total	106,371	117,000	110,798	101,855	103,130	539,154	88.93%
INFORMATION TECHNOLOGY		1,150	1,850	2,900	1,750	1,700	9,350	1.54%
MISCELLANEOUS PROJECTS		3,720	4,465	4,475	4,885	6,800	24,345	4.02%
Grand Total		122,645	128,685	123,933	113,850	117,160	606,273	100.00%



Minneapolis Five-Year Capital Funding Summary

City of Lakes Council Adopted Budget

General Infrastructure Improvements Funding Summary by Year	2013	2014	2015	2016	2017	Total
Federal Government Grants	1,120	11,850	2,770	2,560		18,300
Hennepin County Grants	145	605	710	625	225	2,310
Municipal State Aid	8,100	8,100	8,000	7,800	10,615	42,615
Net Debt Bonds	40,245	29,600	29,155	25,000	25,000	149,000
Other Local Governments	2,387	1,462	13,480	8,080	11,500	36,909
Park Capital Levy	4,630	3,610	3,510	3,850	3,850	19,450
Reimbursements	4,100	4,100	4,100	4,100	4,100	20,500
Special Assessments	13,665	9,780	9,065	7,595	9,615	49,720
State Government Grants	273	73				346
Transfer from Special Revenue Funds	1,430					1,430
Total General Infrastructure Improvements	76,095	69,180	70,790	59,610	64,905	340,580

Enterprise Fund Capital Funding Summary by Year	2013	2014	2015	2016	2017	Total
Other Local Governments		7,130	2,388	5,525		15,043
Parking Bonds	1,700	1,700	1,700	1,700	1,700	8,500
Reimbursements	5,000	5,000	5,000	5,000	5,000	25,000
Sanitary Bonds	6,000	6,000	6,000	5,250	5,250	28,500
Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	5,000
Stormwater Bonds	8,000	7,700	7,500	8,955	9,600	41,755
Stormwater Revenue	7,700	9,075	7,555	6,510	7,005	37,845
Water Bonds	2,000	10,000	10,000	8,000	10,000	40,000
Water Revenue	15,150	11,900	12,000	12,300	12,700	64,050
Total Enterprise Fund Capital	46,550	59,505	53,143	54,240	52,255	265,693

Consolidated City-Wide Capital Funding Summary by Year	2013	2014	2015	2016	2017	Total Budget	Overall Funding Breakdown
Enterprise Bonds	17,700	25,400	25,200	23,905	26,550	118,755	19.59%
Enterprise Revenue	23,850	21,975	20,555	19,810	20,705	106,895	17.63%
Municipal State Aid	8,100	8,100	8,000	7,800	10,615	42,615	7.03%
Net Debt Bonds	40,245	29,600	29,155	25,000	25,000	149,000	24.58%
Other	19,085	33,830	31,958	29,740	24,675	139,288	22.97%
Special Assesments	13,665	9,780	9,065	7,595	9,615	49,720	8.20%
Total City Wide Capital Program	122,645	128,685	123,933	113,850	117,160	606,273	100.00%



Five-Year Capital Funding Summary (Public Works) Council Adopted Budget

General Infrastructure Improvements Funding Summary by Year	2013	2014	2015	2016	2017	Total
Federal Government Grants	1,120	11,850	2,770	2,560	0	18,300
Hennepin County Grants	145	605	710	625	225	2,310
Municipal State Aid	8,100	8,100	8,000	7,800	10,615	42,615
Net Debt Bonds	28,771	19,765	17,820	14,805	12,770	93,931
Other Local Governments	2,012	1,462	13,480	8,080	11,500	36,534
Park Capital Levy	880	2,110	2,010	2,350	2,350	9,700
Reimbursements	4,100	4,100	4,100	4,100	4,100	20,500
Special Assessments	13,365	9,480	8,765	7,295	9,315	48,220
State Government Grants	23	23				46
Transfer from Special Revenue Funds	1,305					1,305
Total General Infrastructure Improvements	59,821	57,495	57,655	47,615	50,875	273,461

Enterprise Fund Capital Funding Improvements by Year	2013	2014	2015	2016	2017	Total
Other Local Governments		7,130	2,388	5,525		15,043
Parking Bonds	1,700	1,700	1,700	1,700	1,700	8,500
Reimbursements	5,000	5,000	5,000	5,000	5,000	25,000
Sanitary Bonds	6,000	6,000	6,000	5,250	5,250	28,500
Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	5,000
Stormwater Bonds	8,000	7,700	7,500	8,955	9,600	41,755
Stormwater Revenue	7,700	9,075	7,555	6,510	7,005	37,845
Water Bonds	2,000	10,000	10,000	8,000	10,000	40,000
Water Revenue	15,150	11,900	12,000	12,300	12,700	64,050
Total Enterprise Fund Capital	46,550	59,505	53,143	54,240	52,255	265,693

Consolidated Public Works Capital Summary by Year	2013	2014	2015	2016	2017	Total Budget	Overall Funding Breakdown
Enterprise Bonds	17,700	25,400	25,200	23,905	26,550	118,755	22.03%
Enterprise Revenue	23,850	21,975	20,555	19,810	20,705	106,895	19.83%
Municipal State Aid	8,100	8,100	8,000	7,800	10,615	42,615	7.90%
Net Debt Bonds	28,771	19,765	17,820	14,805	12,770	93,931	17.42%
Other	14,585	32,280	30,458	28,240	23,175	128,738	23.88%
Special Assessments	13,365	9,480	8,765	7,295	9,315	48,220	8.94%
Total Public Works Department	106,371	117,000	110,798	101,855	103,130	539,154	100.00%

Represents the total Five-Year Council Adopted Budget from all City funding sources for projects where the City is the lead agency.

2013 - 2017 Council Adopted Capital Resources For Net Debt Bond and Infrastructure Acceleration Program

Recommended Resources by Category	2013	2014	2015	2016	2017	Totals (000's)
Available Resources:						
Adopted Net Debt Bond (NDB) Authorizations	40,245	29,600	29,155	25,000	0	124,000
City Council Approved Authorization for 2017					25,000	25,000
2013 - 2017 Council Adopted NDB Resources	40,245	29,600	29,155	25,000	25,000	149,000
Infrastructure Acceleration Program:						
Transfers from Hilton Trust Legacy Fund*	1,430					
Total Council Resources for Capital Programs	41,675	29,600	29,155	25,000	25,000	150,430

* - 2013 is the final year of the Infrastructure Acceleration Program because the legacy fund balances will be depleted. The acceleration of infrastructure projects will continue by the expanded net debt bond funding approved in last year's budget.

This resource summary represents the City's commitment for General Infrastructure assets which includes parks, public buildings, streets, bridges, bike trails, traffic signals and any other capital assets used for providing basic city services. These resources also leverage significant additional funding from special assessments, municipal state aid, grants, etc.

2013 Bond Redemption Levy for Capital Program

	Amount (000's)
Tax Levy Certified for Bond Redemption in 2012	18,750
Bond Redemption Levy Adjustment	2,450 Per Five-Year Financial Direction 2013 - 2017
Tax Levy Certified for Bond Redemption in 2013	21,200 For supporting Capital Programs



Net Debt Bond Allocation

Council Adopted Budget

Summarized by Major Type of Infrastructure

Description of Category		2013	2014	2015	2016	2017	Total
MUNICIPAL BUILDING COMMISSION		1,854	1,070	1,460	1,060	1,230	6,674
<i>Percentage Allocated to MBC</i>		<i>4.6%</i>	<i>3.6%</i>	<i>5.0%</i>	<i>4.2%</i>	<i>4.9%</i>	4%
Park Board Capital Program*		5,000	2,500	2,500	2,500	2,500	15,000
<i>Percentage allocated to Park Board</i>		<i>12.4%</i>	<i>8.4%</i>	<i>8.6%</i>	<i>10.0%</i>	<i>10.0%</i>	10%
PUBLIC WORKS DEPARTMENT	STREET PAVING	22,701	13,330	13,900	9,415	7,955	67,301
	SIDEWALKS	285	295	305	315	325	1,525
	BRIDGES	1,345	1,965	400	1,705	1,810	7,225
	TRAFFIC CONTROL & STREET LIGHTING	3,290	3,800	3,215	3,370	2,680	16,355
	BIKE TRAILS	1,150	375				1,525
Public Works Sub-Total		28,771	19,765	17,820	14,805	12,770	93,931
<i>Percentage allocated to Public Works</i>		<i>71.5%</i>	<i>66.8%</i>	<i>61.1%</i>	<i>59.2%</i>	<i>51.1%</i>	63%
INFORMATION TECHNOLOGY		1,150	1,850	2,900	1,750	1,700	9,350
<i>Percentage allocated to BIS</i>		<i>2.9%</i>	<i>6.2%</i>	<i>9.9%</i>	<i>7.0%</i>	<i>6.8%</i>	6%
MISCELLANEOUS PROJECTS		3,470	4,415	4,475	4,885	6,800	24,045
<i>Percentage allocated to Misc. Projects</i>		<i>8.6%</i>	<i>14.9%</i>	<i>15.3%</i>	<i>19.5%</i>	<i>27.2%</i>	16%
<i>Percentage Allocated to City Departments</i>		83.0%	87.9%	86.4%	85.8%	85.1%	85%
Total Net Debt Bond Allocation (in thousands)		40,245	29,600	29,155	25,000	25,000	149,000

* This amount is only the net debt bond portion of Park Board Capital funding. They also have a Capital Levy and a share of the expanded capital funding.



Minneapolis **Capital Budget Summary**
City of Lakes **Council Adopted Budget**

MUNICIPAL BUILDING COMMISSION

	Budget in Thousands					Total
	2013	2014	2015	2016	2017	
MBC01 Life Safety Improvements	340	300	200	320	0	1,160
MBC02 Mechanical Systems Upgrade	675	770	600	400	250	2,695
MBC04 MBC Elevators	0	0	200	0	0	200
MBC06 Clock Tower Upgrade	839	0	0	0	0	839
MBC09 Critical Power Capital Project	0	0	0	340	980	1,320
MBC10 Exterior Improvements	0	0	460	0	0	460
CTY01 Restoration of Historic Reception Room	0	0	0	0	0	0
Total	1,854	1,070	1,460	1,060	1,230	6,674

PARK BOARD

PRK01 Recreation Center and Site Improvements Program	350	0	450	0	0	800
PRK02 Playground and Site Improvements Program	775	750	1,550	300	1,400	4,775
PRK03 Shelter - Pool - Site Improvements Program	2,500	2,000	500	500	500	6,000
PRK04 Athletic Fields and Site Improvements Program	875	1,150	250	0	0	2,275
PRK30 Community Service Area Improvement Program	1,000	0	0	0	1,500	2,500
PRK31 Bossen Park Field Improvements	0	0	950	2,900	0	3,850
PRK32 Northeast Park Building Improvements	1,900	0	0	0	0	1,900
PRKCP Neighborhood Parks Capital Infrastructure	1,850	100	300	300	600	3,150
PRKDT Diseased Tree Removal	300	300	300	300	300	1,500
Total	9,550	4,300	4,300	4,300	4,300	26,750

PUBLIC WORKS DEPARTMENT

	Budget in Thousands					Total	
	2013	2014	2015	2016	2017		
STREET PAVING	PV001 Parkway Paving Program	1,070	2,510	1,410	2,750	1,750	9,490
	PV005 Snelling Ave Extension	0	0	0	0	0	0
	PV006 Alley Renovation Program	170	250	250	250	250	1,170
	PV007 University Research Park/Central Corridor	0	0	12,010	5,080	0	17,090
	PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	0	0	0	3,035	935	3,970
	PV027 Hennepin/Lyndale	0	0	6,825	3,975	0	10,800
	PV035 TH121/Lyndale Ave S	0	300	0	0	11,660	11,960
	PV038 Winter St NE Residential/Commercial	5,355	0	0	0	0	5,355
	PV056 Asphalt Pavement Resurfacing Program	2,800	2,595	1,500	1,500	1,500	9,895
	PV057 Nicollet Ave (Lake St E to 40th St E)	9,370	0	0	0	0	9,370
	PV059 Major Pavement Maintenance Program	400	0	0	0	0	400
	PV061 High Volume Corridor Reconditioning Program	5,556	3,305	3,055	1,500	1,500	14,916
	PV063 Unpaved Alley Construction	300	300	300	300	300	1,500
	PV067 Nawadaha Blvd & Minnehaha Ave	0	2,305	0	0	0	2,305
	PV068 LaSalle Ave (Grant to 8th)	0	7,045	0	0	0	7,045
	PV069 Penn Ave S (50th to Crosstown)	8,175	5,465	0	0	0	13,640
	PV070 Riverside Extension - 4th St/15th Ave	1,000	2,120	500	0	0	3,620
	PV072 Pedestrian Improvement Project	0	0	0	700	700	1,400
	PV073 26th Ave N (W Broadway to Lyndale Ave N)	0	0	4,845	4,990	0	9,835
	PV074 CSAH & MnDOT Cooperative Projects	5,310	1,320	2,940	1,430	1,700	12,700
	PV075 Development Infrastructure Program	2,300	700	1,000	960	1,875	6,835
	PV076 38th St E (Hiawatha to Minnehaha)	0	0	0	2,440	0	2,440
	PV080 18th Ave NE (Monroe to Johnson St NE)	0	0	0	0	7,770	7,770
	PV081 46th St W (Dupont to Lyndale Ave S)	2,575	0	0	0	0	2,575
	PV082 31st St E (Minnehaha to 28th Ave S)	880	0	0	0	0	880
	PV083 Minnehaha Ave (24th to 26th St E)	0	0	3,425	0	0	3,425
	PV084 54th St W (Penn to Lyndale Ave S)	0	0	0	0	4,515	4,515
	PV085 Nicollet Mall Planning	555	0	0	0	0	555
	PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	0	2,000	1,200	0	0	3,200
	PV087 34th Ave S (54th St E to Minnehaha Pkwy)	0	0	1,945	0	0	1,945
	PV091 Penn Ave N Cooperative Project	200	0	0	0	0	200
	PV99R Reimbursable Paving Projects	3,500	3,500	3,500	3,500	3,500	17,500
	Total for STREET PAVING	49,516	33,715	44,705	32,410	37,955	198,301
SIDEWALKS	SWK01 Defective Hazardous Sidewalks	3,210	3,365	3,520	3,675	3,830	17,600
	Total for SIDEWALKS	3,210	3,365	3,520	3,675	3,830	17,600



Minneapolis Capital Budget Summary
City of Lakes Council Adopted Budget

		Budget in Thousands					2013	2014	2015	2016	2017	Total
PUBLIC WORKS DEPARTMENT	BRIDGES	BR101 Major Bridge Repair and Rehabilitation	400	400	400	400	400	400	400	400	2,000	
		BR106 1st Ave S over HCRRA	0	0	0	0	0	4,125	0	0	4,125	
		BR111 10th Ave SE Bridge Arch Rehabilitation	0	10,070	0	0	0	0	0	0	10,070	
		BR112 Nicollet Ave Reopening	0	0	0	0	0	0	0	0	0	
		BR114 Midtown Corridor Bridge Preservation Program	2,015	0	0	0	0	0	0	0	2,015	
		BR116 Bridge 9 Improvements	0	2,345	0	0	0	0	0	0	2,345	
		BR117 1st St N Bridge over Bassett's Creek	0	0	0	0	0	0	0	0	0	
		BR126 40th St Pedestrian & Bicycle Bridge over 35W	0	0	0	2,305	0	0	0	0	2,305	
		BR127 Nicollet Ave over Minnehaha Creek	0	0	0	0	0	0	0	0	0	
		BR128 3rd Ave S Bridge - Gateway Project	50	0	0	0	0	0	0	0	50	
	Total for BRIDGES	2,465	12,815	400	2,705	4,525	22,910					
	TRAFFIC CONTROL & STREET LIGHTING	TR008 Parkway Street Light Replacement	590	1,700	1,700	1,700	1,700	1,700	1,700	1,700	7,390	
		TR010 Traffic Management Systems	0	0	3,410	3,210	470	7,090				
		TR011 City Street Light Renovation	400	700	350	350	500	2,300				
		TR021 Traffic Signals	2,900	2,035	2,125	2,175	1,750	10,985				
		TR022 Traffic Safety Improvements	1,390	2,090	1,150	1,050	300	5,980				
		TR99R Reimbursable Transportation Projects	600	600	600	600	600	3,000				
	Total for TRAFFIC CONTROL & STREET LIGHTING	5,880	7,125	9,335	9,085	5,320	36,745					
	BIKE TRAILS	BIK20 Hiawatha LRT Trail Lighting	0	1,575	0	0	0	1,575				
		BIK25 Bluff Street Bike Trail Project	1,100	0	0	0	0	1,100				
		BIK26 Penn Ave S Parallel Bikeway	50	0	0	0	0	50				
	Total for BIKE TRAILS	1,150	1,575	0	0	0	2,725					
	SANITARY SEWERS	SA001 Sanitary Tunnel & Sewer Rehabilitation Program	5,000	4,000	4,000	3,750	3,750	20,500				
		SA036 Infiltration & Inflow Removal Program	2,000	3,000	3,000	2,500	2,500	13,000				
		SA99R Reimbursable Sanitary Sewer Projects	1,000	1,000	1,000	1,000	1,000	5,000				
	Total for SANITARY SEWERS	8,000	8,000	8,000	7,250	7,250	38,500					
	STORM SEWERS	SW004 Implementation of US EPA Storm Water Regulations	250	250	250	250	250	1,250				
		SW005 Combined Sewer Overflow Improvements	1,500	1,500	1,500	1,500	1,500	7,500				
		SW011 Storm Drains and Tunnels Rehabilitation Program	10,000	10,200	9,100	9,400	10,100	48,800				
		SW018 Flood Area 29 & 30 - Fulton Neighborhood	0	0	3,288	6,580	0	9,868				
		SW032 I-35W Storm Tunnel Reconstruction	0	0	0	0	1,000	1,000				
		SW033 Flood Area 22 - Sibley Field	0	3,015	0	0	0	3,015				
		SW034 Flood Area 21 - Bloomington Pond	0	4,840	0	0	0	4,840				
		SW039 Flood Mitigation with Alternative Stormwater Mgmt	2,000	3,000	3,000	3,000	3,000	14,000				
		SW99R Reimbursable Sewer & Storm Drain Projects	2,000	2,000	2,000	2,000	2,000	10,000				
	Total for STORM SEWERS	15,750	24,805	19,138	22,730	17,850	100,273					
	WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	6,500	6,700	6,900	7,100	7,300	34,500				
		WTR18 Water Maintenance Facility	3,000	4,000	0	0	0	7,000				
		WTR23 Treatment Infrastructure Improvements	4,500	5,000	5,100	5,200	5,400	25,200				
		WTR24 Fridley Filter Plant Rehabilitation	2,700	6,200	10,000	8,000	10,000	36,900				
		WTR9R Reimbursable Watermain Projects	2,000	2,000	2,000	2,000	2,000	10,000				
	Total for WATER INFRASTRUCTURE	18,700	23,900	24,000	22,300	24,700	113,600					
	PARKING RAMPS	RMP01 Parking Facilities - Repair and Improvements	1,700	1,700	1,700	1,700	1,700	8,500				
	Total for PARKING RAMPS	1,700	1,700	1,700	1,700	1,700	8,500					
	Total Public Works	106,371	117,000	110,798	101,855	103,130	539,154					
INFORMATION TECHNOLOGY	IT003 Enterprise Content Management	350	300	250	200	150	1,250					
	IT004 Enterprise Infrastructure Modernization	250	500	600	500	500	2,350					
	IT031 Geographical Information System (GIS)	0	0	0	0	0	0					
	IT032 Mobile Computing Framework	0	0	0	0	0	0					
	IT033 Police Report Management System Upgrade	350	1,000	2,000	1,000	1,000	5,350					
	IT034 Minneapolis Information Commons	200	50	50	50	50	400					
	Total	1,150	1,850	2,900	1,750	1,700	9,350					
MISCELLANEOUS PROJECTS	31101 311 Systems Refresh	235	230	0	0	0	465					
	91101 911 Telephone System Replacement	100	975	975	0	0	2,050					



Minneapolis **Capital Budget Summary**
City of Lakes **Council Adopted Budget**

	Budget in Thousands	2013	2014	2015	2016	2017	Total
MISCELLANEOUS PROJECTS							
ART01 Art in Public Places		605	445	435	375	375	2,235
CTY02 City Property Reforestation		150	150	150	150	150	750
CTY05 City Hall Elevator Upgrade		0	0	0	0	0	0
CTY06 ADA Facility Assessments		0	0	0	0	0	0
FIR11 New Fire Station No. 11		0	0	465	1,910	3,350	5,725
MPD02 MPD Property & Evidence Warehouse		0	0	0	0	0	0
MPD03 Hamilton School Acquisition & Facility Improvement		0	0	0	0	0	0
PSD01 Facilities - Repair and Improvements		830	1,115	1,200	1,200	1,675	6,020
PSD03 Facilities - Space Improvements		1,000	1,000	750	750	750	4,250
PSD11 Energy Conservation and Emission Reduction		250	250	500	500	500	2,000
PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II		500	300	0	0	0	800
PSD15 Traffic Maintenance Facility Improvement		0	0	0	0	0	0
PSD16 Farmer's Market Improvements		50	0	0	0	0	50
Total		3,720	4,465	4,475	4,885	6,800	24,345
Grand Total		122,645	128,685	123,933	113,850	117,160	606,273



Capital Budget Detail for Funded Projects
Council Adopted Budget

MUNICIPAL BUILDING COMMISSION

		Budget in Thousands	2013	2014	2015	2016	2017	Total
MBC01 Life Safety Improvements	Net Debt Bonds		340	300	200	320	0	1,160
	Total		340	300	200	320	0	1,160
MBC02 Mechanical Systems Upgrade	Net Debt Bonds		675	770	600	400	250	2,695
	Total		675	770	600	400	250	2,695
MBC04 MBC Elevators	Net Debt Bonds		0	0	200	0	0	200
	Total		0	0	200	0	0	200
MBC06 Clock Tower Upgrade	Net Debt Bonds		839	0	0	0	0	839
	Total		839	0	0	0	0	839
MBC09 Critical Power Capital Project	Net Debt Bonds		0	0	0	340	980	1,320
	Total		0	0	0	340	980	1,320
MBC10 Exterior Improvements	Net Debt Bonds		0	0	460	0	0	460
	Total		0	0	460	0	0	460
Total for Municipal Building Commission			1,854	1,070	1,460	1,060	1,230	6,674

PARK BOARD

PRK01 Recreation Center and Site Improvements Program	Net Debt Bonds		100	0	0	0	0	100
	Park Capital Levy		250	0	450	0	0	700
	Total		350	0	450	0	0	800
PRK02 Playground and Site Improvements Program	Net Debt Bonds		775	0	800	0	500	2,075
	Park Capital Levy		0	750	750	300	900	2,700
	Total		775	750	1,550	300	1,400	4,775
PRK03 Shelter - Pool - Site Improvements Program	Net Debt Bonds		1,500	2,000	500	0	500	4,500
	Park Capital Levy		500	0	0	500	0	1,000
	Transfer from Special Revenue Funds		125	0	0	0	0	125
	Other Local Governments		375	0	0	0	0	375
	Total		2,500	2,000	500	500	500	6,000
PRK04 Athletic Fields and Site Improvements Program	Net Debt Bonds		225	500	250	0	0	975
	Park Capital Levy		650	650	0	0	0	1,300
	Total		875	1,150	250	0	0	2,275
PRK30 Community Service Area Improvement Program	Net Debt Bonds		500	0	0	0	1,500	2,000
	Park Capital Levy		500	0	0	0	0	500
	Total		1,000	0	0	0	1,500	2,500
PRK31 Bossen Park Field Improvements	Net Debt Bonds		0	0	950	2,500	0	3,450
	Park Capital Levy		0	0	0	400	0	400
	Total		0	0	950	2,900	0	3,850
PRK32 Northeast Park Building Improvements	Net Debt Bonds		1,900	0	0	0	0	1,900
	Total		1,900	0	0	0	0	1,900
PRKCP Neighborhood Parks Capital Infrastructure	Park Capital Levy		1,850	100	300	300	600	3,150
	Total		1,850	100	300	300	600	3,150
PRKDT Diseased Tree Removal	Special Assessments		300	300	300	300	300	1,500
	Total		300	300	300	300	300	1,500
Total for Park Board			9,550	4,300	4,300	4,300	4,300	26,750



Minneapolis **Capital Budget Detail for Funded Projects**
 City of Lakes **Council Adopted Budget**

**PUBLIC
WORKS
DEPARTMENT**

		Budget in Thousands	2013	2014	2015	2016	2017	Total
STREET PAVING	PV001 Parkway Paving Program	Net Debt Bonds	580	700	700	700	700	3,380
		Special Assessments	50	50	50	50	50	250
		Park Capital Levy	440	760	660	1,000	1,000	3,860
		Other Local Governments	0	1,000	0	1,000	0	2,000
		Total	1,070	2,510	1,410	2,750	1,750	9,490
	PV006 Alley Renovation Program	Net Debt Bonds	120	200	200	200	200	920
		Special Assessments	50	50	50	50	50	250
		Total	170	250	250	250	250	1,170
	PV007 University Research Park/Central Corridor	Other Local Governments	0	0	12,010	5,080	0	17,090
		Total	0	0	12,010	5,080	0	17,090
	PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Net Debt Bonds	0	0	0	430	435	865
		Municipal State Aid	0	0	0	1,090	500	1,590
		Special Assessments	0	0	0	515	0	515
		Other Local Governments	0	0	0	1,000	0	1,000
		Total	0	0	0	3,035	935	3,970
	PV027 Hennepin/Lyndale	Net Debt Bonds	0	0	3,085	3,575	0	6,660
		Municipal State Aid	0	0	3,350	0	0	3,350
		Special Assessments	0	0	205	210	0	415
		Stormwater Revenue	0	0	185	190	0	375
		Total	0	0	6,825	3,975	0	10,800
	PV035 TH121/Lyndale Ave S	Net Debt Bonds	0	300	0	0	0	300
		Special Assessments	0	0	0	0	2,160	2,160
Other Local Governments		0	0	0	0	9,500	9,500	
Total		0	300	0	0	11,660	11,960	
PV038 Winter St NE Residential/Commercial	Net Debt Bonds	2,455	0	0	0	0	2,455	
	Special Assessments	2,155	0	0	0	0	2,155	
	Stormwater Revenue	680	0	0	0	0	680	
	Water Revenue	65	0	0	0	0	65	
	Total	5,355	0	0	0	0	5,355	
PV056 Asphalt Pavement Resurfacing Program	Net Debt Bonds	1,200	1,305	500	500	500	4,005	
	Municipal State Aid	0	500	500	500	500	2,000	
	Special Assessments	1,600	790	500	500	500	3,890	
	Total	2,800	2,595	1,500	1,500	1,500	9,895	
PV057 Nicollet Ave (Lake St E to 40th St E)	Net Debt Bonds	2,180	0	0	0	0	2,180	
	Municipal State Aid	5,150	0	0	0	0	5,150	
	Special Assessments	1,185	0	0	0	0	1,185	
	Stormwater Revenue	390	0	0	0	0	390	



Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2013	2014	2015	2016	2017	Total
STREET PAVING	PV057 Nicollet Ave (Lake St E to 40th St E)	Water Revenue	385	0	0	0	0	385
		Other Local Governments	80	0	0	0	0	80
		Total	9,370	0	0	0	0	0
	PV059 Major Pavement Maintenance Program	Net Debt Bonds	50	0	0	0	0	50
		Transfer from Special Revenue Funds	350	0	0	0	0	350
		Total	400	0	0	0	0	0
	PV061 High Volume Corridor Reconditioning Program	Net Debt Bonds	3,036	1,520	1,455	500	500	7,011
		Municipal State Aid	1,000	500	500	500	500	3,000
		Special Assessments	1,320	1,285	1,100	500	500	4,705
		Stormwater Revenue	200	0	0	0	0	200
		Total	5,556	3,305	3,055	1,500	1,500	14,916
	PV063 Unpaved Alley Construction	Net Debt Bonds	150	150	150	150	150	750
		Special Assessments	150	150	150	150	150	750
		Total	300	300	300	300	300	1,500
	PV067 Nawadaha Blvd & Minnehaha Ave	Net Debt Bonds	0	470	0	0	0	470
		Municipal State Aid	0	1,320	0	0	0	1,320
		Special Assessments	0	380	0	0	0	380
		Stormwater Revenue	0	135	0	0	0	135
		Total	0	2,305	0	0	0	0
	PV068 LaSalle Ave (Grant to 8th)	Net Debt Bonds	0	3,395	0	0	0	3,395
		Municipal State Aid	0	1,950	0	0	0	1,950
		Special Assessments	0	1,200	0	0	0	1,200
		Stormwater Revenue	0	500	0	0	0	500
		Total	0	7,045	0	0	0	0
	PV069 Penn Ave S (50th to Crosstown)	Net Debt Bonds	5,105	945	0	0	0	6,050
		Municipal State Aid	1,375	2,880	0	0	0	4,255
		Special Assessments	1,365	1,375	0	0	0	2,740
Stormwater Revenue		330	265	0	0	0	595	
Total		8,175	5,465	0	0	0	0	13,640
PV070 Riverside Extension - 4th St/15th Ave	Net Debt Bonds	1,000	1,500	500	0	0	3,000	
	Special Assessments	0	420	0	0	0	420	
	Stormwater Revenue	0	200	0	0	0	200	
	Total	1,000	2,120	500	0	0	0	3,620
PV072 Pedestrian Improvement Project	Net Debt Bonds	0	0	0	200	200	400	
	Municipal State Aid	0	0	0	500	500	1,000	
	Total	0	0	0	700	700	1,400	



Minneapolis Capital Budget Detail for Funded Projects
City of Lakes Council Adopted Budget

		Budget in Thousands	2013	2014	2015	2016	2017	Total
STREET PAVING	PV073 26th Ave N (W Broadway to Lyndale Ave N)	Net Debt Bonds	0	0	2,730	980	0	3,710
		Municipal State Aid	0	0	1,085	2,895	0	3,980
		Special Assessments	0	0	1,030	1,045	0	2,075
		Stormwater Revenue	0	0	0	70	0	70
		Total	0	0	4,845	4,990	0	9,835
	PV074 CSAH & MnDOT Cooperative Projects	Net Debt Bonds	1,785	145	450	680	950	4,010
		Municipal State Aid	255	265	270	0	0	790
		Special Assessments	2,000	710	750	750	750	4,960
		Other Local Governments	1,270	200	1,470	0	0	2,940
		Total	5,310	1,320	2,940	1,430	1,700	12,700
PV075 Development Infrastructure Program	Net Debt Bonds	2,300	700	1,000	960	1,875	6,835	
	Total	2,300	700	1,000	960	1,875	6,835	
PV076 38th St E (Hiawatha to Minnehaha)	Net Debt Bonds	0	0	0	540	0	540	
	Municipal State Aid	0	0	0	1,735	0	1,735	
	Special Assessments	0	0	0	165	0	165	
	Total	0	0	0	2,440	0	2,440	
PV080 18th Ave NE (Monroe to Johnson St NE)	Net Debt Bonds	0	0	0	0	690	690	
	Municipal State Aid	0	0	0	0	3,885	3,885	
	Special Assessments	0	0	0	0	895	895	
	Stormwater Revenue	0	0	0	0	300	300	
	Other Local Governments	0	0	0	0	2,000	2,000	
	Total	0	0	0	0	7,770	7,770	
PV081 46th St W (Dupont to Lyndale Ave S)	Net Debt Bonds	1,960	0	0	0	0	1,960	
	Special Assessments	465	0	0	0	0	465	
	Stormwater Revenue	150	0	0	0	0	150	
	Total	2,575	0	0	0	0	2,575	
PV082 31st St E (Minnehaha to 28th Ave S)	Net Debt Bonds	580	0	0	0	0	580	
	Special Assessments	100	0	0	0	0	100	
	Stormwater Revenue	200	0	0	0	0	200	
	Total	880	0	0	0	0	880	
PV083 Minnehaha Ave (24th to 26th St E)	Net Debt Bonds	0	0	430	0	0	430	
	Municipal State Aid	0	0	1,605	0	0	1,605	
	Special Assessments	0	0	1,270	0	0	1,270	
	Stormwater Revenue	0	0	120	0	0	120	
	Total	0	0	3,425	0	0	3,425	
PV084 54th St W (Penn to Lyndale Ave S)	Net Debt Bonds	0	0	0	0	1,755	1,755	
	Municipal State Aid	0	0	0	0	1,550	1,550	



Capital Budget Detail for Funded Projects
Council Adopted Budget

			Budget in Thousands		2013	2014	2015	2016	2017	Total
STREET PAVING	PV084 54th St W (Penn to Lyndale Ave S)	Special Assessments	0	0	0	0	0	755	755	
		Stormwater Revenue	0	0	0	0	455	455		
		Total	0	0	0	0	4,515	4,515		
	PV085 Nicollet Mall Planning	Transfer from Special Revenue Funds	555	0	0	0	0	555		
		Total	555	0	0	0	0	555		
	PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	Net Debt Bonds	0	2,000	1,100	0	0	3,100		
		Special Assessments	0	0	100	0	0	100		
		Total	0	2,000	1,200	0	0	3,200		
	PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Net Debt Bonds	0	0	1,600	0	0	1,600		
		Special Assessments	0	0	345	0	0	345		
		Total	0	0	1,945	0	0	1,945		
	PV091 Penn Ave N Cooperative Project	Net Debt Bonds	200	0	0	0	0	200		
Total		200	0	0	0	0	200			
PV99R Reimbursable Paving Projects	Reimbursements	3,500	3,500	3,500	3,500	3,500	17,500			
	Total	3,500	3,500	3,500	3,500	3,500	17,500			
Total for STREET PAVING			49,516	33,715	44,705	32,410	37,955	198,301		
SIDEWALKS	SWK01 Defective Hazardous Sidewalks	Net Debt Bonds	285	295	305	315	325	1,525		
		Special Assessments	2,925	3,070	3,215	3,360	3,505	16,075		
		Total	3,210	3,365	3,520	3,675	3,830	17,600		
	Total for SIDEWALKS			3,210	3,365	3,520	3,675	3,830	17,600	
BRIDGES	BR101 Major Bridge Repair and Rehabilitation	Net Debt Bonds	400	400	400	400	400	2,000		
		Total	400	400	400	400	400	2,000		
	BR106 1st Ave S over HCRRRA	Net Debt Bonds	0	0	0	0	1,410	1,410		
		Municipal State Aid	0	0	0	0	2,715	2,715		
		Total	0	0	0	0	4,125	4,125		
	BR111 10th Ave SE Bridge Arch Rehabilitation	Net Debt Bonds	0	260	0	0	0	260		
		Federal Government Grants	0	9,810	0	0	0	9,810		
		Total	0	10,070	0	0	0	10,070		
	BR114 Midtown Corridor Bridge Preservation Program	Net Debt Bonds	895	0	0	0	0	895		
		Federal Government Grants	1,120	0	0	0	0	1,120		
		Total	2,015	0	0	0	0	2,015		
	BR116 Bridge 9 Improvements	Net Debt Bonds	0	1,305	0	0	0	1,305		
		Federal Government Grants	0	1,040	0	0	0	1,040		
		Total	0	2,345	0	0	0	2,345		
	BR126 40th St Pedestrian & Bicycle Bridge over 35W	Net Debt Bonds	0	0	0	1,305	0	1,305		
Other Local Governments		0	0	0	1,000	0	1,000			
Total		0	0	0	2,305	0	2,305			
BR128 3rd Ave S Bridge - Gateway Project	Net Debt Bonds	50	0	0	0	0	50			
	Total	50	0	0	0	0	50			



Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2013	2014	2015	2016	2017	Total
BRIDGES	Total for BRIDGES		2,465	12,815	400	2,705	4,525	22,910
TRAFFIC CONTROL & STREET LIGHTING	TR008 Parkway Street Light Replacement	Net Debt Bonds	150	350	350	350	350	1,550
		Park Capital Levy	440	1,350	1,350	1,350	1,350	5,840
		Total	590	1,700	1,700	1,700	1,700	7,390
	TR010 Traffic Management Systems	Net Debt Bonds	0	0	400	400	30	830
		Municipal State Aid	0	0	400	400	340	1,140
		Federal Government Grants	0	0	2,110	1,910	0	4,020
		Hennepin County Grants	0	0	500	500	100	1,100
		Total	0	0	3,410	3,210	470	7,090
	TR011 City Street Light Renovation	Net Debt Bonds	0	700	350	350	500	1,900
		Transfer from Special Revenue Funds	400	0	0	0	0	400
		Total	400	700	350	350	500	2,300
	TR021 Traffic Signals	Net Debt Bonds	2,300	1,785	1,825	1,925	1,500	9,335
		Municipal State Aid	0	125	175	125	125	550
		Hennepin County Grants	0	125	125	125	125	500
		Other Local Governments	600	0	0	0	0	600
		Total	2,900	2,035	2,125	2,175	1,750	10,985
	TR022 Traffic Safety Improvements	Net Debt Bonds	840	965	290	345	300	2,740
		Municipal State Aid	320	560	115	55	0	1,050
		Federal Government Grants	0	0	660	650	0	1,310
		Hennepin County Grants	145	480	85	0	0	710
		State Government Grants	23	23	0	0	0	46
		Other Local Governments	62	62	0	0	0	124
		Total	1,390	2,090	1,150	1,050	300	5,980
TR99R Reimbursable Transportation Projects	Reimbursements	600	600	600	600	600	3,000	
	Total	600	600	600	600	600	3,000	
Total for TRAFFIC CONTROL & STREET LIGHTING			5,880	7,125	9,335	9,085	5,320	36,745
BIKE TRAILS	BIK20 Hiawatha LRT Trail Lighting	Net Debt Bonds	0	375	0	0	0	375
		Federal Government Grants	0	1,000	0	0	0	1,000
		Other Local Governments	0	200	0	0	0	200
		Total	0	1,575	0	0	0	1,575
	BIK25 Bluff Street Bike Trail Project	Net Debt Bonds	1,100	0	0	0	0	1,100
		Total	1,100	0	0	0	0	1,100
	BIK26 Penn Ave S Parallel Bikeway	Net Debt Bonds	50	0	0	0	0	50
Total		50	0	0	0	0	50	
Total for BIKE TRAILS			1,150	1,575	0	0	0	2,725



Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2013	2014	2015	2016	2017	Total
SANITARY SEWERS	SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Sanitary Bonds	5,000	4,000	4,000	3,750	3,750	20,500
		Total	5,000	4,000	4,000	3,750	3,750	20,500
	SA036 Infiltration & Inflow Removal Program	Sanitary Bonds	1,000	2,000	2,000	1,500	1,500	8,000
		Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	5,000
		Total	2,000	3,000	3,000	2,500	2,500	13,000
	SA99R Reimbursable Sanitary Sewer Projects	Reimbursements	1,000	1,000	1,000	1,000	1,000	5,000
		Total	1,000	1,000	1,000	1,000	1,000	5,000
Total for SANITARY SEWERS			8,000	8,000	8,000	7,250	7,250	38,500
STORM SEWERS	SW004 Implementation of US EPA Storm Water Regulations	Stormwater Revenue	250	250	250	250	250	1,250
		Total	250	250	250	250	250	1,250
	SW005 Combined Sewer Overflow Improvements	Stormwater Revenue	1,500	1,500	1,500	1,500	1,500	7,500
		Total	1,500	1,500	1,500	1,500	1,500	7,500
	SW011 Storm Drains and Tunnels Rehabilitation Program	Stormwater Bonds	8,000	7,700	6,600	7,900	8,600	38,800
		Stormwater Revenue	2,000	2,500	2,500	1,500	1,500	10,000
		Total	10,000	10,200	9,100	9,400	10,100	48,800
	SW018 Flood Area 29 & 30 - Fulton Neighborhood	Stormwater Bonds	0	0	900	1,055	0	1,955
		Other Local Governments	0	0	2,388	5,525	0	7,913
		Total	0	0	3,288	6,580	0	9,868
	SW032 I-35W Storm Tunnel Reconstruction	Stormwater Bonds	0	0	0	0	1,000	1,000
		Total	0	0	0	0	1,000	1,000
	SW033 Flood Area 22 - Sibley Field	Stormwater Revenue	0	280	0	0	0	280
		Other Local Governments	0	2,735	0	0	0	2,735
		Total	0	3,015	0	0	0	3,015
	SW034 Flood Area 21 - Bloomington Pond	Stormwater Revenue	0	445	0	0	0	445
		Other Local Governments	0	4,395	0	0	0	4,395
		Total	0	4,840	0	0	0	4,840
	SW039 Flood Mitigation with Alternative Stormwater Mgmt	Stormwater Revenue	2,000	3,000	3,000	3,000	3,000	14,000
		Total	2,000	3,000	3,000	3,000	3,000	14,000
SW99R Reimbursable Sewer & Storm Drain Projects	Reimbursements	2,000	2,000	2,000	2,000	2,000	10,000	
	Total	2,000	2,000	2,000	2,000	2,000	10,000	
Total for STORM SEWERS			15,750	24,805	19,138	22,730	17,850	100,273
WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	Water Revenue	6,500	6,700	6,900	7,100	7,300	34,500
		Total	6,500	6,700	6,900	7,100	7,300	34,500
	WTR18 Water Maintenance Facility	Water Bonds	0	4,000	0	0	0	4,000
		Water Revenue	3,000	0	0	0	0	3,000
		Total	3,000	4,000	0	0	0	7,000
	WTR23 Treatment Infrastructure Improvements	Water Revenue	4,500	5,000	5,100	5,200	5,400	25,200
		Total	4,500	5,000	5,100	5,200	5,400	25,200
	WTR24 Fridley Filter Plant Rehabilitation	Water Bonds	2,000	6,000	10,000	8,000	10,000	36,000
		Water Revenue	700	200	0	0	0	900
		Total	2,700	6,200	10,000	8,000	10,000	36,900



Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2013	2014	2015	2016	2017	Total
WATER INFRASTRUCTURE	WTR9R Reimbursable Watermain Projects	Reimbursements	2,000	2,000	2,000	2,000	2,000	10,000
		Total	2,000	2,000	2,000	2,000	2,000	10,000
	Total for WATER INFRASTRUCTURE	18,700	23,900	24,000	22,300	24,700	113,600	
PARKING RAMPS	RMP01 Parking Facilities - Repair and Improvements	Parking Bonds	1,700	1,700	1,700	1,700	1,700	8,500
		Total	1,700	1,700	1,700	1,700	1,700	8,500
	Total for PARKING RAMPS	1,700	1,700	1,700	1,700	1,700	8,500	

INFORMATION TECHNOLOGY			2013	2014	2015	2016	2017	Total
IT003 Enterprise Content Management	Net Debt Bonds	350	300	250	200	150	1,250	
	Total	350	300	250	200	150	1,250	
IT004 Enterprise Infrastructure Modernization	Net Debt Bonds	250	500	600	500	500	2,350	
	Total	250	500	600	500	500	2,350	
IT033 Police Report Management System Upgrade	Net Debt Bonds	350	1,000	2,000	1,000	1,000	5,350	
	Total	350	1,000	2,000	1,000	1,000	5,350	
IT034 Minneapolis Information Commons	Net Debt Bonds	200	50	50	50	50	400	
	Total	200	50	50	50	50	400	
Total for Business Information Services		1,150	1,850	2,900	1,750	1,700	9,350	

MISCELLANEOUS PROJECTS			2013	2014	2015	2016	2017	Total
31101 311 Systems Refresh	Net Debt Bonds	235	230	0	0	0	465	
	Total	235	230	0	0	0	465	
91101 911 Telephone System Replacement	Net Debt Bonds	100	975	975	0	0	2,050	
	Total	100	975	975	0	0	2,050	
ART01 Art in Public Places	Net Debt Bonds	605	445	435	375	375	2,235	
	Total	605	445	435	375	375	2,235	
CTY02 City Property Reforestation	Net Debt Bonds	150	150	150	150	150	750	
	Total	150	150	150	150	150	750	
FIR11 New Fire Station No. 11	Net Debt Bonds	0	0	465	1,910	3,350	5,725	
	Total	0	0	465	1,910	3,350	5,725	
PSD01 Facilities - Repair and Improvements	Net Debt Bonds	830	1,115	1,200	1,200	1,675	6,020	
	Total	830	1,115	1,200	1,200	1,675	6,020	
PSD03 Facilities - Space Improvements	Net Debt Bonds	1,000	1,000	750	750	750	4,250	
	Total	1,000	1,000	750	750	750	4,250	
PSD11 Energy Conservation and Emission Reduction	Net Debt Bonds	250	250	500	500	500	2,000	
	Total	250	250	500	500	500	2,000	
PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II	Net Debt Bonds	250	250	0	0	0	500	
	State Government Grants	250	50	0	0	0	300	
	Total	500	300	0	0	0	800	
PSD16 Farmer's Market Improvements	Net Debt Bonds	50	0	0	0	0	50	
	Total	50	0	0	0	0	50	
Total for Miscellaneous Projects		3,720	4,465	4,475	4,885	6,800	24,345	

Grand Total	122,645	128,685	123,933	113,850	117,160	606,273
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Council Adopted Utility Rates

Supporting 2013 - 2017 Enterprise Operations, Capital Programs & Debt Repayment

Stormwater Rates

2012 Council Adopted Stormwater Rates

Effective Date	Increase	Total Rate*	% Change
01/01/12	0.280	11.70	2.5%
01/01/13	0.230	11.93	2.0%
01/01/14	0.240	12.17	2.0%
01/01/15	0.240	12.41	2.0%
01/01/16	0.240	12.65	1.9%

2013 Council Adopted Stormwater Rates

Effective Date	Increase	Total Rate*	% Change***
01/01/12		11.70	
01/01/13	0.120	11.82	1.0%
01/01/14	0.120	11.94	1.0%
01/01/15	0.120	12.06	1.0%
01/01/16	0.160	12.22	1.3%
01/01/17	0.160	12.38	1.3%

* - Expressed in \$/Equivalent Stormwater Unit (ESU) where 1 ESU = 1,530 square feet of impervious (hard surface) area.

Sanitary Sewer Rates

2012 Council Adopted Sanitary Sewer Rates

Effective Date	Increase	Total Rate**	% Change
01/01/12	0.000	3.05	0.0%
01/01/13	0.130	3.18	4.3%
01/01/14	0.110	3.29	3.5%
01/01/15	0.130	3.42	4.0%
01/01/16	0.150	3.57	4.4%

2013 Council Adopted Sanitary Sewer Rates

Effective Date	Increase	Total Rate**	% Change***
01/01/12		3.05	
01/01/13	0.090	3.14	3.0%
01/01/14	0.100	3.24	3.2%
01/01/15	0.100	3.34	3.1%
01/01/16	0.100	3.44	3.0%
01/01/17	0.000	3.44	0.0%

In addition to the above rates which are based on water usage, a fixed charge based on meter size will be charged each billing period. The fixed charge will range from \$3.00 for a 5/8 inch meter to \$990 per month for a 12 inch meter. Beginning in 2017, the fixed charge will range from \$4.00 for a 5/8 inch meter to \$1,320 per month for a 12 inch meter.

Water Rates

2012 Council Adopted Water Rates

Effective Date	Increase	Total Rate**	% Change
01/01/12	0.000	3.20	0.0%
01/01/13	0.110	3.31	3.4%
01/01/14	0.120	3.43	3.6%
01/01/15	0.100	3.53	2.9%
01/01/16	0.110	3.64	3.1%

2013 Council Adopted Water Rates

Effective Date	Increase	Total Rate**	% Change***
01/01/12		3.20	
01/01/13	0.090	3.29	2.8%
01/01/14	0.090	3.38	2.7%
01/01/15	0.100	3.48	3.0%
01/01/16	0.100	3.58	2.9%
01/01/17	0.000	3.58	0.0%

In addition to the above rates which are based on water usage, a fixed charge based on meter size will be charged each billing period. The fixed charge will range from \$2.00 for a 5/8 inch meter to \$660 per month for a 12 inch meter. Beginning in 2017, the fixed charge will range from \$4.00 for a 5/8 inch meter to \$1,320 per month for a 12 inch meter.

** - Sanitary Sewer and Water Rates are expressed in \$/100 Cubic Feet of Water Consumption

*** - For 2013 and beyond, all of these Sewer and Water Utility rates are below the prior year adopted rates.

Water and Sanitary Sewer Fun Facts:

Water Conversion Rate for 100 cubic feet = 748 US Gallons or ~ 150 - 5 gallon buckets or 11,968 - 8 ounce glasses.

For 2013, at \$3.29/100 cu ft, an 8 ounce glass of water costs roughly 1/36th of a cent/glass.

For 2013, at a combined \$6.43/100 cu ft for sewer and water fees, it costs about 1.4 cents to flush a 1.6 gallon toilet.



MUNICIPAL BUILDING COMMISSION

MBC01 Life Safety Improvements

The MBC life safety program includes installation of building sprinkler, fire alarm, smoke detection, and public address systems.

MBC02 Mechanical Systems Upgrade

The MBC Mechanical Systems Upgrade includes renovation and upgrade of the heating, ventilating and air conditioning (HVAC) systems in City Hall.

MBC04 MBC Elevators

Upgrade of 5 Elevators in City Hall.

MBC06 Clock Tower Upgrade

This project will repair the four clock faces and structural elements of the large clock in the tower at City Hall.

MBC09 Critical Power Capital Project

The project will upgrade emergency power systems in the City Hall.

MBC10 Exterior Improvements

This project will include replacing waterproofing at various small locations around the building that has been in place for nearly 40 years, addressing masonry issues at various locations around the exterior perimeter and at the interior court and repairing or replacing exterior windows.

CTY01 Restoration of Historic Reception Room

Historic restoration of a reception hall for public meetings and ceremonies.

PARK BOARD

PRK01 Recreation Center and Site Improvements Program

Improved energy efficiency, accessibility, HVAC, roofing/interior features for 4 rec centers.

PRK02 Playground and Site Improvements Program

This project will reconfigure and replace worn out play equipment and additional amenities where budget allows.

PRK03 Shelter - Pool - Site Improvements Program

Wading pool upgrades at parks throughout the city.

PRK04 Athletic Fields and Site Improvements Program

Improvements include soil amendments, re-grading, re-seeding, irrigation, lighting, drainage, amenities and parking.

PRK30 Community Service Area Improvement Program

Capital improvements to Community Service Areas throughout Minneapolis.

PRK31 Bossen Park Field Improvements

Renovation and possible redesign for ball diamonds and soccer fields at Bossen Park.

PRK32 Northeast Park Building Improvements



Replacement of NE Recreation Center to include gymnasium and programming spaces.

PRKCP Neighborhood Parks Capital Infrastructure

Sidewalk replacement and Riverfront / Grand Rounds Missing Link development.

PRKDT Diseased Tree Removal

Removing diseased trees from private property.

PUBLIC WORKS DEPARTMENT

PV001 Parkway Paving Program

The objective is to re-evaluate the pavement condition and annual maintenance expenditures of all parkway paving areas that were constructed with a bituminous surface 30 years ago. The program would renovate instead of totally reconstructing the roadways.

PV005 Snelling Ave Extension

This project extends Snelling Avenue south of 46th St E & Hiawatha Avenue.

PV006 Alley Renovation Program

Repair and overlay existing alleys and repair or replace retaining walls that are currently in poor condition.

PV007 University Research Park/Central Corridor

Infrastructure improvements for a large redevelopment area.

PV019 6th Ave N (5th St N to dead end north of Wash Ave N)

Reconstruction of a deteriorated roadway in the North Loop Historic District.

PV027 Hennepin/Lyndale

Reconstruction of existing roadway.

PV035 TH121/Lyndale Ave S

This project will reduce the size of the existing street from a multi-lane divided highway to a lower speed urban street and will be a complete reconstruction of TH 121 and the connecting street grid of existing cross streets.

PV038 Winter St NE Residential/Commercial

This project will reconstruct various oil dirt streets that were not completed with the 30 year residential paving program.

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 (Lake St E to 40th St E)

The proposed roadway will consist of two traffic lanes (one in each direction) and parking on both sides, with new curb and gutter and sidewalks.

PV059 Major Pavement Maintenance Program

This is one of several projects receiving funding from the Mayor's Infrastructure Acceleration Program which will upgrade pavement conditions and/or extend the life of the roadways in the City.



PV061 High Volume Corridor Reconditioning Program

This program focuses on the reconditioning of the driving surface of the high volume corridors to extend their expected life span by 10 years.

PV063 Unpaved Alley Construction

Place concrete pavement and any necessary storm drain and retaining walls in existing dirt or oiled dirt surfaced alleys.

PV067 Nawadaha Blvd & Minnehaha Ave

Reconstruction of existing roadway.

PV068 LaSalle Ave (Grant to 8th)

Reconstruction of existing roadway.

PV069 Penn Ave S (50th to Crosstown)

Reconstruction of existing street.

PV070 Riverside Extension - 4th St/15th Ave

This project would construct paving improvements to the roads adjacent to the northern end of the Riverside Ave paving project.

PV072 Pedestrian Improvement Project

Addition of pedestrian improvements to 6th, 7th, 8th and 9th Sts.

PV073 26th Ave N (W Broadway to Lyndale Ave N)

Reconstruction of existing roadway and addition of Off Street Bike Path.

PV074 CSAH & MnDOT Cooperative Projects

Project funding to be used for City's share of cooperative paving/bridge projects with Hennepin County and MnDOT.

PV075 Development Infrastructure Program

This program is being created to provide funding for infrastructure related to development projects to spur growth of the tax base as opportunities arise.

PV076 38th St E (Hiawatha to Minnehaha)

Reconstruction of existing roadway.

PV080 18th Ave NE (Monroe to Johnson St NE)

Reconstruction of existing roadway with an off street bicycle trail.

PV081 46th St W (Dupont to Lyndale Ave S)

Reconstruction of existing street with 2 traffic lanes 2 parking lanes and wider blvd.

PV082 31st St E (Minnehaha to 28th Ave S)

Reconstruction of existing street to residential standard.

PV083 Minnehaha Ave (24th to 26th St E)

Reconstruction of existing street with bike lanes.



PV084 54th St W (Penn to Lyndale Ave S)

Reconstruction of existing concrete pavement with parking and bicycle lanes.

PV085 Nicollet Mall Planning

Together with the downtown business community, the City will lead the design and reconstruction of Nicollet Mall. The infrastructure of the Mall is beyond its useful life, so damage and needed repairs are expanding daily. The City will hire and direct designers and engineers through an extensive public engagement process.

PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)

Renovation of existing roadway to accommodate construction of off street bicycle trail.

PV087 34th Ave S (54th St E to Minnehaha Pkwy)

Rehabilitation or reconstruction of existing roadway.

PV091 Penn Ave N Cooperative Project

This project funds the City portion of a joint project with Hennepin County for intersection safety improvements at the Osseo/Penn Ave N/44th Street N intersection. The project will improve pedestrian movements, aesthetics, safety, and vehicle movements.

PV99R Reimbursable Paving Projects

Work to be done for others with 100% recovery from requesting agency.

SWK01 Defective Hazardous Sidewalks

To provide a hazard free pedestrian passage over approximately 2,000 miles of public sidewalk by inspecting and replacing defective public sidewalks and adding ADA compliant curb ramps where needed.

BR101 Major Bridge Repair and Rehabilitation

Major repair and rehabilitation of existing city bridges to extend the operational life.

BR106 1st Ave S over HCRRA

Reconstruction of the existing bridge over the Midtown Greenway.

BR111 10th Ave SE Bridge Arch Rehabilitation

The project proposes to protect a large city investment by repairing concrete on the spandrel columns, floor beams and arches.

BR112 Nicollet Ave Reopening

This project would recreate the city grid system by making Nicollet Ave a continuous street which would help to foster development along Nicollet Ave.

BR114 Midtown Corridor Bridge Preservation Program

The purpose of the program will be to maintain and enhance the physical infrastructure, correct current deficiencies, provide for future development and transportation needs.

BR116 Bridge 9 Improvements

This project will rehabilitate a pedestrian and bicycle bridge over the Mississippi River stretching from the east bank to the west bank of the University of Minnesota. This 925 foot bridge is also part of the City's trail system for downtown commuters.

BR117 1st St N Bridge over Bassett's Creek



Reconstruction of a structurally deficient bridge.

BR126 40th St Pedestrian & Bicycle Bridge over 35W

Rehabilitation of the existing pedestrian bridge to accommodate a shared use function for pedestrians and bicycles.

BR127 Nicollet Ave over Minnehaha Creek

Renovation of the existing bridge.

BR128 3rd Ave S Bridge - Gateway Project

This Bridge over I-94 just south of the Convention Center is sometimes called the Frank Lloyd Wright Bridge. The project will include replacing original design components such as the lighting with replacement components consistent with the original design but with lower ongoing operating and maintenance costs.

TR008 Parkway Street Light Replacement

This project consists of replacement of deteriorated services, poles, fixtures and electrical wiring associated with the lighting systems in place along the parkways throughout the City.

TR010 Traffic Management Systems

This project consists of updating the Traffic Management Center and retiming all the traffic signal systems within the City.

TR011 City Street Light Renovation

This project consists of renovating the City's existing decorative street lighting facilities.

TR021 Traffic Signals

This project consists of replacing old and outdated traffic signal equipment.

TR022 Traffic Safety Improvements

This project consists of seven traffic related improvements: 1) Overhead Signal Additions, 2) Operational and Safety Improvements, 3) Signal and Delineation, 4) Mastarm Mounted Street Name Signing, 5) Street & Bridge Navigation Lighting, 6) Pedestrian Safety, and 7) Railroad Crossing Safety.

TR99R Reimbursable Transportation Projects

Work for others funding to be reimbursed by department, business or individuals requesting the work.

BIK20 Hiawatha LRT Trail Lighting

This project will provide lighting along the Hiawatha LRT trail from 11th Ave S to 28th St E.

BIK25 Bluff Street Bike Trail Project

This project will be the final segment necessary to complete the Dinkytown Greenway which will connect three campuses of the University of Minnesota (From East to West: St. Paul, Minneapolis East Bank, and Minneapolis West Bank) with the existing bike paths on 2nd Street South through downtown. This project will extend the Dinkytown Greenway from the #9 Bridge over the Mississippi underneath the new I-35 bridge where a tunnel was already built for this purpose.

BIK26 Penn Ave S Parallel Bikeway

This project provides funding for bike facilities that will run parallel to Penn Avenue South. Bike facilities were originally planned on Penn Avenue as part of the reconstruction project but further investigation and work with the community led to the conclusion that the facilities should be moved from Penn Ave S to a nearby parallel street.

SA001 Sanitary Tunnel & Sewer Rehabilitation Program



The Rehab and Repair of Sanitary Sewer pipes, Lift Stations & Tunnels.

SA036 Infiltration & Inflow Removal Program

The focus of this program is to remove Inflow and Infiltration from the sanitary sewer system and redirect this clear water to the storm sewer system and/or other best management practices.

SA99R Reimbursable Sanitary Sewer Projects

Work to be done for others with 100% recovery from requesting agency.

SW004 Implementation of US EPA Storm Water Regulations

This project provides solutions for Stormwater pollution mitigation measures.

SW005 Combined Sewer Overflow Improvements

Construction of stormwater systems so that catch basins and drains in public ROW can be disconnected from the sanitary sewer and reconnected to a storm sewer.

SW011 Storm Drains and Tunnels Rehabilitation Program

The rehab and repair of storm pipes, pump stations and tunnels throughout the City.

SW018 Flood Area 29 & 30 - Fulton Neighborhood

The goal of this project is to protect Fulton neighborhood homes and businesses from flooding by using runoff volume and runoff rate control.

SW032 I-35W Storm Tunnel Reconstruction

Construction of 19 new relief tunnels along the existing St. Mary's Tunnel.

SW033 Flood Area 22 - Sibley Field

Use storm water volume reduction to protect homes near Sibley Pond from flooding as a result of the increased runoff.

SW034 Flood Area 21 - Bloomington Pond

Project will increase runoff by disconnecting CSO areas from the sanitary sewer and then use storm water volume reduction to protect homes near Bloomington Pond from flooding as a result of the increased runoff.

SW039 Flood Mitigation with Alternative Stormwater Mgmt

The purpose of this program is to address localized flooding and drainage problems City-wide. Where practical, environmentally friendly "green infrastructure" stormwater practices such as rain gardens, bioswales, constructed wetlands, pervious pavements and hard surface reduction will be utilized.

SW99R Reimbursable Sewer & Storm Drain Projects

Work to be done for others with 100% recovery from requesting agency.

WTR12 Water Distribution Improvements

Maintain and sustain existing water distribution system across city.

WTR18 Water Maintenance Facility

Replace very old Water East Yard with distribution maintenance facilities at a different location.

WTR23 Treatment Infrastructure Improvements



Maintain viability of existing water infrastructure through regular upgrades.

WTR24 Fridley Filter Plant Rehabilitation

Renovate many parts of the Fridley Filtration Plant (1925 vintage) to improve finished water quality and reliability.

WTR9R Reimbursable Watermain Projects

This project provides working capital for watermain projects that are reimbursable by other City Departments or private businesses.

RMP01 Parking Facilities - Repair and Improvements

This Project continues a dedicated ongoing capital improvement program for the City's existing Off-Street parking program that consists of 15 City owned and operated parking facilities and 8 surface lots.

INFORMATION TECHNOLOGY

IT003 Enterprise Content Management

This project is a continuation of the commitment to Enterprise Document Management started in 2007. The current focus is on implementation of a Universal Records Management (URM) program.

IT004 Enterprise Infrastructure Modernization

This project will refresh failing and end-of-life technology, while increasing capacity of resource-constrained technology. Annual initiatives will reduce the risk of technology failures, build capacity, consolidate, reduce ongoing operating expenses, foster collaboration, utilize mobility tools and improve end-user productivity.

IT031 Geographical Information System (GIS)

This project is a continuation of the City's commitment to GIS. The focus is on implementation of a mobile framework allowing real time field data collection and editing of City asset information via web applications.

IT032 Mobile Computing Framework

This project will establish what computing platforms departments could use to provide mobile computing to office workers and field staff.

IT033 Police Report Management System Upgrade

The Minneapolis Police Department uses a custom built police report management system (RMS) called CAPRS, which stands for Computer Assisted Police Reporting System. The program is written in Visual Basic which is no longer supported. This project will begin with exploration of options through extensive requirements gathering and detailed documentation of the city environment and all that it encompasses and seek to find an acceptable web accessible replacement system.

IT034 Minneapolis Information Commons

The Minneapolis Information Commons will provide a foundation for collecting, managing and releasing data for internal use and external communication as appropriate. It will enable improved quality, accessibility, and use of the data by employees, residents, businesses and visitors.

MISCELLANEOUS PROJECTS

31101 311 Systems Refresh

This project will refresh the Lagan (KANA) Customer Relationship Management (CRM) to current version 8.XX, integrate the 311 telephony platform and CRM system, update the CRM data base and provide for the implementation of the Lagan mixed media module.

91101 911 Telephone System Replacement

This project will replace the legacy E911 telephone system.



ART01 Art in Public Places

This ongoing program incorporates public art into the City's capital program as stand alone artworks or as integrated into public infrastructure.

CTY02 City Property Reforestation

This is an ongoing Capital Program intended for the reforestation of public facility properties, industrial areas, and commercial corridors.

CTY05 City Hall Elevator Upgrade

Modernization of the existing hydraulic elevator located in the Property and Evidence Room of City Hall.

CTY06 ADA Facility Assessments

The project envisions hiring a consultant who specializes in the new 2010 ADA standards to audit over 100 City owned and operated facilities for compliance. The City has not completed a full scale ADA audit since 1995.

FIR11 New Fire Station No. 11

Planning, design, and construction of New Fire Station No. 11.

MPD02 MPD Property & Evidence Warehouse

To acquire a site and provide suitable facilities for a Property and Evidence Storage Unit to be operated by the Minneapolis Police Department.

MPD03 Hamilton School Acquisition & Facility Improvement

The project is envisioned to acquire and improve Hamilton School, located at 4119 Dupont Avenue North, for the long term needs of the Police Department.

PSD01 Facilities - Repair and Improvements

This is an on-going Capital Maintenance Program intended for repairs and improvements to City owned and operated Facilities.

PSD03 Facilities - Space Improvements

Ongoing capital improvement program for the modification of interior spaces adhering to City adopted standards for space and furnishings.

PSD11 Energy Conservation and Emission Reduction

This project is an ongoing capital program that provides funding for investment in energy conservation and emission reduction strategies for the City's municipal operations.

PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II

Phase III of the historic restoration of the ornamental steel fence surrounding the Pioneer & soldiers Memorial Cemetery located at Cedar Ave So and Lake St in Minneapolis.

PSD15 Traffic Maintenance Facility Improvement

The scope of the project is to replace the heating, ventilation, air conditioning (HVAC), ceilings and lighting, electrical distribution, and life-safety systems for the building.

PSD16 Farmer's Market Improvements

In order to keep the market competitive, this project will include shed improvements, realignment of parking spaces and other physical improvements to be determined in consultation with the farmers.



31101 311 Systems Refresh

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

91101 911 Telephone System Replacement

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

ART01 Art in Public Places

Existing or New Infrastructure: New

Increase/(Decrease)Amount: 500

Describe Operating Cost Impacts and How Increases Will Be Funded:

As part of the development of all projects, a design assessment is done by an art conservator and an estimate is made of the annual maintenance costs, as well as the costs of periodic treatments, such as repainting. After the assessment, staff meets with the artist and discusses possible design changes which could decrease maintenance costs and make the artwork more durable. This process has resulted in a 67% decrease in maintenance costs since 2003. The above figure is based on the average annual cost of maintaining an artwork. Annual maintenance is funded and provided by CPED and other project partners. For example, for the drinking fountain project, the City has recruited private partners, such as the YWCA and private developers, to do the daily maintenance and the annual winterizing of the lines.

Operating Cost Implication: Increase

Year Increase/(Decrease)Takes effect: 2013

BIK26 Penn Ave S Parallel Bikeway

Existing or New Infrastructure: New

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

BR101 Major Bridge Repair and Rehabilitation

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -20,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

Analysis of "Routine Maintenance" expenses

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2013

BR114 Midtown Corridor Bridge Preservation Program

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -15,500

Describe Operating Cost Impacts and How Increases Will Be Funded:

The amount is an average based on actual costs tracked in the finance system for maintenance work on the bridge which were provided by Bridge Maintenance Foreman.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2014



BR128 3rd Ave S Bridge - Gateway Project

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

CTY02 City Property Reforestation

Existing or New Infrastructure: New

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

The Minneapolis Park & Recreation Board has a Forestry Division with an operating budget for maintaining trees throughout the City. These new and/or replaced trees will be maintained through this budget.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

IT003 Enterprise Content Management

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Universal Records Management licenses were included in the Oracle license conversion of 2010. Hardware is in place to support the URM implementation. Existing operational staff will support the URM environment.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

IT004 Enterprise Infrastructure Modernization

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Cost savings and reductions are important factors and always considered in the planning for future initiatives. There are currently many trends in the technology industry that allow for consolidation, reduction of hardware footprints and lower ongoing maintenance costs. To keep customer costs at a minimum, the Human Resources (HR) and the Information Technology (IT) departments have shifted to a web-based training model for major software initiatives, such as MS Office 2010. No training dollars were spent, and 3,000+ users were effectively trained. IT plans to carry this model and these principles forward to future projects. Because of these factors, IT is confident that with the implementation of the initiatives outlined above, there will be a zero net result in annual operating costs.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

IT033 Police Report Management System Upgrade

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 300,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

Because this is an upgrade as opposed to an entirely new project there are current operating costs for comparison and the new hardware expenses will be similar to the current environment. The software expense is based on multiple vendor demonstrations with cost evaluations including licensing expenses and ongoing support based on a known number of users.

The increased annual expense will be covered through staffing reductions in both the IT support area and the intelligence gathering divisions. Under the current environment there is significant staff required to perform data collection and analysis. With this new technology platform, data mining will be greatly improved with a master name and address index built into the system.

Operating Cost Implication: Increase

Year Increase/(Decrease)Takes effect:



IT034 Minneapolis Information Commons

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 50,000

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

The operating costs are those required for Information Technology resource for data modeling, governance and support activities. There will not be additional software costs because we will leverage an enterprise license on a shared server.

Costs for non-IT staff to perform data stewardship activities were not calculated as these activities should be done apart from this project.

Also not calculated were costs for data architecture and data security as these functions are currently charged back to the enterprise as part of the IT allocation model.

The increased operating costs will also be charged back as part of the IT allocation model.

MBC01 Life Safety Improvements

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2014

Describe Operating Cost Impacts and How Increases Will Be Funded:

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 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 Life Safety Project.

No cost savings has been assigned for reduced risk of property loss.

MBC02 Mechanical Systems Upgrade

Existing or New Infrastructure: New

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -160,000

Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

Installation of four energy wheels has been scheduled for the years 2009 through 2013. The energy wheels will capture energy from exhaust air and utilize that energy to heat, cool, or humidify incoming ventilation air. Originally these outside air intake units were scheduled at the end of the project. They have been rescheduled to capitalize on energy savings and to coordinate construction sequencing issues. It is estimated that each of the four energy wheels will save \$40 thousand dollars per year for a total of \$160 thousand dollars annually after completion of the project.

MBC06 Clock Tower Upgrade

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Costs for the MBC are projected to be substantially unchanged by the project.



PRK01 Recreation Center and Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

All of these projects are intended to improve the efficiency of the buildings. The potential for savings was identified in work the Minneapolis Park and Recreation Board did with McKinstry. This work included the review of recreation centers at Lake Nokomis, Logan, Matthews, McRae and Pershing Parks to determine possible energy savings based on McKinstry's "Guaranteed Savings Performance Contract" model. This analysis showed that it may be possible for the MPRB to achieve 20 to 29% in savings per building with lighting improvements and controls, temperature controls, building envelope improvements (door jams, window/door weather striping, wall/joist seams, roof intrusions), water conservation improvements and vending machine controls. Energy efficiency improvements made at these facilities produced an estimated savings of \$25,000 in the first year. Other improvements such as improved installation and new sensor activated water faucets would result in additional savings. The exact savings depends on the current condition of the building.

Adding air conditioning, however, will increase the costs of operating the building. Due to the addition of air conditioning in some facilities, the MPRB is not projecting an overall decrease in operating costs due to the energy efficiency improvements.

PRK02 Playground and Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating costs are generally decreased, as replacement and updating of playgrounds reduce the need for spot repairs and removal of damaged or unsafe equipment.

PRK03 Shelter - Pool - Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

The current facilities are very old and use outdated pumps and heaters. New equipment and facilities will use less water and energy. Final figures for cost savings will be determined as part of the design and engineering of the projects.

PRK04 Athletic Fields and Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 5,000

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

This is based on costs of maintaining other upgraded neighborhood park fields, such as the newer field at Rev. Dr. Martin Luther King Jr Park. Costs are associated with irrigation, aeration and fertilization of the turf.



PRK30 Community Service Area Improvement Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

The planning process for each CSA is expected to include preliminary operational modeling that will help determine if the recommended changes fit within existing operation budgets. The goal will be for no net increase in operating costs.

PRK32 Northeast Park Building Improvements

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

The Park Board would transfer funds used to operate and program the current recreation center at Northeast Park to a new facility. In addition, planning for the building would include preliminary modeling of operating costs, with the goal of staying within current operating cost levels.

PRKCP Neighborhood Parks Capital Infrastructure

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

The sidewalk/interior path replacement will be a direct replacement and will reduce the need for minor fixes or patches.

The operating cost impacts of the grant match will depend on the projects that are selected for funding. If the project will result in an increase in operating cost, the grant request will require Park Board approval.

Riverfront master plans and the Grand Rounds Missing Link master plans will require a full analysis of the potential operating cost increases. This work is in progress and will need to be complete prior to finishing master plan updates for both future park areas.

PRKDT Diseased Tree Removal

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

N/A



PSD01 Facilities - Repair and Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating costs will not increase but will remain stable through continued investment in planned capital maintenance investment. However, because of the large number of facilities and the variety in size and scope of the various maintenance projects it is difficult to quantify savings in a meaningful way.

Operational increases are avoided annual investment in facilities, which prevents operational costs from significantly increasing in the future. Efficiencies are gained through upgrades to building features and systems such as floorings & finishes, mechanical, electrical, and lighting. Specific examples include: installation of low maintenance floorings, carpet tiles (as opposed to roll carpets), computerized HVAC controls, dual fuel heating and cooling systems, high efficiency boilers and energy efficient hot water heaters, water usage reductions thru new generation plumbing fixtures, energy efficient lighting and occupancy sensors. The savings achieved by annual investment in facilities is the key to keeping costs from significantly increasing in the future and continuing to protect and maintain the City's current investment in facilities.

PSD03 Facilities - Space Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -1,087,000

Year Increase/(Decrease)Takes effect: 2010

Describe Operating Cost Impacts and How Increases Will Be Funded:

By standardizing space allocation and functionally improving space, the City has been able to utilize its office space more efficiently, with an approximate 15% gain in square footage overall. Though the cost is not reflected in the operating cost savings at this time, the expenses for moves, reconfiguration and ergonomic adjustment have and will continue to decrease. In addition, the City has been able to reduce its annual real estate costs by reducing leased space. In 2010, this Program contributed to the reduction of \$1,000,000 in annual lease costs with the relocation of the City Attorney offices into City Hall. In 2012, the Community Services Building will be vacated, resulting in an annual cost savings of \$24,000. In 2013, it is expected that an additional annual reduction of \$63,000 in lease costs will be realized by vacating the Tri-Tech building and moving these offices into City space. Another proven outcome, though not readily quantifiable, is that standard office furnishings that are adjustable will allow for ergonomic provisions in work spaces and workers compensation related expenses associated with repetitive injury will be reduced through the implementation of ergonomic furniture standards.

PSD11 Energy Conservation and Emission Reduction

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -100,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

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.

PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -1,500

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

Current maintenance and repairs to the existing fencing are expensive stop-gap measures with no long term value. The proposed complete restoration of the fence will reduce ongoing maintenance costs. The decrease is based upon the elimination of actual; annual maintenance costs related to the existing fence.



PSD16 Farmer's Market Improvements

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect: 2017

PV001 Parkway Paving Program

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -22,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately \$6,000 per mile per year.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2010

PV006 Alley Renovation Program

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -6,850

Describe Operating Cost Impacts and How Increases Will Be Funded:

The continuation of this program will reduce ongoing maintenance needs for the overlaid alleys and the improved retaining walls in the Alley Renovation program. These improvements will release maintenance money for other alleys and retaining walls where additional maintenance is needed. The current street maintenance expenditure in alleys in "poor" or "very poor" condition is estimated at approximately \$1000 per alley per year. Over the five years of this program alley maintenance expenditures are decreased by approximately \$35,000.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2013

PV038 Winter St NE Residential/Commercial

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -3,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately \$3,000 for a mixed use type of roadway.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2013

PV056 Asphalt Pavement Resurfacing Program

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -30,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2013



PV057 Nicollet Ave (Lake St E to 40th St E)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -6,000

Year Increase/(Decrease)Takes effect: 2012

Describe Operating Cost Impacts and How Increases Will Be Funded:

The amount saved is based on \$6,000 per mile which is assumed for a high volume roadway.

PV059 Major Pavement Maintenance Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -6,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating cost impacts are based on historical data from the maintenance department for this type of work.

PV061 High Volume Corridor Reconditioning Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -24,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

These projects decrease the maintenance expenses by removing and replacing the old deteriorated wearing surface of the roadway. The current street maintenance expenditure is estimated at approximately \$6,000 per mile per year.

PV063 Unpaved Alley Construction

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -700

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

This program will reduce ongoing maintenance needs for unpaved alleys in the Unpaved Alley Construction program. These improvements will release maintenance money for other uses where additional maintenance is needed. The current street maintenance expenditure for a dirt or oiled dirt surfaced alley is estimated at approximately \$700 per alley per year.

Over the five years of this program, it is estimated that 10 alleys at minimum will be improved. Because this program will not begin until 2013, it is unknown exactly how much each alley will cost to be improved. It is expected that after the first years of the program, an accurate cost will be determined for these improvements, and the number of alleys constructed each year may change.

PV069 Penn Ave S (50th to Crosstown)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -9,000

Year Increase/(Decrease)Takes effect: 2012

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current stree maintenance expenditure is estimated at approximately \$6,000 for a commercial/MSA type of roadway.



PV070 Riverside Extension - 4th St/15th Ave

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -3,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately \$6,000 for a commercial/MSA type of roadway.

PV074 CSAH & MnDOT Cooperative Projects

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

Hennepin County provides Minneapolis funds to complete maintenance on their roads. Rebuilding a road releases maintenance money to other county roadways where additional maintenance is needed.

PV075 Development Infrastructure Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Guidelines are:

- 60 years for reconstructed roadway
- 10 years for reconditioned or resurfaced roadway
- 75 years for new bridge
- Varies for bridge rehabilitation based on condition and scope of work
- 100 years for new storm, sanitary, water utilities
- 50 years for rehabilitated storm, sanitary, water utilities

Operating costs will be compiled in consultation with the responsible department, in most cases Public Works. It is likely that any proposed new public infrastructure will need to be maintained through the existing operation and maintenance budget.

PV081 46th St W (Dupont to Lyndale Ave S)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -1,500

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

The amount saved is based on \$6,000 per mile which is assumed for a high volume roadway.

PV082 31st St E (Minnehaha to 28th Ave S)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -500

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately \$1,000 per mile for a residential type of roadway.



PV085 Nicollet Mall Planning

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately \$6,000 for a commercial/MSA type of roadway.

PV091 Penn Ave N Cooperative Project

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

PV99R Reimbursable Paving Projects

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

RMP01 Parking Facilities - Repair and Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -400,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

The bulk of previous projects completed under this program resulted in labor savings due to function automation, energy savings or increased business potential due to new services such as credit card payment. Actual documentable savings paybacks are in the 3-4 year range, which equates to approximately \$400,000 annual cost savings based on the appropriation amount.

SA001 Sanitary Tunnel & Sewer Rehabilitation Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -100,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

The decreased amount of operating costs represents savings in labor, equipment and material expenses associated with the ongoing maintenance and small repair of the areas in most need of rehabilitation within the sanitary sewer system. Clear water can also be removed with these projects, potentially reducing MCES treatment costs.

SA036 Infiltration & Inflow Removal Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Costs were determined with past practices, and this work does not result in increased operating costs.



SA99R Reimbursable Sanitary Sewer Projects

Existing or New Infrastructure:

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

SW004 Implementation of US EPA Storm Water Regulations

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Construction of new stormwater best management practices (BMPs) may require additional maintenance costs which will be paid for from the stormwater utility maintenance funding depending on the BMP constructed. These costs may be leveraged as capital construction costs to assure proper maintenance is done.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

SW005 Combined Sewer Overflow Improvements

Existing or New Infrastructure: New

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Costs were determined with past practices, and this work does not result in increased operating costs.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

SW011 Storm Drains and Tunnels Rehabilitation Program

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -300,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

The decreased amount of operating costs represents savings in labor, equipment and material expenses associated with the ongoing maintenance and small repair of the areas in most need of rehabilitation within the storm drain tunnel system.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2013

SW039 Flood Mitigation with Alternative Stormwater Mgmt

Existing or New Infrastructure: New

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project may increase annual operating and maintenance costs of the Surface Water & Sewers 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.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect: 2013

SW99R Reimbursable Sewer & Storm Drain Projects

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:



SWK01 Defective Hazardous Sidewalks

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

This proposal has no effect on annual operating/maintenance costs. Funds for the operation of the Sidewalk Inspection office are provided by: 1) the Sidewalk Construction Permit fees paid by contractors, 2) Administrative fees paid by property owners when they are notified by the Sidewalk Inspections office and are required by ordinance to repair public sidewalk defects, or, when they request the use of the City hired sidewalk contractor to make needed repairs to defective public sidewalk, and 3) Administrative 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 maintaining the public sidewalks is required by ordinance (City Charter, Chapter 8, Section 12 and 13)and is to be paid for by the adjacent property owner.

TR008 Parkway Street Light Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -6,000

Year Increase/(Decrease)Takes effect: 2014

Describe Operating Cost Impacts and How Increases Will Be Funded:

It's estimated that personnel cost would be reduced by \$4,500 and equipment rental by \$1,500.

TR011 City Street Light Renovation

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -7,500

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

It's estimated that personnel cost would be reduced by \$6,000 and equipment rental by \$1,500. This project will replace existing lights resulting in a decrease in maintenance costs. Wattage will be reduced in some locations also resulting in an electrical savings.

TR021 Traffic Signals

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -20,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

Replacement of old and obsolete traffic signal system equipment with capital funding will help reduce the amount of maintenance money that is used towards replacement of failing equipment. It also helps reduce the number of hours personnel spends maintaining the old and obsolete traffic signal system equipment and more hours can be used on work activities that were previously understaffed.

TR022 Traffic Safety Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 6,000

Year Increase/(Decrease)Takes effect: 2013

Describe Operating Cost Impacts and How Increases Will Be Funded:

Overhead signal additions would increase operating costs by \$15.00 per unit per year. There are 73 overhead signal structures proposed for construction from 2013 to 2016. The SRTS Program will replace some of the existing infrastructure. However, it's expected that potential increases may be realized with future infrastructure additions. The increased maintenance costs will be paid through the existing maintenance budget.



TR99R Reimbursable Transportation Projects

Existing or New Infrastructure:

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

WTR12 Water Distribution Improvements

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -10,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

Reduced maintenance needed for rehabilitated pipes.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2013

WTR18 Water Maintenance Facility

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: -100,000

Describe Operating Cost Impacts and How Increases Will Be Funded:

The proposed project will result in decreased operating costs that are directly related to a modern design standards, including being equal to a Silver Rating, based on the criteria of Leadership in Energy and Environmental Design (LEED).

On the other hand, due to the pending replacement of the existing facilities, the City has deferred maintenance at the current facility for the past several years. If this Project is not approved, a considerable amount of deferred maintenance work will need to be performed on the existing buildings, thereby increasing the current annual operating costs.

Operating Cost Implication: (Decrease)

Year Increase/(Decrease)Takes effect: 2014

WTR23 Treatment Infrastructure Improvements

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

The general plan is for a neutral change or decrease in operating costs. Attempts to improve efficiency are pursued wherever possible.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

WTR24 Fridley Filter Plant Rehabilitation

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Generally plan for neutral change or decrease in operating cost. Attempt to improve efficiency wherever possible.

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:

WTR9R Reimbursable Watermain Projects

Existing or New Infrastructure: Existing

Increase/(Decrease)Amount: 0

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Cost Implication: No Change

Year Increase/(Decrease)Takes effect:



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
31101 311 Systems Refresh	Other Departments	231	231	235	235
91101 911 Telephone System Replacement	Other Departments	100	100	100	100
ART01 Art in Public Places	CPED	805	805	605	605
BIK25 Bluff Street Bike Trail Project	Public Works			1,100	1,100
BIK26 Penn Ave S Parallel Bikeway	Public Works			50	50
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR112 Nicollet Ave Reopening	Public Works	500			
BR114 Midtown Corridor Bridge Preservation Program	Public Works	2,015	2,015	2,015	2,015
BR128 3rd Ave S Bridge - Gateway Project	Public Works			50	50
CTY02 City Property Reforestation	Other Departments	150	150	150	150
CTY06 ADA Facility Assessments	Other Departments	50			
IT003 Enterprise Content Management	IT Department	350	350	350	350
IT004 Enterprise Infrastructure Modernization	IT Department	750	450	250	250
IT031 Geographical Information System (GIS)	IT Department	100			
IT032 Mobile Computing Framework	IT Department	100			
IT033 Police Report Management System Upgrade	IT Department	350	350	350	350
IT034 Minneapolis Information Commons	IT Department	200		200	200
MBC01 Life Safety Improvements	MBC	340	340	340	340
MBC02 Mechanical Systems Upgrade	MBC	675	675	675	675
MBC06 Clock Tower Upgrade	MBC	839	839	839	839
MPD03 Hamilton School Acquisition & Facility Improvement	Police Department	200	677		
PRK01 Recreation Center and Site Improvements Program	Park Board	350	350	350	350
PRK02 Playground and Site Improvements Program	Park Board	775	775	775	775
PRK03 Shelter - Pool - Site Improvements Program	Park Board	2,500	2,500	2,500	2,500
PRK04 Athletic Fields and Site Improvements Program	Park Board	875	875	875	875
PRK30 Community Service Area Improvement Program	Park Board	1,000	1,000	1,000	1,000
PRK32 Northeast Park Building Improvements	Park Board	1,900	1,900	1,900	1,900
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	100	100	100	1,850
PRKDT Diseased Tree Removal	Park Board	500	300	300	300
PSD01 Facilities - Repair and Improvements	Other Departments	830	830	830	830
PSD03 Facilities - Space Improvements	Other Departments	1,000	1,000	1,000	1,000
PSD11 Energy Conservation and Emission Reduction	Other Departments	250	250	250	250
PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II	Public Works	500	500	500	500
PSD16 Farmer's Market Improvements	Other Departments			50	50
PV001 Parkway Paving Program	Public Works	1,210	1,210	1,210	1,070
PV006 Alley Renovation Program	Public Works	170	170	170	170
PV007 University Research Park/Central Corridor	Public Works	13,071	13,071		
PV038 Winter St NE Residential/Commercial	Public Works	5,355	5,355	5,355	5,355
PV056 Asphalt Pavement Resurfacing Program	Public Works	2,755	2,755	2,800	2,800
PV057 Nicollet Ave (Lake St E to 40th St E)	Public Works	9,370	9,370	9,370	9,370
PV059 Major Pavement Maintenance Program	Public Works	400	400	400	400
PV061 High Volume Corridor Reconditioning Program	Public Works	5,357	5,357	5,556	5,556
PV063 Unpaved Alley Construction	Public Works	300	300	300	300
PV069 Penn Ave S (50th to Crosstown)	Public Works	8,175	8,175	8,175	8,175
PV070 Riverside Extension - 4th St/15th Ave	Public Works	1,000	1,000	1,000	1,000
PV074 CSAH & MnDOT Cooperative Projects	Public Works	4,955	4,955	5,310	5,310



2013 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
PV075 Development Infrastructure Program	CPED	2,500	1,726	2,300	2,300
PV081 46th St W (Dupont to Lyndale Ave S)	Public Works	2,575	2,575	2,575	2,575
PV082 31st St E (Minnehaha to 28th Ave S)	Public Works	880	880	880	880
PV085 Nicollet Mall Planning	Public Works			555	555
PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Public Works	2,545	2,545		
PV091 Penn Ave N Cooperative Project	Public Works			200	200
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	5,000	5,000	5,000	5,000
SA036 Infiltration & Inflow Removal Program	Public Works	2,000	2,000	2,000	2,000
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	10,000	10,000	10,000	10,000
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	2,000	2,000	2,000	2,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,210	3,210	3,210	3,210
TR008 Parkway Street Light Replacement	Public Works	1,000	1,000	1,000	590
TR011 City Street Light Renovation	Public Works	400	400	400	400
TR021 Traffic Signals	Public Works	2,900	2,900	2,900	2,900
TR022 Traffic Safety Improvements	Public Works	1,390	1,390	1,390	1,390
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,500	6,500	6,500	6,500
WTR18 Water Maintenance Facility	Public Works	3,000	3,000	3,000	3,000
WTR23 Treatment Infrastructure Improvements	Public Works	4,500	4,500	4,500	4,500
WTR24 Fridley Filter Plant Rehabilitation	Public Works	2,700	2,700	2,700	2,700
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
Total		136,503	134,756	121,445	122,645



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
31101 311 Systems Refresh	Other Departments	231	231	230	230
91101 911 Telephone System Replacement	Other Departments	975	975	975	975
ART01 Art in Public Places	CPED	592	592	445	445
BIK20 Hiawatha LRT Trail Lighting	Public Works	1,575	1,575	1,575	1,575
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR111 10th Ave SE Bridge Arch Rehabilitation	Public Works	10,070	10,070	10,070	10,070
BR116 Bridge 9 Improvements	Public Works	2,345	2,345	2,345	2,345
CTY01 Restoration of Historic Reception Room	MBC	462			
CTY02 City Property Reforestation	Other Departments	150	150	150	150
CTY06 ADA Facility Assessments	Other Departments	100			
IT003 Enterprise Content Management	IT Department	300	300	300	300
IT004 Enterprise Infrastructure Modernization	IT Department	750	550	500	500
IT031 Geographical Information System (GIS)	IT Department	100			
IT032 Mobile Computing Framework	IT Department	100			
IT033 Police Report Management System Upgrade	IT Department	1,000	1,000	1,000	1,000
IT034 Minneapolis Information Commons	IT Department	50		50	50
MBC01 Life Safety Improvements	MBC	300	300	300	300
MBC02 Mechanical Systems Upgrade	MBC	770	770	770	770
MPD03 Hamilton School Acquisition & Facility Improvement	Police Department	2,000	123		
PRK02 Playground and Site Improvements Program	Park Board	750	750	750	750
PRK03 Shelter - Pool - Site Improvements Program	Park Board	2,000	2,000	2,000	2,000
PRK04 Athletic Fields and Site Improvements Program	Park Board	1,150	1,150	1,150	1,150
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	100	100	100	100
PRKDT Diseased Tree Removal	Park Board	500	300	300	300
PSD01 Facilities - Repair and Improvements	Other Departments	1,115	1,115	1,115	1,115
PSD03 Facilities - Space Improvements	Other Departments	1,000	1,000	1,000	1,000
PSD11 Energy Conservation and Emission Reduction	Other Departments	250	250	250	250
PSD12 Pioneers & Soldiers Cemetery Fencing - Phase II	Public Works	300	300	300	300
PV001 Parkway Paving Program	Public Works	2,510	2,510	2,510	2,510
PV006 Alley Renovation Program	Public Works	250	250	250	250
PV007 University Research Park/Central Corridor	Public Works	3,649	3,649		
PV027 Hennepin/Lyndale	Public Works	3,440	3,440		
PV035 TH121/Lyndale Ave S	CPED	300	300	300	300
PV056 Asphalt Pavement Resurfacing Program	Public Works	2,594	2,594	2,595	2,595
PV061 High Volume Corridor Reconditioning Program	Public Works	3,305	3,305	3,305	3,305
PV063 Unpaved Alley Construction	Public Works	300		300	300
PV067 Nawadaha Blvd & Minnehaha Ave	Public Works	2,305		2,305	2,305
PV068 LaSalle Ave (Grant to 8th)	Public Works	7,045	7,045	7,045	7,045
PV069 Penn Ave S (50th to Crosstown)	Public Works	5,465	5,465	5,465	5,465
PV070 Riverside Extension - 4th St/15th Ave	Public Works	2,120	2,120	2,120	2,120
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,320	1,320	1,320	1,320
PV075 Development Infrastructure Program	CPED	700		700	700
PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	Public Works			2,000	2,000
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	4,000	4,000	4,000	4,000



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SA036 Infiltration & Inflow Removal Program	Public Works	3,000	3,000	3,000	3,000
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	10,200	10,200	10,200	10,200
SW033 Flood Area 22 - Sibley Field	Public Works	3,015	3,015	3,015	3,015
SW034 Flood Area 21 - Bloomington Pond	Public Works	4,840	4,840	4,840	4,840
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,365	3,365	3,365	3,365
TR008 Parkway Street Light Replacement	Public Works	1,700	1,700	1,700	1,700
TR011 City Street Light Renovation	Public Works	700	700	700	700
TR021 Traffic Signals	Public Works	2,035	2,035	2,035	2,035
TR022 Traffic Safety Improvements	Public Works	2,090	2,090	2,090	2,090
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,700	6,700	6,700	6,700
WTR18 Water Maintenance Facility	Public Works	4,000	4,000	4,000	4,000
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	6,200	6,200	6,200	6,200
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
Total		137,133	130,739	128,685	128,685



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
91101 911 Telephone System Replacement	Other Departments	975	975	975	975
ART01 Art in Public Places	CPED	583	583	435	435
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR117 1st St N Bridge over Bassett's Creek	Public Works	1,630			
CTY01 Restoration of Historic Reception Room	MBC	1,038			
CTY02 City Property Reforestation	Other Departments	150	150	150	150
FIR11 New Fire Station No. 11	Fire Department	1,475	1,861	465	465
IT003 Enterprise Content Management	IT Department	250	250	250	250
IT004 Enterprise Infrastructure Modernization	IT Department	750	650	600	600
IT031 Geographical Information System (GIS)	IT Department	100			
IT032 Mobile Computing Framework	IT Department	100			
IT033 Police Report Management System Upgrade	IT Department	2,000	2,000	2,000	2,000
IT034 Minneapolis Information Commons	IT Department	50		50	50
MBC01 Life Safety Improvements	MBC	200	200	200	200
MBC02 Mechanical Systems Upgrade	MBC	600	600	600	600
MBC04 MBC Elevators	MBC	200	200	200	200
MBC10 Exterior Improvements	MBC	460	460	460	460
MPD03 Hamilton School Acquisition & Facility Improvement	Police Department	1,000	1,000		
PRK01 Recreation Center and Site Improvements Program	Park Board	450	450	450	450
PRK02 Playground and Site Improvements Program	Park Board	1,550	1,550	1,550	1,550
PRK03 Shelter - Pool - Site Improvements Program	Park Board	500	500	500	500
PRK04 Athletic Fields and Site Improvements Program	Park Board	250	250	250	250
PRK31 Bossen Park Field Improvements	Park Board	950	950	950	950
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	300	300	300	300
PRKDT Diseased Tree Removal	Park Board	500	300	300	300
PSD01 Facilities - Repair and Improvements	Other Departments	1,200	1,200	1,200	1,200
PSD03 Facilities - Space Improvements	Other Departments	750	750	750	750
PSD11 Energy Conservation and Emission Reduction	Other Departments	500	500	500	500
PV001 Parkway Paving Program	Public Works	1,410	1,410	1,410	1,410
PV005 Snelling Ave Extension	CPED	1,000			
PV006 Alley Renovation Program	Public Works	250	250	250	250
PV007 University Research Park/Central Corridor	Public Works	12,010	12,010	12,010	12,010
PV027 Hennepin/Lyndale	Public Works	7,325	7,325	6,825	6,825
PV056 Asphalt Pavement Resurfacing Program	Public Works	1,500	1,500	1,500	1,500
PV061 High Volume Corridor Reconditioning Program	Public Works	3,055	3,055	3,055	3,055
PV063 Unpaved Alley Construction	Public Works	300	222	300	300
PV070 Riverside Extension - 4th St/15th Ave	Public Works	500	500	500	500
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Public Works	4,845	4,845	4,845	4,845
PV074 CSAH & MnDOT Cooperative Projects	Public Works	2,940	2,940	2,940	2,940
PV075 Development Infrastructure Program	CPED	1,000		1,000	1,000
PV083 Minnehaha Ave (24th to 26th St E)	Public Works	3,425		3,425	3,425
PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	Public Works	1,135	1,135	1,200	1,200
PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Public Works			1,945	1,945
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	4,000	4,000	4,000	4,000



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SA036 Infiltration & Inflow Removal Program	Public Works	3,000	3,000	3,000	3,000
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	9,100	9,100	9,100	9,100
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	3,288	3,288	3,288	3,288
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,520	3,520	3,520	3,520
TR008 Parkway Street Light Replacement	Public Works	1,700	1,700	1,700	1,700
TR010 Traffic Management Systems	Public Works	3,410	3,410	3,410	3,410
TR011 City Street Light Renovation	Public Works	350	350	350	350
TR021 Traffic Signals	Public Works	2,125	2,125	2,125	2,125
TR022 Traffic Safety Improvements	Public Works	1,150	1,150	1,150	1,150
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,900	6,900	6,900	6,900
WTR23 Treatment Infrastructure Improvements	Public Works	5,100	5,100	5,100	5,100
WTR24 Fridley Filter Plant Rehabilitation	Public Works	10,000	10,000	10,000	10,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
Total		128,799	120,464	123,933	123,933



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	500	500	375	375
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR126 40th St Pedestrian & Bicycle Bridge over 35W	Public Works	2,305	2,305	2,305	2,305
CTY01 Restoration of Historic Reception Room	MBC	1,350			
CTY02 City Property Reforestation	Other Departments	150	150	150	150
CTY05 City Hall Elevator Upgrade	Other Departments	150			
FIR11 New Fire Station No. 11	Fire Department	4,250	3,864	1,910	1,910
IT003 Enterprise Content Management	IT Department	200	200	200	200
IT004 Enterprise Infrastructure Modernization	IT Department	750	550	500	500
IT031 Geographical Information System (GIS)	IT Department	100			
IT032 Mobile Computing Framework	IT Department	100			
IT033 Police Report Management System Upgrade	IT Department	1,000	1,000	1,000	1,000
IT034 Minneapolis Information Commons	IT Department	50		50	50
MBC01 Life Safety Improvements	MBC	320	320	320	320
MBC02 Mechanical Systems Upgrade	MBC	400	400	400	400
MBC04 MBC Elevators	MBC	290			
MBC09 Critical Power Capital Project	MBC	980	980	340	340
MBC10 Exterior Improvements	MBC	2,150			
MPD02 MPD Property & Evidence Warehouse	Police Department	4,000			
MPD03 Hamilton School Acquisition & Facility Improvement	Police Department	1,000			
PRK02 Playground and Site Improvements Program	Park Board	300	300	300	300
PRK03 Shelter - Pool - Site Improvements Program	Park Board	500	500	500	500
PRK31 Bossen Park Field Improvements	Park Board	2,900	2,900	2,900	2,900
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	300	300	300	300
PRKDT Diseased Tree Removal	Park Board	500	300	300	300
PSD01 Facilities - Repair and Improvements	Other Departments	1,200	1,200	1,200	1,200
PSD03 Facilities - Space Improvements	Other Departments	750	750	750	750
PSD11 Energy Conservation and Emission Reduction	Other Departments	500	500	500	500
PV001 Parkway Paving Program	Public Works	2,750	2,750	2,750	2,750
PV006 Alley Renovation Program	Public Works	250	250	250	250
PV007 University Research Park/Central Corridor	Public Works	5,080	5,080	5,080	5,080
PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Public Works	3,036	3,036	3,035	3,035
PV027 Hennepin/Lyndale	Public Works			3,975	3,975
PV056 Asphalt Pavement Resurfacing Program	Public Works	1,500	1,500	1,500	1,500
PV061 High Volume Corridor Reconditioning Program	Public Works	1,500	1,500	1,500	1,500
PV063 Unpaved Alley Construction	Public Works	300		300	300
PV072 Pedestrian Improvement Project	Public Works	700	700	700	700
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Public Works	4,990	4,990	4,990	4,990
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,430	1,430	1,430	1,430
PV075 Development Infrastructure Program	CPED	960		960	960
PV076 38th St E (Hiawatha to Minnehaha)	Public Works	2,440	2,440	2,440	2,440
PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	Public Works	2,065	2,065		
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,750	3,750	3,750	3,750
SA036 Infiltration & Inflow Removal Program	Public Works	2,500	2,500	2,500	2,500



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	9,400	9,400	9,400	9,400
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	6,580	6,580	6,580	6,580
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,675	3,675	3,675	3,675
TR008 Parkway Street Light Replacement	Public Works	1,700	1,700	1,700	1,700
TR010 Traffic Management Systems	Public Works	3,210	3,210	3,210	3,210
TR011 City Street Light Renovation	Public Works	350	350	350	350
TR021 Traffic Signals	Public Works	2,175	2,175	2,175	2,175
TR022 Traffic Safety Improvements	Public Works	1,050	1,050	1,050	1,050
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	7,100	7,100	7,100	7,100
WTR23 Treatment Infrastructure Improvements	Public Works	5,200	5,200	5,200	5,200
WTR24 Fridley Filter Plant Rehabilitation	Public Works	8,000	8,000	8,000	8,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
Total		124,636	113,400	113,850	113,850



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	500	500	375	375
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR106 1st Ave S over HCRRA	Public Works	4,125	4,125	4,125	4,125
BR112 Nicollet Ave Reopening	Public Works	6,515			
BR127 Nicollet Ave over Minnehaha Creek	Public Works	12,500	6,250		
CTY01 Restoration of Historic Reception Room	MBC	1,350			
CTY02 City Property Reforestation	Other Departments	150	150	150	150
FIR11 New Fire Station No. 11	Fire Department			3,350	3,350
IT003 Enterprise Content Management	IT Department	150	150	150	150
IT004 Enterprise Infrastructure Modernization	IT Department	750	550	500	500
IT032 Mobile Computing Framework	IT Department	100			
IT033 Police Report Management System Upgrade	IT Department	1,000	1,000	1,000	1,000
IT034 Minneapolis Information Commons	IT Department	50		50	50
MBC02 Mechanical Systems Upgrade	MBC	250	250	250	250
MBC09 Critical Power Capital Project	MBC	980	980	980	980
MBC10 Exterior Improvements	MBC	1,390			
PRK02 Playground and Site Improvements Program	Park Board	1,400	1,400	1,400	1,400
PRK03 Shelter - Pool - Site Improvements Program	Park Board	500	500	500	500
PRK30 Community Service Area Improvement Program	Park Board	1,500	1,500	1,500	1,500
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	600	600	600	600
PRKDT Diseased Tree Removal	Park Board	500	300	300	300
PSD01 Facilities - Repair and Improvements	Other Departments	2,000	1,675	1,675	1,675
PSD03 Facilities - Space Improvements	Other Departments	750	750	750	750
PSD11 Energy Conservation and Emission Reduction	Other Departments	500	500	500	500
PSD15 Traffic Maintenance Facility Improvement	Public Works	500			
PV001 Parkway Paving Program	Public Works	1,750	1,750	1,750	1,750
PV005 Snelling Ave Extension	CPED	2,395			
PV006 Alley Renovation Program	Public Works	250	250	250	250
PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Public Works	935	935	935	935
PV035 TH121/Lyndale Ave S	CPED	11,660	11,660	11,660	11,660
PV056 Asphalt Pavement Resurfacing Program	Public Works	1,500	1,500	1,500	1,500
PV061 High Volume Corridor Reconditioning Program	Public Works	1,500	1,500	1,500	1,500
PV063 Unpaved Alley Construction	Public Works	300		300	300
PV072 Pedestrian Improvement Project	Public Works	700	700	700	700
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,700	1,700	1,700	1,700
PV075 Development Infrastructure Program	CPED	1,875		1,875	1,875
PV080 18th Ave NE (Monroe to Johnson St NE)	Public Works	7,770	7,770	7,770	7,770
PV084 54th St W (Penn to Lyndale Ave S)	Public Works	8,570	4,515	4,515	4,515
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RMP01 Parking Facilities - Repair and Improvements	Public Works	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,750	3,750	3,750	3,750
SA036 Infiltration & Inflow Removal Program	Public Works	2,500	2,500	2,500	2,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	10,100	10,100	10,100	10,100



Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SW032 I-35W Storm Tunnel Reconstruction	Public Works	1,000	1,000	1,000	1,000
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,830	3,830	3,830	3,830
TR008 Parkway Street Light Replacement	Public Works	1,700	1,700	1,700	1,700
TR010 Traffic Management Systems	Public Works	470	470	470	470
TR011 City Street Light Renovation	Public Works	500	500	500	500
TR021 Traffic Signals	Public Works	1,750	1,750	1,750	1,750
TR022 Traffic Safety Improvements	Public Works	300	300	300	300
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	7,300	7,300	7,300	7,300
WTR23 Treatment Infrastructure Improvements	Public Works	5,400	5,400	5,400	5,400
WTR24 Fridley Filter Plant Rehabilitation	Public Works	10,000	10,000	10,000	10,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	143,515	118,010	117,160	117,160

Glossary of Terms & Abbreviations for the Capital Program

CLIC - Capital Long-Range Improvement Committee – a committee of up to 33 private citizens appointed by the 13 Council members (2 per Ward) and Mayor (7). The committee reviews Capital proposals and recommends priorities for capital spending within specified resource parameters.

REVENUE SOURCE RELATED DESCRIPTIONS:

NDB - Net Debt Bonds – property tax supported bonds issued to finance general infrastructure improvements. Debt service is paid by taxes collected for the annual Bond Redemption Levy.

Park Capital Levy – A portion of the Park Board's tax levy dedicated to Capital Improvements.

MSA - Municipal State Aid - refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

Special Assessments - improvements paid for partially or wholly by property owners.

IAP – Infrastructure Acceleration Program – this is a five-year increase in capital improvement resources using one-time trust fund or general fund dollars to expedite completion of critical capital projects. This program runs from 2009 – 2013.

Other – Refers to all other categories of resources used to support capital programs including grants from other governmental agencies or private foundations, transfers from City operating funds, land sale proceeds, etc. In addition to the other sources above, Public Works has several divisions that have a reimbursable project for tracking and billing overhead costs and for performing construction activities that are billed to the specific projects, benefiting City departments, outside government agencies and private businesses.

Stormwater Bonds/Stormwater Revenue - bonds related to the Stormwater enterprise. Debt Service is paid by user fees charged for enterprise services. Stormwater revenues are used as a “pay as you go” cash source. These revenue sources are also applicable to the Sanitary Sewer, Water and Parking enterprises of the City.

ACRONYMS & ABBREVIATIONS USED IN PROJECT TITLES:

311 – refers to a system to call into the City for general information or to report a problem that is not life threatening

911 – refers to the 911 Emergency call in system for life threatening or other serious needs for assistance

Ave – Avenue

Blvd - Boulevard

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:

MnDOT – Minnesota Department of Transportation – the State of Minnesota Department responsible for maintaining the State’s transportation network.

HCRRA – Hennepin County Regional Railroad Authority

35W – Interstate Highway 35W, passes through downtown Minneapolis

LRT – Light Rail Transit

US EPA – United States Environmental Protection Agency

GIS – Geographical Information System

ADA – Americans with Disabilities Act – a law enacted in 1990 by the U.S. Congress

MPD – Minneapolis Police Department

Brdwy - Broadway

Pkwy - Parkway

TH121 – Trunk Highway 121

Wash - Washington

SUBMITTING AGENCY OR DEPARTMENT ABBREVIATIONS:

CPED – Community Planning & Economic Development

IT Department – Information Technology Department

MBC – Municipal Building Commission

**City of Minneapolis
2013 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 H2
- Attorney H8
- City Clerk/Elections H14
- City Council H20
- City Coordinator
 - Total City Coordinator Summary Pages H24
 - City Coordinator - Administration H30
 - 311 H35
 - 911 H40
 - Emergency Management H45
 - Information Technology H50
 - Communications H56
 - Convention Center H62
 - Finance and Property Services H68
 - Human Resources H77
 - Intergovernmental Relations H86
 - Neighborhood and Community Relations H92
- Civil Rights H99
- Community Planning and Economic Development H105
- Fire H120
- Health and Family Support H127
- Internal Audit H138
- Mayor H144
- Police H149
- Public Works
 - Total Public Works Summary Pages H158
 - Administration H169
 - Fleet Services H173
 - Solid Waste and Recycling H177
 - Surface Water & Sanitary Sewer – Sanitary Sewer H181
 - Surface Water & Sanitary Sewer – Stormwater H185
 - Traffic and Parking Services H189
 - Transportation Maintenance and Repair H195
 - Transportation Planning and Engineering H200
 - Water Treatment and Distribution H205
- Regulatory Services H209

ASSESSOR

MISSION

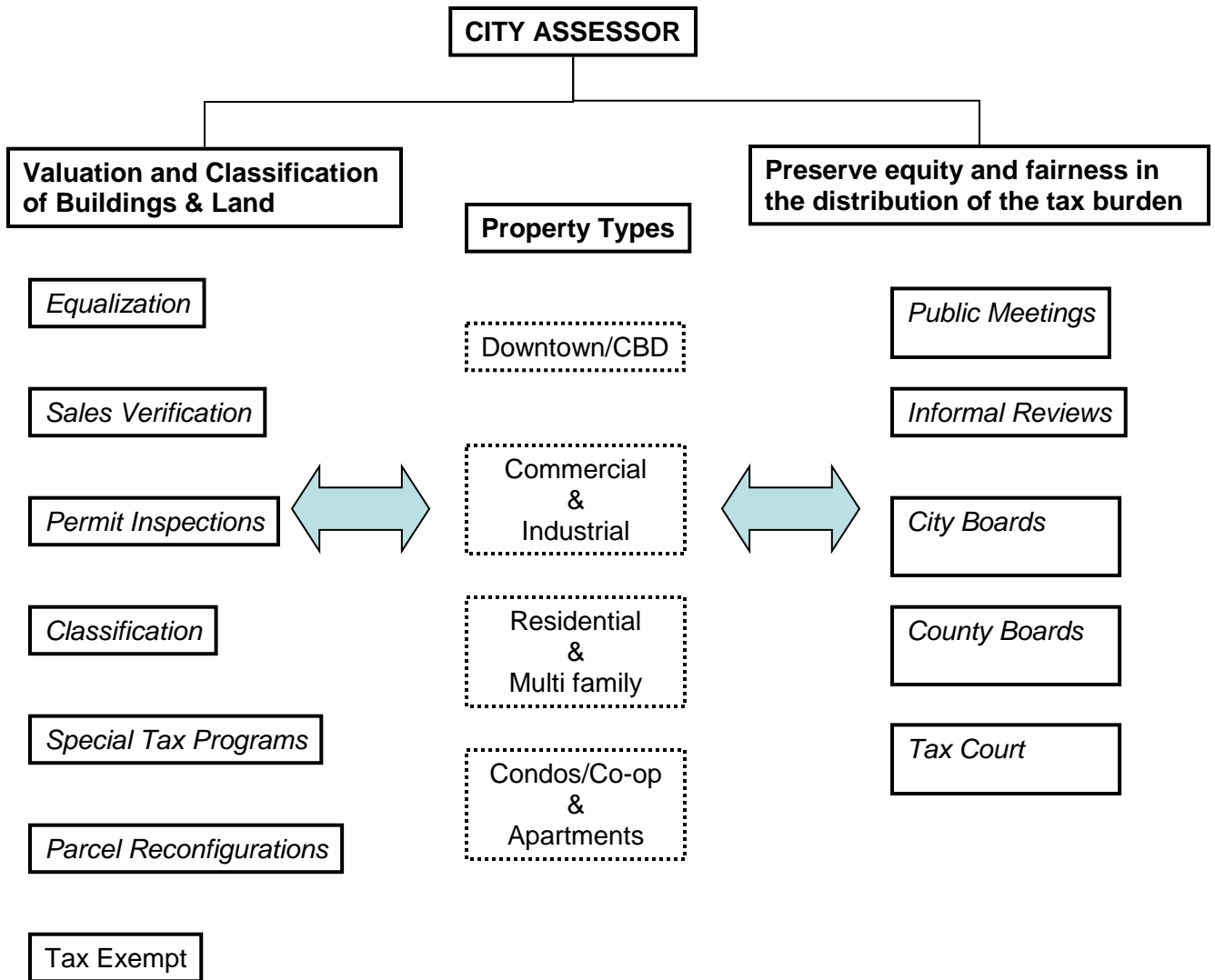
The Minneapolis Assessor's Office serves the taxpayers of the City by valuing and classifying real estate property in an accurate, ethical, equitable and defensible manner as prescribed by state law.

BUSINESS LINES

1. **Valuation and Classification of Real Estate Property –**
Perform the assessment function for all real estate and appropriate personal property and share this information with Hennepin County
 - a. *Valuation* – The annual estimation of value for all taxable and non-taxable real property per state law.
 - i. Per Minnesota statute 20% of the taxable properties must be inspected each year
 - ii. Inspect and update property records for all new construction and significant remodeling, modifications or demolition
 - b. *Classification* – The annual classification and recording of parcels by ownership, property use and property type.
 - i. Evaluate new exempt applications and verify existing exempt organizations
 - ii. Administer and enforce all property tax programs and laws
 - iii. Process existing and new property divisions and combinations

2. **Preserve equity and fairness in the distribution of the tax burden –**
 - a. *Appeals and Reviews* – Respond to all informal and formal owner/taxpayer appeals and requests for property reviews. Defend values and classifications at the City and County Boards of Appeal and Equalization.
 - b. *Tax Court Petitions* – Defend the departments assessed values and classifications in Minnesota Tax Court.

ORGANIZATION CHART



Goal: A City that Works

Assessor's Office

General Fund: \$4,314,926

Real Estate Assessment: The Assessor's office is statutorily mandated to determine the market value and classification of all land and improvements annually. An annual assessment includes the following services: property inspections, data and record management, taxpayer notification, taxpayer appeals and reviews, tax court litigation, and neighborhood relations.

FINANCIAL ANALYSIS

Expenditure

The total City Assessor's Department's budget increases from \$4.2 million to \$4.3 million from 2012 to 2013. This is an increase of \$119,000 or 2.8%. The department maintained the same staffing levels from 2012.

Revenue

Revenues are projected to be \$62,500 in revenue in 2013, a level amount from 2012.

Fund Allocation

In 2013, the City Assessor's Office is funded entirely in the General Fund.

Mayor's Recommended Budget

The Mayor recommended no adjustments to this program in 2013.

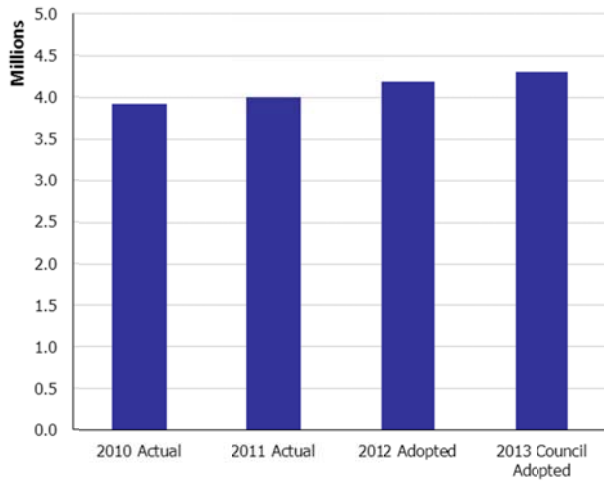
Council Adopted Budget

Council approved the Mayor's recommendations.

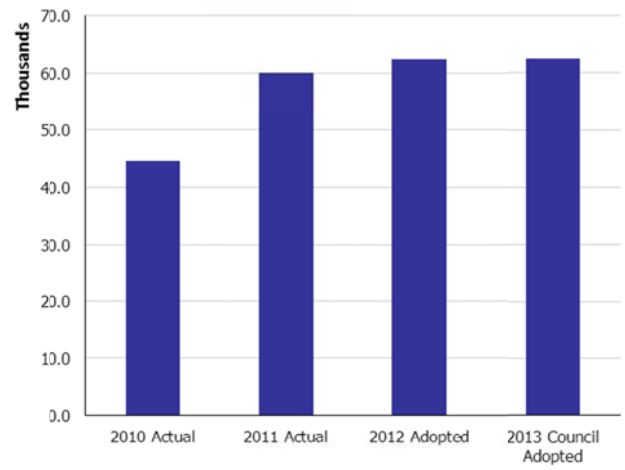
**ASSESSOR
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,312,360	2,249,788	2,424,953	2,494,653	2.9%	69,700
FRINGE BENEFITS	758,973	744,522	892,912	921,652	3.2%	28,740
CONTRACTUAL SERVICES	725,583	861,264	723,871	700,176	-3.3%	(23,695)
OPERATING COSTS	135,987	152,987	153,872	198,445	29.0%	44,573
TOTAL GENERAL	3,932,902	4,008,562	4,195,608	4,314,926	2.8%	119,318
TOTAL EXPENSE	3,932,902	4,008,562	4,195,608	4,314,926	2.8%	119,318
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,743	1,242	500	500	0.0%	0
PROPERTY TAXES	42,901	58,976	62,000	62,000	0.0%	0
GENERAL	44,644	60,218	62,500	62,500	0	0
TOTAL REVENUE	44,644	60,218	62,500	62,500	0	

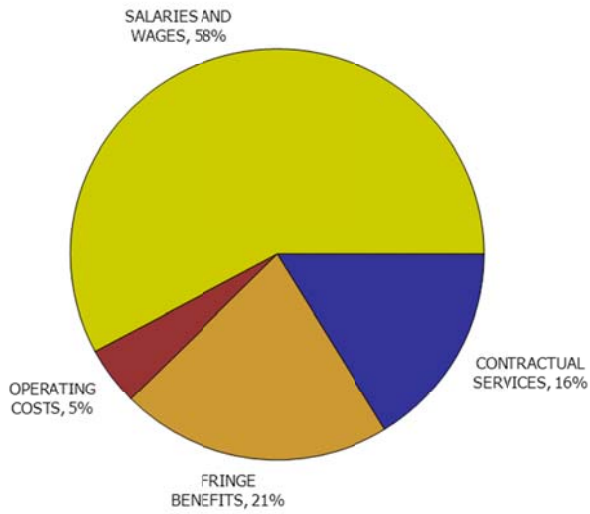
Expense 2010 - 2013



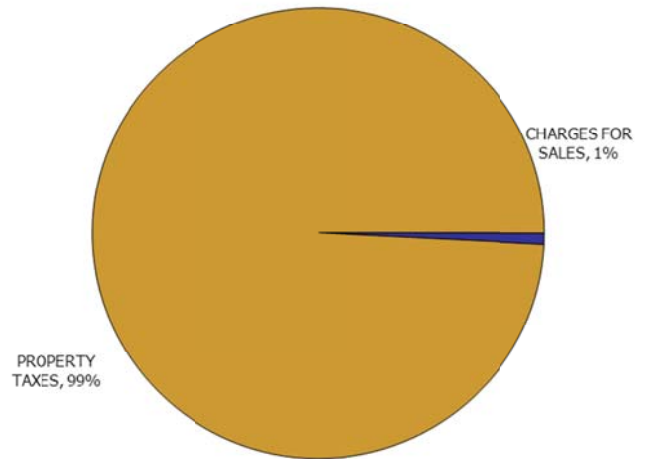
Revenue 2010 - 2013



Expense by Category



Direct Revenue by Type

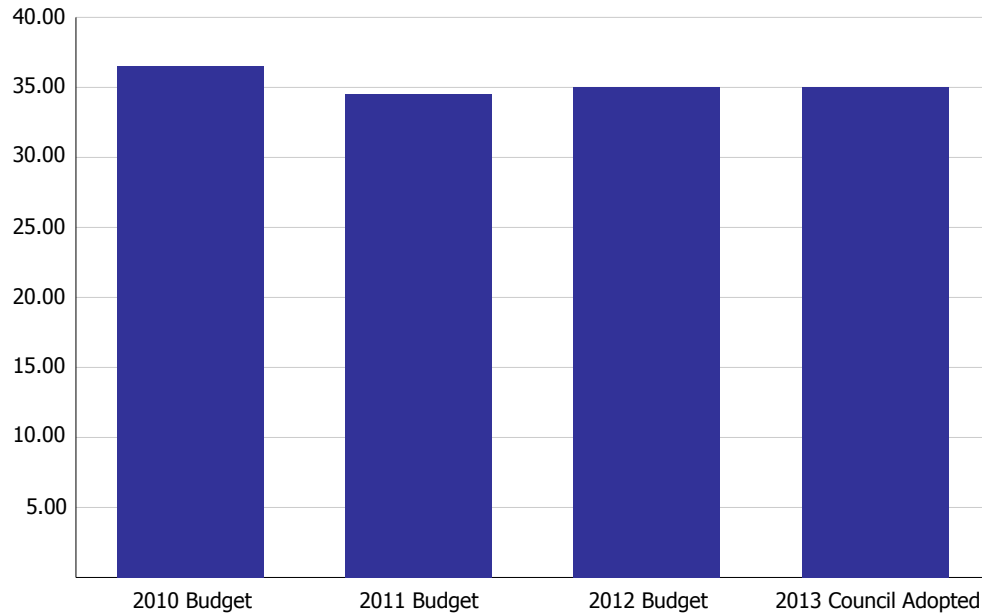


ASSESSOR

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
ASSESSOR						0
ASSESSOR OPERATIONS	36.50	34.50	35.00	35.00	0.0%	0
Overall	36.50	34.50	35.00	35.00	0.00	0

Positions 2010-2013



CITY ATTORNEY

MISSION

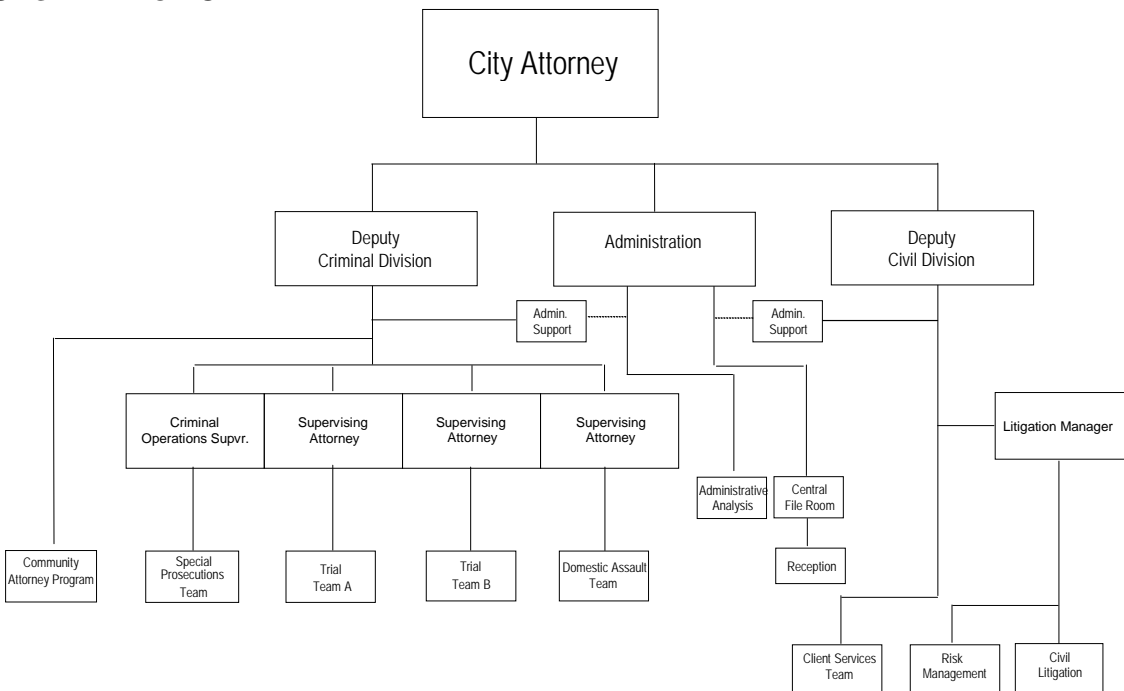
Our mission is to enhance public safety, serve justice and vigorously represent the interests of the City of Minneapolis and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

BUSINESS LINES

The City Attorney's Office has two business lines. They are as follows:

1. Criminal Division: Prosecutes all adult misdemeanor, gross misdemeanor and petty misdemeanor crime in the City of Minneapolis.
2. Civil Division: Delivers legal services for City clients and provides litigation representation.

ORGANIZATION CHART



Goal: A City that Works

Civil Litigation

Other Fund: \$2,794,574

The Civil Division is proactive in working with City officials and department staff to identify issues that raise a potential for litigation and provide advice on preventive measures when claims are made against the City. Litigation group attorneys are assigned to litigate those matters and represent the City in civil matters filed in the state and federal district and appellate courts and before administrative agencies. The group also handles civil rights charges against

the City, worker's compensation cases and claims in excess of \$25,000 and claims that involve allegations of police misconduct or where the party is represented by legal counsel.

In addition to providing representation for the City, litigation group attorneys provide direct defense of City officers and employees in cases in which employees are personally named in a lawsuit, as dictated by City policy and State law.

Client Services

Other Fund: \$3,468,053

The Client Services group within the Civil Division of the City Attorney's Office performs legal work and provides advice to all City departments, boards, commissions and office holders. The group is called upon to draft development agreements, prepare ordinances and charter amendments, advise the City on the myriad of legal questions facing the City and its operations ranging from governmental authority to election law to compliance with the open meeting law and data practices act.

Goal: A Safe Place to Call Home

Community Attorney

General Fund: \$741,946

Other Fund: \$373,720

This program proposal includes the community attorney component of the criminal division and the Downtown 100 (downtown chronic offenders) initiative. The CAO has assigned criminal attorneys to each of the five MPD precincts, one housed in each precinct. The program also includes three paralegals and the Downtown 100 prosecutor.

Criminal Prosecution

General Fund: \$7,332,319

The Criminal Division of the City Attorney's Office ("CAO") prosecutes all adult gross misdemeanor, misdemeanor, petty misdemeanor and traffic offenses in the City of Minneapolis. Prosecution is a mandated function. The criminal prosecution function is divided into four teams: domestic violence, chronic offender prosecutions and two teams that prosecute all other cases, ranging from DWI, reckless driving (that can include fatalities) to trespass, carrying a weapon without a permit, driving after revocation or suspension of a license and civil forfeiture cases.

The CAO also participates in specialty courts and calendars in Hennepin County District Court, including mental health court, veteran's court, GIFT (Gaining Independence for Females in Transition) review calendar and DWI court. The specialty courts require extra prosecutor time for appearances, staffing meetings and review calendars but provide impressive results in reducing recidivism. Finally, the criminal prosecution program handles appeals of our criminal cases to the Minnesota Court of Appeals and the Minnesota Supreme Court. The office also devotes resources to the prosecution of domestic violence and livability crime chronic offenders.

FINANCIAL ANALYSIS

Expenditure

The total City Attorney Department's budget increases from \$14.2 million to \$14.7 million from 2012 to 2013. This is an increase of \$535 thousand, or 3.8%. The City Attorney Department's 2013 expenditure budget reflects the following changes from 2012:

- The number of FTE positions in the General Fund increased by one position in 2013 compared to 2012.
- The number of FTE positions in the Self Insurance Fund for 2013 remained the same compared to 2012.

Revenue

Revenues in 2013 are projected to remain nearly equal to the 2012 revenues in this department. The department's total revenues in 2013 are projected to be \$115 thousand.

Fund Allocation

This department is funded primarily by the General Fund, with the remainder of the department's funding found in the Self Insurance Fund and federal and local grant funds.

Mayor's Recommended Budget

The Mayor recommended that the budget for the City Attorney's Office should include funding to maintain current levels of staffing for the Civil Division in the Self Insurance Fund. The City Attorney's Office proposal for the General Fund removed 4 FTEs and the Mayor reduced this cut to 2 FTEs.

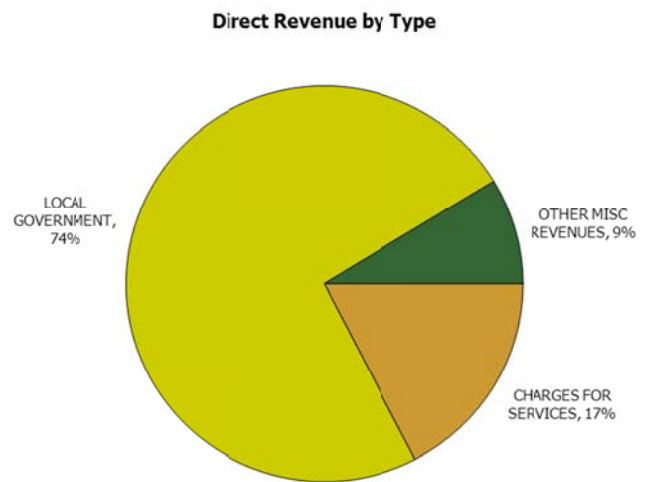
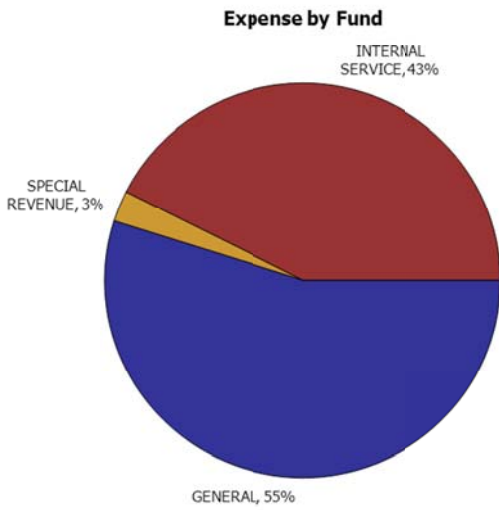
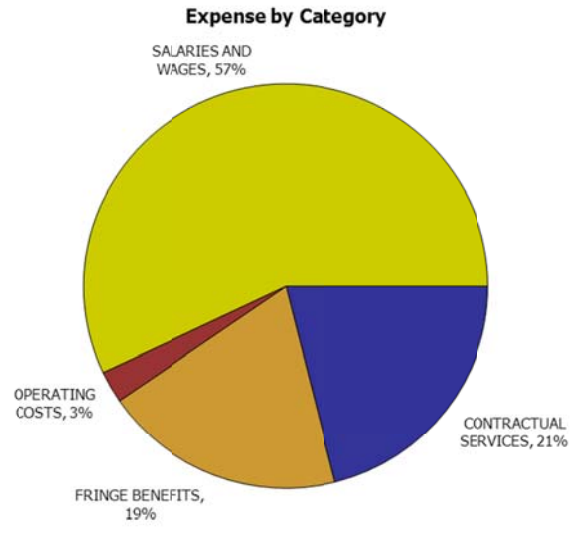
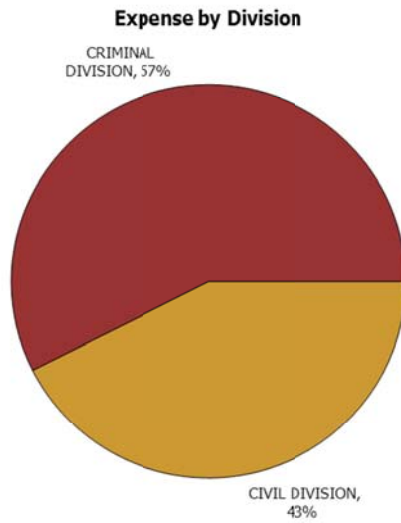
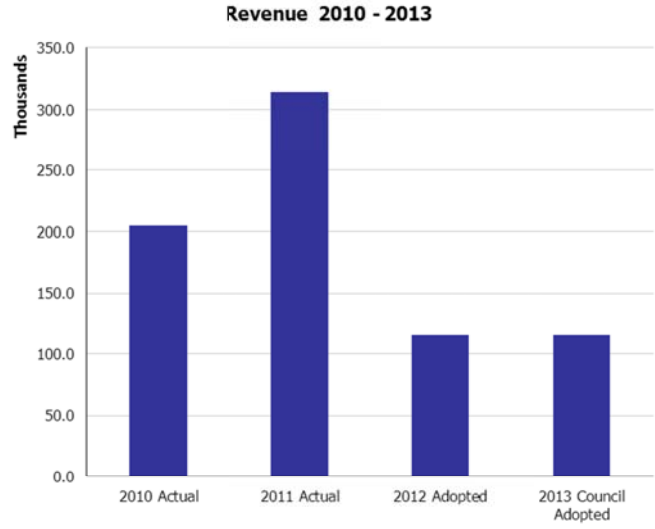
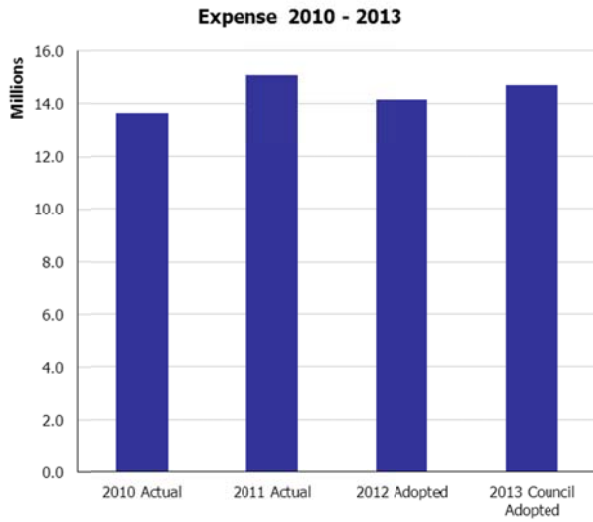
Council Adopted Budget

Council approved the Mayor's recommendations and amended the budget to include funding for the domestic violence team as follows: Increase the City Attorney's General Fund (00100) appropriation by \$100,000 on a one-time basis and add two FTEs (one Assistant City Attorney and one Paralegal) in the Criminal Division on-going. Use 2013 budget savings in Human Resources from sequencing of hiring for open positions to decrease Human Resources expense appropriation by \$100,000 on a one-time basis. Further, Council made the following staff directions: (1) The City Attorney department is directed to use on-going savings from attrition and sequencing of hiring to maintain the two positions (one Assistant City Attorney and one Paralegal) in the 2014 base budget. (2) The City Attorney department is further directed to make a request to rollover \$75,000 for domestic violence team contracts as part of the rollover process. (3) Direct the City Attorney's Office to request \$40,000 of 2012 rollover process to be used for restorative justice contracts. (4) City Departments are further directed to work with the Finance Department and City Attorney to incorporate the results of the fees study into the development of a methodology and process to support any proposed ongoing adjustments to existing fees. The proposed methodology and process shall be presented to the Ways & Means/Budget Committee and Regulatory, Energy & Environment Committee by June 30, 2013.

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

**ATTORNEY
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	4,061,778	4,217,101	4,355,797	4,396,558	0.9%	40,761
FRINGE BENEFITS	1,201,988	1,260,562	1,306,394	1,588,448	21.6%	282,054
CONTRACTUAL SERVICES	2,108,528	2,113,993	1,839,268	1,914,609	4.1%	75,341
OPERATING COSTS	125,846	126,949	256,727	174,650	-32.0%	(82,077)
TOTAL GENERAL	7,498,139	7,718,605	7,758,186	8,074,265	4.1%	316,079
SPECIAL REVENUE						
SALARIES AND WAGES	489,168	532,140	278,992	308,064	10.4%	29,072
FRINGE BENEFITS	152,481	166,754	86,360	65,656	-24.0%	(20,705)
CONTRACTUAL SERVICES	39,995	106,097	0			0
OPERATING COSTS	654	5,760	0			0
TOTAL SPECIAL REVENUE	682,298	810,751	365,352	373,720	2.3%	8,367
INTERNAL SERVICE						
SALARIES AND WAGES	3,090,138	3,778,534	3,542,685	3,680,998	3.9%	138,313
FRINGE BENEFITS	999,672	1,066,039	1,031,497	1,197,984	16.1%	166,488
CONTRACTUAL SERVICES	1,290,889	1,589,424	1,116,935	1,182,627	5.9%	65,692
OPERATING COSTS	106,924	146,358	360,965	201,018	-44.3%	(159,947)
TOTAL INTERNAL SERVICE	5,487,622	6,580,356	6,052,082	6,262,627	3.5%	210,545
TOTAL EXPENSE	13,668,060	15,109,712	14,175,621	14,710,611	3.8%	534,991
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	0	7	0		0.0%	0
CHARGES FOR SERVICES	5,172	17,275	20,000	20,000	0.0%	0
OTHER MISC REVENUES	29	10,376	0		0.0%	0
GENERAL	5,202	27,658	20,000	20,000	0	0
SPECIAL REVENUE						
FEDERAL GOVERNMENT	79,751	134,496	0		0.0%	0
LOCAL GOVERNMENT	115,642	149,856	85,088	85,000	-0.1%	(88)
SPECIAL REVENUE	195,394	284,352	85,088	85,000	-0.1%	(88)
INTERNAL SERVICE						
CHARGES FOR SERVICES	295	2,429	0		0.0%	0
OTHER MISC REVENUES	3,942	0	10,000	10,000	0.0%	0
INTERNAL SERVICE	4,237	2,429	10,000	10,000	0	0
TOTAL REVENUE	204,832	314,439	115,088	115,000	-0.1%	(88)

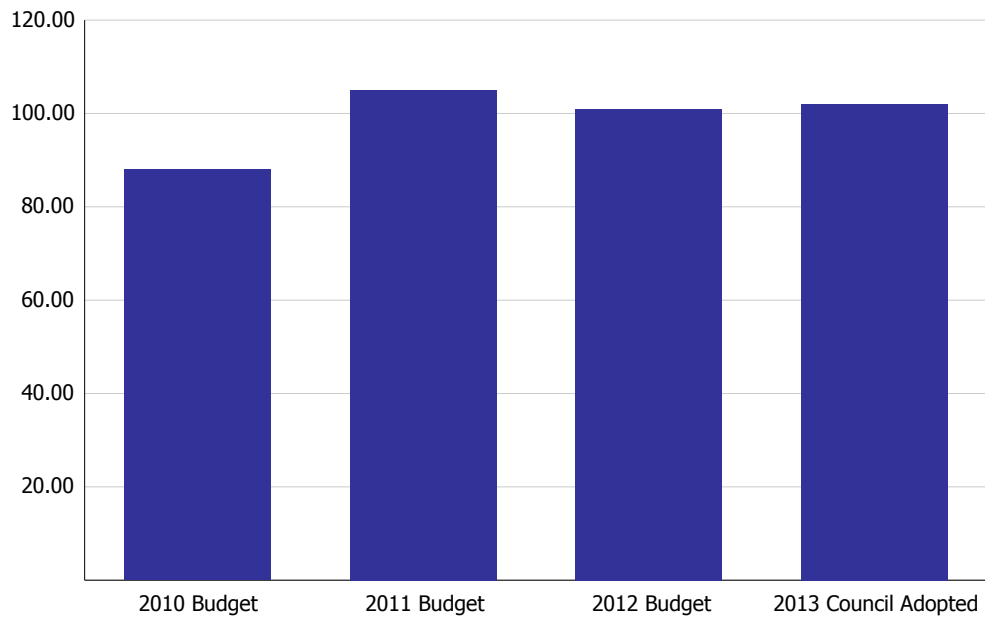


ATTORNEY

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
ATTORNEY						0
CIVIL DIVISION	37.50	41.50	41.50	41.50	0.0%	0
CRIMINAL DIVISION	50.50	63.50	59.50	60.50	1.7%	1.00
TENANT REMEDIES ACT FUNDING						0
Overall	88.00	105.00	101.00	102.00	1%	1.00

Positions 2010-2013



CITY CLERK

MISSION

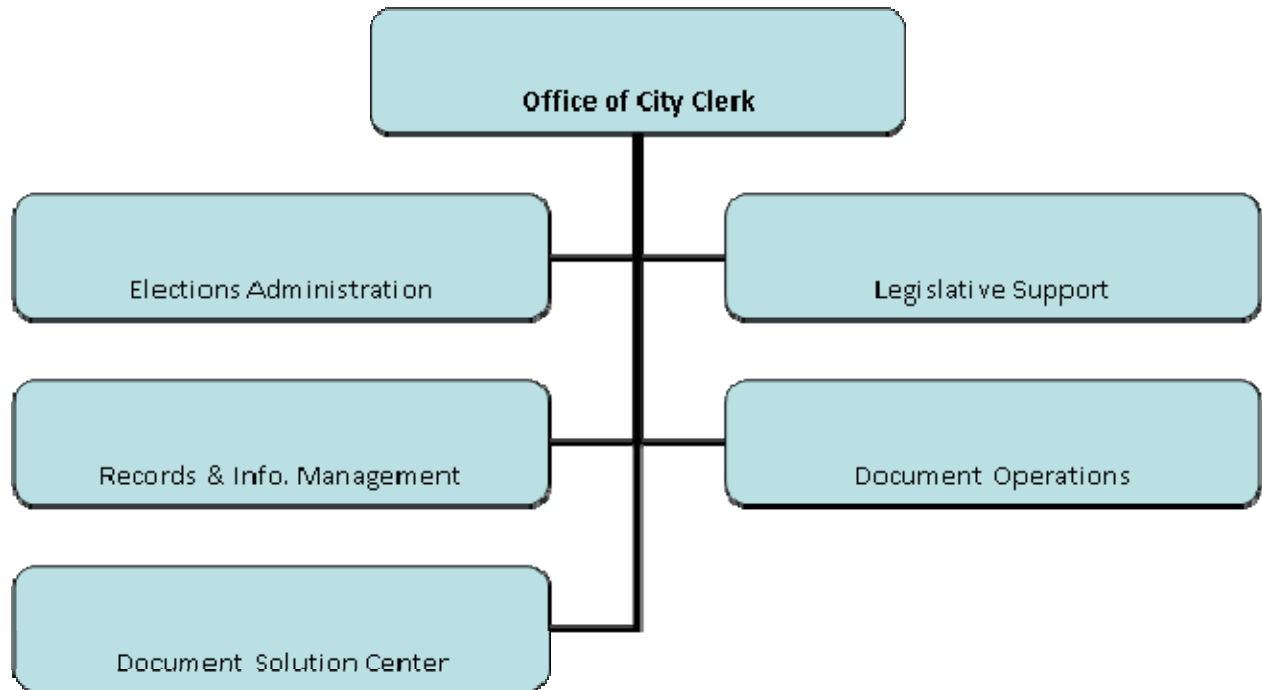
The Office of City Clerk is the secretariat of the City Council and facilitates its legislative processes. In addition, the office serves as the organizational center for three enterprise programs: elections administration; records and information management; and the document solutions center.

BUSINESS LINES

Office of City Clerk: The City Clerk is elected by the City Council and serves as secretary of the municipal corporation.

- Elections & Voter Services
- Legislative Support
- Records & Information Management
- Document Solutions Center (print/reprographics, mail/courier, data operations)
- Department Operations

ORGANIZATION CHART



Goal: A City that Works

Office of City Clerk

General Fund: \$2,369,017

The Office of City Clerk serves as the secretariat of the City Council and provides centralized management control of the City's records and data in compliance with the requirements of law.

Office of City Clerk - Supplemental Request, Mandated

General Fund: \$77,000

In 2012, staffing changes in City Council offices, made pursuant to a Letter of Agreement between the City and AFSCME necessitated the placement of an additional FTE position and the reassignment of an existing employee in the Office of City Clerk. This supplemental request enables the department to achieve a budgetary adjustment that will provide continued funding for this position.

Document Solutions Center

Other Fund: \$823,845

The Document Solutions Center (DSC) provides centralized document production services to all City departments. The Document Solutions Center encompasses four functional areas:

- (1) Print Services
- (2) Reprographic Services and document finishing services (binding, laminating)
- (3) Main Frame Data Print Services, which supports variable data print services for water bills and licensing purposes
- (4) Document Shredding Services

Central Mail

General Fund: \$34,111
Other Fund: \$462,087

The Central Mail program--a sub-unit within the Document Solutions Center--encompasses four functional areas:

- (1) Internal mail sorting and distribution,
- (2) USPS outgoing mail processing through a contracted presort mail vendor,
- (3) Internal mail distribution to non-campus (City Hall) downtown locations, Public Works locations, and school based clinics,
- (4) UPS shipping services.

Goal: Many People, One Minneapolis

Elections & Voter Services

General Fund: \$1,198,645

The Elections & Voter Services program serves as the gateway to representative democracy, protecting rights guaranteed by the federal and state constitutions. By conducting free and fair elections, this program fosters public confidence in electoral processes and in elected officials who serve and represent Minneapolis voters at federal, state, and local levels.

**Elections & Voter Services - Ranked Choice Voting
- Supplemental Request**

General Fund: \$100,000

Ranked Choice Voting (RCV) provides an alternative method of processing and tabulating the results of an election. It is based, at least in part, on the more widely known single-transferrable voting method, which is designed to achieve proportional representation through preferential

voting processes. The system minimizes "wasted" votes by enabling voters to "rank" their preferred candidates by transferring their votes to other eligible candidates.

Minneapolis was the first jurisdiction in the State of Minnesota to implement an alternative voting methodology. In 2011, the city of St. Paul implemented a modified version of RCV for its municipal elections. Other municipalities across the state are considering optional provisions related to alternative voting methods.

FINANCIAL ANALYSIS

Expenditure

For 2013, the City Clerk's budget is \$5.1 million, a 3.2% increase from 2012. The general fund budget is \$3.8 million. The department increases 1 FTE from 2012 staffing levels per the Mayor's recommendation for the City Clerk's Mandated Supplemental Request program.

Revenue

In 2013, the department anticipates \$1.1 million in revenue from charges to other departments.

Fund Allocation

In 2013, 75% of the department's budget is from the general fund and the remaining budget comes from internal service funds and the BIS rate model for the Data Operations portion of the Document Solutions Center.

Mayor's Recommended Budget

The Mayor recommends no programmatic changes to the proposed budget and provides funding for two supplemental requests.

- City Clerk – Supplemental Request: The Mayor recommends additional one-time funding of \$77,000 to provide for 1 additional FTE as per contractual obligations.
- Elections and Voter Services – Ranked Choice Voting Supplemental Request: The Mayor recommends an additional \$100,000 in one-time funding to provide for extra technology expenses associated with the Ranked Choice Voting initiative.

Council Adopted Budget

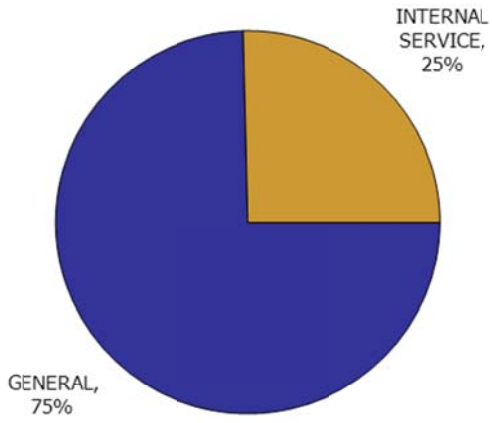
Council approved the Mayor's recommendations.

**CITY CLERK
EXPENSE AND REVENUE INFORMATION**

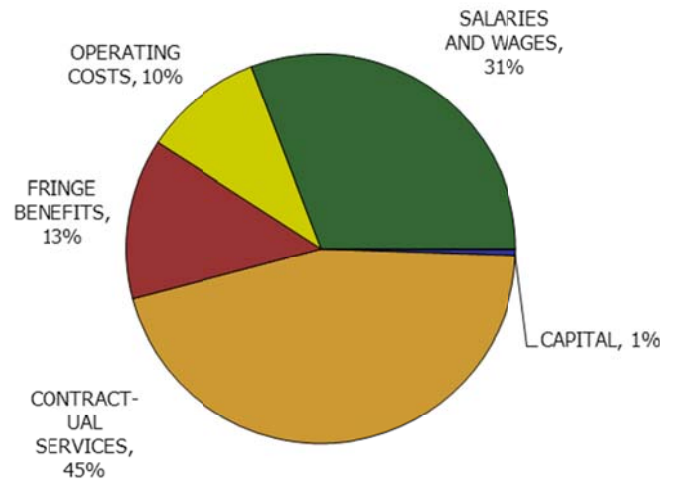
EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,225,173	1,146,119	1,047,083	1,282,824	22.5%	235,741
FRINGE BENEFITS	381,727	407,500	437,711	539,990	23.4%	102,279
CONTRACTUAL SERVICES	1,278,322	1,312,661	1,886,498	1,610,218	-14.6%	(276,280)
OPERATING COSTS	183,153	199,908	218,348	328,678	50.5%	110,330
CAPITAL		16,793	17,062	17,062	0.0%	0
TOTAL GENERAL	3,068,375	3,082,981	3,606,702	3,778,772	4.8%	172,070
INTERNAL SERVICE						
SALARIES AND WAGES	243,443	252,375	305,828	277,060	-9.4%	(28,768)
FRINGE BENEFITS	90,248	104,005	140,826	133,760	-5.0%	(7,066)
CONTRACTUAL SERVICES	715,968	607,380	687,348	685,018	-0.3%	(2,330)
OPERATING COSTS	325,726	159,427	158,435	179,621	13.4%	21,186
CAPITAL		10,307	10,472	10,472	0.0%	0
TOTAL INTERNAL SERVICE	1,375,386	1,133,494	1,302,909	1,285,931	-1.3%	(16,978)
TOTAL EXPENSE	4,443,760	4,216,475	4,909,611	5,064,703	3.2%	155,092

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,854	2,141	425	425	0.0%	0
CHARGES FOR SERVICES	48,735	52,635	46,935	105,681	125.2%	58,746
LICENSE AND PERMITS	3,799	12,966	2,500	2,500	0.0%	0
OTHER MISC REVENUES	1,293				0.0%	0
TOTAL GENERAL	55,681	67,743	49,860	108,606	117.8%	58,746
INTERNAL SERVICE						
CHARGES FOR SERVICES	1,079,347	1,020,580	1,135,975	1,057,950	-6.9%	(78,025)
GAINS					0.0%	0
OTHER MISC REVENUES	40	883			0.0%	0
TOTAL INTERNAL SERVICE	1,079,387	1,021,463	1,135,975	1,057,950	-6.9%	(78,025)
TOTAL REVENUE	1,135,068	1,089,206	1,185,835	1,166,556	-1.6%	(19,279)

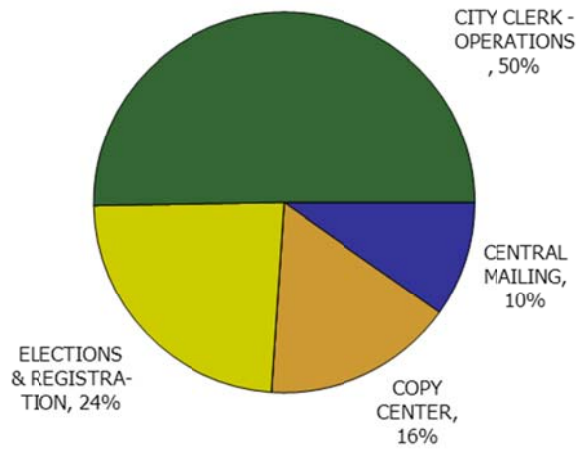
Expense by Fund



Expense by Category



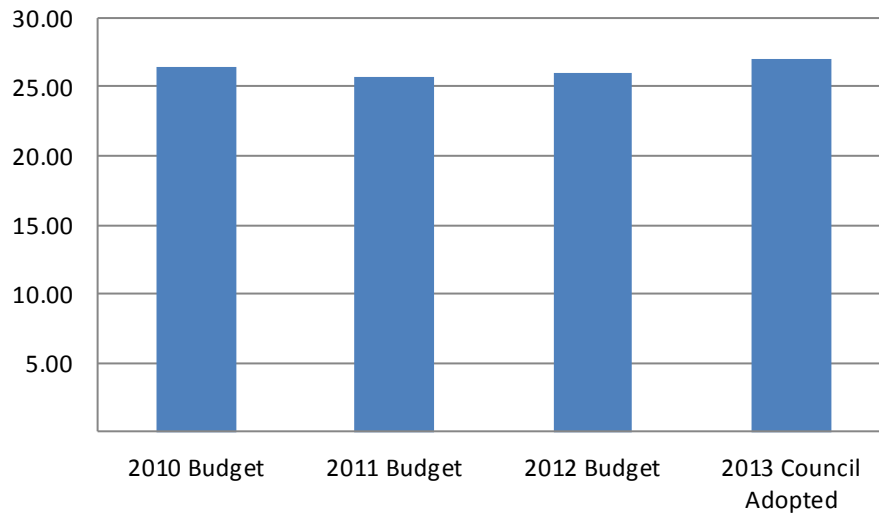
Expense by Division



CITY CLERK Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
DATA OPERATIONS CENTER	1.30	0.75				
ELECTIONS & REGISTRATION	5.00	5.00	5.00	4.00	-20.0%	0.0
CENTRAL MAILING	0.35	0.35	0.35	0.35	0.0%	
CITY CLERK - OPERATIONS	7.00	15.00	15.02	17.00	13.3%	1.98
COPY CENTER	4.85	4.65	5.65	5.65	0.0%	
CITY CLERK	8.00					
TOTAL	26.50	25.75	26.02	27.00	3.8%	0.98

Positions 2010-2013



CITY COUNCIL

MISSION

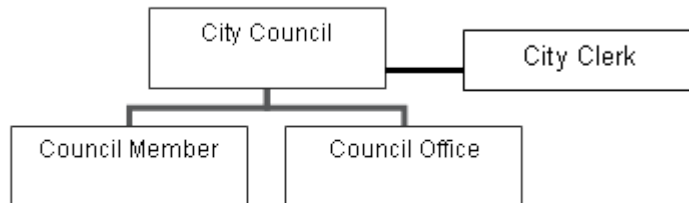
The City Council maximizes access to municipal government, exercises oversight of City departments and service delivery, and enables informed decisions for community governance.

BUSINESS LINES

The elected, representative body of the city government. It formulates public policies, in conjunction with the Mayor, to ensure the general health, safety, and welfare of the community; exercises oversight of the city's departments; and advocates for community needs and priorities at local, state, and national levels.

- Legislative Authority & Policy Enactment
- Executive Oversight & Evaluation
- Community Representation

ORGANIZATION CHART



Goal: Many People. One Minneapolis

City Council

General Fund: \$4,537,840

The City Council is the legislative body of the City of Minneapolis, providing a direct link between residents and their municipal government. The Council is composed of thirteen Members, each elected from separate wards representing approximately 30,000 residents.

In partnership with the Mayor, the Council provides for the general health, safety, and welfare of the community. Council Members are assisted in their official duties by a small staff; generally two staffers per ward office. These staffers coordinate a variety of projects and policy proposals; facilitate interdepartmental, intergovernmental, and community-based communications; and provide direct service to constituents, neighborhoods, and community partners.

FINANCIAL ANALYSIS

Expenditure

For 2013, the City's Council's budget is \$4.5 million, a 2.6% increase from 2012. The department's FTE count remains unchanged from 2012.

Revenue

This department does not generate revenue.

Fund Allocation

In 2013, the entire department's budget is from the general fund.

Mayor's Recommended Budget

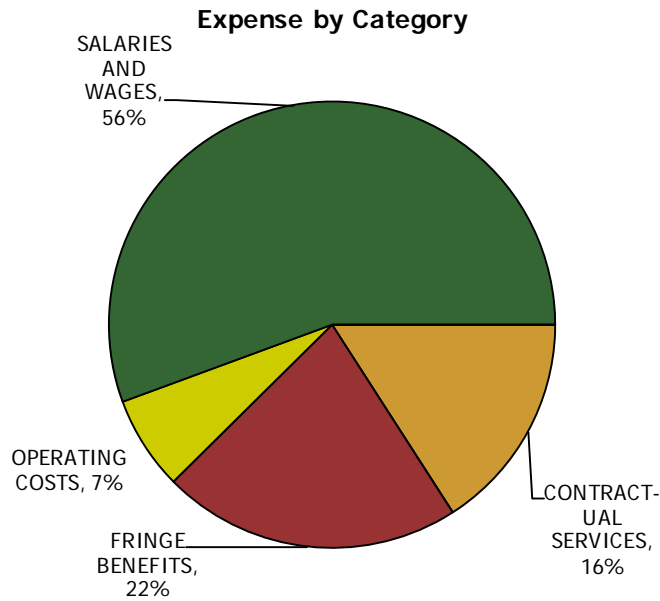
The Mayor recommends no programmatic changes to the proposed budget.

Council Adopted Budget

Council approved the Mayor's recommendations.

**CITY COUNCIL
EXPENSE AND REVENUE INFORMATION**

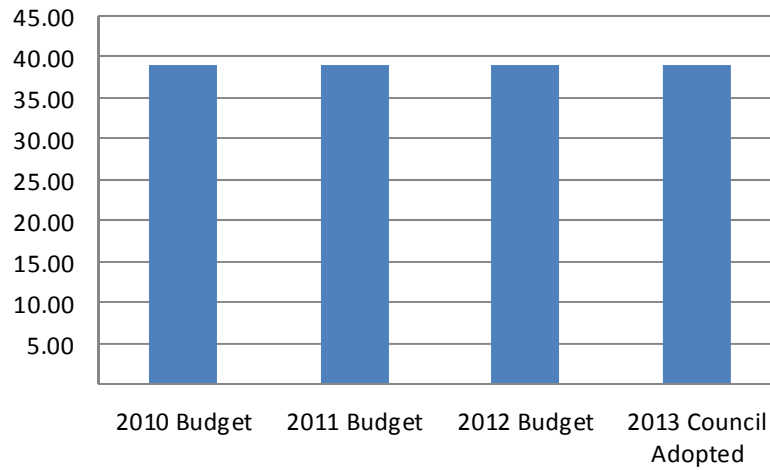
EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,617,675	2,448,772	2,610,465	2,523,705	-3.3%	(86,760)
FRINGE BENEFITS	762,459	813,937	997,567	984,144	-1.3%	(13,423)
CONTRACTUAL SERVICES	355,059	364,597	456,161	721,492	58.2%	265,331
OPERATING COSTS	294,481	321,420	356,875	308,500	-13.6%	(48,375)
TOTAL GENERAL	4,029,674	3,948,726	4,421,068	4,537,840	2.6%	116,772
TOTAL EXPENSE	4,029,674	3,948,726	4,421,068	4,537,840	2.6%	116,772



CITY COUNCIL Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
COUNCIL	13.00	13.00	13.00	13.00	0.0%	0.00
POLICY DEVELOPMENT	13.00	13.00	13.00	13.00	0.0%	0.00
CONSTITUENT SERVICES	13.00	13.00	13.00	13.00	0.0%	0.00
TOTAL	39.00	39.00	39.00	39.00	0.0%	0.00

Positions 2010-2013



CITY COORDINATOR

MISSION

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 Minneapolis Convention Center, convention and tourism, federal programs, and such activities as the City Council may direct.

BUSINESS LINES

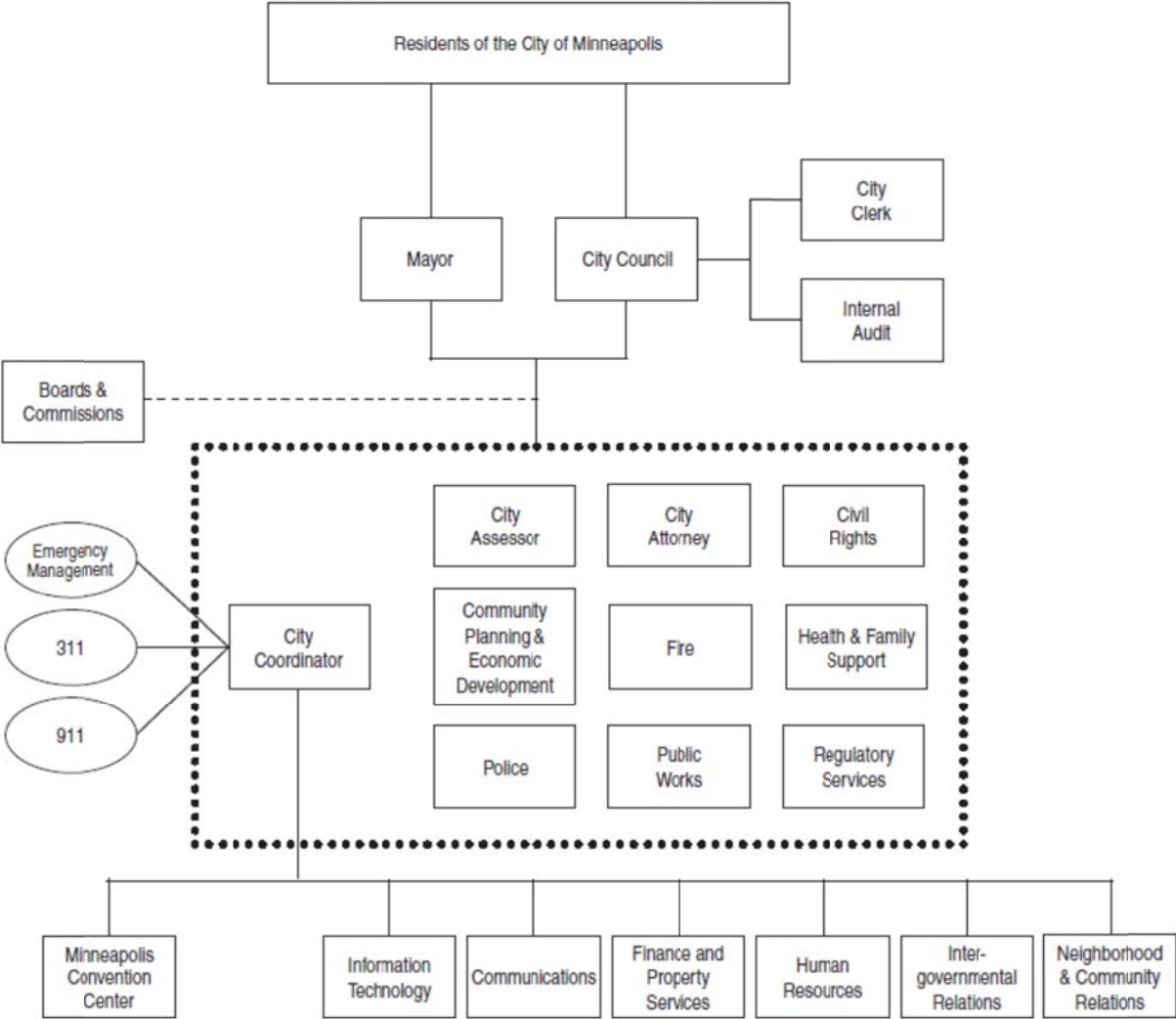
The City Coordinator Department has three primary business lines:

- **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 departments including business information services, communications, finance, human resources, intergovernmental relations, and neighborhood & community relations to ensure that efficient and effective internal services serve all other City departments in successful achievement of their missions.
- **Direct Services:** The City Coordinator has direct management oversight responsibilities to ensure cost-effective, high-quality service and public accountability for line services including emergency preparedness, 911 emergency communications, non-emergency information and services (Minneapolis 311), and the work of the Minneapolis Convention Center.

City of Minneapolis

City Coordinator

Organizational Chart



City Coordinator Departments Expenditures and Revenues

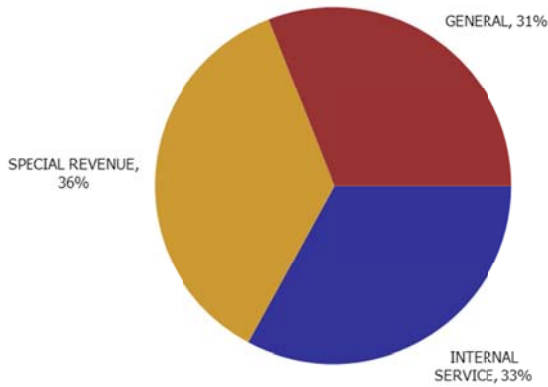
EXPENSE

GENERAL	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change	Change
CAPITAL	2,081	23,819	44,316	151,165	241.1%	106,849
CONTRACTUAL SERVICES	11,430,373	11,469,361	10,914,303	11,111,505	1.8%	197,203
FRINGE BENEFITS	7,589,528	7,440,704	8,007,533	8,705,320	8.7%	697,787
OPERATING COSTS	2,120,003	2,126,162	2,066,644	3,115,708	50.8%	1,049,064
SALARIES AND WAGES	21,464,243	21,214,655	21,114,954	22,315,020	5.7%	1,200,065
TOTAL GENERAL	42,606,228	42,274,701	42,147,751	45,398,718	8.0%	3,350,967
INTERNAL SERVICE						
CAPITAL			180,989	150,181	-17.0%	(30,808)
CONTRACTUAL SERVICES	29,858,714	30,356,166	29,896,985	30,294,720	1.3%	397,735
FRINGE BENEFITS	4,250,164	4,007,728	4,118,568	4,187,989	1.7%	69,420
OPERATING COSTS	2,486,067	2,475,981	2,826,879	2,874,439	1.7%	47,560
SALARIES AND WAGES	10,456,186	9,403,836	10,499,244	10,774,912	2.6%	275,668
TOTAL INTERNAL SERVICE	47,051,132	46,243,710	47,522,664	48,282,241	1.6%	759,576
SPECIAL REVENUE						
CAPITAL	8,242,268	3,121,909	13,692,675	13,295,839	-2.9%	(396,836)
CONTRACTUAL SERVICES	27,148,145	25,486,261	28,348,960	23,255,419	-18.0%	(5,093,541)
FRINGE BENEFITS	3,873,798	3,823,586	4,881,557	4,663,458	-4.5%	(218,100)
OPERATING COSTS	2,246,554	1,991,976	1,403,636	1,458,570	3.9%	54,934
SALARIES AND WAGES	9,910,971	10,586,964	11,025,258	10,503,000	-4.7%	(522,258)
TOTAL SPECIAL REVENUE	51,421,736	45,010,696	59,352,087	53,176,286	-10.4%	(6,175,901)
TOTAL EXPENSE	141,079,096	133,529,107	149,022,502	146,857,245	-1.4%	(2,065,357)

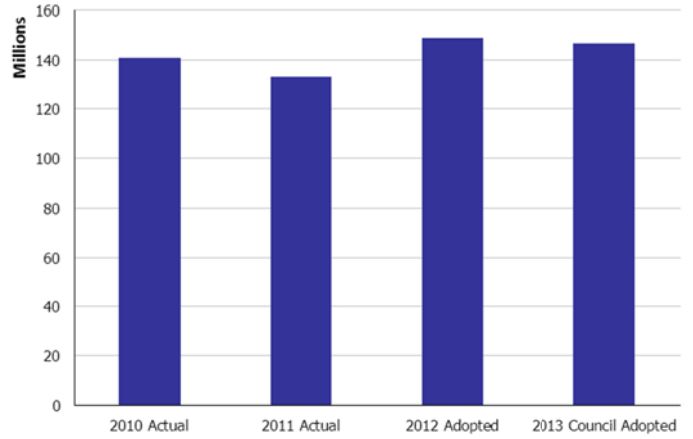
REVENUE

GENERAL	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change	Change
CHARGES FOR SALES	16,000	16,117	15,000	15,000	0.0%	
CHARGES FOR SERVICES	497	6,723				
CONTRIBUTIONS	487,561	455,803	800,000	800,000	0.0%	
FRANCHISE FEES	3,156,797	3,213,490	3,100,000	3,100,000	0.0%	
INTEREST		110				
LICENSE AND PERMITS		55				
OTHER MISC REVENUES	22,846	20,584	15,000	15,000	0.0%	
PROPERTY TAXES		43				
RENTS	4,227	1,459				
TOTAL GENERAL	3,687,929	3,714,384	3,930,000	3,930,000	0.0%	
INTERNAL SERVICE						
CHARGES FOR SALES	300,351	311,982	365,000	370,325	1.5%	5,325
CHARGES FOR SERVICES	34,949,759	34,039,388	31,384,142	31,715,043	1.1%	330,901
FEDERAL GOVERNMENT		29,974				
GAINS	(77,524)	(4,124)				
LOCAL GOVERNMENT		197,363				
OTHER MISC REVENUES	142,321	145,837	3,000	3,000	0.0%	
RENTS	12,427,824	12,700,464	13,351,440	13,965,731	4.6%	614,291
STATE GOVERNMENT		9,991				
TRANSFERS IN	407,487	1,153				
TOTAL INTERNAL SERVICE	48,150,217	47,432,028	45,103,582	46,054,099	2.1%	950,517
SPECIAL REVENUE						
CHARGES FOR SALES		35,731				
CHARGES FOR SERVICES	4,499,809	5,311,598	5,140,000	5,339,000	3.9%	199,000
CONTRIBUTIONS	704,898	1,018,713				
FEDERAL GOVERNMENT	5,499,791	2,212,359	3,124,350	1,000,000	-68.0%	(2,124,350)
INTEREST	402,611	359,760	314,359	265,132	-15.7%	(49,227)
LOCAL GOVERNMENT	1,250,000	(1,250,000)				
OTHER MISC REVENUES	2,554,738	2,758,318	2,509,000	3,044,000	21.3%	535,000
RENTS	6,203,352	6,580,122	6,492,000	6,400,000	-1.4%	(92,000)
SALES AND OTHER TAXES	61,306,954	65,929,924	64,865,392	57,300,000	-11.7%	(7,565,392)
STATE GOVERNMENT	577,834	2,347,908	556,000	515,480	-7.3%	(40,520)
TRANSFERS IN		6,522,269				
TOTAL SPECIAL REVENUE	82,999,986	91,826,702	83,001,101	73,863,612	-11.0%	(9,137,489)
TOTAL REVENUE	134,838,133	142,973,114	132,034,683	123,847,711	-6.2%	(8,186,972)

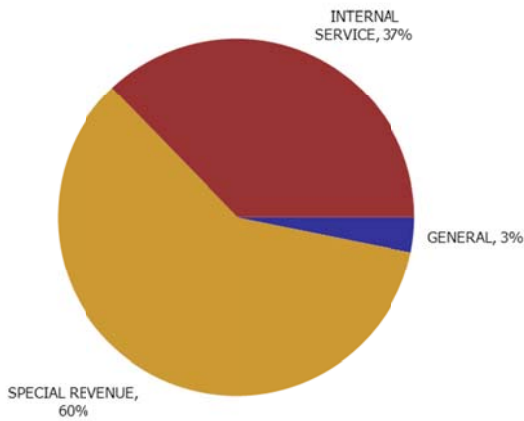
Expense by Fund



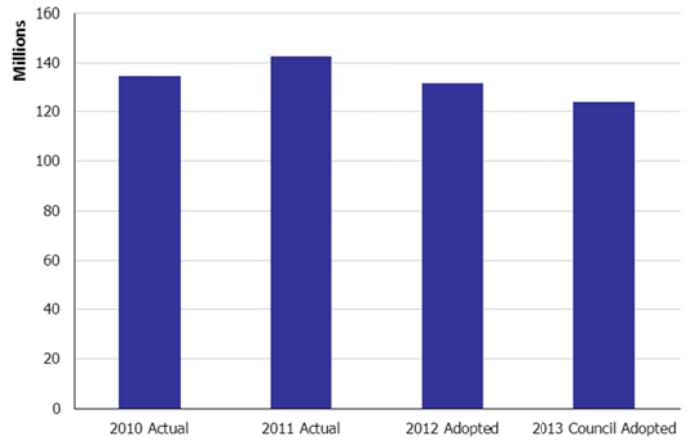
Expense 2010 - 2013



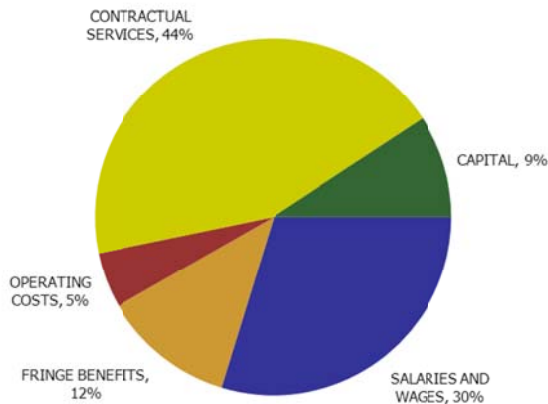
Revenue by Fund



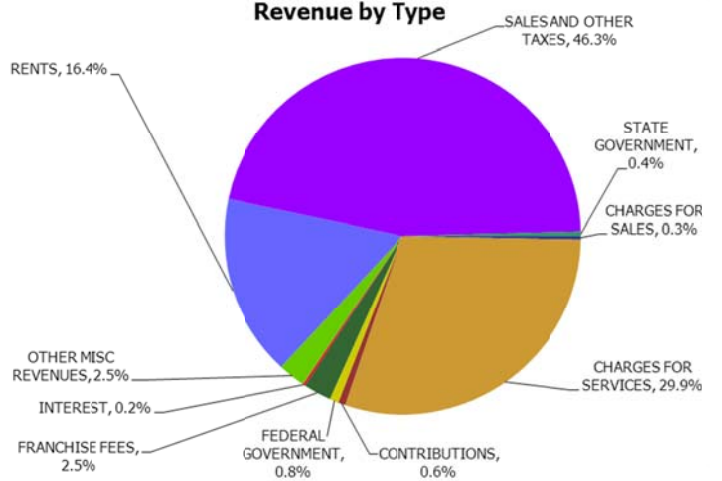
Revenue 2010 - 2013



Expense by Type



Revenue by Type

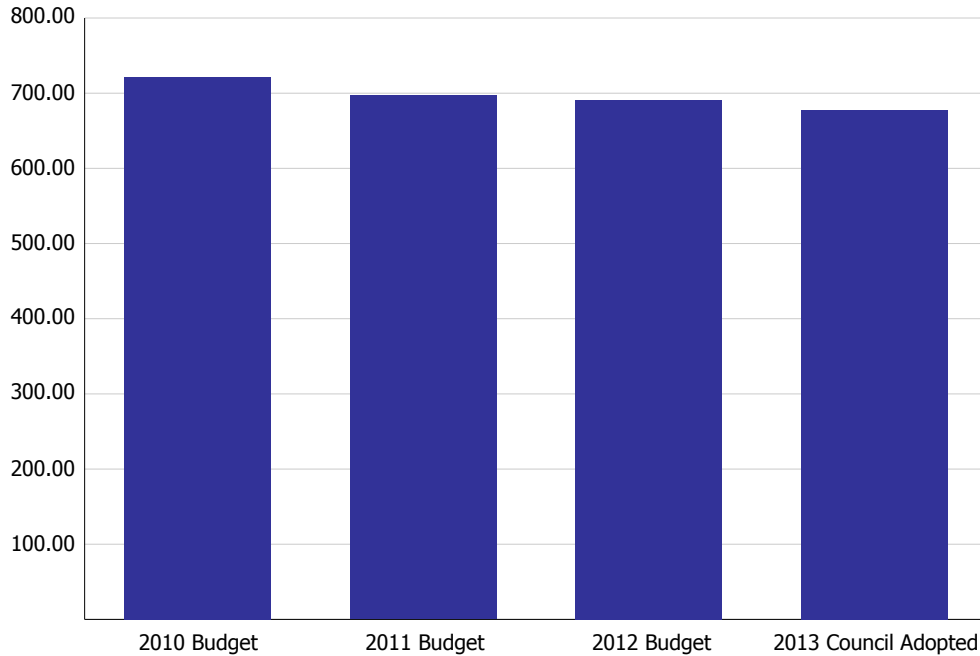


CITY COORDINATOR

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
311	28.00	28.00	28.00	28.00	0.0%	
911	78.00	78.00	78.00	80.00	2.6%	2.00
EMERGENCY MANAGEMENT	5.40	7.41	6.00	4.00	-33.3%	(2.00)
CONVENTION CENTER	208.18	193.00	194.10	177.10	-8.8%	(17.00)
FINANCE AND PROPERTY SERV	240.00	237.00	239.00	240.50	0.6%	1.50
COMMUNICATIONS	13.00	14.00	12.00	12.00	0.0%	
HUMAN RESOURCES	47.60	47.60	45.30	48.80	7.7%	3.50
INTERGOVERNMENTAL RELATIONS	7.00	8.00	7.00	8.00	14.3%	1.00
CITY COORDINATOR	9.00	9.00	9.00	9.00	0.0%	
INFORMATION TECHNOLOGY	77.00	59.00	57.00	54.00	-5.3%	(3.00)
NEIGHBORHOOD & COMMUNITY RELATIONS	8.50	16.00	16.00	16.00	0.0%	0.00
Total CITY COORDINATOR Depts	721.68	697.01	691.40	677.40	-2.0%	(14.00)

Total CITY COORDINATOR
Staff Summary 2010-2013



CITY COORDINATOR – ADMINISTRATION

Departmental Programs by Goal Area and Funding:

Goal: A City that Works

Strategic Advising, Administration and Results Management General Fund: \$806,443

The core functions of the City Coordinator's Office include the strategic management and policy guidance to all elected and non-elected City leaders as well as the oversight of ten City departments: Human Resources, Information Technology, Finance, Intergovernmental Relations, Neighborhood and Community Relations, Convention Center, Communications, 311, 911 and Emergency Management. Several of these departments collectively comprise the management support functions for the City. Additionally, the City Coordinator and Deputy City Coordinator oversee the City's Sustainability; Strategic Partnerships; Business Process Improvement; Results Management; and Arts, Culture & Creative Economy programs. These programs provide leadership and coordination around their respective areas for the entire City enterprise. The core functions of the City Coordinator's Office work toward the achievement of the City's strategic plan and developing a culture focused on innovation, continuous improvement and results.

Business Process Improvement General Fund: \$121,807

The business process improvement (BPI) program provides the framework, facilitation, coaching/mentoring and process expertise to City departments who are looking to improve their service delivery, eliminate problems and errors, streamline their processes, create a process for a new service. The core concepts of BPI try to improve work flow, eliminate waste in a process, expand perspectives to include the entire process/system and engage the employees who do the work to identify the opportunities for improvement.

Goal: Eco-Focused

Office of Sustainability General Fund: \$413,292

Our workplan and business model focuses on the following :

- 1) Residents are connected to and engaged with each other and the City around sustainability issues. They are empowered /activated.
- 2) City leaders - elected and managers are effective champions of sustainable practices/ initiatives.
- 3) Sustainability indicators and data are outcome-based, relevant, focused, and applied effectively in decision-making and investment priorities.
- 4) Sustainability public outreach is exciting, informative and engaging.
- 5) Strong, successful relationships with partners committed to sustainability exist in Minneapolis.
- 6) The business community embraces sustainability as a standard practice

Goal: Jobs & Economic Vitality

Arts, Culture and Creative Economy General Fund: \$114,521

Arts, Culture and Creative Economy is a new initiative of the City Coordinator's Office to leverage the creative sector towards strengthening social and economic growth in the City of Minneapolis. The program has the following goals:

- 1) Promote and coordinate City resources to develop the arts as an economic generator;

- 2) Stimulate cross-sector collaboration to strengthen the arts economy and achieve broader community goals.
- 3) Provide presence and visibility for the arts, artists and creative industries within the City enterprise.

Strategic Partnerships

General Fund: \$172,049

This program works to identify and pursue partnerships with corporations and foundations that support City Goals and Strategic Directions. It marries our efforts with various departmental goals and programs to link them directly with external partners.

FINANCIAL ANALYSIS

Expenditure

For 2013, the Coordinator Administration department budget is \$1.6 million, an increase of \$.1 million from 2012, or 7.2%. The increase reflects initiatives in both the Strategic Partnership and Sustainability program areas. The entire budget is general fund. The department FTE count remains at 9.

Revenue

The department does not generate revenue.

Fund Allocation

This department is funded entirely in the General Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the department's proposed budget.

Council Adopted Budget

Council approved the Mayor's recommendations and added the following staff directions:

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

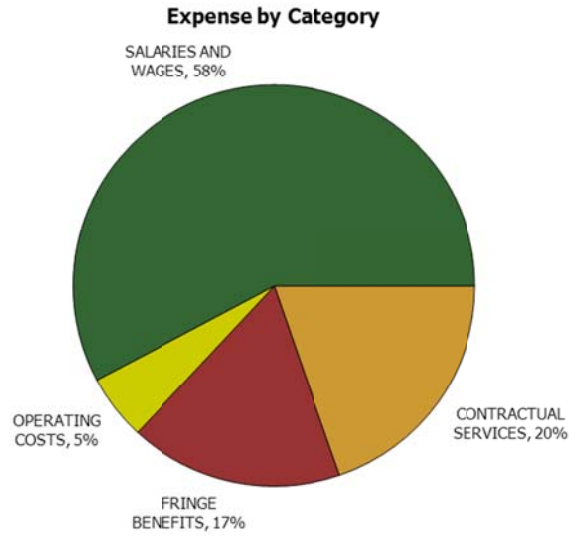
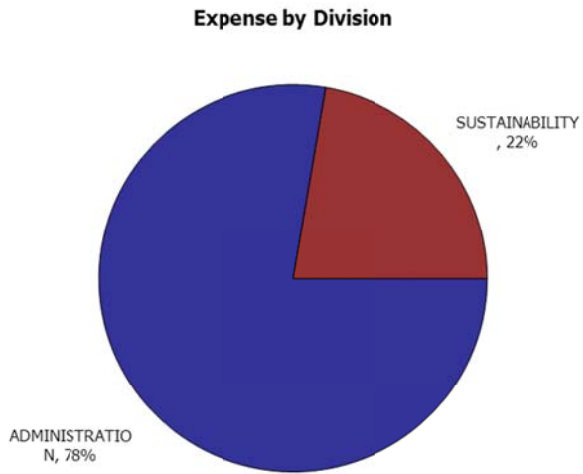
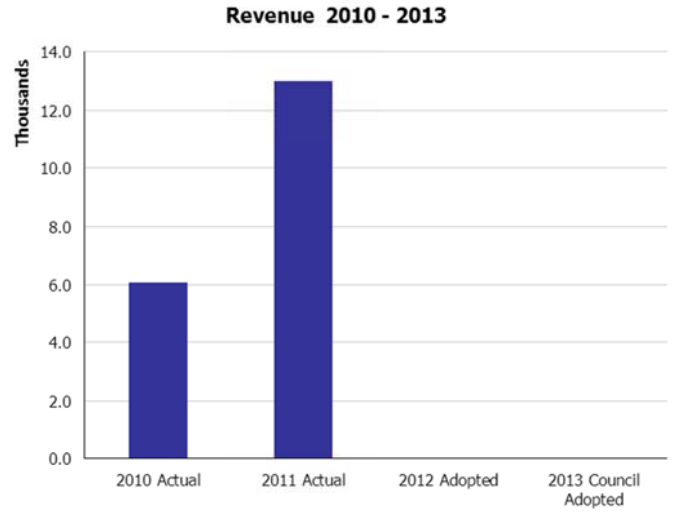
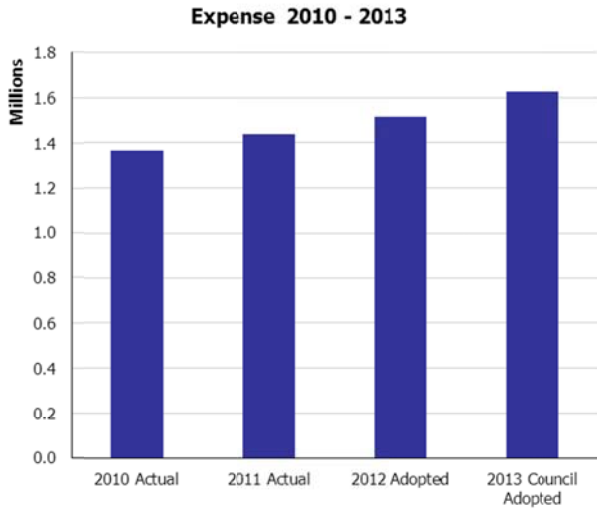
The City Coordinator department is directed to request \$30,000 for the St. Anthony Falls Heritage Board partnership on a one-time basis as part of the 2012 rollover process.

The City Coordinator department is directed to request \$15,000 for the Midtown Safety Center partnership on a one-time basis as part of the 2012 rollover process.

The City Coordinator department is directed to request \$75,000 for the Minneapolis Public Housing Authority "Project Lookout" partnership on a one-time basis as part of the 2012 rollover process.

**CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	733,066	703,284	775,404	940,352	21.3%	164,948
FRINGE BENEFITS	229,004	229,140	258,922	281,016	8.5%	22,094
CONTRACTUAL SERVICES	274,819	325,425	384,048	320,674	-16.5%	(63,374)
OPERATING COSTS	111,090	113,961	96,642	86,070	-10.9%	(10,572)
CAPITAL	0	111	3,755		-100.0%	(3,755)
TOTAL GENERAL	1,347,978	1,371,920	1,518,771	1,628,112	7.2%	109,341
SPECIAL REVENUE						
SALARIES AND WAGES	0	5,958	0			0
FRINGE BENEFITS	0	2,349	0			0
CONTRACTUAL SERVICES	14,406	59,061	0			0
OPERATING COSTS	2,250	0	0			0
TOTAL SPECIAL REVENUE	16,656	67,368				0
TOTAL EXPENSE	1,364,634	1,439,289	1,518,771	1,628,112	7.2%	109,341
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
FEDERAL GOVERNMENT	80	0	0		0.0%	0
STATE GOVERNMENT	6,000	13,000	0		0.0%	0
SPECIAL REVENUE	6,080	13,000				0
TOTAL REVENUE	6,080	13,000				

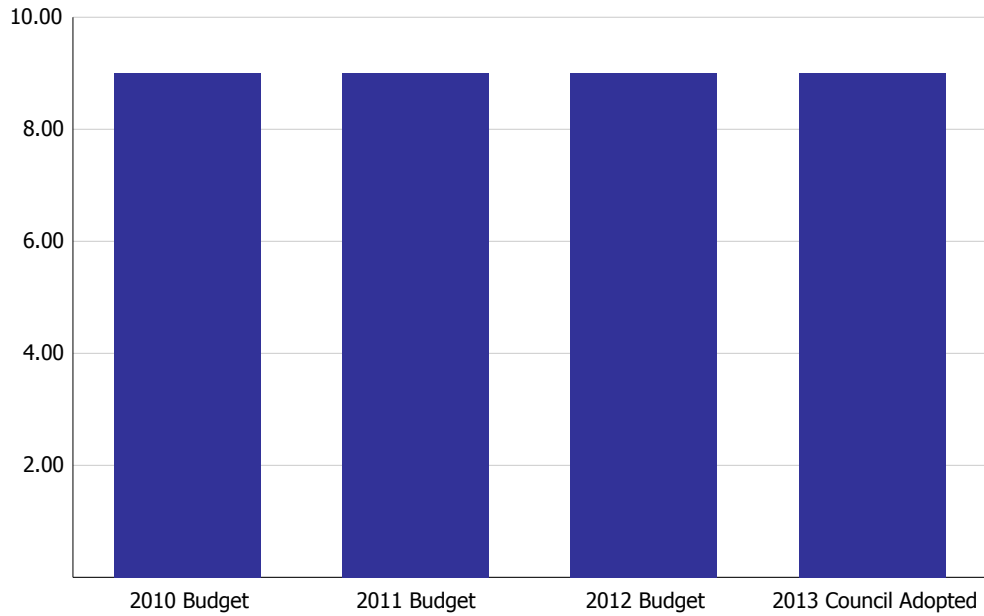


CITY COORDINATOR

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
ADMINISTRATION	7.00	7.00	7.00	7.00	0.0%	0
CITY COORDINATOR						0
SUSTAINABILITY	2.00	2.00	2.00	2.00	0.0%	0
Overall	9.00	9.00	9.00	9.00	0.00	0

Positions 2010-2013



MINNEAPOLIS 311

MISSION

311 serves as the single point of contact for local government information and services providing accountability and transparency by:

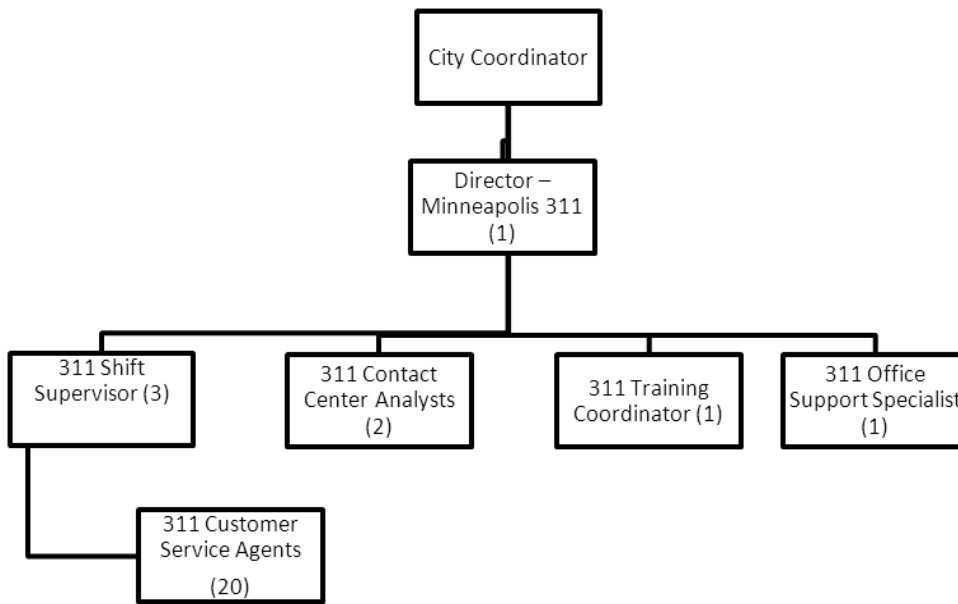
- Simplifying access to information and services
- Enabling organizations to deliver services more effectively
- Tracking requests for service delivery from inception to completion
- Providing process solutions

BUSINESS LINES

The 311 Department is the primary source of contact for government by providing a single access point for all information and services.

- Answer questions utilizing our knowledge tools
- Initiate a Service Request within the Enterprise Case Management (ECM) system for processing by our resolving departments
- When 311 is not able to resolve a customer request or issue, we connect the customer to an expert

ORGANIZATION CHART



Goal: A City That Works

Minneapolis 311

General Fund: \$3,121,904

Other Funds: \$0

311 serves as the single point of contact for local government information and services providing accountability and transparency by simplifying access to information and services, enabling organizations to deliver services more effectively, tracking requests for service delivery from inception to completion and providing process solutions.

FINANCIAL ANALYSIS

Expenditure

The total 311 Department's budget increases from \$3 million to \$3.1 million from 2012 to 2013. This is an increase of \$160 thousand or 5.4%. The 311 Department's 2013 expenditure budget reflects the following changes from 2012:

- A personnel cost increased by \$190 thousand without any change in FTE's primarily due to other wage and fringe costs.
- Contractual services decreased by 3.5% partially due to reduced internal service costs.

Revenue

This division does not generate revenue.

Fund Allocation

This department is funded completely in the General Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget.

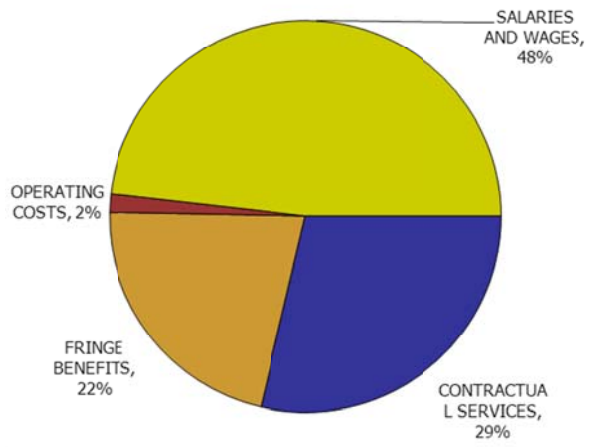
Council Adopted Budget

Council approved the Mayor's recommendations.

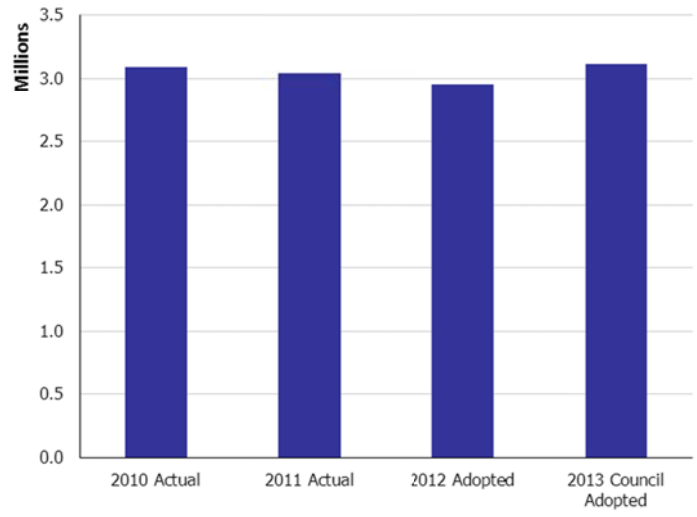
311
EXPENSE AND REVENUE INFORMATION

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,430,606	1,418,197	1,374,692	1,503,887	9.4%	129,195
FRINGE BENEFITS	608,905	613,257	614,243	674,773	9.9%	60,530
CONTRACTUAL SERVICES	1,034,502	970,155	928,218	895,862	-3.5%	(32,355)
OPERATING COSTS	18,044	40,968	44,393	47,382	6.7%	2,989
TOTAL GENERAL	3,092,056	3,042,577	2,961,545	3,121,904	5.4%	160,359
SPECIAL REVENUE						
SALARIES AND WAGES	0	4,453	0			0
TOTAL SPECIAL REVENUE		4,453				0
TOTAL EXPENSE	3,092,056	3,047,029	2,961,545	3,121,904	5.4%	160,359

Expense by Category



Expense 2010 - 2013

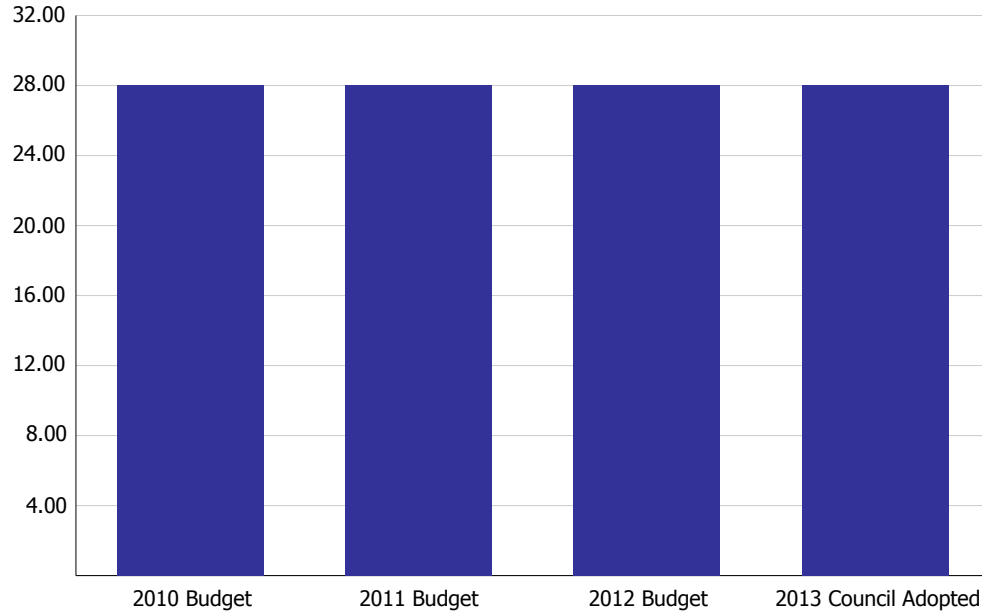


311

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
311	28.00	28.00	28.00	28.00	0.0%	0
Overall	28.00	28.00	28.00	28.00	0.00	0

Positions 2010-2013



911

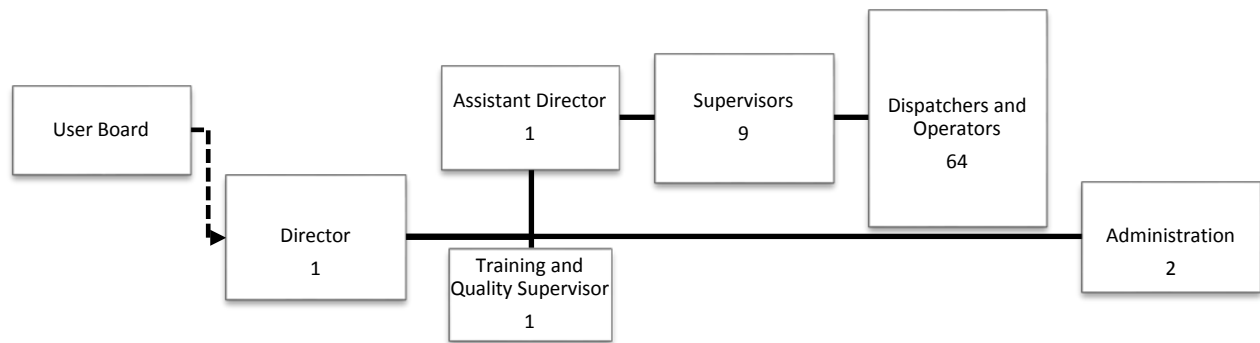
MISSION

911 is the vital link between the public and emergency responders. We strive to collect and disseminate all requests for service in a prompt, courteous and efficient manner. Through our actions we help save lives, protect property and assist the public in their time of emergency need.

BUSINESS LINES

- Emergency and non-emergency public safety call answering and processing
- Public safety resource dispatching
- Disaster/Emergency warnings and notifications

ORGANIZATION CHART



Goal: A Safe Place to Call Home

911

General Fund: \$7,725,520

Other Funds: \$515,480

The 911 dispatch program is the only link between the public and emergency public safety response. No police car, fire truck or ambulance responds to any emergency in Minneapolis unless the call has first been answered and processed by 911. Over 584,000 calls are received annually by Minneapolis 911. The 911 operators stay on the phone with the caller while dispatchers send help to the scene using radio and computer communications with Police, Fire, Emergency Medical Services or others.

FINANCIAL ANALYSIS

Expenditure

The total 911 Department's budget increases from \$7.9 million to \$8.2 million from 2012 to 2013. This is an increase of \$400 thousand, or 4.9%. The 911 Department's 2013 expenditure budget reflects the following changes from 2012:

- Increase of 2 FTE's for Police/Fire dispatcher positions.
- Increase of personnel costs by \$490 thousand to fund additional FTE's along with other wage and fringe related costs.
- Decrease in contractual services of 9.1% primarily due to the reduction of 1 FTE in BIS application support.

Revenue

Revenues are projected to decline by 7.3% in this department due to a decline in our allocated portion of the statewide 911 surcharge revenue. The department's total revenues in 2013 are projected to be \$515 thousand.

Fund Allocation

This department is funded primarily by the General Fund, with the remainder of the department's funding found in the state grants fund.

Mayor's Recommended Budget

The Mayor recommended an increase of \$282,000 to the proposed budget to fund the department at a level to maintain 2012 staffing levels.

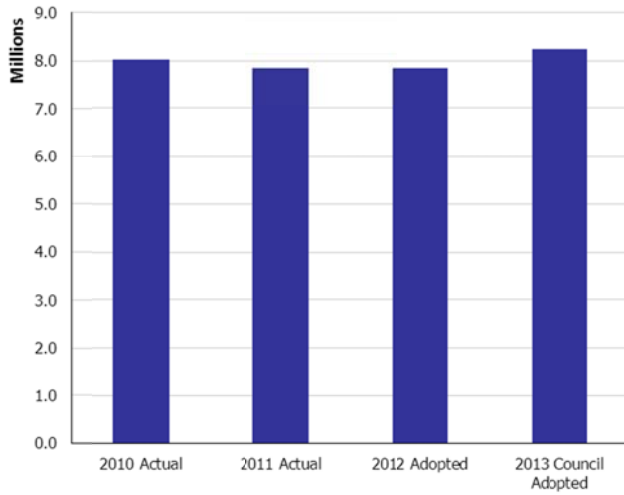
Council Adopted Budget

Council approved the Mayor's recommendations and increased 911's General Fund (00100) expense appropriation by \$110,000 and added two FTEs for 911 Operators. Decrease Human Resources department's General Fund (00100) expense appropriation by \$110,000 from the Workforce Planning program and decrease one FTE. The Council directed the 911 department to use ongoing savings from attrition and sequencing of hiring to fully fund the two 911 Operator positions in 2013 and to maintain the positions in the 2014 base budget.

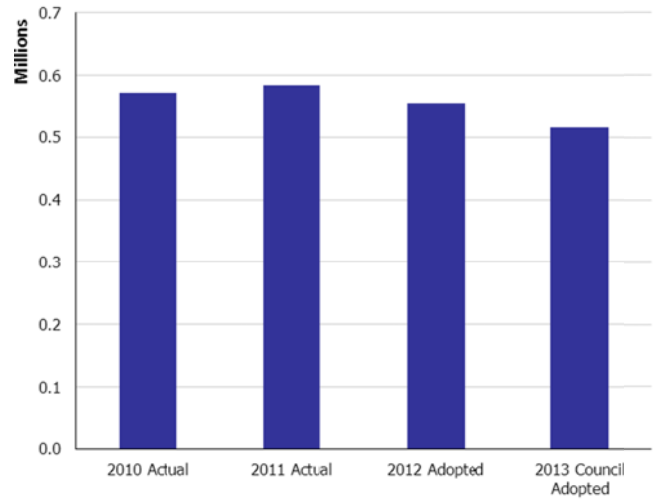
911
EXPENSE AND REVENUE INFORMATION

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	4,799,728	4,717,101	4,734,022	4,887,779	3.2%	153,757
FRINGE BENEFITS	1,700,095	1,640,392	1,678,604	2,014,490	20.0%	335,886
CONTRACTUAL SERVICES	843,245	791,693	782,087	711,078	-9.1%	(71,009)
OPERATING COSTS	112,043	84,427	91,496	101,651	11.1%	10,155
CAPITAL	0	17,786	10,417	10,521	1.0%	104
TOTAL GENERAL	7,455,111	7,251,399	7,296,626	7,725,520	5.9%	428,894
SPECIAL REVENUE						
SALARIES AND WAGES	0	8,292	0			0
CONTRACTUAL SERVICES	560,279	568,797	546,000	515,480	-5.6%	(30,520)
OPERATING COSTS	11,555	15,336	10,000		-100.0%	(10,000)
CAPITAL	0	214	0			0
TOTAL SPECIAL REVENUE	571,834	592,639	556,000	515,480	-7.3%	(40,520)
TOTAL EXPENSE	8,026,945	7,844,038	7,852,626	8,241,000	4.9%	388,374
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	497	421	0		0.0%	0
LICENSE AND PERMITS	0	55	0		0.0%	0
OTHER MISC REVENUES	0	251	0		0.0%	0
PROPERTY TAXES	0	43	0		0.0%	0
GENERAL	497	771				0
SPECIAL REVENUE						
STATE GOVERNMENT	571,834	584,166	556,000	515,480	-7.3%	(40,520)
SPECIAL REVENUE	571,834	584,166	556,000	515,480	-7.3%	(40,520)
TOTAL REVENUE	572,331	584,936	556,000	515,480	-7.3%	(40,520)

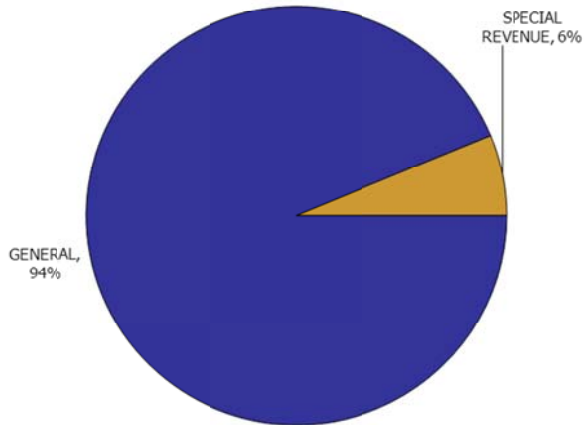
Expense 2010 - 2013



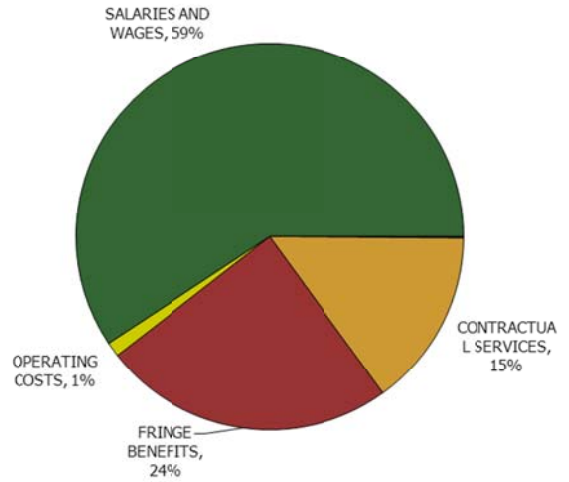
Revenue 2010 - 2013



Expense by Fund



Expense by Category

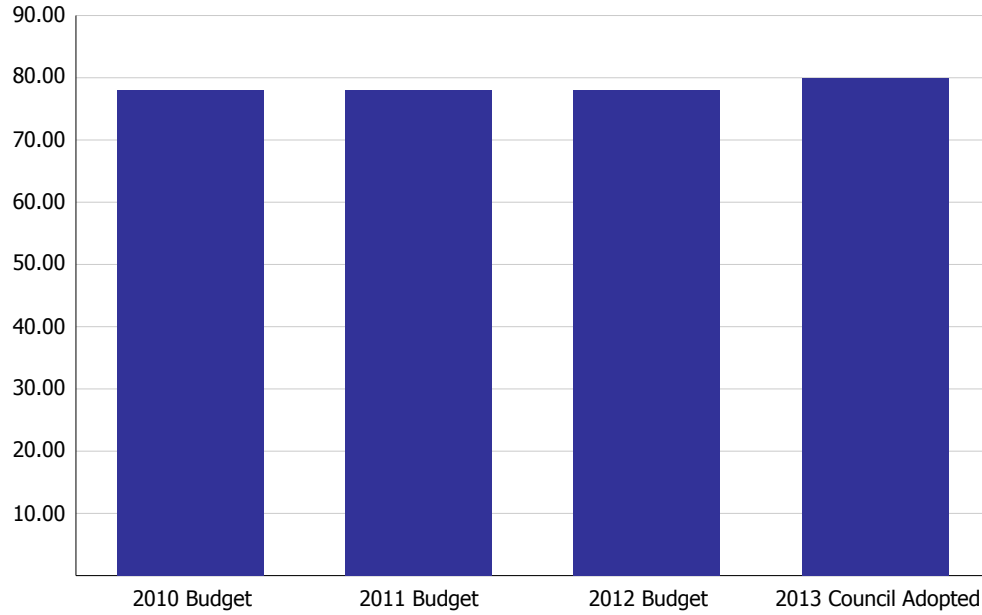


911

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
911	78.00	78.00	78.00	80.00	2.6%	2.00
Overall	78.00	78.00	78.00	80.00	3%	2.00

Positions 2010-2013

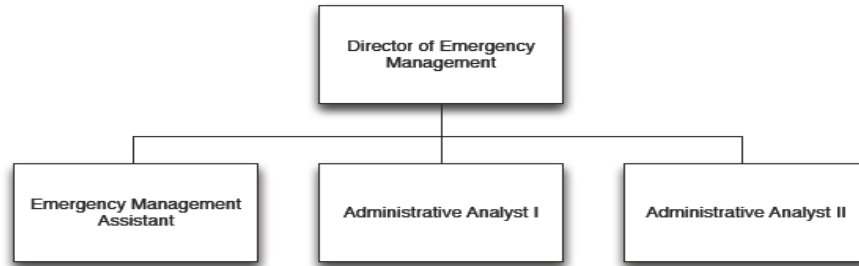


EMERGENCY MANAGEMENT

MISSION

The Office of Emergency Management protects the people who live, work and play in the City of Minneapolis, our State and our Nation by building, sustaining and improving our capability to mitigate against, prepare for, respond to and recover from threatened or actual disasters, whether natural or man-made and acts of terrorism.

ORGANIZATION CHART



Minneapolis Office of Emergency Management
Staffed Positions
June, 2012

Goal: A Safe Place to Call Home

Office of Emergency Management

General Fund: \$692,649
Other Funds: \$1,000,000

The Office of Emergency Management protects the people who live, work and play in the City of Minneapolis, our State and our Nation by building, sustaining and improving our capability to mitigate against, prepare for, respond to and recover from threatened or actual disasters, whether natural, man-made or acts of terrorism. As an enterprise office, the OEM serves other city departments in external emergency management and internal continuity of operations. In order to accomplish its mission, OEM partners with other local, regional, state and federal government as well as the non-profit and private sectors. OEM functions are mandated by Minnesota Statutes as well as Minneapolis Ordinances.

FINANCIAL ANALYSIS

Expenditure

The total Emergency Management Department's budget decreased from \$3.8 million to \$1.7 million from 2012 to 2013. This is a decrease of \$2.1 million, or 55.9%. The General Fund

budget is \$693,000. The department reduced 2 FTEs from 2012 staffing levels due to grants ending and attrition. The reduction in the 2013 budget is due almost entirely to the reduced number and amounts of federal grants.

Revenue

In 2013, the department anticipates \$1 million in grant revenue, a 68% decrease from 2012.

Fund Allocation

In 2013, 41% of the department's budget is from the General Fund. The remaining budget comes from federal grants and other sources.

Mayor's Recommended Budget

The Mayor approved the department's base budget recommendations with the following exceptions. The Mayor recommended fleet charges on two vehicles be transferred for public safety purposes, but reserved for Emergency Management during emergencies. Additionally, the Mayor recommended spending in contractual services be held at 2012 spending levels.

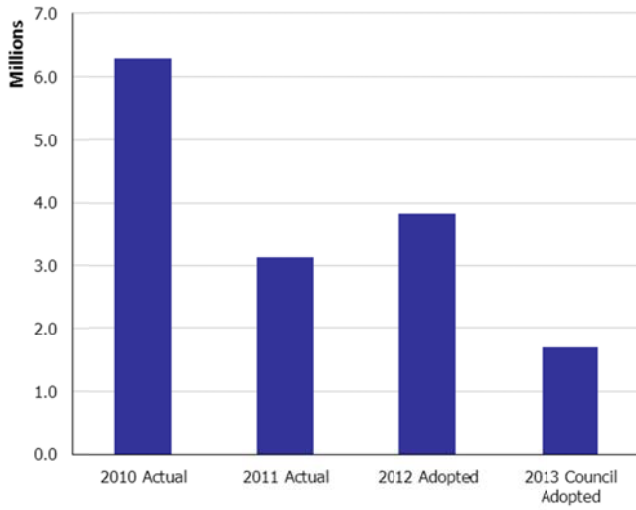
Council Adopted Budget

Council approved the Mayor's recommendations.

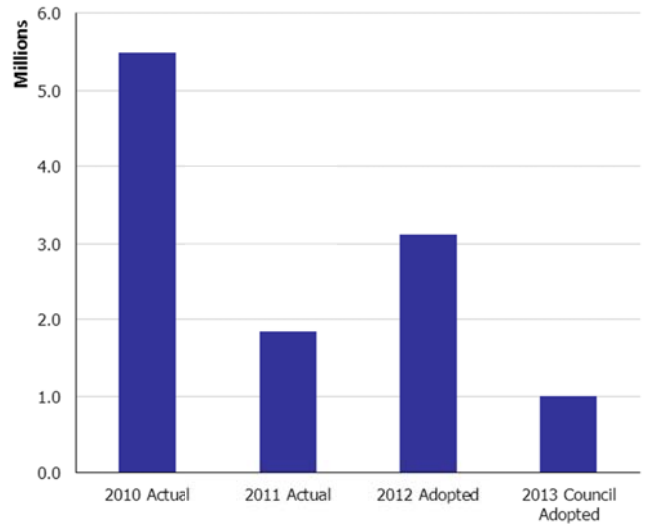
**EMERGENCY MANAGEMENT
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	368,099	422,643	345,661	311,304	-9.9%	(34,357)
FRINGE BENEFITS	114,745	110,380	121,868	104,904	-13.9%	(16,964)
CONTRACTUAL SERVICES	175,668	345,113	202,451	232,985	15.1%	30,534
OPERATING COSTS	54,354	73,497	41,278	43,456	5.3%	2,178
TOTAL GENERAL	712,865	951,634	711,258	692,649	-2.6%	(18,609)
SPECIAL REVENUE						
SALARIES AND WAGES	113,917	287,816	90,014	22,304	-75.2%	(67,710)
FRINGE BENEFITS	31,509	70,046	34,337	7,579	-77.9%	(26,758)
CONTRACTUAL SERVICES	4,382,177	1,252,104	2,000,000	600,118	-70.0%	(1,399,882)
OPERATING COSTS	846,202	422,405	0			0
CAPITAL	207,256	157,900	1,000,000	370,000	-63.0%	(630,000)
TOTAL SPECIAL REVENUE	5,581,061	2,190,271	3,124,350	1,000,000	-68.0%	(2,124,350)
TOTAL EXPENSE	6,293,926	3,141,905	3,835,608	1,692,649	-55.9%	(2,142,959)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
FEDERAL GOVERNMENT	5,487,404	1,848,380	3,124,350	1,000,000	-68.0%	(2,124,350)
OTHER MISC REVENUES	5,785	0	0		0.0%	0
SPECIAL REVENUE	5,493,189	1,848,380	3,124,350	1,000,000	-68.0%	(2,124,350)
TOTAL REVENUE	5,493,189	1,848,380	3,124,350	1,000,000	-68.0%	(2,124,350)

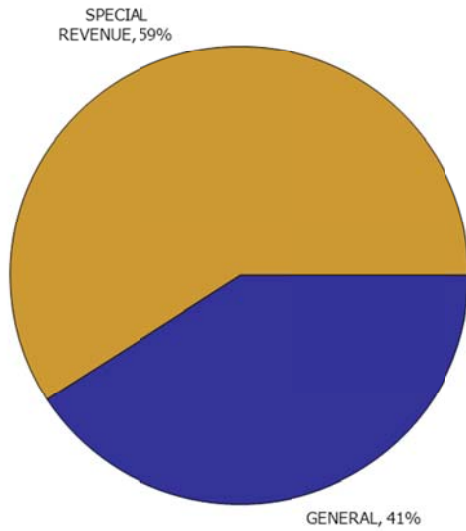
Expense 2010 - 2013



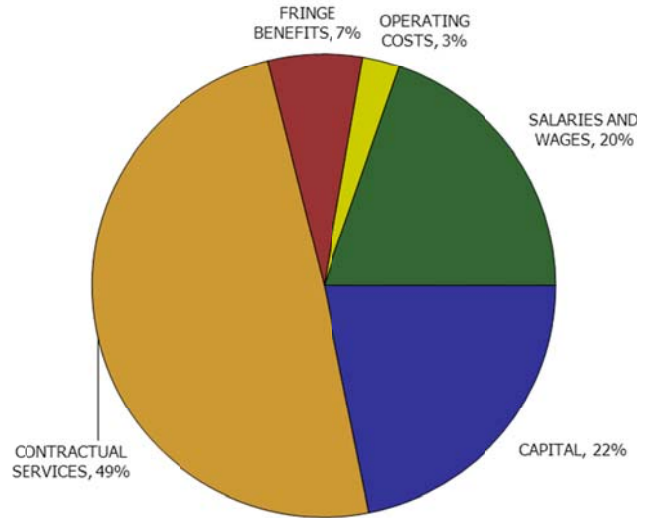
Revenue 2010 - 2013



Expense by Fund



Expense by Category

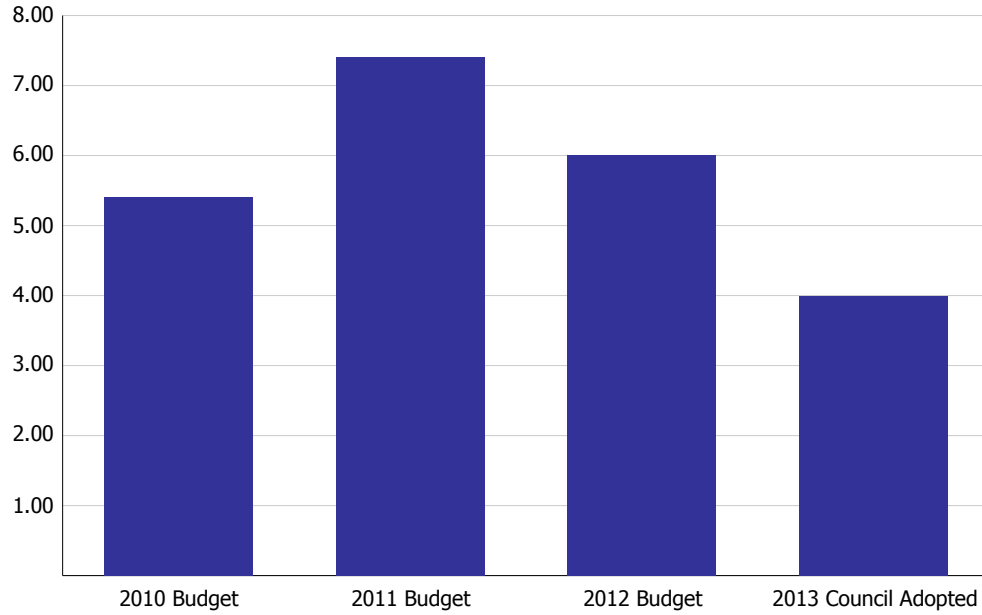


EMERGENCY MANAGEMENT

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
EMERGENCY MANAGEMENT	5.40	7.41	6.00	4.00	-33.3%	(2.00)
Overall	5.40	7.41	6.00	4.00	(33%)	(2.00)

Positions 2010-2013



INFORMATION TECHNOLOGY

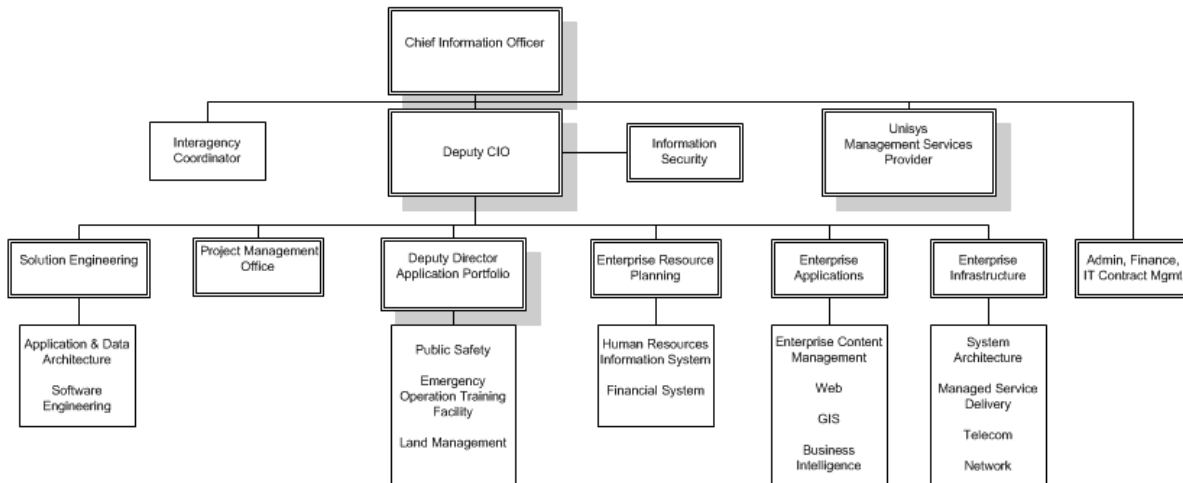
MISSION

Our mission is to deliver innovative, high quality, cost effective computing, networking, information management and business apps management services to City departments in support of their business goals and objectives. Information Technology (IT) strives to be a valued partner in technology by providing innovative solutions to City needs, challenges and opportunities.

BUSINESS LINES

- **Computing**
- **Information Management**
- **Networking**
- **Business Apps Management**

ORGANIZATION CHART



Goal: A City that Works

Computing

Other Funds: \$11,842,331

The City's computing applications run on computers that require architecture, installation, configuration, administration (capacity management, security, performance management, etc.) and maintenance activities. Information Technology Department accomplishes this through a managed services contract with Unisys Corporation.

Networking

Other Funds: \$4,208,915

The City has deployed both commercial and in-house communications networks throughout the City to connect employees with their computing applications, each other, outside networks, and the Internet. Data, voice and video is transported through land line and wireless City networks. Devices supported include desk phones, cell phones, smart phones, tablets (such as the iPad) laptops, desktops PC's, etc. Communications networks require network electronics and those user devices to be architected, installed, configured, administered (capacity management, security, performance management, etc.) and maintained. Information Technology Department

(IT) accomplishes this through several telecommunications services contracts, manages services contracts and staff.

Information Management

Other Funds: \$2,020,916

The City's computing applications make use of electronic data that require databases to be architected, installed, configured, administered (capacity management, security, performance management, etc.) and maintained. Information Technology Department (IT) accomplished this through managed services contracts and staff.

Business Apps Management

Other Funds: \$9,033,510

Computer software systems and applications require project management, requirements gathering, business and technical architecture, installation, configuration, administration (capacity management, security, performance management, etc.) and maintenance activities. Information Technology Department (IT) accomplishes this through several professional services contracts and staff.

Managed IT Services RFP

General Fund: \$200,000

The City's managed services contract with Unisys ends December 31, 2015. A new vendor needs to be selected, and migration of all information and services complete by this time. The City requires the assistance of an experienced managed services consultants to assist with outsourcing requirements, negotiations, new vendor selection and transition activities.

FINANCIAL ANALYSIS

Expenditure

For 2013, Information Technology's department budget is \$27.3 million, a 2.2% increase from 2012. The department's General Fund budget is \$200,000. The department reduced vacant 3 FTEs from 2012 staffing levels.

Revenue

In 2013, the department anticipates \$27.9 million in revenue, a 3.2% increase from 2012.

Fund Allocation

In 2013, 1% of the department's budget is from the General Fund. The remaining budget comes from an internal cost allocation model.

Mayor's Recommended Budget

The department reduced 3 vacant FTE. The Mayor recommended the department's proposed budget, and also recommended the department receive \$200,000 in one-time funding to initiate work on a Managed Services RFP. Additionally, the Mayor recommended no general fund resources for wireless support.

In addition, the Mayor gave IT, City Coordinator and Regulatory Services staff the direction to determine whether the City's Land Management System might incorporate the Intelligent Operating Platform program proposal.

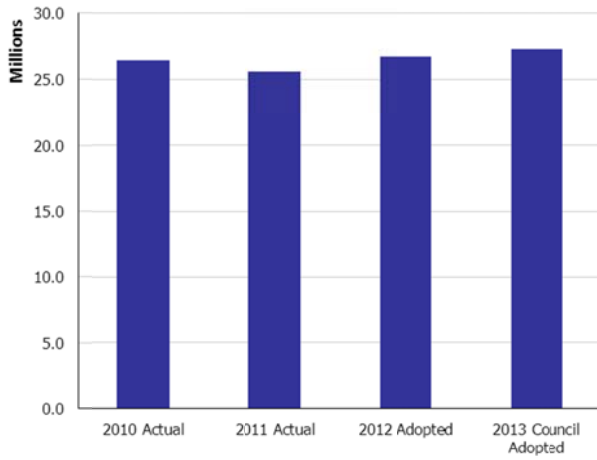
Council Adopted Budget

Council approved the Mayor's recommendations and added the following staff direction: The Information Technology department is to report to the Information Technology Policy Group and Ways and Means/Budget Committee by March 31, 2013 regarding major technology projects for 2013 including resource allocation (staffing time and funding) for implementing the projects.

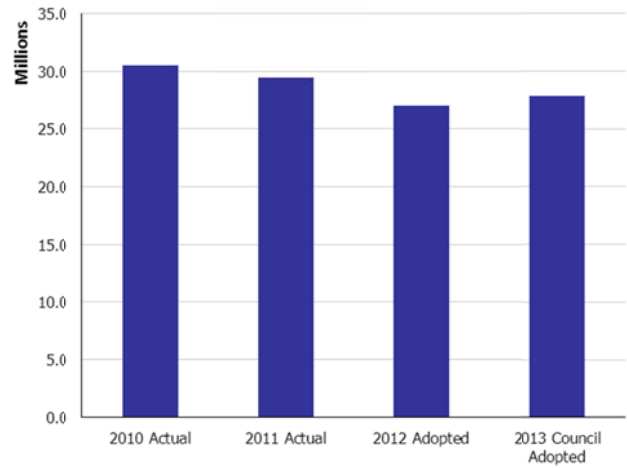
**INFORMATION TECHNOLOGY
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CONTRACTUAL SERVICES	0	0	50,000	200,000	300.0%	150,000
TOTAL GENERAL			50,000	200,000	300.0%	150,000
INTERNAL SERVICE						
SALARIES AND WAGES	4,987,278	3,746,746	5,079,409	5,005,927	-1.4%	(73,482)
FRINGE BENEFITS	1,634,642	1,416,647	1,666,800	1,629,723	-2.2%	(37,077)
CONTRACTUAL SERVICES	18,499,063	19,308,151	18,726,764	19,216,107	2.6%	489,343
OPERATING COSTS	1,321,543	1,147,061	1,083,636	1,134,810	4.7%	51,174
CAPITAL	0	0	117,345	119,105	1.5%	1,760
TOTAL INTERNAL SERVICE	26,442,526	25,618,605	26,673,954	27,105,672	1.6%	431,718
TOTAL EXPENSE	26,442,526	25,618,605	26,723,954	27,305,672	2.2%	581,718
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	15,485	10,823	10,000	10,000	0.0%	0
CHARGES FOR SERVICES	30,228,119	29,275,781	27,041,163	27,915,080	3.2%	873,917
FEDERAL GOVERNMENT	0	3,080	0		0.0%	0
GAINS	(77,524)	(4,124)	0		0.0%	0
LOCAL GOVERNMENT	0	197,363	0		0.0%	0
STATE GOVERNMENT	0	1,027	0		0.0%	0
TRANSFERS IN	407,487	1,153	0		0.0%	0
INTERNAL SERVICE	30,573,566	29,485,101	27,051,163	27,925,080	3.2%	873,917
TOTAL REVENUE	30,573,566	29,485,101	27,051,163	27,925,080	3.2%	873,917

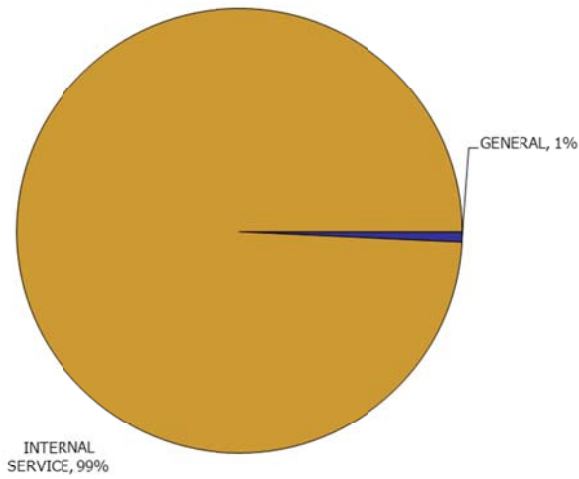
Expense 2010 - 2013



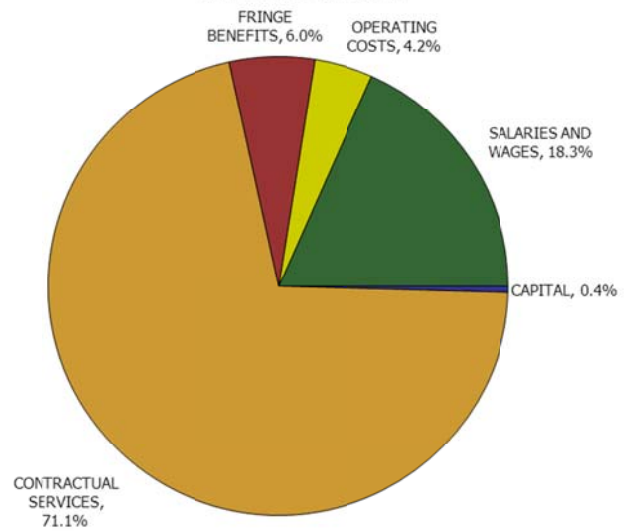
Revenue 2010 - 2013



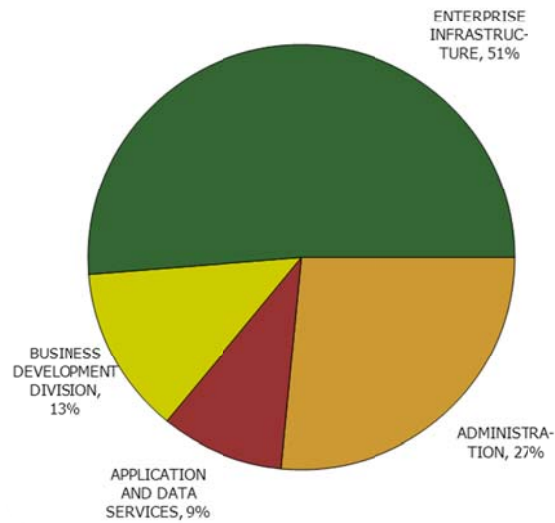
Expense by Fund



Expense by Category



Expense by Division

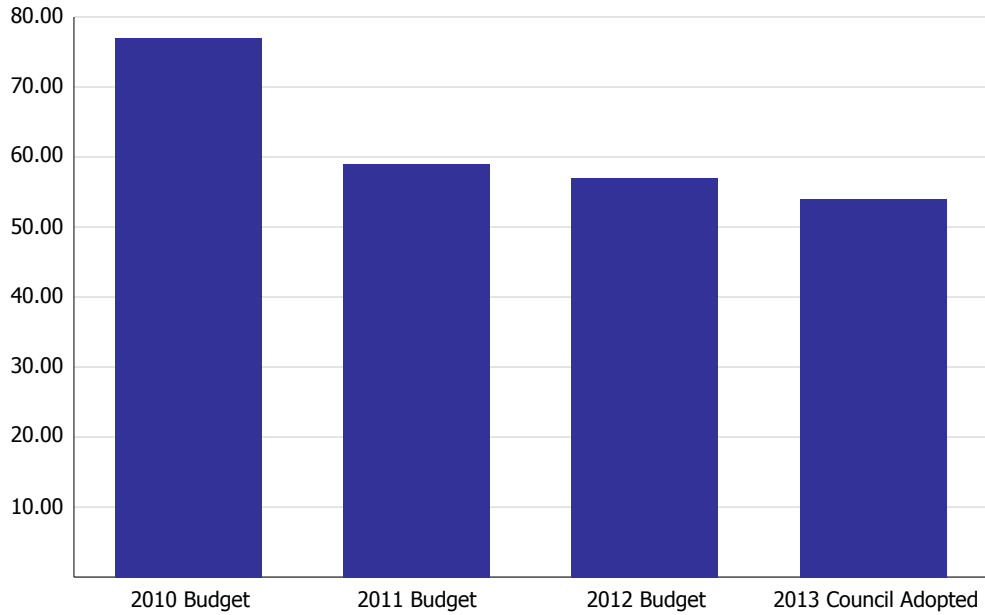


INFORMATION TECHNOLOGY

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
ADMINISTRATION	5.00	8.00	7.00	7.00	0.0%	0.00
APPLICATION AND DATA SERVICES	30.00	26.00	25.00	21.00	-16.0%	(4.00)
BUSINESS DEVELOPMENT DIVISION	24.00	16.00	18.00	19.25	6.9%	1.25
ENTERPRISE INFRASTRUCTURE DIV	18.00	9.00	7.00	6.75	-3.6%	(0.25)
INFORMATION TECHNOLOGY						0
Overall	77.00	59.00	57.00	54.00	(5%)	(3.00)

Positions 2010-2013



COMMUNICATIONS

MISSION

To proactively partner with City departments and policy makers and be a driving force in effectively and accurately communicating information about the City, promoting transparency, and inviting the public to engage in the governing process so people who live, work, and play in Minneapolis better understand, appreciate, and benefit from the work the City does.

BUSINESS LINES

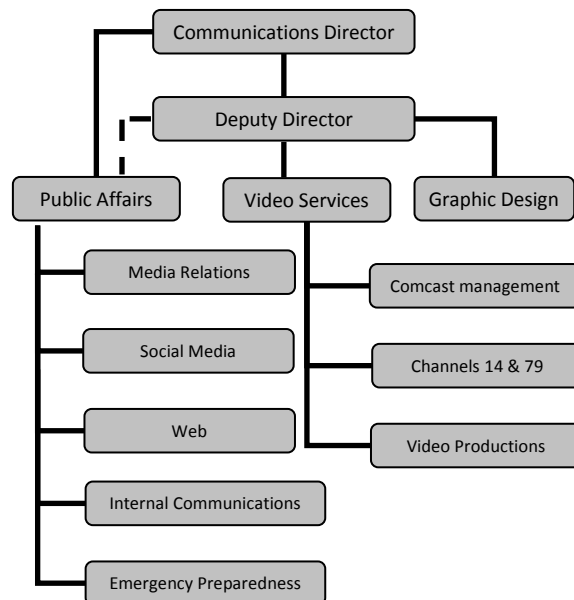
1) Lead Communications planning and execution for the City enterprise (internal and external audiences) and assist elected officials and city departments with their proactive and reactive communications challenges and opportunities.

Communications staff provides strategic communications support and planning to all City departments and elected officials, edits and designs print publications and other communications products, manages and oversees Internet and intranet Web content and government cable access, and oversees employee communications. It does this through direct staff support, establishing protocols and procedures for departments, conducting trainings and department-specific communications planning efforts.

2) Manage the City's cable franchise

Communications manages the City's cable franchise, including overseeing the current franchise agreement, handling consumer complaints, and working with the City Attorney's office and the Finance Officer to negotiate a new franchise agreement.

ORGANIZATION CHART



Goal: A City that Works

Proactive Communication

General Fund: \$639,015

This program intentionally, proactively drives City news and information that promotes the City's goals and strategic initiatives. This proactive communications program includes:

- Driving collaboration with City departments to proactively reach the public on City services or activities that affect them
- Strategic planning and communications management around issues that will impact the community, before those issues arise
- Using both traditional and new technologies and tools to get information to the public, including through the media; the City's website; our social media platforms (Facebook, Twitter, YouTube, FourSquare); and through direct communications when appropriate, including mailings and other printed materials.
- Prioritizing our proactive communications efforts around the City's goals.

Innovation and Leadership-Tools and Training

General Fund: \$205,356

This program provides professional development and communications training at all levels of the organization so that employees understand their role as ambassadors for City government, how best to represent the organization to a variety of audiences, and are able to utilize our communications tools to effectively inform the public about our work. This also includes professional development/training for Communications staff, as well as partnering with City departments to create training videos that they can use with their own department staff.

Transparency in Government

General Fund: \$441,812

This program provides professional, round-the-clock access to city news and information, the policy-making process and opportunities to get involved in the policy-making process.

The program includes:

- Live broadcasts (and re-airing) of official City government meetings (City Council, committee meetings, budget hearings, Mayor's budget addresses, State of the City, key Board of Estimate and Taxation meetings, Planning Commission)
- 24/7 Web access (and archives) of City government meetings
- Promotion of core information about City services and policies, including video productions in English, Spanish, Somali & Hmong, and ensuring the City's online assets (web, social media, etc) are well-managed and utilized, and provide 24/7 access to City news, information and online services.

Internal Communication

General Fund: \$228,411

The goal of our internal communications program is to build and foster an engaged and informed City workforce, who understand their role in achieving the City's goals and are committed to providing quality services for the people of Minneapolis. At its core, this internal communications program includes:

- Strategic counsel to City leadership on internal communications strategies,
- Driving communications for enterprise initiatives,
- Partnering with City departments to assist with their (department-specific) internal communications challenges, and
- Providing news-of-the-day digests to City leadership and departments to help keep folks informed of news and information that may impact their work.

Government Access Equipment (related to Transparency in Government)

General Fund: \$110,500

The City's broadcast of City Council and Committee meetings helps to achieve its goal to be an open, transparent government. This equipment proposal would replace the aging equipment - installed when the new Council Chambers were remodeled more than 10 years ago.

Goal: Many People, One Minneapolis

Public Access Television: Minneapolis Television Network General Fund: \$463,232

This program is primarily the direct funding for Minneapolis Television Network, which serves the residents of Minneapolis with tools, programs, and activities to engage and connect diverse residents and institutions through the exchange of ideas, stories, and information. In this way MTN strives to build a vibrant democracy in which all share social, cultural, and economic vitality.

Goal: A Safe Place to Call Home

Communications Team: Equipped for an Emergency General Fund: \$46,979

This program ensures that City Communications staff are properly trained and equipped to manage communications needs during an emergency.

FINANCIAL ANALYSIS

Expenditure

The total Communications Department's budget decreased from \$2.16 million to \$2.14 million from 2012 to 2013. This is a decrease of \$.02 million, or 1.2%. The 2013 budget reflects a \$150,000 reduction in 2012 one time funding for MTN contract. The 2013 budget also includes \$110,500 in one time funding for Government Access Equipment.

Revenue

In 2013, the department anticipates \$3.93 million in revenue, the same level the department received in 2012.

Fund Allocation

The department's entire budget is in the General Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget, and recommends an additional \$110,500 in one time funding for Government Access Equipment.

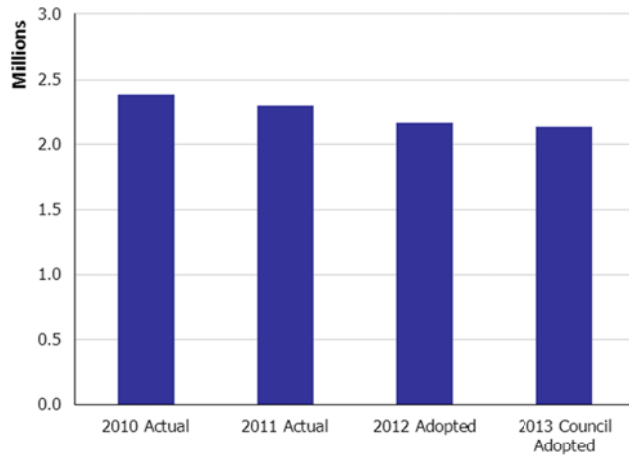
Council Adopted Budget

The Council approved the Mayor recommendations and included the following staff direction: The Communications Department is directed to request \$46,000 for the MTN contract on a one-time basis as part of the 2012 rollover process.

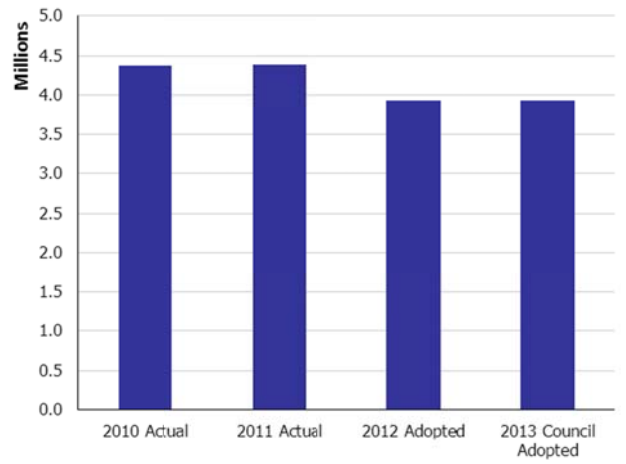
**COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	871,183	860,731	805,436	811,443	0.7%	6,006
FRINGE BENEFITS	271,140	274,962	296,664	308,727	4.1%	12,063
CONTRACTUAL SERVICES	1,091,247	1,051,864	963,413	799,678	-17.0%	(163,735)
OPERATING COSTS	147,792	107,250	77,620	87,533	12.8%	9,913
CAPITAL	864	4,887	17,425	127,925	634.1%	110,500
TOTAL GENERAL	2,382,226	2,299,694	2,160,558	2,135,305	-1.2%	(25,253)
SPECIAL REVENUE						
SALARIES AND WAGES	0	1,934	0			0
FRINGE BENEFITS	0	161	0			0
CONTRACTUAL SERVICES	0	1,138	0			0
TOTAL SPECIAL REVENUE		3,233				0
TOTAL EXPENSE	2,382,226	2,302,927	2,160,558	2,135,305	-1.2%	(25,253)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	16,000	15,701	15,000	15,000	0.0%	0
CHARGES FOR SERVICES	0	4,900	0		0.0%	0
CONTRIBUTIONS	487,561	455,803	800,000	800,000	0.0%	0
FRANCHISE FEES	3,156,797	3,213,490	3,100,000	3,100,000	0.0%	0
OTHER MISC REVENUES	10,466	0	15,000	15,000	0.0%	0
RENTS	4,227	1,459	0		0.0%	0
GENERAL	3,675,053	3,691,353	3,930,000	3,930,000	0	0
SPECIAL REVENUE						
CONTRIBUTIONS	700,000	700,000	0		0.0%	0
SPECIAL REVENUE	700,000	700,000				0
TOTAL REVENUE	4,375,053	4,391,353	3,930,000	3,930,000	0	

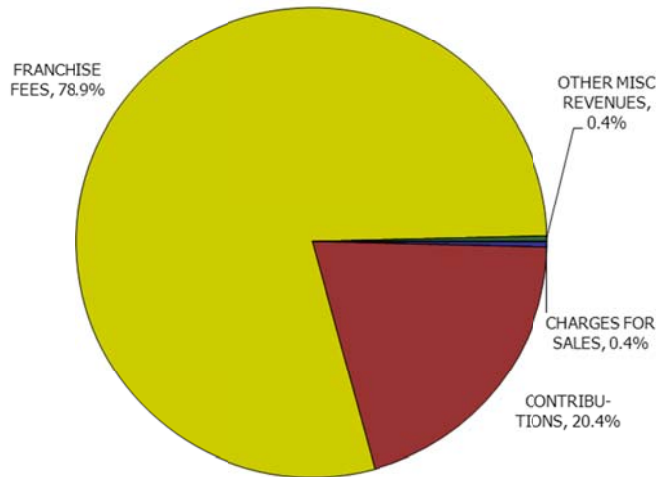
Expense 2010 - 2013



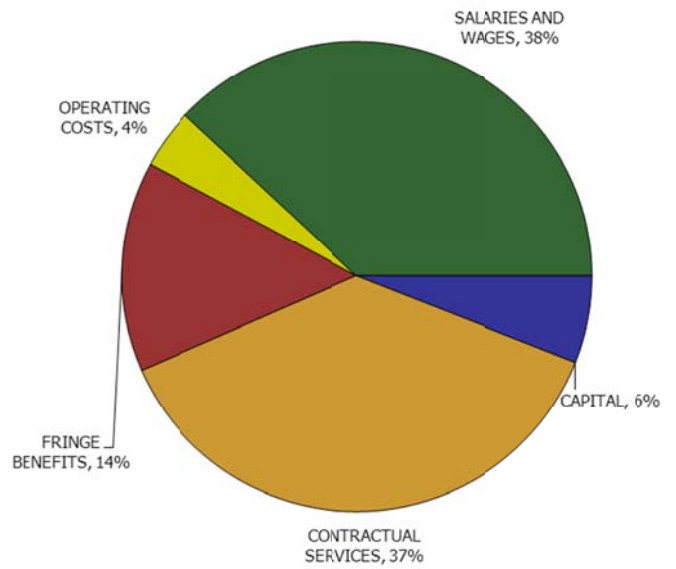
Revenue 2010 - 2013



Direct Revenue by Type



Expense by Category

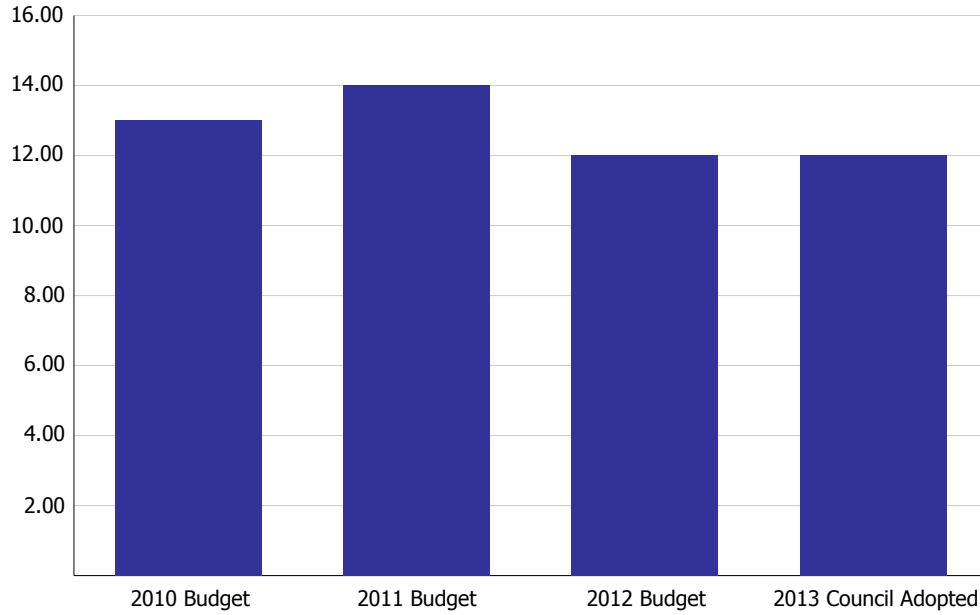


COMMUNICATIONS

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
COMMUNICATIONS	13.00	14.00	12.00	12.00	0.0%	0
Overall	13.00	14.00	12.00	12.00	0.00	0

Positions 2010-2013



CONVENTION CENTER

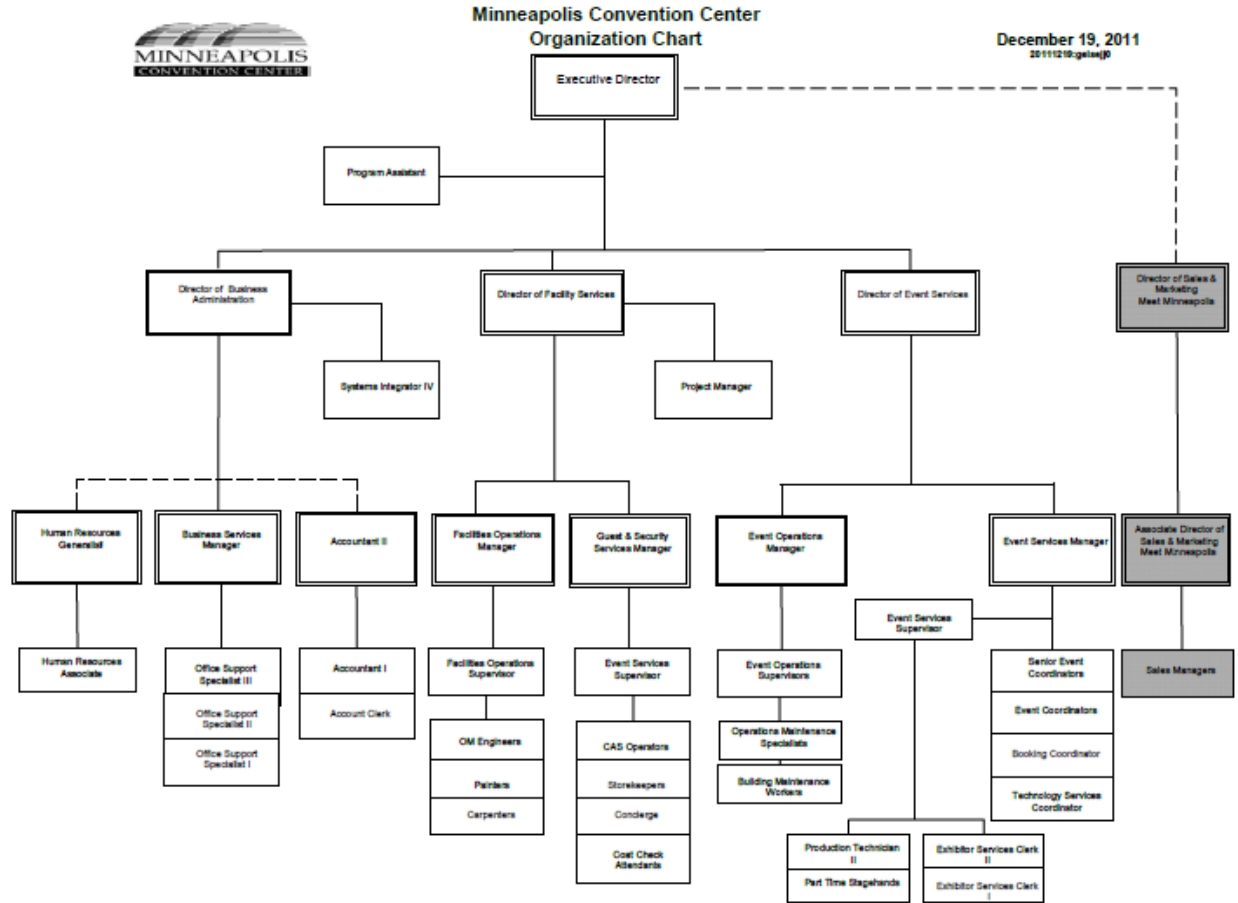
MISSION

The Minneapolis Convention Center will be the best Convention Center by providing an exceptional facility, outstanding internal and external customer service, and responsible use of our resources.

BUSINESS LINES

- ◆ **Event Services** is responsible for providing an exceptional product through the coordination of both in-house departments and contracted services for these major event activities: Event Services, Event Operations, Custodial Operations and Technology Services. These business units work to address the areas of production, set-up, event coordination, and other client needs.
- ◆ **Facility Services** ensures that sufficient building, safety, and capital resources are available to maintain a world-class facility for our customers. Proper maintenance, contract management, and capital planning are keys to maintaining a world-class facility. Facility Services coordinates the areas of safety and security, guest services, parking and marshaling operations, building and grounds maintenance, and capital project planning and management.
- ◆ **Sales and Marketing Services** provides the first point of contact for all business. This group is responsible for providing information about the facility, identifying and attracting events, maintaining relationships, and gathering data on how the MCC serves customers. The majority of these services are provided through our partnership with Meet Minneapolis, in coordination with the Convention Center's Executive Management Team.
- ◆ **Business and Employee Services** addresses the need for depth and sophistication of the business reporting requirements for our Executive Management Team and stakeholders, as well as responds to employee relations and employee development needs. We recognize that the labor force at the Convention Center must be fully developed, fully utilized, and fully recognized in order to move us to the next level of superior customer service.

ORGANIZATIONAL CHART



Goal: Jobs & Economic Vitality

Minneapolis Convention Center Events

Convention Center

Other Fund: \$22,581,804

The Convention Center Events Program provides sales, event coordination, delivery of audio visual, utility, security and guest services to international, national, regional, state and local clients and their attendees. This program also includes the City's contract with Meet Minneapolis, which provides sales services for the Convention Center as well as destination marketing for the City of Minneapolis.

Convention Center events drive economic impact to the City as these clients and attendees purchase goods and services from the Convention Center as well as local businesses contributing to a vibrant downtown. Meet Minneapolis also pursues leisure travelers and sponsorship opportunities.

Minneapolis Convention Center Facilities

Convention Center

Other Fund: \$19,937,711

The Convention Center Facility Program provides the physical building and grounds of the Convention Center as well as the staff to maintain this City asset. The Events Program utilizes the facility to sell and host events. The Facilities Program includes capital expenditures.

Minneapolis Convention Center Tallmadge Building

Convention Center

Other Fund: \$225,000

The Convention Center Tallmadge Building is currently operated as an office building that is leased to local businesses. Within the next several years, as lease contracts expire, the Convention Center will implement its long-term competitive strategy to repurpose this building into a visitor center and restaurant to provide amenities and access to cultural and recreational activities to visitors. This will assist in attracting national business and economic impact to the City.

Target Center

Convention Center

Other Fund: \$5,707,000

The Target Center program provides an operating subsidy and capital funds for this City-owned facility through a contractual agreement with its operator, AEG.

FINANCIAL ANALYSIS

Expenditure

For 2013, the Convention Center's budget is \$48.5 million, a 0.6% decrease from 2012. The Convention Center does not receive funding from the General Fund, but rather through the Convention Center Fund. The department reduced 17 FTEs from 2012 staffing levels.

Revenue

In 2013, the department anticipates \$72.3 million in revenue, a \$7.0 million decrease from 2012.

Fund Allocation

In 2013, 100% of the department's budget is from the Convention Center Fund.

Mayor's Recommended Budget

The Mayor recommended no programmatic changes to the proposed expense budget.

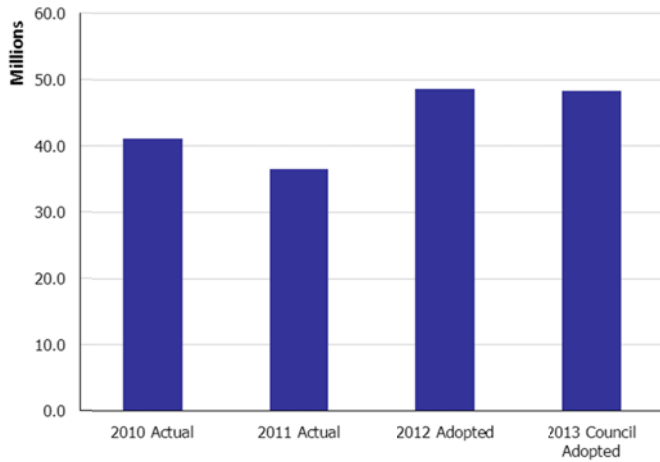
Council Adopted Budget

Council approved the Mayor's recommendations.

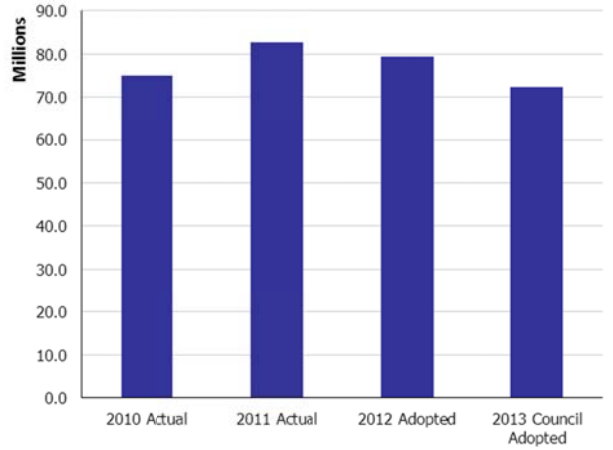
**CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	9,082,314	9,389,459	9,913,227	9,417,127	-5.0%	(496,100)
FRINGE BENEFITS	3,630,580	3,469,041	4,473,782	4,253,453	-4.9%	(220,329)
CONTRACTUAL SERVICES	19,067,235	19,445,533	20,369,948	20,458,213	0.4%	88,265
OPERATING COSTS	1,334,786	1,319,460	1,270,806	1,396,883	9.9%	126,077
CAPITAL	8,025,309	2,923,704	12,692,675	12,925,839	1.8%	233,164
TOTAL SPECIAL REVENUE	41,140,223	36,547,198	48,720,438	48,451,514	-0.6%	(268,923)
TOTAL EXPENSE	41,140,223	36,547,198	48,720,438	48,451,514	-0.6%	(268,923)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	0	35,731	0		0.0%	0
CHARGES FOR SERVICES	4,499,809	5,311,598	5,140,000	5,339,000	3.9%	199,000
CONTRIBUTIONS	0	250,000	0		0.0%	0
INTEREST	402,611	359,760	314,359	265,132	-15.7%	(49,227)
OTHER MISC REVENUES	2,490,962	2,758,318	2,509,000	3,044,000	21.3%	535,000
RENTS	6,203,352	6,580,122	6,492,000	6,400,000	-1.4%	(92,000)
SALES AND OTHER TAXES	61,306,954	65,929,924	64,865,392	57,300,000	-11.7%	(7,565,392)
TRANSFERS IN	0	1,389,759	0		0.0%	0
SPECIAL REVENUE	74,903,688	82,615,212	79,320,751	72,348,132	-8.8%	(6,972,619)
TOTAL REVENUE	74,903,688	82,615,212	79,320,751	72,348,132	-8.8%	(6,972,619)

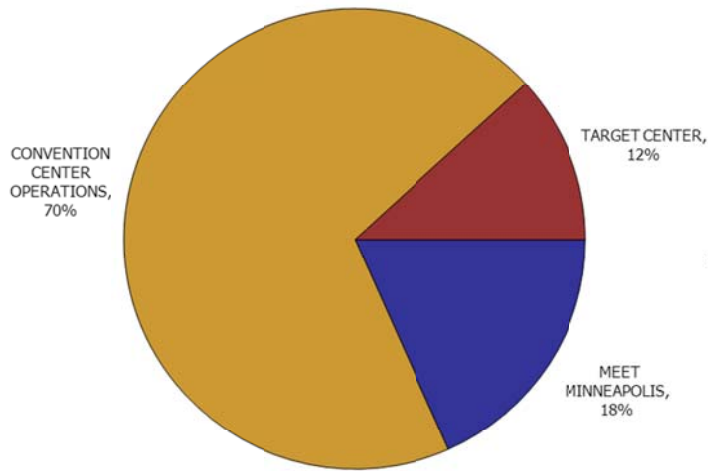
Expense 2010 - 2013



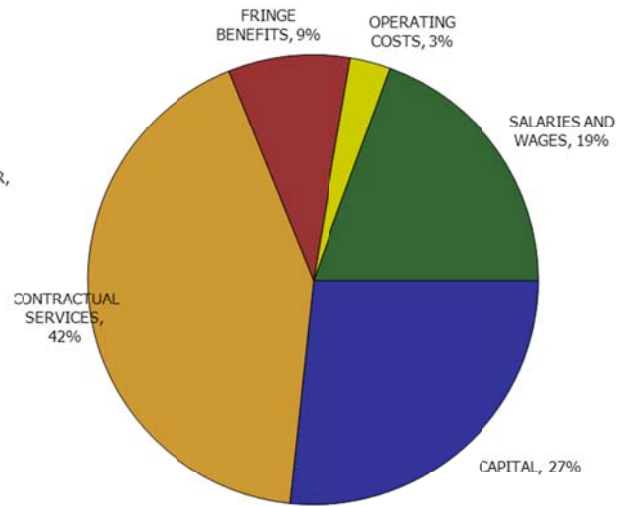
Revenue 2010 - 2013



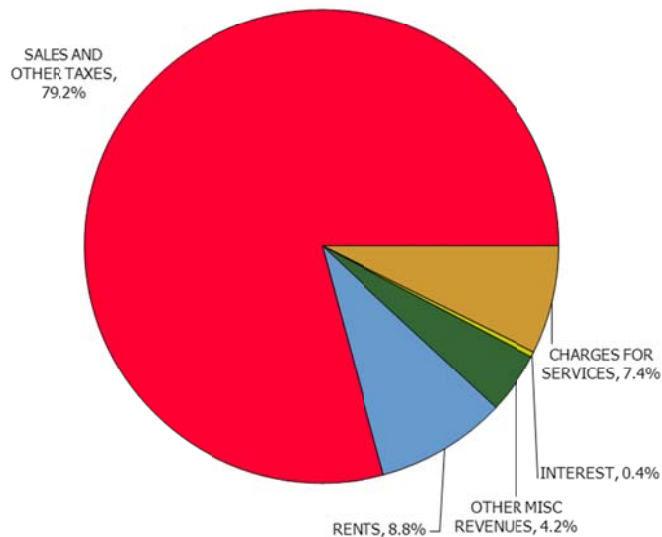
Expense by Division



Expense by Category



Direct Revenue by Type

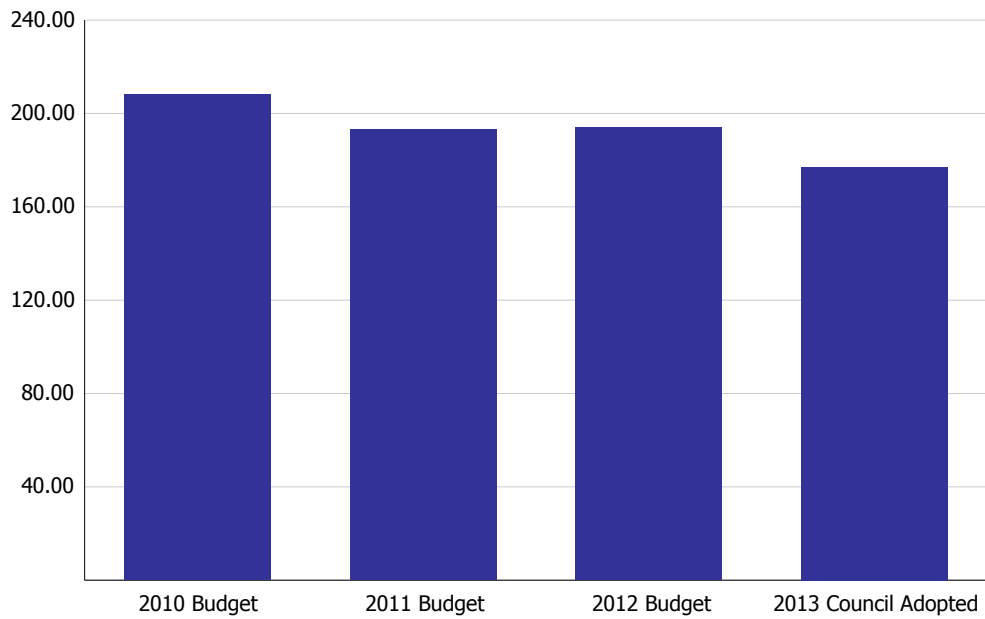


CONVENTION CENTER

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
CONVENTION CENTER		0.00				0
CONVENTION CENTER OPERATIONS	208.18	193.00	194.10	177.10	-8.8%	(17.00)
MEET MINNEAPOLIS						0
TARGET CENTER						0
Overall	208.18	193.00	194.10	177.10	(9%)	(17.00)

Positions 2010-2013



FINANCE AND PROPERTY SERVICES

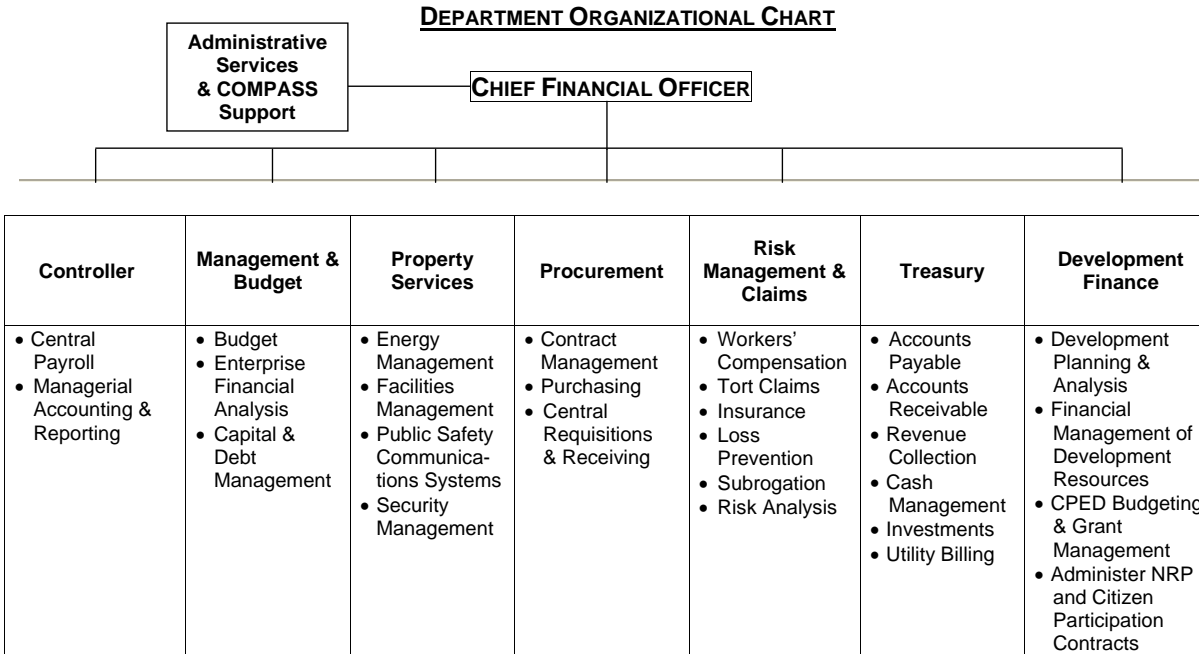
MISSION

Provide essential financial services, resource and asset management, and guide decisions to ensure the City’s lasting vibrancy and financial strength.

BUSINESS LINES

- ACCOUNTING, REPORTING AND DEPARTMENT SERVICES
- BUY, ORDER AND PAY FOR GOODS AND SERVICES
- CONCENTRATE CASH AND INVEST RESERVES
- ENERGY MANAGEMENT
- ENTERPRISE RESOURCE PLANNING SYSTEM
- FACILITIES MANAGEMENT
- PAY EMPLOYEES
- RADIO SHOP
- RISK MANAGEMENT AND CLAIMS
- SECURITY MANAGEMENT
- STRATEGIC FINANCIAL SERVICES
- UTILITY BILLING

ORGANIZATIONAL CHART



Goal: A City that Works

Accounting, Reporting and Department Services

General Fund: \$7,216,316
Other Funds: \$282,571

Monitor and report department revenues and expenditures to the City Council, Mayor and department managers; prepare City's quarterly financial report and Comprehensive Annual Financial Report (CAFR); respond to internal and external audits; design and administer rate models that allocate shared costs for internal services; and assist managers during the annual budget process. A critical function of this program is to provide services to City departments that receive grants by tracking and monitoring grant-related revenues and expenses, and reporting this information to grantors so the City remains in compliance and continues to receive and preserve the authority to expend these funds. Another important function is to provide financial analyses and pertinent information necessary to support City development decisions and investment intended to stimulate tax base growth, job creation/retention and the production of new housing units.

ERP Application Re-Implementation & Application Assessment

General Fund: \$150,000

The ERP application re-implementation program seeks funds to support the work effort to plan and execute installation of the most current versions of HRIS and COMPASS. It is customary to do a wholesale re-install approximately every five years for software systems. HRIS is due for its latest version in 2013. COMPASS re-implementation will occur in 2014.

Administer Utility Billing System

General Fund: \$5,302,727

This program is mandated by Minneapolis City Ordinance and is a collaboration between the Finance and Public Works Department to invoice, collect revenue and provide specific utility customer account information related to the delivery of City water, sewer, solid waste and stormwater services. The revenues generated sustain the operations of these departments, so it is imperative that revenues are billed and collected in an efficient manner.

Order, Buy and Pay for Goods and Services

General Fund: \$2,445,119
Other Funds: \$666,157

This program manages, facilitates and oversees the purchase of and payment for all goods and services for all City departments and independent boards. A goal of this program is to facilitate the purchase of goods and services on the most favorable terms according to state law and City policies, and assure contracts are consistent with good business practices and City policies. Additional activities covered under this program include creating requisitions for goods and services, issuing purchase orders, documenting receipt of goods and services, and paying vendors as well as administration of bid and request for proposal processes, price agreements and contract management. The Central Stores functional formerly housed in Public Works is also included in this program.

Investment, Cash Management, Receivables and Cash Receipting

General Fund: \$1,410,869

Selecting, contracting, and monitoring Investment Managers responsible for investing City funds for all City Departments. Daily monitoring, analysis, and forecasting of cash flow to ensure that

the City is able to meet its funding requirements for vendor payments and employee payroll. This includes monitoring the activity of approximately fifteen (15) bank accounts and sub-accounts.

Pay Employees

General Fund: \$1,255,654

Perform payroll functions according to twenty-three different City labor contract agreements and numerous work rules surrounding pay, and federal and state regulations. Proof and audit employee payroll time on a daily, weekly and bi-weekly schedule in order to ensure paychecks are produced for City Council, Mayor, City department and independent board employees on a bi-weekly basis. Manage federal and state tax withholdings and process bi-weekly (payroll) tax deposits.

Risk Management

General Fund: \$27,921
Other Funds: \$2,535,112

The goals of this program are the preservation of City assets, prevention of the loss of financial resources and injury to City employees, administration and management of workers' compensation claims and tort claims (liability claims under \$25,000), unemployment program administration as well as loss prevention activities, which include safety, OSHA, ergonomic programs and subrogation.

Strategic Financial Services

General Fund: \$1,043,779

Perform financial analyses and planning on various issues impacting the City Enterprise (*i.e.*, pension reform, labor forecasting), provide financial information and advice to policy-makers and City leadership, support informed and strategic decision-making, provide debt management, and develop and administer the annual Citywide process for capital and operating budget development.

Security Management

General Fund: \$27,921
Other Funds: \$244,664

This program is responsible for development and implementation of enterprise internal security plans, policies and procedures for municipal buildings, grounds, and other property. The program conducts security risk and vulnerability assessments, and audits in response to department security and life safety needs. This includes comprehensive capital improvements/modifications to existing facilities and planned requirements for new facilities. The goals of this program are to provide safe working environments for employees, their clients and visiting members of the public. This is accomplished by employing adequate security measures that provide for the protection of people and property.

Facilities Management

General Fund: \$27,921
Other Funds: \$9,000,808

The purpose of this enterprise program is to comprehensively and strategically provide for the land, facility, and furnishing needs of the City's operating departments in order for the services to be provided to the public in an efficient and effective manner. All services are to be provided with the holistic goal of managing the City's facilities in an environmentally responsible manner.

MBC Reimbursement for Cost

Other Funds: \$4,841,234

This program is a mechanism to collect revenue for Operating Departments housed in City Hall to be paid to the Municipal Building Commission (MBC) as a reimbursement for the City's pro-rated portion of the operating costs (the remainder is paid by Hennepin County).

ERP Application (COMPASS)

General Fund: \$1,358,712

The Enterprise Resource Planning (ERP) system is used by both Finance and Human Resources to provide services to the City Council, Mayor, City department leaders and staff, City businesses and residents, and other external stakeholders. "ERP" refers to the Human Resources Information System (HRIS) and the City's "COMPASS" financial system. Together, these two systems provide information on the City's human and financial resources. For Finance, this includes every financial transaction that takes place on a daily, monthly and annual basis. This program maintains existing technology functional support for the COMPASS system related to Finance staff (3.0 FTEs) and IT costs for technical staff, system maintenance and support.

Goal: Eco-Focused

Energy Management

General Fund: \$27,921

Other Funds: \$167,722

The goal of this program is to centralize energy management and provide enterprise-wide services that support energy conservation, renewable energy and alternate fuels, and emissions reduction, for the City's municipal operations and associated operating departments. This program is responsible for oversight of City use of major energy sources such as electricity, natural gas, district energy (steam and chilled water), managing internal conservation and education programs, managing or providing assistance on energy-related capital projects, procurement, budgeting, and accounting for energy purchases, data analysis (software application) of energy consumption, renewable energy initiatives, and emissions reduction efforts.

Goal: A Safe Place to Call Home

Radio Shop

General Fund: \$27,921

Other Funds: \$2,047,072

The primary purpose of this program is to maintain and provide Public Safety Communications Systems and 800 mhz radio equipment to ensure communications capabilities during emergencies as well as day-to-day City operations.

FINANCIAL ANALYSIS

Expenditure

The total Finance and Property Service Department's budget increased from \$39.1 million to \$40.1 million from 2012 to 2013. This is an increase of \$1 million, or 2.5%. The General Fund budget is \$20.3 million. The department increased 0.5 FTE from 2012 staffing levels within existing resources. The Mayor recommends adding 1 FTE, for a net addition of 1.5 FTE.

Revenue

In 2013, the department anticipates \$16.7 million in revenue, a 0.4% increase from 2012.

Fund Allocation

In 2013, 51% of the department's budget is from the General Fund. The remaining budget comes from internal service funds and grants.

Mayor's Recommended Budget

The Mayor recommended no programmatic changes to the proposed budget and recommends funding 1 additional FTE to augment existing internal controls, particularly around grant management. In addition, the Mayor recommended \$150,000 in one-time funding, in conjunction with \$850,000 in one-time funding in HR, to support upgrades to the enterprise Compass and HRIS systems.

Council Adopted Budget

Council approved the Mayor's recommendations and directed the Finance and Property Services department to:

- Amend all schedules and language according to amended budgets.
- Adjust the five year financial direction according to amended budgets and staff directions.
- City Departments are directed to work with the Finance Department to review and analyze the City's existing fee structure to determine fiscal relationship between cost of providing activities and ability to recoup costs. The study shall be complete by April 1, 2013, and presented to the Ways & Means/Budget Committee and the Regulatory, Energy & Environment Committee during their regularly scheduled meetings in April 2013.
- City Departments are further directed to work with the Finance Department and City Attorney to incorporate the results of the fees study into the development of a methodology and process to support any proposed ongoing adjustments to existing fees. The proposed methodology and process shall be presented to the Ways & Means/Budget Committee and Regulatory, Energy & Environment Committee by June 30, 2013.
- The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

**FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	9,634,774	9,487,169	9,650,708	10,020,490	3.8%	369,781
FRINGE BENEFITS	3,572,264	3,446,677	3,874,485	4,004,278	3.3%	129,793
CONTRACTUAL SERVICES	5,428,155	5,485,475	5,389,540	5,548,360	2.9%	158,820
OPERATING COSTS	825,896	744,342	710,658	742,045	4.4%	31,387
CAPITAL	1,035	1,035	7,609	7,609	0.0%	0
TOTAL GENERAL	19,462,123	19,164,698	19,633,000	20,322,781	3.5%	689,781

SPECIAL REVENUE						
SALARIES AND WAGES	338,690	293,896	207,521	206,934	-0.3%	(586)
FRINGE BENEFITS	113,534	102,285	75,386	74,419	-1.3%	(967)
CONTRACTUAL SERVICES	1,555,564	976,374	5,823	1,218	-79.1%	(4,605)
OPERATING COSTS	50,155	93,685	0			0
CAPITAL	9,704	40,091	0			0
TOTAL SPECIAL REVENUE	2,067,646	1,506,332	288,730	282,571	-2.1%	(6,158)

INTERNAL SERVICE						
SALARIES AND WAGES	4,879,592	4,959,742	4,746,029	5,053,489	6.5%	307,460
FRINGE BENEFITS	2,418,833	2,327,194	2,206,958	2,301,280	4.3%	94,322
CONTRACTUAL SERVICES	10,743,002	10,264,856	10,550,933	10,449,880	-1.0%	(101,053)
OPERATING COSTS	1,119,835	1,296,091	1,651,352	1,667,043	1.0%	15,691
CAPITAL	0	0	63,644	31,076	-51.2%	(32,568)
TOTAL INTERNAL SERVICE	19,161,261	18,847,882	19,218,916	19,502,768	1.5%	283,852

TOTAL EXPENSE	40,691,031	39,518,913	39,140,646	40,108,121	2.5%	967,475
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REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	0	416	0		0.0%	0
CHARGES FOR SERVICES	0	1,402	0		0.0%	0
INTEREST	0	110	0		0.0%	0
OTHER MISC REVENUES	12,299	19,267	0		0.0%	0
GENERAL	12,299	21,194				0

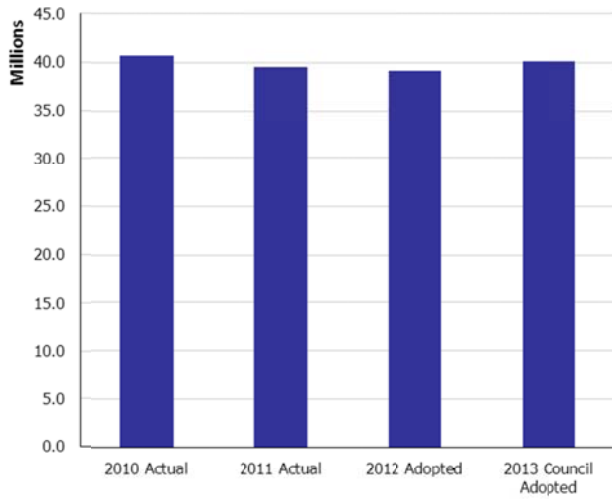
SPECIAL REVENUE						
FEDERAL GOVERNMENT	12,386	363,899	0		0.0%	0
LOCAL GOVERNMENT	1,250,000	(1,250,000)	0		0.0%	0
STATE GOVERNMENT	0	1,750,742	0		0.0%	0
SPECIAL REVENUE	1,262,386	864,641				0

INTERNAL SERVICE

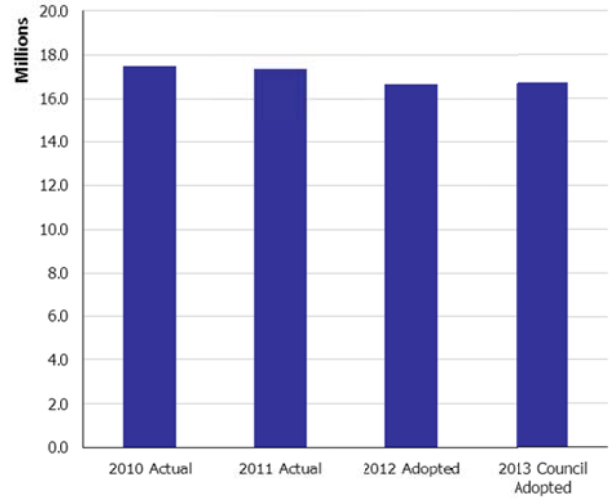
**FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
CHARGES FOR SALES	284,866	301,160	355,000	360,325	1.5%	5,325
CHARGES FOR SERVICES	3,365,253	3,377,594	2,965,600	2,405,000	-18.9%	(560,600)
FEDERAL GOVERNMENT	0	26,895	0		0.0%	0
OTHER MISC REVENUES	142,321	76,727	3,000	3,000	0.0%	0
RENTS	12,427,824	12,700,464	13,351,440	13,965,731	4.6%	614,291
STATE GOVERNMENT	0	8,965	0		0.0%	0
INTERNAL SERVICE	16,220,264	16,491,803	16,675,040	16,734,056	0.4%	59,016
TOTAL REVENUE	17,494,949	17,377,638	16,675,040	16,734,056	0.4%	59,016

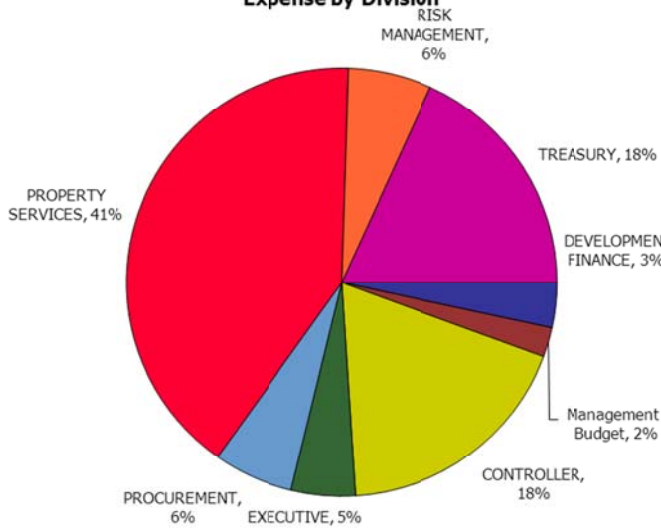
Expense 2010 - 2013



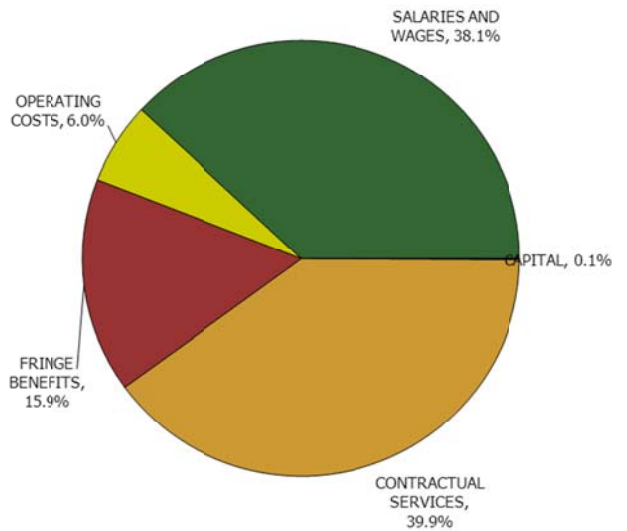
Revenue 2010 - 2013



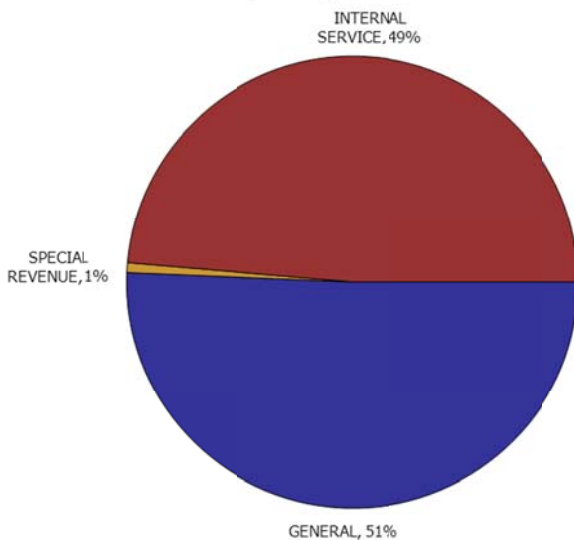
Expense by Division



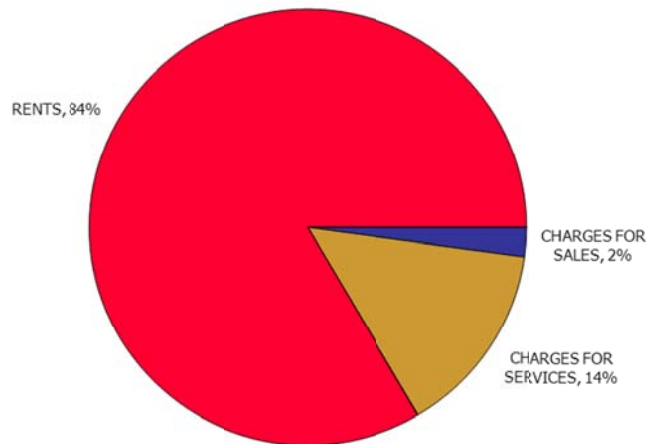
Expense by Category



Expense by Fund



Direct Revenue by Type

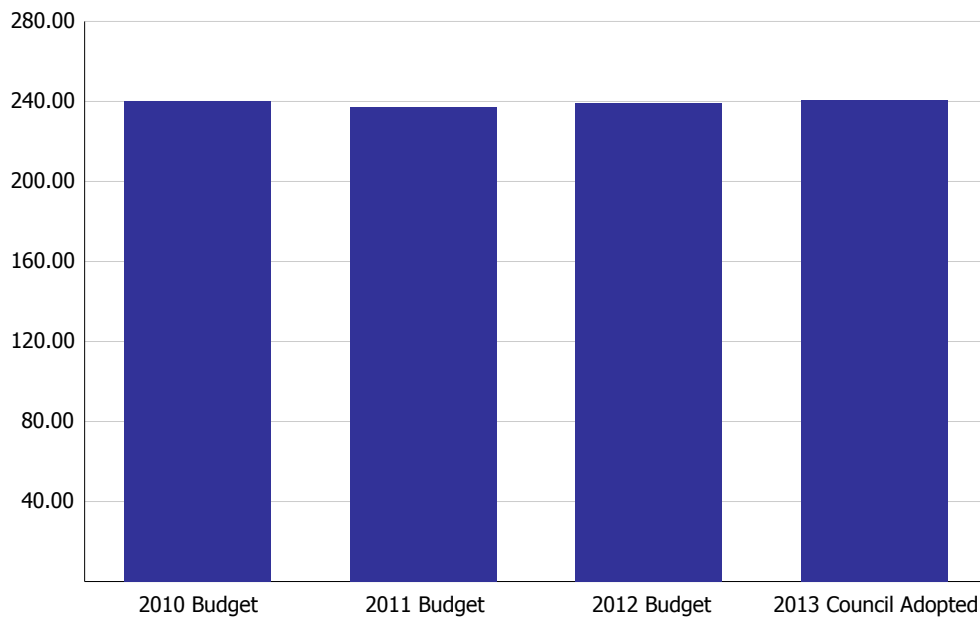


FINANCE AND PROPERTY SERV

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
CONTROLLER	93.00	90.00	92.00	68.00	-26.1%	(24.00)
DEVELOPMENT FINANCE	8.00	10.00	10.00	10.00	0.0%	0
EXECUTIVE	10.00	10.00	10.00	6.00	-40.0%	(4.00)
FINANCE AND PROPERTY SERV						0
Management & Budget				7.00		7.00
PROCUREMENT	9.00	9.00	9.00	23.00	155.6%	14.00
PROPERTY SERVICES	61.00	59.00	62.00	63.50	2.4%	1.50
RISK MANAGEMENT	8.00	9.00	9.00	9.00	0.0%	0
TREASURY	51.00	50.00	47.00	54.00	14.9%	7.00
Overall	240.00	237.00	239.00	240.50	1%	1.50

Positions 2010-2013



HUMAN RESOURCES

MISSION

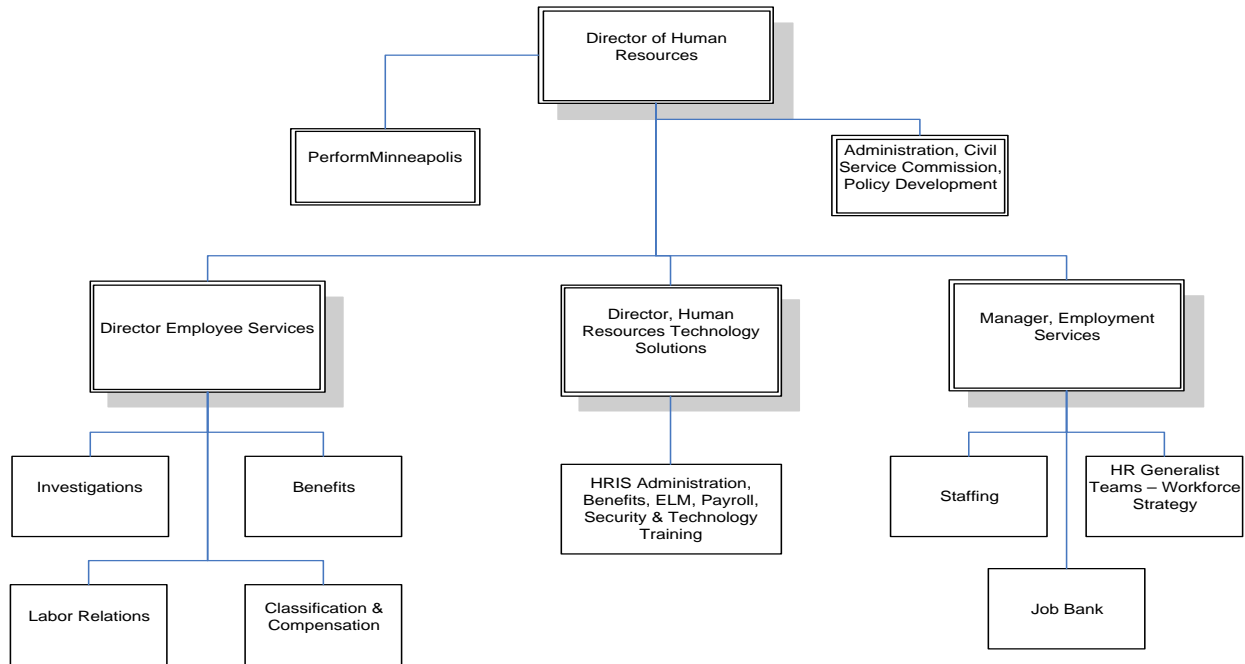
The mission of the Human Resources (HR) Department is to strategically partner with departments to implement a comprehensive, competency-based talent management strategy so that the City of Minneapolis is able to hire, develop and retain an excellent workforce that contributes to the achievement of City Goals through the delivery of high quality, cost-effective services.

BUSINESS LINES

The HR Department has three primary business lines – Administration & HRTS, Employment Services, and Employee Services. Because the work of our department involves more than just one business line within a business line, it is necessary that the employees of each division engage in cross-divisional cooperation so that we can accomplish our goals and eliminate the existence of ‘silo-mentality’ across the department.

1. **Administration and HRTS:** Key services include: administration of the department, including policy development and implementation, business planning and strategic direction, and Civil Service Commission oversight. Also important are services provided by the HRTS Team, which include: enterprise employment information management, managing and providing employee and business information to the City, Independent Boards and Agencies for decision making purposes and supporting Enterprise Learning Management (ELM) and Enterprise Resource Planning (ERP) related efforts and initiatives. This business line also oversees the implementation of “PerformMinneapolis,” the City’s performance management system.
2. **Employment Services:** Key services that remain and that are provided by this business line include: direct customer consultation and service delivery via the HR Generalist teams. The HR Generalist Teams implement HR initiatives throughout the organization and work closely with department managers to develop strategies and solutions to human resources related issues while ensuring consistent application of HR policies and practices across all HR functions. This business line also provides staffing related services to all City departments and administers the Job Bank.
3. **Employee Services:** Provides strategic and operational leadership for all of the City’s collective bargaining. In addition, the key services essential to this business line are: labor contract administration, compensation administration, classification administration, complaint investigation, benefits plan design and administration, including negotiating and implementing employee healthcare and wellness programs.

ORGANIZATION CHART



Goal: A City that Works

ERP Application Re-Implementation & Application Assessment General Fund: \$850,000

“ERP” refers to the Human Resources Information System (HRIS) and the City’s “COMPASS” financial system. Together, these two systems provide information on the City’s human and financial resources. For Finance, this includes every financial and payroll transaction that takes place on a daily, monthly and annual basis. For Human Resources, this includes data on every employee in the City related to position details, payroll, benefits, training and other personal information. The ERP application re-implementation program seeks funds to support the work effort to plan and execute installation of the most current versions of HRIS and COMPASS. It is customary to do a wholesale re-install approximately every five years for software systems. HRIS is due for its latest version in 2013. COMPASS re-implementation will occur in 2014.

ERP Application (HRTS)

General Fund: \$886,029
Other Funds: \$463,470

HR Technology Solutions (HRTS) is responsible for the HR technology for City, boards, and agencies. HR technology solutions such as the PeopleSoft HRIS application provide employees with pay, benefits, and ownership of their data. HRIS allows City employees access to information and services which enables them to perform their jobs more effectively and streamline HR service delivery through automation. The HRIS application is the required foundation for mandated enterprise employee record information management.

HR Administration

General Fund: \$612,358

Under the City Coordinator and the Civil Service Commission, the Director of Human Resources (Administration) directs the HR Department which includes creating strategic direction, policy development, program management, recruitment, testing and selection, job classification, labor relations, employee benefits administration, HRTS, and compensation administration.

HR Administration oversees and manages by allocating resources, planning, organizing, managing and controlling various activities so the HR Department can stay focused on its mission.

Benefits & Wellness

Other Funds: \$733,537

Responsible for developing, designing, implementing and administering benefits and wellness plans that appropriately balance benefit value and cost, address the needs of employees and taxpayers and promote employee health and productivity.

Classification Administration

General Fund: \$149,944

Ensures the City classification system remains relevant and responsive to the changing nature of work; evaluates existing and proposed jobs to ensure the proper assignment of value for job-related contributions; maintains specifications for all jobs; determines minimum requirements, qualifications and grade levels for all job classifications; helps assure City compliance with State pay equity requirements.

Compensation Administration

General Fund: \$150,725

Provides salary analysis and administration; determines costs of labor agreements; investigates and assigns appropriate salaries to job classification titles; negotiates salary with bargaining units for new or reclassified titles; assures City compliance with State pay equity requirements.

Complaint Investigations

Other Funds: \$199,430

Investigates complaints of harassment, discrimination and retaliation in the workplace to avoid costly litigation and judgments and to comply with Federal and State regulations.

HR Management Consulting/HR Generalist Teams

General Fund: \$2,148,882

The HR Management Consulting and HR Generalist Teams Program is made up of seven HR Generalist teams that implement HR initiatives throughout the organization and work closely with department managers to develop strategies and solutions to human resources related issues while ensuring consistent application of HR policies and practices across all HR functions. This program provides consulting services that include; conflict resolution, disability accomodation, employee engagement, workforce planning, counseling, coaching, organizational and employee development, diversity, performance management, benefits, employee relations, training, research and analysis, staffing management, disciplinary issues, reductions in force, effective practices, Federal, State and Local laws, and mediation, etc.

Labor Relations

General Fund: \$667,962
Other Funds: \$9,506

Provides strategic and operational leadership for the negotiation of all terms and conditions of employment, including wages and benefits, with the City's 23 bargaining units; provides City

departments with contract negotiations, interpretation, administration, grievance administration and other labor-management initiatives and collaboration efforts.

Perform Minneapolis (Performance Management System) General Fund: \$296,553
Other Funds: \$46,219

PerformMinneapolis (Performance Management System) provides a comprehensive, standardized, yet configurable approach to managing the functional outcomes of each employee and their day-to-day contributions to the achievement of City goals. It enables the translation from planning to results (outcomes); aligns individual goals and actions to departmental and City goals; provides means of measuring effectiveness and efficiency differentiating performance among individual contributors and programs, and capturing and reporting citywide data.

Halogen Licensing (supports *PerformMinneapolis*) General Fund: \$ 93,000

In the City's 2010 Management Services Survey, performance management was identified as the #1 activity that HR should focus on improving. *PerformMinneapolis* is the updated performance management system that provides a systematic approach to organization improvement focusing on business outcomes and employee development. The Halogen Software supports *PerformMinneapolis* by automating the performance management process.

Staffing Services General Fund: \$676,823

Staffing Services is a critical program used to bring new talent onboard and in many cases the process used to identify internal candidates for transfer or promotion. Staffing Services also is responsible for the administration of the Job Bank. The Job Bank is mandated under City Ordinance and the majority of the City's collective bargaining agreements.

Technology Training Other Funds: \$221,638

The Technology Training Program provides resources to support the computer training lab, rent, computers and access, and other IT charges, and to make available access to instructors for enterprise technology training, such as for Microsoft Office 2010 and other upgrades expected in 2013.

Workforce Planning General Fund: \$447,000

Workforce planning is a strategic planning process focused on the human capital of an organization. It involves the systematic assessment of future human resource needs and the determination of strategies to meet those needs. Done correctly, an organization can increase the probability of having the right people with the requisite skills/competencies in the right positions at the right time. HR can use workforce planning as a tool to enhance effectiveness and add a valuable set of services to assist departments prepare for the future.

Having a more robust Workforce Planning function will enable HR to build upon its Talent Management Framework. The framework identifies major department functions, the service activities associated with hiring, retaining and developing employees, the key drivers of our work. This will become more and more critical as the City is facing a significant loss of talent and knowledge in the coming years.

Testing and Staffing Services

General Fund: \$50,000

Testing and Staffing Services is a critical program in the City's merit based hiring process required and used to bring new talent onboard. This program is also used to identify internal candidates for transfer and promotion. This information is presented with the intent to maintain the two FTE's eliminated to reach Target 1 in the HR General Fund budget.

Goal: Eco-Focused

Metropass Subsidy

General Fund: \$100,000

Provide a direct subsidy to eligible City employees who elect to purchase the Metropass. The direct subsidy would replace an expiring, participant-funded subsidy that was generated during the early years of the Metropass program. The Metropass program allows non-sworn City employees to pay a flat monthly pre-tax contribution for unlimited access to all regional bus routes and the Hiawatha light-rail line.

FINANCIAL ANALYSIS

Expenditure

The total Human Resources Department's budget increases from \$7.1 million to \$8.8 million from 2012 to 2013. This is an increase of \$1.7 million, or 23.3%. The Human Resources Department's 2013 expenditure budget reflects the following changes from 2012:

- ERP Application Re-Implementation & Application Assessment: The Council adopted a budget of \$850,000 in funding on a one-time basis (in conjunction with \$150,000 in one-time funding for Finance and Property Services) to support upgrades to the enterprise HRIS and COMPASS systems.
- Halogen Licensing (supports *PerformMinneapolis*): \$93,000 was budgeted for this program.
- Workforce Planning: The Council adopted a budget of \$447,000 and 5 new FTE for this ongoing program. This includes a one-time reduction of \$100,000 to the program from the Mayor's Recommendation.
- Metropass Subsidy: \$100,000 was added on an ongoing basis for this program. The funding will come from the Parking Fund as subsidized employee parking is moved to only City-owned ramps.
- Testing and Staffing Services: \$50,000 was budgeted for this program.

Revenue

Revenues are projected to increase by 1.3% in this department due to an increase in the internal service benefit administration fee charge. The department's total revenues in 2013 are projected to be \$1.4 million.

Fund Allocation

This department is funded primarily in the General Fund, with the remainder of the department's funding found in the Self Insurance Fund and the Intergovernmental Services Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Additionally, the Mayor recommended the following programs in addition to the department's base:

- ERP Application Re-Implementation & Application Assessment: The Mayor recommends \$850,000 million in funding on a one time basis (in conjunction with \$150,000 in one-time funding for Finance and Property Service) to support upgrades to the enterprise HRIS and Compass systems.
- Halogen Licensing (supports *Perform Minneapolis*): The Mayor recommends \$93,000 for this program.
- Workforce Planning: The Mayor recommends \$657,000 and 6 new FTE for this ongoing program
- Metropass Subsidy: The Mayor recommends \$100,000 in ongoing funding for this program. The funding will come from the parking fund as subsidized employee parking is moved to only city-owned ramps.
- Testing and Staffing Services: The Mayor recommends \$50,000 for this program.

Council Adopted Budget

The Council approved the Mayor's recommendation and amended the budget to use 2013 budget savings in Human Resources from sequencing of hiring for open positions to decrease Human Resources expense appropriation by \$100,000 on a one-time basis and decrease Human Resources department's General Fund (00100) expense appropriation by \$110,000 from the Workforce Planning program and decrease one FTE.

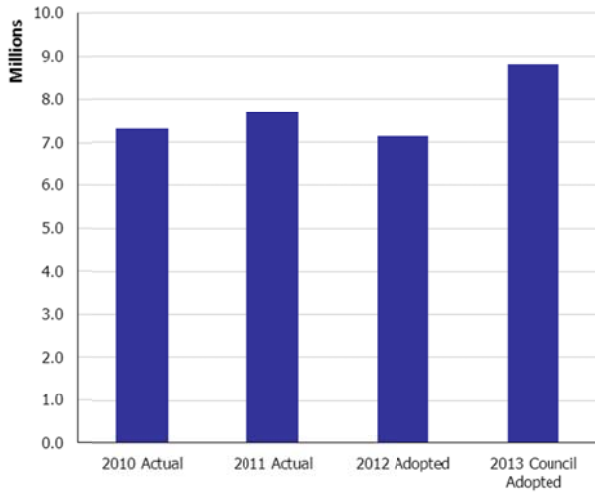
Additionally, the Council directed the Human Resources that none of the FTEs approved as part of the Workforce Planning program shall be hire until after a Director of Human Resources is hired and is able to review and approve of the program as it has been proposed.

The Human Resources Department is directed to capture and reallocate \$100,000 in salary savings from the sequencing of hiring FTEs associated with the Workforce Planning program and to use those funds on a one-time basis to apply towards enterprise-wide training efforts.

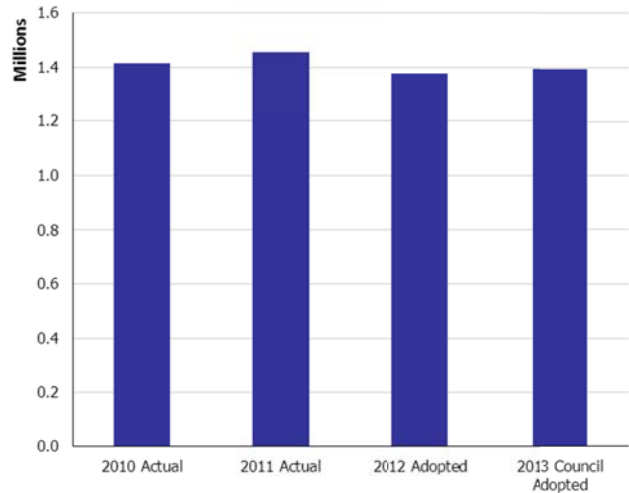
**HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,787,109	2,843,249	2,649,150	2,968,772	12.1%	319,622
FRINGE BENEFITS	854,638	854,104	884,012	1,017,356	15.1%	133,343
CONTRACTUAL SERVICES	1,688,970	1,636,271	1,360,512	1,487,083	9.3%	126,571
OPERATING COSTS	474,287	579,823	616,097	1,656,066	168.8%	1,039,969
TOTAL GENERAL	5,805,003	5,913,448	5,509,772	7,129,277	29.4%	1,619,504
SPECIAL REVENUE						
SALARIES AND WAGES	22,500	0	0			0
FRINGE BENEFITS	6,712	0	0			0
CONTRACTUAL SERVICES	28,778	118	0			0
TOTAL SPECIAL REVENUE	57,990	118				0
INTERNAL SERVICE						
SALARIES AND WAGES	589,316	697,348	673,805	715,496	6.2%	41,691
FRINGE BENEFITS	196,689	263,887	244,811	256,986	5.0%	12,175
CONTRACTUAL SERVICES	616,649	783,159	619,288	628,733	1.5%	9,445
OPERATING COSTS	44,690	32,829	91,891	72,586	-21.0%	(19,305)
TOTAL INTERNAL SERVICE	1,447,344	1,777,223	1,629,795	1,673,801	2.7%	44,006
TOTAL EXPENSE	7,310,338	7,690,788	7,139,567	8,803,078	23.3%	1,663,511
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES	80	266	0		0.0%	0
GENERAL	80	266				0
SPECIAL REVENUE						
OTHER MISC REVENUES	57,991	0	0		0.0%	0
SPECIAL REVENUE	57,991					0
INTERNAL SERVICE						
CHARGES FOR SERVICES	1,356,387	1,386,014	1,377,379	1,394,963	1.3%	17,584
OTHER MISC REVENUES	0	69,111	0		0.0%	0
INTERNAL SERVICE	1,356,387	1,455,125	1,377,379	1,394,963	1.3%	17,584
TOTAL REVENUE	1,414,458	1,455,390	1,377,379	1,394,963	1.3%	17,584

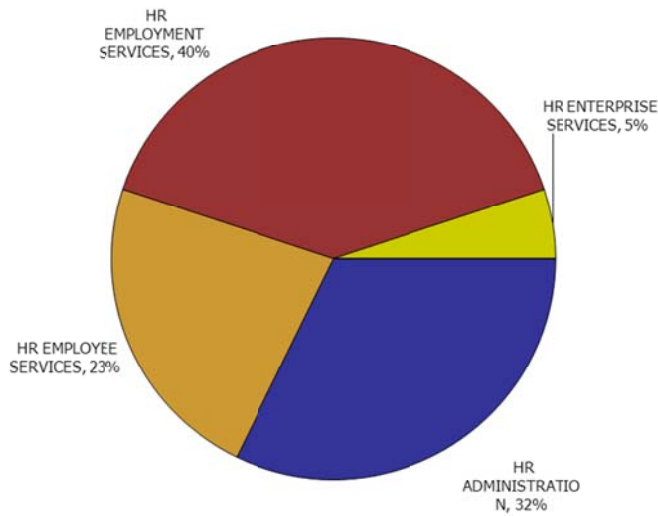
Expense 2010 - 2013



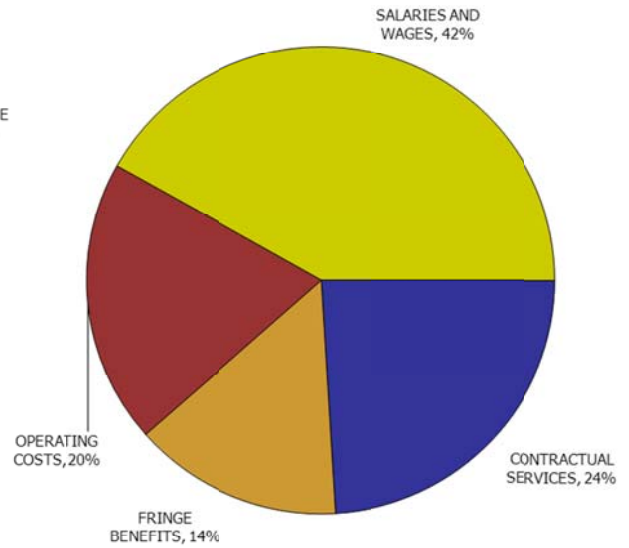
Revenue 2010 - 2013



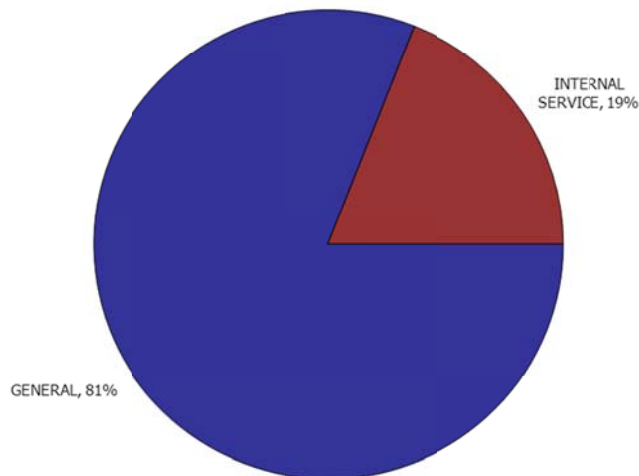
Expense by Division



Expense by Category



Expense by Fund

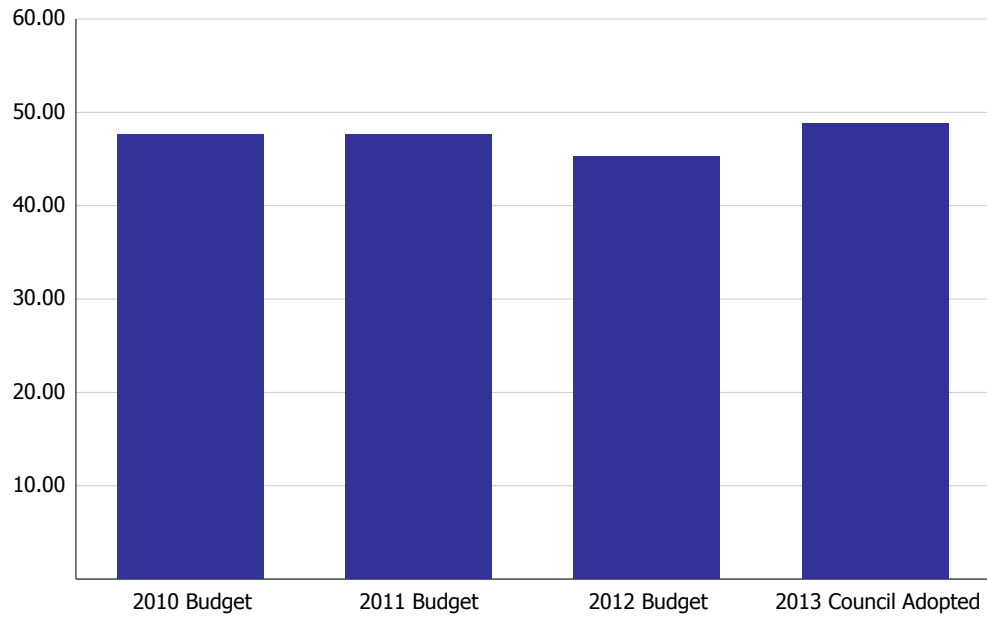


HUMAN RESOURCES

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
HR ADMINISTRATION	9.00	9.00	9.00	10.00	11.1%	1.00
HR EMPLOYEE SERVICES	10.00	10.00	10.30	11.80	14.6%	1.50
HR EMPLOYMENT SERVICES	28.60	28.60	26.00	22.00	-15.4%	(4.00)
HR ENTERPRISE SERVICES				5.00		5.00
HUMAN RESOURCES						0
Overall	47.60	47.60	45.30	48.80	8%	3.50

Positions 2010-2013



INTERGOVERNMENTAL RELATIONS

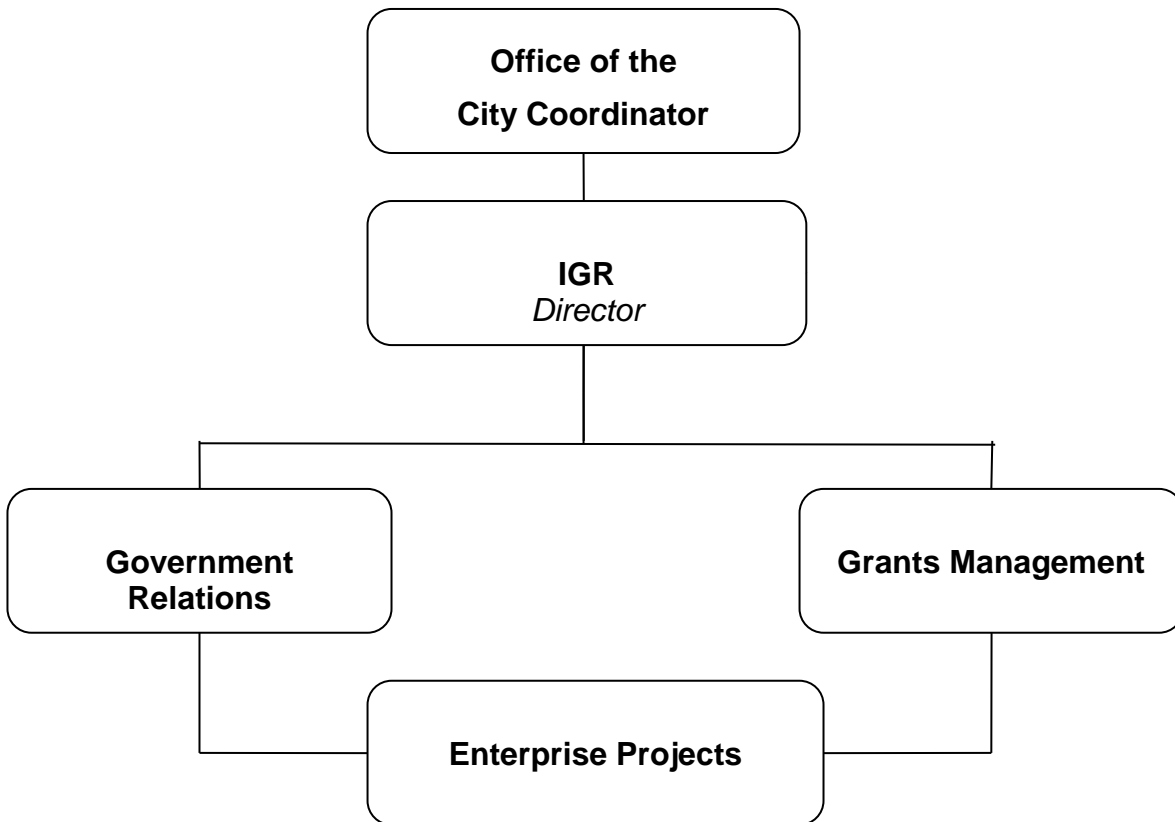
MISSION

Effectively present the City of Minneapolis with integrity and dedication to its partners at multiple levels of governance- Federal, State, Regional, and Local in order to achieve legislative and program success.

BUSINESS LINES

- 1- Advocate policies both legislative and administrative including appropriations on behalf of the city at the regional, state and federal government level.
- 2- Provide guidance and staffing in managing the federal community development grant.
- 3- Staffing and assistance for projects of enterprise importance.

ORGANIZATION CHART



Goal: A City that Works

Consolidated Plan/Federal and Grant Management

General Fund: \$165,228
Other Funds: \$1,275,113

The program is responsible for the administration of the community development (CD) programs funded by the US Department of Housing and Urban Development. The program also provides technical assistance on grants. The administration of the community development program includes the annual plan submission to HUD, an annual report, issuing requests for proposals, on-site monitoring and payments to vendors and contractors.

Enterprise Support-Partnerships

General Fund: \$239,085

The Enterprise Support-Partnerships program supports several city enterprise projects combining the program staff expertise in lobbying, project management and international relations. This program can include working with state, regional and sub-regional organizations in developing governance policies that impact the city. The program will also provide assistance to growing and enhancing the elected and staff leadership relationship with the Metropolitan Council. The program can staff the development, advocacy and implementation of enterprise projects. This program also consists of memberships in affinity groups providing generalized research assistance in support of the government relations program proposals.

Federal and State and Private Grant Management

General Fund: \$ 89,568

The program would (1) continue the strategic partnership function currently in the coordinator's office; and (2) combine it with the federal relations program and grants management program. Also the program could include the Finance Department grants accounting function and a grants writing component that could be achieved by contractual agreements.

Government Relations – Federal

General Fund: \$311,562

Program advocates policies both legislative and administrative on behalf of the city to the Congress and federal agencies. The work in Washington is completed by contracted firms while IGR administers the program locally. Business plan objectives related to this program include identifying federal funding opportunities that meet city priorities, providing information and working with others to maintain or modify existing programs, developing a city council approved agenda and working with non-public governmental organizations and public and private agencies to achieve the agenda.

State Government Relations

General Fund: \$704,116

The program develops, and implements the city's legislative agenda. The agenda involves all city departments including elected officials. Involvement includes but is not limited to proposing legislation, attending city council and or legislative hearings, testifying at a committee meeting or providing information related to a legislative proposal and working with executive branch agencies including the Constitutional Officers.

The agenda is divided into issues by policy area and each area classifies each policy statement as being a priority, support or monitoring item. At the end of the session the progress of the priority items are tracked as to progress. A similar process is used for the issues that impact the city.

FINANCIAL ANALYSIS

Expenditure

The total Intergovernmental Relations' budget increases from \$2.7 million to \$2.8 million from 2012 to 2013. This is an increase of \$49 thousand, or 1.8%. The General Fund budget is \$1.5 million.

Revenue

The department does not generate revenue.

Fund Allocation

In 2013, 54% of the department's budget is from the General Fund. The remaining budget comes from federal grants.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Additionally, the Mayor recommended one FTE and \$90,000 in ongoing funding for a position to assist with solicitation, receipt and tracking of public funds through grants and other non-federal public sources.

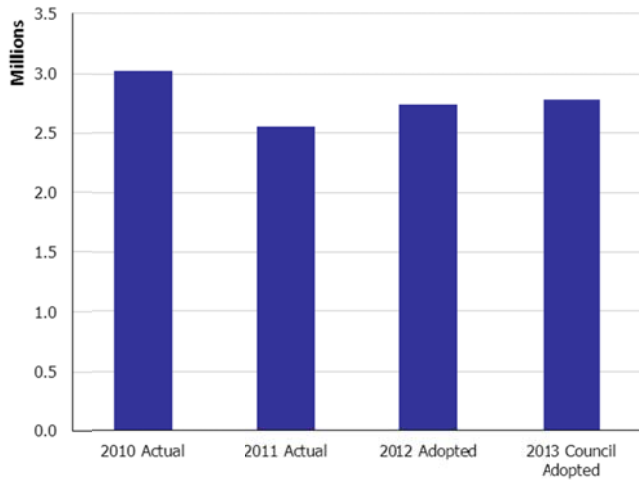
Council Adopted Budget

Council approved the Mayor's recommendations.

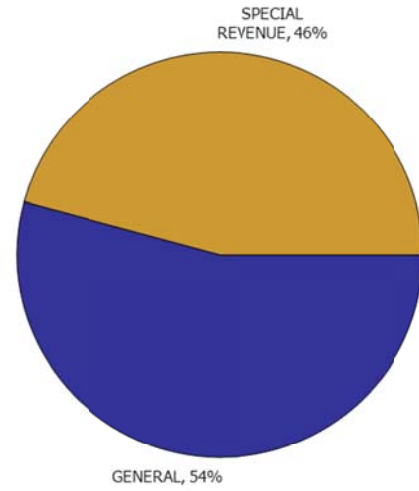
**INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	408,010	458,276	409,670	513,186	25.3%	103,516
FRINGE BENEFITS	112,527	138,549	130,932	162,727	24.3%	31,795
CONTRACTUAL SERVICES	406,023	487,936	527,146	512,855	-2.7%	(14,291)
OPERATING COSTS	317,821	318,579	331,854	315,682	-4.9%	(16,172)
CAPITAL	0	0	5,110	5,110	0.0%	0
TOTAL GENERAL	1,244,380	1,403,340	1,404,712	1,509,560	7.5%	104,848
SPECIAL REVENUE						
SALARIES AND WAGES	189,984	156,068	177,623	173,910	-2.1%	(3,713)
FRINGE BENEFITS	57,030	46,805	61,780	64,060	3.7%	2,280
CONTRACTUAL SERVICES	1,534,952	940,792	1,091,994	1,037,143	-5.0%	(54,851)
OPERATING COSTS	1,330	0	0			0
TOTAL SPECIAL REVENUE	1,783,296	1,143,665	1,331,397	1,275,113	-4.2%	(56,284)
TOTAL EXPENSE	3,027,676	2,547,005	2,736,108	2,784,672	1.8%	48,564
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES	0	800	0		0.0%	0
GENERAL		800				0
SPECIAL REVENUE						
FEDERAL GOVERNMENT	(80)	80	0		0.0%	0
SPECIAL REVENUE	(80)	80				0
TOTAL REVENUE	(80)	880				

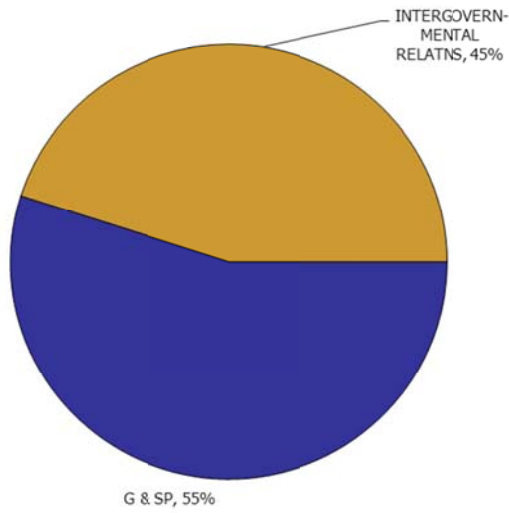
Expense 2010 - 2013



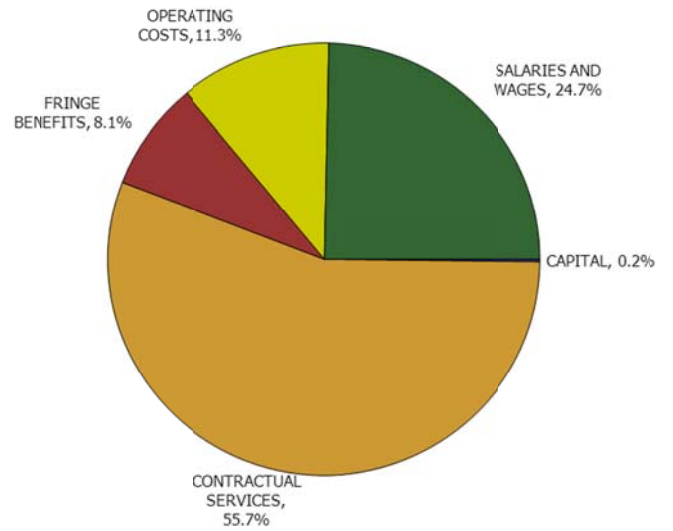
Expense by Fund



Expense by Division



Expense by Category

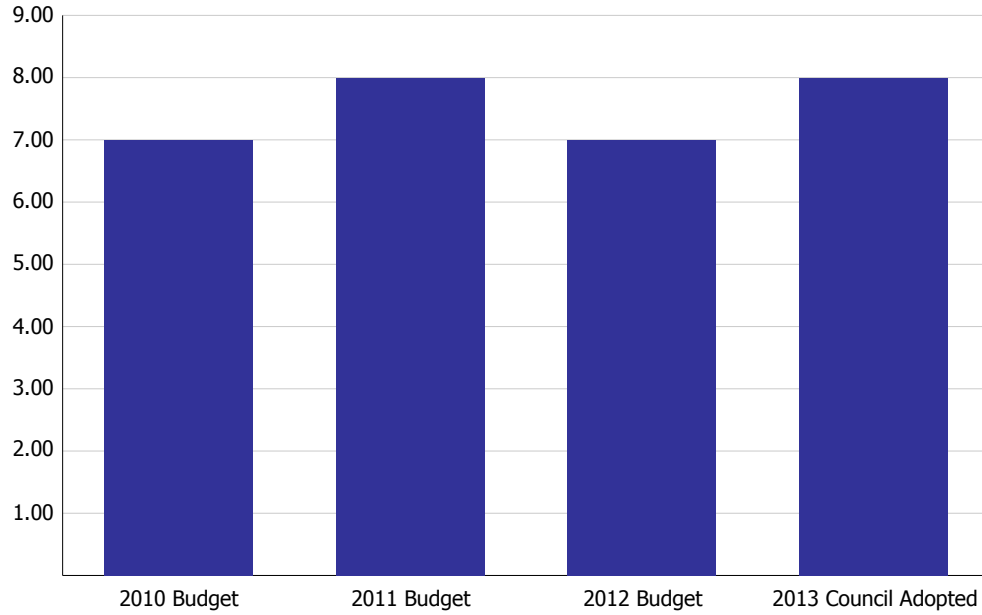


INTERGOVERNMENTAL RELATIONS

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
G & SP	3.50	3.50	2.68	3.68	37.3%	1.00
INTERGOVERNMENTAL RELATNS	3.50	4.50	4.32	4.32	0.0%	0
Overall	7.00	8.00	7.00	8.00	14%	1.00

Positions 2010-2013



NEIGHBORHOOD AND COMMUNITY RELATIONS

MISSION

To strengthen 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, neighborhood and community organizations.

BUSINESS LINES

1. Coordinated Engagement Services

The department will serve as a resource to all City departments and staff to develop new and dynamic ways to incorporate community participation activities into their work. Through broader and inclusive engagement, City departments will be better informed about meeting community needs. The department will strive to align the priorities of the City, neighborhoods and community organizations.

2. Neighborhood Engagement and Support

The department provides logistical and organizational support for neighborhood programs throughout the city.

3. Access and Outreach Support

The Access and Outreach Team provides support for a broad range of cultural engagement activities in the City enterprise and also manages various state and federally mandated programs.

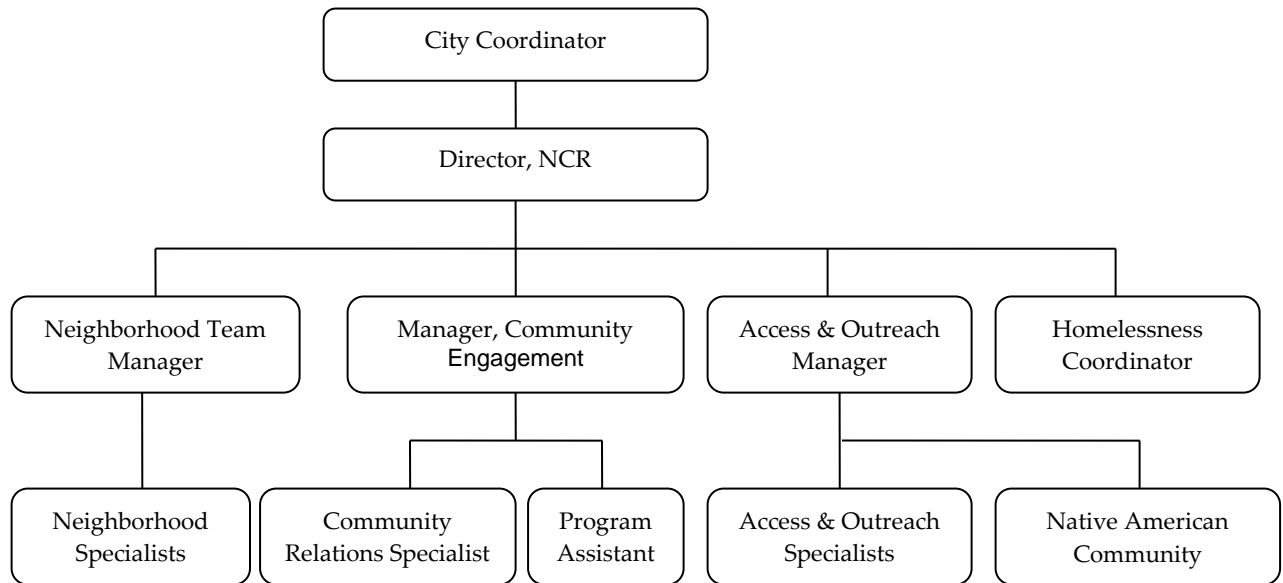
4. Office to End Homelessness

The City of Minneapolis and Hennepin County adopted a plan to end homelessness in our community by the year 2016. This 10 Year Plan to End Homelessness, also known as *Heading Home Hennepin*, was developed by business and civic leaders, advocates, community members and individuals who have experienced homelessness. It was created to help address the growing problem of homelessness, and change the paradigm from managing it to ending it. The Department shares staff with Hennepin County to achieve this important goal.

5. Senior Initiative

This new program will focus on strategic and policy level actions that will identify priorities, direct resources and recommend action in areas such as housing, health and social services, community safety, transportation and employment. These actions will result in framework to address problems, expand opportunities for older adults, and bring more of their voices in to the process, while supporting mixed age neighborhoods.

ORGANIZATION CHART



Goal: A City that Works

Resident Partners

General Fund: \$25,000

This new program is focused on building volunteer support to partner with the City to address specific outcomes. It is a joint effort of the Public Works, Regulatory Services, IT, Communications, and 311 Departments. Although intended to expand, this program will initially start with building volunteer support for clearing public sidewalks, particularly in residential areas. Public safety and access is hampered by sidewalks that are not cleared of snow. People with disabilities and the elderly have a particularly difficult time negotiating snow the covered sidewalks.

Coordinated Engagement Services

General Fund: \$338,139

Other Funds: \$538,450

This program replaces and expands 2012's "Enterprise Engagement Services". It builds a coordinated resident engagement strategy for the city. The various engagement efforts underway at NCR will be connected to and coordinated with other engagement related activities in the city and multijurisdictional partners.

Goal: Livable Communities, Healthy Lives

Senior Initiative

General Fund: \$105,574

In 2012 the Senior Ombudsman position was transferred from the Department of Health and Family Services to NCR. For 2012 the position was included in the Access and Outreach Program. In 2013 a new Senior Initiative Program is proposed which would repurpose the

senior position. The key activity will be completion and begin the implementation of a strategic plan for seniors.

This program will maintain these core client services and add an emphasis on strategically targeting city resources and activities to meet the needs of an aging population of baby boomers. Direct client services to individuals experiencing difficult moments in their life is identified as a critical component of the overall strategy for older adults and their important contributions to the community. This proposal maintains the current level of service until a more comprehensive plan is developed that defines what the City's role can be with on-going needs and priorities. In addition to direct service delivery to individuals, the new program will focus on strategic and policy level actions that will direct resources, identify priorities and recommend action plans in areas such as housing, health and social services, community safety, transportation and employment). These actions will result in framework to address problems, expand opportunities for older adults, and bring more of their voices in to the process, while supporting mixed age neighborhoods.

Neighborhood Organization Support and Services

Other Funds: \$765,291

The Department is committed to partnering with neighborhood organizations to build and sustain a world-class community engagement program through neighborhood-based priority setting, planning and implementation; and the coordination of this work with the work of the City. The Department supports neighborhood organizations through funding; support for strong oversight and governance of neighborhood organizations; and developing and improving neighborhood capacity through training and networking opportunities.

Goal: Many People, One Minneapolis

Access and Outreach

General Fund: \$312,480
Other Funds: \$120,272

Access and outreach provides the logistical and office support for cultural engagement services and federally mandated programming. This includes the following services:

- Americans with Disabilities Act (ADA). This program is the focus for City compliance with ADA. This includes education on access issues for residents and City staff and monitoring for compliance with ADA title II.
- Limited English Proficiency Plan. Development and implementation of the plan to meet the needs of residents with limited English skills.
- Interpretation and Translation Services. Provide and facilitate translation services for City departments in various languages including American Sign Language.
- CDBG. Coordinate with other departments the implementation of CDBG activities.
- Hello Neighbor. This program provides a point of contact for newly arriving immigrants and refugees. Beginning in 2011, the program has introduced 1,070 newly arriving households to City programs and services and 3, 431 individuals.
- Website Support. Provides multicultural support to the City's website and other communication vehicles.

Goal: A Safe Place to Call Home

Heading Home Hennepin - Office to End Homelessness

General Fund: \$152,418
Other Funds: \$227,594

Heading Home Hennepin is the City of Minneapolis and Hennepin County's initiative to end homelessness by 2016. It focuses on ending homelessness through six main goals: prevention, outreach, housing, service delivery, systems improvement, and self-support. The initiative, coordinated by the Director of The Office to End Homelessness (OEH), has leveraged significant private, state, and federal resources and has ended homelessness for thousands of families and individuals in its first five years of implementation.

FINANCIAL ANALYSIS

Expenditure

The total Neighborhood and Community Relations Department's budget decreased from \$6.2 million to \$2.6 million from 2012 to 2013. This is a decrease of \$3.6 million, or 58.5%. The General Fund budget is \$934,000. The department maintained FTEs at 2012 levels. The majority of the decrease relates to shifting the source and disbursement of Community Participation Program funding to the use of Neighborhood Revitalization Program fund balance already dedicated to this purpose.

Revenue

The department does not generate revenue.

Fund Allocation

In 2013, 36% of the department's budget is from the General Fund. The remaining budget comes from special revenue funds.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Additionally, on a one-time basis, the Mayor recommended \$25,000 in one-time funding for Resident Partners.

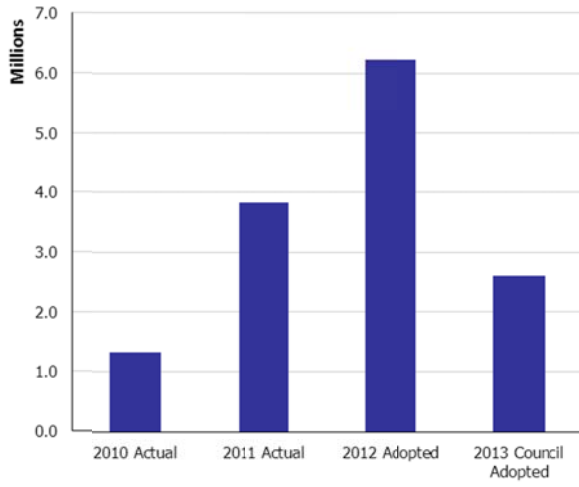
Council Adopted Budget

Council approved the Mayor's recommendations.

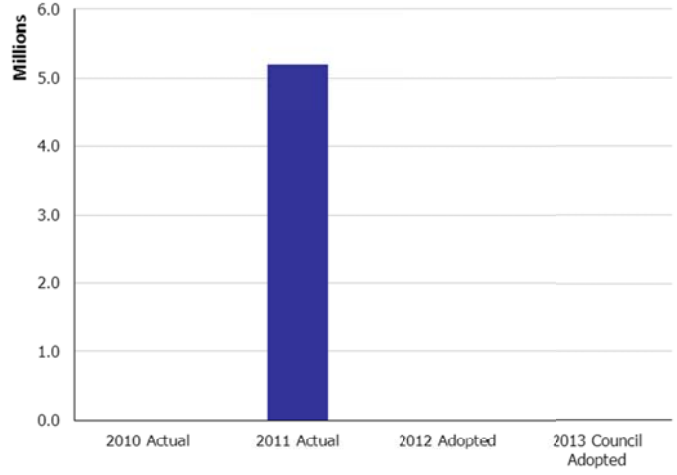
**NEIGHBORHOOD & COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	431,668	304,004	370,211	357,807	-3.4%	(12,404)
FRINGE BENEFITS	126,210	133,242	147,803	137,051	-7.3%	(10,752)
CONTRACTUAL SERVICES	487,746	375,429	326,888	402,930	23.3%	76,042
OPERATING COSTS	58,677	63,315	56,606	35,823	-36.7%	(20,783)
CAPITAL	183	0	0			0
TOTAL GENERAL	1,104,484	875,991	901,508	933,611	3.6%	32,103
SPECIAL REVENUE						
SALARIES AND WAGES	163,567	439,088	636,874	682,725	7.2%	45,851
FRINGE BENEFITS	34,433	132,898	236,274	263,948	11.7%	27,674
CONTRACTUAL SERVICES	4,755	2,242,345	4,335,195	643,247	-85.2%	(3,691,948)
OPERATING COSTS	275	141,090	122,830	61,687	-49.8%	(61,143)
TOTAL SPECIAL REVENUE	203,030	2,955,420	5,331,173	1,651,607	-69.0%	(3,679,565)
TOTAL EXPENSE	1,307,514	3,831,411	6,232,681	2,585,218	-58.5%	(3,647,462)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	4,898	68,713	0		0.0%	0
TRANSFERS IN	0	5,132,510	0		0.0%	0
SPECIAL REVENUE	4,898	5,201,223				0
TOTAL REVENUE	4,898	5,201,223				

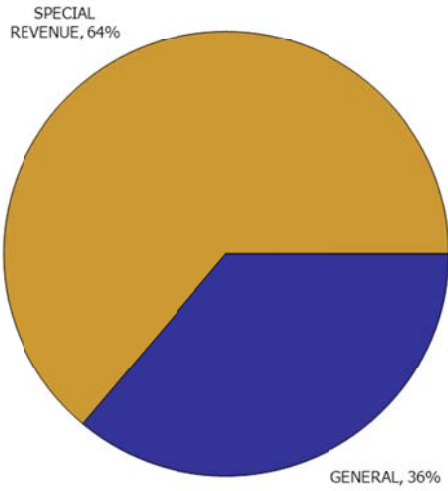
Expense 2010 - 2013



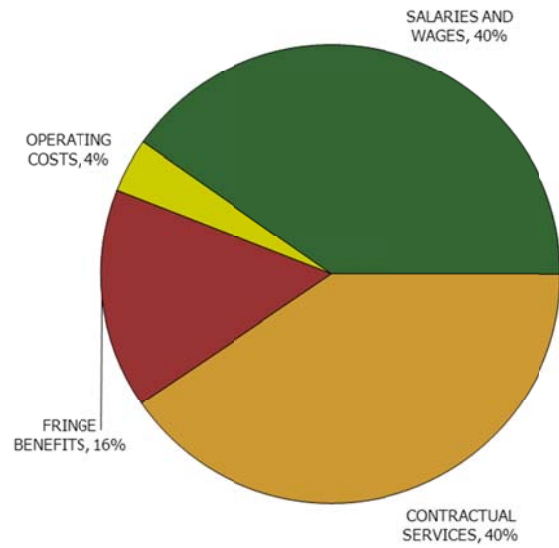
Revenue 2010 - 2013



Expense by Fund



Expense by Category

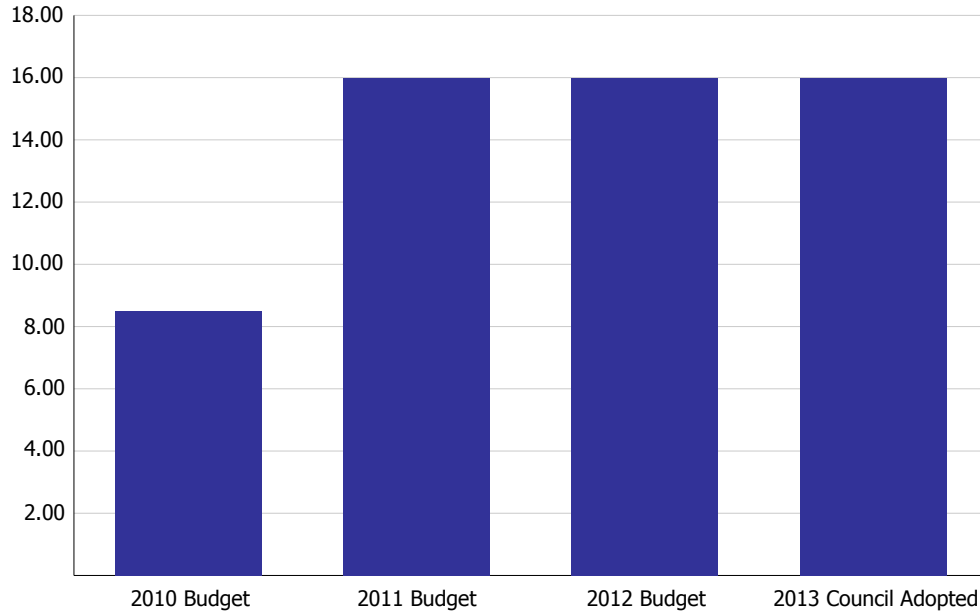


NEIGHBORHOOD & COMMUNITY RELATIONS

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
Administration		16.00	16.00	16.00	0.0%	0.00
Neighborhood and Community Rel	8.50					0
Overall	8.50	16.00	16.00	16.00	0%	0.00

Positions 2010-2013



CIVIL RIGHTS

MISSION

The mission of the Minneapolis Department of Civil Rights is to enforce Minneapolis Code of Ordinances Title 7 (non-discrimination); Title 9, Chapter 172 (civilian police review authority) Title 16, Chapter 423 (small and underutilized business programs); Title 23, Chapter 6 (prevailing wage); and, to promote understanding of civil rights among residents, business and government.

BUSINESS LINES

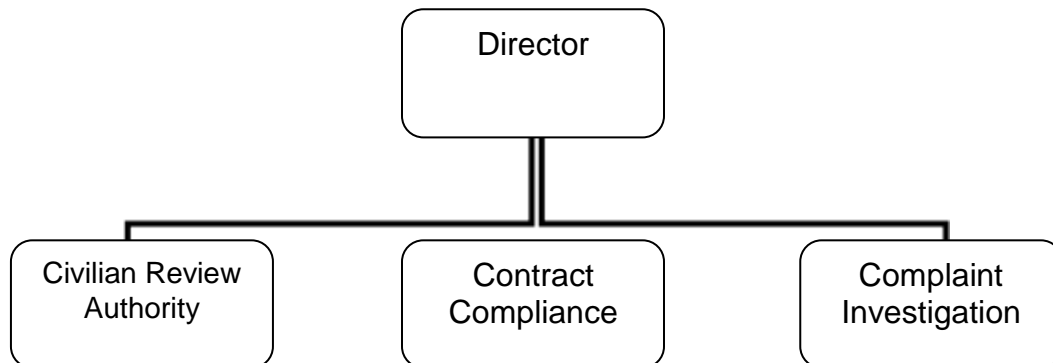
The Civil Rights Department has three business lines carried out through its business units: Complaint Investigations, Contract Compliance, and Civilian Police Review.

The Complaint Investigations Unit (CIU) receives, investigates and resolves complaints that allege illegal discrimination according to the Civil Rights Ordinances. For most of 2011, the CIU was staffed with three investigators, one administrative staff person and one manager. The unit receives 200-250 charges per year. The investigators meet a performance standard of 60 cases per year, the administrative staff person performs intake on all of the allegations by individuals seeking to file a complaint with the department and provides administrative support to the work unit and the Minneapolis Civil Rights Commission. The manager provides policy expertise and oversight of the work unit.

The Contract Compliance Unit (CCU) monitors construction employment and training goals, prevailing wage payments, and affirmative action plans for City contractors. Additionally, the CCU investigates complaints alleging a violation of the ordinances it oversees. The CCU also aids prime contractors in successfully executing their “good faith” efforts relating to employment goals. Good faith efforts assistance includes: (a) linking prime contractors to labor sources of minority and women; and, (b) supporting the development and growth of minority and women owned businesses so they may participate as sub-contractors. The Small and Underutilized Business Program (SUBP) is a program within the CCU.

The Civilian Police Review Authority (CRA) business unit receives and investigates complaints of police misconduct, mediates or fairly adjudicates complaints of police misconduct, and educates the Minneapolis Police Department and the public on their rights and responsibilities under the CRA ordinance. The CRA typically receives over 300 complaints per year.

ORGANIZATION CHART



Goal: Jobs & Economic Vitality

Contract Compliance

General Fund: \$700,482
Other Fund: \$361,900

The Contract Compliance Unit (CCU) is responsible for ensuring that job opportunities are made available to and for low-income individuals who reside in the City of Minneapolis and to assist and provide assistance for economic growth to businesses while reducing economic, racial, and gender disparities prevalent in employment and construction contracting in accordance with federal law and city policies. The CCU monitors and enforces compliance in all HUD funding: Davis-Bacon Act (DBA), Neighborhood Stabilization Program (NSP), HOW and HOME funded projects and HUD Section 3. The CCU also monitors minority and female employment participation on these projects.

Goal: Many People, One Minneapolis

Complaint Investigations

General Fund: \$732,049

This program neutrally enforces the city's anti-discrimination laws and policies by investigating complaints of discrimination. Also, through a work sharing agreement with the U.S. Equal Employment Opportunity Commission (EEOC), the city serves as a Fair Employment Practice Agency (FEPA), investigating employment discrimination claims dual-filed and/or transferred from the EEOC.

One Minneapolis Equity in Employment

General Fund: \$264,985

One Minneapolis Equity in Employment has three components that work together to address the racial employment disparity in Minneapolis and get people to work: the Urban Scholars program, a new regional collaboration, and program administration.

Goal: A Safe Place to Call Home

Minneapolis Civilian Police Review Authority (CRA)

General Fund: \$747,989

The CRA was created to fairly, objectively and independently consider complaints of MPD officer misconduct, and to make recommendations based on supportive information to promote the adherence to the highest standard of police conduct, and to foster mutual respect between the MPD and all populations of the city of Minneapolis. The program provides transparency, citizen engagement, and redress related to the police misconduct complaints against MPD officers.

Police Conduct Oversight Commission (PCOC)

General Fund: \$17,000

The main objective of this program is to reduce the number of resident complaints related to the police department and provide transparency in the City's police accountability efforts. This program proposal also includes a Community Education Specialist whose primary duties include providing community education and awareness and working with the Police Department to develop comprehensive training programs for cultural competency, officer professionalism, and

officer-community relationships. Additionally, two youth will work to increase engagement and provide youth with opportunities to develop skills for an active civic life.

FINANCIAL ANALYSIS

Expenditure

For 2013, the Civil Rights Department budget is \$2.8 million, a 12.1% increase from 2012. The Civil Rights Department's 2013 expenditure budget reflects the following changes from 2012:

- The department added 2 FTEs to support the One Minneapolis Equity in Employment program on an ongoing basis and \$68,000 in non-personnel costs for a total of \$265,000.
- An additional \$17,000 for new Police Conduct Oversight Commission program.

Revenue

In 2013, the department anticipates \$65,000 in revenue from grants, a \$28,700 decrease from 2012.

Fund Allocation

In 2013, 87% of the department's budget is from the General Fund. The remaining budget comes from federal grants.

Mayor's Recommended Budget

The Mayor recommends the following programmatic changes:

- Police Conduct Oversight Commission: The Mayor recommends \$17,000 in additional program funding for administration expense for the new PCOC.
- One Minneapolis Equity in Employment: The Mayor recommends providing \$265,000 in ongoing funding for this Civil Rights program as it only had one-time funding in 2012 which was previously budgeted in both Civil Rights and CPED.

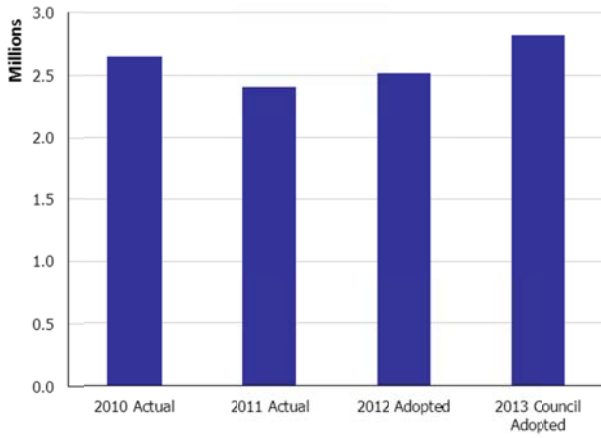
Council Adopted Budget

Council approved the Mayor's recommendations.

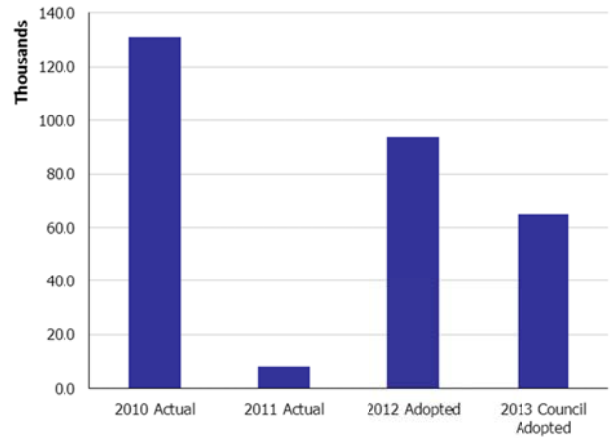
**CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	974,298	906,108	961,496	1,140,461	18.6%	178,965
FRINGE BENEFITS	351,405	362,843	369,025	457,165	23.9%	88,139
CONTRACTUAL SERVICES	675,739	466,634	480,736	485,232	0.9%	4,496
OPERATING COSTS	267,148	319,911	341,742	379,647	11.1%	37,905
TOTAL GENERAL	2,268,591	2,055,497	2,153,000	2,462,505	14.4%	309,505
SPECIAL REVENUE						
SALARIES AND WAGES	263,684	244,551	267,605	261,533	-2.3%	(6,072)
FRINGE BENEFITS	119,566	103,840	97,394	100,367	3.1%	2,973
CONTRACTUAL SERVICES	786	5,556	0			0
OPERATING COSTS	0	364	0			0
TOTAL SPECIAL REVENUE	384,036	354,312	365,000	361,900	-0.8%	(3,100)
TOTAL EXPENSE	2,652,627	2,409,809	2,517,999	2,824,405	12.2%	306,405
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	454	85	0		0.0%	0
CHARGES FOR SERVICES	719	0	0		0.0%	0
OTHER MISC REVENUES	50	587	0		0.0%	0
GENERAL	1,223	672				0
SPECIAL REVENUE						
CHARGES FOR SERVICES	0	5,920	0		0.0%	0
CONTRIBUTIONS	786	0	0		0.0%	0
FEDERAL GOVERNMENT	128,993	1,498	93,700	65,000	-30.6%	(28,700)
SPECIAL REVENUE	129,778	7,418	93,700	65,000	-30.6%	(28,700)
TOTAL REVENUE	131,002	8,090	93,700	65,000	-30.6%	(28,700)

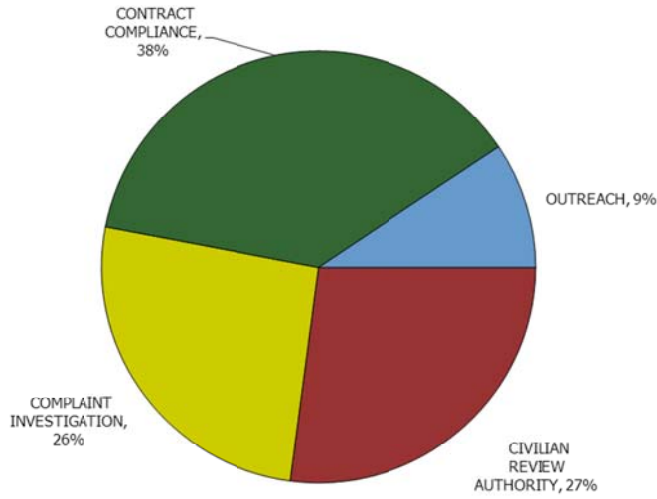
Expense 2010 - 2013



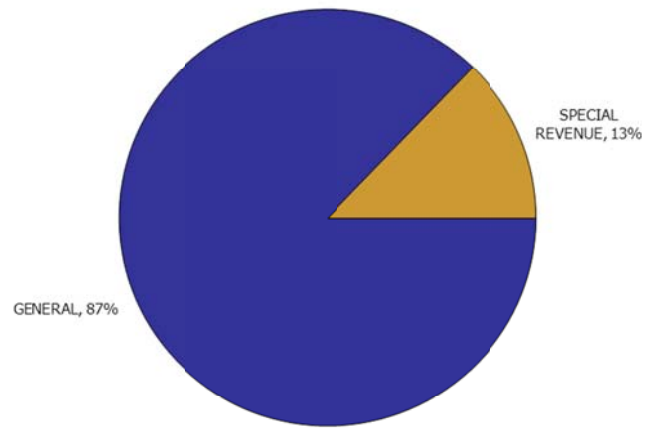
Revenue 2010 - 2013



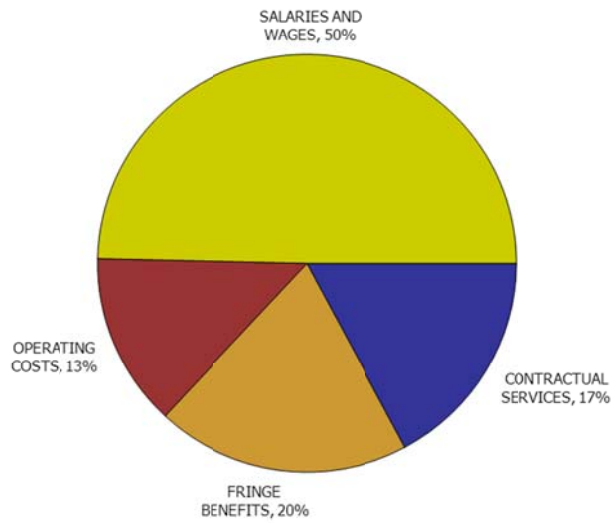
Expense by Division



Expense by Fund



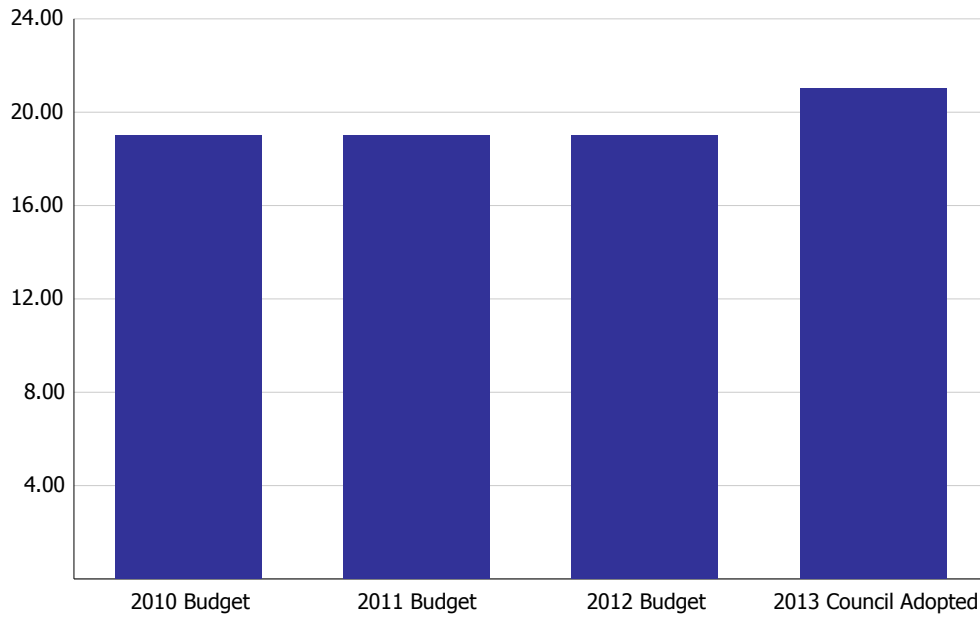
Expense by Category



CIVIL RIGHTS Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
ADMINISTRATION	3.00	3.00				0
CIVIL RIGHTS						0
CIVILIAN REVIEW AUTHORITY	5.00	5.00	5.60	5.60	0.0%	0
COMPLAINT INVESTIGATION	4.00	4.00	5.60	5.60	0.0%	0
CONTRACT COMPLIANCE	7.00	7.00	7.80	7.80	0.0%	0
OUTREACH				2.00		2.00
Overall	19.00	19.00	19.00	21.00	11%	2.00

Positions 2010-2013



COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

MISSION

CPED works to grow a sustainable city.

BUSINESS LINES

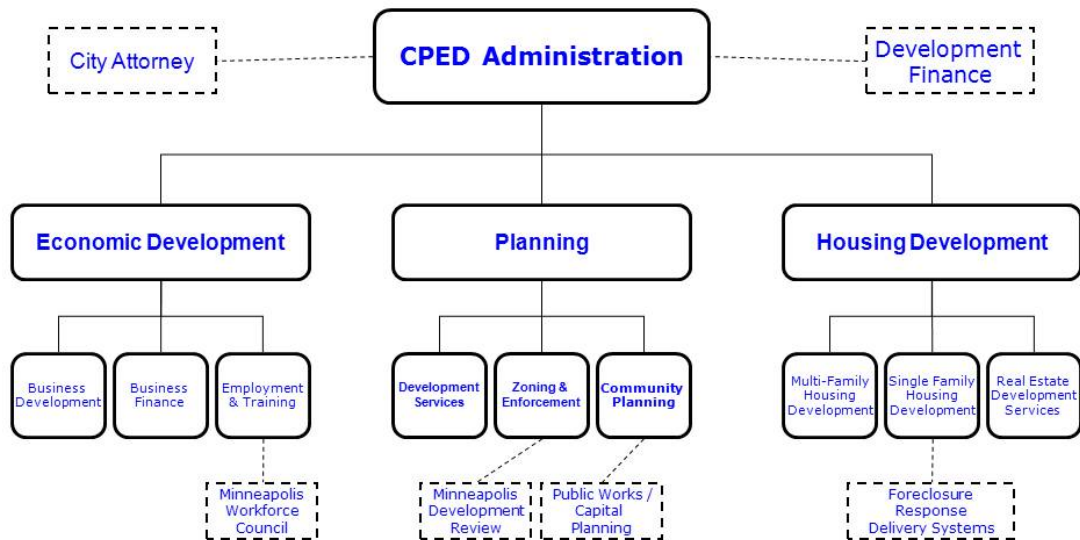
The Department of Community Planning and Economic Development (CPED) has five business lines:

- **Community Planning** – CPED maintains the City's comprehensive plan, guides development and partners in implementation.
- **Economic Policy & Development** – CPED guides the City's role in business development, supports business retention and expansion, creation and attraction in all neighborhoods, including downtown, by providing financing, programmatic and real estate development and expansion tools.
- **Workforce Development** – CPED manages a network that identifies and prepares Minneapolis residents for living-wage jobs and builds partnerships to improve career opportunities in the city.
- **Housing Policy & Development** – CPED guides private, governmental, and non-profit housing investment and development to promote a range of housing types for all incomes throughout the City. In addition, CPED intervenes with targeted programs in areas of housing market failure in order to restore a healthy housing market and stimulate private investment.
- **Planning & Development Services** – CPED administers zoning, heritage preservation and land subdivision regulations.

Other program and management-support activities include real-estate and related technical services, research and public art program.

Organization Chart

Department of Community Planning and Economic Development - CPED



Updated 4/3/12

Goal: A City that Works

CPED Debt Service and Transfers

Other Fund: \$31,097,206

This program relates to the administration and management of certain CPED financial resources, both with external partners and between CPED funds. This program provides for the transfer of revenues necessary to pay annual debt service on bonds and other contractual obligations issued to undertake various CPED activities as well as the internal transfer of eligible revenues to finance CPED development activities.

Goal: Jobs & Economic Vitality

Corridor Vitality Investment Program

General Fund: \$272,826

Other Fund: \$2,360,919

The CPED Corridor Vitality Investment Program integrates the City's investment of development resources in designated growth areas along transit corridors. This strategy is consistent with federal and regional investment direction and will help the City garner federal and philanthropic funding. This program is an integrated department-wide framework for corridor investment supporting density and vitality on transit corridors. Program tools include existing development financing and business support through the Great Streets and Higher Density Corridor Housing programs and planning and policy alignment through the Planning Division and TOD Director. The corridor planning, Great Streets, and Higher Density Corridor Housing elements of this program will continue ongoing work, with non-

General Fund resources with the exception of planning staff engaged in program analysis and delivery.

Regional Planning and Development

General Fund: \$590,643
Other Fund: \$167,126

This program aligns CPED-Planning, Economic Development, Public Works and Sustainability within a regional planning and development framework, poising the city for a sustainable future by:

- 1) Accommodating projected population, housing and jobs growth;
- 2) Building complete and healthy communities;
- 3) Growing the local and regional economy through the initiatives of the Metropolitan Business Plan (MBP), and Regional Corridors of Opportunity;
- 4) Protecting natural and historic resources and recreational lands;
- 5) Promoting community livability by anticipating implications of climate change, and
- 6) Guiding infrastructure investment.

The funding for this program is used to maintain and implement the Comprehensive Plan (CP), for conducting policy reviews for citywide bonding and capital investments, for informing private and public investments by prioritizing development infrastructure projects and proposals, and for developing a program to update the Comprehensive Plan.

RENEW Minneapolis

General Fund: \$300,000

RENEW Minneapolis provides job-skills training and employment placement services, preparing low-income Minneapolis residents for careers in the 21st century. RENEW targets economic sectors in which increased demand for worker training creates career growth opportunity for underserved Minneapolis populations. These sectors include manufacturing, building systems, construction and renewable energy. This RENEW program will provide 50 Minneapolis low-income minority job seekers access to RENEW Minneapolis services, including \$3,000 in tuition assistance for industry recognized credentialed career training and \$3,000 in career counseling and support services.

Business Retention, Expansion, and Attraction Program

General Fund: \$1,338,220
Other Fund: \$5,156,083

The purpose of this program is to retain existing Minneapolis businesses and help them expand and grow in the city, and to attract new businesses to the city. Businesses small and large create jobs for city residents and grow the tax base, reducing the burden on all. Neighborhood businesses create stability and vitality while providing access to convenient services.

CPED works to retain and attract businesses and generate jobs through a toolbox consisting of business and commercial real estate loans, sale of City-owned commercial properties, site selection assistance, business retention visits encouraging businesses to stay and grow in Minneapolis, guidance on navigating City systems, alerting businesses to opportunities for contracts and sales, business networking opportunities and business-to-business targeted introductions, entrepreneurial business consulting, facilitating redevelopment grants from other governmental entities and through METP by providing employee training and recruitment assistance.

Minneapolis Food Council initiative

Other Fund: \$92,830

The City piloted the Business Development Center in 2012 with the Metropolitan Consortium of Community Developers (MCCD) to provide financing and technical assistance for Minneapolis based businesses that process and manufacture local food products. The purpose of the program is to foster the development and expansion of business ventures that promote sustainable agriculture and food production and processing within Minneapolis and the surrounding region.

Adult Workforce Development Program:

Other Fund: \$5,790,769

The Adult Employment and Training Program serves low-income, program eligible Minneapolis residents. Services are provided by 13 community-based agencies that compete for performance-based contracts through a request for proposal process. The vendors are paid a fixed dollar amount at pre-determined intervals for successfully assisting their participants in obtaining and retaining employment.

The Dislocated Worker Program serves an important need for Minneapolis jobseekers and aids employers by providing a pool of experienced workers to meet future labor needs. This program is funded by federal Workforce Investment Act (WIA) and Minnesota Workforce Development funds.

Minneapolis Youth Program

General Fund: \$300,000

Other Fund: \$3,647,122

The Minneapolis Youth Program provides employment for low-income Minneapolis youth, ages 14-21, significantly reducing youth unemployment and racial disparities in employment in Minneapolis. The STEP-UP interns receive critical work readiness training prior to being placed in a summer job. This training allows them to acquire the necessary skills to succeed on the job and help position themselves for other successes in education and future careers.

Transportation Planning and Management

General Fund: \$345,775

Other Fund: \$167,604

The Transportation Planning and Management program develops and coordinates polices to promote a safe, efficient and integrated multi-modal transportation system, well maintained public infrastructure and to ensure community connectedness. Transportation Planning involves long-range planning, participation in regional transportation planning initiatives such as light rail, local bus, and bus rapid transit corridors, as well as planning related to the exploration of streetcar lines through formal Alternatives Analysis (AA) projects. The work of the program also includes representing the City on regional and local boards and technical advisory committees. This program also encompasses advisory efforts and planning analysis related to Minneapolis-St. Paul International Airport.

Minneapolis Development Review

General Fund: \$2,796,722

Transferred from Regulatory Services to CPED, Minneapolis Development Review serves as the front door and service center for the City's consolidated development activities and focuses on consistent, streamlined customer service. Minneapolis Development Review ensures high-quality development while requiring that building construction and

rehabilitation projects meet the City's standards in terms of safety, livability and health & environmental sensitivity.

Goal: A Safe Place to Call Home

Licenses & Consumer Services

General Fund: \$2,997,132

Transferred from Regulatory Services to CPED, Licenses and Consumer Services regulates business licensing for liquor establishments and over 200 other types of businesses and annually renews 9,000 licenses. This service includes license application review, background checks, and on-site facility inspections, and the collection of license fees.

Construction Code Services (CCS)

General Fund: \$7,682,548

Other Fund: \$359,826

Construction Code Services (CCS), transferred from Regulatory Services to CPED, consists of the two main functions of plan review and inspections with the goal of public safety. Both of these functions are mandated by State law to be performed under the direction of the building official. Plan reviews are done to ensure that the work proposed meets the intent of all codes and ordinances. The reviews performed by CCS take place as part of an extensive review process coordinated by Minneapolis Development Review (MDR).

Goal: Livable Communities, Healthy Lives

Community Stabilization Program

General Fund: \$432,250

Other Fund: \$6,991,588

This program works to stabilize communities through intervening in areas of property market failure by focusing on the City's direct engagement in property acquisition, management and disposition for redevelopment and the actions to address the residential foreclosure crisis.

The focus of this program is as follows:

- *Prevention:* Continue foreclosure prevention outreach and counseling
- *Reinvestment:* Pursue strategic property acquisition and promote property development
- *Repositioning:* Engage in community building and marketing efforts
- *Property Management:* Contract services of local businesses and nonprofits to maintain city-owned properties
- *Code Enforcement:* Continue zoning code (and related codes) enforcement efforts through various means and partnerships

Affordable Housing Development Fund Program

General Fund: \$592,750

Other Fund: \$8,804,678

This program provides necessary financing for the development or redevelopment of housing that is safe and affordable with projects that are eco-friendly and create significant construction and property management industry jobs.

Affordable housing projects further the mission of CPED – “To Grow the City” – by removing blight, revitalizing neighborhoods, creating jobs and increasing the tax base, and catalyzing adjacent private development. This program is essential for meeting the City's Affordable Housing Goals established pursuant to the Livable Communities Act and its related

Metropolitan Council-driven initiatives. The City established a goal to construct 4,200 to 9,300 units of affordable housing between 2011 and 2020. These funds are essential for meeting those goals.

Homeownership Support & Development

Other Fund: \$1,613,722

This program is designed to assist with the development of affordable ownership housing for households with income at or below 80% of the area median income to support development through rehabilitation. This program supports development through rehabilitation and new construction, if applicable. The program includes:

- Affordable Ownership Housing Program – which supports Senior Housing, Co-Ops and development and affordability gap financing for all ownership projects serving household with incomes at, or below 80% of the median income, as required by the funding.
- Home Ownership Works
- CityLiving (Source is Mortgage Revenue Bonds, the amount is market driven)
- Neighborhood Revitalization Program Administration (NRP Funds—contracted on an as requested basis by the neighborhood)

Art in Public Places

Other Fund: \$605,000

The City of Minneapolis Public Art Program includes the annual commissioning of 2-4 public artworks, conservation and care of over four dozen works, provides technical assistance to other agencies and handles proposals for art on public and private property with City assistance.

The City of Minneapolis Public Art Program includes six key components:

1. Art in Public Places: The annual commissioning of 2-4 public artworks, integrated into City building projects, infrastructure, transportation planning, and development, which is funded through two percent of the annual net debt bond. The projects that will be implemented in 2012 include artist-designed utility boxes and the Hennepin Recycling and Drop-off Facility.
2. Conservation: Conservation and care of over four dozen works of art developed through the Art in Public Places. Major conservation of other artworks is sometimes also funded through Art in Public Places.
3. Technical Assistance to other agencies: Technical assistance to other agencies and departments developing and conserving public art projects in the City, including Public Works, Central Corridor and Southwest Transit Way, Neighborhoods, the Minneapolis Park and Recreation Board, Hennepin County and others. Hennepin County and the Interchange will likely be the focus of this type of support in 2012.
4. Public Art Policy: Coordinating the development of policies, guidelines and procedures for Public art by the Minneapolis Arts Commission and the City Council. Advising other partners on policy.
5. Proposals for Art on City Property: Coordinating review by the Public Art Advisory Panel and Minneapolis Arts Commission of proposed gifts of art to the City and permits of public art on City property.
6. Proposals for Art on Private Property: Consulting on and Reviewing proposed public art and mural projects by others and potential conflict with City ordinances, such as zoning and graffiti.

Protection, Preservation and Design of the Built and Natural Environment

General Fund: \$1,778,159
Other Fund: \$852,073

This program carries out legally-mandated regulations required by the Code of Ordinances, MN statues (including the 60-day law), and US Federal law for the protection, preservation, and design of the built and natural environment in the City of Minneapolis. The everyday ongoing work of the program is designed to ensure that growth and change in Minneapolis (through property development and building construction) is consistent with the City's adopted Comprehensive Plan, adopted policies, and all applicable ordinances and laws.

Green Homes North Program

General Fund: \$607,378

The Green Homes North program will produce 100 newly constructed owner-occupied housing units over five years that meet green home standards. All units are required to be developed on City owned properties sold to developers. The program is designed to provide development gap assistance (the difference between the total development cost and the sales price).

FINANCIAL ANALYSIS

Expenditure

For 2013, CPED's budget is \$87.7 million, a 17.2% increase from 2012. This figure is representative of a shift of \$13.8 million in programming from Regulatory Services to CPED. The general fund budget is \$20.0 million, which is also inclusive of this shift from Regulatory Services. The department increased 108 FTEs from 2012 staffing levels, primarily due to the shift in programming from Regulatory Services.

Revenue

In 2013, the department anticipates \$88.3 million in revenue, a 0.9% increase from 2012, primarily due to the revenue gains from the shift of Regulatory Services programming.

Fund Allocation

In 2013, 23% of the department's budget is from the general fund, or about \$20 million. The remaining budget comes from federal grants, tax increment property taxes, transfers, licenses and permits as well as other sources

Mayor's Recommended Budget

As part of the restructuring of the Regulatory Services Department, the Mayor recommended shifting the Minneapolis Development Review and Business Licensing Divisions from Regulatory Services into CPED.

There is a difference in how some divisions of Regulatory Services show up on the organizational chart and how their budget is written programmatically. Because of this the Mayor's recommended budget moves the Environmental Health/Licenses and Consumer Services program and the Minneapolis Development Review program from Regulatory Services into CPED. The Environmental Health/Licenses and Consumer Services program includes both the Business Licensing division and the Environmental Health division. The Mayor recommended moving the Environmental Health division to the Health and Family Support Department, which causes the Mayor's recommended budget to overstate the financial impact within CPED by including the Environmental Health division component of

that programmatic move.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments convened to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committees elected to break apart current Regulatory Services divisions, program proposals, and funding structures. The committee had a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget.

Specific recommendations of the Mayor pertaining to the Environmental Health Division within the Environmental Health/Licenses and Consumer Services budget program currently shown as moving to CPED include the elimination of one management FTE and the adoption of a "health risk impact fee" to fund adding six Health Inspector FTEs to support a more robust food inspection program.

The Mayor also recommended the transfer of 1 management FTE to CPED from Regulatory Services.

For CPED's budget, the Mayor recommended funding Greater MSP with \$125,000 from within CPED's budget allocation.

The Mayor further recommended the following changes to CPED budget programming:

- Corridor Vitality Investment Program: The Mayor recommended the elimination of 1 Planner FTE.
- Minneapolis Youth Program: The Mayor recommended an enhanced program to provide over 100 Minneapolis teens access to an enriching summer work experience.
- Protection, Preservation and Design of the Built and Natural Environment: The Mayor recommended a reduction of 1 FTE in Plan Administration and 1 FTE in Zoning Enforcement.
- Green Homes North: The Mayor recommended \$607,378 to provide the City's share of funding in 2013 for over 100 new "green" homes in North Minneapolis over the next five years.

Council Adopted Budget

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general

fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

Amend the Mayor's recommended 2013 Capital budget for Community Planning and Economic Development by increasing the revenue in the Capital Improvement Fund (04100) by \$605,000 for the Art in Public Places program.

Amend the Mayor's recommended 2013 Capital budget for Community Planning and Economic Development by decreasing expense appropriation in the Capital Improvement Fund (04100) by \$200,000 for the Art in Public Places program.

Direct the Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated

December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,934,292	1,767,088	1,673,021	9,928,843	493.5%	8,255,822
FRINGE BENEFITS	650,492	652,825	619,318	3,753,291	506.0%	3,133,973
CONTRACTUAL SERVICES	676,397	555,549	1,097,238	3,796,137	246.0%	2,698,899
OPERATING COSTS	265,470	281,606	92,958	1,168,541	1,157.1%	1,075,583
CAPITAL	0	38	75,000	1,387,591	1,750.1%	1,312,591
TRANSFERS	6,000	0	0			0
TOTAL GENERAL	3,532,651	3,257,106	3,557,535	20,034,403	463.2%	16,476,868
DEBT SERVICE						
DEBT SERVICE	14,271,772	2,526,028	0	2,861,682		2,861,682
TRANSFERS	1,500,443	648,221	0			0
TOTAL DEBT SERVICE	15,772,215	3,174,249		2,861,682		2,861,682
CAPITAL PROJECT						
SALARIES AND WAGES	28,924	37,734	72,357	74,046	2.3%	1,690
FRINGE BENEFITS	12,393	14,992	25,471	26,508	4.1%	1,038
CONTRACTUAL SERVICES	356,098	225,599	247,663	504,445	103.7%	256,782
OPERATING COSTS	424	3,956	0			0
CAPITAL	39,160	700	0			0
TOTAL CAPITAL PROJECT	436,999	282,981	345,490	605,000	75.1%	259,509
ENTERPRISE						
SALARIES AND WAGES	111,013	181,239	351,238	249,614	-28.9%	(101,624)
FRINGE BENEFITS	36,670	54,847	117,479	84,010	-28.5%	(33,468)
CONTRACTUAL SERVICES	1,988,508	2,378,861	475,144	618,783	30.2%	143,639
OPERATING COSTS	2,075	24,256	1,483,217	18,400	-98.8%	(1,464,817)
CAPITAL	15,918	1,868	2,113,688	130,000	-93.8%	(1,983,688)
DEBT SERVICE	33,332	24,525	0			0
TRANSFERS	397,602	499,224	0			0
TOTAL ENTERPRISE	2,585,119	3,164,820	4,540,765	1,100,807	-75.8%	(3,439,958)
SPECIAL REVENUE						
SALARIES AND WAGES	7,896,107	8,055,325	6,626,125	6,025,782	-9.1%	(600,343)
FRINGE BENEFITS	2,356,499	2,294,348	2,324,209	2,101,802	-9.6%	(222,407)
CONTRACTUAL SERVICES	33,674,145	32,638,565	22,185,345	20,036,860	-9.7%	(2,148,485)
OPERATING COSTS	3,268,957	3,804,055	1,608,382	2,910,241	80.9%	1,301,859
CAPITAL	57,866,905	41,543,665	22,193,553	20,761,497	-6.5%	(1,432,056)
DEBT SERVICE	0	0	109,099	108,574	-0.5%	(525)
TRANSFERS	28,837,761	20,814,387	11,349,962	11,194,302	-1.4%	(155,660)
TOTAL SPECIAL REVENUE	133,900,375	109,150,344	66,396,675	63,139,058	-4.9%	(3,257,617)

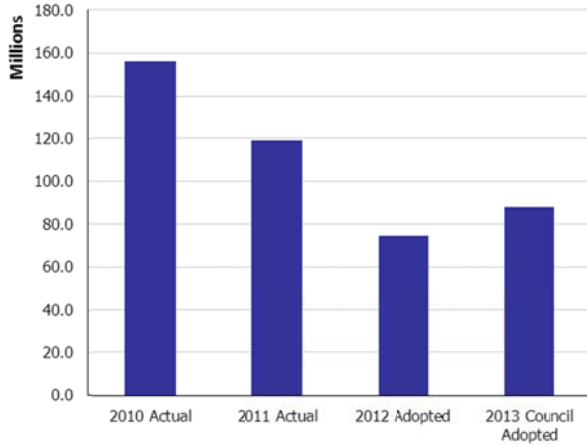
**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
TOTAL EXPENSE	156,227,359	119,029,499	74,840,465	87,740,950	17.2%	12,900,484
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	0	0	0	1,000	0.0%	1,000
CHARGES FOR SERVICES	395,310	369,895	830,000	696,000	-16.1%	(134,000)
FINES AND FORFEITS	0	0	0	163,000	0.0%	163,000
INTEREST	0	0	0		0.0%	0
LICENSE AND PERMITS	613,426	777,426	620,000	23,892,410	3,753.6%	23,272,410
OTHER MISC REVENUES	2,272	1,173	2,000	21,000	950.0%	19,000
SPECIAL ASSESSMENTS	0	17,156	0	7,000	0.0%	7,000
GENERAL	1,011,008	1,165,650	1,452,000	24,780,410	1,606.6%	23,328,410
SPECIAL REVENUE						
CHARGES FOR SALES	1,639,061	1,251,103	0		0.0%	0
CHARGES FOR SERVICES	9,007,468	9,545,193	425,000	1,518,000	257.2%	1,093,000
CONTRIBUTIONS	88,875	21,144	0		0.0%	0
FEDERAL GOVERNMENT	22,852,765	20,349,814	5,273,652	4,867,961	-7.7%	(405,691)
FINES AND FORFEITS	0	0	0	37,690	0.0%	37,690
INTEREST	1,397,173	820,456	187,504	140,292	-25.2%	(47,212)
LICENSE AND PERMITS	0	0	0	241,000	0.0%	241,000
LOCAL GOVERNMENT	1,027,583	503,741	0		0.0%	0
OTHER MISC REVENUES	3,606,445	6,455,138	12,686,393	3,944,800	-68.9%	(8,741,593)
PROPERTY TAXES	41,843,214	56,735,079	52,945,265	38,328,897	-27.6%	(14,616,368)
RENTS	5,138,909	4,439,021	3,302,360	3,269,506	-1.0%	(32,854)
SALES AND OTHER TAXES	293	293	0		0.0%	0
SPECIAL ASSESSMENTS	0	0	0	82,000	0.0%	82,000
STATE GOVERNMENT	13,306,545	12,241,527	1,935,000	2,100,000	8.5%	165,000
TRANSFERS IN	18,615,715	6,528,286	4,634,535	4,891,811	5.6%	257,276
SPECIAL REVENUE	118,524,046	118,890,794	81,389,709	59,421,957	-27.0%	(21,967,752)
CAPITAL PROJECT						
LONG TERM LIABILITIES PROCEEDS	(272,573)	0	0		0.0%	0
TRANSFERS IN	641,000	360,000	0	605,000	0.0%	605,000
CAPITAL PROJECT	368,427	360,000		605,000		605,000
DEBT SERVICE						
INTEREST	527	126	0		0.0%	0
TRANSFERS IN	14,856,111	3,280,203	0	2,861,682	0.0%	2,861,682
DEBT SERVICE	14,856,638	3,280,329		2,861,682		2,861,682
ENTERPRISE						

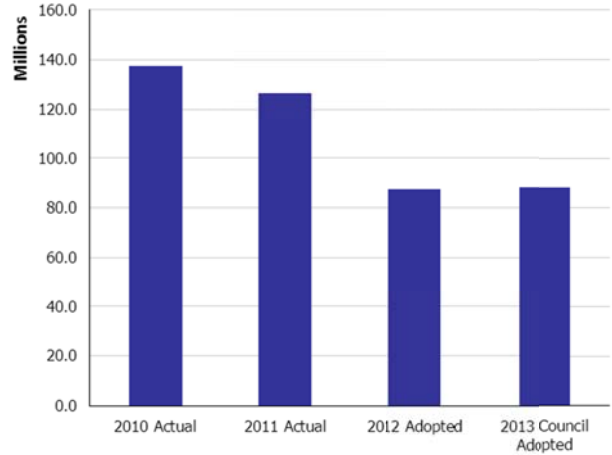
**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
CHARGES FOR SALES	0	5,000	0		0.0%	0
CHARGES FOR SERVICES	2,179,678	2,199,348	867,000		-100.0%	(867,000)
INTEREST	46,291	191,718	0		0.0%	0
OTHER MISC REVENUES	129,768	0	3,500,000	625,000	-82.1%	(2,875,000)
RENTS	285,623	275,000	328,000		-100.0%	(328,000)
TRANSFERS IN	200,000	0	0		0.0%	0
ENTERPRISE	2,841,360	2,671,066	4,695,000	625,000	-86.7%	(4,070,000)
TOTAL REVENUE	137,601,478	126,367,839	87,536,709	88,294,049	0.9%	757,340

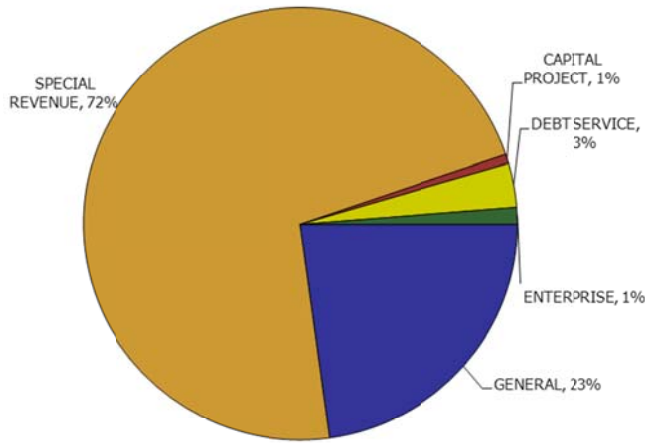
Expense 2010 - 2013



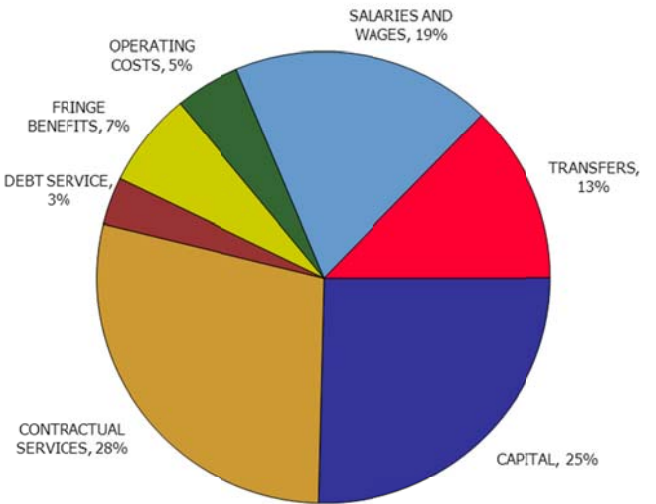
Revenue 2010 - 2013



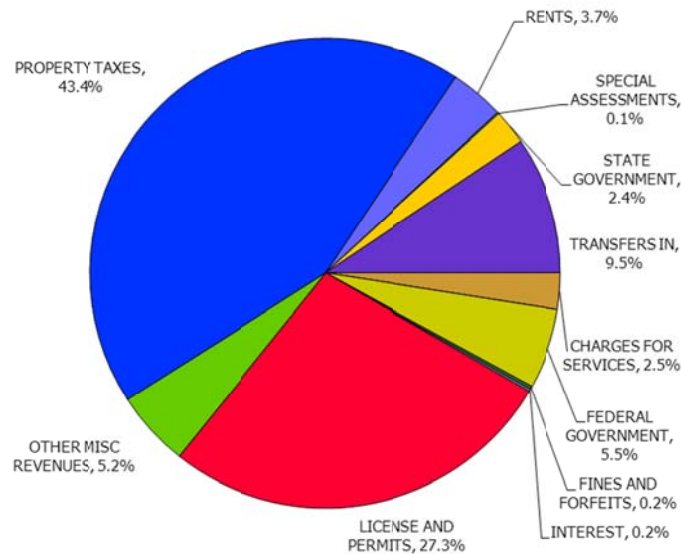
Expense by Fund



Expense by Category



Direct Revenue by Type

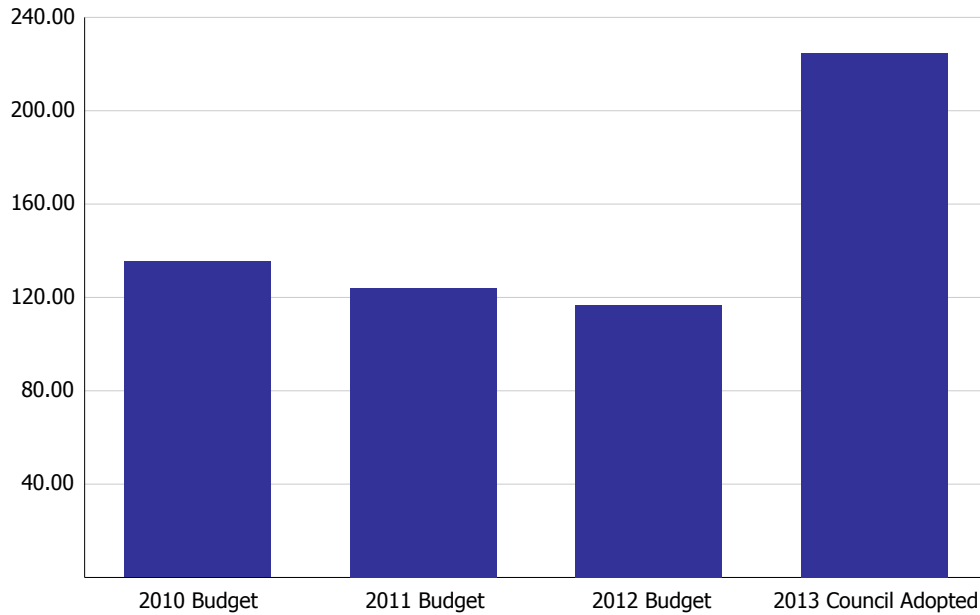


COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
CPED						0
TOTAL CPED	135.41	124.00	116.79	224.80	92.5%	108.02
Overall	135.41	124.00	116.79	224.80	92%	108.02

Positions 2010-2013



FIRE

MISSION

Members of the Minneapolis Fire Department are thoroughly trained and ready to protect lives, property and the environment by rapidly responding to emergencies and hazardous situations. The department is committed to safety by proactively working with the community to reduce risk to life, property and the environment.

BUSINESS LINES

The Minneapolis Fire Department maintains a state of readiness in order to:

1. Minimize loss of life or property and environmental degradation

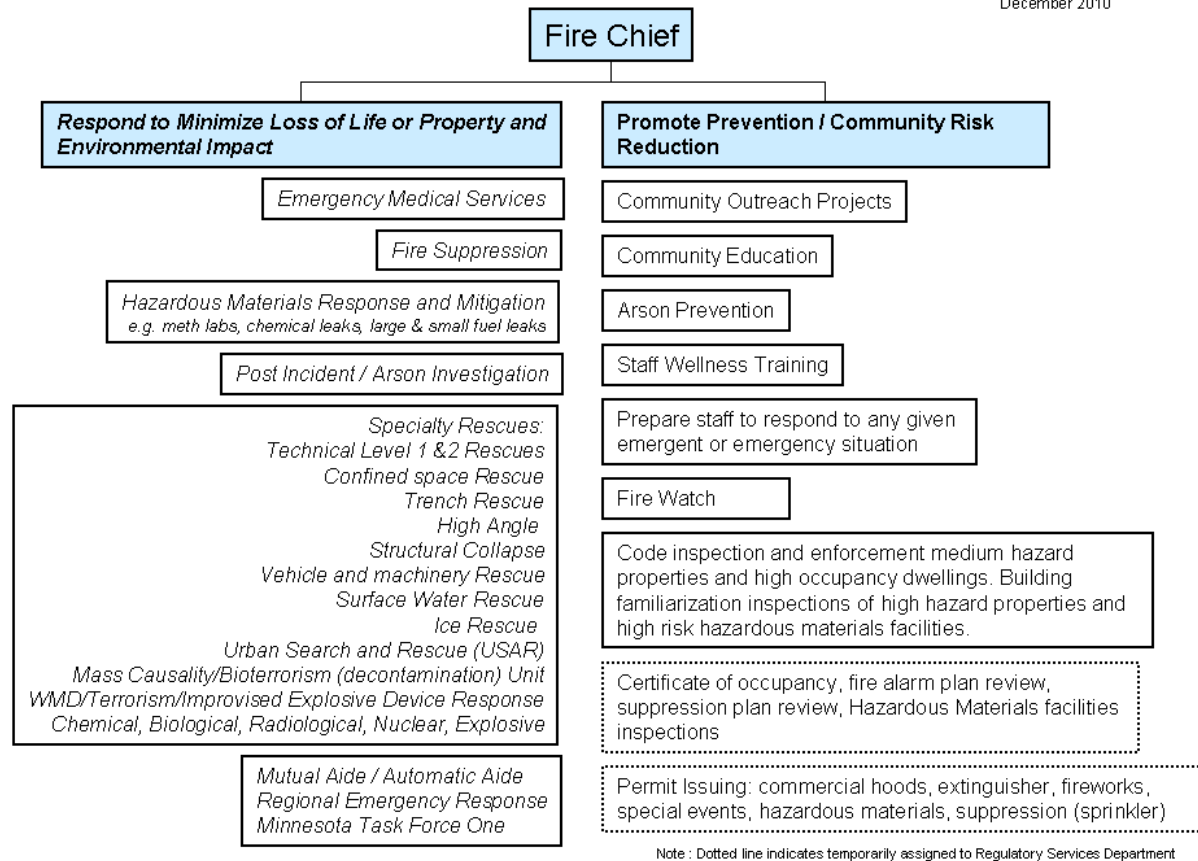
- Provide Emergency Medical Services (EMS), Fire suppression, Specialized Rescue and Hazardous Material mitigation for anyone who lives in, works in or visits our city 24 hours per day, 7 days a week
- Provide Regional Emergency Service reciprocal support to others needing help, including deployment of Hazard Incident Management Team (HIMT) and Minnesota Task Force One (MNTF1 – a State asset of specially trained personnel in technical rescue), for natural disasters, homeland security, emergency preparedness, high impact incidents, as well as fulfilling mutual aid and automatic aid agreements

2. Promote prevention/community risk reduction by proactively working with and in the community to support changes to help preserve life, property and the environment

- Utilize positive professional reputation to build lasting connections with residents and businesses throughout the community to foster safety education such as:
Arson Prevention, Safety Awareness School Programs, Emergency Evacuation Plans and Drills, Public Service Announcements, Community Outreach Programs (e.g. smoke detector give away, blood pressure screening, etc.)
- Provide Fire Watch for Convention Center, sports facilities and other events as required
- Complete code inspection and enforcement in medium hazard properties and high occupancy dwellings. Conduct building familiarization of high hazard properties and high risk hazardous materials facilities.

ORGANIZATION CHART

December 2010



Goal: A City that Works

Fire Suppression, Emergency Medical Service and Technical Rescue

General Fund: \$35,930,580
Other Fund: \$544,462

Fire Suppression, Emergency Medical Service and Technical Rescue describes the increased variety of responses by cross-trained personnel who perform multiple functions in a growing range of services, such as emergency medical services, hazardous materials response, technical rescue, prevention education and terrorism/WMD response.

Goal: A Safe Place to Call Home

Cadet List Formation and Hiring (Bell-curve staffing)

General Fund: \$1,100,329

The program encompasses every aspect of bringing new cadets onto the Minneapolis Fire Department and replacing the current hiring list. This includes recruitment, testing, application and application fees, tutoring, background checks, hiring, and cadet training.

Fire Investigation

General Fund: \$720,760

The Investigation program investigates and tracks the causes and origin of fires in order to focus fire prevention and education efforts, and to support the prosecution of arson crimes.

Fire Department Training & Recruitment

General Fund: \$5,858,853

The training program is the foundation from which all firefighters' skills are built. The pursuit of excellence and high professional standards is vital the department's success. It is achieved through continuous skills training, instilling a value of life-long learning, the development of leadership traits and ensuring a focus on wellness, health and safety of the community.

Community Risk Reduction and Community Outreach

General Fund: \$5,138,254

Prevention is the best form of suppression. The Community Risk Reduction and Community Outreach program promotes fire prevention and community risk reduction by proactively working within the community to support changes that will preserve life, property and the environment. This can be accomplished through community education, coaching organizations, focusing on school age children for early interventions and providing warning equipment to residents. The highest need populations include juveniles, low income and our aging populations.

Code Inspection & Enforcement

General Fund: \$5,041,627

The program includes inspections and code enforcement for commercial and residential buildings, Fire Watch at public events and the familiarization of high risk hazardous facilities and properties.

FINANCIAL ANALYSIS

Expenditure

The total Fire Department's budget increases from \$52.3 million to \$54.3 million from 2012 to 2013. This is an increase of \$2.1 million, or 3.9%. The Fire Department's 2013 expenditure budget reflects the following changes from 2012:

- 15 new firefighter cadets to be hired in 2013.
- 6 firefighters are funded with a 2011 SAFER grant.
- Big percentage and monetary increases in healthcare costs and workers compensation claims.

Revenue

Revenues are projected to increase by 15.6% in this department due to the acceptance of the 2011 SAFER grant which funds 6 firefighters for the entire year. This grant will provide Fire \$534,000 in 2013. The department's total revenues in 2013 are projected to be \$4.5 million.

Fund Allocation

This department is funded completely in the General Fund with the exception of the SAFER grant funding of \$534,000 and private donations/contributions.

Mayor's Recommended Budget

The Mayor recommended no programmatic changes to the proposed budget and recommends an additional \$1.1 million of ongoing funding to maintain staffing levels for the SAFER Grant and in anticipation of significant attrition. If the department is awarded a second SAFER Grant in 2012, the additional general fund allocation will be reduced by the amount of the new award.

Council Adopted Budget

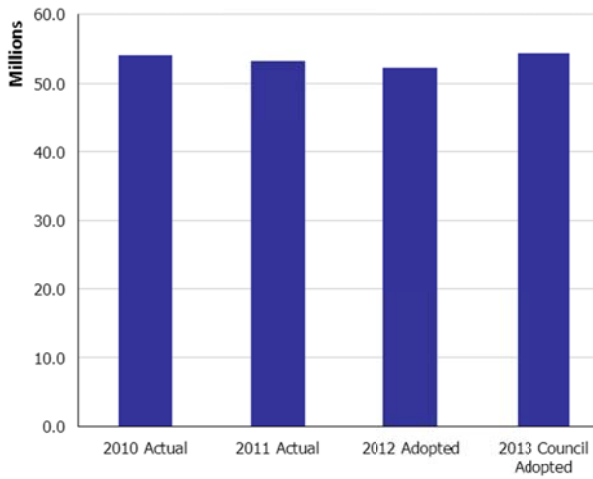
Council approved the Mayor's recommendations and added the following staff direction:

The Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

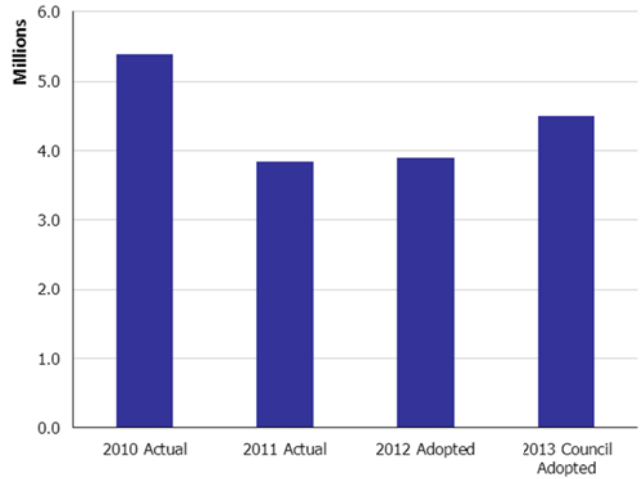
**FIRE
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	33,149,222	32,005,679	30,884,397	32,411,274	4.9%	1,526,878
FRINGE BENEFITS	13,257,603	12,945,926	12,630,252	13,609,281	7.8%	979,030
CONTRACTUAL SERVICES	5,722,764	5,778,055	6,415,276	5,593,293	-12.8%	(821,983)
OPERATING COSTS	1,653,729	1,881,141	2,203,395	2,043,653	-7.2%	(159,742)
CAPITAL	21,816	6,196	138,926	132,901	-4.3%	(6,025)
TOTAL GENERAL	53,805,134	52,616,998	52,272,245	53,790,402	2.9%	1,518,157
SPECIAL REVENUE						
SALARIES AND WAGES	35,610	14,798	0	370,046		370,046
FRINGE BENEFITS	266	1,826	0	164,416		164,416
CONTRACTUAL SERVICES	88,595	78,087	10,000	10,000	0.0%	0
OPERATING COSTS	87,579	37,720	0			0
CAPITAL	87,266	526,500	0			0
TOTAL SPECIAL REVENUE	299,315	658,930	10,000	544,462	5,344.6%	534,462
TOTAL EXPENSE	54,104,450	53,275,928	52,282,245	54,334,865	3.9%	2,052,620
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	249	321	250	250	0.0%	0
CHARGES FOR SERVICES	966,969	493,805	674,000	646,000	-4.2%	(28,000)
LICENSE AND PERMITS	2,210,319	1,328,560	1,383,000	1,383,000	0.0%	0
OTHER MISC REVENUES	136,028	130,564	0		0.0%	0
STATE GOVERNMENT	1,896,858	1,797,484	1,830,000	1,930,000	5.5%	100,000
GENERAL	5,210,423	3,750,733	3,887,250	3,959,250	1.9%	72,000
SPECIAL REVENUE						
CONTRIBUTIONS	2,981	10,155	10,000	10,000	0.0%	0
FEDERAL GOVERNMENT	170,044	84,693	0	534,462	0.0%	534,462
SPECIAL REVENUE	173,025	94,848	10,000	544,462	5,344.6%	534,462
TOTAL REVENUE	5,383,448	3,845,582	3,897,250	4,503,712	15.6%	606,462

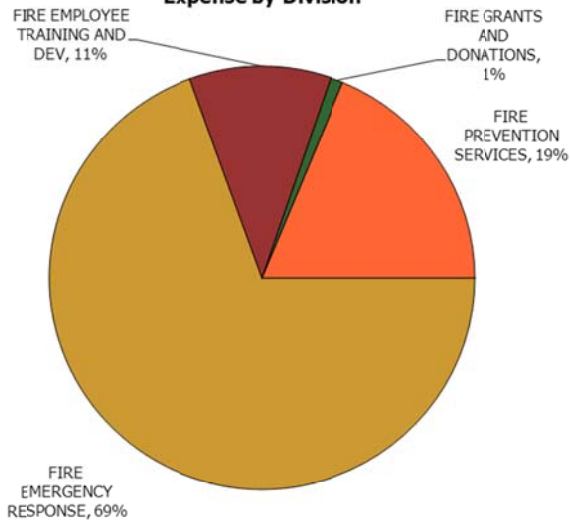
Expense 2010 - 2013



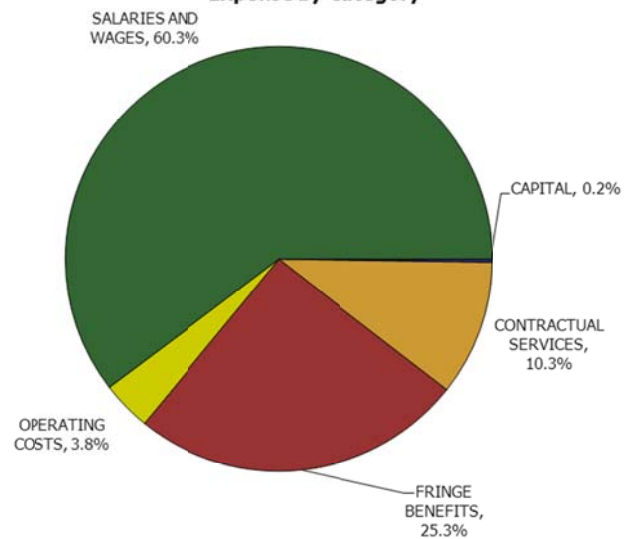
Revenue 2010 - 2013



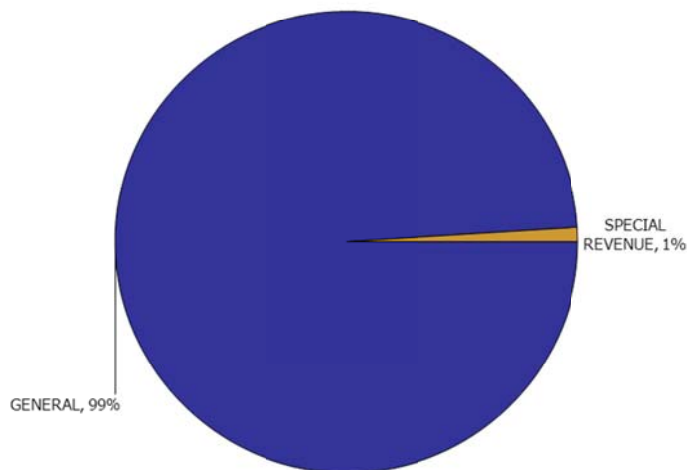
Expense by Division



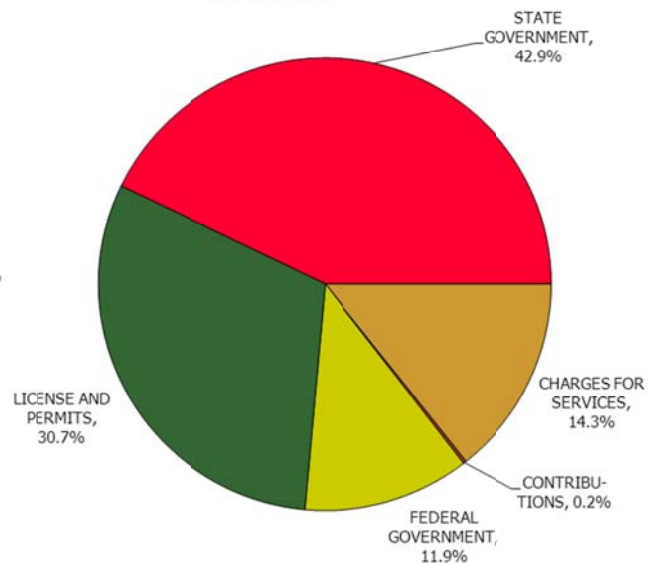
Expense by Category



Expense by Fund



Direct Revenue by Type

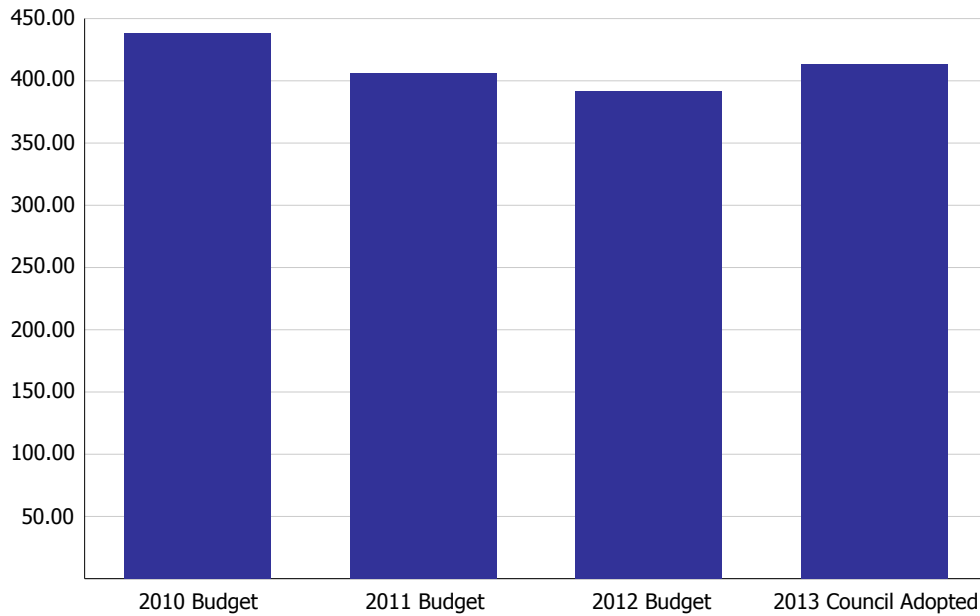


FIRE

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
FIRE EMERGENCY RESPONSE	400.00	379.00	268.15	283.15	5.6%	15.00
FIRE INFORMATION SERVICES	2.00	2.00				0
FIRE PREVENTION SERVICES	17.00	4.00	78.55	78.70	0.2%	0.15
FIRE HEADQUARTERS	8.00	8.00				0
FIRE DEPARTMENT			0.00		-100.0%	0.00
FIRE FINANCE AND LOGISTICS	5.00	5.00				0
FIRE GRANTS AND DONATIONS				6.00		6.00
FIRE EMPLOYEE TRAINING AND DEV	6.00	8.00	45.30	45.15	-0.3%	(0.15)
Overall	438.00	406.00	392.00	413.00	5%	21.00

Positions 2010-2013



HEALTH AND FAMILY SUPPORT

MISSION

To promote health equity in Minneapolis and meet the unique needs of our urban population by providing leadership and fostering partnerships.

BUSINESS LINES

Promote health; healthy residents, communities, and environments

A major responsibility of a local public health agency is health promotion. In Minneapolis, community engagement and partnerships are critical to success in this area. The department seeks out representatives of diverse communities to elicit their unique perspectives and build on their strengths to improve community health. The department works to involve families, youth, and seniors in decisions that affect their well-being. Special projects target key phases across the lifespan. For example, a long-term partnership with area clinics and social service agencies aims to improve the health of babies and mothers by promoting early entry into prenatal care and providing targeted health education and care coordination services up to two years after the baby's birth. Other programs aim to reduce youth violence and promote healthy development by providing mentors and offering out-of-school time activities to youth and assistance to parents of teens. School-based clinics provide nutritional counseling, mental health and reproductive health services to high school students. A senior center reduces social isolation and engages older residents in activities that promote and maintain health.

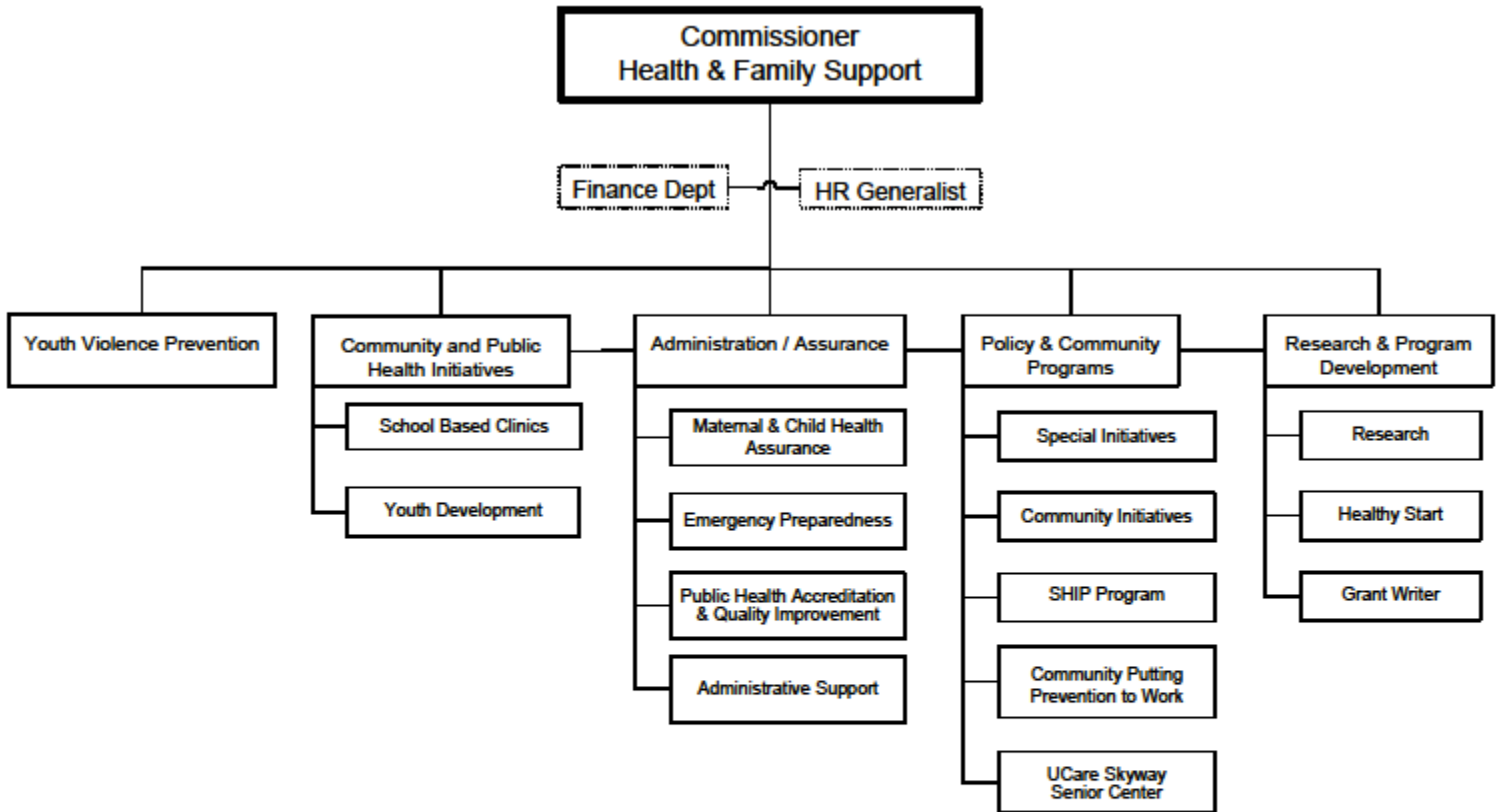
Address factors affecting health: social conditions and physical environment

Individual health is highly dependent on the environments in which individuals live and work, and this is most apparent in urban environments, where population density and mobility are higher and poverty is more concentrated. The department works with community agencies to promote lead-free and smoke-free homes and ensure physical safety for infants and toddlers in their homes and child care centers. To promote healthy weight through easier access to physical activity options and more nutritious foods, the department works with City departments, schools, child care centers, and worksites to create healthier environments through policy changes. The department also supports place-based interventions, such as the Allina Backyard Initiative and the Northside Achievement Zone which aim to create broad collaborations to institute change at multiple levels to address a variety of goals simultaneously.

Protect the public's health: disease prevention and control and emergency preparedness

Preventing and controlling infectious diseases is vital to community health. Pandemic influenza is an example of a situation that requires combined expertise in infectious disease control and emergency preparedness. The department works to address this through partnerships with Hennepin County, community clinics, and other community agencies. The department works to identify populations at highest risk of specific diseases, such as sexually transmitted infections, and work with knowledgeable community members to develop targeted strategies that meet the unique needs of specific groups. As an urban public health agency, the department has a focus on populations that require messages and intervention tailored to their particular needs, whether due to language differences, cultural norms, social isolation, or history of traumatic experiences.

ORGANIZATION CHART



Public Health Core Infrastructure

General Fund: \$755,319
Other Fund: \$831,147

The core infrastructure program compiles and interprets health data and engages a broad network of residents and community-based agencies to identify and address health problems and their precursors. The program examines efforts across the country and internationally to identify successful methods for responding to priority health issues. The Department uses assessment data and research to develop and implement community-based policy and program changes.

Goal: Eco-Focused

Lead Poisoning Prevention and Healthy Homes

General Fund: \$20,308
Other Fund: \$274,435

The Lead Poisoning Prevention and Healthy Homes initiative is aimed at eliminating elevated lead levels in Minneapolis for children under six and reducing indoor environmental hazards. The Department accomplishes its objectives by securing contractual agreements with community agencies that perform outreach services, education, in-home visiting and referrals to remediation services. The Department provides education and outreach to families whose children have lower blood lead poisoning levels and works with clinics to coordinate this approach.

Environmental Services New Initiatives

General Fund: \$287,123

Environmental Services' enforcement activities have been extremely successful in addressing pollution from erosion, spills and noise. The City has established goals and numeric targets to improve air quality and reduce carbon dioxide emissions. However, the City's authority does not allow for effective regulatory control of air pollution. In partnership with local businesses, state agencies and community partners, this new program will implement strategies that further these environmental and clean energy goals while achieving public health and economic benefits. In 2013, this program is in the Health and Family Support Department, a transfer of programming into this department from Regulatory Services.

Safe and Healthy Homes Investment Partnership (SHHIP)

General Fund: \$50,000

The goal of this program is to better align city and community resources so that residents receive improved, efficient, and coordinated assistance with addressing indoor health issues such as lead poisoning prevention, reduction of asthma triggers, identification and remediation of radon, trips and fall prevention for seniors, more efficient weatherization and energy assistance. The long term goal is to systematically address the above-referenced healthy homes issues in a coordinated fashion between City Departments and community partners.

Goal: Livable Communities, Healthy Lives

Healthy Living Minneapolis

General Fund: \$69,856
Other Fund: \$765,050

The 2012-2013 Healthy Living Minneapolis initiative is a collection of 14 projects aimed at decreasing obesity and tobacco use and the chronic diseases caused by it. The Department and its partners primarily use policy, systems and environmental approaches that create improvements affecting populations rather than programmatic and educational approaches that affect individuals or small groups. Because rates of obesity, tobacco use and related chronic diseases are associated with poverty, the Department's 2013 efforts are concentrated in 11 Minneapolis communities with the highest proportions of people in poverty.

Goal: Many People, One Minneapolis

Health Care Safety Net

General Fund: \$0
Other Fund: \$370,902

As a local public health board operating a health department, the City is mandated by statute to ensure access to health services for Minneapolis residents. Populations whose health is heavily dependent on accessing health services include women of childbearing age and children. Services provided include primary medical and dental care, prenatal care, family planning with both male and female reproductive health services, disease prevention and management, mental health, adolescent care, and child and teen check-ups. Services are provided to Minneapolis residents who are the hardest to reach - the underserved/uninsured, and families living at or below 200% of poverty.

Perinatal, Early Childhood and Family Health

General Fund: \$518,481
Other Fund: \$2,095,670

This program promotes maternal, paternal, infant and child health through a range of coordinated and complementary services.

School Based Clinic Program

General Fund: \$442,732
Other Fund: \$2,484,161

The Department operates School Based Clinics (SBC) in six Minneapolis public high schools and the Broadway Teen Parent Program alternative school at Longfellow. All clinic services are provided by medical and behavioral health professionals, focus on adolescent health services including acute illness care, well-teen exams, reproductive care, nutrition education, immunizations, and mental health screenings, diagnostic assessments and therapy.

Senior Services

General Fund: \$86,247
Other Fund: \$174,800

Department senior services include two areas of activities - the UCare Skyway Senior Center and public health nurses home visits to low income, at-risk, and under/uninsured seniors.

Youth Development and Teen Pregnancy Prevention

General Fund: \$417,666
Other Fund: \$1,008,636

The Youth Development and Teen Pregnancy Prevention program has four primary components: ensuring that policy and programs for youth are aligned with positive youth development theory and evidence-based, creating and maintaining collaborative partnerships, addressing disparities in youth development and teen pregnancy through program development, and managing contracts related to the above.

Goal: A Safe Place to Call Home

Emergency Preparedness and Infectious Disease

General Fund: \$94,506
Other Fund: \$489,762

Local public health departments are required by statute (and by charter in Minneapolis) to assure the health and safety of residents and visitors from infectious disease. The Department

does so through collaboration, contracts, and participation in a community-wide continuum of care. That continuum includes day-to-day prevention and intervention activities, responses to small events, and responses to large public health emergencies.

Youth Violence Prevention

General Fund: \$47,715
Other Fund: \$448,266

The department provides citywide leadership and coordination for implementing the Youth Violence Prevention Blueprint for Action in partnership with other government and community partners. Adopted by the Mayor and City Council in 2008, the Blueprint outlines four major goals: connecting youth to trusted adults, intervening at the first sign of risk, restoring youth that have gone down the wrong path, and unlearning the culture of violence. The Blueprint uses the public health approach and positive youth development theory as its framework for developing policy and program initiatives.

Environmental Health

General Fund: \$2,101,923

Transferred from Regulatory Services to Health and Family Support, Environmental Health ensures commercial and institutional food offerings are safe and in compliance with state and local health codes by conducting more than 7,000 inspections a year of restaurants, schools, board and lodging facilities, hotels, pools, tanning and body arts establishments, daycares, farmers markets, groceries, and food vendors.

As an enhancement to the program that was transferred from Regulatory Services to Health and Family Support, this initiative will add six environmental health inspectors to the Environmental Health program in order to meet requirements outlined in separate delegation agreements with the Minnesota Department of Agriculture and the Minnesota Department of Health, and to maintain health and safety at the aforementioned licensed businesses in the City.

Environmental Services

General Fund: \$1,363,550

Environmental Services protects our air, water and land from pollutants and toxins by enforcing state and local environmental laws, providing technical assistance and operating the state well monitoring program as delegated by the Minnesota Department of Health. In 2013, this program is in the Health and Family Support Department, a transfer of programming into this department from Regulatory Services.

Healthy Homes and Lead Hazard Control

General Fund: \$415,403
Other Fund: \$1,042,340

Lead Hazard Control responds when children are lead poisoned. Response includes testing properties and ordering the removal of lead hazards. Through two separate multimillion dollar federal grants, the program proactively addresses lead and healthy homes issues in additional residential properties. In 2013, this program is in the Health and Family Support Department, a transfer of programming into this department from Regulatory Services.

Preventing High-Risk Youth from Becoming Victims of Violence

General Fund: \$275,000

In 2012, City representatives participated in a series of meetings to learn about two data-driven efforts addressing youth violence prevention. One effort in Chicago, called the Culture of Calm,

began with a retrospective study of youth who had been injured by a gunshot. The other initiative, in Milwaukee, uses data coordinated by an epidemiologist in the police department to prevent future violence.

Planning is underway to replicate the Chicago retrospective study of risk factors present in the lives of youth who have been violently injured. A Minneapolis-specific retrospective study identifying those factors most predictive of being injured will be completed by the end of 2012. Resources to complete this study include pro-bono data analysis by a private firm, in-kind support of City, County and MPS attorneys, and pooled local funding to support coordination of the effort. This 2013 budget proposal is to fund the second stage of the development of a data-driven initiative to provide intensive support to youth identified as very high-risk for being injured through violent means.

FINANCIAL ANALYSIS

Expenditure

The total Health Department's budget increases from \$10.7 million to \$16.9 million from 2012 to 2013. This is an increase of \$6.2 million or 58%. The Health Department's 2013 budget reflects the following changes from 2012:

- The transfer of the Environmental Services, Lead & Healthy Homes and Food, Lodging & Pools programs from the Regulatory Services Department.
- The department increased 39.50 FTEs from 2012 staffing levels due to the transfer for a net gain of 40.75 FTEs when coupled with the 1.1 FTE added to support the new program Preventing High-Risk Youth from Becoming Victims of Crime and other administrative changes.
- Preventing High-Risk Youth from Becoming Victims of Crime: \$165,000 in one-time funding and \$110,000 and 1.1 FTE in ongoing support is funded for this new initiative.
- Safe and Healthy Homes Investment Partnership: \$50,000 in one-time funding to better align city and community resources so that residents receive improved, efficient, and coordinated assistance with addressing indoor health issues.
- \$203,000 of additional ongoing funding for the Environmental Services program to reduce environmental toxin pollution, improve energy efficiency in buildings and implement a new building energy benchmarking program.

Revenue

Revenues are projected to increase by 52.4% in this department due to the transfer in of former Regulatory Services programming. The department's total revenues in 2013 are projected to be \$11.8 million.

Fund Allocation

General Fund resources account for 41% of this department's funding, with the remainder of the department's funding found in the Federal, State and other grant funds.

Mayor's Recommended Budget

As part of the reorganization of the Regulatory Services Department, the Mayor recommends shifting the Environmental Services Division from the Regulatory Services Department into the Health and Family Support Department.

By program, the Mayor's recommended budget transfers the Environmental Services and Lead & Healthy Homes programs into the Health and Family Support Department from Regulatory Services.

The Mayor also recommended \$203,000 of additional ongoing funding for the Environmental Services program to reduce environmental toxin pollution, improve energy efficiency in buildings and implement a new building energy benchmarking program.

As noted in the departmental recommendation language for CPED, the Mayor also recommended moving the Environmental Health Division from the Regulatory Services Department to the Health and Family Support Department. Because this Division within Regulatory Services is contained within the Environmental Health/Licenses and Consumer Services program, and the Mayor's recommended budget depicts that program moving to CPED, the financial impact on the Health and Family Support Department is understated, which includes the recommendations detailed in the CPED section about establishing a "health risk fee" to pay for an additional 6 FTE.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments will convene to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committee may elect to break apart current Regulatory Services divisions, program proposals, and funding structures. It is anticipated that the committee will have a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget.

The Mayor also recommended the following changes to Health and Family Support's ongoing programs:

- Preventing High-Risk Youth from Becoming Victims of Crime: The Mayor recommends \$165,000 in one-time funding and \$110,000 and 1.1 FTE in ongoing support for this new initiative.
- Safe and Healthy Homes Investment Partnership: The Mayor recommends \$50,000 in one-time funding to better align city and community resources so that residents receive improved, efficient, and coordinated assistance with addressing indoor health issues.

Council Adopted Budget

Council approved the Mayor's recommendation and made the following changes:

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City

Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new departments.

Direct the Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

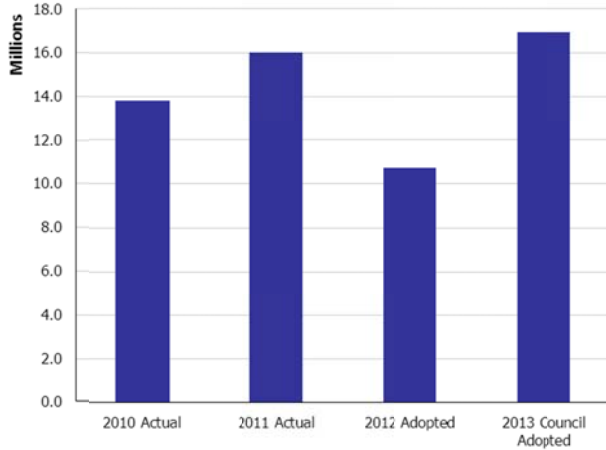
To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

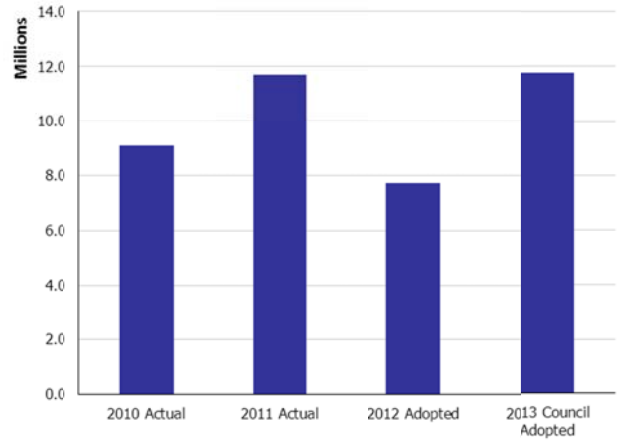
HEALTH AND FAMILY SUPPORT EXPENSE AND REVENUE INFORMATION

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	777,647	728,735	570,476	2,870,353	403.2%	2,299,877
FRINGE BENEFITS	198,707	231,367	221,079	1,112,851	403.4%	891,772
CONTRACTUAL SERVICES	2,063,813	2,017,335	1,541,997	2,642,133	71.3%	1,100,136
OPERATING COSTS	272,623	322,452	99,364	320,492	222.5%	221,128
CAPITAL	0	0	0			0
TOTAL GENERAL	3,312,791	3,299,890	2,432,916	6,945,829	185.5%	4,512,913
SPECIAL REVENUE						
SALARIES AND WAGES	3,310,148	3,407,065	2,900,987	3,366,598	16.1%	465,611
FRINGE BENEFITS	1,194,088	1,176,582	1,068,275	1,282,200	20.0%	213,925
CONTRACTUAL SERVICES	5,640,562	7,572,513	4,314,729	5,155,365	19.5%	840,636
OPERATING COSTS	283,538	454,632	0	180,915		180,915
CAPITAL	80,340	102,959	0			0
TOTAL SPECIAL REVENUE	10,508,677	12,713,750	8,283,992	9,985,079	20.5%	1,701,087
TOTAL EXPENSE	13,821,467	16,013,640	10,716,908	16,930,908	58.0%	6,214,000
REVENUE						
	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	14,237	0	0		0.0%	0
FINES AND FORFEITS	0	0	0	156,000	0.0%	156,000
LICENSE AND PERMITS	0	0	0	2,108,058	0.0%	2,108,058
OTHER MISC REVENUES	0	0	0	83,000	0.0%	83,000
GENERAL	14,237			2,347,058		2,347,058
SPECIAL REVENUE						
CHARGES FOR SERVICES	394,790	364,051	300,000	280,000	-6.7%	(20,000)
CONTRIBUTIONS	160,814	468,723	166,052	172,300	3.8%	6,248
FEDERAL GOVERNMENT	4,104,975	6,222,688	3,803,329	4,835,443	27.1%	1,032,114
INTEREST	1,327	946	0		0.0%	0
LOCAL GOVERNMENT	112,754	284,898	210,000	206,666	-1.6%	(3,334)
OTHER MISC REVENUES	14,884	(41,346)	2,869	2,500	-12.9%	(369)
SALES AND OTHER TAXES	22,557	1,254	10,000	7,000	-30.0%	(3,000)
STATE GOVERNMENT	4,261,533	4,408,765	3,218,367	3,900,843	21.2%	682,476
SPECIAL REVENUE	9,073,634	11,709,978	7,710,617	9,404,752	22.0%	1,694,135
TOTAL REVENUE	9,087,871	11,709,978	7,710,617	11,751,810	52.4%	4,041,193

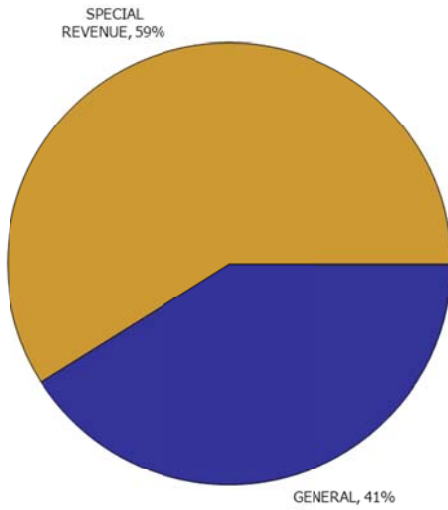
Expense 2010 - 2013



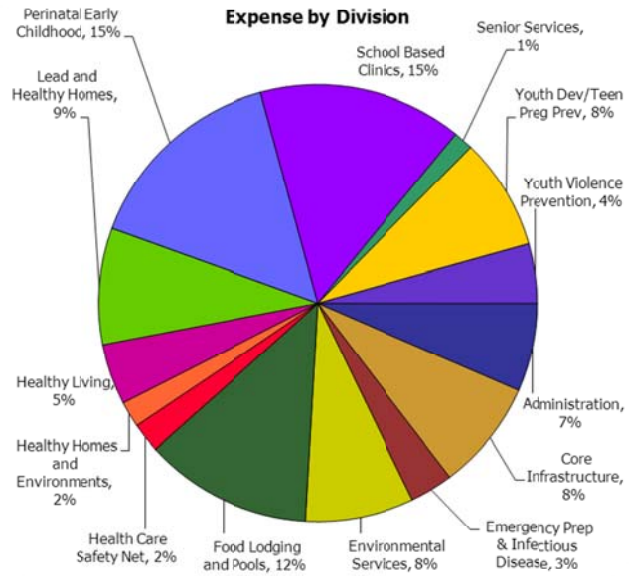
Revenue 2010 - 2013



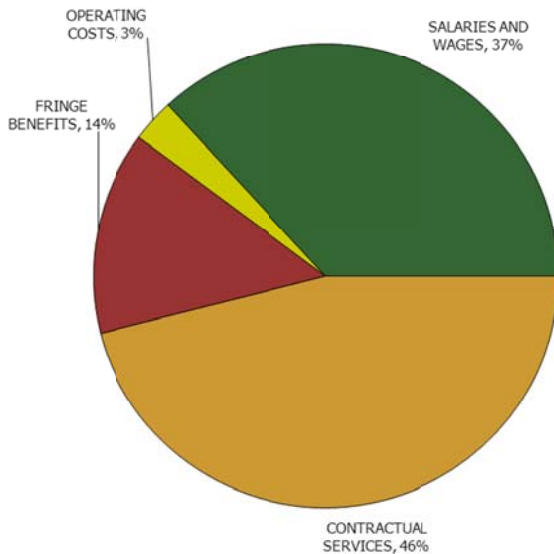
Expense by Fund



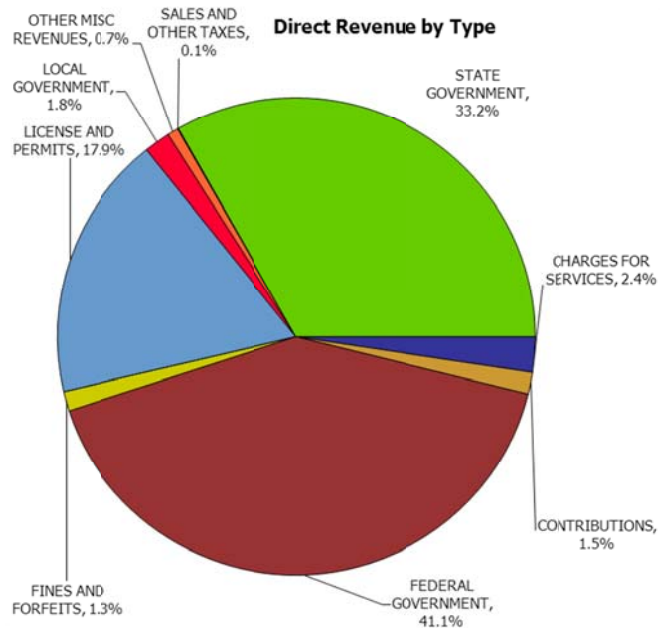
Expense by Division



Expense by Category



Direct Revenue by Type

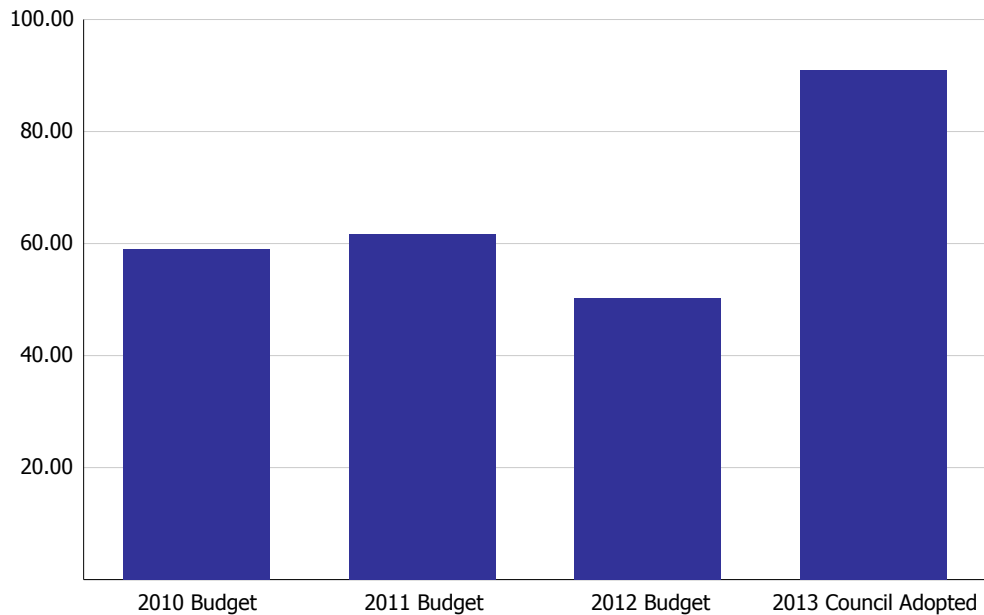


HEALTH AND FAMILY SUPPORT

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
Administration			4.95	1.00	-79.8%	(3.95)
Core Infrastructure	9.00	12.45	6.30	13.00	106.3%	6.70
Emergency Prep & Infectious Disease	3.00	4.10	3.00	2.85	-5.0%	(0.15)
Environmental Services				10.50		10.50
Food Lodging and Pools				19.00		19.00
HEALTH AND FAMILY SUPPORT	2.00	2.00		0.00		0.00
Health Care Safety Net			0.20		-100.0%	(0.20)
Healthy Homes and Environments			0.80	1.00	25.0%	0.20
Healthy Living	1.00	2.40	2.50	4.55	82.0%	2.05
Lead and Healthy Homes	2.50	2.50	2.60	9.00	246.2%	6.40
Not Being Used	12.00	10.30	4.95		-100.0%	(4.95)
Perinatal Early Childhood	1.50	0.50	0.90	2.25	150.0%	1.35
School Based Clinics	21.50	20.00	19.50	22.50	15.4%	3.00
Senior Services	2.00	2.00	1.10	1.00	-9.1%	(0.10)
Youth Dev/Teen Preg Prev	2.70	3.80	0.75	1.35	80.0%	0.60
Youth Violence Prevention	1.80	1.65	2.70	3.00	11.1%	0.30
Overall	59.00	61.70	50.25	91.00	81%	40.75

Positions 2010-2013



INTERNAL AUDIT

MISSION

Internal Audit assists the City of Minneapolis achieve its objectives. It serves the City of Minneapolis and the public interest by providing the Mayor, City Council, and other City leaders and management with objective services to help minimize risks, improve internal controls, maximize efficiencies and effectiveness of operations, reduce cost, and strengthen accountability.

BUSINESS LINES

Powers and duties of the Internal Auditor

a) The internal auditor shall:

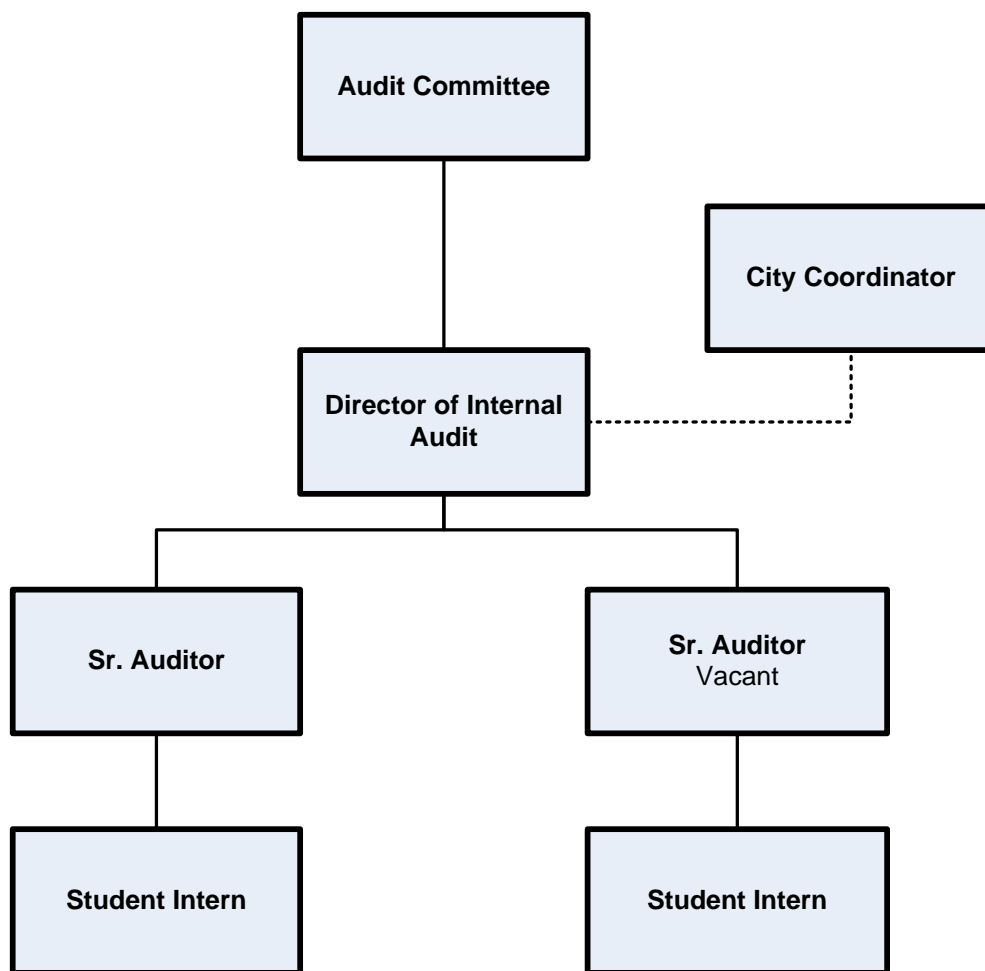
- 1) Establish guidelines, policies, and procedures for the conduct of periodic internal audits.
- 2) Develop an annual audit plan to be submitted to the Audit Committee for approval.
- 3) Conduct investigations of alleged or suspected impropriety, fraud, misappropriation, or other misuse of city funds, shall seek advice from the city attorney as appropriate and report any suspected criminal activity to appropriate law enforcement authorities.
- 4) Appraise the audit committee on the adequacy of action taken by departments to correct report deficiencies.
- 5) Implement a comprehensive audit plan to review and evaluate the adequacy and effectiveness of the city's internal system of financial controls to ensure:
 - a) The reliability and integrity of financial records and reports.
 - b) Compliance with policies, procedures, ordinances, rules and statues related to expenditures and financial controls.
 - c) The assets are safeguarded from loss.
- 6) Coordinate with external auditors and assist in the implementation of corrective actions recommended by external auditors as appropriate.
- 7) Submit an annual report to the mayor and city council indicating audits completed, major findings, corrective actions taken by administrative managers, and significant findings which have not been fully addressed by management.

b) The internal auditor may:

- 1) Subject to the approval of the audit committee, conduct special reviews and programmatic reviews at the request of the mayor, city council, finance officer, city departments, boards and commissions.
- 2) Provide assistance to city departments, boards and commissions for evaluation of financial controls. (2009-Or-190, § 4, 12-18-09)

ORGANIZATION CHART

City of Minneapolis Department of Internal Audit Organization Chart



Goal: A City that Works

Internal Audit

General Fund: \$382,136

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve City of Minneapolis (the City) operations. The department works to help the City accomplish its goals and objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The department's responsibilities include: 1) financial reviews, 2) operational reviews (related to department operations that may have a financial impact), 3) compliance reviews (related to

federal, State and local rules and regulations), 4) information technology (IT) reviews (related to system access, general controls, networks, databases and interfaces that may impact the availability, integrity, and completeness of financial data), 5) training services for internal controls enhancements, and 6) fraud investigations.

FINANCIAL ANALYSIS

Expenditure

For 2013, the budget for the Office of Internal Audit is \$382,136, a 12.7% decrease from 2012 because the 2012 budget included \$60,000 in one-time funding. The department reduced 0.5 FTEs from 2012 staffing levels to cover loss of the one-time funding.

Revenue

This department does not generate revenue.

Fund Allocation

The Office of Internal Audit is funded entirely within the General Fund.

Mayor's Recommended Budget

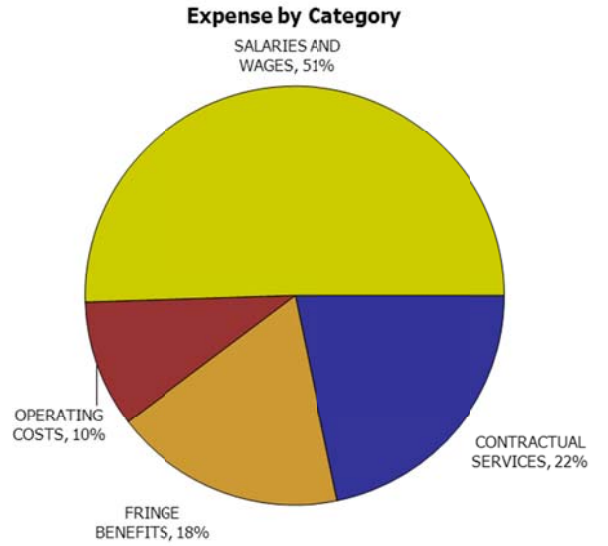
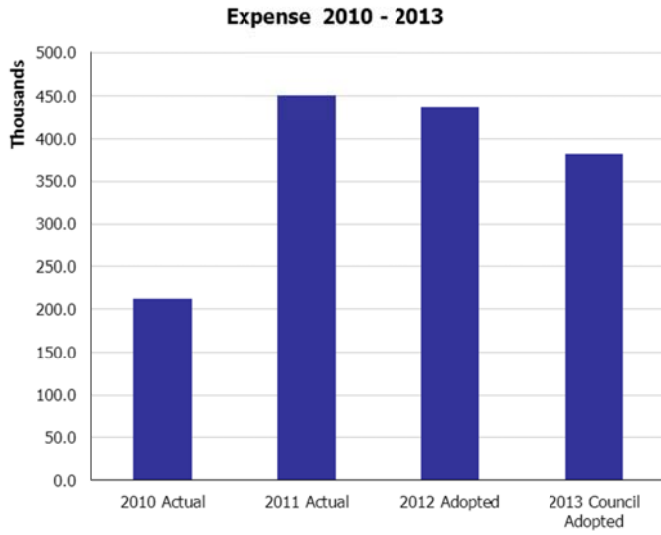
The Mayor recommended no programmatic changes to the proposed budget.

Council Adopted Budget

Council approved the Mayor's recommendations.

**INTERNAL AUDIT
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	91,824	256,360	209,292	193,009	-7.8%	(16,283)
FRINGE BENEFITS	24,176	76,863	68,632	68,707	0.1%	75
CONTRACTUAL SERVICES	85,016	103,779	125,542	83,023	-33.9%	(42,519)
OPERATING COSTS	11,415	13,725	34,093	37,397	9.7%	3,304
TOTAL GENERAL	212,431	450,726	437,559	382,136	-12.7%	(55,423)
TOTAL EXPENSE	212,431	450,726	437,559	382,136	-12.7%	(55,423)

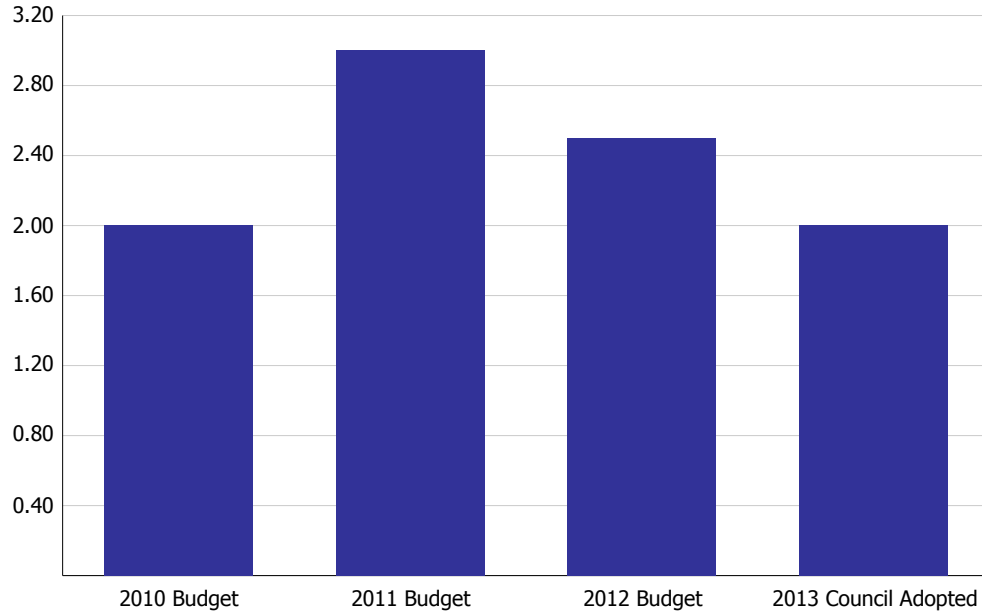


INTERNAL AUDIT

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
Internal Audit	2.00	3.00	2.50	2.00	-20.0%	(0.50)
Overall	2.00	3.00	2.50	2.00	(20%)	(0.50)

Positions 2010-2013



MAYOR

MISSION

Dedicated to making Minneapolis a vibrant, safe city that offers opportunity for all.

BUSINESS LINES

• Policy Development

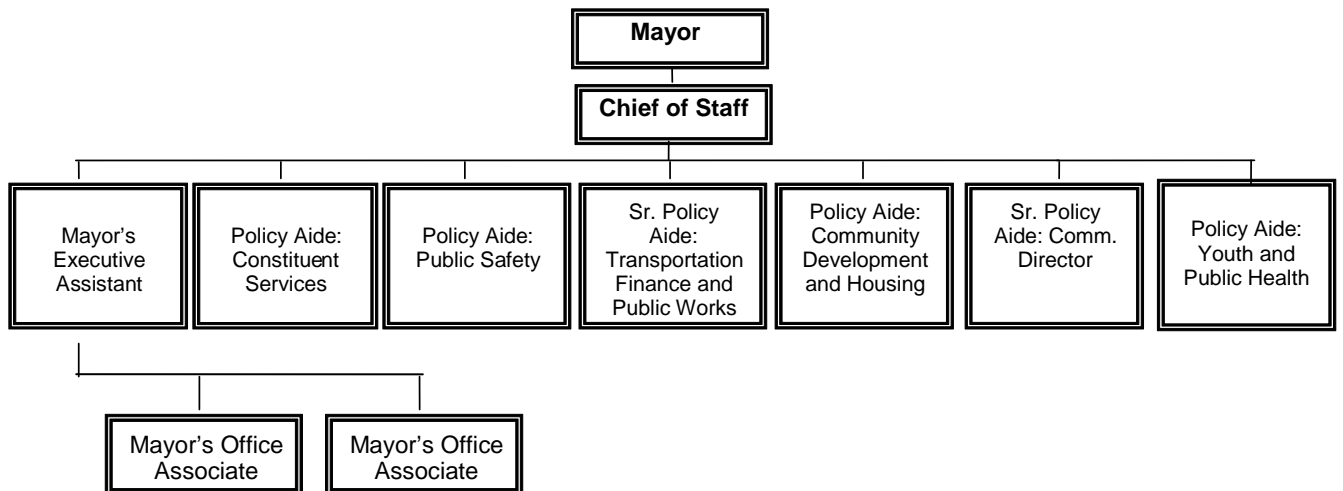
- Lead and support policy development that reflects the City's five-year goals.
- Partner with the City Council to develop and lead the strategic direction for the City.
- Develop responsible fiscal policies and an annual budget that reflects City's goals.
- Support the work of the City to provide better, more coordinated and responsive services.
- Ensure that the community is actively engaged as an active partner in City work.

• Policy & Program Promotion

- Champion the innovations and successes of Minneapolis as a premier destination, a growing economic and cultural leader.
- Promote education excellence as the lynchpin to a successful city.

• Policy & Program Implementation

- Nominate and support strong City department heads.
- Oversee the performance and accountability of the Police and Civil Rights departments.
- Through *Results Minneapolis* as well as department head evaluations, ensure that the City enterprise is accountable for results.



Mayor's Office Policy

General Fund: \$755,312

This program leads strategic policy development and supports policy implementation based on the five City goals.

Mayor's Administration

General Fund: \$842,936

This program will assist in developing and leading the strategic direction for the city and support functions needed to do this. It will be in charge of nominating and supporting strong department heads, overseeing the performance and accountability of the Police and Civil Rights department, and will develop responsible fiscal policies and an annual budget that reflects the City's goals.

FINANCIAL ANALYSIS**Expenditure**

The Mayor's 2013 budget is \$1.6 million, a 3.2% increase from the 2012 adopted budget.

Revenue

The department does not generate revenue.

Fund Allocation

The department is funded 100% in the General Fund.

Mayor's Recommended Budget

The Mayor recommended no programmatic changes to the budget for this department.

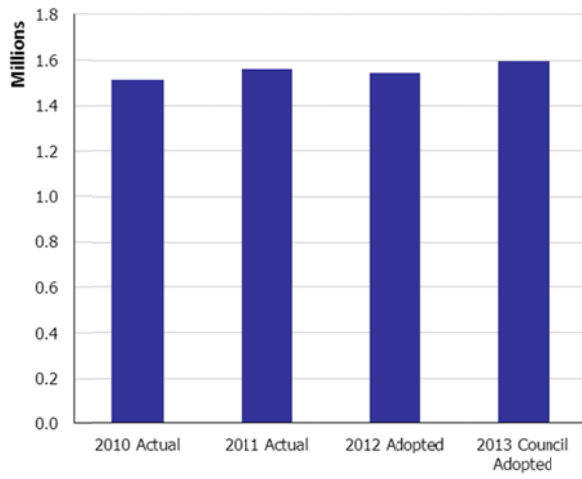
Council Adopted Budget

Council adopted the Mayor's recommendations.

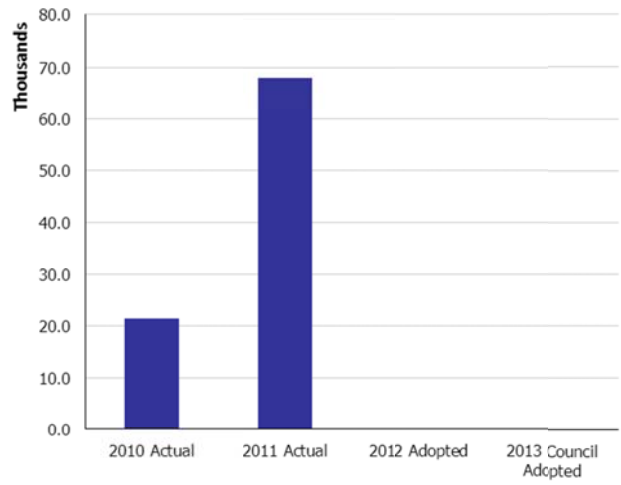
**MAYOR
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	706,654	668,728	687,142	734,094	6.8%	46,952
FRINGE BENEFITS	205,013	202,886	260,338	281,133	8.0%	20,795
CONTRACTUAL SERVICES	285,334	300,363	261,651	289,541	10.7%	27,890
OPERATING COSTS	296,084	324,277	339,058	293,480	-13.4%	(45,578)
TOTAL GENERAL	1,493,086	1,496,254	1,548,188	1,598,248	3.2%	50,060
SPECIAL REVENUE						
SALARIES AND WAGES	20,021	55,891	0			0
FRINGE BENEFITS	3,746	9,608	0			0
TOTAL SPECIAL REVENUE	23,767	65,499				0
TOTAL EXPENSE	1,516,853	1,561,753	1,548,188	1,598,248	3.2%	50,060
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES	0	20	0		0.0%	0
GENERAL		20				0
SPECIAL REVENUE						
CONTRIBUTIONS	21,426	67,841	0		0.0%	0
SPECIAL REVENUE	21,426	67,841				0
TOTAL REVENUE	21,426	67,861				

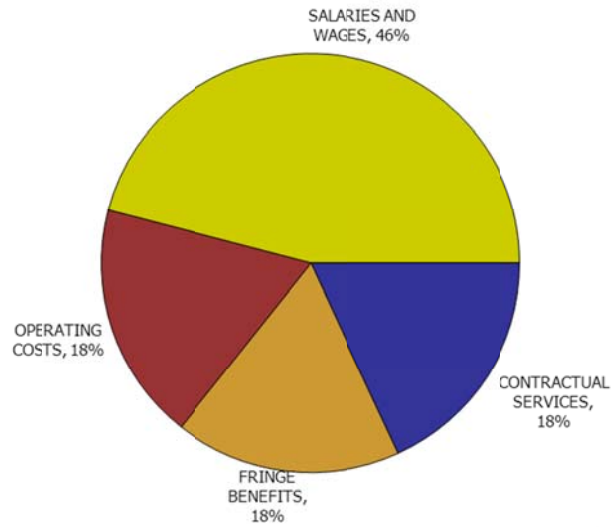
Expense 2010 - 2013



Revenue 2010 - 2013



Expense by Category

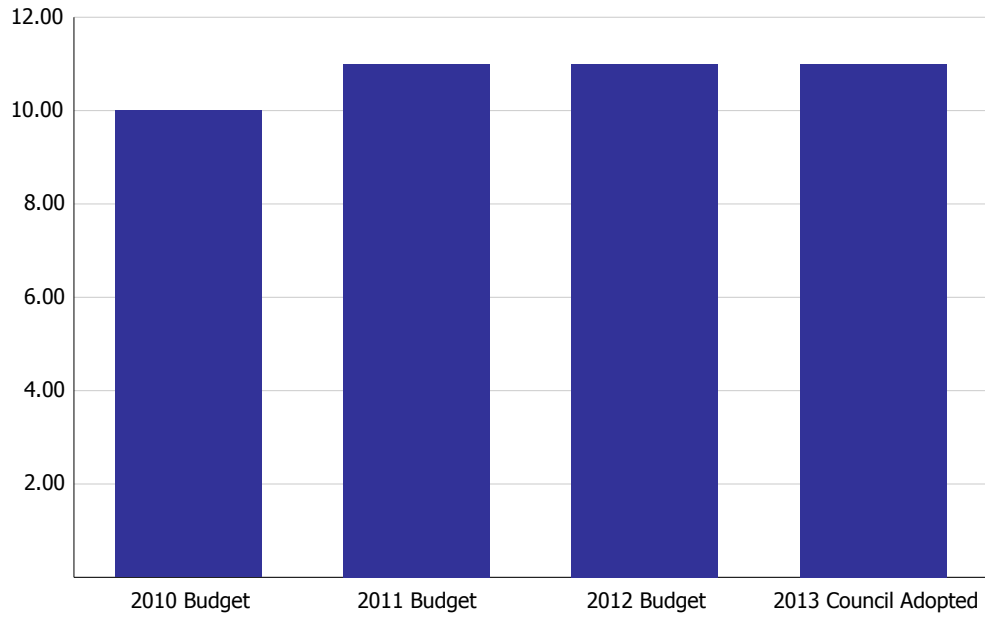


MAYOR

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
MAYOR						0
MAYOR - ADMINISTRATION	10.00	11.00	11.00	11.00	0.0%	0
MAYOR - CONTINGENCY						0
Overall	10.00	11.00	11.00	11.00	0.00	0

Positions 2010-2013



POLICE

MISSION

Working with our diverse communities to safeguard the lives and property of the people we serve, to reduce the incidence and fear of crime, and to enhance public safety.

BUSINESS LINES

The Minneapolis Police Department has three business lines, focused on the strengths of each individual bureau's responsibilities.

Patrol Bureau

Precincts –

- Patrol (911 Response, Directed Patrol), Investigations, Community Response Teams (CRT), Mounted Patrol and Crime Prevention Specialists.

Special Operations Division –

- Emergency Preparedness Unit : PAL, Special Events;
- Emergency Services Unit: Bomb/Arson, Crisis Negotiations, SOD Patrol, SWAT;
- Special Operations Unit: Canine, Community Engagement, ICARE, Traffic Accident Investigations;
- Gang Enforcement Team, Weapons.

Investigations Bureau

Criminal Investigations Division –

- Child Abuse, Domestic Assault, License Unit, Financial Crimes Unit, Joint Terrorism Task Force (JTTF), Homicide/Violent Criminal Apprehension Team (VCAT)/Auto Theft Prevention (ATP), Robbery/Assault, Sex Crimes/Predatory Offender Registration, and Violent Offender Task Force (VOTF)/VOTF DEA Task Force.

Forensics Division –

- Crime Lab - Field Operations, Firearms/Toolmark, Forensic Garage, Photo Lab, and MAFIN.

Juvenile Division –

- Juvenile Investigations and School Resource Officer Program.

Strategic Information and Crime Management (SICM) –

- Crime Analysis, Property Information Center.

Support Services –

- Criminal History, Property and Evidence, and Transcription.

Professional Standards Bureau

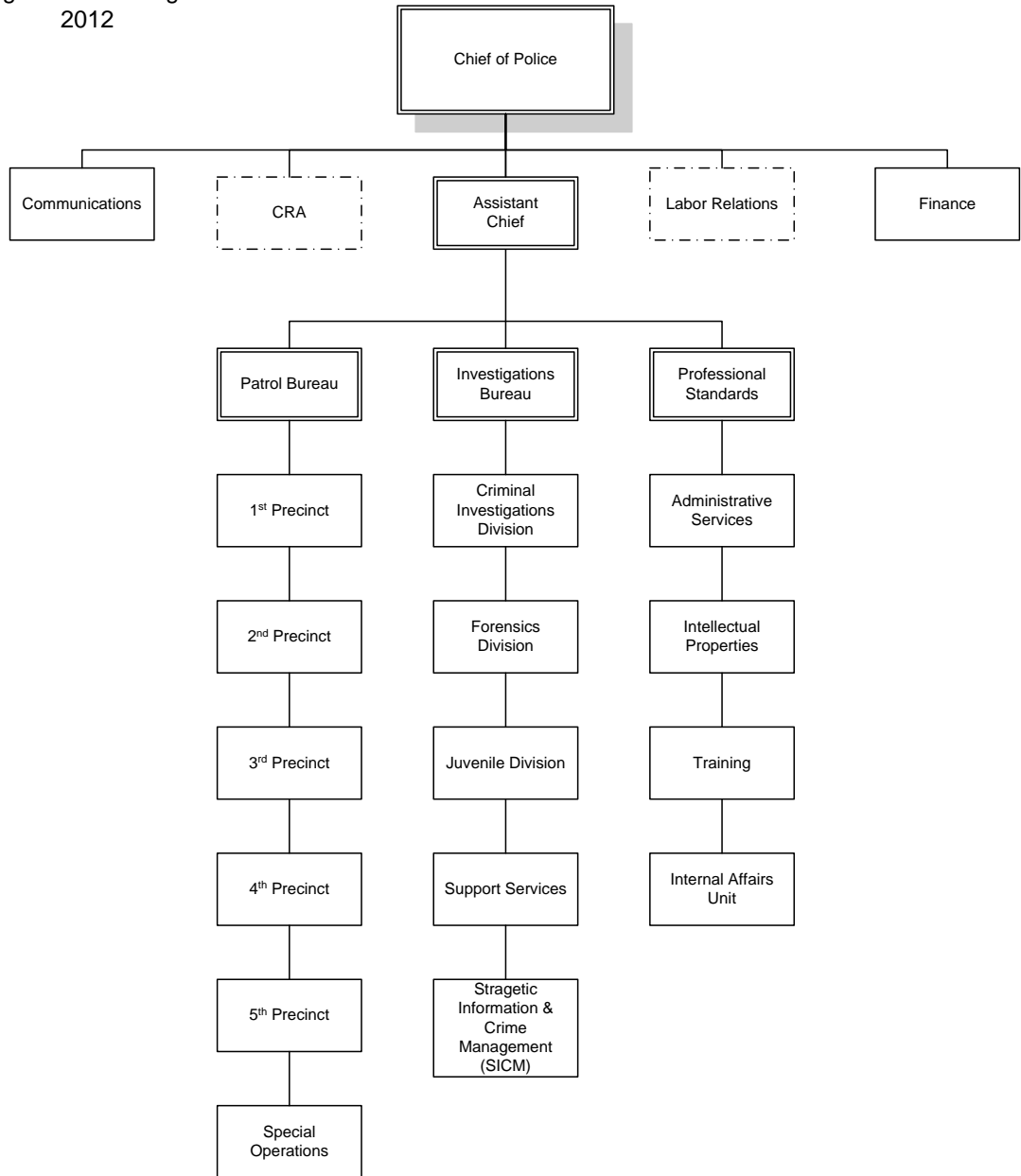
Administrative Services –

- Backgrounds Unit, Business Technology and Support, Court Liaison, Fleet, Health & Wellness, Police Stores, and Research & Policy Development.

Internal Affairs Unit

- **Training** – Academy, Community Service Officer (CSO) Program, In-Service, and Pre-Service.

MPD
Org Chart for Budget
2012



2012 MPD Org Chart for Budget 6.7.12

Goal: A Safe Place to Call Home

MPD Administration and Training

General Fund: \$9,371,487
Other Fund: \$996,572

The Administration and Training program is the managerial hub for the Minneapolis Police Department. This program includes the Office of the Chief of Police, Financial Operations, the Professional Standards Bureau and the Department's Support Services functions.

MPD Community Engagement

General Fund: \$849,240
Other Fund: \$876,600

The Community Engagement Team works with communities to build positive relationships, offer information, set policing priorities, and assure community efforts are in adherence with applicable laws. Officers develop and implement programming to educate citizens from new immigrant and typically underserved communities to reduce stereotyping and fears they may have about the police, and to promote a cooperative working relationship to make these communities and the city as a whole a safe place to live.

MPD Criminal Intelligence and Analysis

General Fund: \$4,842,752

The MPD Criminal Intelligence Program has several components – the Strategic Information Center (SIC), the Gang Enforcement Team, and the Weapons Unit.

MPD Criminal Investigations Division

General Fund: \$15,886,642
Other Fund: \$792,654

The Criminal Investigations program includes two major components – the Criminal Investigations Division and the Forensics Division/Crime Lab. Together, they are responsible for the collection and analysis of evidence, taking statements from victims, suspects and witnesses, preparing cases for prosecution, presenting cases to the Hennepin County Attorney's Office and other prosecutorial agencies for prosecution, and providing testimony in criminal cases. They work collaboratively with community based advocacy organizations, victim's groups such as the Crime Victims Reparations Board, and professionals in related public service agencies such as Child Protection, the Medical Examiner's Office.

MPD Emergency Response Services

General Fund: \$7,747,219
Other Fund: \$86,000

The Emergency Response Services Program is designed to deliver specialized response assets to support the patrol mission. Officers assigned to within this program area have each undergone specialized training and are equipped with state of the art equipment which allows them to effectively respond to rapidly evolving, unexpected police emergencies which might otherwise result in substantial loss of life and/or property damage.

MPD Juvenile Investigations and Prevention

General Fund: \$3,873,723

The Juvenile Investigations & Prevention program is made up of three components: the Juvenile Investigations & Juvenile Criminal Apprehension Team (JCAT), the Juvenile School Resource (SRO) Program, and the Police Activities League (PAL).

MPD Public Safety Services

General Fund: \$86,465,745

Other Fund: \$1,782,848

The Public Safety Services program is comprised of several components: 911 Responders from the precincts which include regular Patrol, Directed Patrol, Traffic Enforcement, Mounted Patrol and Canine Unit, and the Investigative Units from the precincts which include Accident Investigations, Property Crimes, Community Response Teams (CRT), Indian Crime Awareness Research & Evaluation, and Licensing.

MPD Request for Additional Funds

General Fund: \$2,527,296

MPD has requested additional funding to supplement and strengthen the following programs, defined above:

MPD Community Engagement - Crime Prevention Specialists
MPD Public Safety Services - Traffic, Patrols, Public Safety
MPD Administration and Training - Training
MPD Juvenile Investigations and Prevention - Juvenile Investigations
MPD Criminal Investigations Division - Criminal Investigations, Task Forces

FINANCIAL ANALYSIS

Expenditure

The total Police Department's budget increases from \$135.4 million to \$136.1 million from 2012 to 2013. This is an increase of \$672 thousand, or 0.5%. The Police Department's 2013 expenditure budget reflects the following changes from 2012:

- Increase of \$3.5 million in general funds, with \$2.4 million related to personnel costs.
- Overall increase of 12.7 FTEs across the department.
- Decrease of \$2.9 in special revenue funds primarily related to a reduction in grants and available grant funding.

Revenue

Revenues are projected to decline by 10.5% in this department due to the completion of a federal grant and reductions in available grant funding. The department's total revenues in 2013 are projected to be \$14.3 million.

Fund Allocation

This department is funded primarily by the General Fund, with the remainder of the department's funding found in the grant funds and special revenue funds.

Mayor's Recommended Budget

The Mayor recommended no programmatic changes to the proposed budget. In addition, the Mayor recommended an additional \$2.5 million in ongoing funding to provide for a larger number of sworn personnel in the department during the summer months as well as \$50,000 in funding dedicated to the Mad Dads organization.

Council Adopted Budget

Council approved the Mayor's recommendations and added the following staff directions:

The Minneapolis Police Department is directed to use their 2011 unused rollover and 2013 budget savings from attrition and contracts to provide \$510,000 in General Fund (00100) to retain six Community Crime Prevention Specialists.

The Minneapolis Police Department and the Police Chief are directed to provide a 2013 workforce plan for Crime Prevention Specialists to the Public Safety, Civil Rights and Health and Ways & Means/Budget Committees by April 1, 2013.

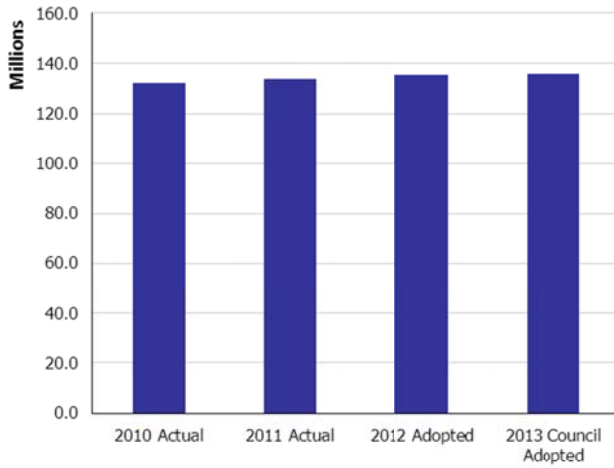
**POLICE
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	73,107,095	73,424,109	73,809,763	75,246,224	1.9%	1,436,461
FRINGE BENEFITS	26,602,344	26,719,259	27,928,969	28,879,116	3.4%	950,147
CONTRACTUAL SERVICES	16,380,781	17,155,717	16,583,228	17,359,375	4.7%	776,147
OPERATING COSTS	7,931,026	8,833,586	9,665,108	10,051,295	4.0%	386,187
CAPITAL	0	439	27,816	28,093	1.0%	277
TOTAL GENERAL	124,021,246	126,133,109	128,014,884	131,564,104	2.8%	3,549,220
SPECIAL REVENUE						
SALARIES AND WAGES	5,171,906	4,257,963	2,836,249	1,918,439	-32.4%	(917,810)
FRINGE BENEFITS	1,320,428	999,259	787,592	530,668	-32.6%	(256,924)
CONTRACTUAL SERVICES	1,156,017	1,341,512	2,048,921	1,205,201	-41.2%	(843,720)
OPERATING COSTS	530,937	641,082	1,739,075	880,365	-49.4%	(858,710)
CAPITAL	196,023	348,115	0	0		0
TOTAL SPECIAL REVENUE	8,375,311	7,587,931	7,411,837	4,534,673	-38.8%	(2,877,164)
TOTAL EXPENSE	132,396,557	133,721,041	135,426,721	136,098,777	0.5%	672,056
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,651	9,952	0		0.0%	0
CHARGES FOR SERVICES	332,457	1,228,455	1,098,238	1,098,238	0.0%	0
FEDERAL GOVERNMENT	22,634	0	0		0.0%	0
FINES AND FORFEITS	2,949,278	3,251,659	3,323,971	2,815,000	-15.3%	(508,971)
INTEREST	0	7	0		0.0%	0
LICENSE AND PERMITS	20,676	20,316	0		0.0%	0
OTHER MISC REVENUES	10,300	3,780	3,270	3,270	0.0%	0
STATE GOVERNMENT	4,419,061	4,766,462	4,440,000	6,440,000	45.0%	2,000,000
TRANSFERS IN	250,000	0	0		0.0%	0
GENERAL	8,006,057	9,280,633	8,865,479	10,356,508	16.8%	1,491,029
SPECIAL REVENUE						
CHARGES FOR SALES	1,440	0	0		0.0%	0
CHARGES FOR SERVICES	2,003,041	584,774	415,000	427,740	3.1%	12,740
CONTRIBUTIONS	32,865	14,770	0		0.0%	0
FEDERAL GOVERNMENT	3,863,516	3,975,017	4,542,733	1,935,000	-57.4%	(2,607,733)
FINES AND FORFEITS	889,133	357,843	535,000	420,000	-21.5%	(115,000)
INTEREST	3,941	5,196	0		0.0%	0
LICENSE AND PERMITS	904,651	738,088	1,040,000	745,000	-28.4%	(295,000)
LOCAL GOVERNMENT	27,561	25,104	0		0.0%	0
OTHER MISC REVENUES	12,842	0	0		0.0%	0
SALES AND OTHER TAXES	143,752	136,933	145,000	148,000	2.1%	3,000
STATE GOVERNMENT	656,699	445,785	433,000	271,357	-37.3%	(161,643)

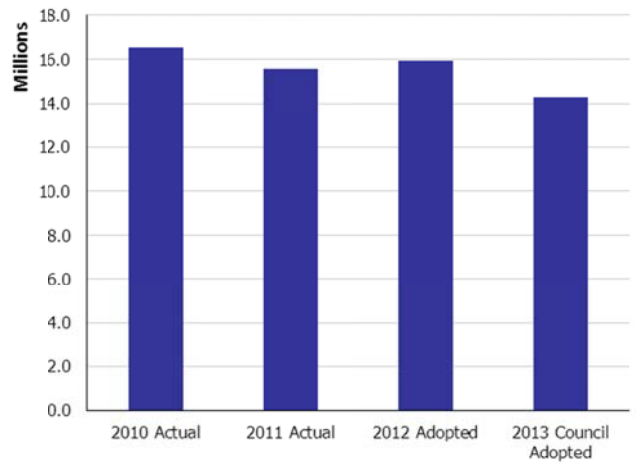
**POLICE
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE	8,539,440	6,283,509	7,110,733	3,947,097	-44.5%	(3,163,636)
TOTAL REVENUE	16,545,497	15,564,142	15,976,212	14,303,605	-10.5%	(1,672,607)

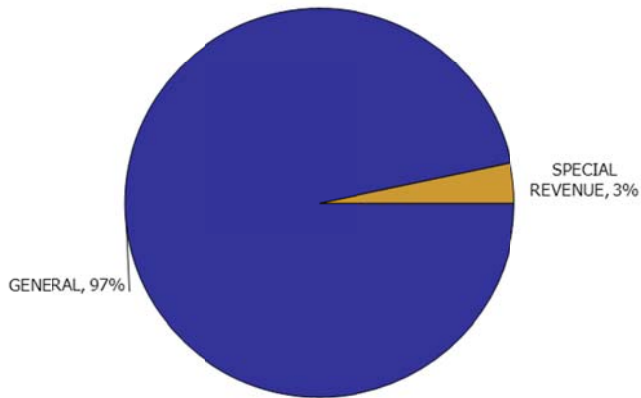
Expense 2010 - 2013



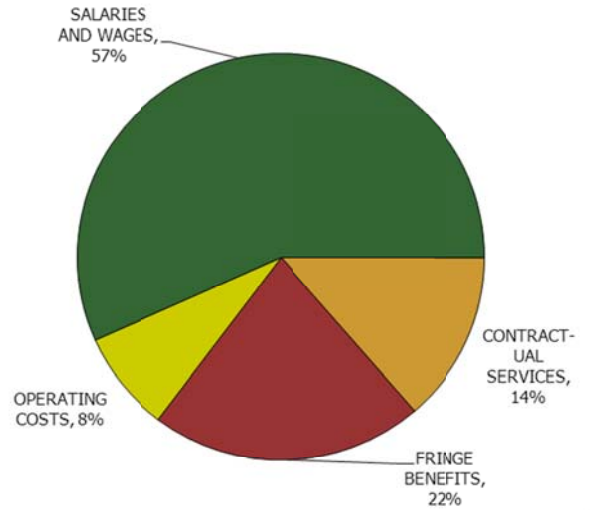
Revenue 2010 - 2013



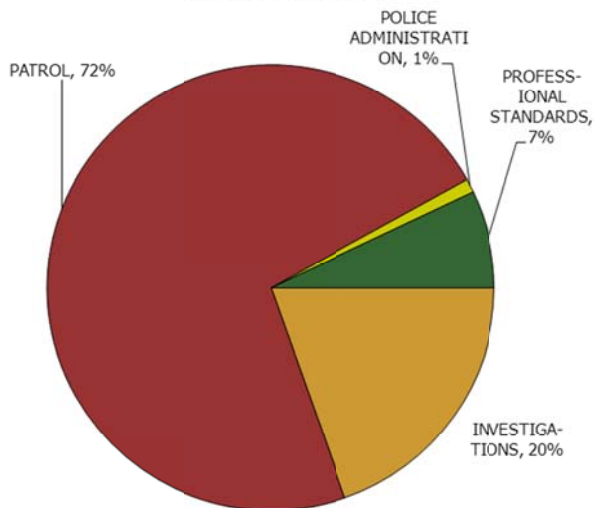
Expense by Fund



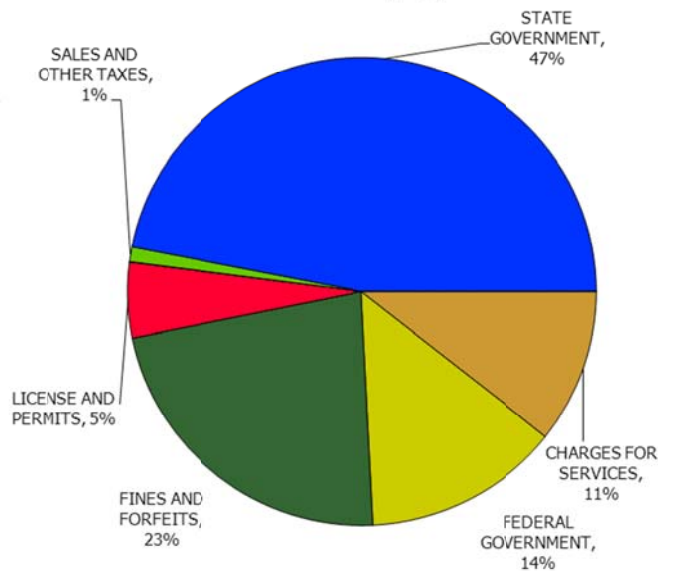
Expense by Category



Expense by Division



Direct Revenue by Type

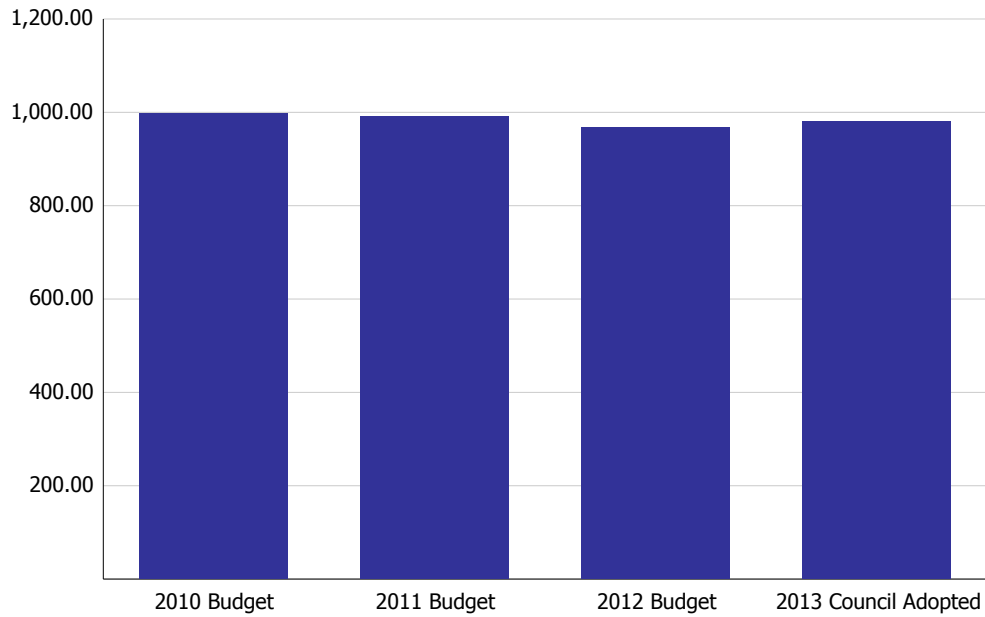


POLICE

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
INVESTIGATIONS	225.00	251.72	203.00	212.00	4.4%	9.00
PATROL	691.70	640.78	666.30	667.50	0.2%	1.20
POLICE ADMINISTRATION	14.00	24.50	9.00	10.00	11.1%	1.00
POLICE DEPARTMENT						0
PROFESSIONAL STANDARDS	67.50	75.00	89.50	91.00	1.7%	1.50
Overall	998.20	992.00	967.80	980.50	1%	12.70

Positions 2010-2013



PUBLIC WORKS

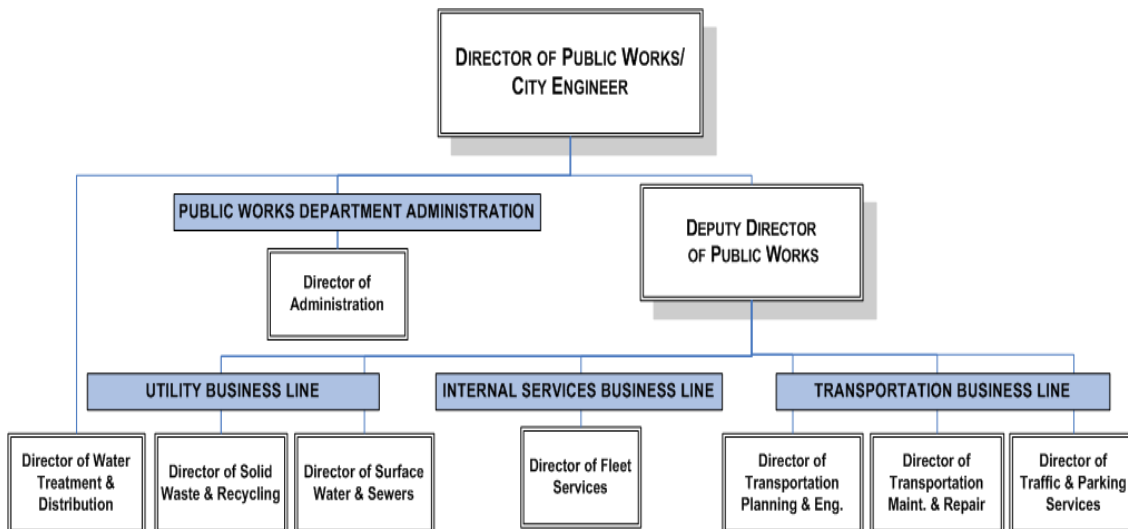
MISSION

To be effective stewards of the public infrastructure, & provide valued city services that contribute to public safety, economic vitality & 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 & are funded mostly within formal Internal Service funds. Fees for these services are intended to recover the costs incurred for providing each service. Fleet Services is the only division in the Internal Services business line.
- Utilities
This business line provides services that promote the health & safety of people & property by providing potable water, managing non-potable water, & maintaining a clean city through the collection & disposal of solid waste, recyclables, problem materials, yard waste, & coordination of Clean City activities. The three divisions of the Utilities business line are Surface Water & Sewers, Water Treatment & Distribution, & Solid Waste & Recycling Services.
- Transportation
The Transportation Business Line within the Department of Public Works exists to offer people a variety of safe, convenient options for moving throughout the City & 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 & goods. The three divisions in the Transportation business line are Traffic & Parking Services, Transportation Planning & Engineering, & Transportation Maintenance & Repair.

ORGANIZATION CHART



Goal: A City that Works

Dispatch Operations

Other Funds: \$16,388,836

Dispatch Operations is responsible for providing task labor and equipment for construction and maintenance work on the City's infrastructure, including street sweeping, repair of streets, sewer, and water systems, snow and ice removal, and paving. Dispatch exchanges information with Public Works divisions and City of Minneapolis Departments and agencies to support the planning and scheduling of construction and maintenance activities as well as requests to support special events. This information includes: project requirements and requests for services, equipment status, and qualified personnel. This section also coordinates training for field employees (City and Park Board) to meet federal, state, and local law, rules, and policies.

Fleet Management

Other Funds: \$8,342,284

Fleet Management develops fleet replacement programs of all vehicles and equipment to meet the needs of using departments. Fleet Management also monitors and reports on fleet utilization, registers and licenses all City vehicles, and re-markets units through several outlets to maximize return.

Fleet Service Maintenance Operations

Other Funds: \$18,180,974

Maintenance Operation is responsible for set-up, maintenance, repair, and de-commissioning of all vehicles and equipment in the City's fleet. This operation also manages fueling sites at City owned facilities and environmental compliance with federal, state, and local laws, rules, and policies.

Public Works Administration

General Fund: \$2,870,538

PW Administration provides leadership to its divisions and works with City leaders in maintaining and preserving its public infrastructure, delivering related essential services as efficiently as possible with the financial resources provided and ensuring that public safety is not compromised. PW Administration works to provide a stable and safe work environment that effectively supports its operating divisions and employees. The program strives to improve and facilitate accountability and innovation throughout its divisions, providing analysis and long-range thinking that supports responsible decision making. The program works to enable superior customer service that is responsive and demystifies city processes.

Goal: Eco-Focused

Source Separated Organics Collections and Composting

Other Funds: \$464,134

Collect source separated organics from designated customers of Solid Waste and Recycling Services. The current program is being done on a pilot basis.

Stormwater - Collection and Treatment

Other Funds: \$17,288,702

The stormwater program meets regulatory requirements while collecting stormwater and treating it prior to entering the lakes, creeks and river in the City of Minneapolis. Maintaining stormwater in the system is essential to control the flow of stormwater and minimize flooding risks while protecting water quality. Activities range from the design and analysis of the stormwater system including pipes and water quality infrastructure components to implementation and completion of

regulatory activities to daily cleaning and operation of the system to responding to emergency situations that may impact the system.

Stormwater - Street Cleaning

Other Funds: \$8,158,278

The Street Cleaning Program mitigates surface water runoff pollution and addresses general cleanliness of streets and alleys, and neighborhood livability. Street and alley sweeping helps remove pollutants before they enter the City's water bodies helping protect these important natural resources. This program also supports storm response debris removal and cleaning from streets and alleys, parade and other event pre and post cleanup from streets and the public right-of-way, and responding to general trash, debris or other materials that are illegally left or dumped in the public right-of-way.

Goal: Jobs & Economic Vitality

Off-Street Parking

Other Funds: \$30,866,768

The Off-street program is responsible for managing a portfolio of City and State owned and leased parking ramps and parking lots. As an integral part of the City's transportation infrastructure, these parking facilities promote City's multi-modal vision. Designed, in part, on hub-and-spoke model, the system leverages a network of skyways, bike paths and transit routes to offer a multimodal transportation solution to residents, visitors and commuters while reducing traffic congestion in downtown core. Additionally, several facilities were built as part of development agreements and continue to play an important role in the area of economic development.

On-Street Parking

Other Funds: \$2,856,203

The On-street Parking program is designed to leverage existing public right-of-ways to provide safe, accessible and affordable short-term parking in a manner that encourages economic growth while protecting the interest of local residents. The program utilizes parking meters and special permits to achieve its goals.

Special Service Districts including DID

General Fund: \$745,080
Other Funds: \$5,800,000

To provide service delivery and administrative support for 16 Council adopted Special Service Districts in Minneapolis. This includes the Downtown Improvement District Special Service District that is commonly called the DID.

Goal: Livable Communities, Healthy Lives

Bridge Maintenance & Repair

General Fund: \$2,547,243

To provide basic maintenance and repair services on over 600 City vehicular, pedestrian and other bridges and to provide support for the Bridge Inspections and construction unit of the Public Works Transportation Planning & Engineering Division of Public Works. Provides access and all lifting and water rescue support for bridge inspections. This group is also plays a key role as a first responder for bridge and storm related emergency response.

Construction Management

Other Funds: \$1,554,292

This program provides varying degrees of construction management and oversight of construction requirements for all roadways, bridges, streetscapes, and bike paths within the City of Minneapolis. This oversight includes projects with the State of Minnesota (with and without Federal participation) and Hennepin County. This oversight is accomplished utilizing both internal and external resources. These activities and oversight include, but are not limited to, field surveying activities, geotechnical analysis, field inspection, material inspection and research, and overall quality control a significant amount of the actual lab testing being done by the City's in-house facility. Additionally, Construction Management takes the lead on construction related environmental contamination issues associated with construction projects, including a fully trained staff to deal with site specific construction contingency and remedial action plans as well as managing the necessary contracts and consultant.

Malls and Plazas

General Fund: \$1,365,892

To provide basic maintenance and repair services on all greenspaces, mini-malls and plazas and bike trails in the public right-of-way throughout the City. Includes both summer mowing and turf care, cleaning and litter/debris collection, landscape maintenance, and any structural, lighting and other maintenance needs as appropriate, as well as winter snow and ice control services. It includes 180 acres of greenspace requiring various levels of service from the high end plazas to boulevards, medians and open areas along streets and highways.

Potable Water Supply

Other Funds: \$50,901,018

Provide and distribute clean and reliable drinking water to every residential and non-residential customer wanting and needing safe water. Provide water for fire fighting. Maintain a system to bill and collect for the water used to provide sustainability for the water system.

Ramp Maintenance and Repair

General Fund: \$2,502,046

This program is within the general fund but functions like an internal service as it supports the operations of a group of State and City owned parking ramps and lots. Activities performed include minor concrete patching, crack sealing, caulking, concrete surface sealing and other preventative maintenance; annual cleaning including power washing and full pressure washes and/or flood rinses, surface treatments, painting, minor structural repairs, brick work, parking lot repairs, cleaning, plumbing, electrical, striping, signage and assistance with capital projects. Activities also include providing basic summer maintenance and winter sidewalk snow and ice control on some City owned properties managed by the Property Services Division.

Sanitary - Collection and Treatment

Other Funds: \$46,516,385

The sanitary program meets regulatory requirements while collecting sanitary flow within the City of Minneapolis to a Metropolitan Council Environmental Service (MCES) Treatment Facility for treatment and then discharge to the Mississippi River. Maintaining system flow is critical in minimizing the risk of sanitary backups and combined sewer overflows to the Mississippi River. Activities in this program include the design and analysis of the sanitary system for self cleaning velocity in pipes or identifying sources of clear water, daily cleaning and operation of the system, emergency responses and payments to MCES for the treatment of the sanitary flow.

Sidewalk

Other Funds: \$698,134

This program is to support the City's need to ensure pedestrian passage on the 2,000 miles of sidewalks in the public right-of-way. It is composed of two parts: Sidewalk maintenance and repair

during the summer construction season, and enforcement of the City's sidewalk shoveling ordinances in the winter season.

Snow and Ice Control

General Fund: \$11,877,340

To provide snow and ice control, as well as other winter maintenance basic services on City streets, alleys, bridges and public sidewalks.

Street Lighting

General Fund: \$6,542,652

Operate and maintain the existing 40,000 street lights that include both city metal pole lights (15,000) and Xcel wood pole lights (25,000). Key activities include electricity, replacing bulbs and ballasts, infrastructure maintenance of fixtures and poles, and responding to crash damages.

Street Maintenance & Repair

General Fund: \$8,647,162

To provide basic maintenance and repair services on over 1,000 miles of City streets and Parkways, 400 miles of alleys. Includes general pothole and other patch and repair, preventative maintenance such as crack sealing and seal coating, utility cut restoration, and other pavement related repairs.

Surface Transportation Capital

Other Funds: \$6,736,497

This program is responsible for the oversight of all programming and design for Minneapolis roadways, bridges, streetscapes, and bike trails. This oversight is a combination of internal design as well as consultant design work. The Surface Transportation Capital group is responsible for the coordination of work associated with State of Minnesota and Hennepin County projects within Minneapolis such as the 35W expansion and Lake Street Reconstruction. These projects require extensive coordination between agencies across Public Works as well as other City departments.

Traffic

General Fund: \$7,593,255

Other Funds: \$374,017

Operate and maintain the existing traffic control devices (800 signals, 100,000 traffic signs and numerous pavement markings), their related infrastructure components and the necessary traffic management and safety activities. Key activities include infrastructure maintenance of fixtures and poles, response to and repair of crash damages, the central traffic signal computer and its communication system, traffic crash and other data bases, Gopher One-Call locating, traffic safety analyses & studies, monitoring the traffic flow and operations, and the managing traffic related to events. These efforts are accomplished for all modes of travel (ped, bike, transit, rail, truck and autos).

Transportation Planning and Management

General Fund: \$2,739,596

Other Funds: \$228,748

Transportation Planning and Management develops and coordinates policies and actions to promote a safe, efficient and integrated multi-modal transportation system, safe and well maintained public infrastructure and community connectedness. Transportation Planning involves long-range planning, participation in local and regional transportation planning initiatives such as light rail, local bus, streetcar and bus rapid transit corridors along with representing the City on policy boards and technical and advisory committees. This program also encompasses

Minneapolis' advisory efforts and planning analysis related to the Minneapolis-St. Paul International Airport.

Goal: A Safe Place to Call Home

Clean City, Graffiti Removal

Other Funds: \$1,175,719

Document and remove graffiti, or cause graffiti to be removed from all objects and structures in the City; coordinate information with the Minneapolis Police Department, Minneapolis Park Police and the Graffiti Investigator.

Clean City, non-graffiti activities

Other Funds: \$1,400,171

Perform activities that relate to a Clean City of Minneapolis. These include cleaning dirty collection areas, including those that present a danger to public health and safety; maintaining litter containers; conducting, in partnership with neighborhoods, clean sweeps and accelerated cleanup programs in addition to offering opportunities for volunteer participation in the prevention of litter through the Adopt a Litter Container program, prevention of cigarette litter through the Adopt an Ash Receptacle program and overall improvement of neighborhood livability through the Adopt a Street, Adopt a Block and Graffiti Paint over programs.

Equipment Operations, SW & R

Other Funds: \$3,546,066

Provide all rolling equipment and various goods and services required to operate the various programs in Solid Waste and Recycling Services

Garbage Collection

Other Funds: \$13,154,736

Perform garbage collection services to all residential properties of 4 or less dwelling units, all townhouse properties as described in Minneapolis Ordinance and all commercial properties requesting this service.

Minneapolis Impound Lot

Other Funds: \$5,019,446

The Minneapolis Impound Lot, operated by the Traffic and Parking Division of the Public Works Department, is responsible for towing, storing and processing vehicles removed by law enforcement in accordance to applicable City ordinances and State statutes. It also auctions off unclaimed vehicles through public and dealer auctions, and offers such services to other City departments and divisions whenever needed.

Graffiti Removal on Public Infrastructure

General Fund: \$98,338

Document and remove graffiti, or cause graffiti to be removed from all city infrastructure. During the 2012 budget process, the City Council approved a budget footnote directing the public works department to develop a strategy for moving the costs for graffiti removal from city-owned infrastructure from the solid waste fund to the division responsible for the vandalized infrastructure.

Problem Materials Collection

Other Funds: \$2,351,226

Perform collection, processing, and marketing of recyclable metal items, white goods and electronic items from SW & R customers

Recyclables Collection

Other Funds: \$9,516,665

Perform recyclables collection services to all residential properties of 4 or less dwelling units, all townhouse properties as described in Minneapolis Ordinance and all commercial properties requesting this service; ensure that all collected recyclables are properly processed and marketed for beneficial use.

Operate City Transfer Stations and Voucher Facilities

Other Funds: \$1,480,080

Operate the City Transfer Stations (North and South) for Customer Voucher programs, emergency waste services, emergency neighborhood waste relief and other permitted functions. Residents can use six clean-up vouchers per year for disposal of excess garbage, appliances, or construction and demolition debris and two tire vouchers per year for tire disposal (eight tires per voucher).

Yard Waste Collection

Other Funds: \$3,740,397

Perform yard wastes collection services to all residential properties of 4 or less dwelling units, and all other SW & R customers requesting this service; ensure that yard wastes are properly composted in accordance with Federal, state and county rules, provide limited finished compost to Minneapolis Community Gardens. In 2012 we phased out plastic bags from our yard waste program, in compliance with the State ban on plastic yard wastes bags.

FINANCIAL ANALYSIS**Expenditure**

For 2013, Public Works' department budget is \$304.3 million. The General Fund budget is \$47.5 million. The department reduced 10.6 FTEs from 2012 staffing levels.

Revenue

In 2013, the department anticipates \$324.1 million in revenue.

Fund Allocation

In 2013, 16% of the department's budget is from the General Fund. The remaining budget comes from Enterprise Funds (65%), Capital Funds, (3%), Internal Service Funds, (15%), and Special Revenue Funds (2%).

Mayor's Recommended Budget

Please see division sections for the Mayor's recommendations.

Council Adopted Budget

Please see division sections for the Council's changes to the Mayor's recommendations.

Public Works Expenditures and Revenues

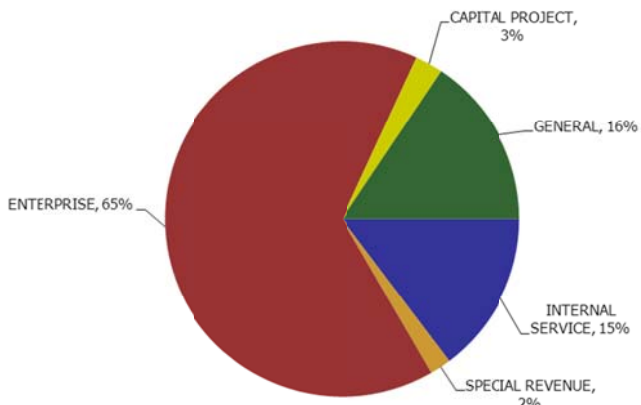
EXPENSE

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change	Change
CAPITAL PROJECT						
CAPITAL	77,032		57,858	57,858	0.0%	
CONTRACTUAL SERVICES	2,238,215	2,875,268	3,106,671	3,045,549	-2.0%	(61,122)
FRINGE BENEFITS	1,266,761	1,135,094	1,261,869	1,228,579	-2.6%	(33,290)
OPERATING COSTS	104,643	126,376	186,821	144,843	-22.5%	(41,979)
SALARIES AND WAGES	3,217,052	3,221,283	3,269,289	3,186,550	-2.5%	(82,739)
TOTAL CAPITAL PROJECT	6,903,702	7,358,021	7,882,508	7,663,379	-2.8%	(219,129)
ENTERPRISE						
CAPITAL	311,800	79,468	3,149,125	2,499,434	-20.6%	(649,691)
CONTRACTUAL SERVICES	91,318,383	83,275,808	94,754,872	91,956,520	-3.0%	(2,798,352)
FRINGE BENEFITS	14,877,173	13,555,940	14,479,624	14,627,071	1.0%	147,446
OPERATING COSTS	46,528,293	47,310,680	50,927,192	58,914,391	15.7%	7,987,199
SALARIES AND WAGES	28,431,745	29,480,336	31,022,833	30,438,579	-1.9%	(584,254)
TOTAL ENTERPRISE	181,467,394	173,702,233	194,333,646	198,435,995	1.9%	3,762,332
GENERAL						
CAPITAL	92,407	85,948	101,624	119,552	17.6%	17,928
CONTRACTUAL SERVICES	20,728,420	19,185,337	19,458,457	20,946,510	7.6%	1,488,053
FRINGE BENEFITS	5,916,423	5,810,154	6,423,166	6,649,293	3.5%	226,128
OPERATING COSTS	7,327,205	6,811,591	7,398,867	6,649,674	-10.1%	(749,193)
SALARIES AND WAGES	12,458,896	12,311,620	12,701,636	13,164,113	3.6%	462,476
TOTAL GENERAL	46,523,350	44,204,650	46,083,751	47,529,142	13.2%	6,087,914
INTERNAL SERVICE						
CAPITAL		(7,171)	7,529,449	7,525,000	-0.1%	(4,449)
CONTRACTUAL SERVICES	5,297,555	6,314,826	11,818,487	11,185,831	-5.4%	(632,656)
FRINGE BENEFITS	5,488,631	5,463,953	4,916,539	4,889,550	-0.5%	(26,989)
OPERATING COSTS	6,791,081	7,251,388	10,179,222	11,188,506	9.9%	1,009,284
SALARIES AND WAGES	10,631,338	11,504,816	11,045,405	10,051,516	-9.0%	(993,889)
TOTAL INTERNAL SERVICE	28,208,605	30,527,812	45,489,102	44,840,403	-1.4%	(648,699)
SPECIAL REVENUE						
CONTRACTUAL SERVICES	5,769,881	5,951,376	5,800,000	5,800,000	0.0%	
FRINGE BENEFITS	13,015	24,042				
SALARIES AND WAGES	40,151	43,610				
TOTAL SPECIAL REVENUE	5,823,047	6,019,028	5,800,000	5,800,000	0.0%	
TOTAL EXPENSE	268,926,098	261,811,744	299,589,006	304,268,918	3.0%	8,982,418

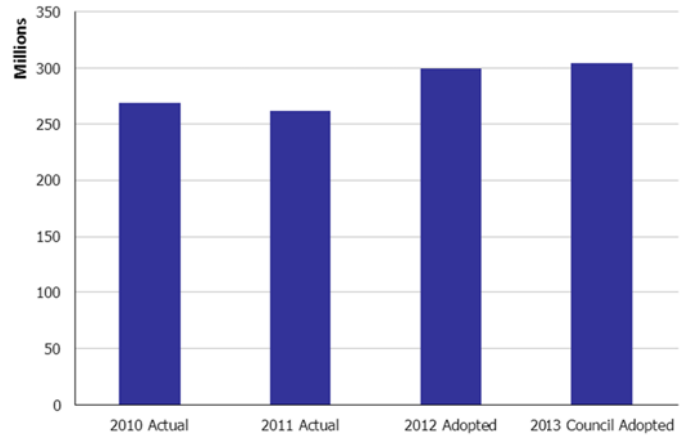
REVENUE

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change	Change
CAPITAL PROJECT						
CHARGES FOR SALES	255					
CHARGES FOR SERVICES	361,775	300,976	2,900,000	4,740,000	63.4%	1,840,000
LICENSE AND PERMITS	278,650	243,265	260,000	260,000	0.0%	
OTHER MISC REVENUES	2,499	692	500	1,500	200.0%	1,000
SPECIAL ASSESSMENTS	212,283	70,048	60,000	60,000	0.0%	
STATE GOVERNMENT	499,663	246,116				
TOTAL CAPITAL PROJECT	1,355,125	861,096	3,220,500	5,061,500	57.2%	1,841,000
ENTERPRISE						
CHARGES FOR SALES	3,158,825	3,964,334	2,695,000	2,750,500	2.1%	55,500
CHARGES FOR SERVICES	235,157,827	234,322,170	247,076,083	250,940,016	1.6%	3,863,933
CONTRIBUTIONS	86					
FEDERAL GOVERNMENT		781,090				
FINES AND FORFEITS	35,408	25,970	45,000	45,000	0.0%	
GAINS		19,909				
LICENSE AND PERMITS	449,324	375,652	241,100	396,500	64.5%	155,400
LOCAL GOVERNMENT	1,154,239	1,289,233	1,045,517	1,125,517	7.7%	80,000
OTHER MISC REVENUES	45,121	28,413	46,500	2	-100.0%	(46,498)
RENTS	3,384	2,408	3,500	1	-100.0%	(3,499)
SPECIAL ASSESSMENTS	1,932,713	2,902,810	693,157	1,026,357	48.1%	333,200
STATE GOVERNMENT	1,158,316	1,418,796	677,787	680,114	0.3%	2,327
TOTAL ENTERPRISE	243,095,244	245,130,785	252,523,644	256,964,007	2.1%	5,325,967
GENERAL						
CHARGES FOR SALES	43,527	75,610	25,000	25,000	0.0%	
CHARGES FOR SERVICES	8,545,981	7,992,247	8,666,274	8,687,455	0.2%	21,181
FINES AND FORFEITS						
FRANCHISE FEES	123,925	131,162	100,000		-100.0%	(100,000)
LICENSE AND PERMITS	892,892	1,094,130	876,000	944,455	7.8%	68,455
LOCAL GOVERNMENT	984,716	592,494	531,405	531,405	0.0%	
OTHER MISC REVENUES	349,248	192,450	86,100	86,300	0.2%	200
SPECIAL ASSESSMENTS	1,012,773	1,269,967	942,804	955,080	1.3%	12,276
STATE GOVERNMENT	4,773,031	4,051,991	3,546,830	3,546,830	0.0%	
TRANSFERS IN	699,999	700,000				
TOTAL GENERAL	17,426,091	16,100,052	14,774,413	14,776,525	38.8%	5,737,112
INTERNAL SERVICE						
CHARGES FOR SALES	6,106,964	4,567,484	9,580,149	8,964,222	-6.4%	(615,927)
CHARGES FOR SERVICES	8,521,360	10,760,356	9,045,488	9,410,758	4.0%	365,270
FEDERAL GOVERNMENT		10,049				
GAINS	169,301	35,664	200,000	200,000	0.0%	
LONG TERM LIABILITIES PROCEEDS		4,315		600,000		600,000
OTHER MISC REVENUES	255,957	301,234	10,000	10,000	0.0%	
RENTS	22,378,287	24,250,302	24,254,097	22,342,550	-7.9%	(1,911,547)
STATE GOVERNMENT		3,350				
TOTAL INTERNAL SERVICE	37,431,869	39,932,754	43,089,734	41,527,530	-3.6%	(1,562,204)
SPECIAL REVENUE						
CHARGES FOR SERVICES	1,355					
OTHER MISC REVENUES	198,126	4,054				
SPECIAL ASSESSMENTS	6,406,987	5,426,281	5,800,000	5,800,000	0.0%	
STATE GOVERNMENT		70				
TOTAL SPECIAL REVENUE	6,606,468	5,430,406	5,800,000	5,800,000	0.0%	
TOTAL REVENUE	305,914,797	307,455,093	319,408,291	324,129,562	3.6%	11,341,875

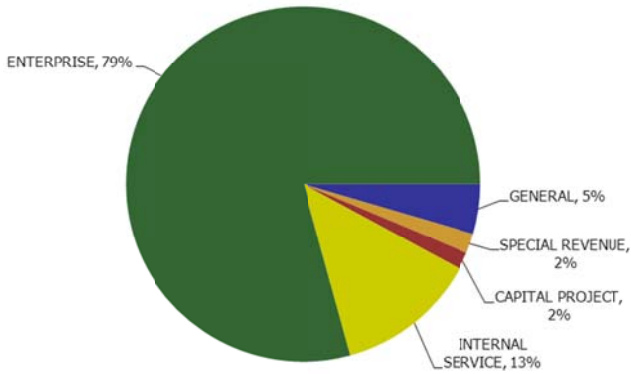
Expense by Fund



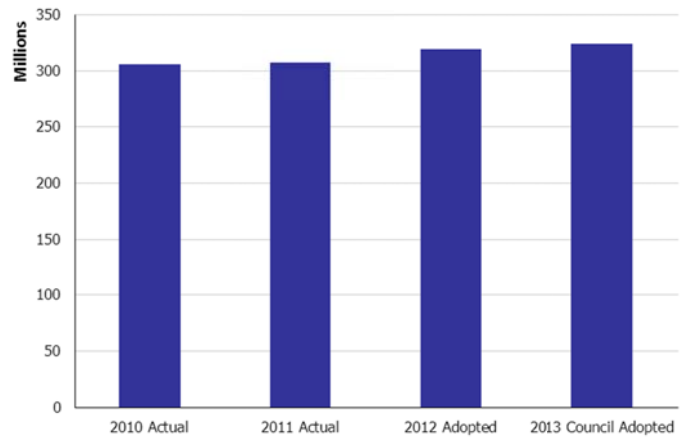
Expense 2010 - 2013



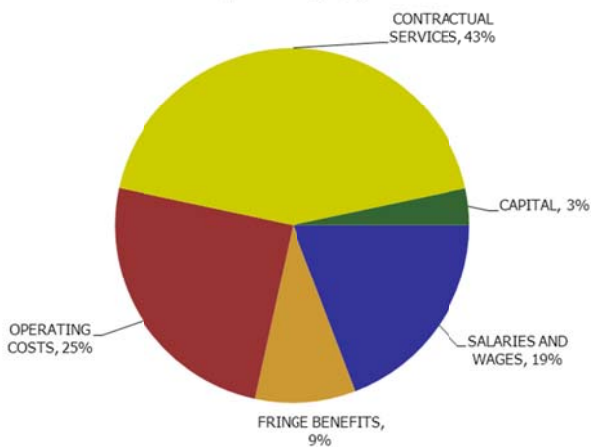
Revenue by Fund



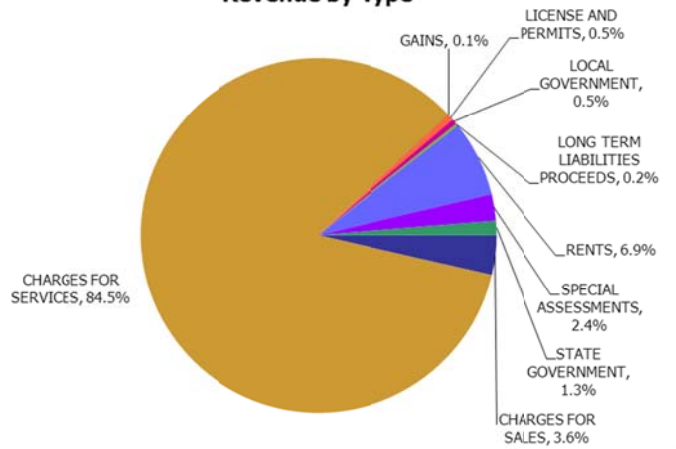
Revenue 2010 - 2013



Expense by Type



Revenue by Type



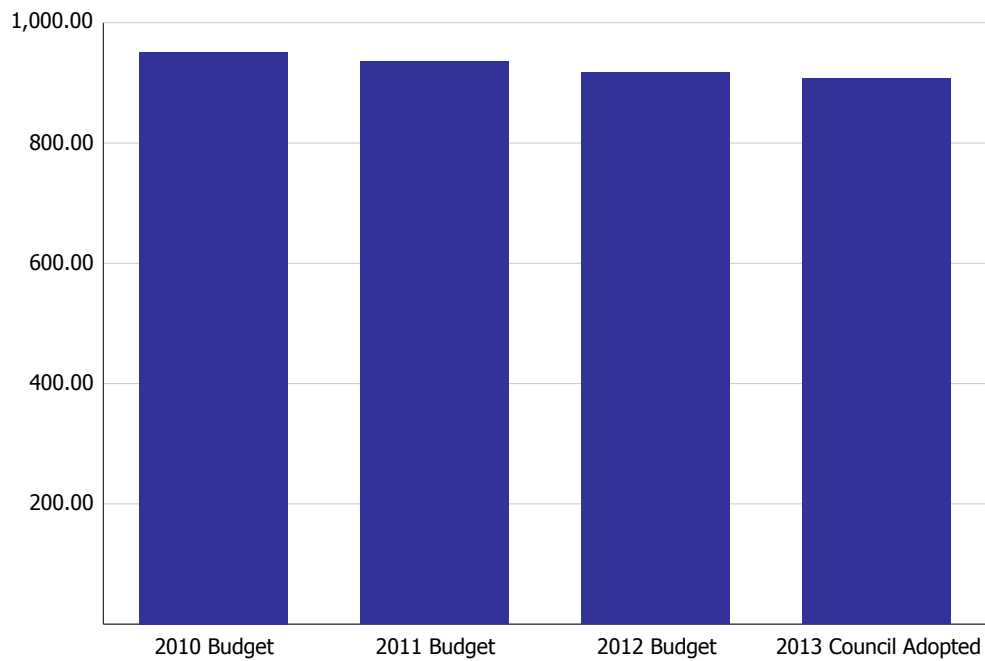
PUBLIC WORKS

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
SURFACE WATER & SEWERS-STORMWATR	93.40	52.25	53.15	52.40	-1.4%	(0.75)
PW - TRANSPORTATION MAINTENANCE AND REPAIR	150.75	149.45	145.27	146.95	1.2%	1.68
PW - ADMINISTRATIVE SERVICES	15.50	16.00	16.00	16.00	0.0%	
PW - PROPERTY SERVICES	6.50	6.00				
PW - WATER TREATMENT & DISTR.	216.67	207.00	204.50	193.50	-5.4%	(11.00)
SURFACE WATER & SEWERS-SANITARY		38.65	37.75	39.50	4.6%	1.75
PW - TRANSPORTATION PLANNING AND ENGINEERING	74.00	78.00	77.00	73.00	-5.2%	(4.00)
PW - FLEET	177.60	172.00	168.00	156.00	-7.1%	(12.00)
PW - SOLID WASTE	127.00	127.00	127.00	134.33	5.8%	7.33
PW - TRAFFIC AND PARKING SERVICES	90.00	89.00	89.00	95.40	7.2%	6.40
Total PUBLIC WORKS Depts	951.42	935.35	917.67	907.08	-1.2%	(10.59)

Total PUBLIC WORKS

Staff Summary 2010-2013



Public Works Administration

Expenditure

The total Public Works Administration Department's budget increases from \$2.8 million to \$2.9 million from 2012 to 2013. This is an increase of \$0.1 million, or 3.2%. The department's 2013 expenditure budget reflects the following changes from 2012:

- Increase in IT support costs.
- Increase in Property Services rent cost.

Revenue

Revenues are projected to increase by 3.8% in this department due to increase in license and permit fees. The department's total revenues in 2013 are projected to be \$2.6 million.

Fund Allocation

This department is funded completely in the General Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget.

Council Adopted Budget

Council approved the Mayor's recommendations.

**PW - ADMINISTRATIVE SERVICES
EXPENSE AND REVENUE INFORMATION**

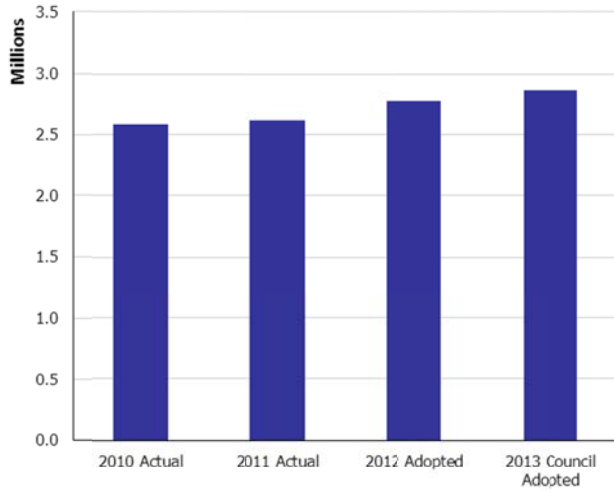
EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,265,409	1,234,287	1,298,534	1,321,228	1.7%	22,694
FRINGE BENEFITS	378,029	366,060	435,971	448,294	2.8%	12,323
CONTRACTUAL SERVICES	457,486	510,475	502,324	560,948	11.7%	58,624
OPERATING COSTS	485,668	506,527	540,325	538,015	-0.4%	(2,310)
CAPITAL	0	938	4,659	2,052	-56.0%	(2,607)
TOTAL GENERAL	2,586,591	2,618,287	2,781,814	2,870,538	3.2%	88,724

TOTAL EXPENSE	2,586,591	2,618,287	2,781,814	2,870,538	3.2%	88,724
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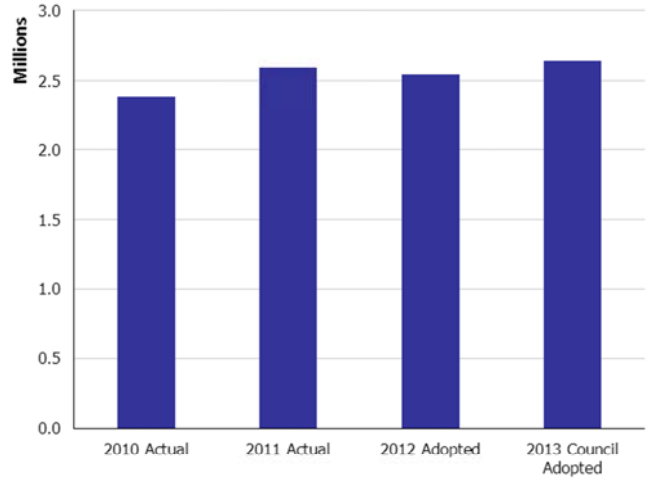
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	2,121,713	2,251,753	2,300,000	2,336,181	1.6%	36,181
LICENSE AND PERMITS	269,124	343,154	250,000	309,455	23.8%	59,455
OTHER MISC REVENUES	503	3,410	0		0.0%	0
GENERAL	2,391,340	2,598,317	2,550,000	2,645,636	3.8%	95,636

TOTAL REVENUE	2,391,340	2,598,317	2,550,000	2,645,636	3.8%	95,636
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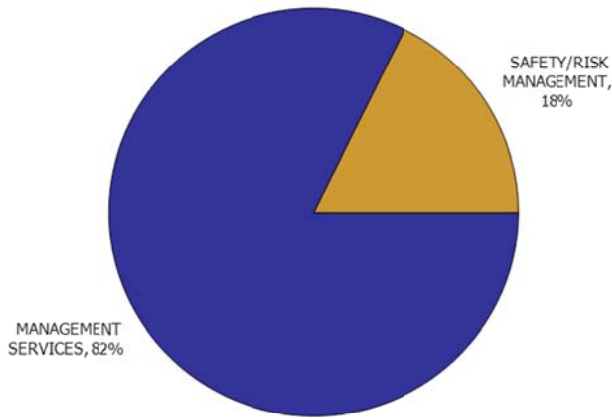
Expense 2010 - 2013



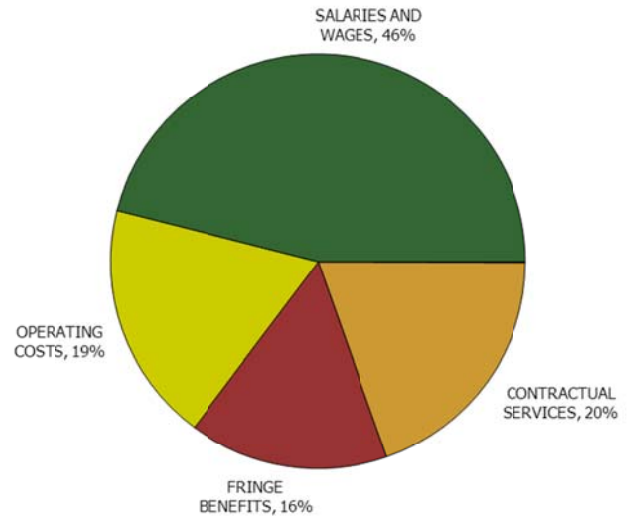
Revenue 2010 - 2013



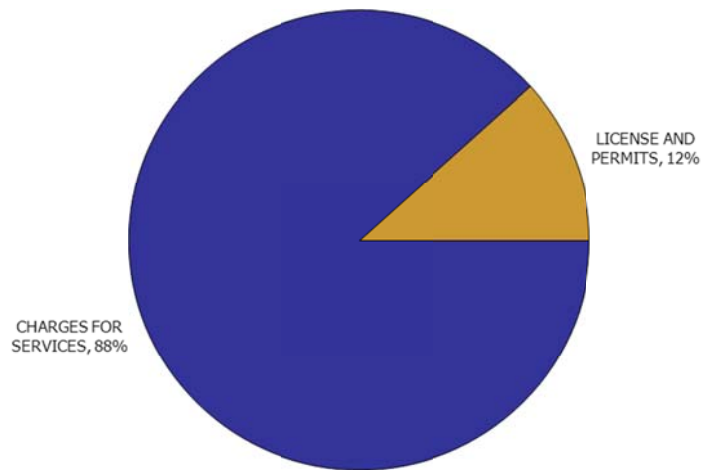
Expense by Division



Expense by Category



Direct Revenue by Type

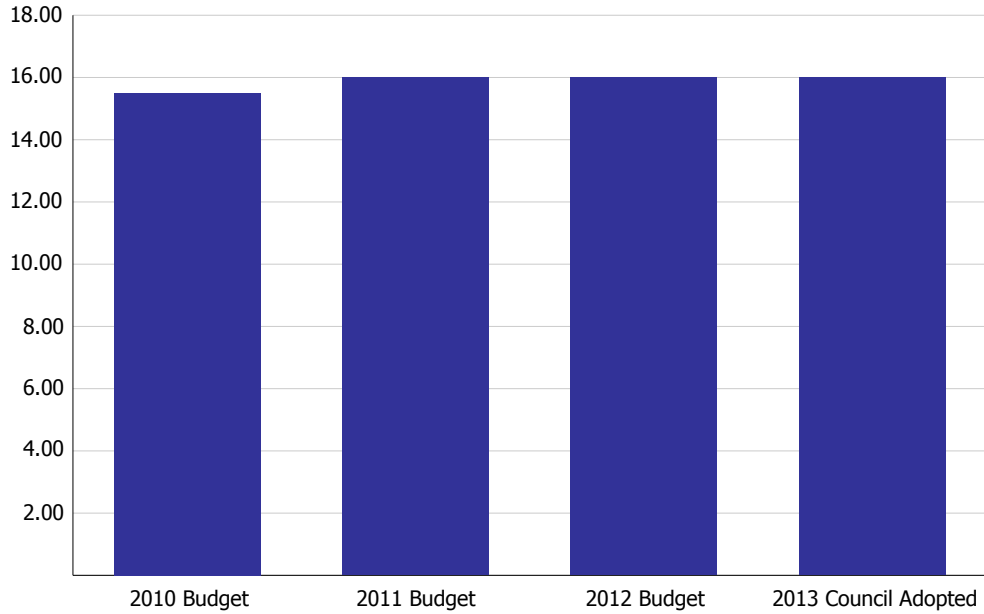


PW - ADMINISTRATIVE SERVICES

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
MANAGEMENT SERVICES	12.50	13.00	13.00	13.00	0.0%	0
PW - ADMINISTRATIVE SERVICES						0
SAFETY/RISK MANAGEMENT	3.00	3.00	3.00	3.00	0.0%	0
Overall	15.50	16.00	16.00	16.00	0.00	0

Positions 2010-2013



Public Works – Fleet

Expenditure

For 2013, Fleet's expense budget is \$42.9 million. The department reduced 12 vacant FTEs from 2012 staffing levels to reflect a decreased workload.

Revenue

In 2013, the department anticipates \$39.5 million in revenue.

Fund Allocation

In 2013, 100% of the department's budget is the equipment services fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget.

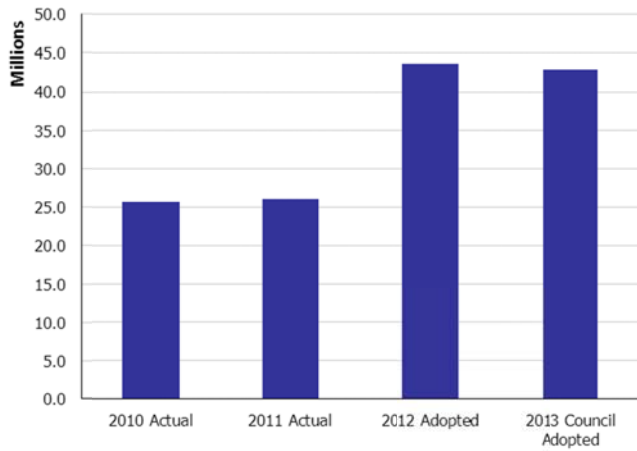
Council Adopted Budget

Council approved the Mayor's recommendations.

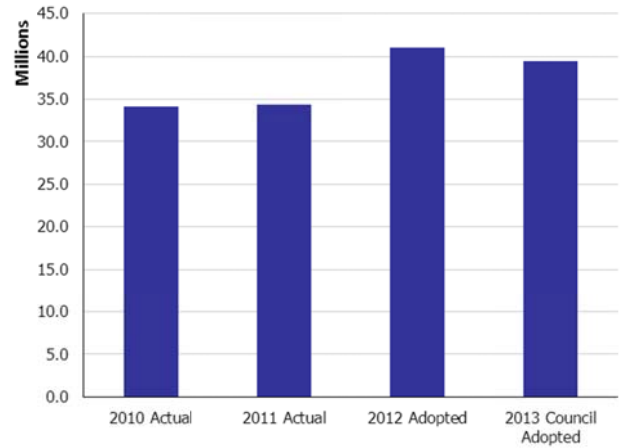
**PW - FLEET
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
SALARIES AND WAGES	9,560,645	9,560,923	10,213,900	9,214,462	-9.8%	(999,438)
FRINGE BENEFITS	4,985,871	4,625,377	4,560,918	4,544,075	-0.4%	(16,842)
CONTRACTUAL SERVICES	4,329,502	5,045,539	11,288,085	10,646,716	-5.7%	(641,369)
OPERATING COSTS	6,808,782	6,757,208	10,061,469	11,081,840	10.1%	1,020,371
CAPITAL	0	(7,171)	7,529,449	7,425,000	-1.4%	(104,449)
TOTAL INTERNAL SERVICE	25,684,801	25,981,876	43,653,821	42,912,094	-1.7%	(741,727)
TOTAL EXPENSE	25,684,801	25,981,876	43,653,821	42,912,094	-1.7%	(741,727)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	5,721,760	4,181,333	9,218,149	8,654,222	-6.1%	(563,927)
CHARGES FOR SERVICES	5,594,828	5,567,450	7,345,488	7,655,758	4.2%	310,270
FEDERAL GOVERNMENT	0	10,049	0		0.0%	0
GAINS	169,301	35,664	200,000	200,000	0.0%	0
LONG TERM LIABILITIES PROCEEDS	0	4,315	0	600,000	0.0%	600,000
OTHER MISC REVENUES	255,457	301,234	10,000	10,000	0.0%	0
RENTS	22,378,287	24,250,302	24,254,097	22,342,550	-7.9%	(1,911,547)
STATE GOVERNMENT	0	3,350	0		0.0%	0
INTERNAL SERVICE	34,119,632	34,353,698	41,027,734	39,462,530	-3.8%	(1,565,204)
TOTAL REVENUE	34,119,632	34,353,698	41,027,734	39,462,530	-3.8%	(1,565,204)

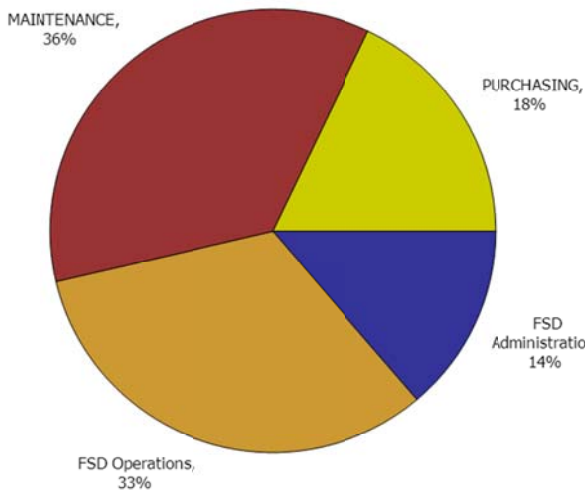
Expense 2010 - 2013



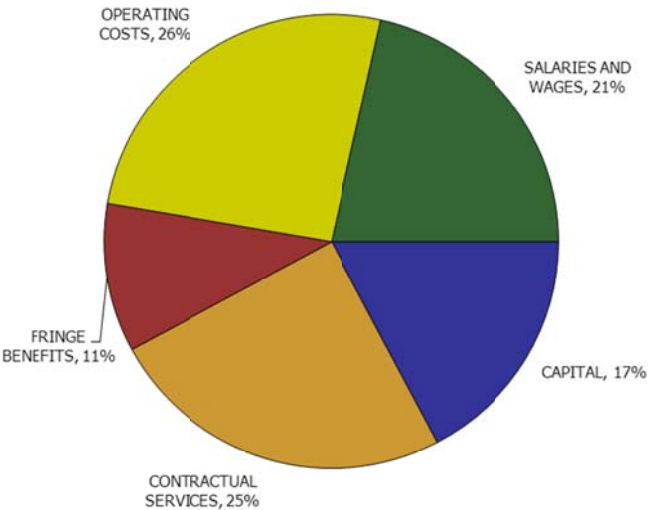
Revenue 2010 - 2013



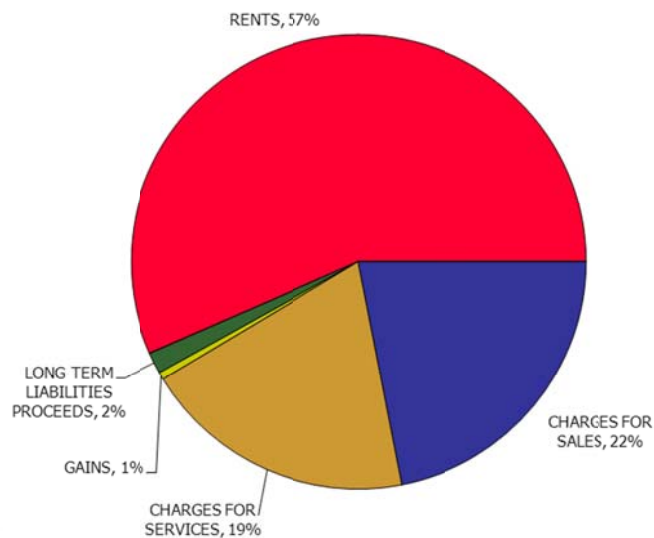
Expense by Division



Expense by Category



Direct Revenue by Type

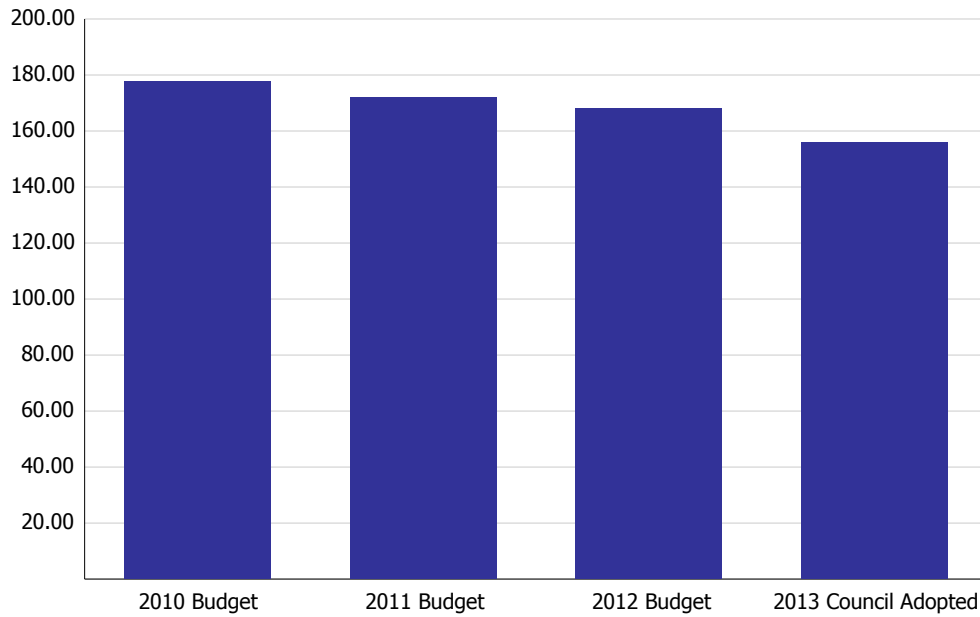


PW - FLEET

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
FSD Administration		5.50	6.00	10.00	66.7%	4.00
FSD Operations	103.50	101.50	97.00	87.00	-10.3%	(10.00)
MAINTENANCE	74.10	64.00	64.00	59.00	-7.8%	(5.00)
PURCHASING		1.00	1.00		-100.0%	(1.00)
PW - FLEET SERVICES						0
Overall	177.60	172.00	168.00	156.00	(7%)	(12.00)

Positions 2010-2013



Public Works – Solid Waste and Recycling

Expenditure

The total Solid Waste & Recycling Department's budget increases from \$32.9 million to \$36.8 million from 2012 to 2013. This is an increase of \$3.9 million, or 12.0%. The Solid Waste & Recycling Department's 2013 expenditure budget reflects the following changes from 2012:

- Increase in FTE's by 7.33 to reflect vacant positions that were filled over the last three years
- Planned purchase of 80,000 recycling carts
- Purchase of additional recycling trucks and capital equipment
- Increase in contractual services for additional vendors relating to yard waste
- Increase in activities which include recycling of mattresses.

Revenue

Revenues are projected to increase by 2.3% in this department due to the estimated increase in the sale of scrap metals and other recyclables along with an increase in miscellaneous revenues. The department's total revenues in 2013 are projected to be \$31.3 million.

Fund Allocation

This department is funded completely in the Solid Waste Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Also, the Mayor recommended a rate of \$24.70 for 2013.

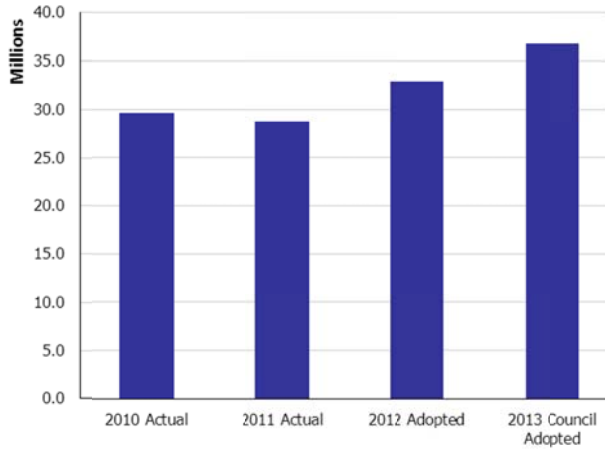
Council Adopted Budget

Council approved the Mayor's recommendations and reduced the Mayor's recommended 2013 Solid Waste and Recycling rate by \$7.70. The Mayor's recommended rate of \$24.70 included a recycling credit and the program will no longer have a recycling credit. The new rate is set at \$17.00. In addition, the Council amended the Mayor's Recommended 2013 Budget for Public Works by decreasing the revenue appropriation in the Solid Waste and Recycling Fund (07700) by \$885,604. The rate was changed to make the removal of the recycling credit cost-neutral to customers.

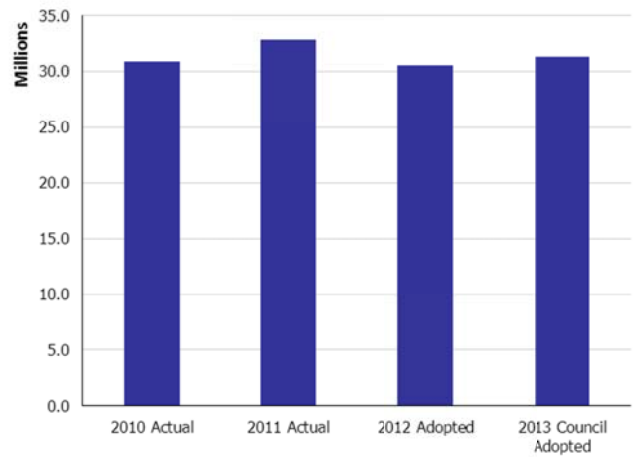
**PW - SOLID WASTE
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	40,151	0	0			0
FRINGE BENEFITS	13,015	0	0			0
CONTRACTUAL SERVICES	37,573	0	0			0
TOTAL SPECIAL REVENUE	90,739					0
ENTERPRISE						
SALARIES AND WAGES	6,322,344	6,612,726	6,396,312	7,165,957	12.0%	769,644
FRINGE BENEFITS	3,464,431	3,361,687	3,430,631	3,935,325	14.7%	504,694
CONTRACTUAL SERVICES	17,166,607	16,879,103	18,741,168	18,189,142	-2.9%	(552,026)
OPERATING COSTS	2,640,390	1,957,293	1,582,738	6,488,771	310.0%	4,906,033
CAPITAL	0	0	2,729,201	1,050,000	-61.5%	(1,679,201)
TOTAL ENTERPRISE	29,593,772	28,810,809	32,880,051	36,829,195	12.0%	3,949,144
TOTAL EXPENSE	29,684,511	28,810,809	32,880,051	36,829,195	12.0%	3,949,144
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	1,444,860	2,173,123	1,000,000	1,250,500	25.0%	250,500
CHARGES FOR SERVICES	28,191,295	29,205,652	28,786,914	28,947,436	0.6%	160,522
CONTRIBUTIONS	86	0	0		0.0%	0
FEDERAL GOVERNMENT	0	80,150	0		0.0%	0
FINES AND FORFEITS	0	75	0		0.0%	0
GAINS	0	19,909	0		0.0%	0
LICENSE AND PERMITS	(1,000)	0	0		0.0%	0
LOCAL GOVERNMENT	888,467	889,675	800,000	880,000	10.0%	80,000
OTHER MISC REVENUES	1,668	40	0		0.0%	0
RENTS	575	15	0		0.0%	0
SPECIAL ASSESSMENTS	371,206	463,583	0	224,000	0.0%	224,000
STATE GOVERNMENT	10,350	37,086	8,173	10,500	28.5%	2,327
ENTERPRISE	30,907,507	32,869,307	30,595,087	31,312,436	2.3%	717,349
TOTAL REVENUE	30,907,507	32,869,307	30,595,087	31,312,436	2.3%	717,349

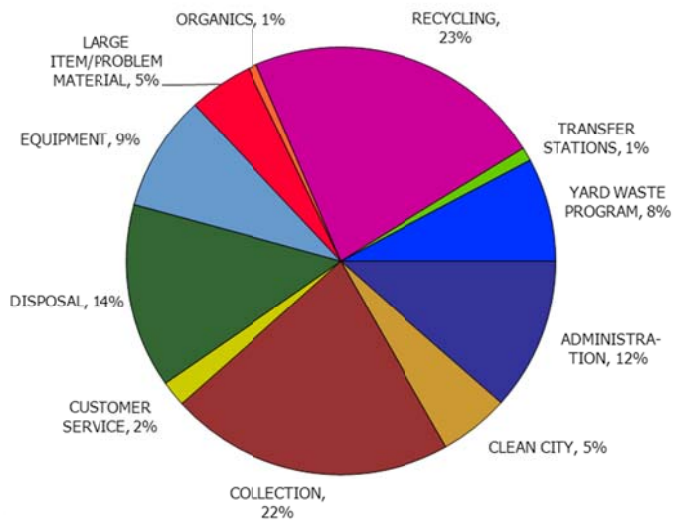
Expense 2010 - 2013



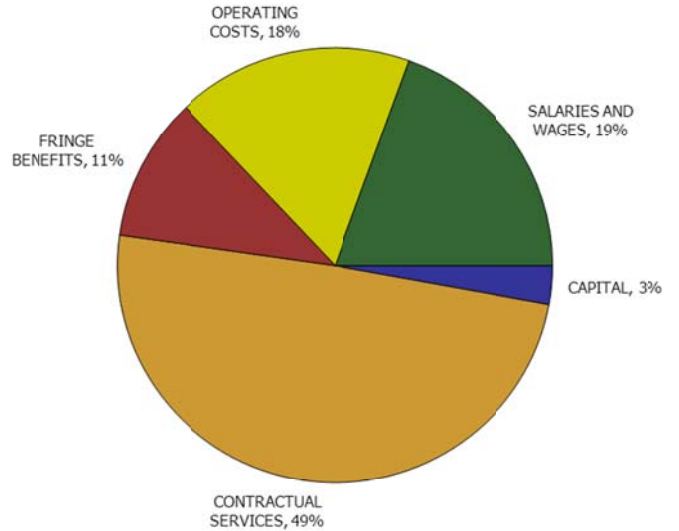
Revenue 2010 - 2013



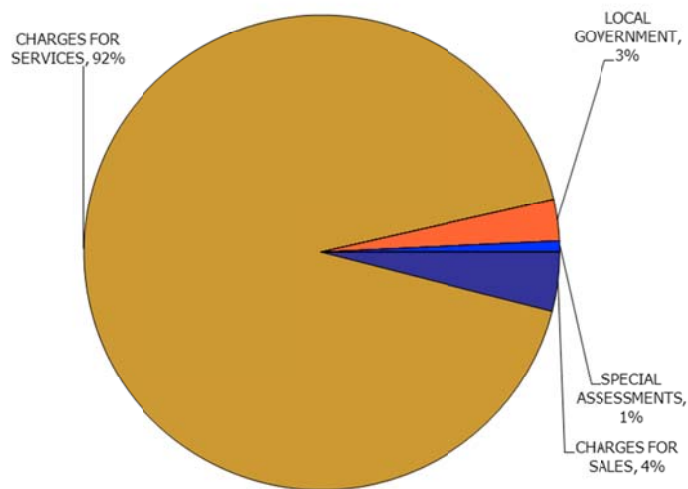
Expense by Division



Expense by Category



Direct Revenue by Type

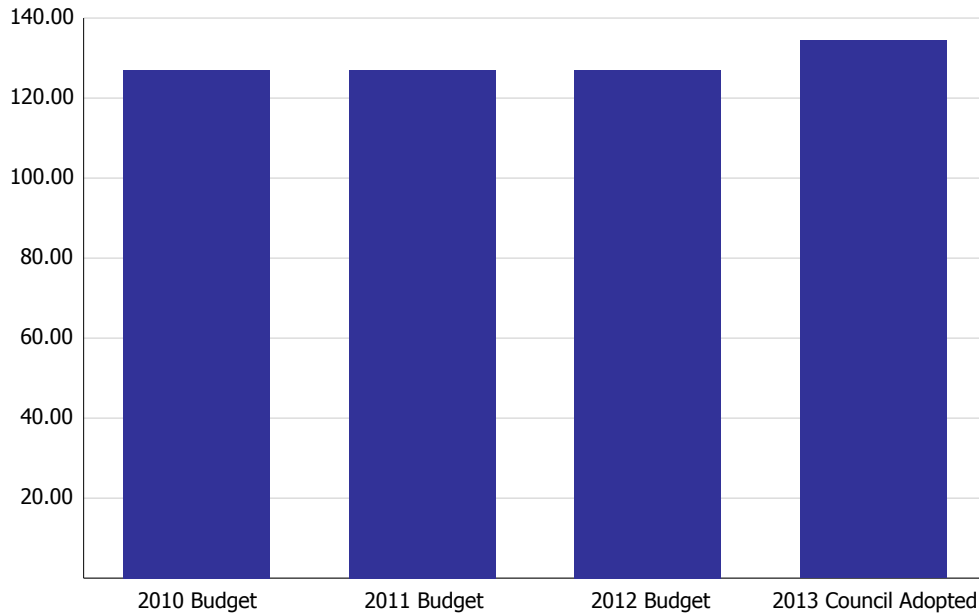


PW - SOLID WASTE

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
COLLECTION	42.00	42.00	42.00	38.00	-9.5%	(4.00)
PW - SOLID WASTE						0
DISPOSAL						0
LARGE ITEM/PROBLEM MATERIAL	12.00	12.00	12.00	7.00	-41.7%	(5.00)
ORGANICS		2.00	2.00	3.00	50.0%	1.00
RECYCLING	18.00	16.00	16.00	20.00	25.0%	4.00
ADMINISTRATION	9.00	9.00	9.14	11.33	24.0%	2.19
CUSTOMER SERVICE	9.00	8.00	8.00	8.00	0.0%	0
EQUIPMENT	10.00	10.00	10.00	10.00	0.0%	0
CLEAN CITY	7.00	8.00	11.61	21.00	80.9%	9.39
TRANSFER STATIONS	1.00	1.00	1.00	1.00	0.0%	0
YARD WASTE PROGRAM	19.00	19.00	15.25	15.00	-1.6%	(0.25)
Overall	127.00	127.00	127.00	134.33	6%	7.33

Positions 2010-2013



Public Works – Sanitary Sewer

Expenditure

The total Sanitary Sewer Department's budget increases from \$44.3 million to \$46.5 million from 2012 to 2013. This is an increase of \$2.3 million, or 5.1%. The Sanitary Sewer Department's 2013 expenditure budget reflects the following changes from 2012:

- Increase in FTE's by 1.75 as result of reorganization, but funded using vacant positions
- Increase in monthly fees to Met Council for waste water discharge by \$1.9 million for 2013
- Purchase of asset management software (Maximo) for \$295 thousand
- Increase in expenditures by \$150 thousand resulting from implementation of FOG program
- Increase in expenditures by \$130 thousand in SAC handling and service fees paid to Regulatory Services.

Revenue

Revenues are projected to increase by 1.6% in this department due to increase in rate from \$3.05 to \$3.14 in the customer's monthly utility billings for household sanitary sewer discharge. The department's total revenues in 2013 are projected to be \$54.0 million.

Fund Allocation

This department is funded completely in the Sanitary Sewer Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Also, the Mayor recommends a rate of \$3.14 per 100 cubic feet in 2013. The division added positions within existing resources in 2013 to reflect actual staffing patterns.

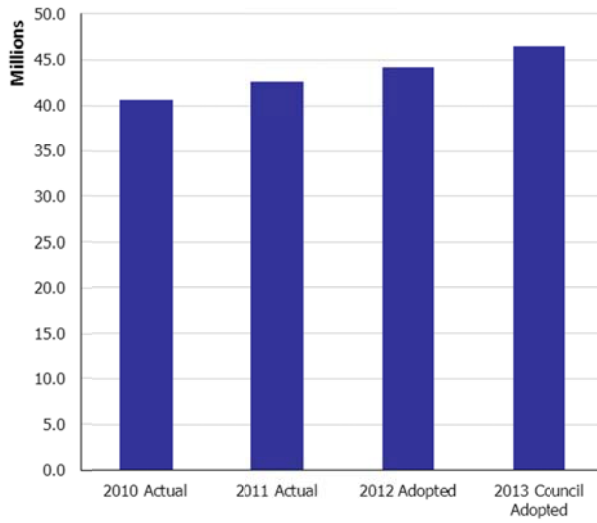
Council Adopted Budget

Council approved the Mayor's recommendations and amended the Mayor's Recommended 2013 operating budget for Public Works by increasing the appropriation in the Sanitary Sewer Fund (07100) by \$339,017 for SAC charges paid to Metropolitan Council.

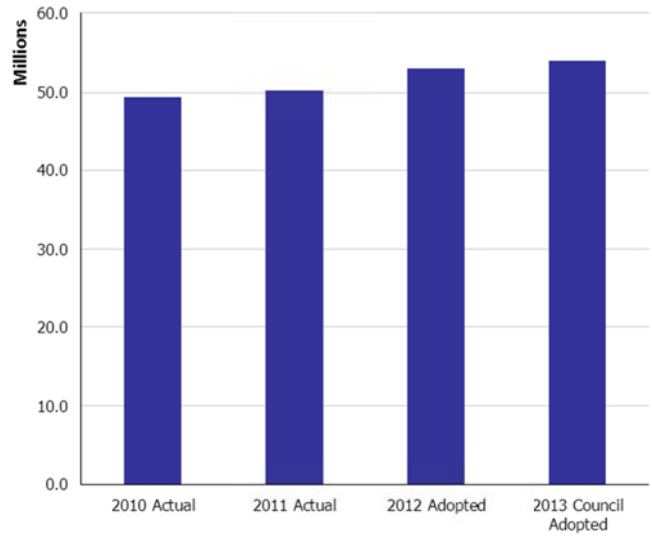
**SURFACE WATER & SEWERS-SANITARY
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	2,162,896	2,336,513	2,353,915	2,314,464	-1.7%	(39,450)
FRINGE BENEFITS	1,081,195	1,048,349	985,384	1,119,052	13.6%	133,668
CONTRACTUAL SERVICES	7,381,080	8,261,886	7,830,440	7,803,904	-0.3%	(26,536)
OPERATING COSTS	29,989,504	31,000,063	32,948,756	35,024,851	6.3%	2,076,095
CAPITAL	0	0	142,109	254,114	78.8%	112,005
TOTAL ENTERPRISE	40,614,675	42,646,811	44,260,603	46,516,385	5.1%	2,255,782
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TOTAL EXPENSE	40,614,675	42,646,811	44,260,603	46,516,385	5.1%	2,255,782
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REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SERVICES	49,102,566	49,847,411	53,093,372	53,659,421	1.1%	566,049
LICENSE AND PERMITS	157,664	100,751	0	150,000	0.0%	150,000
OTHER MISC REVENUES	0	30	0		0.0%	0
SPECIAL ASSESSMENTS	96,154	315,134	0	154,100	0.0%	154,100
ENTERPRISE	49,356,384	50,263,326	53,093,372	53,963,521	1.6%	870,149
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TOTAL REVENUE	49,356,384	50,263,326	53,093,372	53,963,521	1.6%	870,149

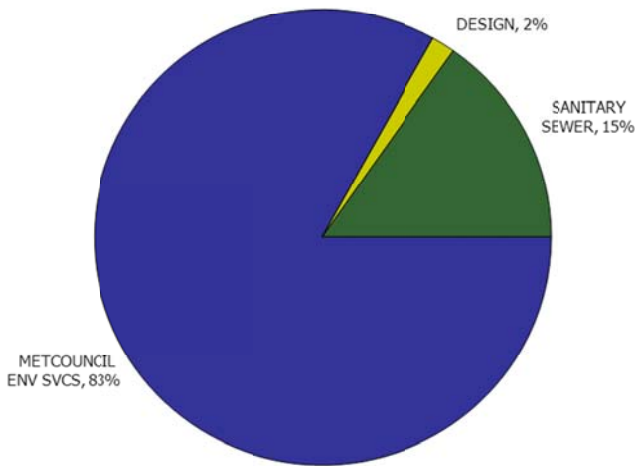
Expense 2010 - 2013



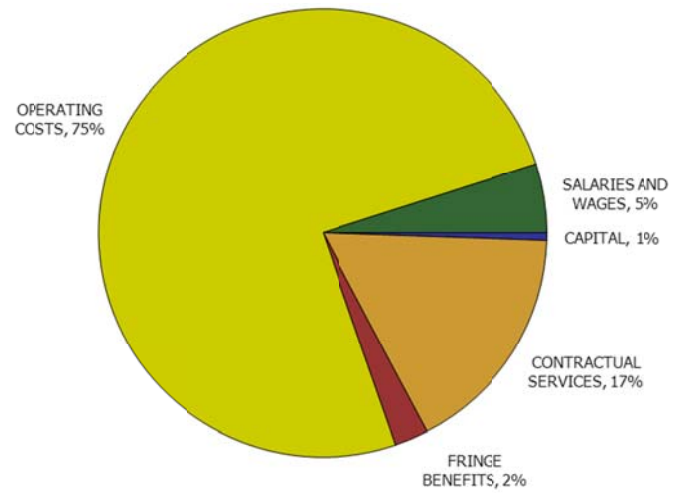
Revenue 2010 - 2013



Expense by Division



Expense by Category

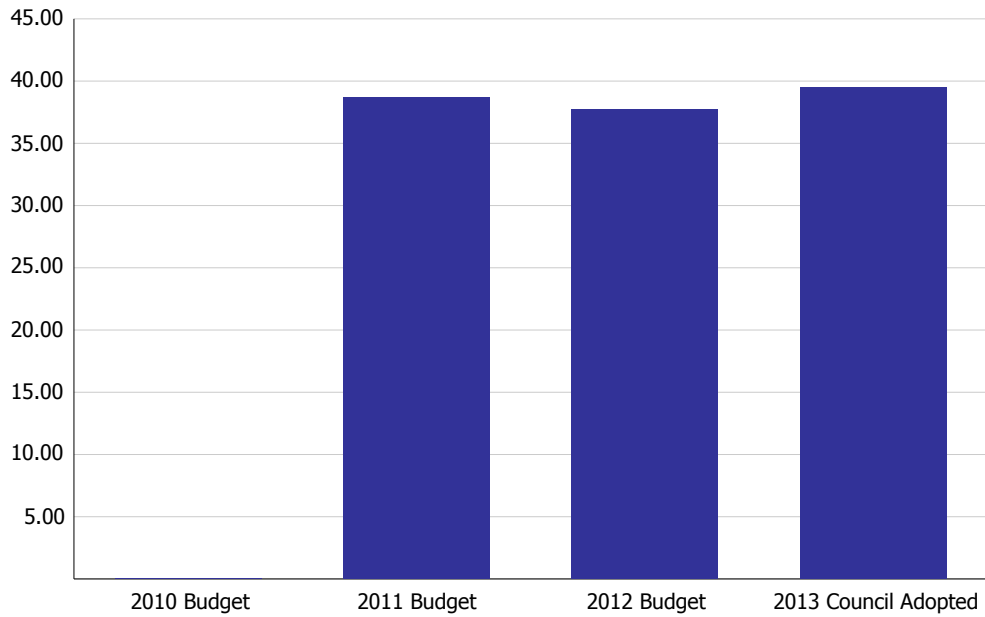


SURFACE WATER & SEWERS-SANITARY

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
DESIGN		2.50	4.50	5.50	22.2%	1.00
METCOUNCIL ENV SVCS						0
SANITARY SEWER		36.15	33.25	34.00	2.3%	0.75
Sewer Maint Admin						0
SURFACE WATER & SEWERS-SANITARY						0
WORK FOR OTHERS						0
Overall		38.65	37.75	39.50	5%	1.75

Positions 2010-2013



Public Works – Storm Water

Expenditure

The total Storm Water Department's budget increases from \$15.5 million to \$17.3 million from 2012 to 2013. This is an increase of \$1.8 million, or 11.8%. The Storm Water Department's 2013 expenditure budget reflects the following changes from 2012:

- Reduction in FTE by 0.75 as a result of reorganizing employees between the Sanitary Sewer and Storm Water departments
- Purchase/installation of CCTV for storm tunnels scheduled for 2013 in the amount of \$900 thousand
- Increase in general tunnel rehab related work accounting for the anticipated increase in contractual services by \$200 thousand
- Purchase of asset management software Maximo in the amount of \$295 thousand
- Increase in internal transfers as set by the 2013 allocation models relating to general fund overhead and government contracted services by \$400 thousand

Revenue

Revenues are projected to increase by 4.6% in this department due to increase in charges from \$11.70 to \$11.82 in customers' monthly utility billings for storm drain discharge. The department's total revenues in 2013 are projected to be \$39.6 million.

Fund Allocation

This department is funded completely in the Storm Water Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget. Also, the Mayor recommended a rate of \$11.82 per ESU in 2013.

Council Adopted Budget

Council approved the Mayor's recommendations.

**SURFACE WATER & SEWERS-STORMWATR
EXPENSE AND REVENUE INFORMATION**

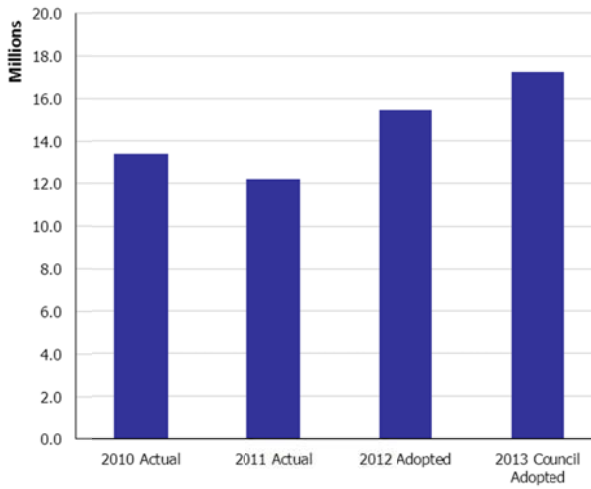
EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	2,710,976	2,727,470	3,338,576	3,240,150	-2.9%	(98,426)
FRINGE BENEFITS	1,374,367	1,206,298	1,423,762	1,536,143	7.9%	112,381
CONTRACTUAL SERVICES	6,662,534	5,990,288	7,699,533	9,135,222	18.6%	1,435,689
OPERATING COSTS	2,662,655	2,288,037	2,880,502	3,302,236	14.6%	421,734
CAPITAL	0	0	125,233	74,951	-40.2%	(50,282)
TOTAL ENTERPRISE	13,410,532	12,212,094	15,467,606	17,288,702	11.8%	1,821,096

TOTAL EXPENSE	13,410,532	12,212,094	15,467,606	17,288,702	11.8%	1,821,096
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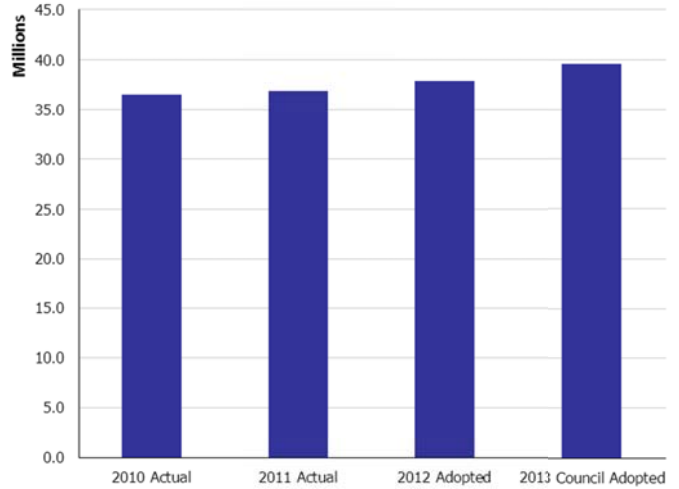
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SERVICES	36,107,054	36,215,347	37,659,934	39,363,999	4.5%	1,704,065
FINES AND FORFEITS	35,408	25,895	45,000	45,000	0.0%	0
LOCAL GOVERNMENT	(106,906)	102,783	99,080	99,080	0.0%	0
OTHER MISC REVENUES	28,471	4,170	0		0.0%	0
SPECIAL ASSESSMENTS	322,933	390,926	0	45,100	0.0%	45,100
STATE GOVERNMENT	151,842	146,251	40,821	40,821	0.0%	0
ENTERPRISE	36,538,802	36,885,371	37,844,835	39,594,000	4.6%	1,749,165

TOTAL REVENUE	36,538,802	36,885,371	37,844,835	39,594,000	4.6%	1,749,165
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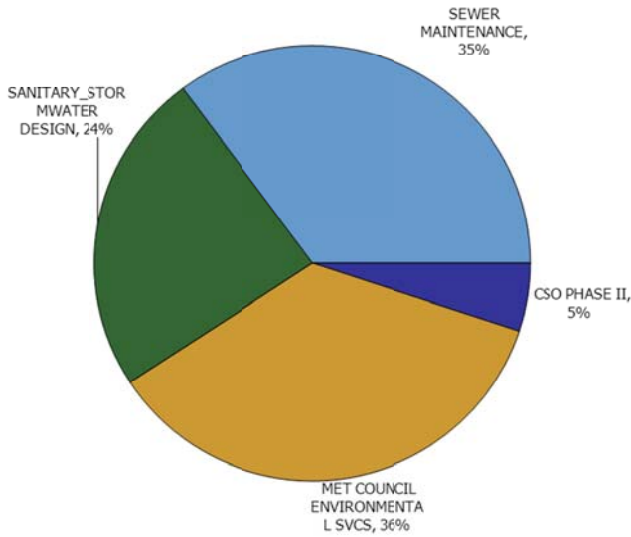
Expense 2010 - 2013



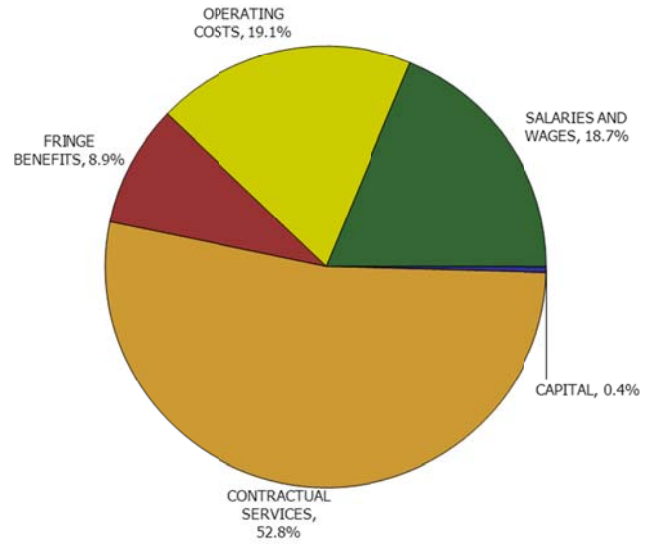
Revenue 2010 - 2013



Expense by Division



Expense by Category

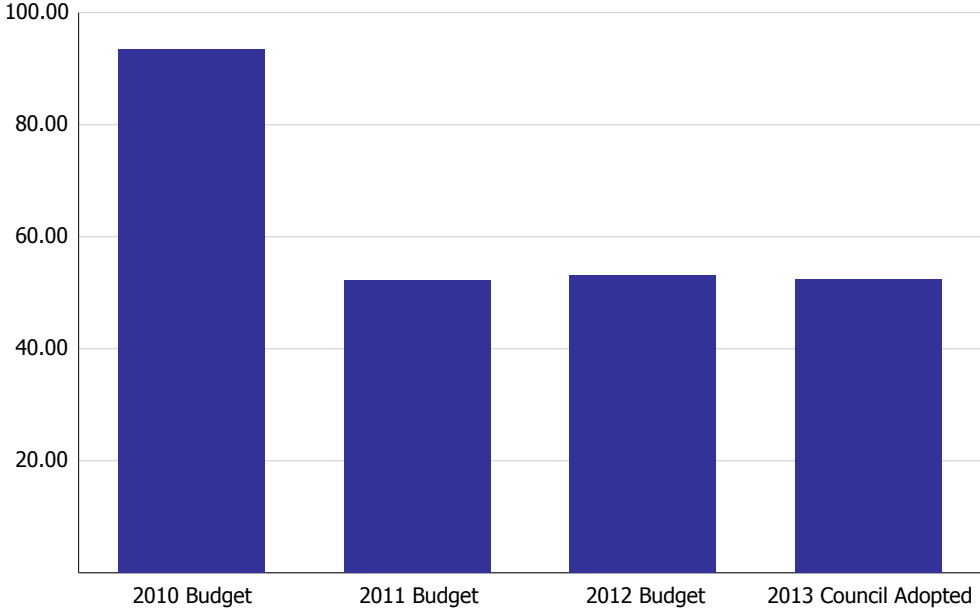


SURFACE WATER & SEWERS-STORMWATR

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
CSO PHASE II	16.00	13.00	6.00	6.00	0.0%	0
MET COUNCIL ENVIRONMENTAL SVCS						0
SANITARY_STORMWATER DESIGN	22.50	20.00	23.50	21.00	-10.6%	(2.50)
SEWER MAINTENANCE		19.25	23.65	25.40	7.4%	1.75
STORMWATER DESIGN	54.90					0
SURFACE WATER & SEWERS-STORMWATR						0
WORK FOR OTHERS						0
Overall	93.40	52.25	53.15	52.40	(1%)	(0.75)

Positions 2010-2013



Public Works – Traffic and Parking Services

Expenditure

The total Traffic and Parking Services Department's budget decreases from \$56.4 million to \$53.4 million from 2012 to 2013. This is a decrease of \$3.0 million, or 5.3%. The Traffic and Parking Services Department's 2013 expenditure budget reflects the following changes from 2012:

- 4 new FTE hired to maintain and improve the bike and pedestrian paths
- 2.4 new FTE hired to reflect staffing needs
- Total of \$0.8 million to maintain and improve the bike and pedestrian paths and conduct graffiti removal
- \$2.8 million in ramp improvement projects removed from the 2013 budget
- \$1.0 million in new parking meter purchases removed from the 2013 budget

Revenue

Revenues are projected to increase by 2.2% in this department due to new parking meter revenue and normal growth. The department's total revenues in 2013 are projected to be \$59.0 million.

Fund Allocation

This department is funded the General Fund by 27%, Internal Service Funds by 1% and by the Parking Fund by 73%.

Mayor's Recommended Budget

As part of the reorganization of the Regulatory Services Department, the Mayor recommended the Traffic Control division of Regulatory Services be moved into Traffic and Parking Services. The Mayor's recommended budget reflects the move of the Traffic Control budget program into the Traffic and Parking Services Division within the Public Works Department.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments will convene to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the committee may elect to break apart current Regulatory Services divisions, program proposals, and funding structures. It is anticipated that the committee will have a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget.

The Mayor recommended no changes to the proposed budget of this division. The Mayor also recommended the division's proposal for graffiti removal.

Council Adopted Budget

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase

Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

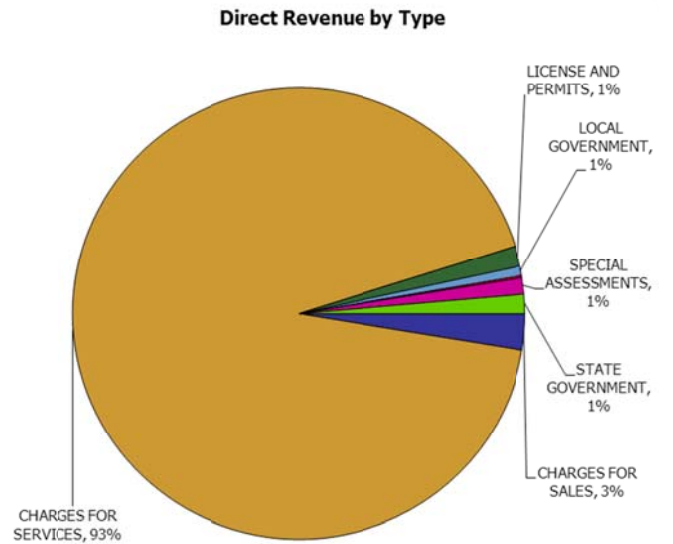
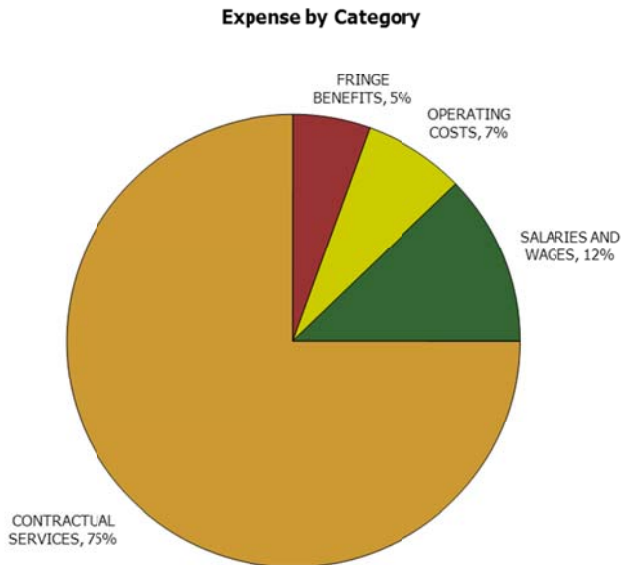
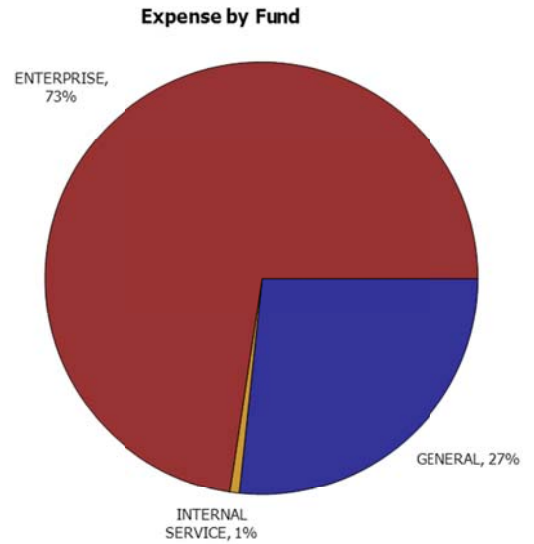
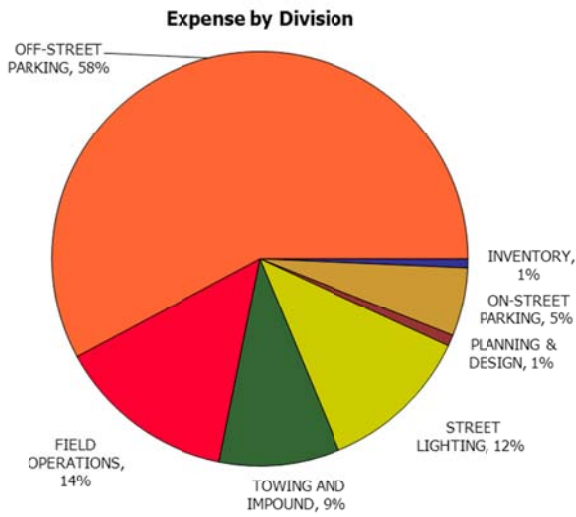
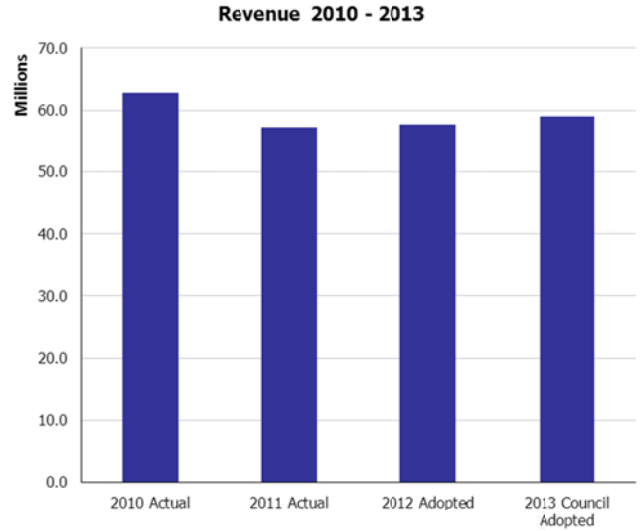
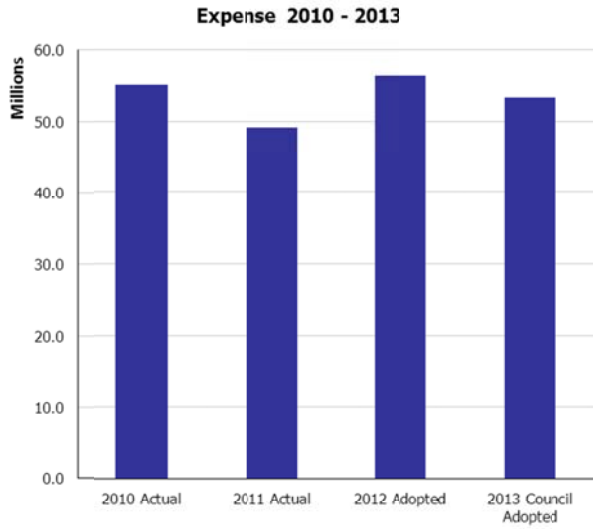
To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

**PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,771,490	2,981,575	3,032,735	3,496,854	15.3%	464,119
FRINGE BENEFITS	1,281,957	1,259,425	1,522,664	1,676,572	10.1%	153,908
CONTRACTUAL SERVICES	6,353,932	6,452,196	7,029,934	7,363,707	4.7%	333,773
OPERATING COSTS	1,500,599	1,608,057	1,831,557	1,697,112	-7.3%	(134,445)
CAPITAL	1,608	0	0			0
TOTAL GENERAL	11,909,586	12,301,252	13,416,890	14,234,245	6.1%	817,355
INTERNAL SERVICE						
SALARIES AND WAGES	163,429	177,412	164,733	166,683	1.2%	1,950
FRINGE BENEFITS	115,067	56,017	99,673	99,258	-0.4%	(415)
CONTRACTUAL SERVICES	96,273	71,990	74,805	81,314	8.7%	6,509
OPERATING COSTS	(167,755)	161,978	36,100	26,762	-25.9%	(9,338)
CAPITAL	0	0	0			0
TOTAL INTERNAL SERVICE	207,013	467,396	375,311	374,017	-0.3%	(1,294)
ENTERPRISE						
SALARIES AND WAGES	2,920,738	2,985,416	2,754,612	2,852,398	3.5%	97,786
FRINGE BENEFITS	1,243,547	1,263,584	1,101,352	1,144,294	3.9%	42,941
CONTRACTUAL SERVICES	37,773,073	29,914,108	37,054,267	32,571,559	-12.1%	(4,482,708)
OPERATING COSTS	1,065,089	2,170,640	1,643,769	2,164,440	31.7%	520,671
CAPITAL	0	0	9,726	9,726	0.0%	0
TOTAL ENTERPRISE	43,002,448	36,333,747	42,563,727	38,742,417	-9.0%	(3,821,310)
TOTAL EXPENSE	55,119,047	49,102,396	56,355,928	53,350,680	-5.3%	(3,005,248)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	38,007	73,819	15,000	15,000	0.0%	0
CHARGES FOR SERVICES	114,533	631,395	435,000	435,000	0.0%	0
FINES AND FORFEITS	0	0	0		0.0%	0
FRANCHISE FEES	123,925	35,290	0		0.0%	0
LICENSE AND PERMITS	599,757	732,110	600,000	615,000	2.5%	15,000
LOCAL GOVERNMENT	842,509	479,250	406,230	406,230	0.0%	0
OTHER MISC REVENUES	268,767	188,988	85,000	85,000	0.0%	0
SPECIAL ASSESSMENTS	190,542	193,628	150,000	150,000	0.0%	0
STATE GOVERNMENT	1,259,782	1,195,460	816,470	816,470	0.0%	0
GENERAL	3,437,823	3,529,941	2,507,700	2,522,700	0.6%	15,000
INTERNAL SERVICE						
CHARGES FOR SALES	14,322	12,797	10,000	10,000	0.0%	0
CHARGES FOR SERVICES	547,631	470,800	500,000	555,000	11.0%	55,000

**PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
INTERNAL SERVICE	561,953	483,597	510,000	565,000	10.8%	55,000
ENTERPRISE						
CHARGES FOR SALES	1,670,274	1,778,621	1,670,000	1,500,000	-10.2%	(170,000)
CHARGES FOR SERVICES	56,275,075	50,571,185	52,191,878	53,627,074	2.7%	1,435,196
LICENSE AND PERMITS	291,584	268,536	240,000	240,000	0.0%	0
OTHER MISC REVENUES	8,155	9,175	46,500	2	-100.0%	(46,498)
RENTS	2,809	2,393	3,500	1	-100.0%	(3,499)
SPECIAL ASSESSMENTS	542,886	543,481	543,157	543,157	0.0%	0
ENTERPRISE	58,790,783	53,173,391	54,695,035	55,910,234	2.2%	1,215,199
TOTAL REVENUE	62,790,559	57,186,929	57,712,735	58,997,934	2.2%	1,285,199

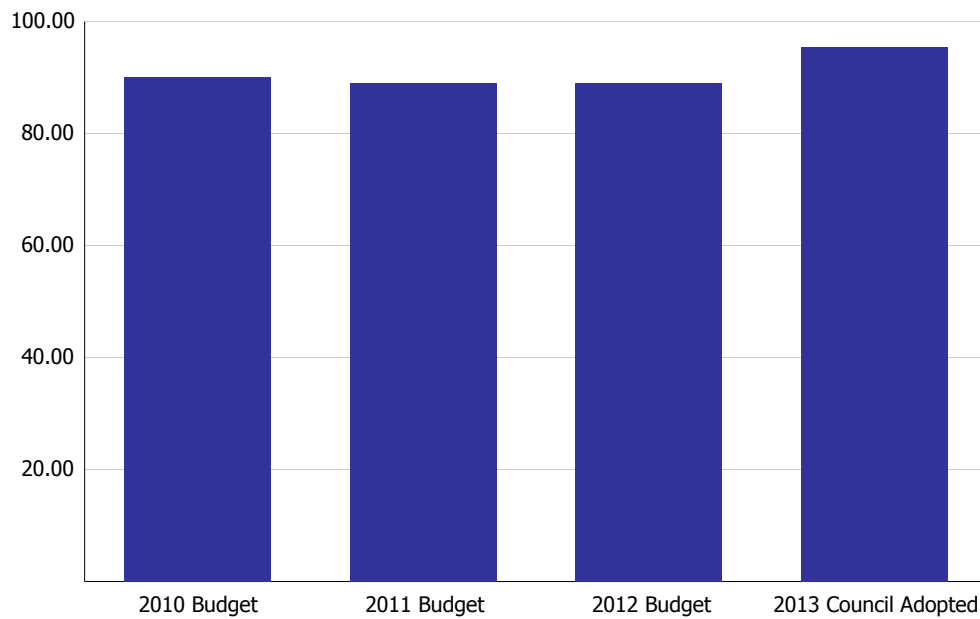


PW - TRAFFIC AND PARKING SERVICES

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
STREET LIGHTING	5.25	5.65	5.65	5.65	0.0%	0
ENGINEERING SYSTEMS						0
INVENTORY	3.00	3.00	3.00	3.00	0.0%	0
FIELD OPERATIONS	30.40	29.80	29.40	35.40	20.4%	6.00
OFF-STREET PARKING	11.10	12.10	11.10	11.10	0.0%	0
Traffic and Parking Services						0
ON-STREET PARKING	12.15	12.15	13.95	14.35	2.9%	0.40
TOWING AND IMPOUND	22.85	21.85	21.45	21.45	0.0%	0
PLANNING & DESIGN	5.25	4.45	4.45	4.45	0.0%	0
Overall	90.00	89.00	89.00	95.40	7%	6.40

Positions 2010-2013



Public Works – Transportation Maintenance and Repair

Expenditure

For 2013, Transportation Maintenance and Repair's budget is \$42.3 million. The department increased 1.68 FTE during 2012, which is reflected in the 2013 budget. This change was done within existing resources and reflects actual personnel spending.

Revenue

In 2013, the department anticipates \$16.0 million in revenue.

Fund Allocation

In 2013, 65% of the department's budget is from the General Fund. The remaining budget comes from special revenue funds (14%), capital funds (2%) and enterprise funds (19%).

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget.

Council Adopted Budget

Council approved the Mayor's recommendations.

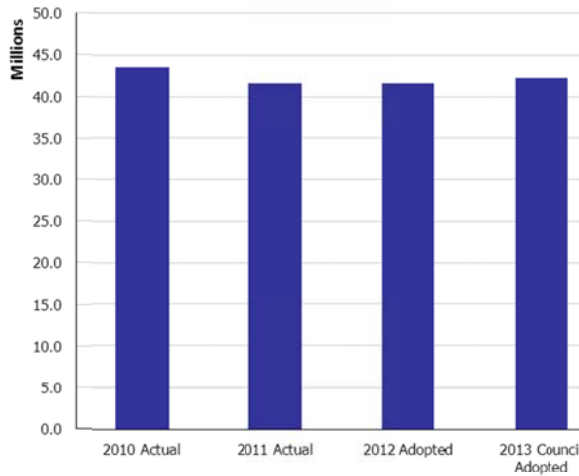
**PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	7,236,731	6,840,244	6,873,961	6,752,748	-1.8%	(121,213)
FRINGE BENEFITS	3,805,857	3,714,848	3,891,107	3,939,167	1.2%	48,061
CONTRACTUAL SERVICES	13,747,293	11,983,715	11,306,721	12,597,068	11.4%	1,290,347
OPERATING COSTS	5,300,501	4,640,141	4,979,069	4,285,780	-13.9%	(693,289)
CAPITAL	90,799	84,705	85,305	110,000	28.9%	24,695
TOTAL GENERAL	30,181,181	27,263,654	27,136,163	27,684,763	2.0%	548,601
SPECIAL REVENUE						
SALARIES AND WAGES	0	43,610	0			0
FRINGE BENEFITS	0	24,042	0			0
CONTRACTUAL SERVICES	5,732,307	5,951,306	5,800,000	5,800,000	0.0%	0
TOTAL SPECIAL REVENUE	5,732,307	6,018,958	5,800,000	5,800,000	0	0
CAPITAL PROJECT						
SALARIES AND WAGES	312,323	304,823	325,643	332,724	2.2%	7,081
FRINGE BENEFITS	108,160	104,037	137,373	141,257	2.8%	3,884
CONTRACTUAL SERVICES	198,346	157,703	206,176	212,063	2.9%	5,887
OPERATING COSTS	10,698	6,627	12,700	12,090	-4.8%	(610)
CAPITAL	77,032	0	0			0
TOTAL CAPITAL PROJECT	706,559	573,190	681,892	698,134	2.4%	16,242
ENTERPRISE						
SALARIES AND WAGES	986,811	1,112,624	1,645,109	1,572,373	-4.4%	(72,736)
FRINGE BENEFITS	495,024	509,919	677,918	673,035	-0.7%	(4,883)
CONTRACTUAL SERVICES	5,024,215	5,715,680	5,211,631	5,351,640	2.7%	140,009
OPERATING COSTS	517,392	475,645	521,504	561,230	7.6%	39,726
TOTAL ENTERPRISE	7,023,442	7,813,867	8,056,162	8,158,278	1.3%	102,116
TOTAL EXPENSE	43,643,489	41,669,669	41,674,216	42,341,175	1.6%	666,959
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	5,520	1,791	10,000	10,000	0.0%	0
CHARGES FOR SERVICES	5,741,918	4,381,947	5,381,274	5,341,274	-0.7%	(40,000)
FRANCHISE FEES	0	95,872	100,000		-100.0%	(100,000)
LOCAL GOVERNMENT	142,207	113,244	125,175	125,175	0.0%	0
OTHER MISC REVENUES	79,978	51	1,000	1,000	0.0%	0
SPECIAL ASSESSMENTS	822,230	1,076,340	792,804	805,080	1.5%	12,276
STATE GOVERNMENT	3,513,249	2,856,531	2,730,360	2,730,360	0.0%	0
TRANSFERS IN	699,999	700,000	0		0.0%	0
GENERAL	11,005,102	9,225,776	9,140,613	9,012,889	-1.4%	(127,724)

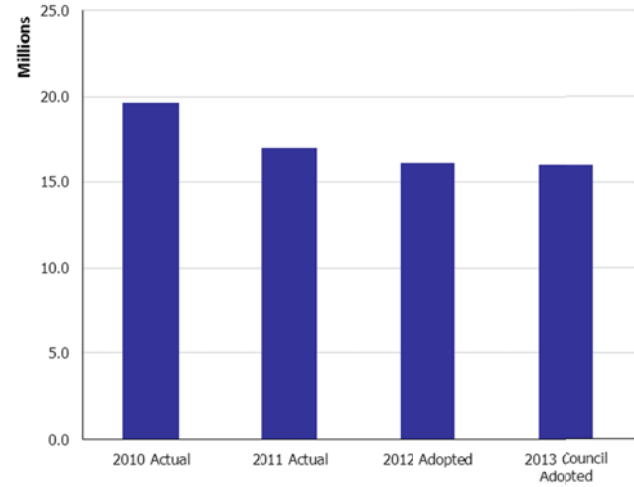
**PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SERVICES	1,355	0	0		0.0%	0
OTHER MISC REVENUES	198,126	4,054	0		0.0%	0
SPECIAL ASSESSMENTS	6,406,987	5,426,281	5,800,000	5,800,000	0.0%	0
SPECIAL REVENUE	6,606,468	5,430,336	5,800,000	5,800,000	0	0
CAPITAL PROJECT						
LICENSE AND PERMITS	278,650	243,265	260,000	260,000	0.0%	0
SPECIAL ASSESSMENTS	212,283	70,048	60,000	60,000	0.0%	0
CAPITAL PROJECT	490,933	313,312	320,000	320,000	0	0
ENTERPRISE						
CHARGES FOR SALES	504	460	0		0.0%	0
CHARGES FOR SERVICES	8,076	9,881	10,000	10,000	0.0%	0
FEDERAL GOVERNMENT	0	420,812	0		0.0%	0
LOCAL GOVERNMENT	372,678	296,775	146,437	146,437	0.0%	0
SPECIAL ASSESSMENTS	179,318	128,691	60,000	60,000	0.0%	0
STATE GOVERNMENT	996,124	1,142,083	628,793	628,793	0.0%	0
ENTERPRISE	1,556,699	1,998,703	845,230	845,230	0	0
TOTAL REVENUE	19,659,201	16,968,127	16,105,843	15,978,119	-0.8%	(127,724)

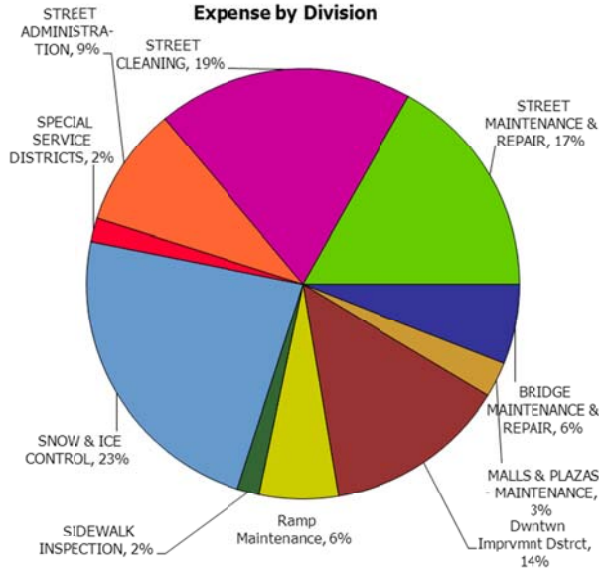
Expense 2010 - 2013



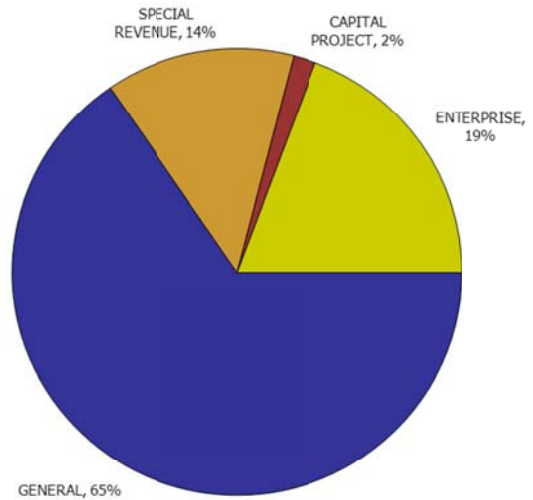
Revenue 2010 - 2013



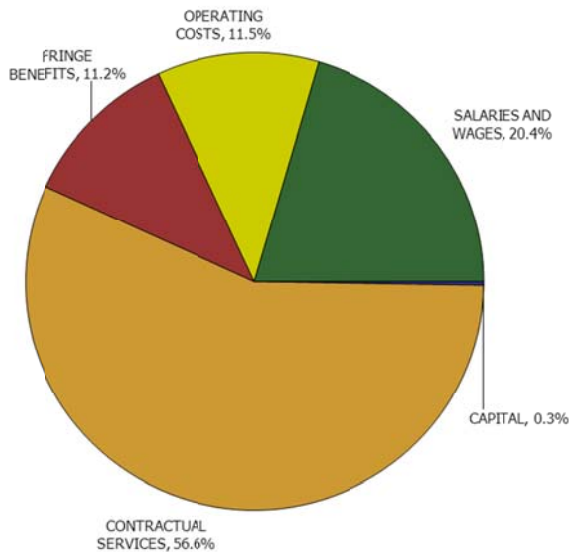
Expense by Division



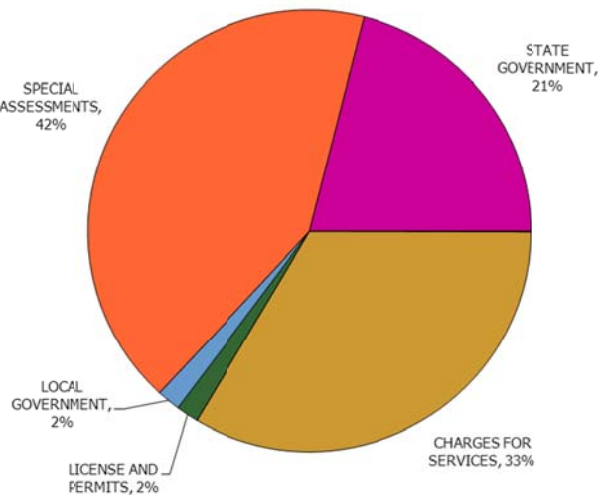
Expense by Fund



Expense by Category



Direct Revenue by Type

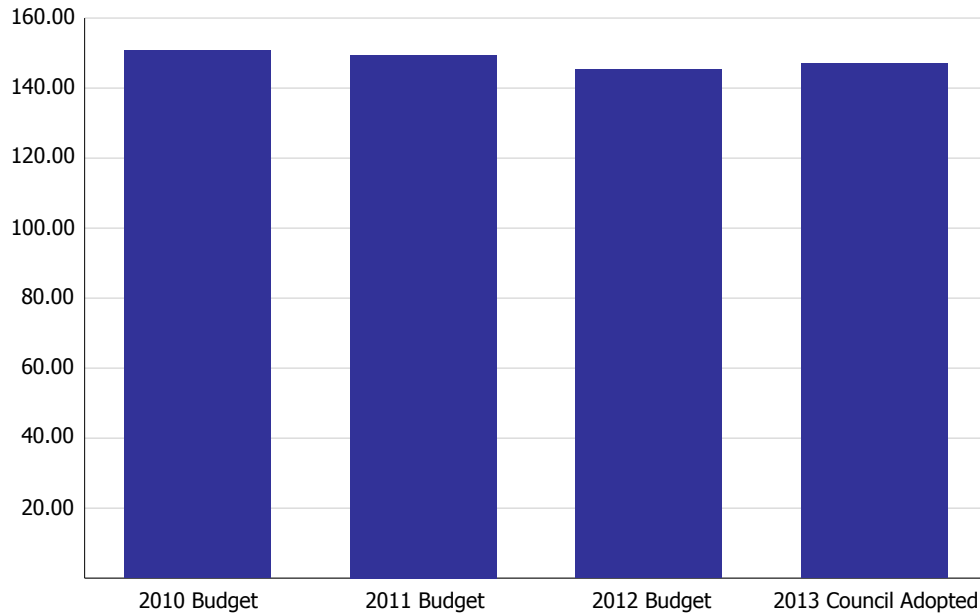


PW - TRANSPORTATION MAINTENANCE AND REPAIR

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
BRIDGE MAINTENANCE & REPAIR	12.00	12.00	12.00	12.00	0.0%	0
MALLS & PLAZAS - MAINTENANCE	10.40	10.40	10.40	10.40	0.0%	0
NICOLLET MALL						0
PW_TMR-Dwntwn Imprvmt Dstrct						0
Ramp Maintenance	20.80	19.50	17.00	17.00	0.0%	0
SIDEWALK INSPECTION	6.00	6.00	6.00	6.00	0.0%	0
SNOW & ICE CONTROL	25.55	26.00	26.00	26.00	0.0%	0
SPECIAL SERVICE DISTRICTS						0
STREET ADMINISTRATION	8.50	8.50	8.50	8.50	0.0%	0
STREET CLEANING	27.00	28.05	28.05	28.05	0.0%	0
STREET MAINTENANCE & REPAIR	40.50	39.00	37.32	39.00	4.5%	1.68
TRANS MAINTENANC & REPAIR						0
Overall	150.75	149.45	145.27	146.95	1%	1.68

Positions 2010-2013



Public Works – Transportation Planning & Engineering

Expenditure

The total Transportation Planning & Engineering Department's budget decreases from \$11.4 million to \$11.3 million from 2012 to 2013. This is a reduction of \$150 thousand, or 1.3%. The Transportation Planning & Engineering Department's 2013 expenditure budget reflects the following changes from 2012:

- Decrease of 4 vacant FTEs
- \$100,000 capital expenditure for a drilling rig for the Engineering Lab

Revenue

Revenues are projected to increase by 36.0% in this department due to increase in capital projects. The department's total revenues in 2013 are projected to be \$6.8 million.

Fund Allocation

This department is funded primarily by the Capital Project Fund, with the remainder of the department's funding found in the General Fund and Engineering Lab Internal Service Fund.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget.

Council Adopted Budget

Council approved the Mayor's recommendations.

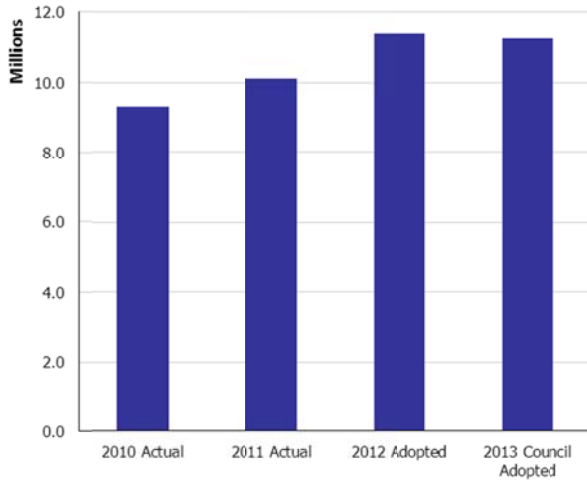
**PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,185,266	1,255,514	1,496,407	1,593,282	6.5%	96,875
FRINGE BENEFITS	450,580	469,821	573,424	585,260	2.1%	11,836
CONTRACTUAL SERVICES	169,709	238,952	619,478	424,787	-31.4%	(194,691)
OPERATING COSTS	40,437	56,867	47,916	128,767	168.7%	80,851
CAPITAL	0	304	11,660	7,500	-35.7%	(4,160)
TOTAL GENERAL	1,845,992	2,021,457	2,748,884	2,739,596	-0.3%	(9,288)
CAPITAL PROJECT						
SALARIES AND WAGES	2,904,728	2,916,460	2,943,646	2,853,827	-3.1%	(89,819)
FRINGE BENEFITS	1,158,601	1,031,057	1,124,496	1,087,322	-3.3%	(37,174)
CONTRACTUAL SERVICES	2,039,869	2,717,565	2,900,495	2,833,486	-2.3%	(67,009)
OPERATING COSTS	93,945	119,749	174,122	132,753	-23.8%	(41,369)
CAPITAL	0	0	57,858	57,858	0.0%	0
TOTAL CAPITAL PROJECT	6,197,143	6,784,831	7,200,616	6,965,245	-3.3%	(235,371)
INTERNAL SERVICE						
SALARIES AND WAGES	544,902	611,741	666,771	670,370	0.5%	3,599
FRINGE BENEFITS	216,141	210,006	255,949	246,217	-3.8%	(9,732)
CONTRACTUAL SERVICES	389,561	424,050	455,597	457,801	0.5%	2,204
OPERATING COSTS	102,287	80,289	81,653	79,904	-2.1%	(1,749)
CAPITAL	0	0	0	100,000		100,000
TOTAL INTERNAL SERVICE	1,252,890	1,326,086	1,459,970	1,554,292	6.5%	94,322
TOTAL EXPENSE	9,296,025	10,132,374	11,409,470	11,259,133	-1.3%	(150,338)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	567,817	727,152	550,000	575,000	4.5%	25,000
LICENSE AND PERMITS	24,010	18,865	26,000	20,000	-23.1%	(6,000)
OTHER MISC REVENUES	0	0	100	300	200.0%	200
GENERAL	591,827	746,018	576,100	595,300	3.3%	19,200
CAPITAL PROJECT						
CHARGES FOR SALES	255	0	0		0.0%	0
CHARGES FOR SERVICES	361,775	300,976	2,900,000	4,740,000	63.4%	1,840,000
OTHER MISC REVENUES	2,499	692	500	1,500	200.0%	1,000
STATE GOVERNMENT	499,663	246,116	0		0.0%	0
CAPITAL PROJECT	864,192	547,784	2,900,500	4,741,500	63.5%	1,841,000
INTERNAL SERVICE						

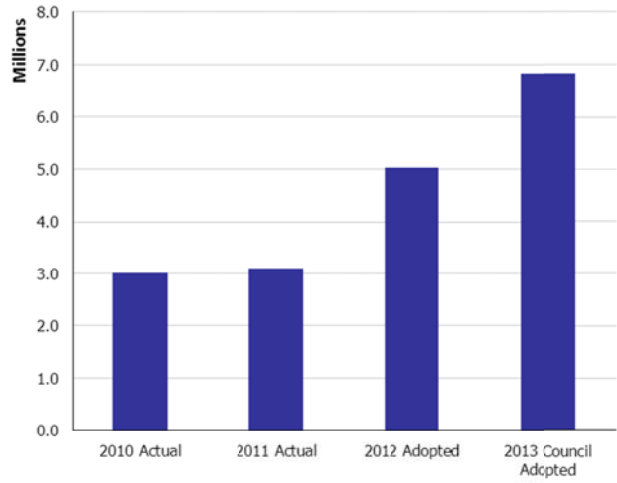
**PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
CHARGES FOR SALES	370,882	373,353	352,000	300,000	-14.8%	(52,000)
CHARGES FOR SERVICES	1,194,104	1,438,398	1,200,000	1,200,000	0.0%	0
OTHER MISC REVENUES	500	0	0		0.0%	0
INTERNAL SERVICE	1,565,486	1,811,751	1,552,000	1,500,000	-3.4%	(52,000)
TOTAL REVENUE	3,021,505	3,105,552	5,028,600	6,836,800	36.0%	1,808,200

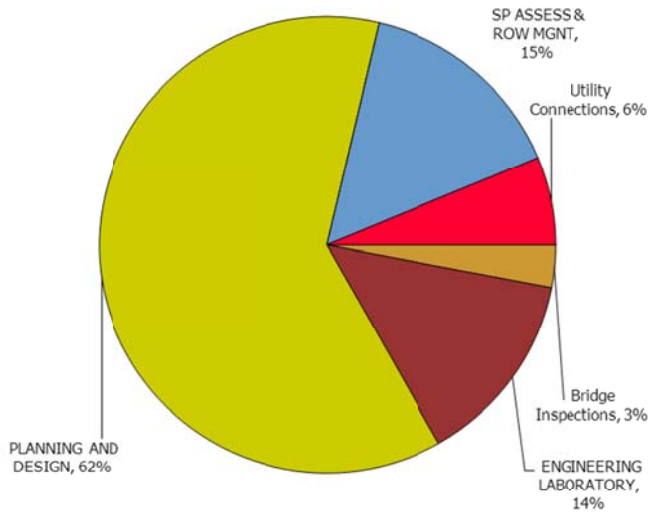
Expense 2010 - 2013



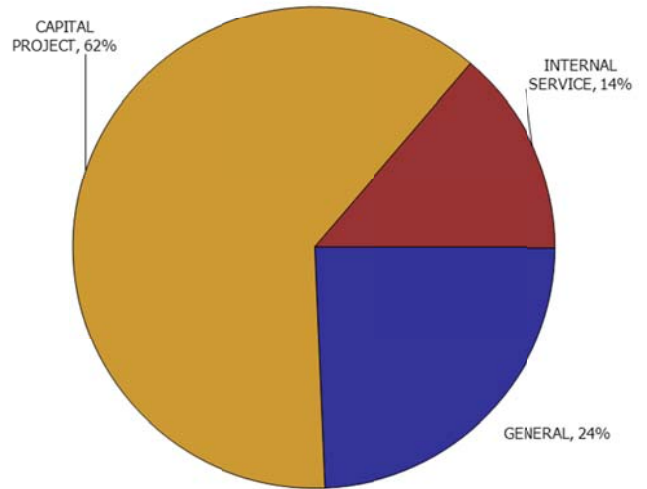
Revenue 2010 - 2013



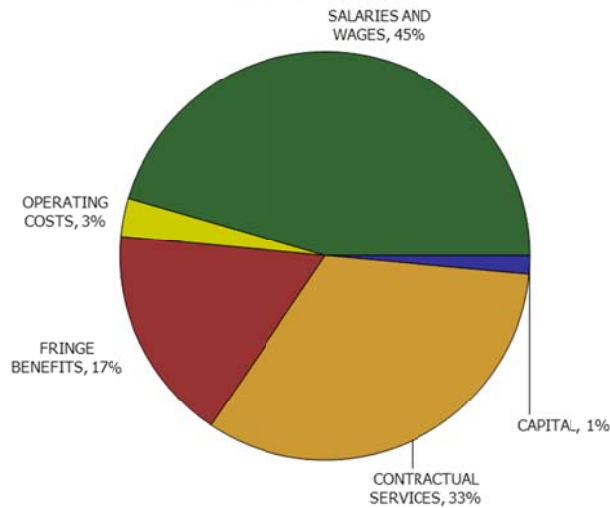
Expense by Division



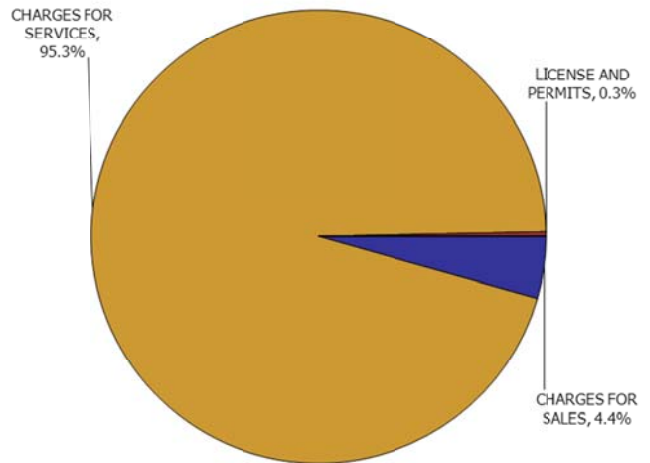
Expense by Fund



Expense by Category



Direct Revenue by Type

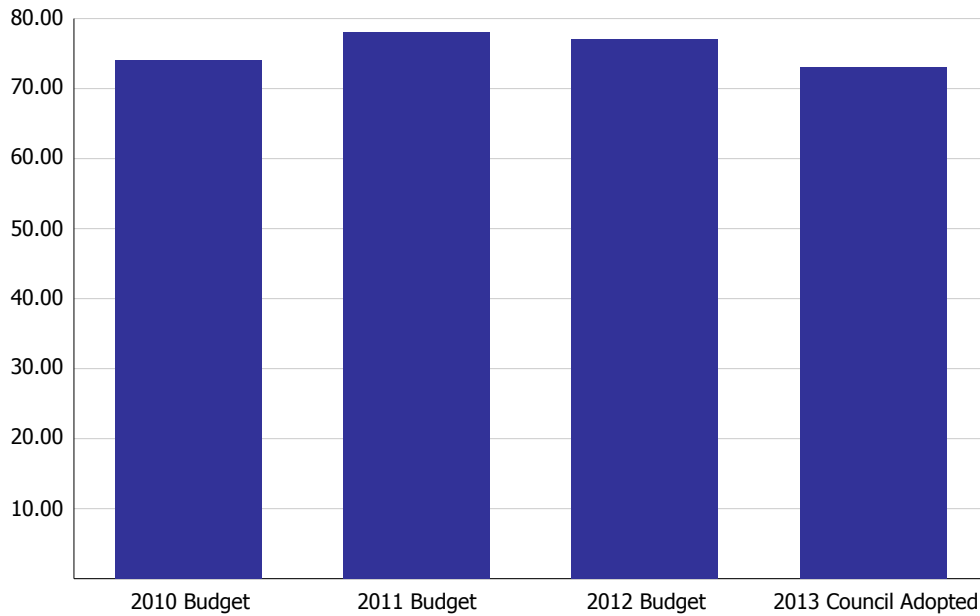


PW - TRANSPORTATION PLANNING AND ENGINEERING

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
Asphalt Distribution						0
Bridge Inspections	2.00	2.00	2.50	2.50	0.0%	0
ENGINEERING LABORATORY	7.50	10.50	10.50	9.50	-9.5%	(1.00)
PLANNING AND DESIGN	48.00	48.00	45.00	42.00	-6.7%	(3.00)
Ready Mix Concrete						0
SP ASSESS & ROW MGNT	9.50	10.50	12.00	12.00	0.0%	0
Trans Planning and Design						0
Utility Connections	7.00	7.00	7.00	7.00	0.0%	0
Overall	74.00	78.00	77.00	73.00	(5%)	(4.00)

Positions 2010-2013



Public Works – Water

Expenditure

For 2013, the Water Department budget is \$50.9 million. The department reduced 11 FTEs from 2012 staffing levels. 12 FTEs were removed from the operating budget and put in the capital budget, and 1 FTE was added within existing resources as part of a departmental reorganization.

Revenue

In 2013, the department anticipates \$73.3 million in revenue.

Fund Allocation

The department is funded solely by the Water Fund.

Mayor's Recommended Budget

The Mayor recommends no changes to the proposed budget. Also, the Mayor recommended a water utility rate of \$3.29 per unit in 2013.

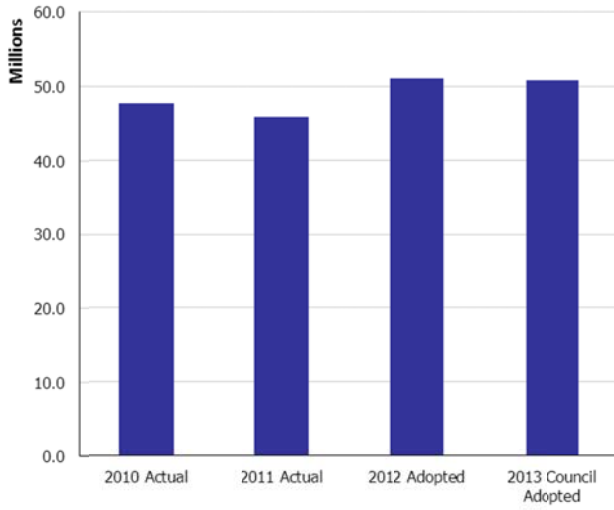
Council Adopted Budget

Council approved the Mayor's recommendations.

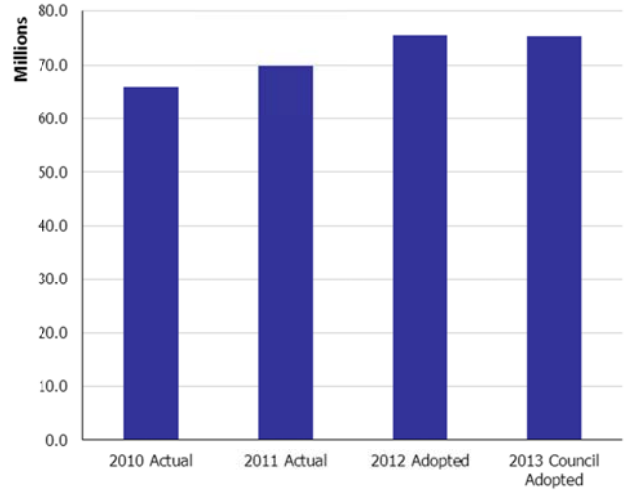
**PW - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRACTUAL SERVICES	0	70	0			0
TOTAL SPECIAL REVENUE		70				0
ENTERPRISE						
SALARIES AND WAGES	13,327,980	13,705,587	14,534,309	13,293,237	-8.5%	(1,241,072)
FRINGE BENEFITS	7,218,608	6,166,103	6,860,577	6,219,222	-9.3%	(641,355)
CONTRACTUAL SERVICES	17,310,874	16,514,743	18,217,833	18,905,053	3.8%	687,220
OPERATING COSTS	9,653,263	9,419,003	11,349,923	11,372,863	0.2%	22,940
CAPITAL	311,800	79,468	142,856	1,110,643	677.5%	967,787
TOTAL ENTERPRISE	47,822,525	45,884,905	51,105,497	50,901,018	-0.4%	(204,480)
TOTAL EXPENSE	47,822,525	45,884,975	51,105,497	50,901,018	-0.4%	(204,480)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
STATE GOVERNMENT	0	70	0		0.0%	0
SPECIAL REVENUE		70				0
ENTERPRISE						
CHARGES FOR SALES	43,188	12,131	25,000		-100.0%	(25,000)
CHARGES FOR SERVICES	65,473,761	68,472,693	75,333,985	75,332,086	0.0%	(1,899)
FEDERAL GOVERNMENT	0	280,128	0		0.0%	0
LICENSE AND PERMITS	1,076	6,364	1,100	6,500	490.9%	5,400
OTHER MISC REVENUES	6,827	14,998	0		0.0%	0
SPECIAL ASSESSMENTS	420,217	1,060,995	90,000		-100.0%	(90,000)
STATE GOVERNMENT	0	93,376	0		0.0%	0
ENTERPRISE	65,945,069	69,940,686	75,450,085	75,338,586	-0.1%	(111,499)
TOTAL REVENUE	65,945,069	69,940,756	75,450,085	75,338,586	-0.1%	(111,499)

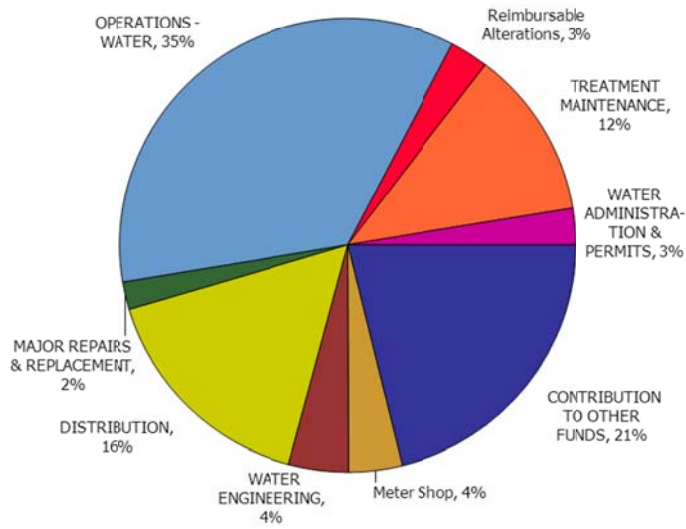
Expense 2010 - 2013



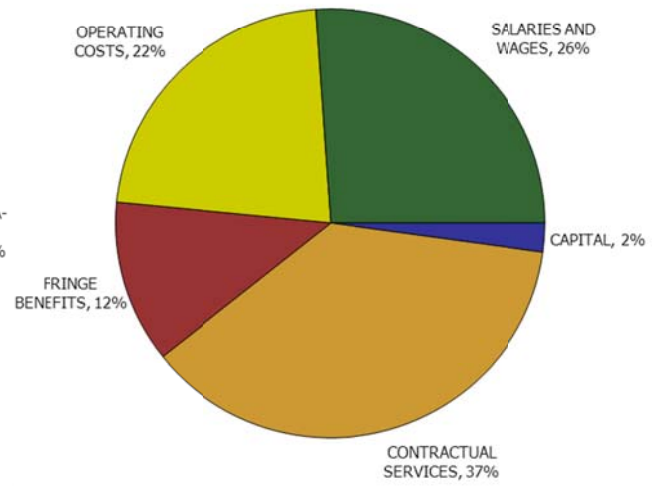
Revenue 2010 - 2013



Expense by Division



Expense by Category

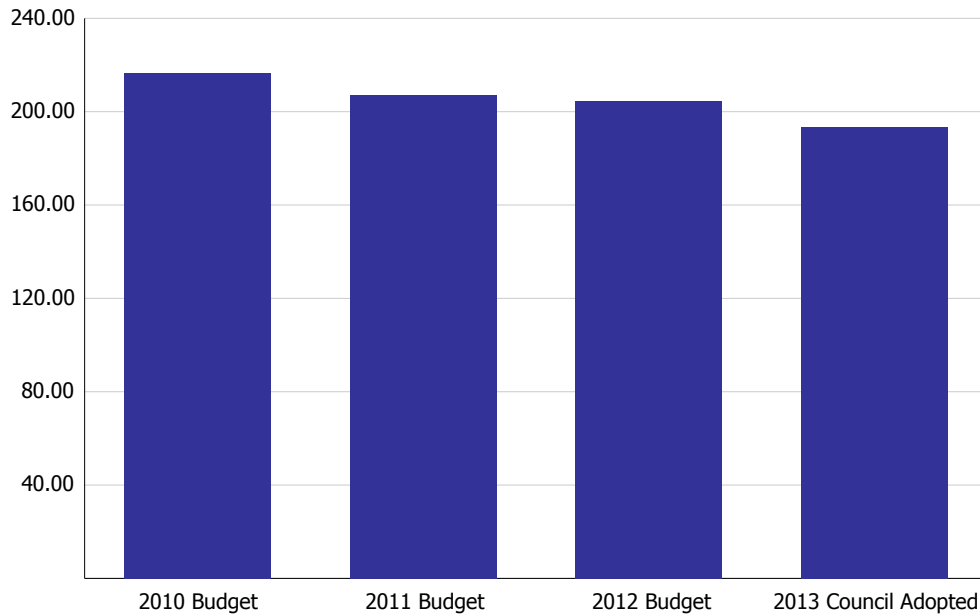


PW - WATER TREATMENT & DISTR.

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
Meter Shop	23.00	22.00	22.00	20.00	-9.1%	(2.00)
PW - WATER TREATMENT & DISTR.						0
WATER ENGINEERING	15.00	14.50	14.50	14.50	0.0%	0
CONTRIBUTION TO OTHER FUNDS						0
OPERATIONS - WATER	65.00	63.00	60.00	55.00	-8.3%	(5.00)
MAJOR REPAIRS & REPLACEMENT		3.00				0
Reimbursable Alterations			3.00	3.00	0.0%	0
TREATMENT MAINTENANCE	33.67	30.50	28.50	29.50	3.5%	1.00
DISTRIBUTION	73.00	68.00	74.00	68.00	-8.1%	(6.00)
WATER ADMINISTRATION & PERMITS	7.00	6.00	2.50	3.50	40.0%	1.00
Overall	216.67	207.00	204.50	193.50	(5%)	(11.00)

Positions 2010-2013



REGULATORY SERVICES

MISSION

The Regulatory Services Department works to ensure the safety, health, and livability of our community through excellence in customer service and education, and enforcement of applicable laws and regulations.

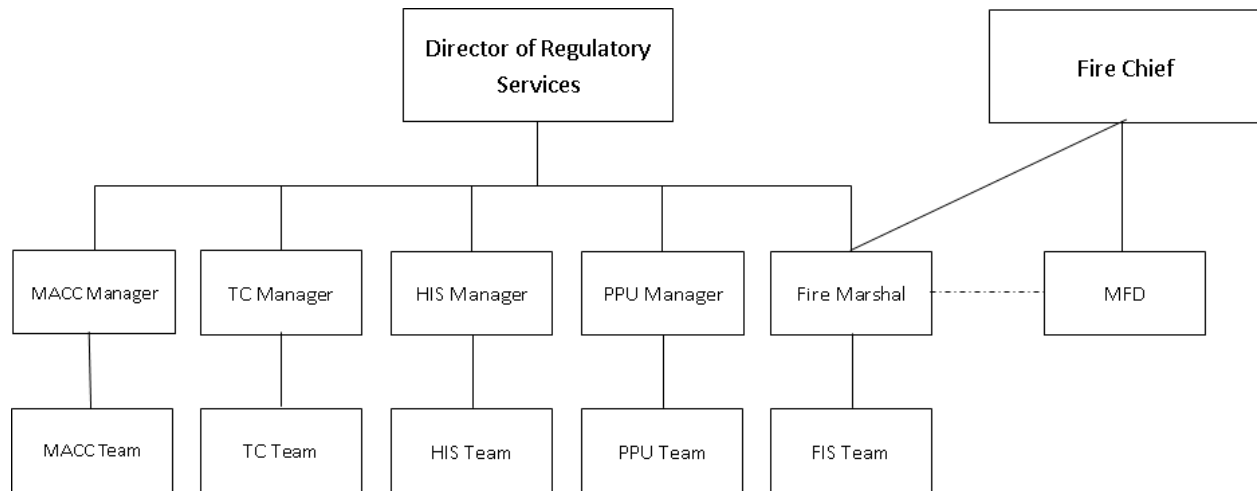
BUSINESS LINES

Regulatory Services has six divisions:

- **Administration**
This division handles the department's administrative functions, including financial management, human resources management, customer service coordination, technology management and business planning.
- **Animal Care and Control**
This division creates safe and healthy communities for people and animals through shelter care and adoption, investigation of dangerous animal and animal cruelty cases, public education, issuance of agricultural permits and pet licenses, and enforcement of statutes and local ordinances.
- **Fire Inspections Services**
This division delivers quality and consistent enforcement of the fire code, conduct fire and life safety inspections and housing inspections of residential buildings with greater than three units, and administers the Commercial Building Registration program.
- **Housing Inspection Services**
This division provides quality and consistent enforcement of the Minneapolis Housing Maintenance and other applicable codes to maintain, improve, and protect the safety and livability of the City's housing stock.
- **Problem Properties Unit**
This division identifies and resolves problem properties, conducts emergency board ups, and manages condemned, boarded, and vacant buildings in a multi-departmental, multi-agency initiative. This division also manages the vacant building registration program for commercial and residential properties.
- **Traffic Control**
This division maintains traffic flow management for events, emergencies and other traffic situations. In addition, this division provides education and enforcement of State and local non-moving traffic laws and ordinances.

ORGANIZATION CHART

Regulatory Services Organization Chart



Goal: A Safe Place to Call Home

Public Safety – Animal Control

General Fund: \$2,200,365

Minneapolis Animal Care & Control (MACC) is responsible for responding to, investigating, and handling all animal-related calls and emergencies in the city. In coordination with the MPD, City Attorney's Office, and non-profits, MACC works to efficiently and effectively address criminal issues involving animals. In this effort, MACC focuses on dangerous animals and animal cruelty (including investigation and prosecution of statute and ordinance offenses as well as prevention efforts). MACC also manages all animals declared dangerous in the city.

Regulatory Services Housing Inspections

General Fund: \$5,348,764
Other Fund: \$4,810,135

Housing Inspections provides a range of programs and activities designed to ensure safe and quality properties. Mandated activities include enforcement of those portions of the International Property Maintenance Code pertaining to rental licensing, removal of hazardous structures, and legal due process requirements for special assessments. The Housing Inspections Division is responsible for managing the City's housing stock through enforcement of licensing standards and consistent enforcement of the Housing Maintenance Code. It is also responsible for code enforcement in rental properties, all vacant buildings enforcement, and removing substandard housing through demolition activity as well as creating incentives to rehab vacant properties by using and managing redevelopment through restoration agreements.

Regulatory Services Fire Inspections

General Fund: \$1,577,182

Fire Inspection Services is a Division of Housing Inspection Services. Fire Inspection Services (FIS) is responsible for managing all Fire Suppression/Protection Permits including plan review and site inspections, conducting commercial and residential inspections in partnership with the

Minneapolis Fire Department and managing the City's Hazardous Materials facilities inventory and inspections.

Traffic Control

General Fund: \$4,209,802

This program will provide for on-site traffic control to assist traffic flow at intersections by providing for additional throughput on lights, allow for additional turns and pedestrian movement. This allows for safer, more efficient traffic flow during rush hour, special events, around construction sites and during emergencies and natural disasters.

FINANCIAL ANALYSIS

Expenditure

For 2013, the Regulatory Services Department's budget is \$18.1 million, a 54.7% decrease from 2012, reflective of the reorganization in the Council Adopted Budget. The General Fund budget for this department is \$13.3 million. The department transferred 151 FTEs from 2012 staffing levels as part of the reorganization, with a net reduction of only 145.3 FTE due to one of the activities moving out of the department (food inspections) being enhanced in the 2013 budget.

Revenue

In 2013, the department anticipates \$16.3 million in revenue, a \$26.0 million decrease from 2012, due to the reorganization of this department in the Council Adopted Budget.

Fund Allocation

In 2013, 73%, or approximately \$13.3 million, of the department's budget is from the General Fund. The remaining budget is primarily from the Regulatory Services Special Revenue Fund.

Mayor's Recommended Budget

The Mayor recommended that the Regulatory Services Department be restructured, with the Development Review and Business License Divisions moving to CPED, the Environmental Health and Environmental Services Divisions moving to the Health and Family Support Department, and the Traffic Control Division moving to the Public Works Department.

There is a difference in how some divisions of Regulatory Services show up on the organizational chart and how their budget is written programmatically. By program, the Mayor's recommended budget reflects the move of the Development Review and the entire Environmental Health/Licenses and Consumer Support programs to CPED, the Environmental Services and Lead and Healthy Homes programs moved to Health and Family Support, and the Traffic Control program moved to Public Works.

The Mayor also recommended the elimination of 2 management FTEs within the remaining Regulatory Services Department, the elimination of 1 management FTE within the Environmental Health/Licenses and Consumer Services program and the transfer of 1 management FTE to CPED. The Mayor recommends no other programmatic changes to the department's remaining programs.

As part of the reorganization of Regulatory Services functions, a committee led by the City Coordinator and consisting of representatives from the Mayor's Office, members of the City Council, Finance staff, and heads of the affected departments will convene to develop a strategy to implement the changes necessary to align current Regulatory Services functions to the departments that serve as the best fit for overall synergistic functionality. Based on this, the

committee may elect to break apart current Regulatory Services divisions, program proposals, and funding structures. It is anticipated that the committee will have a final plan for the reorganization and allocation of Regulatory Services functions prior to adoption of the 2013 Council Adopted Budget. After all changes are final, the Mayor recommends that the department's name should be changed to the Department of Inspections.

Council Adopted Budget

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690. (2) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058. (3) Decrease Public Work's general fund (00100) revenue by \$5,735,000. (4) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410. Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.

To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's Recommended Budget, (Construction Code Services moving to Community Planning & Economic Development rather than remaining in Regulatory Services, Traffic Control remaining in Regulatory Services rather than moving to Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) the City Council amended the Mayor's recommended budget as follows: (1) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44. (2) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19. (3) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45. (4) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18. (5) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Support, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

In addition, the Council adopted the following staff directions:

Direct the Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire and Community Planning and Economic Development, to oversee the operational execution of

the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new Departments.

The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department and (2) the transfer of certain duties from the Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

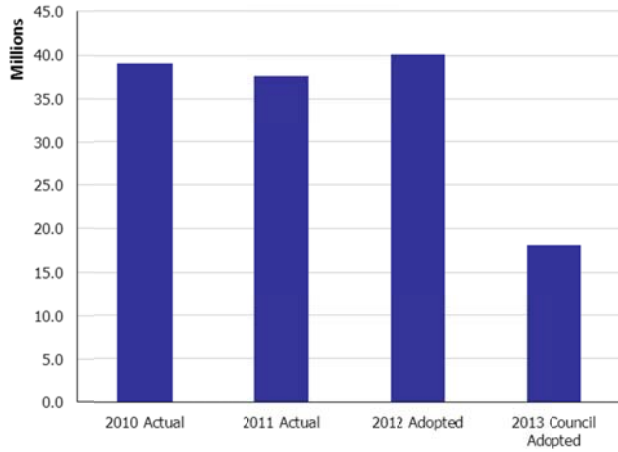
**REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	13,756,128	16,189,525	15,908,180	6,893,868	-56.7%	(9,014,312)
FRINGE BENEFITS	5,094,460	5,713,698	6,279,247	2,931,636	-53.3%	(3,347,611)
CONTRACTUAL SERVICES	8,102,535	4,093,774	6,194,916	2,383,331	-61.5%	(3,811,584)
OPERATING COSTS	1,327,729	1,572,109	1,772,427	1,034,938	-41.6%	(737,489)
CAPITAL	5,826	38,183	102,788	92,340	-10.2%	(10,448)
TOTAL GENERAL	28,286,677	27,607,289	30,257,558	13,336,113	-55.9%	(16,921,445)
SPECIAL REVENUE						
SALARIES AND WAGES	3,324,723	2,027,808	2,719,042	2,002,684	-26.3%	(716,358)
FRINGE BENEFITS	1,171,711	744,283	888,556	605,375	-31.9%	(283,182)
CONTRACTUAL SERVICES	4,969,556	4,939,488	4,179,625	1,499,795	-64.1%	(2,679,830)
OPERATING COSTS	207,332	687,936	354,766	109,065	-69.3%	(245,701)
CAPITAL	1,065,683	1,590,412	1,669,602	593,216	-64.5%	(1,076,386)
TOTAL SPECIAL REVENUE	10,739,006	9,989,927	9,811,592	4,810,135	-51.0%	(5,001,457)
TOTAL EXPENSE	39,025,683	37,597,216	40,069,149	18,146,248	-54.7%	(21,922,902)
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	580	625	258		-100.0%	(258)
CHARGES FOR SERVICES	677,597	692,019	895,343	777,000	-13.2%	(118,343)
CONTRIBUTIONS	4,684	115	0		0.0%	0
FEDERAL GOVERNMENT	1,200	0	0		0.0%	0
FINES AND FORFEITS	5,861,050	6,248,025	6,171,443	5,714,000	-7.4%	(457,443)
LICENSE AND PERMITS	22,799,730	27,150,623	26,439,411	4,245,000	-83.9%	(22,194,411)
LOCAL GOVERNMENT	53,461	55,065	0		0.0%	0
OTHER MISC REVENUES	115,071	163,283	75,555	6,000	-92.1%	(69,555)
SALES AND OTHER TAXES	0	(45)	0		0.0%	0
SPECIAL ASSESSMENTS	1,780,115	1,878,521	1,400,000	1,500,000	7.1%	100,000
GENERAL	31,293,488	36,188,231	34,982,010	12,242,000	-65.0%	(22,740,010)
SPECIAL REVENUE						
CHARGES FOR SERVICES	306,116	248,846	272,024	130,000	-52.2%	(142,024)
CONTRIBUTIONS	46,619	(18,776)	0		0.0%	0
FEDERAL GOVERNMENT	1,655,989	2,084,180	1,047,393		-100.0%	(1,047,393)
FINES AND FORFEITS	220,420	176,483	70,400	13,852	-80.3%	(56,548)
LICENSE AND PERMITS	1,576,731	1,485,758	536,649		-100.0%	(536,649)
OTHER MISC REVENUES	10,187	39,552	0		0.0%	0
SPECIAL ASSESSMENTS	5,324,709	4,265,263	5,372,629	3,928,129	-26.9%	(1,444,500)
STATE GOVERNMENT	9,068	7,765	0		0.0%	0
SPECIAL REVENUE	9,149,838	8,289,071	7,299,095	4,071,981	-44.2%	(3,227,114)

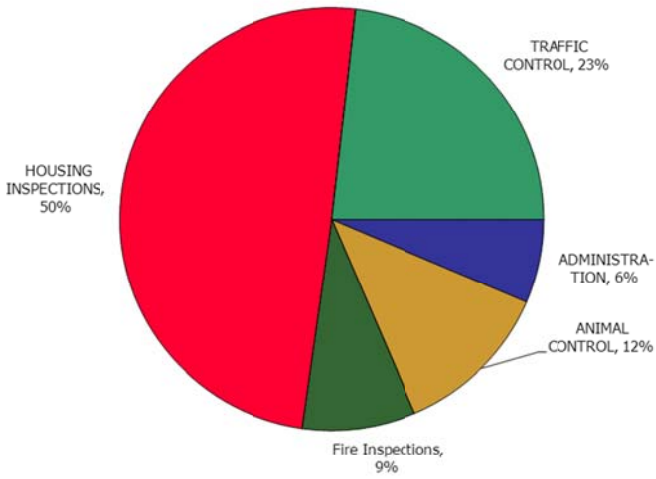
**REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
ENTERPRISE						
LICENSE AND PERMITS	(15)	0	0		0.0%	0
ENTERPRISE	(15)					0
TOTAL REVENUE	40,443,311	44,477,302	42,281,105	16,313,981	-61.4%	(25,967,124)

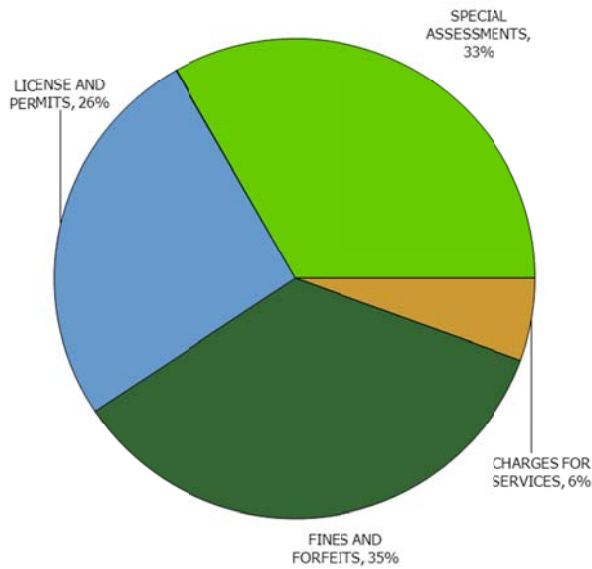
Expense 2010 - 2013



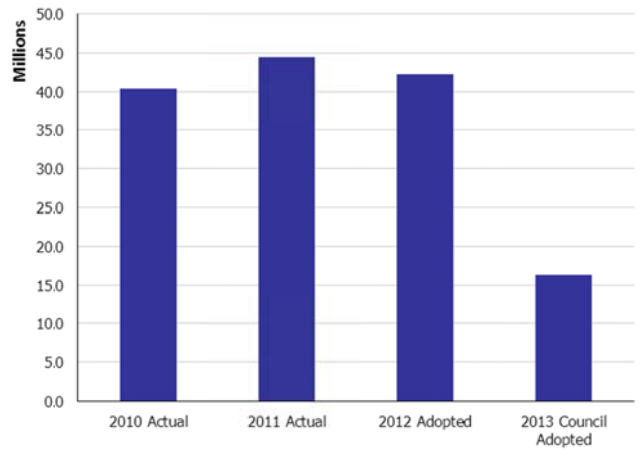
Expense by Division



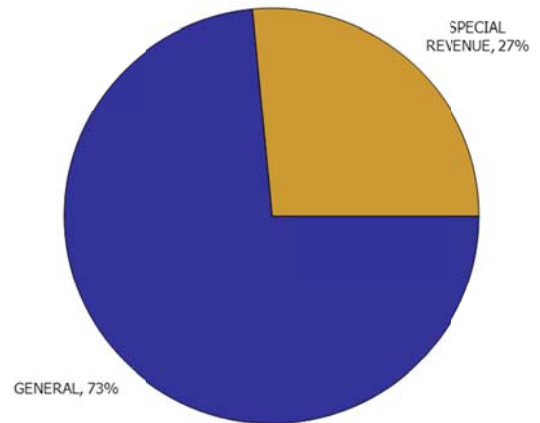
Direct Revenue by Type



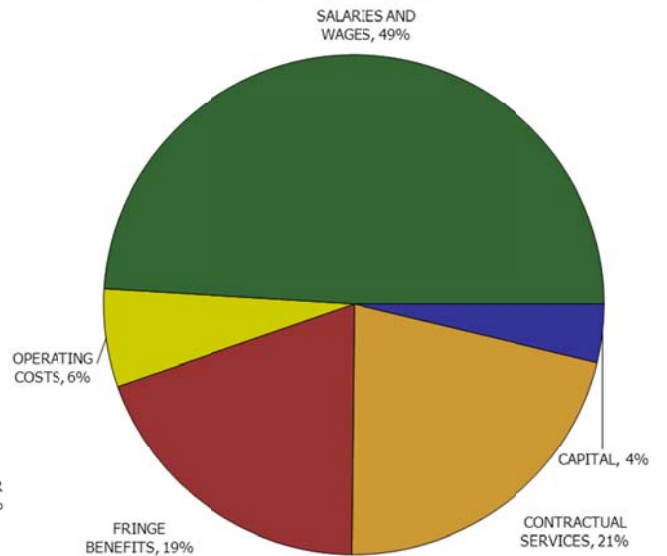
Revenue 2010 - 2013



Expense by Fund



Expense by Category

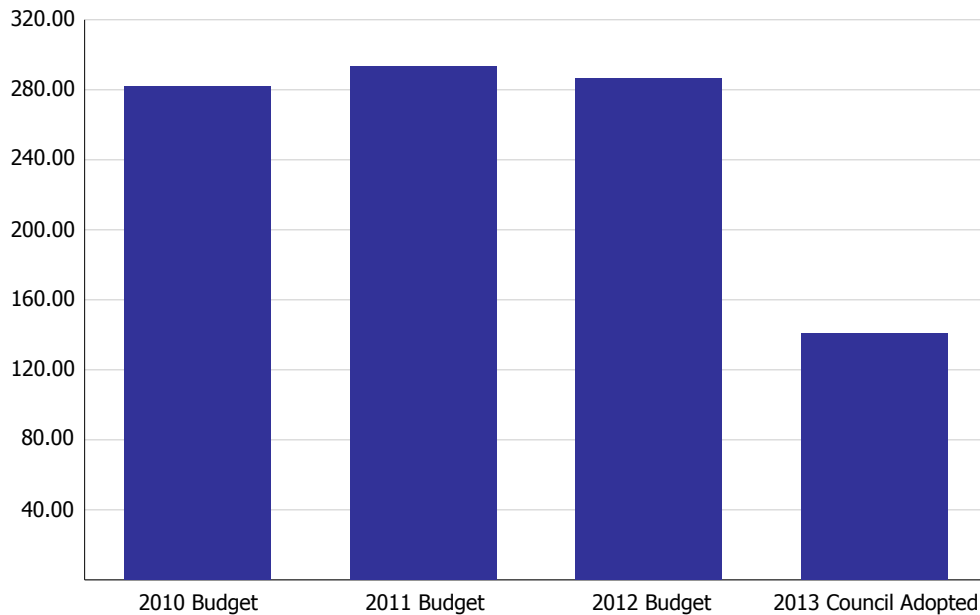


REGULATORY SERVICES

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	% Change	Change
ADMINISTRATION	9.75	10.74	15.00	6.00	-60.0%	(9.00)
ANIMAL CONTROL	17.00	19.00	18.00	20.00	11.1%	2.00
CONSTRUCTION CODE SERVICES CCS	65.00	64.00	64.00		-100.0%	(64.00)
ENVIRONMENTAL SERVICES	10.51	10.51	7.66		-100.0%	(7.66)
Fire Inspections			12.80	13.00	1.6%	0.20
FOOD	12.00	12.00	13.00		-100.0%	(13.00)
HOUSING INSPECTIONS	61.50	72.50	55.50	58.00	4.5%	2.50
LEAD CONTROL - HUD PROJECT						0
LEAD PROGRAM	10.34	8.34	6.34		-100.0%	(6.34)
LICENSES & CONSUMER SVC	75.00	30.00	28.00		-100.0%	(28.00)
MINNEAPOLIS DEVELOPMENT REVIEW	21.00	23.00	21.00		-100.0%	(21.00)
PROBLEM PROPERTIES						0
REGULATORY SERVICES			0.00		-100.0%	0.00
TRAFFIC CONTROL		43.50	45.00	44.00	-2.2%	(1.00)
Overall	282.10	293.58	286.30	141.00	(51%)	(145.30)

Positions 2010-2013



**City of Minneapolis
2013 Budget**

Independent Boards and Agencies

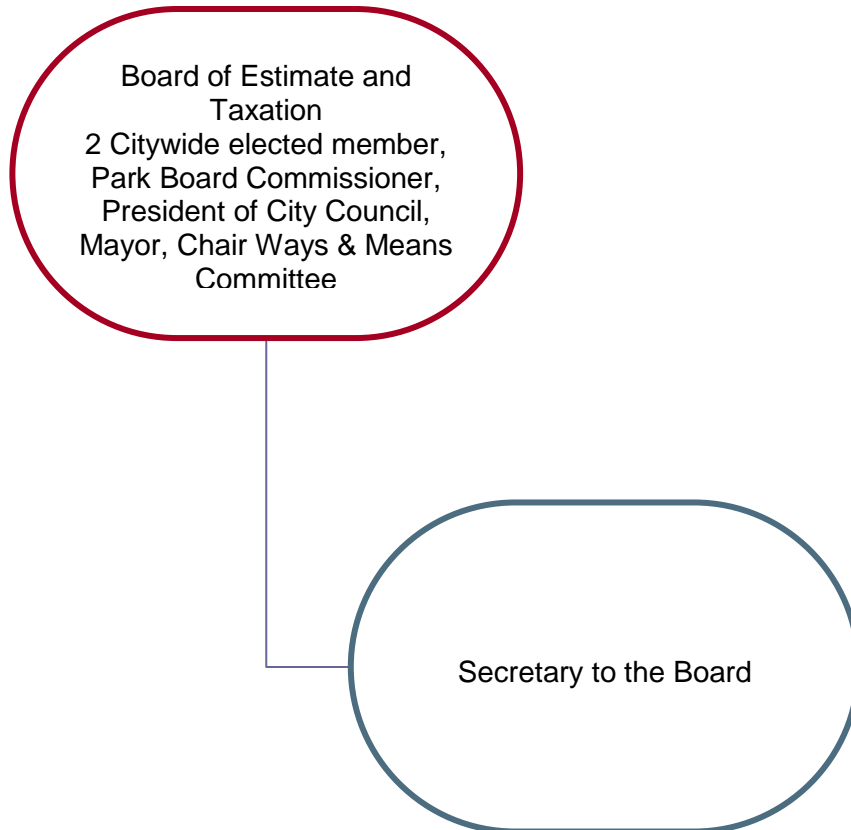
The following board and agency sections include these reports: mission, business line descriptions, performance information, an organizational chart, expense information, revenue information, and staffing information.

- Board of Estimate and Taxation 12
- Municipal Building Commission 17
- Minneapolis Public Housing Authority 113
- Minneapolis Park and Recreation Board 117
- Youth Coordinating Board 125

BOARD OF ESTIMATE AND TAXATION

MISSION

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



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

FINANCIAL ANALYSIS

Expenditure

The 2013 full expense budget for BET is \$177,500, a 1.1% increase from 2012. Personnel related costs make up 86% of the budget, with contractual expenses and operating expense making up the remaining 14%.

Revenue

The revenue budget is \$171,500, up 2.9% from the 2012 adopted budget. The Board receives all its revenue from property tax.

Mayor's Recommended Budget

The Mayor made no changes to the Board's proposed budget.

Adopted Budget

The Board approved the Mayor's recommendation.

**BOARD OF ESTIMATE & TAXATION
EXPENSE AND REVENUE INFORMATION**

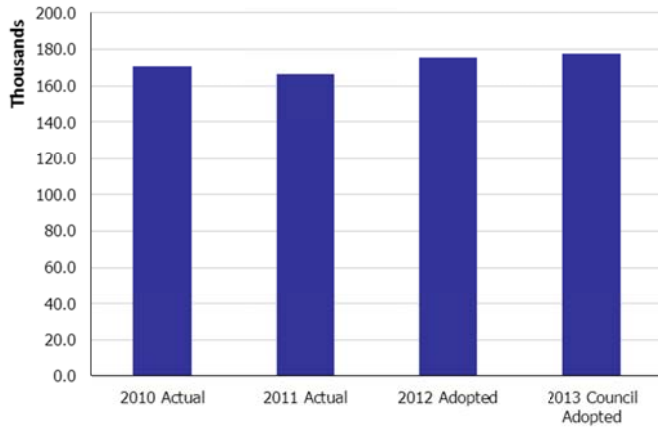
EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	122,290	124,434	117,171	120,030	2.4%	2,859
FRINGE BENEFITS	18,565	19,203	33,238	31,581	-5.0%	(1,657)
CONTRACTUAL SERVICES	22,817	15,554	14,588	14,700	0.8%	112
OPERATING COSTS	7,030	7,001	10,503	11,189	6.5%	686
TOTAL SPECIAL REVENUE	170,701	166,191	175,500	177,500	1.1%	2,000

TOTAL EXPENSE	170,701	166,191	175,500	177,500	1.1%	2,000
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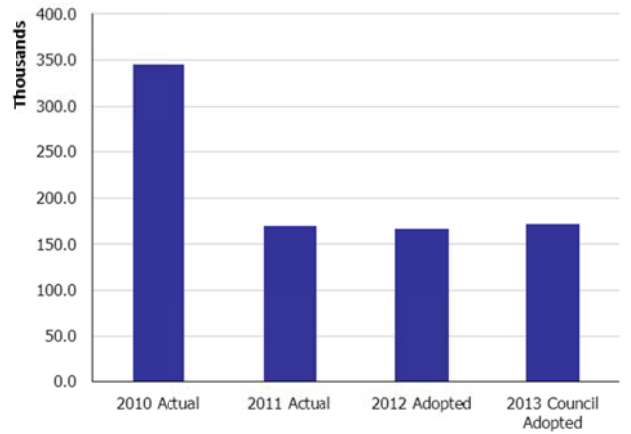
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
OTHER MISC REVENUES	6,477	0	0		0.0%	0
PROPERTY TAXES	269,793	169,210	166,600	171,500	2.9%	4,900
SALES AND OTHER TAXES	28	14	0		0.0%	0
STATE GOVERNMENT	370	322	0		0.0%	0
TRANSFERS IN	68,404	0	0		0.0%	0
SPECIAL REVENUE	345,071	169,546	166,600	171,500	2.9%	4,900

TOTAL REVENUE	345,071	169,546	166,600	171,500	2.9%	4,900
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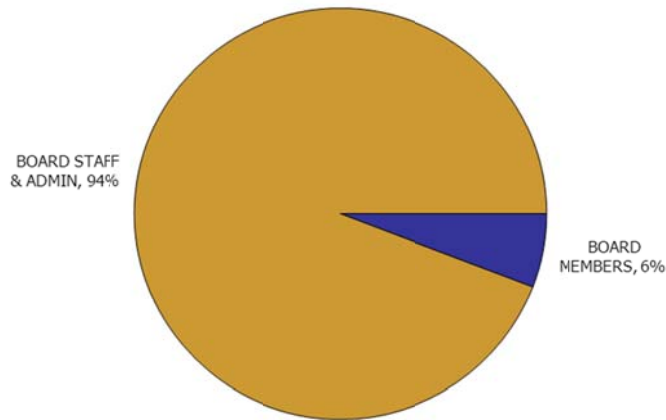
Expense 2010 - 2013



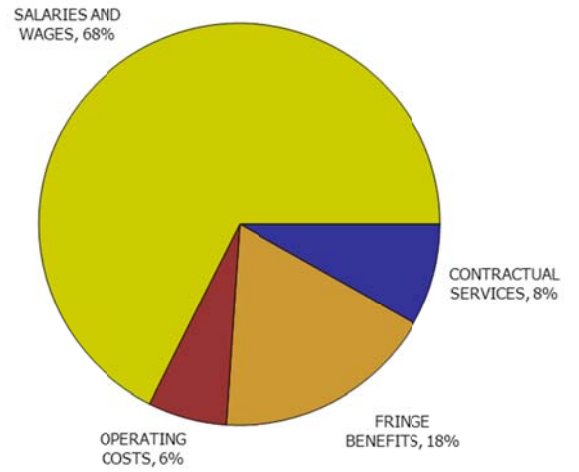
Revenue 2010 - 2013



Expense by Division



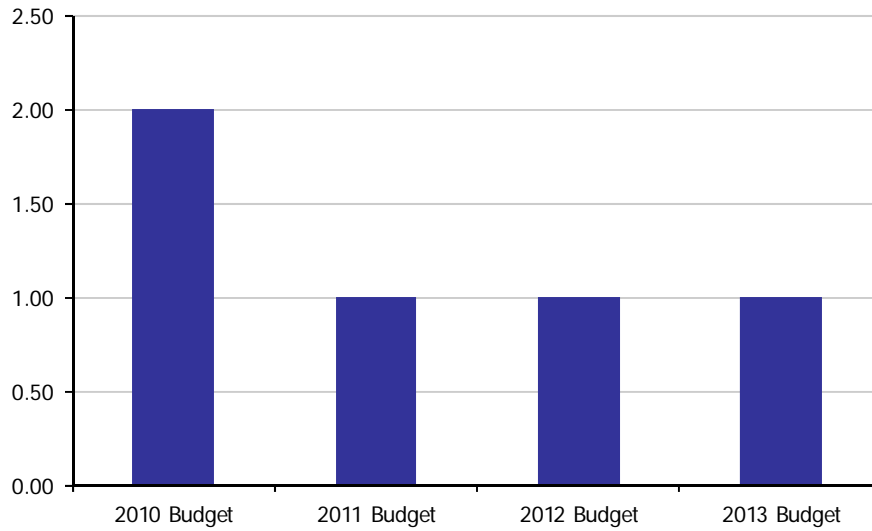
Expense by Category



BOARD OF ESTIMATE & TAXATION Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Budget	% Change	Change
BOARD STAFF & ADMIN	1.00	1.00	1.00	1.00	0.0%	0.00
INTERNAL AUDIT	1.00					0.00
TOTAL	2.00	1.00	1.00	1.00	0.0%	0.00

Positions 2010-2013



MUNICIPAL BUILDING COMMISSION

MISSION

The Municipal Building Commission was created by state statute in 1904 and given exclusive care and control of the Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain, and preserve this historic landmark building and ensure a safe and functional environment for City and County government employees, citizens, and elected officials.

BUSINESS LINES

Care for Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for maintaining the building operating systems including mechanical, electrical and elevators. In addition, the MBC is responsible for providing custodial, utility, repair and maintenance services.

Control of Minneapolis City Hall and Hennepin County Courthouse Building:

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

Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse Building:

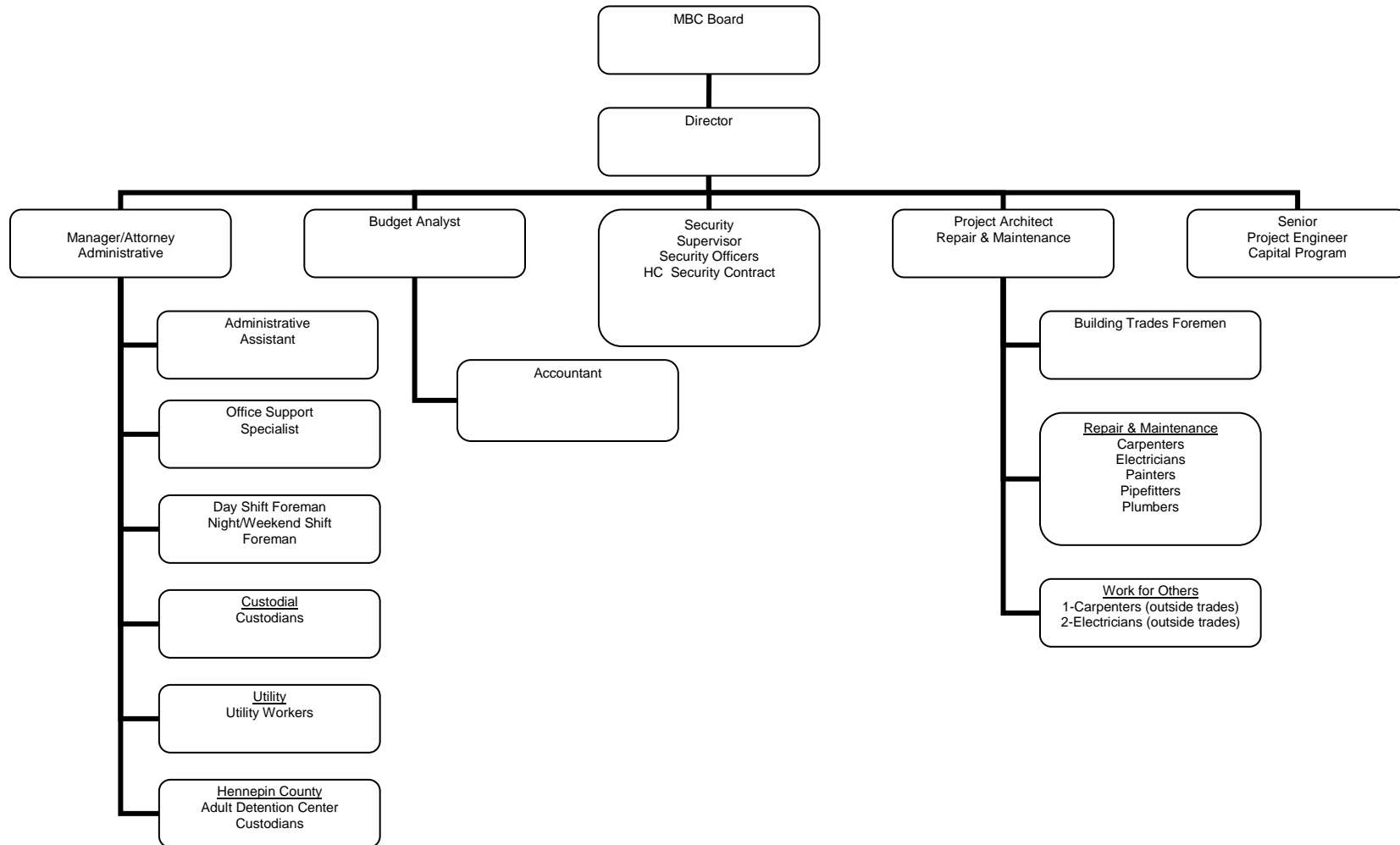
The MBC is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activity both operating and capital in keeping with the agency's mission to provide effective and efficient services to operate, maintain, and preserve the historic landmark City Hall and Courthouse Building and ensure a safe and functional environment for City and County government employees, citizens and elected officials.

Significant Budget Changes

The 2013 budget is approximately 3% more than the 2012 budget. Other significant changes include the reinstatement of six MBC security staff as part of a 2012 federal lawsuit initiated by the employees. As a result, MBC and Hennepin County Property Services created a new security model for City Hall that incorporates both staff and contract services in the 2013 budget. Furthermore, the MBC has been under a hiring freeze since March of 2012. The hiring freeze has provided the MBC an opportunity to reflect and re-evaluate the way it conducts its business. Since the hiring freeze the MBC has increased the use of contract services through Professional Service Agreements for other staff such as security services and safety training staff. Another change is the addition of a supplemental payment to replenish the MERF pension fund. For the 2013 budget, the MERF pension fund charge to the MBC will be \$325,000 – an increase of \$33,400 or 11% over the 2012 budget. Increases like this are offset largely through the savings realized by lower utility costs resulting from infrastructure improvements. For 2013 and going forward, increases to the support of the MERF fund will continue to erode the MBC Operating Budget and ability of the MBC to perform its mission.

2013 MBC Organization Chart

55 FTEs



Expense

The full expense budget for MBC is \$8.2 million. The \$325,000 supplemental payment to replenish MERF comes directly out of the operating budget. Personnel make up 57% of the budget, with contractual expenses and operating expense making up the remaining 43%.

Revenue

The revenue budget for MBC is \$8.2 million, approximately 40% funded by Hennepin County and approximately 60% funded by the City of Minneapolis.

Mayor's Recommended Budget

The Mayor recommended that the City's portion of the funding be reduced by \$60,000 and the MBC backfill through the use of MBC fund balance.

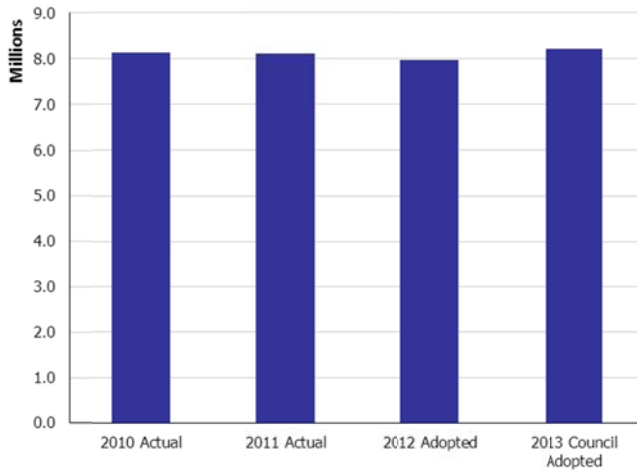
Adopted Budget

The Board approved the Mayor's recommendation.

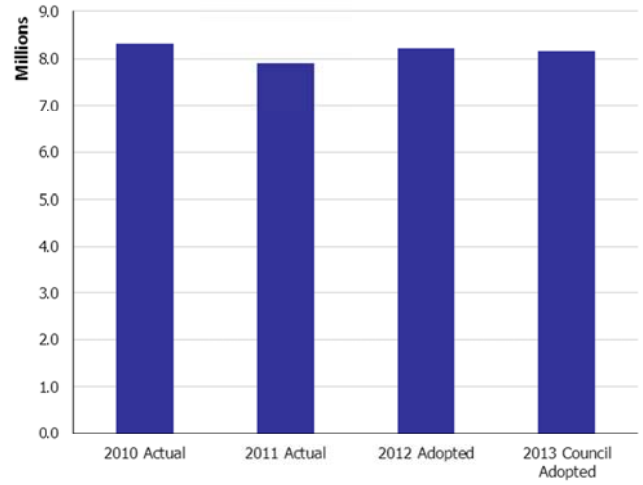
**MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	2,906,530	2,827,295	2,914,704	3,310,503	13.6%	395,799
FRINGE BENEFITS	1,302,358	1,186,808	1,253,772	1,423,657	13.5%	169,885
CONTRACTUAL SERVICES	3,413,060	3,370,754	3,063,674	2,727,720	-11.0%	(335,954)
OPERATING COSTS	528,120	585,023	742,638	757,198	2.0%	14,560
CAPITAL	0	9,031	0			0
TRANSFERS	0	145,000	0			0
TOTAL SPECIAL REVENUE	8,150,070	8,123,912	7,974,789	8,219,078	3.1%	244,290
<hr/>						
TOTAL EXPENSE	8,150,070	8,123,912	7,974,789	8,219,078	3.1%	244,290
<hr/>						
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	0	3,260	6,000	6,000	0.0%	0
CHARGES FOR SERVICES	7,997,198	7,607,900	8,224,959	8,153,095	-0.9%	(71,864)
LOCAL GOVERNMENT	0	6,982	0		0.0%	0
OTHER MISC REVENUES	758	11,778	0		0.0%	0
RENTS	109,501	79,016	0		0.0%	0
STATE GOVERNMENT	145,889	192,755	0		0.0%	0
TRANSFERS IN	60,000	0	0		0.0%	0
SPECIAL REVENUE	8,313,346	7,901,690	8,230,959	8,159,095	-0.9%	(71,864)
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TOTAL REVENUE	8,313,346	7,901,690	8,230,959	8,159,095	-0.9%	(71,864)

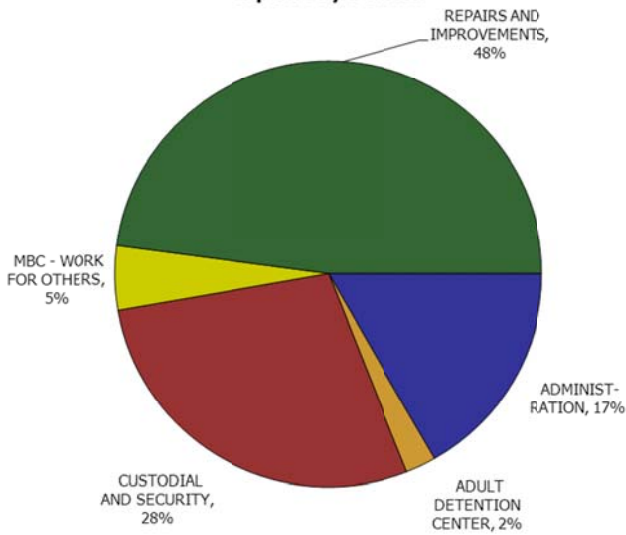
Expense 2010 - 2013



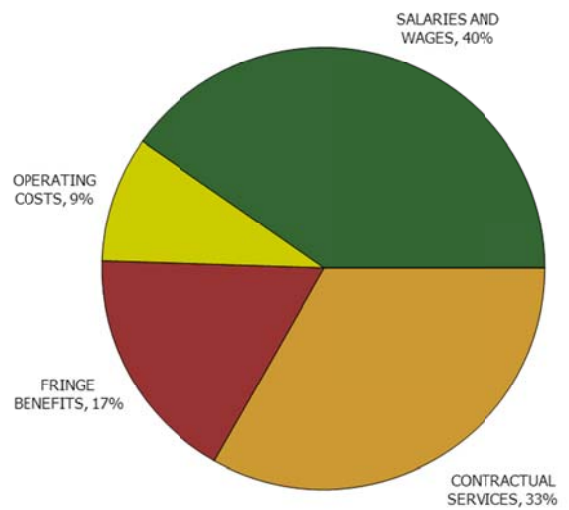
Revenue 2010 - 2013



Expense by Division



Expense by Category

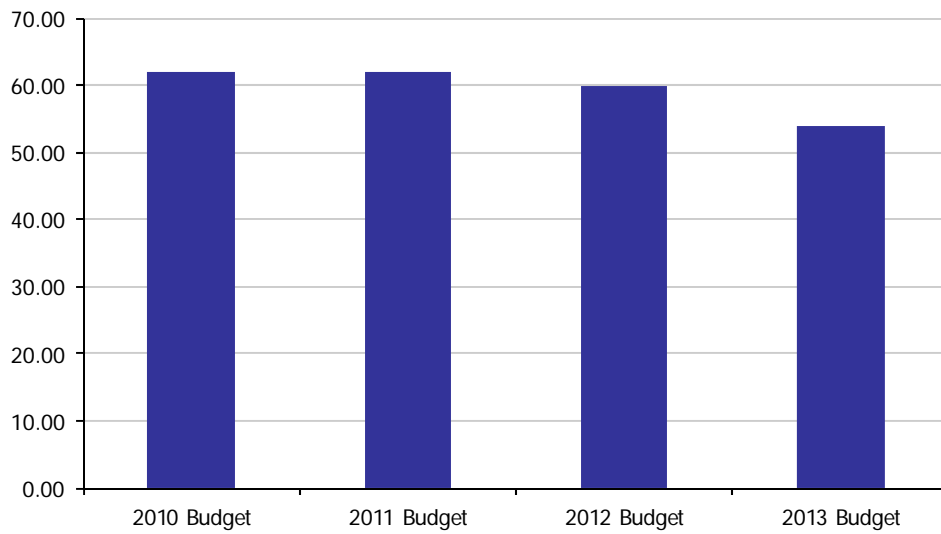


MUNICIPAL BUILDING COMMISSION

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Budget	% Change	Change
REPAIRS AND IMPROVEMENTS	17.00	15.00	15.00	15.00	0.0%	
ADMINISTRATION	7.00	6.00	6.00	6.00	0.0%	
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	
CUSTODIAL AND SECURITY	33.00	34.00	28.00	29.00	3.6%	1.00
TOTAL	62.00	60.00	54.00	55.00	1.9%	1.00

Positions 2010-2013



MINNEAPOLIS PUBLIC HOUSING AUTHORITY

MISSION

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

BUSINESS LINES

Strategic Plan

MPHA recently completed its 5 year Strategic Plan. The Plan identifies 3 strategic focus areas that will become the cornerstone of MPHA's business planning. The focus areas are:

1. Property and capital management to ensure preservation and growth of MPHA's assets
2. Policy and program formulation to continue to provide safe and affordable housing.
3. Partnerships to contribute to the health and well-being of residents and participants and the livability of Minneapolis neighborhoods

The entire Strategic Plan can be found at

<http://www.mphaonline.org/wp-content/uploads/2012/10/MPHA-Strategic-Plan-10-30-2012.pdf>

Low Income Public Housing Overview

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

Low Income Public Housing Performance

High Performer Status. When MPHA first became an independent agency twenty one years ago, it was at risk of being labeled a "troubled" housing authority. It pursued a strategic vision, and with bold and consistent leadership, was able to transform itself. MPHA achieved HUD's highest performance rating, and for over a decade MPHA has maintained that status. Under the Public Housing Assessment System (PHAS), HUD rates public housing authorities across the nation in various performance categories, including the physical condition of property, financial status, and management practices. Through prudent investments and wise operational practices, MPHA has consistently received grades in excess of 90% in all these areas.

Section 8 Housing Choice Voucher Program Overview

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

Eligibility for participation in the Section 8 HCV Program is based on income, eligible citizenship status, and the ability to pass a criminal history background check. The amount of the subsidy available to the family is based on the family's income level and the household's composition. In

general, the family's income may not exceed 50 percent of the median income for the county or metropolitan area in which the family chooses to live. By law, MPHA must provide 75 percent of its vouchers to applicants whose incomes do not exceed 30 percent of the area median income. MPHA has over 670 Project Based Vouchers, 100 Family Unification Program (FUP) vouchers and 205 Veterans Affairs Supportive Housing (VASH) vouchers which allow the agency to partner with service providers and other housing organizations to support individuals and families who need services and housing assistance that may not be available through the traditional Section 8 Housing Choice Voucher program.

In 2012 MPHA, through its Moving To Work authority, began conducting a "Rent Reform Impact Study" for its Section 8 Housing Choice Voucher Program. This study is assessing the potential for a new rent policy that will reduce costs in the Housing Choice Voucher Program; provide opportunity to serve more families from the waiting list; and create incentives to facilitate families' successful move from the housing subsidy program into market rate housing or homeownership. MPHA is currently working with a Consultant on the "Rent Reform Impact Study".

Section 8 Housing Choice Voucher Program

High Performer Status. In 2007 and each consecutive year thereafter, HUD awarded MPHA with the valued distinction of High Performer through its Section Eight Management Assessment Program (SEMAP). In 2011 MPHA received a perfect score of 100% from HUD.

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

In July 2010 MPHA entered into an agreement with the Minneapolis Police Department to assist the Section 8 HCV Program with its program integrity. A Minneapolis Police Sergeant investigates alleged criminal activity, neighborhood complaints, and suspected fraud committed by voucher holders or program owners who participate in the Section 8 HCV Program. The goal is to clearly demonstrate MPHA's commitment to protecting the Program's integrity when there is reason to believe that any criminal or fraudulent activity is taking place in connection with the Section 8 HCV Program.

Capital Improvements Program

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

MPHA entered into a \$33.6 million Energy Performance Contract with Honeywell International, Inc. in 2007 to implement energy conservation measures throughout MPHA's high-rise apartment inventory. The contract, which is primarily financed through a municipal lease from Bank of America, was authorized under a special HUD incentive program that encourages PHAs to borrow private capital to fund energy improvements. The improvements, now completed, include replacing

40-to-50-year-old boilers, installing low flow toilets and shower heads, and replacing existing stoves with energy efficient models. This fully implemented project is now in its “guaranteed savings period”, which yields over \$2 million of combined water, gas, and electricity savings annually. These savings provide the financial backing for satisfying the Bank of America loan which paid for the conservation improvements.

American Recovery and Reinvestment Act (ARRA) Grants. The American Recovery and Reinvestment Act of 2009 was enacted by Congress and signed into law by President Barack Obama on February 17, 2009. The purpose of this legislation was to provide a stimulus to the U.S. economy in the wake of the economic downturn brought about by the subprime mortgage crisis and the resulting credit crunch. In March 2009, MPHA received an ARRA Capital Fund Formula Grant of \$18.2 million and has completed all of the work associated with this grant. In addition, MPHA successfully competed for three ARRA grants totaling over \$31.6 million, which were awarded in September 2009, for the creation of a new state-of-the-art Senior Center, a first in the nation “green” 48-unit public housing Memory Care–Continuum of Care housing development, and an energy efficient Scattered Site “green” initiative. All of the work has now been completed on these grants and the new facilities became operational in the spring of 2012 and are now fully occupied. In August 2012, HUD conducted a comprehensive audit of MPHA’s compliance with the ARRA requirements for the Agency’s grant awards and did not identify any findings.

Funding Sources and Uses

As in previous years, the MPHA is heavily financed from the federal government. In 2011, federal grants and subsidies made up 84 percent of the MPHA’s sources of funds. These funds were provided for general program operation, capital uses for both improvements for existing structures and new public housing development, and Section 8 housing assistance subsidies. The percentage of funding provided from capital grants increased from 13 percent of the sources in 2008 to 21 percent of total sources in 2009 and 2010, and to 25 percent in 2011. The increase in capital grants primarily relates to capital funding from ARRA and the decision to accelerate capital spending given the financial flexibility afforded by the MTW Program.

The majority of uses were for housing assistance payments (HAP) to Section 8 landlords, which made up 37 percent of uses in 2011 compared to 28 percent in 2010.

2013 Federal Funding Outlook

MPHA is predominantly funded by the federal government through federal grants and subsidies. Although federal appropriations have not been determined for 2013, MPHA anticipates that there will be significant reductions in federal assistance. There is great uncertainty in funding for MPHA’s programs in 2013. The Budget Control Act of 2011 would impose an 8.2% automatic cut to 2012 appropriation levels for funding MPHA programs in 2013. The nation’s leaders continue to work on legislation to avoid the so called “fiscal cliff” but currently a resolution has not been accomplished.

FINANCIAL ANALYSIS

Expenditure & Revenue

The City sponsored portion of MPHA’s expense and revenue budgets match at \$196,000.

Mayor’s Recommended Budget

The Mayor recommended a \$200,000 tax levy for MPHA that is estimated to provide \$196,000 in revenue.

Adopted Budget

The Board approved the Mayor’s recommendation.

Total Budget Request	
Sources	
Tax Levy ¹	\$196,000
Uses	
Operations/Security	\$196,000

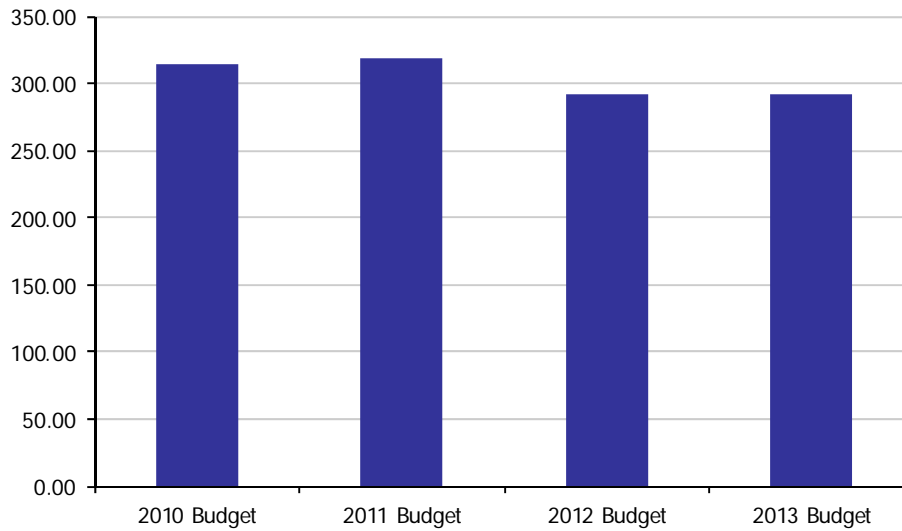
¹ \$200,000 tax levy with an assumed 98% collection rate .

MPHA

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Budget	% Change	Change
PUBLIC HOUSING	313.86	318.00	292.00	292.00	0.0%	
TOTAL	313.86	318.00	292.00	292.00	0.0%	

Positions 2010-2013



PARK AND RECREATION BOARD

MISSION

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

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

BUSINESS LINES

- Park Administrative Services
- Asset Management
- Community Outreach
- Environmental Management
- Forestry
- Information Technology Services
- Park Police
- Planning and Project Management
- Recreation

2011-2013 STRATEGIC DIRECTION

The Commissioners of the Minneapolis Park and Recreation Board participated in a three month strategic planning process to set the strategic direction for the Minneapolis Park and Recreation Board for 2011-2013. The Commissioners identified priorities through the completion of surveys, work session discussions and committee study reports. The 2011–2013 Strategic Direction represents Board and Superintendent Priorities that are aligned with comprehensive plan goals and objectives. The 2011–2013 Strategic Direction was adopted by the Board on August 18, 2010 and is identified below in bold type.

2013 BUDGET FRAMEWORKS

The proposed 2013 budget frameworks within the 2011-2013 Strategic Direction were adopted by the Board on July 18, 2012. The frameworks combine Board and Superintendent priorities and direction along with comprehensive plan goals and objectives. The 2013 budget frameworks within the 2011-2013 Strategic Direction provided the outline and context for the development of the 2013 Annual Budget. Departmental goals and performance measures that align with the 2013 budget frameworks and 2011-2013 Strategic Direction have been developed and are included in the individual departments' work plan for 2013.

- I. **Focus resources on a well maintained park system. Address issues of aging infrastructure especially in neighborhood parks. Use Comprehensive plan as guidance for maintenance of natural areas and boulevard trees.**

2013 Budget Frameworks

- a. Continue funding and implementation of the 2012-2018 parkway paving and lighting improvement program in partnership with the City of Minneapolis.
- b. Identify strategies that focus on sustainable models for maintaining the park system's physical infrastructure, including evaluating, identifying and recommending alternative capital revenue sources such as partnerships, sponsorships and special taxing districts.
- c. Identify strategies to maintain natural areas.

- d. Identify strategies to maintain the Urban Forest Canopy and respond to threats to the canopy (i.e. disease, storms, and other natural disasters)

II. Become a national leader in issues of sustainability, including collaborative efforts with the City Council, Mayor, County, local business leaders, and the public, making our city greener, cleaner, and energy efficient.

2013 Budget Frameworks

- a. Identify strategies to operate and maintain the Park system in a more sustainable manner. Strategies need to address issues such as improved energy efficiency, improving the City's natural habitats, hosting green events, implementing operational sustainability initiatives. Incorporate partnerships with other agencies in these efforts.
- b. Implement priority elements of the 2012 urban agriculture activity plan.

III. Focus on our partnerships, especially with the City and the Public schools to focus on the service delivery and responsibilities across jurisdictions to assess what is working and what can be changed or improved in difficult financial times.

2013 Budget Frameworks

- a. Continue to implement changes in fleet management as recommended by the operations review completed in 2012.
- b. Improve delivery and coordination of recreation programs and services through clearly defined partnership and shared use agreements, leases, and strategic outreach and engagement initiatives.
- c. Participate actively in the implementation of the Fort Snelling Upper Bluff Joint Powers Agreement with the Minnesota Department of Natural Resources, Hennepin County, National Park Service and Minnesota Historical Society.

IV. Focus on: new strategies of community engagement, including greater transparency and information that is posted online, outreach strategies, and clarity about our processes and procedures. Enhance our communications and relationships with communities, media, agencies, and partners.

2013 Budget Frameworks

- a. Develop communications and marketing strategies for MPRB that provide for improved transparency and information sharing, opportunities for community outreach, and sharing of MPRB processes and procedures.
- b. Identify strategies for addressing the technology infrastructure needs across the Park system; improve and enhance the Park Board's utilization of technology to improve access to information, enhance service delivery and improve operating efficiencies.

- V. **Focus on a financial plan that increases revenue growth with grants, new program offerings, sponsorships and foundation giving, but also plan for potential budget reductions that are the result of projected state deficits or increased costs.**

2013 Budget Frameworks

- a. Develop a strategic financial plan that provides for improved operating efficiencies, increased workforce flexibility, exploration of new program opportunities, leveraging volunteers, and expanded revenue growth with nontraditional sources.
- b. Develop a long-range plan to address business operations and program development and delivery service needs for golf operations.
- c. Evaluate, identify, and recommend strategies for improved self-sufficiency.
- d. Develop a strategic plan to improve workplace safety and implement recommendations identified in the Occupational Health and Safety Review completed in 2012.

- VI. **Assure that basic services and programs remain accessible, community based, and equitable. Reaffirm the importance of outdoor activities for children.**

2013 Budget Frameworks

- a. Facilitate evaluation process of youth and adult programs that engages program participants and non-participants to assess needs, interests, access, fee structures and variety.
- b. Increase offerings and promotion of programs that re-connect children to the outdoor environment.
- c. Evaluate demand for facilities and athletic fields and develop a strategic plan for providing facilities that meet community priorities.
- d. Develop ADA compliance plan and implementation strategy for the plan.
- e. Identify areas for improved park user safety and develop strategic plan to implement recommendations.

MINNEAPOLIS PARK AND RECREATION BOARD 2013 ANNUAL BUDGET

More information regarding the Minneapolis Park and Recreation Board 2013 Annual Budget, and the Board's published budget book can be found at www.minneapolisparcs.org.

Expenditure

The Board's 2013 expense budget is \$93.3 million, a 0.9% increase over 2012. 55% of the Board's expenses are for personnel, with the remainder for capital, operating costs, contractual services and transfers.

Revenue

The Board's 2013 revenue budget is \$93.7 million, a 1.3% increase over 2012. 62% of the Board's revenue comes from property taxes, with the remainder coming from service charges, rents, intergovernmental aid and other sources.

Mayor's Recommended Budget

The Mayor recommended a 2.96% increase in the levy for the Board.

Board Adopted Budget

The Board adopted its budget with the Mayor's recommended levy.

**PARK BOARD
EXPENSE AND REVENUE INFORMATION**

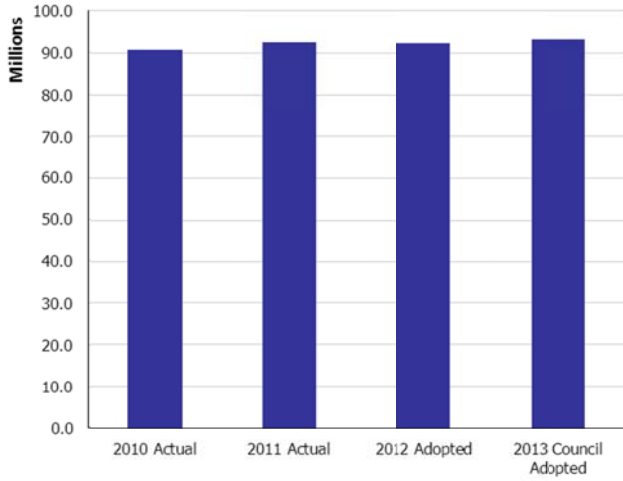
EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
INTERNAL SERVICE						
SALARIES AND WAGES	1,748,463	1,620,896	1,717,186	1,641,279	-4.4%	(75,907)
FRINGE BENEFITS	1,843,885	2,325,961	2,176,778	2,304,352	5.9%	127,573
CONTRACTUAL SERVICES	507,286	421,106	638,183	714,922	12.0%	76,740
OPERATING COSTS	1,468,942	1,362,092	1,543,545	1,528,374	-1.0%	(15,170)
CAPITAL	1,160,037	1,681,341	1,188,583	1,265,435	6.5%	76,852
TOTAL INTERNAL SERVICE	6,728,612	7,411,396	7,264,275	7,454,362	2.6%	190,087
SPECIAL REVENUE						
SALARIES AND WAGES	28,496,105	27,179,305	27,095,242	30,563,503	12.8%	3,468,261
FRINGE BENEFITS	11,985,649	11,592,824	11,394,044	12,261,879	7.6%	867,835
CONTRACTUAL SERVICES	12,756,950	12,620,712	12,176,587	12,931,690	6.2%	755,103
OPERATING COSTS	15,121,506	14,618,783	13,743,671	13,544,067	-1.5%	(199,604)
CAPITAL	256,822	279,025	5,135,649	4,911,794	-4.4%	(223,855)
TRANSFERS	1,907,739	5,167,787	1,430,000	1,430,000	0.0%	0
TOTAL SPECIAL REVENUE	70,524,771	71,458,436	70,975,193	75,642,933	6.6%	4,667,740
ENTERPRISE						
SALARIES AND WAGES	4,958,520	5,141,950	5,225,295	3,199,425	-38.8%	(2,025,870)
FRINGE BENEFITS	1,496,786	1,603,600	1,579,461	1,278,026	-19.1%	(301,435)
CONTRACTUAL SERVICES	4,036,799	4,334,585	3,672,969	2,920,874	-20.5%	(752,096)
OPERATING COSTS	2,349,067	2,059,400	1,921,552	1,486,032	-22.7%	(435,520)
CAPITAL	214,188	113,921	1,559,323	1,127,000	-27.7%	(432,323)
DEBT SERVICE	28,855	67,799	34,000	34,510	1.5%	510
TRANSFERS	536,899	389,500	295,000	200,000	-32.2%	(95,000)
TOTAL ENTERPRISE	13,621,114	13,710,756	14,287,599	10,245,866	-28.3%	(4,041,734)
TOTAL EXPENSE	90,874,497	92,580,588	92,527,067	93,343,160	0.9%	816,093

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	33,390	113,978	75,000	30,000	-60.0%	(45,000)
CHARGES FOR SERVICES	2,137,557	1,153,729	1,219,702	5,128,437	320.5%	3,908,735
CONTRIBUTIONS	498,711	439,741	150,000	216,500	44.3%	66,500
FEDERAL GOVERNMENT	214,077	863,474	0	0	0.0%	0
FINES AND FORFEITS	396,270	486,884	685,000	467,000	-31.8%	(218,000)
GAINS	0	23,400	0	0	0.0%	0
LICENSE AND PERMITS	240,661	342,062	385,000	315,000	-18.2%	(70,000)
LOCAL GOVERNMENT	2,440,988	2,387,091	1,885,420	1,915,420	1.6%	30,000
LONG TERM LIABILITIES PROCEEDS	20	0	0	0	0.0%	0
OTHER MISC REVENUES	298,930	75,204	28,000	28,000	0.0%	0
PROPERTY TAXES	56,504,674	58,277,092	57,229,163	57,824,667	1.0%	595,504
RENTS	843,672	680,337	646,600	1,141,600	76.6%	495,000

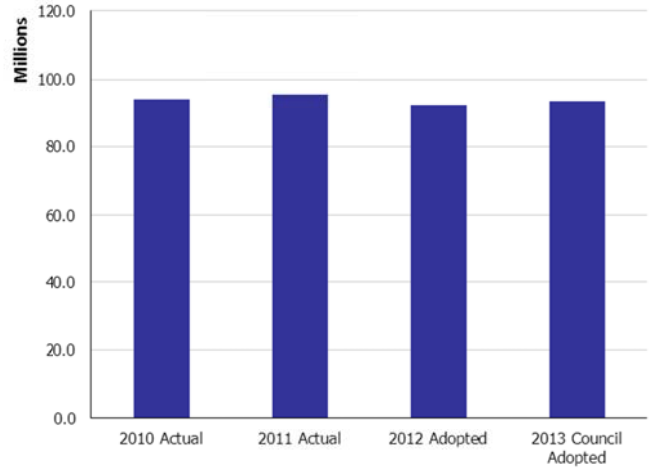
**PARK BOARD
EXPENSE AND REVENUE INFORMATION**

REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	Percent Change	Change
SALES AND OTHER TAXES	4,844	3,931	3,000	3,000	0.0%	0
SPECIAL ASSESSMENTS	1,250	0	0		0.0%	0
STATE GOVERNMENT	8,073,937	8,525,019	8,373,308	8,373,308	0.0%	0
TRANSFERS IN	323,733	323,623	295,000	200,000	-32.2%	(95,000)
SPECIAL REVENUE	72,012,713	73,695,565	70,975,193	75,642,932	6.6%	4,667,739
INTERNAL SERVICE						
CHARGES FOR SALES	12,252	24,186	20,000	33,000	65.0%	13,000
CHARGES FOR SERVICES	918,451	919,672	1,099,890	1,234,080	12.2%	134,190
GAINS	10,847	41,970	0		0.0%	0
OTHER MISC REVENUES	2,540,632	2,342,451	2,028,027	1,975,221	-2.6%	(52,806)
RENTS	3,995,840	4,257,160	4,074,401	4,104,903	0.7%	30,502
SPECIAL ASSESSMENTS	0	7,623	0		0.0%	0
TRANSFERS IN	0	130,000	0		0.0%	0
INTERNAL SERVICE	7,478,023	7,723,061	7,222,318	7,347,204	1.7%	124,886
ENTERPRISE						
CHARGES FOR SALES	4,588	186	0		0.0%	0
CHARGES FOR SERVICES	12,154,309	11,122,148	12,222,269	9,529,078	-22.0%	(2,693,191)
CONTRIBUTIONS	450,621	390,179	240,000	25,000	-89.6%	(215,000)
FEDERAL GOVERNMENT	181,697	129,981	128,930		-100.0%	(128,930)
FINES AND FORFEITS	2,446	0	0		0.0%	0
FRANCHISE FEES	0	(51)	0		0.0%	0
INTEREST	1	290	0		0.0%	0
LICENSE AND PERMITS	11,924	2,900	0		0.0%	0
LOCAL GOVERNMENT	622,784	251,649	0		0.0%	0
LONG TERM LIABILITIES PROCEEDS	0	1,303	0		0.0%	0
OTHER MISC REVENUES	73,002	54,641	52,000	16,000	-69.2%	(36,000)
RENTS	1,265,192	1,968,295	1,644,400	1,091,931	-33.6%	(552,469)
STATE GOVERNMENT	0	117,379	0		0.0%	0
TRANSFERS IN	4,967	0	0		0.0%	0
ENTERPRISE	14,771,530	14,038,901	14,287,599	10,662,009	-25.4%	(3,625,590)
TOTAL REVENUE	94,262,266	95,457,527	92,485,110	93,652,145	1.3%	1,167,035

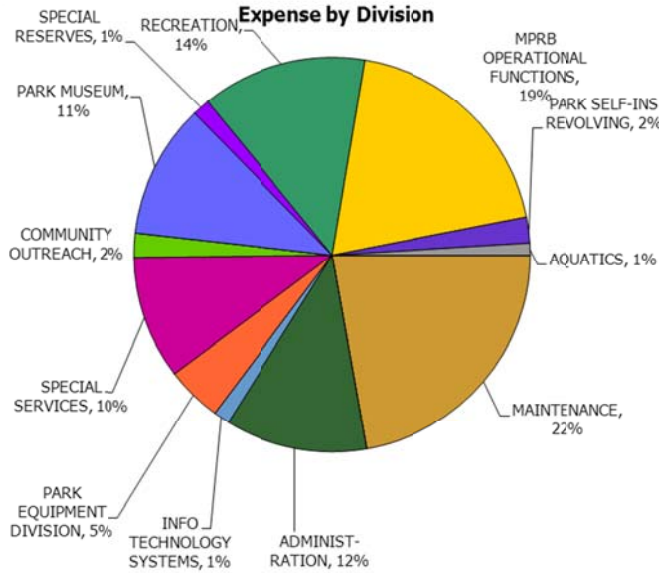
Expense 2010 - 2013



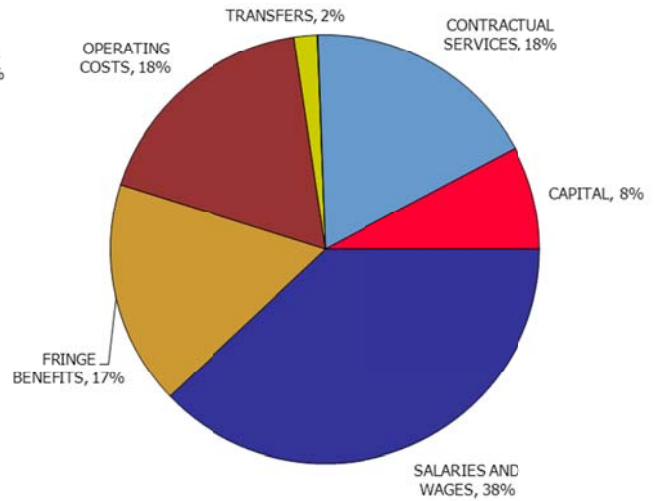
Revenue 2010 - 2013



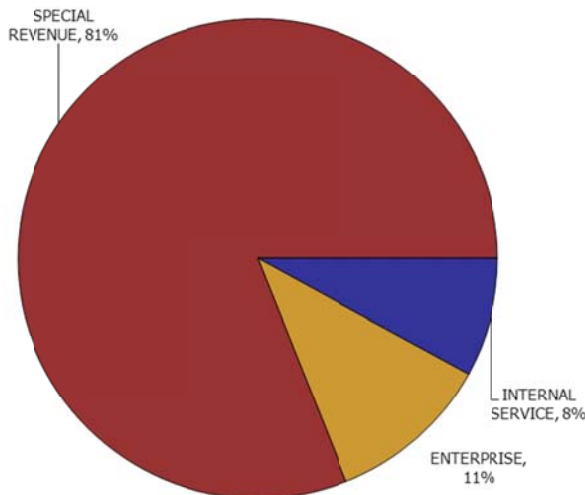
Expense by Division



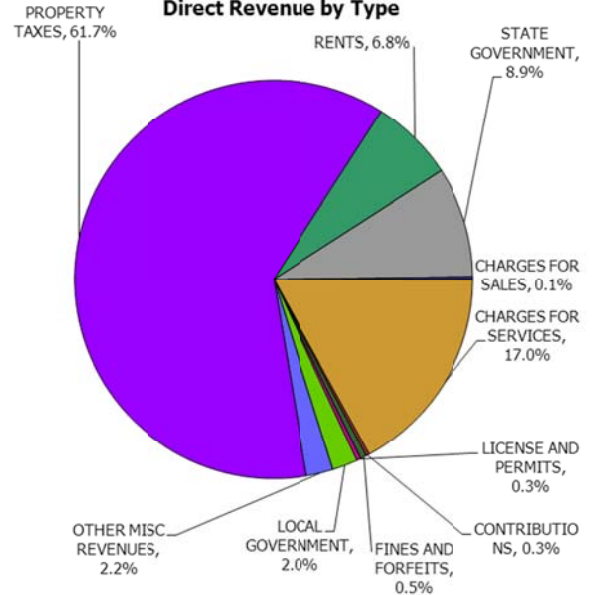
Expense by Category



Expense by Fund



Direct Revenue by Type

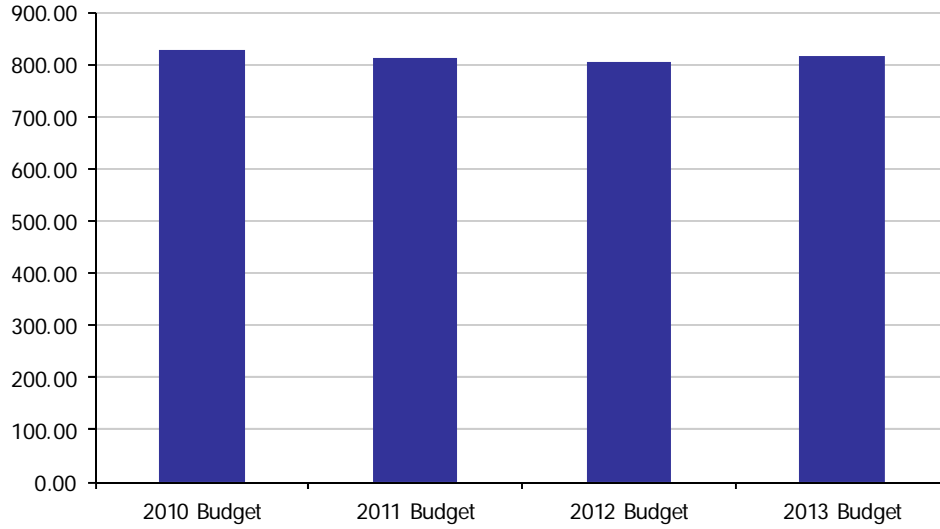


PARK BOARD

Staffing Information

	2010 Budget	2011 Budget	2012 Budget	2013 Budget	% Change	Change
TOTAL	827.00	811.18	802.40	814.72	1.5%	12.32

Positions 2010-2013



YOUTH COORDINATING BOARD

MISSION

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

GOALS AND STRATEGIC ACTIVITIES

The YCB has four primary goals for 2013:

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

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

FINANCIAL ANALYSIS

Expenditure

The 2013 expenditure budget for the YCB is \$1.6 million. \$306,000 comes from the City's general fund. In the past, YCB has been granted additional dollars through a joint powers agreement between the City, County, School District and the Park Board.

Revenue

The YCB's 2013 revenue budget is \$1.6 million. In addition to the joint powers agreement, other funding sources for YCB are County and foundation funding.

Mayor's Recommended Budget

The Mayor recommended funding remain the same for the Youth Development program in the City's Health and Family Support department.

Adopted Budget

The Board approved the Mayor's recommendation.

**YOUTH COORDINATING BOARD
EXPENSE AND REVENUE INFORMATION**

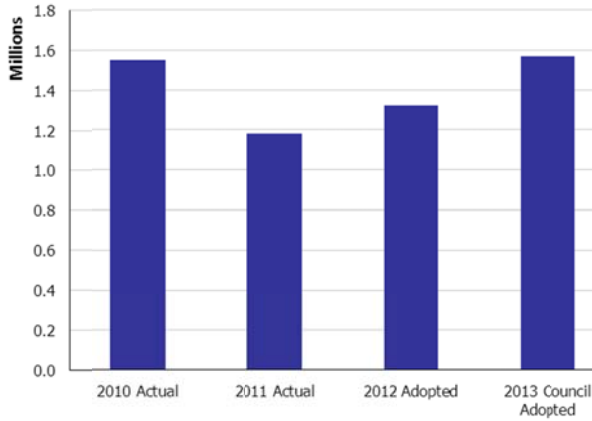
EXPENSE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	314,438	344,685	491,831	522,056	6.1%	30,225
FRINGE BENEFITS	91,006	102,781	0			0
CONTRACTUAL SERVICES	1,101,193	685,131	822,194	1,035,377	25.9%	213,184
OPERATING COSTS	46,101	46,584	12,800	13,375	4.5%	575
TOTAL SPECIAL REVENUE	1,552,738	1,179,182	1,326,824	1,570,808	18.4%	243,984

TOTAL EXPENSE	1,552,738	1,179,182	1,326,824	1,570,808	18.4%	243,984
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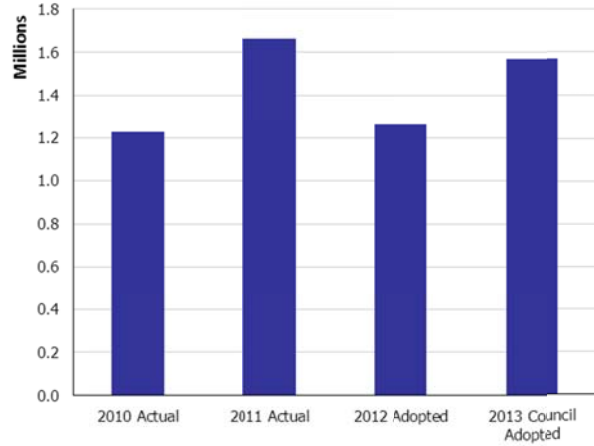
REVENUE	2010 Actual	2011 Actual	2012 Adopted	2013 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	298,695	421,962	147,000	518,000	252.4%	371,000
FEDERAL GOVERNMENT	64,803	64,803	0	64,803	0.0%	64,803
LOCAL GOVERNMENT	849,235	1,165,608	1,095,021	972,521	-11.2%	(122,500)
OTHER MISC REVENUES	88	61	18,803	14,000	-25.5%	(4,803)
RENTS	12,000	12,000	0		0.0%	0
SPECIAL REVENUE	1,224,821	1,664,434	1,260,824	1,569,324	24.5%	308,500

TOTAL REVENUE	1,224,821	1,664,434	1,260,824	1,569,324	24.5%	308,500
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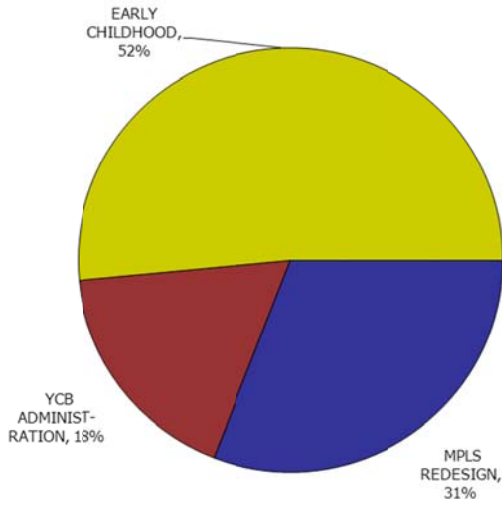
Expense 2010 - 2013



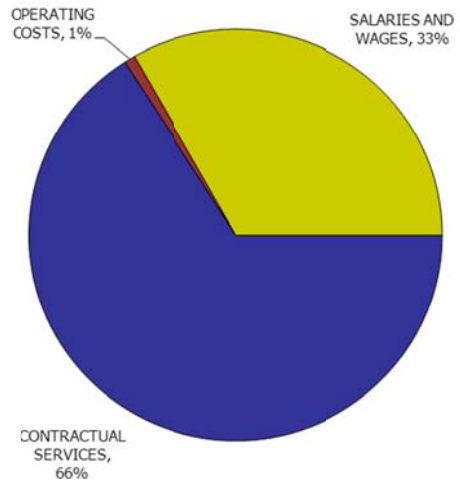
Revenue 2010 - 2013



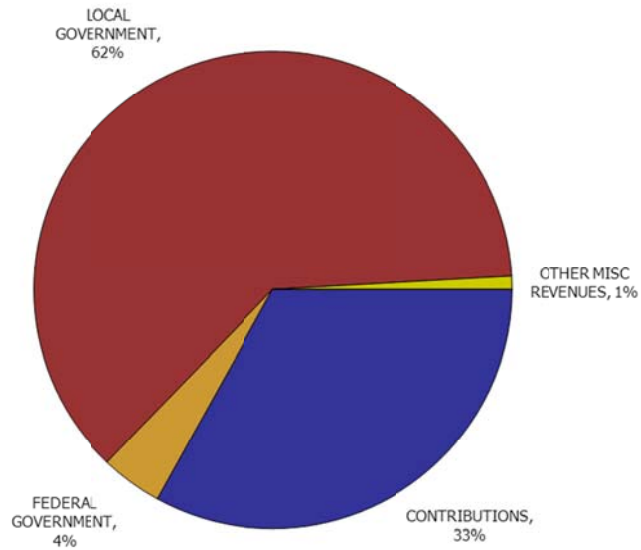
Expense by Division



Expense by Category



Direct Revenue by Type

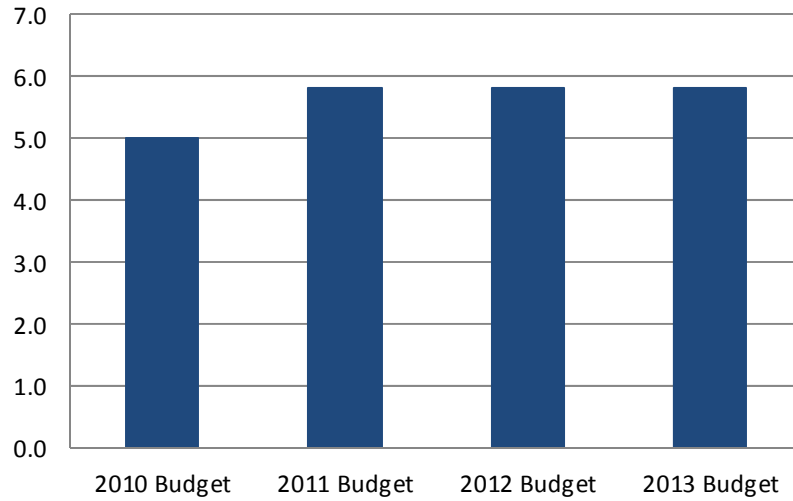


YOUTH COORDINATING BOARD

Staffing Information

Division	2010 Budget	2011 Budget	2012 Budget	2013 Budget	% Change	Change
YOUTH COORDINATING BOARD	5.00	1.00	5.80	5.80	0.0%	
YCB ADMINISTRATION		1.00			0.0%	
NELC		3.80			0.0%	
TOTAL	5.00	5.80	5.80	5.80	0.0%	

Positions 2010-2013



**City of Minneapolis
2013 Budget**

Financial Schedules

The schedules that follow represent the legally adopted appropriations, revenue estimates, project allocations, fees, and charges.

➤ Schedule 1	Fund Summary and Changes to Fund Balance	J2
➤ Schedule 2	Revenues by Fund and Type	J6
➤ Schedule 3	Expenditures by Fund and Department	J38
➤ Schedule 4	Community Development Block Grant Program	J57
➤ Schedule 5	Summary of Positions by Department and Agency (including footnotes)	J62
➤ Schedule 6 & 7	CPED Program Allocations by Fund	J66
➤ Schedule 8	Interfund Transfers	J67
➤ Schedule 9	Financial Policies Scorecard	J74

SCHEDULE ONE
FUND SUMMARY - CHANGES TO FUND BALANCE

		<u>Total Revenue</u>	<u>Total Expense</u>	<u>Change in Fund Balance</u>
GENERAL	GENERAL FUND	368,631,638	351,736,652	16,894,986
TOTAL GENERAL		368,631,638	351,736,652	16,894,986
SPECIAL REVENUE	TAX INCREMENT ADMINISTRATION		40,000	(40,000)
	Central Ave Lofts	52,431	47,746	4,685
	CAMDEN MEDICAL FACILITY	44,760		44760
	ST ANNE'S HOUSING	24,067	22,185	1,882
	ANTIQUES MINNESOTA	36,649	34,331	2,318
	COMMON PROJECT UNCERTIFIED	94,120	1,745,347	(1,651,227)
	CHICAGO AND LAKE	272,304		272304
	NINTH & HENNEPIN	150,819	83,573	67,246
	NORTH LOOP	7,128		7128
	INDUSTRY SQUARE	931		931
	SEWARD SOUTH	6,782		6782
	CEDAR RIVERSIDE	10,616		10,616
	HOUSING FOR CHRONIC ALCOHOLICS	28,303		28303
	HENNEPIN & LAKE	3,432		3432
	BROADWAY 35-W	3,743		3743
	BOTTINEAU	166,402	150,432	15,970
	CONSERVATORY	11,950		11950
	LORING PARK	75		75
	LAUREL VILLAGE	2,627,970	108,574	2,519,396
	CITY CENTER	12,154		12154
	SOUTH NICOLLET MALL	900,000	8,704	891,296
	CLARE HOUSING		475	(475)
	2700 EAST LAKE	73,302	66,576	6,726
	EAST PHILLIPS	21,326	19,668	1,658
	EAST VILLAGE	225,694	203,695	21,999
	50TH & FRANCE	229,451	207,047	22,404
	FRANKLIN PORTLAND WELLSTONE	41,797	38,077	3,720
	FORMER FED RESERVE	1,187,334	1,170,663	16,671
	GRAIN BELT	171,527	154,913	16,614
	GRACO TI	22,163	20,547	1,616
	GRAIN BELT HOUSING DIST 132	49,875	45,399	4,476
	13TH AND HARMON	280,134	252,703	27,431
	PARCEL C TI DISTRICT	467,671	424,459	43,212
	HISTORIC DEPOT REUSE DIST 93	803,557	2,603	800,954
	HENNEPIN & 7TH ENTERTAINMENT	2,166,131	2,075	2,164,056
	HUMBOLDT GREENWAY DIST 98	172,331	54,335	117,996
	HIAWATHA COMMONS HOUSING	79,552	72,110	7,442
	Humboldt Industrial Park	125,824	113,839	11,985
	HERITAGE LAND APTS	576,607	478,167	98,440
	HERITAGE PARK	334,683	1,625	333,058
	900 6TH AVE SE	62,981	57,210	5,771
	EAST HENNEPIN & UNIVERSITY	1,339,102	174,525	1,164,577
	IVY TOWER	777,857	361,063	416,794

JOURDAIN	44,831	40,839	3,992
LOCAL CONTRIBUTION FUND		1,118,225	(1,118,225)
Lonfellow Station	45,635	182,667	(137,032)
Lyndale Green	45,635	41,497	4,138
LOWRY RIDGE	96,300	86,584	9,716
LAKE STREET CENTER	2,086,803	1,871,578	215,225
MAGNUM LOFTS	54,830	49,855	4,975
MANY RIVERS	48,081	43,813	4,268
MANY RIVERS WEST	27,807	25,551	2,256
1900 CENTRAL AVE HSG	78,227	70,917	7,310
NICOLLET FRANKLIN	229,792	207,692	22,100
NOKOMIS	92,164	83,473	8,691
NRP		650,678	(650,678)
Coloplast	306,108	277,914	28,194
Consolidated TIF District	8,197,477	2,669,515	5,527,962
PORTLAND PLACE	77,082	775	76,307
CENTRAL & 20TH	123,295		123,295
MILES I	105,983		105,983
NBA ARENA	957,906		957,906
PHILLIPS PARK	59,880	53,838	6,042
LASALLE PLACE	2,137,253		2,137,253
CAPITAL PROJECTS- OTHER	50,000	237,019	(187,019)
PRELIMINARY PLANNING	66,300	2,475,459	(2,409,159)
NEIMAN MARCUS	1,334,554		1,334,554
IDS DATA SERVICE CENTER	2,980,255		2,980,255
PARK AVENUE EAST		4,548	(4,548)
RIPLEY GARDENS	54,871	49,917	4,954
CREAMETTE DISTRICT 84	164,860	148,226	16,634
MARSHALL RIVER RUN	87,826	79,575	8,251
ROSACKER NURSERY SITE	148,388		148,388
STONE ARCH APARTMENTS	319,496	288,113	31,383
SPRING & CENTRAL	13,927		13,927
SHINGLE CREEK COMMONS	78,435	71,106	7,329
ST ANTHONY MILLS	82,645	74,917	7,728
STINSON	866,022	881,095	(15,073)
SEMI-PHASE 1	506,759	487,175	19,584
SEMI-PHASE 2	254,340	229,479	24,861
SEMI-PHASE 3	63,788	550	63,238
SEMI-PHASE 4		725	(725)
SEMI-PHASE 5	159,425	144,032	15,393
TOWERS AT ELLIOT PARK	1,431,272	2,475	1,428,797
2ND ST N HOTEL/APTS TOWNPLACE	242,392	218,709	23,683
10TH AND WASHINGTON	469,938	750	469,188
UNITED VAN BUS	69,597		69,597
EAST RIVER / UNOCAL SITE	209,608	775	208,833
URBAN VILLAGE	410,999	451,900	(40,901)
Van Cleve East	36,738	33,553	3,185
VILLAGE IN PHILLIPS HOUSING	46,151	42,178	3,973
Van Cleve Redevelopment		110,232	(110,232)
Van Cleve West	55,782	50,651	5,131
WASHINGTON COURTS APTS	19,549	18,069	1,480
WEST SIDE MILLING DISTRICT	2,486,232	1,868	2,484,364

WEST RIVER COMMONS	101,005	91,426	9,579
HSG REPLACE-WATERSHED 0	285,997	195,582	90,415
HOUSING REPLACEMENT 2	37,743	825	36,918
HSG REPLACE-WATERSHED 3	5,045	525	4,520
BLOCK 33	13,295		13295
CPED NEIGHBORHOOD DEVEL ACCT		290,567	(290,567)
CPED OPERATING	360,637	6,613,155	(6,252,518)
DEVELOPMENT ACCOUNT	70,000	1,340,152	(1,270,152)
ECONOMIC DEVELOPMENT PROGRAM	3,400,000	3,825,118	(425,118)
HOUSING PROGRAM		1,351,939	(1,351,939)
HOME OWNERSHIP WORKS		500,000	(500,000)
RESIDENTIAL HOUSING	239,000	310,530	(71,530)
BOARD OF ESTIMATE AND TAXATION	171,500	177,500	(6,000)
Downtown Improvement District	5,800,000	5,800,000	0
POLICE DEPT - SPECIAL REVENUE	1,740,740	1,740,437	303
ARENA - RESERVE	1,300,000	5,707,000	(4,407,000)
GRANTS - FEDERAL	11,069,905	11,004,905	65,000
CDBG & UDAG FUNDS	14,356,456	14,356,457	(1)
HOME	2,167,961	2,167,961	0
GRANTS - OTHER	7,551,146	7,551,144	2
CONVENTION CENTER OPERATIONS	71,248,132	42,744,514	28,503,618
NCR - SPECIAL REVENUE		1,303,741	-1303740.691
Regulatory Services Special Revenue Fund	4,325,671	4,959,261	(633,590)
EMPLOYEE RETIREMENT	29,115,800	29,115,800	0
PARK - GENERAL FUND	63,931,151	64,001,151	(70,000)
PARK - MUSEUM (ART INSTITUTE)	10,181,181	10,181,181	(0)
PARK - GRANT & SPECIAL REVENUE	1,330,600	30,600	1,300,000
MUNICIPAL BUILDING COMMISSION	8,159,095	8,219,078	(59,983)
YOUTH COORDINATING BOARD	1,569,324	1,570,808	(1,484)
PUBLIC HOUSING AUTHORITY	196,000	196,000	0
TOTAL SPECIAL REVENUE	279,916,157	245,088,530	34,827,627
CAPITAL PROJECT			
CAPITAL IMPROVEMENTS	81,053,500	86,015,378	(4,961,878)
PARK - CAPITAL IMPROVEMENTS	5,375,000	7,500,000	(2,125,000)
PARK-CAPITAL IMPROVE-ASSESSED	300,000	300,000	0
MBC - CAPITAL IMPROVEMENTS	1,854,000	1,854,000	0
TOTAL CAPITAL PROJECT	88,582,500	95,669,378	(7,086,878)
DEBT SERVICE			
01 IMPROVEMENT BONDS - 20 YR		175,850	(175,850)
96 IMPROVEMENT BONDS		117,750	(117,750)
97 IMPROVEMENT BONDS		110,475	(110,475)
98 IMPROVEMENT BONDS		7,486	(7,486)
CPED DEBT SERVICE		2,861,682	(2,861,682)
NOV10 IMPROV BOND D/S		1,065,050	(1,065,050)
NOV11 IMPROV BOND D/S		1,570,988	(1,570,988)
NOV12 IMPROV BOND D/S		983,193	-983193
OCT 02 IMPROV BOND D/S		333,400	(333,400)
NOV03 IMPROV BOND D/S		519,550	(519,550)
NOV04 IMPROV BOND D/S		688,460	(688,460)
NOV05 IMPROV BOND D/S		344,688	(344,688)
NOV06 IMPROV BOND D/S		316,100	(316,100)
NOV07 IMPROV BOND D/S		496,625	(496,625)

	NOV08 IMPROV BOND D_S		951,113	(951,113)
	NOV09 IMPROV BOND D/S		1,144,800	(1,144,800)
	Diseased Tree Assessment D/S		370,800	(370,800)
	BOND REDEMPTION - DEBT SERVICE	20,776,000	17,174,078	3,601,922
	OTH SELF SUPPORTING DEBT SERVC		662,900	(662,900)
	MIDTOWN EXCH 108 LOAN ACCOUNT		586,292	(586,292)
	Library Ref Debt Service	9,114,000	8,897,473	216,527
	CONVENTION CENTER-DEBT SERVICE		17,532,928	(17,532,928)
	TARGET CENTER		5,272,286	(5,272,286)
	TAX INCREMENT - DEBT SERVICE		9,125,795	(9,125,795)
TOTAL DEBT SERVICE		29,890,000	71,309,762	(41,419,762)
INTERNAL SERVICE	MATERIALS & LAB-INTERNAL SVC	1,500,000	1,554,292	(54,292)
	EQUIPMENT - INTERNAL SERVICE	39,462,530	45,827,669	(6,365,139)
	Property Services	16,114,056	17,174,749	(1,060,693)
	STORES - INTERNAL SERVICE	1,035,000	1,040,174	(5,174)
	INFO TECH - INTERNAL SERVICE	30,133,030	31,866,308	(1,733,278)
	SELF INSURANCE-INTERNAL SVC	28,680,448	27,531,173	1,149,275
	PARK - INTERNAL SERVICE	5,371,983	5,479,141	(107,158)
	PARK-SELF INSURE-INTERNAL SVC	1,975,221	1,975,221	(0)
TOTAL INTERNAL SERVICE		124,272,268	132,448,726	(8,176,458)
ENTERPRISE	DEFAULTED PROPERTY ADMIN		9,337	(9,337)
	FED HOME LN BANK ECON DEVELOP		75,000	(75,000)
	RIVER TERMINAL		285,255	(285,255)
	GARFS	625,000	693,972	(68,972)
	THEATRES		37,243	(37,243)
	SURFACE WATER & SEWER-SANITARY	60,963,521	59,110,253	1,853,268
	SURFACE WATER & SEWER-STORMWATER	50,439,230	51,073,673	(634,443)
	WATER - ENTERPRISE	79,338,586	80,434,394	(1,095,808)
	MUNICIPAL PARKING-ENTERPRISE	57,610,234	60,981,214	(3,370,980)
	SOLID WASTE - ENTERPRISE	31,312,436	36,829,195	(5,516,759)
	PARK - OPERATIONS - ENTERPRISE	10,662,009	10,045,866	616,143
TOTAL ENTERPRISE		290,951,016	299,575,401	(8,624,385)
TOTAL ALL FUNDS		1,182,243,579	1,195,828,450	(13,584,871)

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
GENERAL					
GENERAL FUND					
PROPERTY TAXES	68,945	170,560,293	177,107,815	170,933,820	-3.5%
SALES AND OTHER TAXES		14,717		13,700,000	100.0%
FRANCHISE FEES	3,280,722	29,128,371	27,500,000	27,400,000	-0.4%
LICENSE AND PERMITS	26,540,842	30,384,076	29,320,911	32,575,423	11.1%
FEDERAL GOVERNMENT	23,834				0.0%
STATE GOVERNMENT	11,088,950	67,784,615	66,981,812	69,008,791	3.0%
LOCAL GOVERNMENT	1,038,177	647,559	531,405	531,405	0.0%
CHARGES FOR SERVICES	10,987,675	37,841,455	40,319,578	39,715,374	-1.5%
CHARGES FOR SALES	66,060	106,101	41,433	42,175	1.8%
FINES AND FORFEITS	8,810,328	9,499,798	9,495,414	8,848,000	-6.8%
SPECIAL ASSESSMENTS	2,792,888	3,165,645	2,342,804	2,462,080	5.1%
INTEREST	1,847,817	1,968,459	1,500,000	1,600,000	6.7%
RENTS	4,227	1,459			0.0%
CONTRIBUTIONS	492,246	556,918	800,000	800,000	0.0%
OTHER MISC REVENUES	637,135	936,643	981,925	1,014,570	3.3%
Total GENERAL FUND	67,679,845	352,596,108	356,923,097	368,631,638	3.3%
TOTAL GENERAL	67,679,845	352,596,108	356,923,097	368,631,638	3.3%
SPECIAL REVENUE					
HUMBOLDT GREENWAY TE BONDS					
INTEREST	1,236	813			0.0%
Total HUMBOLDT GREENWAY TE BONDS	1,236	813			0.0%
URBAN VILLAGE TE BONDS					
INTEREST	(76)				0.0%
Total URBAN VILLAGE TE BONDS	(76)				0.0%
WEST SIDE MILLING TE BONDS					
INTEREST	0				0.0%
Total WEST SIDE MILLING TE BONDS	0				0.0%
WEST SIDE MILLING TE BONDS II					
INTEREST	74	6			0.0%
Total WEST SIDE MILLING TE BONDS II	74	6			0.0%
TAX INCREMENT ADMINISTRATION					
INTEREST	(15,532)	8,493			0.0%
Total TAX INCREMENT ADMINISTRATION	(15,532)	8,493			0.0%
Central Ave Lofts					
PROPERTY TAXES	78,516	56,187	58,171	52,412	-9.9%
INTEREST	201	92	25	19	-24.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total Central Ave Lofts	78,717	56,280	58,196	52,431	-9.9%
<u>CAMDEN MEDICAL FACILITY</u>					
PROPERTY TAXES	40,280	46,255	47,180	44,317	-6.1%
INTEREST	1,264	1,349	72	443	515.3%
Total CAMDEN MEDICAL FACILITY	41,544	47,604	47,252	44,760	-5.3%
<u>ST ANNE'S HOUSING</u>					
PROPERTY TAXES	27,996	23,779	24,255	24,067	-0.8%
INTEREST	22	(30)	2		-100.0%
Total ST ANNE'S HOUSING	28,018	23,749	24,257	24,067	-0.8%
<u>ANTIQUES MINNESOTA</u>					
PROPERTY TAXES	34,423	34,336	35,023	36,647	4.6%
INTEREST	38	(118)	5	2	-60.0%
Total ANTIQUES MINNESOTA	34,461	34,218	35,028	36,649	4.6%
<u>COMMON PROJECT UNCERTIFIED</u>					
CHARGES FOR SERVICES	1,500	1,326			0.0%
CHARGES FOR SALES	10,235	102,578			0.0%
INTEREST	(35,182)	30,684			0.0%
RENTS	201,332	141,810	93,760	94,120	0.4%
OTHER MISC REVENUES	128,795		638,000		-100.0%
Total COMMON PROJECT UNCERTIFIED	306,681	276,399	731,760	94,120	-87.1%
<u>WEST BROADWAY</u>					
PROPERTY TAXES	(555)				0.0%
INTEREST	3,390	311	363		-100.0%
Total WEST BROADWAY	2,835	311	363		-100.0%
<u>EAST BANK 1335</u>					
PROPERTY TAXES	(12,260)	(16,840)			0.0%
INTEREST	9,543	(95)	585		-100.0%
Total EAST BANK 1335	(2,716)	(16,935)	585		-100.0%
<u>GRANT</u>					
PROPERTY TAXES		(9,184)			0.0%
INTEREST	558	(83)	256		-100.0%
Total GRANT	558	(9,268)	256		-100.0%
<u>CHICAGO AND LAKE</u>					
PROPERTY TAXES	212,845	260,142	265,345	271,196	2.2%
INTEREST	2,596	3,383	1,108	1,108	0.0%
Total CHICAGO AND LAKE	215,441	263,525	266,453	272,304	2.2%
<u>NINTH & HENNEPIN</u>					
PROPERTY TAXES	63,057	68,660	70,034	85,970	22.8%
INTEREST	(452)	(1,262)	48	49	2.1%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
OTHER MISC REVENUES			64,800	64,800	0.0%
Total NINTH & HENNEPIN	62,604	67,398	134,882	150,819	11.8%
<u>NORTH LOOP</u>					
PROPERTY TAXES	(749,940)	(7,768)			0.0%
INTEREST	16,492	(6,253)	7,128	7,128	0.0%
Total NORTH LOOP	(733,449)	(14,021)	7,128	7,128	0.0%
<u>INDUSTRY SQUARE</u>					
PROPERTY TAXES	(2,925)	(123,013)			0.0%
INTEREST	(30,490)	12,058	931	931	0.0%
Total INDUSTRY SQUARE	(33,414)	(110,955)	931	931	0.0%
<u>SEWARD SOUTH</u>					
PROPERTY TAXES	(3,926)				0.0%
INTEREST	12,814	(4,063)	6,782	6,782	0.0%
OTHER MISC REVENUES	8,166	8,166			0.0%
Total SEWARD SOUTH	17,054	4,103	6,782	6,782	0.0%
<u>CEDAR RIVERSIDE</u>					
PROPERTY TAXES	(14,844)	(196,152)			0.0%
INTEREST	21,675	2,833	10,616	10,616	0.0%
RENTS	38,926	38,938			0.0%
Total CEDAR RIVERSIDE	45,756	(154,381)	10,616	10,616	0.0%
<u>HOUSING FOR CHRONIC ALCOHOLICS</u>					
PROPERTY TAXES	26,670	31,527	32,157	28,296	-12.0%
INTEREST	634	32	7	7	0.0%
Total HOUSING FOR CHRONIC ALCOHOLICS	27,304	31,559	32,164	28,303	-12.0%
<u>HENNEPIN & LAKE</u>					
INTEREST	7,634	2,653	3,432	3,432	0.0%
Total HENNEPIN & LAKE	7,634	2,653	3,432	3,432	0.0%
<u>BROADWAY 35-W</u>					
INTEREST	8,325	(536)	3,743	3,743	0.0%
Total BROADWAY 35-W	8,325	(536)	3,743	3,743	0.0%
<u>BOTTINEAU</u>					
PROPERTY TAXES	164,438	180,421	186,999	166,285	-11.1%
STATE GOVERNMENT	2,302	2,548			0.0%
INTEREST	830	609	144	117	-18.8%
Total BOTTINEAU	167,570	183,578	187,143	166,402	-11.1%
<u>FRANKLIN AVENUE</u>					
INTEREST	9				0.0%
Total FRANKLIN AVENUE	9				0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
<u>CONSERVATORY</u>					
PROPERTY TAXES	3,966,200	2,941,676	4,031,821		-100.0%
INTEREST	30,141	27,503	11,950	11,950	0.0%
Total CONSERVATORY	3,996,341	2,969,180	4,043,771	11,950	-99.7%
<u>LORING PARK</u>					
PROPERTY TAXES	(1,879)				0.0%
INTEREST	27,754	(13,151)	75	75	0.0%
Total LORING PARK	25,875	(13,151)	75	75	0.0%
<u>LAUREL VILLAGE</u>					
PROPERTY TAXES	1,096,042	1,299,702	1,313,511	1,423,411	8.4%
INTEREST	30,234	38,076		4,559	100.0%
RENTS	2,337,786	1,975,444	1,000,000	1,200,000	20.0%
Total LAUREL VILLAGE	3,464,061	3,313,222	2,313,511	2,627,970	13.6%
<u>CITY CENTER</u>					
INTEREST	13,145	9,534	12,154	12,154	0.0%
Total CITY CENTER	13,145	9,534	12,154	12,154	0.0%
<u>SOUTH NICOLLET MALL</u>					
PROPERTY TAXES	9,263,654	8,966,796	9,631,018		-100.0%
INTEREST	47,644	37,548	30,808		-100.0%
RENTS	1,436,605	1,099,461	1,400,000	900,000	-35.7%
Total SOUTH NICOLLET MALL	10,747,904	10,103,805	11,061,826	900,000	-91.9%
<u>CENTRAL CARE NURSING HOME</u>					
INTEREST	(4)				0.0%
Total CENTRAL CARE NURSING HOME	(4)				0.0%
<u>CLARE HOUSING</u>					
PROPERTY TAXES	13,218	12,780	13,036		-100.0%
INTEREST	491	491	126		-100.0%
Total CLARE HOUSING	13,709	13,271	13,162		-100.0%
<u>DEEP ROCK TAX INCREMENT</u>					
INTEREST	(4)				0.0%
Total DEEP ROCK TAX INCREMENT	(4)				0.0%
<u>DOWNTOWN EAST LRT</u>					
INTEREST	22,410	(2,861)			0.0%
Total DOWNTOWN EAST LRT	22,410	(2,861)			0.0%
<u>2700 EAST LAKE</u>					
PROPERTY TAXES	87,441	69,716	80,500	73,279	-9.0%
INTEREST	453	228	48	23	-52.1%
Total 2700 EAST LAKE	87,894	69,944	80,548	73,302	-9.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
<u>EAST PHILLIPS</u>					
PROPERTY TAXES	26,266	17,808	23,926	21,326	-10.9%
INTEREST	130	77	2		-100.0%
Total EAST PHILLIPS	26,397	17,885	23,928	21,326	-10.9%
<u>EAST VILLAGE</u>					
PROPERTY TAXES	211,394	221,100	225,522	225,522	0.0%
INTEREST	1,663	1,145	181	172	-5.0%
Total EAST VILLAGE	213,057	222,246	225,703	225,694	0.0%
<u>50TH & FRANCE</u>					
PROPERTY TAXES	205,982	235,560	240,272	229,274	-4.6%
INTEREST	1,919	1,366	196	177	-9.7%
Total 50TH & FRANCE	207,901	236,926	240,468	229,451	-4.6%
<u>FRANKLIN PORTLAND WELLSTONE</u>					
PROPERTY TAXES	47,045	40,958	41,777	41,780	0.0%
INTEREST	(68)	(58)	17	17	0.0%
Total FRANKLIN PORTLAND WELLSTONE	46,977	40,900	41,794	41,797	0.0%
<u>FORMER FED RESERVE</u>					
PROPERTY TAXES	1,278,910	1,244,615	1,269,507	1,187,320	-6.5%
INTEREST	5,877	3,621	1,189	14	-98.8%
Total FORMER FED RESERVE	1,284,787	1,248,237	1,270,696	1,187,334	-6.6%
<u>GRAIN BELT</u>					
PROPERTY TAXES	163,046	173,211	176,674	171,403	-3.0%
INTEREST	955	678	135	124	-8.1%
Total GRAIN BELT	164,002	173,889	176,809	171,527	-3.0%
<u>GRACO TI</u>					
PROPERTY TAXES	111,038	(126,191)	54,002	22,163	-59.0%
INTEREST	(149)	(135)	21		-100.0%
Total GRACO TI	110,889	(126,326)	54,023	22,163	-59.0%
<u>GRAIN BELT HOUSING DIST 132</u>					
PROPERTY TAXES	48,646	50,191	51,194	49,860	-2.6%
INTEREST	778	979	21	15	-28.6%
Total GRAIN BELT HOUSING DIST 132	49,424	51,170	51,215	49,875	-2.6%
<u>110 GRANT</u>					
PROPERTY TAXES	492,499				0.0%
INTEREST	1,443	(1,532)			0.0%
Total 110 GRANT	493,942	(1,532)			0.0%
<u>13TH AND HARMON</u>					
PROPERTY TAXES	272,737	274,426	279,914	279,914	0.0%
INTEREST	(150)	(213)	232	220	-5.2%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total 13TH AND HARMON	272,587	274,213	280,146	280,134	0.0%
<u>PARCEL C TI DISTRICT</u>					
PROPERTY TAXES	466,952	468,041	478,060	467,296	-2.3%
STATE GOVERNMENT	285	853			0.0%
CHARGES FOR SALES		109,711			0.0%
INTEREST	14,221	3,931	411	375	-8.8%
Total PARCEL C TI DISTRICT	481,458	582,536	478,471	467,671	-2.3%
<u>HISTORIC DEPOT REUSE DIST 93</u>					
PROPERTY TAXES	767,093	770,978	786,397	799,169	1.6%
INTEREST	7,691	8,925	4,388	4,388	0.0%
Total HISTORIC DEPOT REUSE DIST 93	774,784	779,903	790,785	803,557	1.6%
<u>HENNEPIN & 7TH ENTERTAINMENT</u>					
PROPERTY TAXES	1,262,499	1,319,135	1,371,558	1,410,891	2.9%
INTEREST	34,728	15,746	6,027	5,240	-13.1%
RENTS	899,716	931,118	750,000	750,000	0.0%
Total HENNEPIN & 7TH ENTERTAINMENT	2,196,943	2,265,999	2,127,585	2,166,131	1.8%
<u>HUMBOLDT GREENWAY DIST 98</u>					
PROPERTY TAXES	323,902	221,174	242,108	172,331	-28.8%
STATE GOVERNMENT	14,957	16,120			0.0%
INTEREST	211	1,476	272		-100.0%
Total HUMBOLDT GREENWAY DIST 98	339,070	238,770	242,380	172,331	-28.9%
<u>HIAWATHA COMMONS HOUSING</u>					
PROPERTY TAXES	82,164	79,789	81,385	79,511	-2.3%
INTEREST	151	84	46	41	-10.9%
Total HIAWATHA COMMONS HOUSING	82,315	79,873	81,431	79,552	-2.3%
<u>Humboldt Industrial Park</u>					
PROPERTY TAXES	177,442	96,969	163,800	125,738	-23.2%
INTEREST	348	317	127	86	-32.3%
Total Humboldt Industrial Park	177,790	97,286	163,927	125,824	-23.2%
<u>HERITAGE LAND APTS</u>					
PROPERTY TAXES	453,274	519,175	529,560	530,158	0.1%
INTEREST	8,943	6,674	470		-100.0%
RENTS			46,000	46,449	1.0%
Total HERITAGE LAND APTS	462,216	525,849	576,030	576,607	0.1%
<u>HERITAGE PARK</u>					
PROPERTY TAXES	373,829	374,605	391,595	334,293	-14.6%
STATE GOVERNMENT	10,797	13,012			0.0%
INTEREST	4,249	905		390	100.0%
Total HERITAGE PARK	388,875	388,521	391,595	334,683	-14.5%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
<u>900 6TH AVE SE</u>					
PROPERTY TAXES	73,598	69,751	71,147	62,956	-11.5%
INTEREST	75	33	38	25	-34.2%
Total 900 6TH AVE SE	73,673	69,785	71,185	62,981	-11.5%
<u>EAST HENNEPIN & UNIVERSITY</u>					
PROPERTY TAXES	1,296,785	1,356,763	1,415,805	1,338,196	-5.5%
STATE GOVERNMENT	3,738	4,666			0.0%
INTEREST	23,241	17,514	1,136	906	-20.2%
Total EAST HENNEPIN & UNIVERSITY	1,323,764	1,378,943	1,416,941	1,339,102	-5.5%
<u>CAMDEN AREA IMPACT</u>					
INTEREST	0				0.0%
Total CAMDEN AREA IMPACT	0				0.0%
<u>IVY TOWER</u>					
PROPERTY TAXES	887,135	772,335	789,184	777,638	-1.5%
STATE GOVERNMENT	178	359			0.0%
CHARGES FOR SERVICES	225				0.0%
INTEREST	850	2,698	348	219	-37.1%
Total IVY TOWER	888,388	775,393	789,532	777,857	-1.5%
<u>JOURDAIN</u>					
PROPERTY TAXES	49,956	46,402	47,330	44,821	-5.3%
INTEREST	32	(2)	18	10	-44.4%
Total JOURDAIN	49,988	46,400	47,348	44,831	-5.3%
<u>LOCAL CONTRIBUTION FUND</u>					
CHARGES FOR SERVICES	598,758	391,152			0.0%
CHARGES FOR SALES	129,928				0.0%
INTEREST	77,066	71,104			0.0%
OTHER MISC REVENUES	79,268	1,566,346	462,000		-100.0%
Total LOCAL CONTRIBUTION FUND	885,021	2,028,603	462,000		-100.0%
<u>Lonfellow Station</u>					
PROPERTY TAXES			121,812	45,635	-62.5%
INTEREST		(285)			0.0%
Total Lonfellow Station		(285)	121,812	45,635	-62.5%
<u>Lyndale Green</u>					
PROPERTY TAXES			4,265	45,635	970.0%
Total Lyndale Green			4,265	45,635	970.0%
<u>LOWRY RIDGE</u>					
PROPERTY TAXES	95,253	103,285	103,014	96,204	-6.6%
STATE GOVERNMENT	164	436			0.0%
INTEREST	233	125	103	96	-6.8%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total LOWRY RIDGE	95,650	103,846	103,117	96,300	-6.6%
<u>LAKE STREET CENTER</u>					
PROPERTY TAXES	971,149	1,768,274	2,367,129	2,086,180	-11.9%
STATE GOVERNMENT	14,068	17,730			0.0%
INTEREST	9,988	14,497	1,014	623	-38.6%
Total LAKE STREET CENTER	995,205	1,800,500	2,368,143	2,086,803	-11.9%
<u>MAGNUM LOFTS</u>					
PROPERTY TAXES	54,754	54,333	55,420	54,811	-1.1%
INTEREST	344	204	25	19	-24.0%
Total MAGNUM LOFTS	55,098	54,538	55,445	54,830	-1.1%
<u>MANY RIVERS</u>					
PROPERTY TAXES	67,555	42,550	69,108	48,070	-30.4%
INTEREST	(193)	(100)	36	11	-69.4%
Total MANY RIVERS	67,362	42,450	69,144	48,081	-30.5%
<u>MANY RIVERS WEST</u>					
PROPERTY TAXES	44,656	26,041	42,721	27,807	-34.9%
INTEREST	71	79	13		-100.0%
Total MANY RIVERS WEST	44,727	26,120	42,734	27,807	-34.9%
<u>1900 CENTRAL AVE HSG</u>					
PROPERTY TAXES	67,404	73,139	74,602	78,186	4.8%
INTEREST	189	110	42	41	-2.4%
Total 1900 CENTRAL AVE HSG	67,593	73,250	74,644	78,227	4.8%
<u>NICOLLET FRANKLIN</u>					
PROPERTY TAXES	215,845	229,857	247,321	229,630	-7.2%
STATE GOVERNMENT	2,395	2,540			0.0%
INTEREST	(208)	594	200	162	-19.0%
Total NICOLLET FRANKLIN	218,032	232,991	247,521	229,792	-7.2%
<u>NOKOMIS</u>					
PROPERTY TAXES			77,625	92,164	18.7%
INTEREST		(3)			0.0%
Total NOKOMIS		(3)	77,625	92,164	18.7%
<u>NRP</u>					
CHARGES FOR SERVICES	450				0.0%
INTEREST	358,223	145,469			0.0%
OTHER MISC REVENUES	804,660	744,723			0.0%
Total NRP	1,163,333	890,192			0.0%
<u>Coloplast</u>					
PROPERTY TAXES	240,862	325,623	332,134	305,857	-7.9%
INTEREST	109	(19)	280	251	-10.4%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total Coloplast	240,971	325,604	332,414	306,108	-7.9%
<u>Consolidated TIF District</u>					
PROPERTY TAXES		16,018,039	7,982,220	8,194,946	2.7%
STATE GOVERNMENT		140,337			0.0%
INTEREST		23,071	1,849	2,531	36.9%
Total Consolidated TIF District		16,181,447	7,984,069	8,197,477	2.7%
<u>NWIP</u>					
PROPERTY TAXES	(8,251)				0.0%
INTEREST	16,237	2,628			0.0%
Total NWIP	7,986	2,628			0.0%
<u>HOLMES</u>					
PROPERTY TAXES	(112,559)				0.0%
INTEREST	15,250	10,349			0.0%
Total HOLMES	(97,309)	10,349			0.0%
<u>NICOLLET ISLAND EAST BANK</u>					
PROPERTY TAXES	(3,177)				0.0%
INTEREST	13,591	9,557			0.0%
Total NICOLLET ISLAND EAST BANK	10,414	9,557			0.0%
<u>PORTLAND PLACE</u>					
PROPERTY TAXES	81,915	93,948	100,552	76,360	-24.1%
STATE GOVERNMENT	6,670	6,935			0.0%
INTEREST	198	112	973	722	-25.8%
Total PORTLAND PLACE	88,783	100,995	101,525	77,082	-24.1%
<u>NOKOMIS HOLMES</u>					
PROPERTY TAXES	236,311	257,641			0.0%
STATE GOVERNMENT	49,771	44,026			0.0%
INTEREST	1,123	4,480			0.0%
Total NOKOMIS HOLMES	287,205	306,147			0.0%
<u>ELLIOT PARK</u>					
INTEREST	(69)				0.0%
Total ELLIOT PARK	(69)				0.0%
<u>NICOLLET & LAKE</u>					
PROPERTY TAXES	(21,571)				0.0%
INTEREST	4,226	2,709			0.0%
Total NICOLLET & LAKE	(17,345)	2,709			0.0%
<u>CENTRAL & 20TH</u>					
PROPERTY TAXES	105,476	120,811	123,227	122,074	-0.9%
INTEREST	152	1,493	1,232	1,221	-0.9%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total CENTRAL & 20TH	105,628	122,305	124,459	123,295	-0.9%
<u>CENTRAL AVE MARKET</u>					
INTEREST	0				0.0%
Total CENTRAL AVE MARKET	0				0.0%
<u>MILES I</u>					
PROPERTY TAXES	136,039	118,220	138,443	104,934	-24.2%
STATE GOVERNMENT	180	192			0.0%
INTEREST	(449)	539	1,384	1,049	-24.2%
Total MILES I	135,770	118,951	139,827	105,983	-24.2%
<u>NBA ARENA</u>					
PROPERTY TAXES	795,601	952,637	971,691	948,422	-2.4%
INTEREST	54,074	56,570	9,717	9,484	-2.4%
Total NBA ARENA	849,675	1,009,207	981,408	957,906	-2.4%
<u>PHILLIPS PARK</u>					
PROPERTY TAXES	62,732	61,806	64,998	59,820	-8.0%
STATE GOVERNMENT	3,354	3,937			0.0%
INTEREST	(344)	(316)	65	60	-7.7%
Total PHILLIPS PARK	65,742	65,427	65,063	59,880	-8.0%
<u>LASALLE PLACE</u>					
PROPERTY TAXES	2,073,991	1,657,216	2,075,419	2,116,092	2.0%
INTEREST	(19,570)	13,588	14,254	21,161	48.5%
Total LASALLE PLACE	2,054,421	1,670,804	2,089,673	2,137,253	2.3%
<u>CAPITAL PROJECTS- OTHER</u>					
CHARGES FOR SERVICES		31,719			0.0%
CHARGES FOR SALES	657,330				0.0%
RENTS	50,000	70,420		50,000	100.0%
OTHER MISC REVENUES	68,550		50,000		-100.0%
Total CAPITAL PROJECTS- OTHER	775,880	102,139	50,000	50,000	0.0%
<u>PRELIMINARY PLANNING</u>					
STATE GOVERNMENT			21,000		-100.0%
CHARGES FOR SERVICES	6,000	267,785		18,000	100.0%
CHARGES FOR SALES	385	82,506			0.0%
INTEREST		(59,549)			0.0%
RENTS	405	2,722	12,600	48,300	283.3%
OTHER MISC REVENUES	40	5,625			0.0%
Total PRELIMINARY PLANNING	6,830	299,090	33,600	66,300	97.3%
<u>NEIMAN MARCUS</u>					
PROPERTY TAXES	1,661,804	1,280,533	1,412,623	1,334,554	-5.5%
INTEREST	5,246	14,456	10,595		-100.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total NEIMAN MARCUS	1,667,050	1,294,990	1,423,218	1,334,554	-6.2%
<u>IDS DATA SERVICE CENTER</u>					
PROPERTY TAXES	3,648,486	3,009,268	3,069,466	2,980,255	-2.9%
INTEREST	21,202	26,401	4,315		-100.0%
Total IDS DATA SERVICE CENTER	3,669,688	3,035,669	3,073,781	2,980,255	-3.0%
<u>BLOCK E</u>					
INTEREST	(71)	(2)			0.0%
Total BLOCK E	(71)	(2)			0.0%
<u>PARK AVENUE EAST</u>					
INTEREST	1,015	750			0.0%
Total PARK AVENUE EAST	1,015	750			0.0%
<u>36TH AND MARSHALL</u>					
INTEREST	(28)				0.0%
Total 36TH AND MARSHALL	(28)				0.0%
<u>COMMON PROJECT RESERVE</u>					
INTEREST	61,888	52,713			0.0%
Total COMMON PROJECT RESERVE	61,888	52,713			0.0%
<u>CAPITAL PROJECTS-ARBITRAGE</u>					
INTEREST	48	38			0.0%
Total CAPITAL PROJECTS-ARBITRAGE	48	38			0.0%
<u>RIPLEY GARDENS</u>					
PROPERTY TAXES	54,625	54,620	57,550	54,852	-4.7%
STATE GOVERNMENT	1,756	1,808			0.0%
INTEREST	120	50	25	19	-24.0%
Total RIPLEY GARDENS	56,501	56,478	57,575	54,871	-4.7%
<u>CREAMETTE DISTRICT 84</u>					
PROPERTY TAXES	140,179	160,560	163,771	164,695	0.6%
INTEREST	494	273	164	165	0.6%
Total CREAMETTE DISTRICT 84	140,674	160,833	163,935	164,860	0.6%
<u>MARSHALL RIVER RUN</u>					
PROPERTY TAXES	86,998	85,234	87,641	87,778	0.2%
STATE GOVERNMENT	516	691			0.0%
INTEREST	228	82	52	48	-7.7%
Total MARSHALL RIVER RUN	87,742	86,007	87,693	87,826	0.2%
<u>ROSACKER NURSERY SITE</u>					
PROPERTY TAXES	141,793	146,594	154,180	146,919	-4.7%
STATE GOVERNMENT	3,681	4,370			0.0%
INTEREST	5,240	3,997	1,542	1,469	-4.7%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total ROSACKER NURSERY SITE	150,714	154,961	155,722	148,388	-4.7%
<u>STONE ARCH APARTMENTS</u>					
PROPERTY TAXES	270,247	298,630	304,603	319,237	4.8%
INTEREST	1,598	1,045	257	259	0.8%
Total STONE ARCH APARTMENTS	271,844	299,674	304,860	319,496	4.8%
<u>SPRING & CENTRAL</u>					
PROPERTY TAXES	17,339	15,967	16,287	13,789	-15.3%
INTEREST	658	658	13	138	961.5%
Total SPRING & CENTRAL	17,997	16,626	16,300	13,927	-14.6%
<u>SHINGLE CREEK COMMONS</u>					
PROPERTY TAXES	74,837	76,858	78,395	78,395	0.0%
INTEREST	455	274	46	40	-13.0%
Total SHINGLE CREEK COMMONS	75,292	77,132	78,441	78,435	0.0%
<u>ST ANTHONY MILLS</u>					
PROPERTY TAXES	87,599	86,976	88,717	82,602	-6.9%
INTEREST	294	147	53	43	-18.9%
Total ST ANTHONY MILLS	87,893	87,124	88,770	82,645	-6.9%
<u>STINSON</u>					
PROPERTY TAXES	843,312	843,738	886,849	866,022	-2.3%
INTEREST	3,710	2,566	810		-100.0%
Total STINSON	847,022	846,303	887,659	866,022	-2.4%
<u>SEMI-PHASE 1</u>					
PROPERTY TAXES	493,613	549,990	560,989	506,340	-9.7%
INTEREST	26,243	20,686	490	419	-14.5%
Total SEMI-PHASE 1	519,856	570,675	561,479	506,759	-9.7%
<u>SEMI-PHASE 2</u>					
PROPERTY TAXES	240,352	266,568	271,900	254,143	-6.5%
INTEREST	17,953	14,816	225	197	-12.4%
Total SEMI-PHASE 2	258,305	281,384	272,125	254,340	-6.5%
<u>SEMI-PHASE 3</u>					
PROPERTY TAXES	36,197	68,064	69,425	63,194	-9.0%
INTEREST	5,509	4,730	662	594	-10.3%
Total SEMI-PHASE 3	41,706	72,793	70,087	63,788	-9.0%
<u>SEMI-PHASE 4</u>					
PROPERTY TAXES	210,215	98,969			0.0%
INTEREST	648	2,281			0.0%
Total SEMI-PHASE 4	210,862	101,249			0.0%
<u>SEMI-PHASE 5</u>					

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
PROPERTY TAXES	161,611	173,469	176,939	159,313	-10.0%
INTEREST	348	144	136	112	-17.6%
Total SEMI-PHASE 5	161,959	173,613	177,075	159,425	-10.0%
<u>TOWERS AT ELLIOT PARK</u>					
PROPERTY TAXES	1,354,397	1,428,250	1,503,250	1,431,272	-4.8%
STATE GOVERNMENT	16,427	19,194			0.0%
INTEREST	16,799	27,403	7,048		-100.0%
Total TOWERS AT ELLIOT PARK	1,387,623	1,474,848	1,510,298	1,431,272	-5.2%
<u>2ND ST N HOTEL/APTS TOWNPLACE</u>					
PROPERTY TAXES	218,482	231,699	236,334	242,204	2.5%
INTEREST	2,108	1,583	189	188	-0.5%
Total 2ND ST N HOTEL/APTS TOWNPLACE	220,590	233,283	236,523	242,392	2.5%
<u>10TH AND WASHINGTON</u>					
PROPERTY TAXES	467,705	500,745	510,759	469,548	-8.1%
INTEREST	2,212	775	454	390	-14.1%
Total 10TH AND WASHINGTON	469,916	501,520	511,213	469,938	-8.1%
<u>UNITED VAN BUS</u>					
PROPERTY TAXES	65,721	70,372	73,283	68,908	-6.0%
INTEREST	1,130	1,465	733	689	-6.0%
Total UNITED VAN BUS	66,852	71,837	74,016	69,597	-6.0%
<u>EAST RIVER / UNOCAL SITE</u>					
PROPERTY TAXES	201,675	211,900	222,168	209,469	-5.7%
STATE GOVERNMENT	3,689	4,295			0.0%
INTEREST	1,473	3,599	177	139	-21.5%
Total EAST RIVER / UNOCAL SITE	206,837	219,794	222,345	209,608	-5.7%
<u>URBAN VILLAGE</u>					
PROPERTY TAXES	388,617	498,475	435,849	410,999	-5.7%
STATE GOVERNMENT	5,767	6,143			0.0%
INTEREST	14,877	1,780	2,320		-100.0%
Total URBAN VILLAGE	409,261	506,399	438,169	410,999	-6.2%
<u>Van Cleve East</u>					
PROPERTY TAXES	33,768	36,007	36,726	36,726	0.0%
INTEREST	(245)	(424)	12	12	0.0%
Total Van Cleve East	33,523	35,583	36,738	36,738	0.0%
<u>VILLAGE IN PHILLIPS HOUSING</u>					
PROPERTY TAXES	50,464	49,792	56,708	46,142	-18.6%
STATE GOVERNMENT	5,034	5,825			0.0%
INTEREST	129	114	23	9	-60.9%
Total VILLAGE IN PHILLIPS HOUSING	55,627	55,731	56,731	46,151	-18.6%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
<u>VILLAGE IN PHILLIPS PHASE II</u>					
INTEREST	(3)	0			0.0%
Total VILLAGE IN PHILLIPS PHASE II	(3)	0			0.0%
<u>Van Cleve Redevelopment</u>					
PROPERTY TAXES	1,720	1,360	181,958		-100.0%
STATE GOVERNMENT		52			0.0%
INTEREST	(243)	(419)	157		-100.0%
Total Van Cleve Redevelopment	1,476	993	182,115		-100.0%
<u>Van Cleve West</u>					
PROPERTY TAXES	6,916	54,658	55,751	55,751	0.0%
INTEREST	(328)	(597)	31	31	0.0%
Total Van Cleve West	6,587	54,061	55,782	55,782	0.0%
<u>WASHINGTON COURTS APTS</u>					
PROPERTY TAXES	22,359	19,165	19,549	19,549	0.0%
INTEREST	(2)	(36)			0.0%
Total WASHINGTON COURTS APTS	22,357	19,130	19,549	19,549	0.0%
<u>WEST SIDE MILLING DISTRICT</u>					
PROPERTY TAXES	1,921,451	2,161,223	2,220,404	2,476,159	11.5%
STATE GOVERNMENT	778	793			0.0%
CHARGES FOR SERVICES		17,950			0.0%
INTEREST	42,092	22,925	7,004	10,073	43.8%
Total WEST SIDE MILLING DISTRICT	1,964,320	2,202,890	2,227,408	2,486,232	11.6%
<u>WEST RIVER COMMONS</u>					
PROPERTY TAXES	97,383	99,762	102,107	100,945	-1.1%
STATE GOVERNMENT	211	343			0.0%
INTEREST	134	13	67	60	-10.4%
Total WEST RIVER COMMONS	97,729	100,119	102,174	101,005	-1.1%
<u>HSG REPLACE-WATERSHED 0</u>					
PROPERTY TAXES	303,835	318,293	336,484	283,273	-15.8%
STATE GOVERNMENT	19,385	19,909			0.0%
INTEREST	(3,167)	3,188	3,256	2,724	-16.3%
Total HSG REPLACE-WATERSHED 0	320,053	341,390	339,740	285,997	-15.8%
<u>HOUSING REPLACEMENT 2</u>					
PROPERTY TAXES	57,479	49,973	53,923	37,434	-30.6%
STATE GOVERNMENT	4,204	4,645			0.0%
INTEREST	(677)	(2,262)	491	309	-37.1%
Total HOUSING REPLACEMENT 2	61,006	52,356	54,414	37,743	-30.6%
<u>HSG REPLACE-WATERSHED 3</u>					
PROPERTY TAXES			5,000	5,000	0.0%
INTEREST	1,223	(646)	45	45	0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total HSG REPLACE-WATERSHED 3	1,223	(646)	5,045	5,045	0.0%
<u>BLOCK 33</u>					
PROPERTY TAXES	17,409	18,130	24,209	13,163	-45.6%
STATE GOVERNMENT	5,263	4,057			0.0%
INTEREST	497	586	242	132	-45.5%
Total BLOCK 33	23,169	22,773	24,451	13,295	-45.6%
<u>CPED UDAG LEVERAGE INVESTMENT</u>					
INTEREST	25,040	21,217			0.0%
OTHER MISC REVENUES	57,953				0.0%
Total CPED UDAG LEVERAGE INVESTMENT	82,993	21,217			0.0%
<u>CPED NEIGHBORHOOD DEVEL ACCT</u>					
INTEREST	1,281	24,326			0.0%
OTHER MISC REVENUES	23,888	419,081			0.0%
Total CPED NEIGHBORHOOD DEVEL ACCT	25,169	443,406			0.0%
<u>CPED OPERATING</u>					
SALES AND OTHER TAXES	293	293			0.0%
STATE GOVERNMENT	1,367	1,367			0.0%
CHARGES FOR SERVICES	5,851,545	5,954,363			0.0%
CHARGES FOR SALES		5,001			0.0%
INTEREST	86,094	216,080			0.0%
RENTS	163,705	167,522		180,637	100.0%
OTHER MISC REVENUES	34,777	10,803	5,052,561	180,000	-96.4%
Total CPED OPERATING	6,137,781	6,355,429	5,052,561	360,637	-92.9%
<u>NRP ADMINISTRATION</u>					
CHARGES FOR SERVICES	232,976	218,835			0.0%
INTEREST	(1,205)	(815)			0.0%
Total NRP ADMINISTRATION	231,772	218,020			0.0%
<u>COMMUNITY DEVELOPMENT INVEST</u>					
INTEREST	15,127	10,848			0.0%
OTHER MISC REVENUES	1,215				0.0%
Total COMMUNITY DEVELOPMENT INVEST	16,342	10,848			0.0%
<u>DEVELOPMENT ACCOUNT</u>					
CHARGES FOR SERVICES	16,712	29,871			0.0%
CHARGES FOR SALES		500,180			0.0%
INTEREST	225,282	211,593			0.0%
OTHER MISC REVENUES	9,976	70,221	150,000	70,000	-53.3%
Total DEVELOPMENT ACCOUNT	251,970	811,865	150,000	70,000	-53.3%
<u>ECONOMIC DEVELOPMENT PROGRAM</u>					
CHARGES FOR SERVICES	1,074,796	1,377,312	124,000	1,500,000	1,109.7%
INTEREST	42,125	136,263			0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**

(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
RENTS	(350)				0.0%
OTHER MISC REVENUES	998,006	1,423,802	4,400,000	1,900,000	-56.8%
Total ECONOMIC DEVELOPMENT PROGRAM	2,114,577	2,937,377	4,524,000	3,400,000	-24.8%
<u>HOUSING FINANCE</u>					
INTEREST	(80)				0.0%
Total HOUSING FINANCE	(80)				0.0%
<u>HOUSING PROGRAM</u>					
CHARGES FOR SERVICES	968,015	1,100,413	51,000		-100.0%
INTEREST	29,324	(4,997)			0.0%
OTHER MISC REVENUES	159,896	472,860	550,000		-100.0%
Total HOUSING PROGRAM	1,157,235	1,568,276	601,000		-100.0%
<u>HOME OWNERSHIP WORKS</u>					
CHARGES FOR SERVICES		17,000			0.0%
CHARGES FOR SALES	212,132	69,992			0.0%
INTEREST	(1,526)	(2,555)			0.0%
Total HOME OWNERSHIP WORKS	210,606	84,437			0.0%
<u>CPED LEVERAGE INVESTMENT</u>					
INTEREST	1,658	1,302			0.0%
Total CPED LEVERAGE INVESTMENT	1,658	1,302			0.0%
<u>CPED STATE GRANTS & LOAN</u>					
STATE GOVERNMENT	200				0.0%
LOCAL GOVERNMENT	3,086				0.0%
INTEREST	17,887	13,798			0.0%
OTHER MISC REVENUES	29,067	7,733			0.0%
Total CPED STATE GRANTS & LOAN	50,239	21,531			0.0%
<u>NEIGHBORHOOD HOUSING</u>					
OTHER MISC REVENUES	185,976	(185,976)			0.0%
Total NEIGHBORHOOD HOUSING	185,976	(185,976)			0.0%
<u>NRP NON TI</u>					
INTEREST	298,954	197,305			0.0%
Total NRP NON TI	298,954	197,305			0.0%
<u>COMMUNITY DEVELOPMENT</u>					
CHARGES FOR SERVICES	24,136	4,233			0.0%
INTEREST	964,407	195,300			0.0%
OTHER MISC REVENUES	620,772	431,980			0.0%
Total COMMUNITY DEVELOPMENT	1,609,316	631,513			0.0%
<u>RESIDENTIAL HOUSING</u>					
CHARGES FOR SERVICES	202,914	118,209	250,000		-100.0%
INTEREST	25,602	25,847	9,000	9,000	0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
OTHER MISC REVENUES	189,814	283,800	230,000	230,000	0.0%
Total RESIDENTIAL HOUSING	418,330	427,856	489,000	239,000	-51.1%
<u>UPPER RIVER LAND BANK</u>					
INTEREST	(539)	147			0.0%
Total UPPER RIVER LAND BANK	(539)	147			0.0%
<u>BOARD OF ESTIMATE AND TAXATION</u>					
PROPERTY TAXES	269,933	169,210	166,600	171,500	2.9%
SALES AND OTHER TAXES	28	14			0.0%
STATE GOVERNMENT	370	322			0.0%
OTHER MISC REVENUES	6,477				0.0%
Total BOARD OF ESTIMATE AND TAXATION	276,807	169,546	166,600	171,500	2.9%
<u>Downtown Improvement District</u>					
CHARGES FOR SERVICES	1,355				0.0%
SPECIAL ASSESSMENTS	6,406,987	5,426,281	5,800,000	5,800,000	0.0%
INTEREST	(20,464)	(16,202)			0.0%
OTHER MISC REVENUES	198,126	4,054			0.0%
Total Downtown Improvement District	6,586,004	5,414,134	5,800,000	5,800,000	0.0%
<u>POLICE DEPT - SPECIAL REVENUE</u>					
SALES AND OTHER TAXES	143,752	136,933	145,000	148,000	2.1%
LICENSE AND PERMITS	904,651	738,088	1,040,000	745,000	-28.4%
CHARGES FOR SERVICES	1,986,080	584,774	415,000	427,740	3.1%
CHARGES FOR SALES	1,440				0.0%
FINES AND FORFEITS	889,133	357,843	535,000	420,000	-21.5%
OTHER MISC REVENUES	12,750				0.0%
Total POLICE DEPT - SPECIAL REVENUE	3,937,805	1,817,638	2,135,000	1,740,740	-18.5%
<u>ARENA - RESERVE</u>					
SALES AND OTHER TAXES				1,300,000	100.0%
INTEREST	13,714	11,480			0.0%
Total ARENA - RESERVE	13,714	11,480		1,300,000	100.0%
<u>GRANTS - FEDERAL</u>					
FEDERAL GOVERNMENT	37,828,615	35,826,909	15,812,505	11,069,905	-30.0%
STATE GOVERNMENT		268,604			0.0%
CHARGES FOR SALES	650,213	(265,209)			0.0%
INTEREST	4,990	479			0.0%
OTHER MISC REVENUES	17,158	191,910			0.0%
Total GRANTS - FEDERAL	38,500,976	36,022,693	15,812,505	11,069,905	-30.0%
<u>CPED FEDERAL GRANTS-OTHER</u>					
OTHER MISC REVENUES	174	233			0.0%
Total CPED FEDERAL GRANTS-OTHER	174	233			0.0%
<u>CDBG & UDAG FUNDS</u>					

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
FEDERAL GOVERNMENT	1,285,189	15,822,364	12,774,746	12,749,456	-0.2%
CHARGES FOR SERVICES	27,340	4,925			0.0%
CHARGES FOR SALES	38,819	716,335			0.0%
SPECIAL ASSESSMENTS	91,089	187,810	200,000	107,000	-46.5%
INTEREST	53,065	109,728			0.0%
RENTS	10,785	11,586			0.0%
OTHER MISC REVENUES	208,835	459,290	1,089,032	1,500,000	37.7%
Total CDBG & UDAG FUNDS	1,715,122	17,312,038	14,063,778	14,356,456	2.1%
HOME					
FEDERAL GOVERNMENT	3,555,033	3,724,676	2,072,652	2,167,961	4.6%
CHARGES FOR SALES	(59,982)	(69,992)			0.0%
INTEREST	100,486	57,121			0.0%
Total HOME	3,595,537	3,711,805	2,072,652	2,167,961	4.6%
GRANTS - OTHER					
SALES AND OTHER TAXES	22,557	1,254	10,000	7,000	-30.0%
LICENSE AND PERMITS	1,576,731	1,485,758			0.0%
STATE GOVERNMENT	18,741,238	18,915,630	6,121,367	6,787,680	10.9%
LOCAL GOVERNMENT	2,530,454	(286,402)	295,088	291,666	-1.2%
CHARGES FOR SERVICES	719,967	628,917	300,000	280,000	-6.7%
FINES AND FORFEITS	220,420	176,483			0.0%
SPECIAL ASSESSMENTS	5,233,620	4,077,453			0.0%
INTEREST	299	4,854			0.0%
CONTRIBUTIONS	1,059,263	1,332,569	176,052	182,300	3.5%
OTHER MISC REVENUES	68,397	542,748	2,869	2,500	-12.9%
Total GRANTS - OTHER	30,172,946	26,879,265	6,905,376	7,551,146	9.4%
CONVENTION CENTER OPERATIONS					
SALES AND OTHER TAXES	61,306,954	65,929,924	64,865,392	56,000,000	-13.7%
CHARGES FOR SERVICES	4,499,809	5,311,598	5,140,000	5,339,000	3.9%
CHARGES FOR SALES		35,731			0.0%
INTEREST	744,242	521,283	459,359	465,132	1.3%
RENTS	6,203,352	6,580,122	6,492,000	6,400,000	-1.4%
CONTRIBUTIONS		250,000			0.0%
OTHER MISC REVENUES	2,490,962	2,758,318	2,509,000	3,044,000	21.3%
Total CONVENTION CENTER OPERATIONS	75,245,319	81,386,977	79,465,751	71,248,132	-10.3%
MERF PENSION BONDS					
INTEREST	117,203	94,807			0.0%
Total MERF PENSION BONDS	117,203	94,807			0.0%
POLICE PENSION BONDS					
INTEREST		0			0.0%
Total POLICE PENSION BONDS		0			0.0%
Regulatory Services Special Revenue Fund					
LICENSE AND PERMITS			536,649	241,000	-55.1%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
CHARGES FOR SERVICES			272,024	130,000	-52.2%
FINES AND FORFEITS			70,400	51,542	-26.8%
SPECIAL ASSESSMENTS			5,172,629	3,903,129	-24.5%
Total Regulatory Services Special Revenue			6,051,702	4,325,671	-28.5%
Fund					
<u>EMPLOYEE RETIREMENT</u>					
PROPERTY TAXES	15,310,768	22,648,561	22,060,780	29,115,800	32.0%
SALES AND OTHER TAXES	1,582	1,914			0.0%
STATE GOVERNMENT	4,743,880	4,027,877			0.0%
FINES AND FORFEITS		586,170			0.0%
OTHER MISC REVENUES	1,433,136	748,300			0.0%
Total EMPLOYEE RETIREMENT	21,489,366	28,012,822	22,060,780	29,115,800	32.0%
<u>PARK - GENERAL FUND</u>					
PROPERTY TAXES	44,353,447	46,642,550	46,272,466	47,643,486	3.0%
SALES AND OTHER TAXES	4,635	3,931	3,000	3,000	0.0%
LICENSE AND PERMITS	240,661	342,062	385,000	315,000	-18.2%
FEDERAL GOVERNMENT	214,077	863,474			0.0%
STATE GOVERNMENT	8,071,410	8,486,646	8,373,308	8,373,308	0.0%
LOCAL GOVERNMENT	1,059,595	1,087,710	585,420	615,420	5.1%
CHARGES FOR SERVICES	2,097,370	1,136,789	1,219,702	5,128,437	320.5%
CHARGES FOR SALES	33,390	113,935	75,000	30,000	-60.0%
FINES AND FORFEITS	396,068	483,535	679,000	461,000	-32.1%
GAINS		23,400			0.0%
RENTS	712,063	551,155	625,000	1,120,000	79.2%
CONTRIBUTIONS	245,162	343,640	150,000	216,500	44.3%
OTHER MISC REVENUES	282,372	53,231	25,000	25,000	0.0%
LONG TERM LIABILITIES PROCEEDS	20				0.0%
Total PARK - GENERAL FUND	57,710,269	60,132,059	58,392,896	63,931,151	9.5%
<u>PARK - MUSEUM (ART INSTITUTE)</u>					
PROPERTY TAXES	12,151,227	11,634,542	10,956,697	10,181,181	-7.1%
SALES AND OTHER TAXES	210				0.0%
STATE GOVERNMENT	2,526				0.0%
Total PARK - MUSEUM (ART INSTITUTE)	12,153,963	11,634,542	10,956,697	10,181,181	-7.1%
<u>PARK - GRANT & SPECIAL REVENUE</u>					
STATE GOVERNMENT		38,373	12,000		-100.0%
LOCAL GOVERNMENT	1,381,393	1,299,381	1,325,000	1,300,000	-1.9%
CHARGES FOR SERVICES	40,187	16,940			0.0%
CHARGES FOR SALES		43			0.0%
FINES AND FORFEITS	202	3,349	6,000	6,000	0.0%
SPECIAL ASSESSMENTS	1,250				0.0%
RENTS	131,609	129,182	21,600	21,600	0.0%
CONTRIBUTIONS	253,548	96,101			0.0%
OTHER MISC REVENUES	93,148	40,543	3,000	3,000	0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total PARK - GRANT & SPECIAL REVENUE	1,901,338	1,623,912	1,367,600	1,330,600	-2.7%
<u>PARK-SPEC REV-INTEREST BEARING</u>					
CHARGES FOR SALES		19,653			0.0%
INTEREST	7,394	(3,996)			0.0%
CONTRIBUTIONS		5,000			0.0%
Total PARK-SPEC REV-INTEREST BEARING	7,394	20,658			0.0%
<u>LIBRARY - GENERAL FUND</u>					
PROPERTY TAXES	21,233	(116,657)			0.0%
CHARGES FOR SERVICES	50,743	(41,050)			0.0%
OTHER MISC REVENUES		(132,936)			0.0%
Total LIBRARY - GENERAL FUND	71,976	(290,643)			0.0%
<u>HISTORIC PRESERVATION FUND</u>					
CHARGES FOR SERVICES		600			0.0%
RENTS	107,102	76,680			0.0%
OTHER MISC REVENUES	66	180			0.0%
Total HISTORIC PRESERVATION FUND	107,168	77,460			0.0%
<u>MUNICIPAL BUILDING COMMISSION</u>					
STATE GOVERNMENT	145,889	192,755			0.0%
LOCAL GOVERNMENT		6,982			0.0%
CHARGES FOR SERVICES	7,997,198	7,607,300	8,224,959	8,153,095	-0.9%
CHARGES FOR SALES		3,260	6,000	6,000	0.0%
RENTS	2,400	2,336			0.0%
OTHER MISC REVENUES	692	11,598			0.0%
Total MUNICIPAL BUILDING COMMISSION	8,146,179	7,824,230	8,230,959	8,159,095	-0.9%
<u>JOINT BOARD</u>					
CHARGES FOR SERVICES	41,050	10,050			0.0%
INTEREST	965	514			0.0%
Total JOINT BOARD	42,015	10,564			0.0%
<u>MEDC</u>					
INTEREST	0	0			0.0%
Total MEDC	0	0			0.0%
<u>YOUTH COORDINATING BOARD</u>					
FEDERAL GOVERNMENT	64,803	64,803		64,803	100.0%
LOCAL GOVERNMENT	849,235	1,165,608	1,095,021	972,521	-11.2%
INTEREST	13,715	14,032			0.0%
RENTS	12,000	12,000			0.0%
CONTRIBUTIONS	298,695	421,962	147,000	518,000	252.4%
OTHER MISC REVENUES	88	61	18,803	14,000	-25.5%
Total YOUTH COORDINATING BOARD	1,238,535	1,678,465	1,260,824	1,569,324	24.5%
<u>NEIGHBORHOOD REVITAL POLICY</u>					

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
STATE GOVERNMENT	1,296,761	1,162,421			0.0%
CHARGES FOR SERVICES	26,802				0.0%
INTEREST	7,792	631			0.0%
OTHER MISC REVENUES	56,907	45,362			0.0%
Total NEIGHBORHOOD REVITAL POLICY	1,388,263	1,208,414			0.0%
<u>PUBLIC HOUSING AUTHORITY</u>					
PROPERTY TAXES				196,000	100.0%
SALES AND OTHER TAXES			434,749		-100.0%
Total PUBLIC HOUSING AUTHORITY			434,749	196,000	-54.9%
TOTAL SPECIAL REVENUE	327,734,271	363,662,680	303,656,359	279,916,157	-7.8%
<u>CAPITAL PROJECT</u>					
<u>JUNE 04 VARIOUS PURPOSE BONDS</u>					
INTEREST	(441)				0.0%
Total JUNE 04 VARIOUS PURPOSE BONDS	(441)				0.0%
<u>JUNE 05 VARIOUS PURPOSE BONDS</u>					
INTEREST	3,552	6			0.0%
Total JUNE 05 VARIOUS PURPOSE BONDS	3,552	6			0.0%
<u>OCT05 VAR PURP REFUNDING BONDS</u>					
INTEREST	55				0.0%
Total OCT05 VAR PURP REFUNDING BONDS	55				0.0%
<u>JUNE 06 VARIOUS PURPOSE BONDS</u>					
INTEREST	4,312	(440)			0.0%
Total JUNE 06 VARIOUS PURPOSE BONDS	4,312	(440)			0.0%
<u>JUNE 07 VARIOUS PURPOSE BONDS</u>					
INTEREST	23,698	5,903			0.0%
Total JUNE 07 VARIOUS PURPOSE BONDS	23,698	5,903			0.0%
<u>MAY 08 VARIOUS PURPOSE BONDS</u>					
INTEREST	(1,165)	(383)			0.0%
Total MAY 08 VARIOUS PURPOSE BONDS	(1,165)	(383)			0.0%
<u>May 09 Various Purpose Bonds</u>					
INTEREST	71,110	(2,124)			0.0%
Total May 09 Various Purpose Bonds	71,110	(2,124)			0.0%
<u>JUNE 10 VARIOUS PURPOSE BONDS</u>					
INTEREST	(16,263)	(426)			0.0%
LONG TERM LIABILITIES PROCEEDS	20,147,572				0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total JUNE 10 VARIOUS PURPOSE BONDS	20,131,309	(426)			0.0%
<u>MAY 11 VARIOUS PURPOSE BONDS</u>					
INTEREST		54,006			0.0%
LONG TERM LIABILITIES PROCEEDS		12,180,912			0.0%
Total MAY 11 VARIOUS PURPOSE BONDS		12,234,917			0.0%
<u>NOV10 IMPROV BOND ARBITRAGE</u>					
INTEREST	2,306	(987)			0.0%
LONG TERM LIABILITIES PROCEEDS	6,135,474				0.0%
Total NOV10 IMPROV BOND ARBITRAGE	6,137,780	(987)			0.0%
<u>NOV08 IMPROV BOND ARBITRAGE</u>					
INTEREST	(2,144)				0.0%
Total NOV08 IMPROV BOND ARBITRAGE	(2,144)				0.0%
<u>NOV09 IMPROV BOND ARBITRAGE</u>					
INTEREST	7,571	(3,004)			0.0%
Total NOV09 IMPROV BOND ARBITRAGE	7,571	(3,004)			0.0%
<u>NOV11 IMPROV BOND AEBITRAGE</u>					
INTEREST		6,050			0.0%
LONG TERM LIABILITIES PROCEEDS		8,741,601			0.0%
Total NOV11 IMPROV BOND AEBITRAGE		8,747,651			0.0%
<u>May 08 Library Ref Bonds</u>					
INTEREST	19,950	(843)			0.0%
Total May 08 Library Ref Bonds	19,950	(843)			0.0%
<u>CAPITAL IMPROVEMENTS</u>					
PROPERTY TAXES	215,000	1,877,964		980,000	100.0%
SALES AND OTHER TAXES		158			0.0%
LICENSE AND PERMITS	278,650	243,305	260,000	260,000	0.0%
FEDERAL GOVERNMENT	16,093,110	8,368,929	3,300,000	1,120,000	-66.1%
STATE GOVERNMENT	6,757,531	10,545,440	9,023,000	8,373,000	-7.2%
LOCAL GOVERNMENT	522,750	2,080,589	2,407,000	14,566,000	505.2%
CHARGES FOR SERVICES	3,063,368	3,488,558	7,000,000	8,840,000	26.3%
CHARGES FOR SALES	140,290	106,616			0.0%
SPECIAL ASSESSMENTS	1,394,418	1,325,562	8,235,000	13,665,000	65.9%
OTHER MISC REVENUES	1,214,410	689,322	60,500	663,500	996.7%
LONG TERM LIABILITIES PROCEEDS	(272,573)		26,119,000	32,586,000	24.8%
Total CAPITAL IMPROVEMENTS	29,406,956	28,726,444	56,404,500	81,053,500	43.7%
<u>PARK - CAPITAL IMPROVEMENTS</u>					
FEDERAL GOVERNMENT		294,478			0.0%
STATE GOVERNMENT	727,172	10,273,827	3,179,000		-100.0%
LOCAL GOVERNMENT	6,363,548	1,916,372	4,610,000	375,000	-91.9%
CHARGES FOR SERVICES	322,587	178,347			0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
CHARGES FOR SALES	200				0.0%
CONTRIBUTIONS	341,702	41,704			0.0%
OTHER MISC REVENUES	135,393	488,495	6,335,248		-100.0%
LONG TERM LIABILITIES PROCEEDS	5,300,000		2,500,000	5,000,000	100.0%
Total PARK - CAPITAL IMPROVEMENTS	13,190,602	13,193,222	16,624,248	5,375,000	-67.7%
<u>PARK-CAPITAL IMPROVE-ASSESSED</u>					
SPECIAL ASSESSMENTS				300,000	100.0%
OTHER MISC REVENUES	110,822	70,317			0.0%
LONG TERM LIABILITIES PROCEEDS			1,000,000		-100.0%
Total PARK-CAPITAL IMPROVE-ASSESSED	110,822	70,317	1,000,000	300,000	-70.0%
<u>MBC - CAPITAL IMPROVEMENTS</u>					
CHARGES FOR SERVICES	1,853,286	1,053,305			0.0%
OTHER MISC REVENUES	3,656				0.0%
LONG TERM LIABILITIES PROCEEDS			1,106,000	1,854,000	67.6%
Total MBC - CAPITAL IMPROVEMENTS	1,856,942	1,053,305	1,106,000	1,854,000	67.6%
TOTAL CAPITAL PROJECT	70,960,909	64,023,558	75,134,748	88,582,500	17.9%

DEBT SERVICE

<u>01 IMPROVEMENT BONDS - 20 YR</u>					
SPECIAL ASSESSMENTS	577,087	509,424			0.0%
INTEREST	6,220	3,184			0.0%
LONG TERM LIABILITIES PROCEEDS	2,036,991				0.0%
Total 01 IMPROVEMENT BONDS - 20 YR	2,620,298	512,608			0.0%
<u>00 IMPROVEMENT BONDS</u>					
SPECIAL ASSESSMENTS	(269)				0.0%
INTEREST	213	164			0.0%
Total 00 IMPROVEMENT BONDS	(57)	164			0.0%
<u>96 IMPROVEMENT BONDS</u>					
SPECIAL ASSESSMENTS	47,033	47,197			0.0%
INTEREST	(3,811)	(3,927)			0.0%
Total 96 IMPROVEMENT BONDS	43,222	43,269			0.0%
<u>97 IMPROVEMENT BONDS</u>					
SPECIAL ASSESSMENTS	144,293	145,947			0.0%
INTEREST	2,097	569			0.0%
Total 97 IMPROVEMENT BONDS	146,390	146,516			0.0%
<u>98 IMPROVEMENT BONDS</u>					
SPECIAL ASSESSMENTS	13,234	17,344			0.0%
INTEREST	1,357	1,214			0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total 98 IMPROVEMENT BONDS	14,591	18,558			0.0%
<u>BOND REDEM ARBIT 6/90 IMP BOND</u>					
SPECIAL ASSESSMENTS	130,369	82,327			0.0%
INTEREST	(10,242)	6,025			0.0%
Total BOND REDEM ARBIT 6/90 IMP BOND	120,127	88,353			0.0%
<u>BOND REDEM ARBIT 6/91 IMP BOND</u>					
SPECIAL ASSESSMENTS	75,017	68,997			0.0%
INTEREST	(3,477)	2,288			0.0%
Total BOND REDEM ARBIT 6/91 IMP BOND	71,541	71,285			0.0%
<u>CPED DEBT SERVICE</u>					
INTEREST	4,672	(2,363)			0.0%
Total CPED DEBT SERVICE	4,672	(2,363)			0.0%
<u>ST ANTHONY DEBT SERVICE</u>					
INTEREST	797	1,154			0.0%
Total ST ANTHONY DEBT SERVICE	797	1,154			0.0%
<u>BOND REDEM ARBIT 6/92 IMP BOND</u>					
SPECIAL ASSESSMENTS	75,544	74,709			0.0%
INTEREST	(2,167)	(793)			0.0%
Total BOND REDEM ARBIT 6/92 IMP BOND	73,378	73,916			0.0%
<u>BOND REDEM ARBIT 6/93 IMP BOND</u>					
SPECIAL ASSESSMENTS	99,357	89,937			0.0%
INTEREST	(692)	(1,234)			0.0%
Total BOND REDEM ARBIT 6/93 IMP BOND	98,665	88,704			0.0%
<u>BOND REDEM ARBIT 6/94 IMP BOND</u>					
SPECIAL ASSESSMENTS	77,213	74,507			0.0%
INTEREST	1,609	2,074			0.0%
Total BOND REDEM ARBIT 6/94 IMP BOND	78,822	76,580			0.0%
<u>BOND REDEM ARBIT 6/95 IMP BOND</u>					
SPECIAL ASSESSMENTS	169,191	166,039			0.0%
INTEREST	613	2,301			0.0%
Total BOND REDEM ARBIT 6/95 IMP BOND	169,804	168,340			0.0%
<u>NOV10 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	24,578	1,392,580			0.0%
INTEREST	4	2,750			0.0%
Total NOV10 IMPROV BOND D/S	24,582	1,395,330			0.0%
<u>NOV11 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS		370,153			0.0%
INTEREST		444			0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total NOV11 IMPROV BOND D/S		370,598			0.0%
<u>OCT 02 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	342,954	314,970			0.0%
INTEREST	(1,519)	365			0.0%
LONG TERM LIABILITIES PROCEEDS	3,509,364				0.0%
Total OCT 02 IMPROV BOND D/S	3,850,799	315,335			0.0%
<u>NOV03 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	348,701	304,644			0.0%
INTEREST	(3,028)	(1,416)			0.0%
LONG TERM LIABILITIES PROCEEDS	3,508,213				0.0%
Total NOV03 IMPROV BOND D/S	3,853,886	303,228			0.0%
<u>NOV04 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	777,744	766,061			0.0%
INTEREST	751	(9)			0.0%
Total NOV04 IMPROV BOND D/S	778,495	766,052			0.0%
<u>NOV05 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	697,522	609,313			0.0%
INTEREST	8,003	8,488			0.0%
Total NOV05 IMPROV BOND D/S	705,525	617,800			0.0%
<u>NOV06 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	382,584	353,094			0.0%
INTEREST	4,714	3,658			0.0%
Total NOV06 IMPROV BOND D/S	387,298	356,752			0.0%
<u>NOV07 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	202,361	214,372			0.0%
INTEREST	(9,460)	(11,068)			0.0%
Total NOV07 IMPROV BOND D/S	192,900	203,304			0.0%
<u>NOV08 IMPROV BOND D_S</u>					
SPECIAL ASSESSMENTS	747,450	799,484			0.0%
INTEREST	(4,542)	(7,298)			0.0%
Total NOV08 IMPROV BOND D_S	742,907	792,185			0.0%
<u>NOV09 IMPROV BOND D/S</u>					
SPECIAL ASSESSMENTS	1,131,437	960,192			0.0%
INTEREST	6,321	217			0.0%
Total NOV09 IMPROV BOND D/S	1,137,758	960,410			0.0%
<u>Diseased Tree Assessment D/S</u>					
SPECIAL ASSESSMENTS	685,012	511,886			0.0%
INTEREST	18,881	16,441			0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total Diseased Tree Assessment D/S	703,893	528,326			0.0%
<u>BOND REDEM ARBIT 6/87 IMP BOND</u>					
SPECIAL ASSESSMENTS	3,533	3,579			0.0%
INTEREST	83	(11)			0.0%
Total BOND REDEM ARBIT 6/87 IMP BOND	3,616	3,568			0.0%
<u>BOND REDEM ARBIT 9/87 IMP BOND</u>					
SPECIAL ASSESSMENTS	5,271	5,104			0.0%
INTEREST	96	(10)			0.0%
Total BOND REDEM ARBIT 9/87 IMP BOND	5,367	5,094			0.0%
<u>BOND REDEM ARBIT 6/88 IMP BOND</u>					
SPECIAL ASSESSMENTS	6,084	6,430			0.0%
INTEREST	133	(14)			0.0%
Total BOND REDEM ARBIT 6/88 IMP BOND	6,217	6,416			0.0%
<u>BOND REDEM ARBIT 6/89 IMP BOND</u>					
SPECIAL ASSESSMENTS	6,358	6,267			0.0%
INTEREST	(4,842)	2,630			0.0%
Total BOND REDEM ARBIT 6/89 IMP BOND	1,515	8,897			0.0%
<u>BOND REDEM ARBIT NIC MALL BOND</u>					
SPECIAL ASSESSMENTS	12,768	3,650			0.0%
INTEREST	27,768	32,667			0.0%
Total BOND REDEM ARBIT NIC MALL BOND	40,536	36,317			0.0%
<u>BOND REDEMPTION - DEBT SERVICE</u>					
PROPERTY TAXES	16,116,293	17,749,894	18,500,000	20,776,000	12.3%
SALES AND OTHER TAXES	1,645	1,563			0.0%
STATE GOVERNMENT	25,068	27,481			0.0%
SPECIAL ASSESSMENTS	(2,115)	704			0.0%
INTEREST	116,771	99,070			0.0%
OTHER MISC REVENUES	45,304				0.0%
LONG TERM LIABILITIES PROCEEDS	14,551,778				0.0%
Total BOND REDEMPTION - DEBT SERVICE	30,854,744	17,878,712	18,500,000	20,776,000	12.3%
<u>OTH SELF SUPPORTING DEBT SERVC</u>					
INTEREST	(2,134)	1,807			0.0%
RENTS	10,367,182	58,173			0.0%
OTHER MISC REVENUES	773,552	662,525			0.0%
LONG TERM LIABILITIES PROCEEDS	5,994,609				0.0%
Total OTH SELF SUPPORTING DEBT SERVC	17,133,209	722,504			0.0%
<u>MIDTOWN EXCH 108 LOAN ACCOUNT</u>					
INTEREST	(171)	20			0.0%
Total MIDTOWN EXCH 108 LOAN ACCOUNT	(171)	20			0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
<u>PENSION FUND DEBT SERVICE</u>					
INTEREST	265,640	209,109			0.0%
OTHER MISC REVENUES	105,110	187,200			0.0%
Total PENSION FUND DEBT SERVICE	370,750	396,309			0.0%
<u>Library Ref Debt Service</u>					
PROPERTY TAXES	9,162,777	9,168,057		9,114,000	100.0%
INTEREST	23,705	29,646			0.0%
LONG TERM LIABILITIES PROCEEDS		42,646,753			0.0%
Total Library Ref Debt Service	9,186,482	51,844,456		9,114,000	100.0%
<u>CONVENTION CENTER-DEBT SERVICE</u>					
INTEREST	(5,590)	33,097			0.0%
RENTS	301,970	301,970			0.0%
LONG TERM LIABILITIES PROCEEDS		147,063,972			0.0%
Total CONVENTION CENTER-DEBT SERVICE	296,380	147,399,040			0.0%
<u>TARGET CENTER</u>					
INTEREST	1,044	246			0.0%
OTHER MISC REVENUES	500				0.0%
Total TARGET CENTER	1,544	246			0.0%
<u>BOND REDEMPTION - ASSESSMENT</u>					
SPECIAL ASSESSMENTS	1,039,290	561,066			0.0%
INTEREST	57,852	32,140			0.0%
Total BOND REDEMPTION - ASSESSMENT	1,097,143	593,206			0.0%
<u>CONCERT HALL - DEBT SERVICE</u>					
SPECIAL ASSESSMENTS	436				0.0%
INTEREST	19	(5)			0.0%
Total CONCERT HALL - DEBT SERVICE	456	(5)			0.0%
<u>TAX INCREMENT - DEBT SERVICE</u>					
INTEREST	(868)	23			0.0%
LONG TERM LIABILITIES PROCEEDS	23,682,489				0.0%
Total TAX INCREMENT - DEBT SERVICE	23,681,621	23			0.0%
TOTAL DEBT SERVICE	98,499,703	226,791,209	18,500,000	29,890,000	61.6%

INTERNAL SERVICE

<u>MATERIALS & LAB-INTERNAL SVC</u>					
CHARGES FOR SERVICES	1,194,104	1,438,398	1,200,000	1,200,000	0.0%
CHARGES FOR SALES	370,882	373,353	352,000	300,000	-14.8%
OTHER MISC REVENUES	500				0.0%
Total MATERIALS & LAB-INTERNAL SVC	1,565,486	1,811,751	1,552,000	1,500,000	-3.4%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
<u>EQUIPMENT - INTERNAL SERVICE</u>					
FEDERAL GOVERNMENT		10,049			0.0%
STATE GOVERNMENT		3,350			0.0%
CHARGES FOR SERVICES	5,594,828	5,567,450	7,345,488	7,655,758	4.2%
CHARGES FOR SALES	5,721,760	4,181,333	9,218,149	8,654,222	-6.1%
GAINS	169,301	35,664	200,000	200,000	0.0%
RENTS	22,378,287	24,250,302	24,254,097	22,342,550	-7.9%
OTHER MISC REVENUES	255,457	301,234	10,000	10,000	0.0%
LONG TERM LIABILITIES PROCEEDS		4,315		600,000	100.0%
Total EQUIPMENT - INTERNAL SERVICE	34,119,632	34,353,698	41,027,734	39,462,530	-3.8%
<u>Property Services</u>					
FEDERAL GOVERNMENT		26,895			0.0%
STATE GOVERNMENT		8,965			0.0%
CHARGES FOR SERVICES	3,983,103	6,085,346	2,415,600	1,785,000	-26.1%
CHARGES FOR SALES	284,213	301,160	355,000	360,325	1.5%
RENTS	12,427,824	12,700,464	13,351,440	13,965,731	4.6%
OTHER MISC REVENUES	141,775	76,727	3,000	3,000	0.0%
Total Property Services	16,836,915	19,199,555	16,125,040	16,114,056	-0.1%
<u>Property Disposition Fund</u>					
GAINS		665,313			0.0%
Total Property Disposition Fund		665,313			0.0%
<u>STORES - INTERNAL SERVICE</u>					
CHARGES FOR SERVICES	979,814	898,798	900,000	1,025,000	13.9%
CHARGES FOR SALES	14,976	12,797	10,000	10,000	0.0%
OTHER MISC REVENUES	545				0.0%
Total STORES - INTERNAL SERVICE	995,335	911,595	910,000	1,035,000	13.7%
<u>INFO TECH - INTERNAL SERVICE</u>					
FEDERAL GOVERNMENT		3,080			0.0%
STATE GOVERNMENT		1,027			0.0%
LOCAL GOVERNMENT		197,363			0.0%
CHARGES FOR SERVICES	31,259,571	30,352,260	28,177,138	28,973,030	2.8%
CHARGES FOR SALES	15,485	10,823	10,000	10,000	0.0%
GAINS	(77,524)	(6,584)			0.0%
OTHER MISC REVENUES	40	883			0.0%
LONG TERM LIABILITIES PROCEEDS			1,275,000	1,150,000	-9.8%
Total INFO TECH - INTERNAL SERVICE	31,197,572	30,558,850	29,462,138	30,133,030	2.3%
<u>SELF INSURANCE-INTERNAL SVC</u>					
CHARGES FOR SERVICES	24,614,797	25,149,011	26,344,930	27,670,448	5.0%
INTEREST	1,380	1,974			0.0%
OTHER MISC REVENUES	5,626,956	1,700,900	1,010,000	1,010,000	0.0%
Total SELF INSURANCE-INTERNAL SVC	30,243,134	26,851,885	27,354,930	28,680,448	4.8%
<u>PARK - INTERNAL SERVICE</u>					

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
CHARGES FOR SERVICES	918,451	919,672	1,099,890	1,234,080	12.2%
CHARGES FOR SALES	12,252	24,186	20,000	33,000	65.0%
SPECIAL ASSESSMENTS		7,623			0.0%
GAINS	10,847	41,970			0.0%
RENTS	3,995,840	4,257,160	4,074,401	4,104,903	0.7%
OTHER MISC REVENUES	18,019	29,042			0.0%
Total PARK - INTERNAL SERVICE	4,955,409	5,279,653	5,194,291	5,371,983	3.4%
<u>PARK-SELF INSURE-INTERNAL SVC</u>					
OTHER MISC REVENUES	2,522,614	2,313,409	2,028,027	1,975,221	-2.6%
Total PARK-SELF INSURE-INTERNAL SVC	2,522,614	2,313,409	2,028,027	1,975,221	-2.6%
TOTAL INTERNAL SERVICE	122,436,096	121,945,708	123,654,160	124,272,268	0.5%

ENTERPRISE

DEFAULTED PROPERTY ADMIN

CHARGES FOR SERVICES		72,275			0.0%
CHARGES FOR SALES		5,000			0.0%
INTEREST	686	2,413			0.0%
RENTS	285,623	275,000	328,000		-100.0%
Total DEFAULTED PROPERTY ADMIN	286,309	354,688	328,000		-100.0%

FED HOME LN BANK ECON DEVELOP

INTEREST	1,951	159,140			0.0%
Total FED HOME LN BANK ECON DEVELOP	1,951	159,140			0.0%

FHLB HOUSING DEVELOPMENT

INTEREST	1,536	1,207			0.0%
Total FHLB HOUSING DEVELOPMENT	1,536	1,207			0.0%

HOUSING OWNERSHIP PROGRAM

INTEREST	2,416	1,023			0.0%
Total HOUSING OWNERSHIP PROGRAM	2,416	1,023			0.0%

HOME OWNERSHIP & RENOVATION

INTEREST	45,488	34,180			0.0%
Total HOME OWNERSHIP & RENOVATION	45,488	34,180			0.0%

LOAN & GRANT PROGRAMS

INTEREST	2,558	877			0.0%
Total LOAN & GRANT PROGRAMS	2,558	877			0.0%

RIVER TERMINAL

CHARGES FOR SERVICES	1,825,794	1,811,673			0.0%
INTEREST	(2,993)	(4,916)			0.0%

SCHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
Total RIVER TERMINAL	1,822,801	1,806,757			0.0%
<u>GARFS</u>					
CHARGES FOR SERVICES	353,884	315,400	867,000		-100.0%
INTEREST	13,544	8,792			0.0%
OTHER MISC REVENUES	129,768		3,500,000	625,000	-82.1%
Total GARFS	497,196	324,192	4,367,000	625,000	-85.7%
<u>THEATRES</u>					
INTEREST	(21,005)	(16,498)			0.0%
Total THEATRES	(21,005)	(16,498)			0.0%
<u>SURFACE WATER & SEWER-SANITARY</u>					
LICENSE AND PERMITS	157,664	100,751		150,000	100.0%
CHARGES FOR SERVICES	49,120,249	49,044,693	53,093,372	54,659,421	2.9%
SPECIAL ASSESSMENTS	83,756	350,084		154,100	100.0%
OTHER MISC REVENUES		30			0.0%
LONG TERM LIABILITIES PROCEEDS			6,500,000	6,000,000	-7.7%
Total SURFACE WATER & SEWER-SANITARY	49,361,669	49,495,559	59,593,372	60,963,521	2.3%
<u>SURFACE WATER & SEWER-STORMWATER</u>					
FEDERAL GOVERNMENT		420,812			0.0%
STATE GOVERNMENT	1,147,966	1,938,423	669,614	669,614	0.0%
LOCAL GOVERNMENT	265,772	399,558	245,517	245,517	0.0%
CHARGES FOR SERVICES	37,330,031	38,170,596	40,669,934	41,373,999	1.7%
CHARGES FOR SALES	504	460			0.0%
FINES AND FORFEITS	35,408	25,895	45,000	45,000	0.0%
SPECIAL ASSESSMENTS	499,380	809,403	60,000	105,100	75.2%
OTHER MISC REVENUES	28,471	4,170			0.0%
LONG TERM LIABILITIES PROCEEDS			9,000,000	8,000,000	-11.1%
Total SURFACE WATER & SEWER-STORMWATER	39,307,532	41,769,317	50,690,065	50,439,230	-0.5%
<u>WATER - ENTERPRISE</u>					
LICENSE AND PERMITS	1,076	6,364	1,100	6,500	490.9%
FEDERAL GOVERNMENT	1,214,486	280,128			0.0%
STATE GOVERNMENT		93,376			0.0%
CHARGES FOR SERVICES	65,606,433	68,469,693	77,333,985	77,332,086	0.0%
CHARGES FOR SALES	43,188	12,131	25,000		-100.0%
SPECIAL ASSESSMENTS	645,996	1,057,759	90,000		-100.0%
OTHER MISC REVENUES	(234,421)	14,998			0.0%
LONG TERM LIABILITIES PROCEEDS				2,000,000	100.0%
Total WATER - ENTERPRISE	67,276,758	69,934,449	77,450,085	79,338,586	2.4%
<u>MUNICIPAL PARKING-ENTERPRISE</u>					
LICENSE AND PERMITS	291,569	268,536	240,000	240,000	0.0%
CHARGES FOR SERVICES	56,275,075	50,571,185	52,191,878	53,627,074	2.7%
CHARGES FOR SALES	1,670,274	1,778,621	1,670,000	1,500,000	-10.2%
SPECIAL ASSESSMENTS	542,861	57,420	543,157	543,157	0.0%

**SCHEDULE TWO
REVENUES BY FUND AND TYPE**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
RENTS	2,809	2,393	3,500	1	-100.0%
OTHER MISC REVENUES	8,155	9,175	46,500	2	-100.0%
LONG TERM LIABILITIES PROCEEDS			1,700,000	1,700,000	0.0%
Total MUNICIPAL PARKING-ENTERPRISE	58,790,743	52,687,331	56,395,035	57,610,234	2.2%
<u>SOLID WASTE - ENTERPRISE</u>					
LICENSE AND PERMITS	(1,000)				0.0%
FEDERAL GOVERNMENT		80,150			0.0%
STATE GOVERNMENT	10,350	37,086	8,173	10,500	28.5%
LOCAL GOVERNMENT	888,467	889,675	800,000	880,000	10.0%
CHARGES FOR SERVICES	28,191,295	29,205,652	28,786,914	28,947,436	0.6%
CHARGES FOR SALES	1,444,860	2,173,123	1,000,000	1,250,500	25.0%
FINES AND FORFEITS		75			0.0%
SPECIAL ASSESSMENTS	369,517	475,432		224,000	100.0%
GAINS		19,909			0.0%
RENTS	575	15			0.0%
CONTRIBUTIONS	86				0.0%
OTHER MISC REVENUES	1,668	40			0.0%
Total SOLID WASTE - ENTERPRISE	30,905,818	32,881,156	30,595,087	31,312,436	2.3%
<u>PARK - OPERATIONS - ENTERPRISE</u>					
FRANCHISE FEES		(51)			0.0%
LICENSE AND PERMITS	11,924	2,900			0.0%
FEDERAL GOVERNMENT	181,697	129,981	128,930		-100.0%
STATE GOVERNMENT		117,379			0.0%
LOCAL GOVERNMENT	622,784	251,649			0.0%
CHARGES FOR SERVICES	12,154,309	11,122,148	12,222,269	9,529,078	-22.0%
CHARGES FOR SALES	4,588	186			0.0%
FINES AND FORFEITS	2,446				0.0%
INTEREST	1	290			0.0%
RENTS	1,265,192	1,968,295	1,644,400	1,091,931	-33.6%
CONTRIBUTIONS	450,621	390,179	240,000	25,000	-89.6%
OTHER MISC REVENUES	73,002	54,641	52,000	16,000	-69.2%
LONG TERM LIABILITIES PROCEEDS		1,303			0.0%
Total PARK - OPERATIONS - ENTERPRISE	14,766,564	14,038,901	14,287,599	10,662,009	-25.4%
<u>LIBRARY PKG ENTERPRISE FUND</u>					
INTEREST	496	389			0.0%
Total LIBRARY PKG ENTERPRISE FUND	496	389			0.0%
TOTAL ENTERPRISE	263,048,831	263,472,665	293,706,243	290,951,016	-0.9%
TOTAL ALL FUNDS	950,359,655	1,392,491,928	1,171,574,607	1,182,243,579	0.9%

SCHEDULE TWO
REVENUES BY TYPE
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% Change
PROPERTY TAXES	139,512,837	337,069,494	328,009,623	327,440,684	-0.2%
SALES AND OTHER TAXES	61,481,655	66,090,701	65,458,141	71,158,000	8.7%
FRANCHISE FEES	3,280,722	29,128,321	27,500,000	27,400,000	-0.4%
LICENSE AND PERMITS	30,002,769	33,571,840	31,783,660	34,532,923	8.6%
FEDERAL GOVERNMENT	60,460,844	65,916,728	34,088,833	27,172,125	-20.3%
STATE GOVERNMENT	52,936,248	124,250,776	94,389,274	93,222,893	-1.2%
LOCAL GOVERNMENT	15,525,260	9,656,044	11,894,451	19,777,529	66.3%
CHARGES FOR SERVICES	362,094,582	386,546,925	395,964,661	404,544,056	2.2%
CHARGES FOR SALES	11,463,421	10,509,614	12,782,582	12,196,222	-4.6%
FINES AND FORFEITS	10,354,004	11,133,147	10,830,814	9,831,542	-9.2%
SPECIAL ASSESSMENTS	25,881,799	25,400,450	22,443,590	27,263,566	21.5%
INTEREST	6,322,126	5,233,751	2,146,863	2,205,424	2.7%
GAINS	102,624	779,673	200,000	200,000	0.0%
RENTS	63,336,962	55,605,727	54,096,798	52,316,222	-3.3%
CONTRIBUTIONS	3,141,323	3,438,073	1,513,052	1,741,800	15.1%
OTHER MISC REVENUES	19,868,539	17,521,807	29,272,265	12,350,593	-57.8%
LONG TERM LIABILITIES PROCEEDS	84,593,938	210,638,857	49,200,000	58,890,000	19.7%
TOTAL REVENUES BY TYPE, ALL FUNDS	950,359,655	1,392,491,928	1,171,574,607	1,182,243,579	0.9%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
GENERAL					
GENERAL FUND					
ASSESSOR	3,932,902	4,008,562	4,195,608	4,314,926	2.8%
ATTORNEY	7,498,139	7,718,605	7,758,186	8,074,265	4.1%
CITY COUNCIL & CLERK	7,098,049	6,899,922	8,027,770	8,316,614	3.6%
FIRE	53,805,134	52,616,998	52,272,245	53,790,402	2.9%
CIVIL RIGHTS	2,268,591	2,055,497	2,153,000	2,462,505	14.4%
MAYOR	1,493,086	1,496,254	1,548,188	1,598,248	3.2%
POLICE	124,021,246	126,133,109	128,014,884	131,564,104	2.8%
REGULATORY SERVICES	28,286,677	27,607,289	30,257,558	13,336,113	-55.9%
INTERNAL AUDIT	212,431	450,726	437,559	382,136	-12.7%
HEALTH AND FAMILY SUPPORT	3,312,791	3,299,890	2,432,916	6,945,829	185.5%
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,845,992	2,021,457	2,748,884	2,739,596	-0.3%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	30,181,181	27,263,654	27,136,163	27,684,763	2.0%
PW - ADMINISTRATIVE SERVICES	2,586,591	2,618,287	2,781,814	2,870,538	3.2%
PW - TRAFFIC AND PARKING SERVICES	11,909,586	12,301,252	13,416,890	14,234,245	6.1%
HUMAN RESOURCES	5,805,003	5,913,448	5,509,772	7,129,277	29.4%
FINANCE AND PROPERTY SERV	19,462,123	19,164,698	19,633,000	20,322,781	3.5%
911	7,455,111	7,251,399	7,296,626	7,725,520	5.9%
311	3,092,056	3,042,577	2,961,545	3,121,904	5.4%
CITY COORDINATOR	1,347,978	1,371,920	1,518,771	1,628,112	7.2%
INTERGOVERNMENTAL RELATIONS	1,244,380	1,403,340	1,404,712	1,509,560	7.5%
COMMUNICATIONS	2,382,226	2,299,694	2,160,558	2,135,305	-1.2%
EMERGENCY MANAGEMENT	712,865	951,634	711,258	692,649	-2.6%
NEIGHBORHOOD & COMMUNITY RELATIONS	1,104,484	875,991	901,508	933,611	3.6%
INFORMATION TECHNOLOGY			50,000	200,000	300.0%
GENERAL FUND CONTINGENCY	1,785,621	373,591	4,000,195	3,883,246	-2.9%
LIBRARY BOARD	13,493,454	5,872,847	4,982,000	4,106,000	-17.6%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,526,651	3,257,106	3,557,535	20,034,403	463.2%
Total GENERAL FUND	339,864,351	328,269,747	337,869,145	351,736,652	4.1%
TOTAL GENERAL	339,864,351	328,269,747	337,869,145	351,736,652	4.1%
SPECIAL REVENUE					
WEST SIDE MILLING TE BONDS II					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	15,340				0.0%
Total WEST SIDE MILLING TE BONDS II	15,340				0.0%
TAX INCREMENT ADMINISTRATION					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	871,150	257,039	100,000	40,000	-60.0%
Total TAX INCREMENT ADMINISTRATION	871,150	257,039	100,000	40,000	-60.0%
Central Ave Lofts					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	89,199	64,028	52,904	47,746	-9.7%
Total Central Ave Lofts	89,199	64,028	52,904	47,746	-9.7%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
<u>ST ANNE'S HOUSING</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	36,377	26,156	22,330	22,185	-0.6%
Total ST ANNE'S HOUSING	36,377	26,156	22,330	22,185	-0.6%
<u>ANTIQUES MINNESOTA</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	38,688	47,951	35,910	34,331	-4.4%
Total ANTIQUES MINNESOTA	38,688	47,951	35,910	34,331	-4.4%
<u>COMMON PROJECT UNCERTIFIED</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	961,294	563,081	864,002	1,745,347	102.0%
Total COMMON PROJECT UNCERTIFIED	961,294	563,081	864,002	1,745,347	102.0%
<u>NINTH & HENNEPIN</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	150,096	39,236	72,503	83,573	15.3%
Total NINTH & HENNEPIN	150,096	39,236	72,503	83,573	15.3%
<u>CEDAR RIVERSIDE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	0				0.0%
Total CEDAR RIVERSIDE	0				0.0%
<u>BOTTINEAU</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	152,741	169,742	169,049	150,432	-11.0%
Total BOTTINEAU	152,741	169,742	169,049	150,432	-11.0%
<u>LAUREL VILLAGE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	111,627	151,187	109,099	108,574	-0.5%
Total LAUREL VILLAGE	111,627	151,187	109,099	108,574	-0.5%
<u>SOUTH NICOLLET MALL</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			4,411	8,704	97.3%
Total SOUTH NICOLLET MALL			4,411	8,704	97.3%
<u>CLARE HOUSING</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	375	441	450	475	5.6%
Total CLARE HOUSING	375	441	450	475	5.6%
<u>2700 EAST LAKE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	83,521	75,157	73,000	66,576	-8.8%
Total 2700 EAST LAKE	83,521	75,157	73,000	66,576	-8.8%
<u>EAST PHILLIPS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	26,647	23,896	21,983	19,668	-10.5%
Total EAST PHILLIPS	26,647	23,896	21,983	19,668	-10.5%
<u>EAST VILLAGE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	195,456	205,264	203,670	203,695	0.0%
Total EAST VILLAGE	195,456	205,264	203,670	203,695	0.0%
<u>50TH & FRANCE</u>					

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	190,503	218,470	216,920	207,047	-4.6%
Total 50TH & FRANCE	190,503	218,470	216,920	207,047	-4.6%
FRANKLIN PORTLAND WELLSTONE					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	42,694	37,269	38,049	38,077	0.1%
Total FRANKLIN PORTLAND WELLSTONE	42,694	37,269	38,049	38,077	0.1%
FORMER FED RESERVE					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,107,459	1,159,541	1,644,606	1,170,663	-28.8%
Total FORMER FED RESERVE	1,107,459	1,159,541	1,644,606	1,170,663	-28.8%
GRAIN BELT					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	151,383	161,427	159,632	154,913	-3.0%
Total GRAIN BELT	151,383	161,427	159,632	154,913	-3.0%
GRACO TI					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	104,045	13,159	49,177	20,547	-58.2%
Total GRACO TI	104,045	13,159	49,177	20,547	-58.2%
GRAIN BELT HOUSING DIST 132					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	41,937	6,703	200,331	45,399	-77.3%
Total GRAIN BELT HOUSING DIST 132	41,937	6,703	200,331	45,399	-77.3%
13TH AND HARMON					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	251,331	254,078	252,698	252,703	0.0%
Total 13TH AND HARMON	251,331	254,078	252,698	252,703	0.0%
PARCEL C TI DISTRICT					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	425,978	434,828	435,930	424,459	-2.6%
Total PARCEL C TI DISTRICT	425,978	434,828	435,930	424,459	-2.6%
HISTORIC DEPOT REUSE DIST 93					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	15,866	15,971	3,098	2,603	-16.0%
Total HISTORIC DEPOT REUSE DIST 93	15,866	15,971	3,098	2,603	-16.0%
HENNEPIN & 7TH ENTERTAINMENT					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	17,886	23,997	6,461	2,075	-67.9%
Total HENNEPIN & 7TH ENTERTAINMENT	17,886	23,997	6,461	2,075	-67.9%
HUMBOLDT GREENWAY DIST 98					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	45,045	47,750	72,327	54,335	-24.9%
Total HUMBOLDT GREENWAY DIST 98	45,045	47,750	72,327	54,335	-24.9%
HIAWATHA COMMONS HOUSING					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	77,732	75,942	73,772	72,110	-2.3%
Total HIAWATHA COMMONS HOUSING	77,732	75,942	73,772	72,110	-2.3%
Humboldt Industrial Park					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	160,205	110,718	148,070	113,839	-23.1%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total Humboldt Industrial Park	160,205	110,718	148,070	113,839	-23.1%
<u>HERITAGE LAND APTS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	417,009	479,584	477,604	478,167	0.1%
Total HERITAGE LAND APTS	417,009	479,584	477,604	478,167	0.1%
<u>HERITAGE PARK</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	6,830	7,743	1,600	1,625	1.6%
Total HERITAGE PARK	6,830	7,743	1,600	1,625	1.6%
<u>900 6TH AVE SE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	69,901	66,754	64,557	57,210	-11.4%
Total 900 6TH AVE SE	69,901	66,754	64,557	57,210	-11.4%
<u>EAST HENNEPIN & UNIVERSITY</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	180,220	193,524	164,500	174,525	6.1%
Total EAST HENNEPIN & UNIVERSITY	180,220	193,524	164,500	174,525	6.1%
<u>IVY TOWER</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	201,869	323,102	385,200	361,063	-6.3%
Total IVY TOWER	201,869	323,102	385,200	361,063	-6.3%
<u>JOURDAIN</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	48,363	45,382	43,072	40,839	-5.2%
Total JOURDAIN	48,363	45,382	43,072	40,839	-5.2%
<u>LOCAL CONTRIBUTION FUND</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	145,827	454,930	911,378	1,118,225	22.7%
Total LOCAL CONTRIBUTION FUND	145,827	454,930	911,378	1,118,225	22.7%
<u>Lonfellow Station</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		40,053	207,304	182,667	-11.9%
Total Lonfellow Station		40,053	207,304	182,667	-11.9%
<u>Lyndale Green</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			22,467	41,497	84.7%
Total Lyndale Green			22,467	41,497	84.7%
<u>LOWRY RIDGE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	83,546	95,233	92,713	86,584	-6.6%
Total LOWRY RIDGE	83,546	95,233	92,713	86,584	-6.6%
<u>LAKE STREET CENTER</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	900,543	672,330	2,080,485	1,871,578	-10.0%
Total LAKE STREET CENTER	900,543	672,330	2,080,485	1,871,578	-10.0%
<u>MAGNUM LOFTS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	77,500	52,646	50,378	49,855	-1.0%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total MAGNUM LOFTS	77,500	52,646	50,378	49,855	-1.0%
<u>MANY RIVERS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	64,408	38,809	62,722	43,813	-30.1%
Total MANY RIVERS	64,408	38,809	62,722	43,813	-30.1%
<u>MANY RIVERS WEST</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	43,544	26,530	38,949	25,551	-34.4%
Total MANY RIVERS WEST	43,544	26,530	38,949	25,551	-34.4%
<u>1900 CENTRAL AVE HSG</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	33,926	100,174	67,667	70,917	4.8%
Total 1900 CENTRAL AVE HSG	33,926	100,174	67,667	70,917	4.8%
<u>NICOLLET FRANKLIN</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	200,368	40,782	223,589	207,692	-7.1%
Total NICOLLET FRANKLIN	200,368	40,782	223,589	207,692	-7.1%
<u>NOKOMIS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		539	100,045	83,473	-16.6%
Total NOKOMIS		539	100,045	83,473	-16.6%
<u>NRP</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	7,951,462	5,978,480		650,678	100.0%
Total NRP	7,951,462	5,978,480		650,678	100.0%
<u>Coloplast</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	113,504	264,800	301,509	277,914	-7.8%
Total Coloplast	113,504	264,800	301,509	277,914	-7.8%
<u>Consolidated TIF District</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		5,394,608	2,751,399	2,669,515	-3.0%
Total Consolidated TIF District		5,394,608	2,751,399	2,669,515	-3.0%
<u>PORTLAND PLACE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,956	6,615	70,750	775	-98.9%
Total PORTLAND PLACE	3,956	6,615	70,750	775	-98.9%
<u>NBA ARENA</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,126,884	4,894			0.0%
Total NBA ARENA	1,126,884	4,894			0.0%
<u>PHILLIPS PARK</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	56,459	87,329	58,498	53,838	-8.0%
Total PHILLIPS PARK	56,459	87,329	58,498	53,838	-8.0%
<u>CAPITAL PROJECTS- OTHER</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	161,483	642,351	28,168	237,019	741.5%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total CAPITAL PROJECTS- OTHER	161,483	642,351	28,168	237,019	741.5%
PRELIMINARY PLANNING					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,160,027	1,153,138	2,399,701	2,475,459	3.2%
Total PRELIMINARY PLANNING	1,160,027	1,153,138	2,399,701	2,475,459	3.2%
PARK AVENUE EAST					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	238,058			4,548	100.0%
Total PARK AVENUE EAST	238,058			4,548	100.0%
RIPLEY GARDENS					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	52,667	54,541	52,320	49,917	-4.6%
Total RIPLEY GARDENS	52,667	54,541	52,320	49,917	-4.6%
CREAMETTE DISTRICT 84					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	126,472	135,333	147,394	148,226	0.6%
Total CREAMETTE DISTRICT 84	126,472	135,333	147,394	148,226	0.6%
MARSHALL RIVER RUN					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	110,970	83,984	79,427	79,575	0.2%
Total MARSHALL RIVER RUN	110,970	83,984	79,427	79,575	0.2%
ROSACKER NURSERY SITE					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			525,000		-100.0%
Total ROSACKER NURSERY SITE			525,000		-100.0%
STONE ARCH APARTMENTS					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	249,073	276,202	274,918	288,113	4.8%
Total STONE ARCH APARTMENTS	249,073	276,202	274,918	288,113	4.8%
SHINGLE CREEK COMMONS					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	71,037	73,250	71,081	71,106	0.0%
Total SHINGLE CREEK COMMONS	71,037	73,250	71,081	71,106	0.0%
ST ANTHONY MILLS					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	102,218	82,804	80,395	74,917	-6.8%
Total ST ANTHONY MILLS	102,218	82,804	80,395	74,917	-6.8%
STINSON					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	766,904	777,230	1,090,814	881,095	-19.2%
Total STINSON	766,904	777,230	1,090,814	881,095	-19.2%
SEMI-PHASE 1					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	170,654	456,670	565,633	487,175	-13.9%
Total SEMI-PHASE 1	170,654	456,670	565,633	487,175	-13.9%
SEMI-PHASE 2					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	130,961	146,092	305,314	229,479	-24.8%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total SEMI-PHASE 2	130,961	146,092	305,314	229,479	-24.8%
<u>SEMI-PHASE 3</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,739	3,970	525	550	4.8%
Total SEMI-PHASE 3	3,739	3,970	525	550	4.8%
<u>SEMI-PHASE 4</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	25,679	4,559	700	725	3.6%
Total SEMI-PHASE 4	25,679	4,559	700	725	3.6%
<u>SEMI-PHASE 5</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	150,075	161,664	159,870	144,032	-9.9%
Total SEMI-PHASE 5	150,075	161,664	159,870	144,032	-9.9%
<u>TOWERS AT ELLIOT PARK</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	19,630	27,894	2,450	2,475	1.0%
Total TOWERS AT ELLIOT PARK	19,630	27,894	2,450	2,475	1.0%
<u>2ND ST N HOTEL/APTS TOWNPLACE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	203,240	209,014	213,401	218,709	2.5%
Total 2ND ST N HOTEL/APTS TOWNPLACE	203,240	209,014	213,401	218,709	2.5%
<u>10TH AND WASHINGTON</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	8,055	10,518	725	750	3.4%
Total 10TH AND WASHINGTON	8,055	10,518	725	750	3.4%
<u>UNITED VAN BUS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			200,000		-100.0%
Total UNITED VAN BUS			200,000		-100.0%
<u>EAST RIVER / UNOCAL SITE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	6,949	6,564	750	775	3.3%
Total EAST RIVER / UNOCAL SITE	6,949	6,564	750	775	3.3%
<u>URBAN VILLAGE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	8,844	13,315	406,875	451,900	11.1%
Total URBAN VILLAGE	8,844	13,315	406,875	451,900	11.1%
<u>Van Cleve East</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	34,123	52,155	33,528	33,553	0.1%
Total Van Cleve East	34,123	52,155	33,528	33,553	0.1%
<u>VILLAGE IN PHILLIPS HOUSING</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	48,912	48,694	51,662	42,178	-18.4%
Total VILLAGE IN PHILLIPS HOUSING	48,912	48,694	51,662	42,178	-18.4%
<u>Van Cleve Redevelopment</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	22,183	18,228	205,667	110,232	-46.4%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total Van Cleve Redevelopment	22,183	18,228	205,667	110,232	-46.4%
<u>Van Cleve West</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	25,609	56,667	50,626	50,651	0.0%
Total Van Cleve West	25,609	56,667	50,626	50,651	0.0%
<u>WASHINGTON COURTS APTS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	31,659	21,382	18,044	18,069	0.1%
Total WASHINGTON COURTS APTS	31,659	21,382	18,044	18,069	0.1%
<u>WEST SIDE MILLING DISTRICT</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	12,912	6,333	11,685	1,868	-84.0%
Total WEST SIDE MILLING DISTRICT	12,912	6,333	11,685	1,868	-84.0%
<u>WEST RIVER COMMONS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	91,581	94,420	92,446	91,426	-1.1%
Total WEST RIVER COMMONS	91,581	94,420	92,446	91,426	-1.1%
<u>HSG REPLACE-WATERSHED 0</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	142,442	175,873	203,522	195,582	-3.9%
Total HSG REPLACE-WATERSHED 0	142,442	175,873	203,522	195,582	-3.9%
<u>HOUSING REPLACEMENT 2</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	148,095	155,115	72,993	825	-98.9%
Total HOUSING REPLACEMENT 2	148,095	155,115	72,993	825	-98.9%
<u>HSG REPLACE-WATERSHED 3</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT			500	525	5.0%
Total HSG REPLACE-WATERSHED 3			500	525	5.0%
<u>CPED NEIGHBORHOOD DEVEL ACCT</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	531,010	299,125	202,567	290,567	43.4%
Total CPED NEIGHBORHOOD DEVEL ACCT	531,010	299,125	202,567	290,567	43.4%
<u>CPED OPERATING</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	7,102,548	6,800,349	6,988,719	6,613,155	-5.4%
Total CPED OPERATING	7,102,548	6,800,349	6,988,719	6,613,155	-5.4%
<u>NRP ADMINISTRATION</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	197,354	390,607	350,365		-100.0%
Total NRP ADMINISTRATION	197,354	390,607	350,365		-100.0%
<u>COMMUNITY DEVELOPMENT INVEST</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	527,508	117,315	2,604		-100.0%
Total COMMUNITY DEVELOPMENT INVEST	527,508	117,315	2,604		-100.0%
<u>DEVELOPMENT ACCOUNT</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,019,620	2,973,309	3,571,551	1,340,152	-62.5%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total DEVELOPMENT ACCOUNT	2,019,620	2,973,309	3,571,551	1,340,152	-62.5%
<u>ECONOMIC DEVELOPMENT PROGRAM</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	4,143,367	3,550,787	4,012,591	3,825,118	-4.7%
Total ECONOMIC DEVELOPMENT PROGRAM	4,143,367	3,550,787	4,012,591	3,825,118	-4.7%
<u>HOUSING PROGRAM</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,372,700	3,977,700	1,139,231	1,351,939	18.7%
Total HOUSING PROGRAM	3,372,700	3,977,700	1,139,231	1,351,939	18.7%
<u>HOME OWNERSHIP WORKS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	102,052	377,420	400,000	500,000	25.0%
Total HOME OWNERSHIP WORKS	102,052	377,420	400,000	500,000	25.0%
<u>CPED STATE GRANTS & LOAN</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	14,597	37,935			0.0%
Total CPED STATE GRANTS & LOAN	14,597	37,935			0.0%
<u>NEIGHBORHOOD HOUSING</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	300,000				0.0%
Total NEIGHBORHOOD HOUSING	300,000				0.0%
<u>COMMUNITY DEVELOPMENT</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	6,240,099	1,993,553			0.0%
Total COMMUNITY DEVELOPMENT	6,240,099	1,993,553			0.0%
<u>RESIDENTIAL HOUSING</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	933,891	725,822	516,751	310,530	-39.9%
Total RESIDENTIAL HOUSING	933,891	725,822	516,751	310,530	-39.9%
<u>BOARD OF ESTIMATE AND TAXATION</u>					
BOARD OF ESTIMATE & TAXATION	170,701	166,191	175,500	177,500	1.1%
Total BOARD OF ESTIMATE AND TAXATION	170,701	166,191	175,500	177,500	1.1%
<u>Downtown Improvement District</u>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	5,730,071	5,949,122	5,800,000	5,800,000	0.0%
Total Downtown Improvement District	5,730,071	5,949,122	5,800,000	5,800,000	0.0%
<u>POLICE DEPT - SPECIAL REVENUE</u>					
POLICE	3,662,274	2,275,388	1,832,368	1,740,437	-5.0%
Total POLICE DEPT - SPECIAL REVENUE	3,662,274	2,275,388	1,832,368	1,740,437	-5.0%
<u>ARENA - RESERVE</u>					
CONVENTION CENTER	1,507,580	3,018,017	7,448,200	5,707,000	-23.4%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	258,026				0.0%
Total ARENA - RESERVE	1,765,606	3,018,017	7,448,200	5,707,000	-23.4%
<u>GRANTS - FEDERAL</u>					
ATTORNEY	525,305	609,132	280,264	288,720	3.0%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
FIRE	170,095	107,680		534,462	100.0%
CIVIL RIGHTS		4,110			0.0%
POLICE	3,366,422	3,916,197	4,262,470	1,646,280	-61.4%
REGULATORY SERVICES	1,629,861	2,067,308	993,290		-100.0%
HEALTH AND FAMILY SUPPORT	4,250,235	6,212,762	3,803,327	4,781,646	25.7%
PW - TRANSPORTATION MAINTENANCE AND REPAIR		69,837			0.0%
FINANCE AND PROPERTY SERV	402,837	776,266	54,103	53,797	-0.6%
911		3,756			0.0%
311		4,453			0.0%
CITY COORDINATOR	10,656	54,368			0.0%
INTERGOVERNMENTAL RELATIONS		5,840			0.0%
COMMUNICATIONS		3,233			0.0%
EMERGENCY MANAGEMENT	5,581,061	2,190,271	3,124,350	1,000,000	-68.0%
CAPITAL IMPROVEMENTS	3,649,646	4,531,697			0.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	19,301,210	15,086,433	3,201,000	2,700,000	-15.7%
Total GRANTS - FEDERAL	38,887,327	35,643,343	15,718,805	11,004,905	-30.0%
<u>CDBG & UDAG FUNDS</u>					
ATTORNEY	38,185	54,929			0.0%
FIRE	126,240	541,095			0.0%
CIVIL RIGHTS	383,250	344,281	365,000	361,900	-0.8%
POLICE	621,019	908,800	884,000	876,600	-0.8%
REGULATORY SERVICES	1,770,838	740,952	366,600	210,700	-42.5%
HEALTH AND FAMILY SUPPORT	1,415,535	1,165,977	612,000	668,500	9.2%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	2,236				0.0%
PW - SOLID WASTE	90,739				0.0%
FINANCE AND PROPERTY SERV	380,697	197,309	196,000	194,400	-0.8%
INTERGOVERNMENTAL RELATIONS	1,782,988	1,130,684	1,316,397	1,260,113	-4.3%
NEIGHBORHOOD & COMMUNITY RELATIONS	198,000	198,000	121,000	347,867	187.5%
NON DEPARTMENTAL	64,803	221,286		65,400	100.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	20,762,613	11,808,721	10,136,781	10,370,978	2.3%
YOUTH COORDINATING BOARD			66,000		-100.0%
Total CDBG & UDAG FUNDS	27,637,145	17,312,036	14,063,777	14,356,457	2.1%
<u>HOME</u>					
INTERGOVERNMENTAL RELATIONS	307	7,140	15,000	15,000	0.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,595,230	3,704,665	2,057,652	2,152,961	4.6%
Total HOME	3,595,537	3,711,805	2,072,651	2,167,961	4.6%
<u>GRANTS - OTHER</u>					
ATTORNEY	118,808	146,690	85,088	85,000	-0.1%
FIRE	2,981	10,155	10,000	10,000	0.0%
CIVIL RIGHTS	786	5,920			0.0%
MAYOR	23,767	65,499			0.0%
POLICE	725,595	487,546	433,000	271,357	-37.3%
REGULATORY SERVICES	7,338,306	7,181,667			0.0%
HEALTH AND FAMILY SUPPORT	4,842,906	5,335,011	3,868,665	4,534,932	17.2%
PW - WATER TREATMENT & DISTR.		70			0.0%
HUMAN RESOURCES	57,990	118			0.0%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
FINANCE AND PROPERTY SERV	1,284,113	532,758	38,627	34,375	-11.0%
911	571,834	588,883	556,000	515,480	-7.3%
CITY COORDINATOR	6,000	13,000			0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	5,030	68,580			0.0%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	14,245,847	12,986,384	1,914,000	2,100,000	9.7%
Total GRANTS - OTHER	29,223,963	27,422,281	6,905,380	7,551,144	9.4%
<u>CONVENTION CENTER OPERATIONS</u>					
CONVENTION CENTER	39,632,643	33,529,180	41,272,238	42,744,514	3.6%
Total CONVENTION CENTER OPERATIONS	39,632,643	33,529,180	41,272,238	42,744,514	3.6%
<u>NCR - SPECIAL REVENUE</u>					
NEIGHBORHOOD & COMMUNITY RELATIONS		2,688,839	5,210,173	1,303,741	-75.0%
Total NCR - SPECIAL REVENUE		2,688,839	5,210,173	1,303,741	-75.0%
<u>Regulatory Services Special Revenue Fund</u>					
REGULATORY SERVICES			8,451,702	4,599,435	-45.6%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				359,826	100.0%
Total Regulatory Services Special Revenue Fund			8,451,702	4,959,261	-41.3%
<u>EMPLOYEE RETIREMENT</u>					
MPLS EMPLOYEE RETIREMENT FD	22,171,831	27,554,278	22,060,780	29,115,800	32.0%
Total EMPLOYEE RETIREMENT	22,171,831	27,554,278	22,060,780	29,115,800	32.0%
<u>PARK - GENERAL FUND</u>					
PARK BOARD	56,014,955	54,635,841	58,557,896	64,001,151	9.3%
Total PARK - GENERAL FUND	56,014,955	54,635,841	58,557,896	64,001,151	9.3%
<u>PARK - MUSEUM (ART INSTITUTE)</u>					
PARK BOARD	12,153,963	11,634,542	10,956,697	10,181,181	-7.1%
Total PARK - MUSEUM (ART INSTITUTE)	12,153,963	11,634,542	10,956,697	10,181,181	-7.1%
<u>PARK - GRANT & SPECIAL REVENUE</u>					
PARK BD - CAP IMPROV	82,363	115,571	37,000		-100.0%
PARK BOARD	448,115	20,266	30,600	30,600	0.0%
Total PARK - GRANT & SPECIAL REVENUE	530,478	135,837	67,600	30,600	-54.7%
<u>LIBRARY - GENERAL FUND</u>					
LIBRARY BOARD		119,768			0.0%
Total LIBRARY - GENERAL FUND		119,768			0.0%
<u>LIBRARY - CAPITAL IMPROVEMENTS</u>					
CAPITAL IMPROVEMENTS		1,040,000			0.0%
Total LIBRARY - CAPITAL IMPROVEMENTS		1,040,000			0.0%
<u>HISTORIC PRESERVATION FUND</u>					
MUNICIPAL BUILDING COMMISSION	9,264	132,386			0.0%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total HISTORIC PRESERVATION FUND	9,264	132,386			0.0%
<u>MUNICIPAL BUILDING COMMISSION</u>					
MUNICIPAL BUILDING COMMISSION	8,140,806	7,846,526	7,974,789	8,219,078	3.1%
Total MUNICIPAL BUILDING COMMISSION	8,140,806	7,846,526	7,974,789	8,219,078	3.1%
<u>JOINT BOARD</u>					
NON-CPED	73,971	43,724			0.0%
Total JOINT BOARD	73,971	43,724			0.0%
<u>YOUTH COORDINATING BOARD</u>					
YOUTH COORDINATING BOARD	1,552,738	1,179,182	1,260,824	1,570,808	24.6%
Total YOUTH COORDINATING BOARD	1,552,738	1,179,182	1,260,824	1,570,808	24.6%
<u>NEIGHBORHOOD REVITAL POLICY</u>					
NEIGH REVITALIZATN POL BD	1,351,896	1,266,066	0		-100.0%
Total NEIGHBORHOOD REVITAL POLICY	1,351,896	1,266,066	0		-100.0%
<u>PUBLIC HOUSING AUTHORITY</u>					
MPHA	22,535,468	(697,625)	434,749	196,000	-54.9%
Total PUBLIC HOUSING AUTHORITY	22,535,468	(697,625)	434,749	196,000	-54.9%
TOTAL SPECIAL REVENUE	321,740,326	281,356,482	248,001,407	245,088,530	-1.2%

CAPITAL PROJECT

<u>JUNE 10 VARIOUS PURPOSE BONDS</u>					
DEBT SERVICE	1,925,611				0.0%
Total JUNE 10 VARIOUS PURPOSE BONDS	1,925,611				0.0%
<u>MAY 11 VARIOUS PURPOSE BONDS</u>					
DEBT SERVICE		5,347			0.0%
Total MAY 11 VARIOUS PURPOSE BONDS		5,347			0.0%
<u>NOV10 IMPROV BOND ARBITRAGE</u>					
DEBT SERVICE	62,988				0.0%
Total NOV10 IMPROV BOND ARBITRAGE	62,988				0.0%
<u>NOV11 IMPROV BOND AEBITRAGE</u>					
DEBT SERVICE		42,925			0.0%
Total NOV11 IMPROV BOND AEBITRAGE		42,925			0.0%
<u>May 08 Library Ref Bonds</u>					
DEBT SERVICE	3,910,000				0.0%
Total May 08 Library Ref Bonds	3,910,000				0.0%

CAPITAL IMPROVEMENTS

PW - TRANSPORTATION PLANNING AND ENGINEERING	6,197,143	6,784,831	7,200,616	6,965,245	-3.3%
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SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
PW - TRANSPORTATION MAINTENANCE AND REPAIR	706,559	573,190	681,892	698,134	2.4%
CAPITAL IMPROVEMENTS	52,123,282	36,944,006	58,184,000	77,747,000	33.6%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	436,999	282,981	345,490	605,000	75.1%
Total CAPITAL IMPROVEMENTS	59,463,982	44,585,007	66,411,998	86,015,378	29.5%
<u>PARK - CAPITAL IMPROVEMENTS</u>					
PARK BD - CAP IMPROV	18,902,665	15,651,780	16,624,248	7,500,000	-54.9%
Total PARK - CAPITAL IMPROVEMENTS	18,902,665	15,651,780	16,624,248	7,500,000	-54.9%
<u>PARK-CAPITAL IMPROVE-ASSESSED</u>					
PARK BD - CAP IMPROV	255,070	283,656	1,000,000	300,000	-70.0%
Total PARK-CAPITAL IMPROVE-ASSESSED	255,070	283,656	1,000,000	300,000	-70.0%
<u>MBC - CAPITAL IMPROVEMENTS</u>					
CAPITAL IMPROVEMENTS	3,004,173	1,812,862	1,106,000	1,854,000	67.6%
Total MBC - CAPITAL IMPROVEMENTS	3,004,173	1,812,862	1,106,000	1,854,000	67.6%
TOTAL CAPITAL PROJECT	87,524,489	62,381,577	85,142,246	95,669,378	12.4%

DEBT SERVICE

<u>01 IMPROVEMENT BONDS - 20 YR</u>					
DEBT SERVICE	5,606,869	194,550	180,050	175,850	-2.3%
Total 01 IMPROVEMENT BONDS - 20 YR	5,606,869	194,550	180,050	175,850	-2.3%
<u>96 IMPROVEMENT BONDS</u>					
DEBT SERVICE	135,100	131,425	122,750	117,750	-4.1%
Total 96 IMPROVEMENT BONDS	135,100	131,425	122,750	117,750	-4.1%
<u>97 IMPROVEMENT BONDS</u>					
DEBT SERVICE	210,625	204,675	193,725	110,475	-43.0%
Total 97 IMPROVEMENT BONDS	210,625	204,675	193,725	110,475	-43.0%
<u>98 IMPROVEMENT BONDS</u>					
DEBT SERVICE	1,586	1,586	1,586	7,486	372.0%
Total 98 IMPROVEMENT BONDS	1,586	1,586	1,586	7,486	372.0%
<u>BOND REDEM ARBIT 6/90 IMP BOND</u>					
DEBT SERVICE	274,938				0.0%
Total BOND REDEM ARBIT 6/90 IMP BOND	274,938				0.0%
<u>BOND REDEM ARBIT 6/91 IMP BOND</u>					
DEBT SERVICE	176,375				0.0%
Total BOND REDEM ARBIT 6/91 IMP BOND	176,375				0.0%
<u>CPED DEBT SERVICE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	13,397,342	1,664,631		2,861,682	100.0%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total CPED DEBT SERVICE	13,397,342	1,664,631		2,861,682	100.0%
<u>ST ANTHONY DEBT SERVICE</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	874,431	861,398			0.0%
Total ST ANTHONY DEBT SERVICE	874,431	861,398			0.0%
<u>BOND REDEM ARBIT 6/93 IMP BOND</u>					
DEBT SERVICE	147,945	148,294	165,000		-100.0%
Total BOND REDEM ARBIT 6/93 IMP BOND	147,945	148,294	165,000		-100.0%
<u>NOV10 IMPROV BOND D/S</u>					
DEBT SERVICE	33,860	1,163,164	1,084,250	1,065,050	-1.8%
Total NOV10 IMPROV BOND D/S	33,860	1,163,164	1,084,250	1,065,050	-1.8%
<u>NOV11 IMPROV BOND D/S</u>					
DEBT SERVICE				1,570,988	100.0%
Total NOV11 IMPROV BOND D/S				1,570,988	100.0%
<u>NOV12 IMPROV BOND D/S</u>					
DEBT SERVICE				983,193	100.0%
Total NOV12 IMPROV BOND D/S				983,193	100.0%
<u>OCT 02 IMPROV BOND D/S</u>					
DEBT SERVICE	3,589,544	401,400	392,400	333,400	-15.0%
Total OCT 02 IMPROV BOND D/S	3,589,544	401,400	392,400	333,400	-15.0%
<u>NOV03 IMPROV BOND D/S</u>					
DEBT SERVICE	3,555,233	546,250	532,900	519,550	-2.5%
Total NOV03 IMPROV BOND D/S	3,555,233	546,250	532,900	519,550	-2.5%
<u>NOV04 IMPROV BOND D/S</u>					
DEBT SERVICE	842,112	821,288	800,463	688,460	-14.0%
Total NOV04 IMPROV BOND D/S	842,112	821,288	800,463	688,460	-14.0%
<u>NOV05 IMPROV BOND D/S</u>					
DEBT SERVICE	494,288	364,688	354,688	344,688	-2.8%
Total NOV05 IMPROV BOND D/S	494,288	364,688	354,688	344,688	-2.8%
<u>NOV06 IMPROV BOND D/S</u>					
DEBT SERVICE	364,100	354,500	324,900	316,100	-2.7%
Total NOV06 IMPROV BOND D/S	364,100	354,500	324,900	316,100	-2.7%
<u>NOV07 IMPROV BOND D/S</u>					
DEBT SERVICE	549,825	535,425	521,025	496,625	-4.7%
Total NOV07 IMPROV BOND D/S	549,825	535,425	521,025	496,625	-4.7%
<u>NOV08 IMPROV BOND D_S</u>					
DEBT SERVICE	1,026,188	1,001,162	976,138	951,113	-2.6%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total NOV08 IMPROV BOND D_S	1,026,188	1,001,162	976,138	951,113	-2.6%
<u>NOV09 IMPROV BOND D/S</u>					
DEBT SERVICE	1,336,340	1,205,000	1,179,200	1,144,800	-2.9%
Total NOV09 IMPROV BOND D/S	1,336,340	1,205,000	1,179,200	1,144,800	-2.9%
<u>Diseased Tree Assessment D/S</u>					
DEBT SERVICE	375,700	377,167	490,200	370,800	-24.4%
Total Diseased Tree Assessment D/S	375,700	377,167	490,200	370,800	-24.4%
<u>BOND REDEM ARBIT NIC MALL BOND</u>					
DEBT SERVICE	1,588,750				0.0%
Total BOND REDEM ARBIT NIC MALL BOND	1,588,750				0.0%
<u>BOND REDEMPTION - DEBT SERVICE</u>					
DEBT SERVICE	31,168,657	18,596,591	12,689,780	17,174,078	35.3%
Total BOND REDEMPTION - DEBT SERVICE	31,168,657	18,596,591	12,689,780	17,174,078	35.3%
<u>OTH SELF SUPPORTING DEBT SERVC</u>					
DEBT SERVICE	17,587,168	720,698	970,425	662,900	-31.7%
Total OTH SELF SUPPORTING DEBT SERVC	17,587,168	720,698	970,425	662,900	-31.7%
<u>MIDTOWN EXCH 108 LOAN ACCOUNT</u>					
DEBT SERVICE	285,927	301,874	581,338	586,292	0.9%
Total MIDTOWN EXCH 108 LOAN ACCOUNT	285,927	301,874	581,338	586,292	0.9%
<u>PENSION FUND DEBT SERVICE</u>					
DEBT SERVICE	5,686,838	41,813,012	53,216,413		-100.0%
Total PENSION FUND DEBT SERVICE	5,686,838	41,813,012	53,216,413		-100.0%
<u>Library Ref Debt Service</u>					
DEBT SERVICE	9,639,651	51,691,383	9,169,413	8,897,473	-3.0%
Total Library Ref Debt Service	9,639,651	51,691,383	9,169,413	8,897,473	-3.0%
<u>CONVENTION CENTER-DEBT SERVICE</u>					
DEBT SERVICE	19,326,120	169,675,936	20,075,275	17,532,928	-12.7%
Total CONVENTION CENTER-DEBT SERVICE	19,326,120	169,675,936	20,075,275	17,532,928	-12.7%
<u>TARGET CENTER</u>					
DEBT SERVICE	52,177,741	3,636,904	4,955,951	5,272,286	6.4%
Total TARGET CENTER	52,177,741	3,636,904	4,955,951	5,272,286	6.4%
<u>BOND REDEMPTION - ASSESSMENT</u>					
DEBT SERVICE	3,750	35,302			0.0%
Total BOND REDEMPTION - ASSESSMENT	3,750	35,302			0.0%
<u>TAX INCREMENT - DEBT SERVICE</u>					
DEBT SERVICE	39,289,636	13,294,274	12,615,019	9,125,795	-27.7%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total TAX INCREMENT - DEBT SERVICE	39,289,636	13,294,274	12,615,019	9,125,795	-27.7%
TOTAL DEBT SERVICE	209,746,636	309,742,577	121,592,889	71,309,762	-41.4%
INTERNAL SERVICE					
MATERIALS & LAB-INTERNAL SVC					
PW - TRANSPORTATION PLANNING AND ENGINEERING	1,252,890	1,326,086	1,459,970	1,554,292	6.5%
CAPITAL IMPROVEMENTS	(347)				0.0%
Total MATERIALS & LAB-INTERNAL SVC	1,252,543	1,326,086	1,459,970	1,554,292	6.5%
EQUIPMENT - INTERNAL SERVICE					
PW - FLEET	25,684,801	25,981,876	43,653,821	42,912,094	-1.7%
DEBT SERVICE	1,500,119	723,865	3,009,750	2,915,575	-3.1%
Total EQUIPMENT - INTERNAL SERVICE	27,184,919	26,705,741	46,663,571	45,827,669	-1.8%
Property Services					
PW - PROPERTY SERVICES	1,063,901	2,752,454			0.0%
FINANCE AND PROPERTY SERV	15,967,508	16,012,273	16,070,794	16,301,499	1.4%
CAPITAL IMPROVEMENTS	31,229				0.0%
DEBT SERVICE	182,745	151,500	864,250	873,250	1.0%
Total Property Services	17,245,383	18,916,227	16,935,044	17,174,749	1.4%
Property Disposition Fund					
CAPITAL IMPROVEMENTS		145,008			0.0%
Total Property Disposition Fund		145,008			0.0%
STORES - INTERNAL SERVICE					
PW - TRAFFIC AND PARKING SERVICES	207,013	467,396	375,311	374,017	-0.3%
FINANCE AND PROPERTY SERV	734,991	591,254	682,619	666,157	-2.4%
Total STORES - INTERNAL SERVICE	942,004	1,058,651	1,057,930	1,040,174	-1.7%
INFO TECH - INTERNAL SERVICE					
CITY COUNCIL & CLERK	1,341,732	1,236,541	1,302,909	1,285,931	-1.3%
HUMAN RESOURCES	152,967	178,979	260,606	267,857	2.8%
INFORMATION TECHNOLOGY	26,442,526	25,618,605	26,673,954	27,105,672	1.6%
CAPITAL IMPROVEMENTS	(39,475)	(59,829)	1,275,000	1,150,000	-9.8%
DEBT SERVICE	880,504	276,662	9,603,900	2,056,848	-78.6%
Total INFO TECH - INTERNAL SERVICE	28,778,253	27,250,958	39,116,369	31,866,308	-18.5%
SELF INSURANCE-INTERNAL SVC					
ATTORNEY	5,487,622	6,580,356	6,052,082	6,262,627	3.5%
HUMAN RESOURCES	1,294,378	1,598,244	1,369,189	1,405,944	2.7%
FINANCE AND PROPERTY SERV	2,458,762	2,244,355	2,465,503	2,535,112	2.8%
HEALTH AND WELFARE	5,315,571	794,353	2,361,429	2,420,000	2.5%
WORKERS COMPENSATION	9,555,213	8,488,702	6,616,707	6,876,465	3.9%
LIABILITY	7,956,796	10,769,914	7,514,955	8,031,025	6.9%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
Total SELF INSURANCE-INTERNAL SVC	32,068,341	30,475,924	26,379,865	27,531,173	4.4%
<u>PARK - INTERNAL SERVICE</u>					
PARK BOARD	4,975,853	5,439,321	5,236,248	5,479,141	4.6%
Total PARK - INTERNAL SERVICE	4,975,853	5,439,321	5,236,248	5,479,141	4.6%
<u>PARK-SELF INSURE-INTERNAL SVC</u>					
PARK BOARD	1,752,760	1,972,075	2,028,027	1,975,221	-2.6%
Total PARK-SELF INSURE-INTERNAL SVC	1,752,760	1,972,075	2,028,027	1,975,221	-2.6%
TOTAL INTERNAL SERVICE	114,200,056	113,289,990	138,877,024	132,448,726	-4.6%
<u>ENTERPRISE</u>					
<u>DEFAULTED PROPERTY ADMIN</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	49,211	24,963	69,222	9,337	-86.5%
Total DEFAULTED PROPERTY ADMIN	49,211	24,963	69,222	9,337	-86.5%
<u>FED HOME LN BANK ECON DEVELOP</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	33,332	24,525	75,000	75,000	0.0%
Total FED HOME LN BANK ECON DEVELOP	33,332	24,525	75,000	75,000	0.0%
<u>HOUSING OWNERSHIP PROGRAM</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	18,183				0.0%
Total HOUSING OWNERSHIP PROGRAM	18,183				0.0%
<u>HOME OWNERSHIP & RENOVATION</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	176,911	66,435			0.0%
Total HOME OWNERSHIP & RENOVATION	176,911	66,435			0.0%
<u>LOAN & GRANT PROGRAMS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT		15,922			0.0%
Total LOAN & GRANT PROGRAMS		15,922			0.0%
<u>RIVER TERMINAL</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,633,522	2,109,389	1,514,125	285,255	-81.2%
Total RIVER TERMINAL	1,633,522	2,109,389	1,514,125	285,255	-81.2%
<u>GARFS</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	276,357	424,361	2,882,419	693,972	-75.9%
Total GARFS	276,357	424,361	2,882,419	693,972	-75.9%
<u>THEATRES</u>					
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT				37,243	100.0%
Total THEATRES				37,243	100.0%
<u>SURFACE WATER & SEWER-SANITARY</u>					
SURFACE WATER & SEWERS-SANITARY	40,614,675	42,646,811	44,260,603	46,516,385	5.1%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Council Adopted	% change
CAPITAL IMPROVEMENTS	11,206	(39,892)	6,500,000	8,000,000	23.1%
DEBT SERVICE	547,042	517,701	5,217,000	4,593,868	-11.9%
Total SURFACE WATER & SEWER-SANITARY	41,172,923	43,124,620	55,977,603	59,110,253	5.6%
<u>SURFACE WATER & SEWER-STORMWATER</u>					
PW - TRANSPORTATION MAINTENANCE AND REPAIR	7,023,442	7,813,867	8,056,162	8,158,278	1.3%
SURFACE WATER & SEWERS-STORMWATR	13,410,532	12,212,094	15,467,606	17,288,702	11.8%
CAPITAL IMPROVEMENTS	1,119,273	(123,817)	14,850,000	17,700,000	19.2%
DEBT SERVICE	862,914	670,128	7,400,459	7,926,693	7.1%
Total SURFACE WATER & SEWER-STORMWATER	22,416,162	20,572,271	45,774,227	51,073,673	11.6%
<u>WATER - ENTERPRISE</u>					
PW - WATER TREATMENT & DISTR.	47,822,525	45,884,905	51,105,497	50,901,018	-0.4%
CAPITAL IMPROVEMENTS	115,596	11,320	11,510,000	19,150,000	66.4%
DEBT SERVICE	3,423,892	3,569,353	10,226,083	10,383,376	1.5%
Total WATER - ENTERPRISE	51,362,012	49,465,577	72,841,580	80,434,394	10.4%
<u>MUNICIPAL PARKING-ENTERPRISE</u>					
PW - TRAFFIC AND PARKING SERVICES	43,002,448	36,333,747	42,563,727	38,742,417	-9.0%
CAPITAL IMPROVEMENTS			1,700,000	1,700,000	0.0%
DEBT SERVICE	6,060,416	4,962,448	22,874,605	20,538,797	-10.2%
Total MUNICIPAL PARKING-ENTERPRISE	49,062,864	41,296,196	67,138,332	60,981,214	-9.2%
<u>SOLID WASTE - ENTERPRISE</u>					
PW - SOLID WASTE	29,593,772	28,810,809	32,880,051	36,829,195	12.0%
CAPITAL IMPROVEMENTS	72,261	(4,838)			0.0%
Total SOLID WASTE - ENTERPRISE	29,666,033	28,805,971	32,880,051	36,829,195	12.0%
<u>PARK - OPERATIONS - ENTERPRISE</u>					
PARK BOARD	13,084,215	13,321,256	13,992,599	10,045,866	-28.2%
Total PARK - OPERATIONS - ENTERPRISE	13,084,215	13,321,256	13,992,599	10,045,866	-28.2%
TOTAL ENTERPRISE	208,951,726	199,251,486	293,145,157	299,575,401	2.2%
TOTAL ALL FUNDS	1,282,027,585	1,294,291,859	1,224,627,869	1,195,828,450	-2.4%

**SCHEDULE THREE
EXPENSES BY DEPARTMENT**
(excludes transfers)

	2010 Actual	2011 Actual	2012 Adopted	2013 Mayor's Recommended	2013 Council Adopted	% change
ASSESSOR	3,932,902	4,008,562	4,195,608	4,314,926	4,314,926	2.8%
ATTORNEY	13,668,060	15,109,712	14,175,621	14,610,612	14,710,611	3.8%
CITY COUNCIL & CLERK	8,439,781	8,136,463	9,330,679	9,602,544	9,602,545	2.9%
FIRE	54,104,450	53,275,928	52,282,245	54,334,865	54,334,865	3.9%
CIVIL RIGHTS	2,652,627	2,409,809	2,517,999	2,824,405	2,824,405	12.2%
NON-CPED	73,971	43,724				0.0%
MAYOR	1,516,853	1,561,753	1,548,188	1,598,248	1,598,248	3.2%
POLICE	132,396,557	133,721,041	135,426,721	136,705,722	136,098,777	0.5%
REGULATORY SERVICES	39,025,683	37,597,216	40,069,149	21,703,060	18,146,248	-54.7%
INTERNAL AUDIT	212,431	450,726	437,559	382,136	382,136	-12.7%
HEALTH AND FAMILY SUPPORT	13,821,467	16,013,640	10,716,908	14,777,378	16,930,908	58.0%
PW - TRANSPORTATION PLANNING AND ENGINEERING	9,296,025	10,132,374	11,409,470	11,259,133	11,259,133	-1.3%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	43,643,489	41,669,669	41,674,216	42,341,175	42,341,175	1.6%
SURFACE WATER & SEWERS-STORMWATR	13,410,532	12,212,094	15,467,606	17,288,702	17,288,702	11.8%
SURFACE WATER & SEWERS-SANITARY	40,614,675	42,646,811	44,260,603	46,177,368	46,516,385	5.1%
PW - ADMINISTRATIVE SERVICES	2,586,591	2,618,287	2,781,814	2,870,538	2,870,538	3.2%
PW - SOLID WASTE	29,684,511	28,810,809	32,880,051	36,828,195	36,829,195	12.0%
PW - FLEET	25,684,801	25,981,876	43,653,821	42,912,094	42,912,094	-1.7%
PW - PROPERTY SERVICES	1,063,901	2,752,454				0.0%
PW - TRAFFIC AND PARKING SERVICES	55,119,047	49,102,396	56,355,928	57,993,202	53,350,680	-5.3%
PW - WATER TREATMENT & DISTR.	47,822,525	45,884,975	51,105,497	50,901,018	50,901,018	-0.4%
HUMAN RESOURCES	7,310,338	7,690,788	7,139,567	9,013,078	8,803,078	23.3%
FINANCE AND PROPERTY SERV	40,691,031	39,518,913	39,140,646	40,108,121	40,108,121	2.5%
911	8,026,945	7,844,038	7,852,626	8,130,999	8,241,000	4.9%
311	3,092,056	3,047,029	2,961,545	3,121,904	3,121,904	5.4%
CITY COORDINATOR	1,364,634	1,439,289	1,518,771	1,628,112	1,628,112	7.2%
INTERGOVERNMENTAL RELATIONS	3,027,676	2,547,005	2,736,108	2,784,672	2,784,672	1.8%
COMMUNICATIONS	2,382,226	2,302,927	2,160,558	2,135,305	2,135,305	-1.2%
EMERGENCY MANAGEMENT	6,293,926	3,141,905	3,835,608	1,692,549	1,692,649	-55.9%
NEIGHBORHOOD & COMMUNITY RELATIONS	1,307,514	3,831,411	6,232,681	2,585,218	2,585,218	-58.5%
CONVENTION CENTER	41,140,223	36,547,198	48,720,438	48,451,514	48,451,514	-0.6%
INFORMATION TECHNOLOGY	26,442,526	25,618,605	26,723,954	27,305,672	27,305,672	2.2%
NON DEPARTMENTAL	64,803	221,286		65,400	65,400	100.0%
HEALTH AND WELFARE	5,315,571	794,353	2,361,429	2,420,000	2,420,000	2.5%
WORKERS COMPENSATION	9,555,213	8,488,702	6,616,707	6,876,465	6,876,465	3.9%
LIABILITY	7,956,796	10,769,914	7,514,955	8,031,025	8,031,025	6.9%
GENERAL FUND CONTINGENCY	1,785,621	373,591	4,000,195	3,826,000	3,883,246	-2.9%
MPLS EMPLOYEE RETIREMT FD	22,171,831	27,554,278	22,060,780	29,285,340	29,115,800	32.0%
LIBRARY BOARD	13,493,454	5,992,616	4,982,000	4,106,000	4,106,000	-17.6%
CAPITAL IMPROVEMENTS	60,086,844	44,256,516	95,125,000	127,301,000	127,301,000	33.8%
PARK BD - CAP IMPROV	19,240,098	16,051,007	17,661,248	7,800,000	7,800,000	-55.8%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	125,485,553	97,067,668	63,490,503	70,701,818	76,546,648	20.6%
DEBT SERVICE	214,831,094	318,136,478	180,788,936	109,042,102	117,736,487	-34.9%
PARK BOARD	88,429,859	87,023,301	90,802,067	91,388,985	91,713,160	1.0%
YOUTH COORDINATING BOARD	1,552,738	1,179,182	1,326,824	1,296,606	1,570,808	18.4%
MPHA	22,535,468	(697,625)	434,749		196,000	-54.9%
BOARD OF ESTIMATE & TAXATION	170,701	166,191	175,500	177,500	177,500	1.1%
MUNICIPAL BUILDING COMMISSION	8,150,070	7,978,912	7,974,789	12,822,997	8,219,078	3.1%
NEIGH REVITALIZATN POL BD	1,351,896	1,266,066	0			-100.0%
TOTAL EXPENSES BY DEPARTMENT, ALL FUNDS	1,282,027,585	1,294,291,859	1,224,627,869	1,191,523,701	1,195,828,450	-2.4%

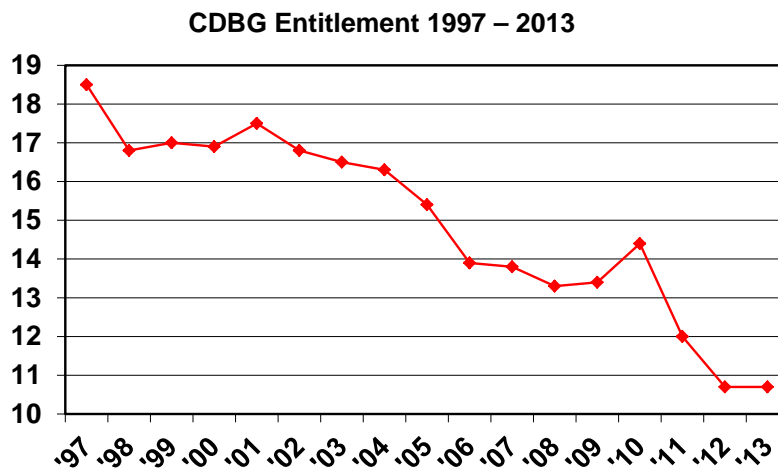
**City of Minneapolis
2013 Budget
Community Development Block Grant (CDBG)**

Background

This fund is used to account for the Federal grants received under the Community Development Block Grant (CDBG) provision authorized by Title I of the Housing and Community Development Act of 1974. Included in this entitlement are the CDBG, HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). Based on the City's Consolidated Plan submitted to the U.S. Department of Housing and Urban Development (HUD), 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

The Consolidated Plan funds are budgeted to coincide with the City's annual calendar year budgeting process, although the funds are not available until June 1 of each year. The programs are managed on a cost reimbursement basis and therefore the CDBG fund balance amount at any given time is the result of timing differences between entitlement grant revenue receipts and grant expenditure disbursements. The graph below reflects the trend in CDBG funding for the past 16 years. After several years of declining funding levels, 2009 and 2010 were the first years the actual funding had exceeded the anticipated funding by approximately 2%. Those two years were followed by more than a 16% reduction in 2011 with the actual HUD award of approximately \$12 million. In 2012, the City anticipated the funding to remain level with the 2011 actual funding of \$12 million however the actual 2012 allocation received was approximately \$10.7 million reflecting a 10% reduction. The City is anticipating the 2013 allocation to remain around \$10.7 million.



2013 Budget

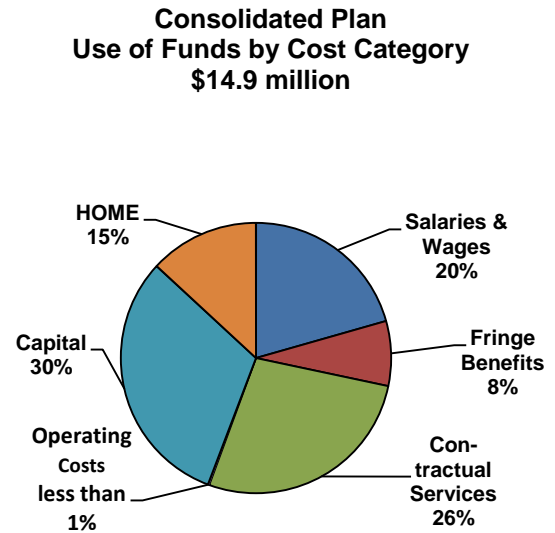
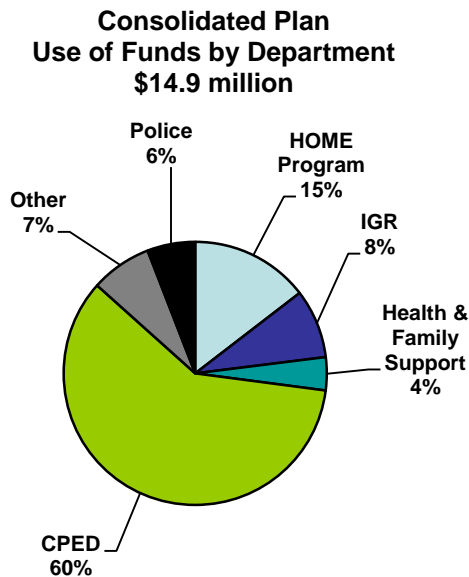
Revenues

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.

The HOME, ESGP, and HOPWA awards are anticipated to remain unchanged. Final award numbers from Congress should be available in early 2013. The HUD appropriation formula, which changed in 2002, includes variable factors based on 2010 American Community Survey (ACS) and the 2010 Census information. The Census information includes population changes among all the cities within the total HUD appropriation.

Expenditures

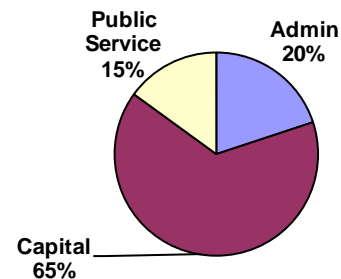
The City distributes its entitlement funds received through the HUD Consolidated Plan to various departments to carry out program activities, and awards funds to private and public not-for-profit organizations. The graphs below reflect the distribution of the budgeted Consolidated Plan by department and by cost category.



CDBG Allocations

The graph to the right shows the distribution of the CDBG allocation in 2013. The public service and administration categories have a 15% and a 20% cap, respectively. In 2013 the funds were allocated to the maximum for both of these categories. There is no funding available for the Public Health Advisory Committee.

**Use CDBG
of Funds
\$10.7 million**



Debt Service

The CDBG entitlement is obligated over and above the current grant budgets by \$4.4 million. This amount reflects what the City borrowed against its entitlement to fund the Block E economic development project. As program revenues exceed the budget expenditures, these funds will be incrementally applied to the over-obligation (which was originally \$7.4 million).

Council Adopted Budget

The Mayor has recommended and the Council Adopted leaving the estimated funding level for 2013 at the same level as the 2012 HUD award amount. Departments were also asked to plan for twenty-five and fifty percent options in the event that the actual HUD award is substantially reduced.

Organization	Project	2011 Consolidated Plan	2012 Consolidated Plan	2013 Council Adopted
Capital /Other---CDBG				
Community Planning & Economic Development	Adult Training, Placement and Retention	1,113,430	1,467,600	1,467,600
	High Density Corridor Initiative	583,669	578,769	578,769
	Homeownership Program (GMMHC)	27,185	-	-
	Multi-Family/Affordable Housing	2,727,403	2,966,776	2,966,776
	NEDF/CEDF (Great Streets)	901,088	40,700	10,726
	Commercial Property Investment		137,800	-
	Non-Profit Development Assistance-Affordable Housing	132,725		
	Vacant and Boarded Building Program	1,424,791	1,585,656	1,753,430
Subtotal CPED capital		6,910,291	6,777,301	6,777,301
Fire Department	Fire Protection Equipment	584,000	-	-
Department of Health & Family Support	Lead Reduction	99,943	61,500	61,500
City Attorney's Office	New Problem Properties Strategy	30,383	-	-
Police Department	New Problem Properties Strategy	42,376	-	-
Regulatory Services	New Problem Properties Strategy	161,177	103,700	103,700
Total Capital/Other (65%)		7,828,170	6,942,501	6,942,501
Public Service---CDBG				
Community Planning & Economic Development	Youth Employment	253,000	250,900	250,900
City Attorney's Office	Restorative Justice Programs	20,000	-	-
Neighborhood & Community Relations	Access & Outreach (Multicultural Affairs)	121,000	120,000	120,000
Police Department	Community Crime Prevention Specialists	884,386	876,600	876,600
Department of Health & Family Support	Way to Grow	212,000	192,600	192,600
	Curfew and Truancy Services	100,000	100,000	100,000
	Domestic Abuse Project	75,000	59,500	59,500
	<i>Public Health Advisory Recommendations</i>			
	Living at Home/Block Nurse Programs	20,437		
	Minneapolis Public Schools TAPPP	70,000		
	Holy Rosary Church	50,000		
Total Public Service (15%)		1,805,823	1,599,600	1,599,600
Public Service - 15% Cap		1,806,374	1,600,118	1,600,118

Organization	Project	2011 Consolidated Plan	2012 Consolidated Plan	2013 Council Adopted
<u>Administration---CDBG</u>				
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance/Monitoring	365,000	361,900	361,900
Community Planning & Economic Development	Program Administration	100,000	-	-
	Planning - Administration	991,498	984,060	984,060
	Legal Aid Society	34,000	29,060	29,060
Department of Health & Family Support	Grant Administration	68,000	67,400	67,400
	Neighborhood Services	72,000	71,400	71,400
	Way to Grow Administration	26,000	15,900	15,900
	Youth Violence Prevention	101,000	100,200	100,200
Finance Department	Program Administration	196,000	194,400	194,400
Intergovernmental Relations	Grants & Special Projects	190,000	188,400	188,400
	Legal Aid Society - Housing Discrimination Law Project	54,000	47,229	47,229
Youth Coordinating Board	Administration	66,000	65,400	65,400
Total Administration (20%)		2,263,498	2,125,349	2,125,349
Administration 20% cap		2,408,498	2,133,490	2,133,490
CDBG Total of Requests (100%)		11,897,491	10,667,450	10,667,450
Anticipated CDBG Revenue		12,042,491	10,667,450	10,667,450
<u>Other Consolidated Plan Entitlement Funds</u>				
HOME Investment Partnerships				
Community Planning & Economic Development	Affordable Housing Trust Fund (AHTF)	2,470,988	1,560,932	1,560,932
	Home Ownership Works (HOW)	537,702	390,233	390,233
	CPED Administration	319,298	201,796	201,796
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000	15,000
Emergency Solutions Grant (ESG)				
Community Planning & Economic Development	Emergency Solutions Grant Programs	797,813	964,655	829,655
Neighborhood & Community Relations	Street Outreach			208,215
Intergovernmental Relations	Grants & Special Projects Administration	15,000	78,215	5,000
Housing Opportunities for Persons with AIDS (HOPWA)				
	Third Party Contractors/Subrecipients/Subgrantees	1,006,587	1,019,484	1,019,484
Grand Total Consolidated Plan		17,204,879	14,897,765	14,897,765

**SCHEDULE FIVE
STAFFING INFORMATION**

	2010 Budget	2011 Budget	2012 Budget	2013 Council Adopted	Change	% Change
CHARTER DEPARTMENTS						
ASSESSOR	36.50	34.50	35.00	35.00	0.00	0.0%
ATTORNEY	102.00	105.00	101.00	102.00	1.00	1.0%
CITY COUNCIL	39.00	39.00	39.00	39.00	0.00	0.0%
CITY CLERK	26.50	25.75	26.02	27.00	0.98	3.8%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	135.32	128.00	116.79	224.80	108.01	92.5%
FIRE	438.00	406.00	392.00	413.00	21.00	5.4%
CIVIL RIGHTS	19.00	19.00	19.00	21.00	2.00	10.5%
MAYOR	10.00	11.00	11.00	11.00	0.00	0.0%
POLICE	999.20	992.00	967.80	980.50	12.70	1.3%
REGULATORY SERVICES	285.10	293.59	286.30	141.00	(145.30)	-50.8%
INTERNAL AUDIT	2.00	3.00	2.50	2.00	(0.50)	-20.0%
HEALTH AND FAMILY SUPPORT	60.00	61.70	50.25	91.00	40.75	81.1%
CHARTER DEPARTMENTS	2,152.62	2,118.54	2,046.66	2,087.30	40.64	2.0%
PUBLIC WORKS						
PW - TRANSPORTATION PLANNING AND ENGINEERING	74.00	78.00	77.00	73.00	(4.00)	-5.2%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	150.75	149.45	145.27	146.95	1.68	1.2%
SURFACE WATER & SEWERS-STORMWATR	55.00	52.25	53.15	52.40	(0.75)	-1.4%
SURFACE WATER & SEWERS-SANITARY	38.40	38.65	37.75	39.50	1.75	4.6%
PW - ADMINISTRATIVE SERVICES	15.50	16.00	16.00	16.00		0.0%
PW - SOLID WASTE	127.00	127.00	127.00	134.33	7.33	5.8%
PW - FLEET	180.60	172.00	168.00	156.00	(12.00)	-7.1%
PW - PROPERTY SERVICES	6.50	6.00				
PW - TRAFFIC AND PARKING SERVICES	90.00	89.00	89.00	95.40	6.40	7.2%
PW - WATER TREATMENT & DISTR.	216.67	207.00	204.50	193.50	(11.00)	-5.4%
PUBLIC WORKS	954.42	935.35	917.67	907.08	(10.59)	-1.2%
CITY COORDINATOR						
HUMAN RESOURCES	47.60	47.60	45.30	48.80	3.50	7.7%
FINANCE AND PROPERTY SERV	247.00	240.00	239.00	240.50	1.50	0.6%
911	78.00	78.00	78.00	80.00	2.00	2.6%
311	28.00	28.00	28.00	28.00		0.0%
CITY COORDINATOR	9.00	9.00	9.00	9.00		0.0%
INTERGOVERNMENTAL RELATIONS	8.00	8.00	7.00	8.00	1.00	14.3%
COMMUNICATIONS	14.00	14.00	12.00	12.00		0.0%
EMERGENCY MANAGEMENT	5.40	7.41	6.00	4.00	(2.00)	-33.3%
NEIGHBORHOOD & COMMUNITY RELATIONS	8.50	16.00	16.00	16.00	0.00	0.0%
CONVENTION CENTER	208.18	193.00	194.10	177.10	(17.00)	-8.8%
INFORMATION TECHNOLOGY	80.00	59.00	57.00	54.00	(3.00)	-5.3%
CITY COORDINATOR	733.68	700.01	691.40	677.40	(14.00)	-2.0%
INDEPENDENT BOARDS						
PARK BOARD	827.00	811.18	802.40	814.72	12.32	1.5%
YOUTH COORDINATING BOARD	5.00	5.80	5.80	5.80		0.0%
MPHA	313.86	318.00	292.00	292.00		0.0%
BOARD OF ESTIMATE & TAXATION	2.00	1.00	1.00	1.00		0.0%
MUNICIPAL BUILDING COMMISSION	62.00	60.00	54.00	55.00	1.00	1.9%
INDEPENDENT BOARDS	1,209.86	1,195.98	1,155.20	1,168.52	13.32	1.2%
TOTAL CITY	5,050.58	4,949.88	4,810.93	4,840.30	29.37	0.6%

SCHEDULE FIVE FOOTNOTES

Note: The 2012 budgeted numbers reflected 2012 Council Adopted and do not include any changes that have occurred during the fiscal year 2012.

Assessor: The department maintained 2012 staffing levels.

Attorney: The department increased staffing by 1 FTE using a combination of attrition savings and one-time funding transferred in from the Human Resources Department in the Council Adopted Budget.

Information Technology: The department reduced vacant 3 FTEs from 2012 staffing levels.

City Council: The department maintained 2012 staffing levels.

City Clerk: The department increased staffing by 1 FTE as part of a requirement in a contractual agreement.

City Coordinator Administration: The department maintained 2012 staffing levels.

911: The Council Adopted Budget increased staffing by 2 FTE from the 2012 level with ongoing funding transferred in from the Human Resources Department.

311: The department maintained 2012 staffing levels.

Emergency Management: The department reduced 2 vacant FTEs from 2012 staffing levels.

Civil Rights: The Mayor recommended and Council adopted an increase of 2 FTE to support the Civil Rights program One Minneapolis Equity in Employment.

Communications: The department maintained 2012 staffing levels.

Community Planning and Economic Development: The department was the recipient of 108 employees as part of the restructuring of Regulatory Services. The Mayor recommended and the Council adopted the reduction of 1 FTE in Plan Administration, 1 FTE in Zoning Enforcement and 1 additional Planner FTE in the Corridor Investment Program in addition to the 3 FTE the department had proposed eliminating in its proposed budget submittal. The Mayor further recommended and the Council adopted an addition of 6 FTE to support a more robust Food Inspections program.

Convention Center: The department reduced 17 FTEs from 2012 staffing levels due to a change in the department's staffing model that changed the allocation of work from full time to part time employees.

Finance: The department increased 0.5 FTE within existing resources. The Mayor recommended and Council adopted an additional 1 FTE to augment existing fiscal grant management.

Fire: The Mayor recommended and Council adopted an additional \$1.1 million of ongoing funding for the hiring of a new cadet class to maintain staffing levels, increasing the department's FTE count by 21 as the department is anticipating significant attrition.

Health and Family Support: The department was the recipient of 38.65 FTE as part of the restructuring of Regulatory Services. The Mayor recommended and the Council adopted an additional 1.1 FTE as part of the program Preventing High-Risk Youth from Becoming Victims of Crime and an additional 1 FTE to support an enhancement to the Environmental Services program.

Human Resources: The department reduced 2 vacant positions, and added 0.5 FTE. The Mayor recommended 6 new FTE for Workforce Planning, for a net addition of 4.5 FTE, though the Council adopted a budget reducing the department's FTE count by 1 from the Workforce Planning Program, for a final net addition of 3.5 FTE.

Intergovernmental Relations: The Mayor recommended and Council adopted an increase of 1 FTE for a position to assist with solicitation, receipt and tracking of public funds through non-federal public sources.

Internal Audit: The department proposed only 2 ongoing FTE as the one-time money the department received in 2012 for the additional 0.5 FTE was not reauthorized for 2013.

Mayor: The department maintained FTEs at the 2012 staffing level.

Neighborhood and Community Relations: The department maintained FTEs at the 2012 staffing level.

Police: The department increased 12.7 FTE as the Mayor recommended and Council adopted an additional \$2.5 million in ongoing funding to provide for a larger number of sworn personnel in the department during the summer months. The Council further directed that the department use 2011 unused rollover dollars and 2013 budget savings from attrition and contracts to retain 6 Community Crime Prevention Specialists.

Public Works Administration: The department maintained FTEs at the 2012 staffing level.

Public Works Fleet Services: The department reduced 12 vacant positions from 2012 staffing levels.

Public Works Surface Water and Sewers-Sanitary: The department increased 1.75 FTE using existing resources and reorganization. When combined with the changes in Stormwater, the gain of 1 FTE.

Public Works Surface Water and Sewers-Stormwater: The department reduced 0.75 FTE through reorganization. When combined with the changes in Sanitary Sewer, the net effect is the gain of 1 FTE.

Public Works Solid Waste and Recycling: The department increased 7.33 FTE within existing resources. In 2009, the department eliminated vacant positions from the budget. These positions were created within existing resources in 2013 to reflect actual staffing patterns.

Public Works Traffic and Parking Services: The department increased 6.4 FTE from 2012 staffing levels to more accurately reflect staffing needs. Additionally, the Mayor recommended the Traffic Control division be moved into Traffic and Parking Services, adding an additional 46 FTE, however the Council reversed this recommendation.

Public Works Transportation Maintenance and Repair: The department increased 1.68 FTE during 2012, which is reflected in the 2013 budget. This change was done within existing resources and reflects actual personnel spending.

Public Works Transportation Planning and Engineering: The department eliminated 4 vacant FTEs.

Public Works Water: The department reduced 11 FTE. 12 FTEs were removed from the operating budget and put in the capital budget, and 1 FTE was added within existing resources as part of a departmental reorganization.

Regulatory Services: The department decreased 145.3 FTE as the Licenses and Environmental Health and Development Review programs were moved to CPED, and Environmental Services, Lead and Healthy Homes were moved to the Health and Family Support Department. Included in the net decrease is the Mayor's recommendation and Council's adoption of the elimination of 3 management FTEs and the transfer of 1 management FTE to CPED.

Schedules 6 & 7 - 2013 CPED Program Allocations by Funds

Program/Category	2012 Adopted (as per HUD Consolid. Plan)	2013 APPROPRIATION BY FUNDING SOURCE											
		2013 Adopted Budget	General Fund (00100)	CDBG (1400)	HOME (1500)	Development Account (01SDA)	Local Contribution Fund (01CLC)	Ngbhd. Develop Account (01FNA)	GARFS (07ERZ)	TIF for Affordable Housing (Various)	NSP	Economic Bond Fees (01SED)	Housing Bond Fees (01SHP)
Business Development **													
Business Retention, Expansion & Attraction	2,135,210	1,338,220	1,338,220										
Total Staff and Operation Cost	2,135,210	1,338,220	1,338,220	0	0	0	0	0	0	0	0	0	0
Commercial Development													
Great Streets	889,510	399,826		10,726		389,100							
Commercial Property Management	172,800	0											
Greater MSP	150,000	125,000	125,000										
Total Commercial Development	1,212,310	524,826	125,000	10,726	0	389,100	0	0	0	0	0	0	0
Business Assistance													
2% Loans	1,075,000	321,800						321,800					
Alternative Loans	287,404	234,520									234,520		
BDF Loans	150,584	162,750									162,750		
Business Association Assistance	135,696	0											
Real Estate Acquisition Loan Program	0	263,930									263,930		
Commercial Corridor 2% Loan Program	1,169,000	176,800							176,800				
Credit Building Loans	22,792	18,710									18,710		
Small Business Partnerships	208,960	153,730									153,730		
Homegrown Business Dev Center	205,348	92,830									92,830		
Commercial Energy Efficiency Loans	136,196	248,370									248,370		
Common Bond Fund Program**	350,000	501,400						501,400					
Technical Assistance Program		177,000									177,000		
Business Licensing***		2,997,132	2,997,132										
Total Business Assistance	3,740,980	5,348,972	2,997,132	0	0	0	0	1,000,000	0	0	1,351,840	0	0
Workforce Development													
Adult Programs	2,257,600	2,517,600		1,467,600		50,000	1,000,000						
Youth Programs	1,010,900	1,071,600	220,700	250,900		600,000							
Racial Disparities in Employment (RENEW)	210,000	300,000	300,000										
Total Workforce Development	3,478,500	3,889,200	520,700	1,718,500	0	650,000	1,000,000	0	0	0	0	0	0
Affordable Rental / Homelessness													
Affordable Housing Trust Fund	6,698,088	7,082,145	393,000	2,966,776	1,722,369				2,000,000				
AHTF - Emergency Solutions Grants	964,655	829,655		829,655									
AHTF - Non-profit Developer Assistance	0	0											
It's All About Kids	0	0											
Total Affordable Rental / Homelessness	7,662,743	7,911,800	393,000	3,796,431	1,722,369	0	0	0	2,000,000	0	0	0	0
Home Ownership / Affordable / Foreclosure													
Green Homes North (3 Point Housing Strategy)		607,378	607,378										
Affordable Ownership Combined Program	80,668	0											
Home Ownership Works	418,415	430,592		430,592									
Mortgage Foreclosure Prevention Program		360,000	19,200			157,800		183,000					
Vacant and Boarded Program	2,674,688	3,253,430		1,753,430						1,500,000			
Total Affordable Rental / Homelessness	3,173,771	4,651,400	626,578	1,753,430	430,592	157,800	0	183,000	0	1,500,000	0	0	0
Development Services***													
Development Review Customer Service Center		2,796,722	2,796,722										
Construction Code Services		7,682,548	7,682,548										
Total Construction and Development Services	0	10,479,270	10,479,270	0	0	0	0	0	0	0	0	0	0
Miscellaneous													
High Density Corridor Initiative	578,769	578,769		578,769									
Planning Matching Grants	75,000	0											
Economic Development Programs		596,410									596,410		
Housing Programs		1,244,050	199,750			53,100		17,250				973,950	
Total Miscellaneous	653,769	2,419,229	199,750	578,769	0	53,100	0	17,250	0	0	596,410	973,950	
GRAND TOTALS	22,057,283	36,562,916	16,679,649	7,857,856	2,152,961	1,250,000	1,000,000	200,250	1,000,000	2,000,000	1,500,000	1,948,250	973,950

* Amounts shown above do not include the related operating costs.
 ** Not included in 2012 Totals as it was previously an Operating budget item
 *** New functions acquired as part of Regulatory Services transition

Schedule 8 - Interfund Transfer Expense

	2010 Actual	11 Actual	2012 Budget	2013 Council Adopted	Description (2013 transfers)
00100 - GENERAL FUND					
TRANSFER TO OTHER SPEC REV FDS	161,139	6,628,000	96,000	809,000	Target Center-Property Tax Funding in Financial Plan (\$89,000); transfer related to Centralized Leases Action (\$4,000 to Board of Estimate and Taxation), transfer to pension management plan (\$716,000)
TRANSFER TO CITY CAPITAL 4100	5,800,000				
TRANSFER TO OTHER DEBT SVC FDS	11,648,954	10,424,792	24,440,220		Property tax supported debt service budgeted in the general fund for pensions
TRANSFER TO EQUIPMENT 6100	4,180,000	4,299,000	1,926,000	8,315,000	Equipment services fund workout plan (\$8,315,000)
TRANSFER TO PROP SVCS 6200	950,630	821,100	894,000	3,493,834	Includes debt service for 800 MHZ (\$3,185,600); also includes transfer related to Centralized Leases Action (\$308,234 to Property Services)
TRANSFER TO BUS INFO SVCS 6400	10,853,978	11,072,015	10,291,944	14,182,652	Intergovernmental Services Fund workout plan (\$13,515,619). Also includes transfers related to Centralized Leases Action (\$175,773). Includes transfer from General Fund for General Fund departments' share of the wireless commitment (\$491,260).
TRANSFER TO CITY SELF INS 6900	10,810,000	7,330,000	3,850,000	3,855,500	Self-insurance fund workout plan (\$3,617,000), transfer related to Centralized Leases Action (\$238,500)
TRANSFER TO WATER 7400				22,000	Centralized Leases Action (\$22,000)
TRNSFR TO SOLID WASTE 7700	50,000	50,000	150,000	150,000	Graffiti remediation efforts (\$50,000); added in 2004. Mayor recommends additional \$100,000 for these efforts.
00100 - GENERAL FUND	44,454,701	40,624,907	41,648,164	30,827,986	
01000 - BOARD OF ESTIMATE AND TAXATION					
TRANSFER TO CITY GEN 00100	149,392				
01000 - BOARD OF ESTIMATE AND TAXATION	149,392				
01279 - CONVENTION FACILITIES - RESERVE					
TRANSFER TO CONV CTR 0760	1,000,000	1,500,000	1,500,000		Funding convention center facility improvements
01279 - CONVENTION FACILITIES - RESERVE	1,000,000	1,500,000	1,500,000		
01300 - GRANTS - FEDERAL					
TRANSFER TO CITY GENERAL 0100	128,993	1,498	90,000	65,000	Equal Employment Opportunity Commission (EEOC) reimbursement revenues generated by civil rights and used to support their work in the general fund
TRNSFR TO SANITARY SEWER 07100	318,978	181,368			
TRNSFR TO STORM SEWER 07300	342,262	196,483			
01300 - GRANTS - FEDERAL	790,233	379,349	90,000	65,000	
01600 - GRANTS - OTHER					
TRANSFER TO CITY GENERAL 0100	700,000	700,000			Transfer of cable franchise settlement, \$700,000 through 2011
01600 - GRANTS - OTHER	700,000	700,000			

	2010 Actual	11 Actual	2012 Budget	2013 Council Adopted	Description (2013 transfers)
01760 - CONVENTION CENTER OPERATIONS					
TRANSFER TO CITY GENERAL 0100	12,718,709	14,246,979	13,286,212	5,250,000	Sales tax transfer to General Fund.
TRANSFER TO OTHER SPEC REV FDS	1,855,855	1,230,000	2,050,000		Convention Center related facilities reserve in financial plan.
TRNSFR TO CNV CTR DBT SVC 5300	19,036,648	22,214,235	20,075,275	17,545,125	Convention center related debt
TRANSFER TO OTHER DEBT SVC FDS	73,000	153,000	400,000		Minneapolis Employee Retirement Fund debt for convention center retirees
TRANSFER TO PARKING 7500	11,543,915	7,589,231	6,580,100	4,729,200	Convention center related parking debt and operating costs
01760 - CONVENTION CENTER OPERATIONS	45,228,127	45,433,445	42,391,587	27,524,325	
01990 - EMPLOYEE RETIREMENT					
TRANSFER TO CITY GENERAL 0100	307,837				
01990 - EMPLOYEE RETIREMENT	307,837				
019MO - MERF PENSION BONDS					
TRANSFER TO SPECIAL REVENUE		1,706,282			
01990 - EMPLOYEE RETIREMENT		1,706,282			
01AHG - HUMBOLDT GREENWAY TE BONDS					
TRNSFR TO TAX INC DBT SVC05900	221,623				
01AHG - HUMBOLDT GREENWAY TE BONDS	221,623				
01BWM - WEST SIDE MILLING TE BONDS II					
TRNSFR TO TAX INC DBT SVC05900	15,109				
01BWM - WEST SIDE MILLING TE BONDS II	15,109				
01CBA - WEST BROADWAY					
TRNSFR TO TAX INC DBT SVC 5900	319,375	65,000	71,975		TIF debt service reimbursement
01CBA - WEST BROADWAY	319,375	65,000	71,975		
01CBB - EAST BANK 1335					
TRNSFR TO TAX INC DBT SVC 5900	1,300,000	110,000	48,256		TIF debt service reimbursement
01CBB - EAST BANK 1335	1,300,000	110,000	48,256		
01CBC - GRANT					
TRNSFR TO TAX INC DBT SVC 5900		40,000	51,296		TIF debt service reimbursement
01CBC - GRANT		40,000	51,296		
01CBF - NORTH LOOP					
TRNSFR TO TAX INC DBT SVC 5900	1,000,000	1,120,000	1,251,054		TIF debt service reimbursement
01CBF - NORTH LOOP	1,000,000	1,120,000	1,251,054		
01CBG - INDUSTRY SQUARE					
TRNSFR TO TAX INC DBT SVC 5900		150,000	183,192		TIF debt service reimbursement
01CBG - INDUSTRY SQUARE		150,000	183,192		
01CBH - SEWARD SOUTH					
TRNSFR TO TAX INC DBT SVC 5900	365,000	845,000	362,558		TIF debt service reimbursement
01CBH - SEWARD SOUTH	365,000	845,000	362,558		
01CBJ - CEDAR RIVERSIDE					
TRNSFR TO TAX INC DBT SVC 5900	500,000	1,270,000	644,274		TIF debt service reimbursement
01CBJ - CEDAR RIVERSIDE	500,000	1,270,000	644,274		
01CBM - HENNEPIN & LAKE					
TRNSFR TO TAX INC DBT SVC 5900		405,000	186,306		TIF debt service reimbursement
01CBM - HENNEPIN & LAKE		405,000	186,306		

	2010 Actual	11 Actual	2012 Budget	2013 Council Adopted	Description (2013 transfers)
01CBN - BROADWAY 35-W					
TRNSFR TO TAX INC DBT SVC 5900		644,875	248,510		TIF debt service reimbursement
01CBN - BROADWAY 35-W		644,875	248,510		
01CBQ - CONSERVATORY					
TRNSFR TO TAX INC DBT SVC 5900					
TRANSFER TO PARKING 7500	691,809	1,824,793	1,488,531	6,477,954	TIF Debt Service Reimbursement to Parking Fund
01CBQ - CONSERVATORY	691,809	1,824,793	1,488,531	6,477,954	
01CBT - LORING PARK					
TRNSFR TO TAX INC DBT SVC 5900	2,451,125	10,000	13,105		TIF debt service reimbursement
01CBT - LORING PARK	2,451,125	10,000	13,105		
01CBU - LAUREL VILLAGE					
TRNSFR TO TAX INC DBT SVC 5900	2,975,928	1,696,285	1,943,285	2,058,935	TIF debt service reimbursement
01CBU - LAUREL VILLAGE	2,975,928	1,696,285	1,943,285	2,058,935	
01CBX - CITY CENTER					
TRANSFER TO OTHER DEBT SVC FDS					
TRNSFR TO TAX INC DBT SVC 5900			215,397		TIF debt service reimbursement
TRANSFER TO PARKING 7500	169,125	4,681,531			
01CBX - CITY CENTER	169,125	4,681,531	215,397		
01CBY - SOUTH NICOLLET MALL					
TRNSFR TO TAX INC DBT SVC 5900					
TRANSFER TO PARKING 7500	2,120,711		5,150,228		TIF Debt Service Reimbursement to Parking Fund
01CBY - SOUTH NICOLLET MALL	2,120,711		5,150,228		
01CHD - HISTORIC DEPOT REUSE DIST 93					
TRNSFR TO TAX INC DBT SVC 5900	295,636	335,712	342,013	348,113	TIF debt service reimbursement
01CHD - HISTORIC DEPOT REUSE DIST 93	295,636	335,712	342,013	348,113	
01CHE - HENNEPIN & 7TH ENTERTAINMENT					
TRNSFR TO TAX INC DBT SVC 5900	3,702,443	1,550,459	1,510,844	1,618,556	TIF debt service reimbursement
01CHE - HENNEPIN & 7TH ENTERTAINMENT	3,702,443	1,550,459	1,510,844	1,618,556	
01CHG - HUMBOLDT GREENWAY DIST 98					
TRNSFR TO TAX INC DBT SVC 5900	277,269	251,275	209,475	207,675	TIF debt service reimbursement
01CHG - HUMBOLDT GREENWAY DIST 98	277,269	251,275	209,475	207,675	
01CHP - HERITAGE PARK					
TRNSFR TO TAX INC DBT SVC 5900	490,351	502,851	509,826	288,485	TIF debt service reimbursement
01CHP - HERITAGE PARK	490,351	502,851	509,826	288,485	
01CIT - IVY TOWER					
TRNSFR TO TAX INC DBT SVC 5900			375,413	379,263	TIF debt service reimbursement
01CIT - IVY TOWER			375,413	379,263	
01CLS - LAKE STREET CENTER					
TRANSFER TO OTHER DEBT SVC FDS	285,927	300,874			
TRNSFR TO TAX INC DBT SVC 5900	185,533	183,132	181,933	183,233	TIF debt service reimbursement
01CLS - LAKE STREET CENTER	471,460	484,006	181,933	183,233	
01CON - Consolidated TIF District					
TRANSFER TO SPECIAL REVENUE					TIF Neighborhood Revitalization transfer from CPED to Neighborhood & Community Relations
TRNSFR TO TAX INC DBT SVC5900		1,157,194	4,955,951	5,272,286	Target Center Debt Service
01CON - Consolidated TIF District		1,157,194	4,955,951	5,272,286	
01CPA - NWIP					
TRNSFR TO TAX INC DBT SVC 5900		1,360,000	463,105		TIF debt service reimbursement
01CPA - NWIP		1,360,000	463,105		
01CPB - HOLMES					
TRNSFR TO TAX INC DBT SVC 5900			576,000		TIF debt service reimbursement
01CPB - HOLMES			576,000		
01CPC - NICOLLET ISLAND EAST BANK					
TRNSFR TO TAX INC DBT SVC 5900			925,246		TIF debt service reimbursement
01CPC - NICOLLET ISLAND EAST BANK			925,246		

	2010 Actual	11 Actual	2012 Budget	2013 Council Adopted	Description (2013 transfers)
01CPD - PORTLAND PLACE					
TRANSFER TO OTHER DEBT SVC FDS	450,298				
01CPD - PORTLAND PLACE	450,298				
01CPG - NICOLLET & LAKE					
TRNSFR TO TAX INC DBT SVC 5900			355,985		TIF debt service reimbursement
01CPG - NICOLLET & LAKE			355,985		
01CPK - NBA ARENA					
TRANSFER TO OTHER DEBT SVC FDS	1,488,234	2,529,132			
TRANSFER TO TAX INC DEBT SVS 05900		(50,130)			
01CPK - NBA ARENA	1,488,234	2,479,002			
01CPM - LASALLE PLACE					
TRNSFR TO TAX INC DBT SVC 5900			650,000		TIF Debt Service Reimbursement to Parking Fund
TRANSFER TO PARKING 7500					
01CPM - LASALLE PLACE			650,000		
01CPQ - NEIMAN MARCUS					
TRANSFER TO OTHER DEBT SVC FDS				2,000,000	TIF Debt Service Reimbursement
TRNSFR TO TAX INC DBT SVC 5900					
01CPQ - NEIMAN MARCUS				2,000,000	
01CPR - IDS DATA SERVICE CENTER					
TRNSFR TO TAX INC DBT SVC 5900					
TRANSFER TO PARKING 7500		650,000	565,116	1,121,125	TIF transfer to Parking Fund
01CPR - IDS DATA SERVICE CENTER		650,000	565,116	1,121,125	
01CTW - 10TH AND WASHINGTON					
TRANSFER TO PARKING 7500	420,935	450,770	459,683	422,593	TIF Debt Service Reimbursement to Parking Fund
01CTW - 10TH AND WASHINGTON	420,935	450,770	459,683	422,593	
01CWM - WEST SIDE MILLING DISTRICT					
TRNSFR TO TAX INC DBT SVC 5900	1,532,769	2,740,688	1,519,956	1,468,816	TIF debt service reimbursement
01CWM - WEST SIDE MILLING DISTRICT	1,532,769	2,740,688	1,519,956	1,468,816	
01SNR -					
TRNSFR TO SPEC REV FUND				1,303,741	TIF debt service reimbursement (\$1.2 million, \$103,741 for Rebuilding our Community)
01CWM - WEST SIDE MILLING DISTRICT				1,303,741	
01SPH - COMMUNITY DEVELOPMENT					
TRANSFER TO CITY CAPITAL 4100			5,000,000	1,305,000	Expanded Capital from Hilton Trust Funds
TRANSFER TO CITY GENERAL 0100	150,000				Expanded Capital from Hilton Trust Funds
TRANSFER TO PARK CAPITAL 14300	7,440		500,000	125,000	Expanded Capital from Hilton Trust Funds
01SPH - COMMUNITY DEVELOPMENT	157,440		5,500,000	1,430,000	

	2010 Actual	11 Actual	2012 Budget	2013 Council Adopted	Description (2013 transfers)
04A60 - JUNE 04 VARIOUS PURPOSE BONDS					
TRANSFER TO CITY CAPITAL 04100	31,250				
TRNSFR TO GEN DEBT SVC 05250	25,250				
04A60 - JUNE 04 VARIOUS PURPOSE BONDS	56,500				
04A70 - JUNE 05 VARIOUS PURPOSE BONDS					
TRANSFER TO CITY CAPITAL 04100	70,203	319,014			
TRNSFR TO GEN DEBT SVC 05250	4,420	1,660			
04A70 - JUNE 05 VARIOUS PURPOSE BONDS	74,623	320,674			
04B10 - OCT05 VAR PURP REFUNDING BONDS					
TRNSFR TO GEN DEBT SVC 05250	76				
04B10 - OCT05 VAR PURP REFUNDING BONDS	76				
04B20 - JUNE 06 VARIOUS PURPOSE BONDS					
TRANSFER TO CITY CAPITAL 04100	464,700	10,189			
TRANSFER TO MBC CAPITAL 34200					
TRNSFR TO GEN DEBT SVC 05250	5,792	1,424			
04B20 - JUNE 06 VARIOUS PURPOSE BONDS	470,492	11,613			
04B30 - JUNE 07 VARIOUS PURPOSE BONDS					
TRANSFER TO CITY CAPITAL 04100	1,327	184,730			
TRANSFER TO MBC CAPITAL 34200					
TRANSFER TO PARK CAPITAL 14300					
TRNSFR TO GEN DEBT SVC 05250	27,567	17,091			
04B30 - JUNE 07 VARIOUS PURPOSE BONDS	28,894	201,821			
04B40 - MAY 08 VARIOUS PURPOSE BONDS					
TRANSFER TO CITY CAPITAL 04100	1,019,472	773,325			
TRANSFER TO MBC CAPITAL 34200					
TRANSFER TO PARK CAPITAL 14300	115,561				
TRNSFR TO GEN DEBT SVC 05250	17,479	6,827			
04B40 - MAY 08 VARIOUS PURPOSE BONDS	1,152,512	780,152			
04B50 - May 09 Various Purpose Bonds					
TRANSFER TO OTHER SPEC REV FDS					
TRANSFER TO CITY CAPITAL 04100	5,037,435	3,303,935			
TRANSFER TO MBC CAPITAL 34200	731,449				
TRANSFER TO PARK CAPITAL 14300					
TRNSFR TO GEN DEBT SVC 05250	96,211	35,038			
04B50 - May 09 Various Purpose Bonds	5,865,095	3,338,973			
04B60 - JUNE 10 VARIOUS PURPOSE BONDS					
TRANSFER TO OTHER SPEC REV FDS	68,404				
TRANSFER TO CITY CAPITAL 04100	6,920,721	1,505,071			
TRANSFER TO MBC CAPITAL 34200	270,414	292,447			
TRANSFER TO PARK CAPITAL 14300	1,135,952	373,746			
TRNSFR TO GEN DEBT SVC 05250	1,384,960	8,625			
TRNSFR TO STROM SEWER 07300		98,868			
04B60 - JUNE 10 VARIOUS PURPOSE BONDS	9,780,451	2,278,757			
04F11 - MAY 11 VARIOUS PURPOSE BONDS					
TRANSFER TO CITY CAPITAL 04100		4,364,120			
TRANSFER TO MBC CAPITAL 34200		322,110			
TRANSFER TO LIBRARY CAP 24400		1,040,000			
TRNSFR TO GEN DEBT SVC 05250		399,854			
04F11 - MAY 11 VARIOUS PURPOSE BONDS		6,126,084			
04I10 - NOV10 IMPROV BOND ARBITRAGE					
TRANSFER TO CITY CAPITAL 04100	5,905,356	42,966			
TRANSFER TO OTHER DEBT SVC FDS	25,116	100,363			
04I10 - NOV10 IMPROV BOND ARBITRAGE	5,930,472	143,329			
04I11 - NOV11 IMPROV BOND AEBITRAGE VARIOUS PURPOSE BONDS					
TRANSFER TO CITY CAPITAL 04100		8,393,488			
TRANSFER TO CNV CTR DBT SVC		11,202			
TRNSFR TO OTHER DEBT SVC FDS		3,181			
04F11 - MAY 11 VARIOUS PURPOSE BONDS		8,407,871			
04I60 - NOV06 IMPROV BOND ARBITRAGE					
TRANSFER TO CITY CAPITAL 04100	(90,662)				
TRANSFER TO OTHER DEBT SVC FDS	90,662				
04I60 - NOV06 IMPROV BOND ARBITRAGE					

	2010 Actual	11 Actual	2012 Budget	2013 Council Adopted	Description (2013 transfers)
04190 - NOV09 IMPROV BOND ARBITRAGE					
TRANSFER TO CITY CAPITAL 04100	885,765				
TRANSFER TO OTHER DEBT SVC FDS	504,158				
04190 - NOV09 IMPROV BOND ARBITRAGE	1,389,923				
04L60 - May 08 Library Ref Bonds					
TRANSFER TO OTHER DEBT SVC FDS	24,994				
04L60 - May 08 Library Ref Bonds	24,994				
05250 - BOND REDEMPTION - DEBT SERVICE					
TRANSFER TO BUS INFO SVCS 6400	1,391,469	2,477,278	1,115,000	2,072,750	BIS new capital
05250 - BOND REDEMPTION - DEBT SERVICE	1,391,469	2,477,278	1,115,000	2,072,750	
05280 - LIBRARY REF DEBT SERVICE					
TRANSFER TO CNV CTR DBT SVC	1,967,269	55,646			
05450 - BOND REDEMPTION - ASSESSMENT	1,967,269	55,646			
05450 - BOND REDEMPTION - ASSESSMENT					
TRANSFER TO OTHER DEBT SVC FDS	1,967,269				
05450 - BOND REDEMPTION - ASSESSMENT	1,967,269				
05600 - CONCERT HALL - DEBT SERVICE					
TRNSFR TO GEN DEBT SVC 05250	1,347				
TRANSFER TO OTHER DEBT SVC FDS	436	4			
05600 - CONCERT HALL - DEBT SERVICE	1,783	4			
05900 - TAX INCREMENT - DEBT SERVICE					
TRNSFR TO GEN DEBT SVC 05250	60,000				
05900 - TAX INCREMENT - DEBT SERVICE	60,000				
05Z10 - BOND REDEM ARBIT 6/87 IMP BOND					
TRANSFER TO OTHER DEBT SVC FDS	7,788				
05Z10 - BOND REDEM ARBIT 6/87 IMP BOND	7,788				
05Z20 - BOND REDEM ARBIT 9/87 IMP BOND					
TRANSFER TO OTHER DEBT SVC FDS	10,098				
05Z20 - BOND REDEM ARBIT 9/87 IMP BOND	10,098				
05Z30 - BOND REDEM ARBIT 6/88 IMP BOND					
TRANSFER TO OTHER DEBT SVC FDS	13,006				
05Z30 - BOND REDEM ARBIT 6/88 IMP BOND	13,006				
06000 - MATERIALS & LAB-INTERNAL SVC					
TRANSFER TO OTHER DEBT SVC FDS	57,000	88,000	195,000		MERF debt service related to engineering materials and testing retirees
06000 - MATERIALS & LAB-INTERNAL SVC	57,000	88,000	195,000		
06100 - EQUIPMENT - INTERNAL SERVICE					
TRANSFER TO OTHER DEBT SVC FDS	581,000	923,000	2,222,000		MERF debt service related equipment fund retirees
06100 - EQUIPMENT - INTERNAL SERVICE	581,000	923,000	2,222,000		
06200 - PROPERTY - INTERNAL SERVICE					
TRANSFER OUT		1,070,350			
TRANSFER TO CITY CAPITAL 04100	807,118				
TRANSFER TO OTHER DEBT SVC FDS	118,000	228,000	598,000		MERF debt service related to property services retirees
06200 - PROPERTY - INTERNAL SERVICE	925,118	1,298,350	598,000		
06210 - PROPERTY DISPOSITION FUND					
TRANSFER TO CITY CAPITAL 04100		192,882			
06300 - STORES - INTERNAL SERVICE		192,882			
06300 - STORES - INTERNAL SERVICE					
TRANSFER TO OTHER DEBT SVC FDS	33,000	51,000	117,000		MERF debt service related to stores retirees
06300 - STORES - INTERNAL SERVICE	33,000	51,000	117,000		
06400 - INFO TECH - INTERNAL SERVICE					
TRANSFER TO CONV CTR 01760		24,707			
TRNSFR TO GEN DEBT SVC 5250	177,915	423,000	1,072,000		MERF debt service related to BIS/clerk retirees
TRANSFER TO OTHER DEBT SVC FDS	218,000				
06400 - INFO TECH - INTERNAL SERVICE	395,915	447,707	1,072,000		

	2010 Actual	11 Actual	2012 Budget	2013 Council Adopted	Description (2013 transfers)
06900 - SELF INSURANCE-INTERNAL SVC					
TRANSFER TO BUS INFO SVC 06400		1,000,000	1,000,000	1,000,000	To assist in payment of debt service as determined by the updated 2008 long-term financial plan
TRANSFER TO OTHER DEBT SVC FDS	140,000	217,000	485,000		MERF debt service related to self insurance fund retirees
06900 - SELF INSURANCE-INTERNAL SVC	140,000	1,217,000	1,485,000	1,000,000	
07100 - SANITARY SEWER FUND					
TRANSFER TO CITY CAPITAL 04100	250,000				
TRNSFR TO GEN DEBT SVC 5250	269,793	98,827			
TRANSFER TO WATER 07400			993,886	1,149,339	To fund Sanitary Sewer's obligation to support the Meter Shop operations
TRANSFER TO OTHER DEBT SVC FDS	305,000	478,000	1,112,000		MERF debt service sewer rate funded retirees
07100 - SANITARY SEWER FUND	824,793	576,827	2,105,886	1,149,339	
07300 - STORMWATER FUND					
TRANSFER TO CITY CAPITAL 04100	2,826,000				
TRNSFR TO GEN DEBT SVC 5250	180,355	222,064			
TRANSFER TO OTHER DEBT SVC FDS	305,000	478,000	1,112,000		MERF debt service sewer rate funded retirees
07300 - STORMWATER FUND	3,311,355	700,064	1,112,000		
07400 - WATER - ENTERPRISE					
TRNSFR TO GEN DEBT SVC 5250	248,801				
TRANSFER TO OTHER DEBT SVC FDS	1,258,000	2,042,000	4,992,000		MERF debt service water rate funded retirees
07400 - WATER - ENTERPRISE	1,506,801	2,042,000	4,992,000		
07500 - MUNICIPAL PARKING-ENTERPRISE					
TRANSFER TO CITY GENERAL 0100	7,818,000	7,818,000	7,818,000	7,918,000	Annual contribution from parking fund per the parking fund workout plan
TRANSFER TO OTHER SPEC REV FDS	2,241,000	2,758,000	2,940,905	3,129,132	Target center finance plan
TRNSFR TO GEN DEBT SVC 5250	125,657	42,001			
TRANSFER TO OTHER DEBT SVC FDS	111,000	198,000	477,000		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)
07500 - MUNICIPAL PARKING-ENTERPRISE	10,441,657	10,962,001	11,381,905	11,193,132	
07700 - SOLID WASTE - ENTERPRISE					
TRANSFER TO CITY GENERAL 0100	699,999	700,000	700,000	700,000	Payment for snowplowing (began in 2003)
TRANSFER TO OTHER DEBT SVC FDS	151,000	236,000	571,000		MERF debt service related to solid waste rate funded retirees
07700 - SOLID WASTE - ENTERPRISE	850,999	936,000	1,271,000	700,000	
07S30 - JUNE 03 SEWER ARBITRAGE					
15P00 - BOND REDEM ARBIT ASSESS PARK					
TRANSFER TO OTHER DEBT SVC FDS		9,495			
15P00 - BOND REDEM ARBIT ASSESS PARK		9,495			
31100 - MUNICIPAL BUILDING COMMISSION					
TRANSFER TO OTHER DEBT SVC FDS			480,000		Minneapolis Employee Retirement Fund debt for MBC retirees
31100 - MUNICIPAL BUILDING COMMISSION			480,000		
Summary	161,340,013	158,754,952	144,735,055	99,113,307	

Schedule 9 - General Fund - Fund Balance Policy

Cash Flow and Contingency. The City shall maintain a minimum unallocated General Fund balance of 15% 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.

General Fund*	2010	2011	2012
Fund Balance - Policy	\$58.9	\$56.9	\$55.3
Fund Balance - Actual	\$61.4	\$69.9	\$75.2

** in millions; 2012 amounts are based on mid-year projections*

Schedule 9 - Enterprise Fund Cash Balance Policy

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.

Enterprise Fund Cash Requirements*	2010	2011	2012
Sanitary Sewer Fund - Policy	\$10.0	\$10.4	\$11.1
Sanitary Sewer Fund - Actual	\$12.5	\$13.6	\$16.5
Stormwater Fund - Policy	\$4.4	\$5.1	\$5.8
Stormwater Fund - Actual	\$22.7	\$16.6	\$22.7
Solid Waste Fund - Policy	\$7.4	\$7.5	\$8.1
Solid Waste Fund - Actual	\$21.9	\$20.9	\$20.1
Water Fund - Policy	\$12.0	\$12.6	\$15.3
Water Fund - Actual	\$13.2	\$14.8	\$19.7
Parking Fund - Policy	\$10.8	\$10.7	\$8.5
Parking Fund - Actual	\$12.8	\$11.7	\$6.5

** in millions; 2012 amounts are based on mid-year projections*

Schedule 9 - Internal Service Fund Balance Policy

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

o Self-Insurance Fund shall maintain a cash balance equal to the unpaid claims payable amount on its balance sheet plus 10% of the annual department operating budgets within the fund. Net assets within the fund should not fall below zero.

o Fleet Services, Business Information Services and Property Services Funds: If allocation model charges to customers are sufficient to cover debt service or depreciation expense then the minimum cash balance should be 15% of the fund's operating budget. If not, the reserve should be 15% of the fund's total budget. Net assets shall not fall below two times the fund's annual depreciation amount.

o Stores and Engineering Materials & Testing Funds shall maintain cash and net assets equal to 15% of the fund's annual operating budget.

Internal Service Fund Balance Requirements*	2010	2011	2012
Self Insurance Fund Cash Balance Policy	\$44.7	\$49.8	\$50.1
Self Insurance Fund Cash Balance Actual	\$42.1	\$48.6	\$56.1
Self Insurance Fund Net Asset Policy	\$0.0	0.0	0.0
Self Insurance Fund Net Asset Actual	-\$6.6	-\$4.1	\$3.5
Fleet Services Fund Cash Balance Policy	\$4.3	\$4.4	\$4.3
Fleet Services Fund Cash Balance Actual	\$8.2	\$12.3	\$8.0
Fleet Services Fund Net Asset Policy	\$12.9	\$12.6	\$13.0
Fleet Services Fund Net Asset Actual	\$30.6	\$35.2	\$35.0
Business Information Services Fund Cash Balance Policy	\$5.5	\$6.0	\$6.0
Business Information Services Fund Cash Balance Actual	\$8.4	\$11.0	\$12.0
Business Information Services Fund Net Asset Policy	\$22.1	\$21.7	\$24.0
Business Information Services Fund Net Asset Actual	\$16.9	\$22.2	\$26.4
Property Services Fund Cash Balance Policy	\$2.5	\$2.4	\$1.9
Property Services Fund Cash Balance Actual	\$0.1	\$0.7	\$0.7
Property Services Fund Net Asset Policy	\$2.3	\$2.3	\$2.3
Property Services Fund Net Asset Actual	\$26.0	\$26.1	\$25.6
Stores Fund Cash Balance Policy	\$0.2	\$0.2	\$0.2
Stores Fund Cash Balance Actual	-\$0.8	-\$1.0	-\$2.0
Stores Fund Net Asset Policy	\$0.2	\$0.2	\$0.2
Stores Fund Net Asset Actual	\$3.2	\$3.0	\$3.1
Engineering Materials & Testing Fund Cash Balance Policy	\$0.2	\$0.2	\$0.2
Engineering Materials & Testing Fund Cash Balance Actual	\$0.8	\$1.5	\$1.5
Engineering Materials & Testing Fund Net Asset Policy	\$0.2	\$0.2	\$0.2
Engineering Materials & Testing Fund Net Asset Actual	\$0.7	\$1.1	\$1.5

* in millions; 2012 amounts are based on mid-year projections

Schedule 9 - Variable Rate Debt Policy

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 strives for 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.

Variable Rate Debt by Fund	2010	2011	2012
Total General Obligation Debt	14.9%	5.2%	5.7%
Parking Fund Debt	24.4%	26.5%	29.2%
Convention Center Fund Debt	29.1%	0.0%	0.0%

Policy: No more than 25%; 2012 amounts represent estimated year-end balances.

City of Minneapolis 2013 Budget

Glossary of Terms

AC – Animal Control.

Access and Outreach Division – division of Neighborhood & Community Relations department that facilitates access for deaf/hard of hearing communities.

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.

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.

Appropriation – Spending authority created by City Council resolutions that are signed into law with related revenue estimates, which 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.

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.

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.

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.

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

CAFR – Comprehensive Annual Financial Report.

CAMA – Computer Assisted Mass Appraisal.

CAO – City Attorney’s Office.

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.

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.

CCP/SAFE – Community Crime Prevention/Safety for Everyone, program of the Police Department.

CCU – Contract Compliance Unit

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.

CIO – Chief Information Officer.

CCS – Construction Code Services, a division of Regulatory Services.

CIU – Complaint Investigations Unit

Claims – Requests for reimbursement for damages resulting from fault or liability of the City.

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.

CMS – Case Management System (City Attorney’s Office).

COLA – Cost of Living Adjustment.

COMPASS – The City's implementation of Oracle's PeopleSoft Financial Systems Enterprise Resource Planning, which replaced FISCOL.

Community Innovation Fund – Provides grants to officially designated neighborhood organizations to seek out innovative and locally-relevant approaches to City-identified goals or problems.

Component Unit – Legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Conduit Debt – Certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

Contingency – Budget for undesignated expenditures. These expenditures cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. These funds are earmarked for emergency or 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.

CPED – Community Planning and Economic Development Department. CPED is directed to oversee and coordinate all City planning and development activity.

CPC – City Planning Commission.

CPI – Consumer Price Index.

CRA – Civilian Review Authority.

CSA – County-State Aid, received by the City for work done on County roads.

CSAH – County State Aid Highways.

CRM – Customer 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)

CY – Calendar Year or Current Year.

DAP – Domestic Abuse Project, a community non-profit.

DARE – Drug Abuse Resistance Education.

DAPT – Domestic Abuse Prosecution Team, in the City Attorney's office.

DC – Deputy Chief.

DEA – Drug Enforcement Administration.

Debt Service – Money that is required in order to make payments on the principal and interest of outstanding bonds.

Debt Service Funds – Used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest and related costs.

Defined Benefit Pension Plan – Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service and compensation.

Direct Expense – Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable to a particular function.

DNR – Department of Natural Resources, a state government agency.

DEED – Department of Employment and Economic Development, state government agency.

Duration – In the context of investment disclosure, a measure of a debt investment's exposure to fair value changes arising from changing interest rates based upon the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price.

EAP – Employee Assistance Program.

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.

EOTF – Emergency Operations Training Facility

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.

Equivalent Stormwater Unit (ESU) - The stormwater utility fee is based on impervious area and is charged on a per unit basis. Each ESU (Equivalent Stormwater Unit) is 1,530 square feet of impervious area on a property.

Expenditure – Funds paid, or designated to be paid, for an asset or goods and services.

FEMA – Federal Emergency Management Agency.

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.

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”).

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.

GMCVA – Greater Minneapolis Convention and Visitor's Association, now called Meet Minneapolis.

GMMHC – Greater Minneapolis Metropolitan Housing Corporation.

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, an 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.

HC – Hennepin County, the county where the City of Minneapolis is located.

HCRRRA – Hennepin County Regional Railroad Authority.

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.

HRA – Housing Redevelopment Authority.

HRG – Human Resources Generalist.

HRIS – Human Resources Information System.

HUD – U.S. Department of Housing and Development, a federal government agency.

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.

Improvement – Addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change normally is added to the book value of the asset.

Indirect Expenses – Expenses that cannot be specifically associated with a given service, program or department and thus, cannot be clearly associated with a particular functional category.

Industrial Revenue Bond - Bond proceeds are used to finance the purchase or construction of facilities or equipment to be leased to a private corporation. The bonds are backed by the revenue generated by the lease payment and ultimately by the credit of the corporation.

Infrastructure – Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

IRS – Internal Revenue Service.

Interfund Activity – Activity between funds of the primary government, included blended component units. Interfund activities are divided into two broad categories: reciprocal and nonreciprocal.

Interfund Loans – Amounts provided between funds and blended component units of the primary government with a requirement for repayment.

Interfund Transfers – Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

Internal Service Funds – Funds used to account for those City services which are financed and operated in a

manner similar to private business enterprises and the customer is other City departments instead of the public.

IS Architecture – Information Systems Architecture.

IWR – Utility Billing's Interactive Web Response application.

JP – Joint Powers.

LAN – Local Area Network.

LCPR – Legislative Commission on Pensions and Retirement, a committee of the Minnesota Legislature.

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 - 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.

LGA – Local Government Aid.

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. The program was eliminated in 2010.

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.

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.

MDCR – Minneapolis Department of Civil Rights.

MDHFS – Minneapolis Department of Health and Family Support.

Meet Minneapolis – Official Convention and Visitor's Association.

MERF – Minneapolis Employee Retirement Fund, a closed retirement plan for general City employees that merged with the statewide plan.

METP – Minneapolis Employment and Training Program.

Metropolitan Council – Regional government of the 7 county metro area.

MFD – Minneapolis Fire Department.

MFERA – Minneapolis Firefighter's Relief Association, a retirement plan for firefighters that is closed to new members.

MPHA – Minnesota Housing Finance Agency, state government agency.

MLSS – Mechanical Life and Safety Systems.

MMRS – Metropolitan Medical Response System.

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.

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.

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.

MPRA – Minneapolis Police Relief Association, a retirement plan for police officers that is closed to new members.

MPRB – Minneapolis Park and Recreation Board, a directly elected body.

MRI – Municipal Refuse Incorporated, provider of solid waste disposal in parts of Minneapolis.

MSA – Municipal State Aid – refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

MUPS – Municipal Utility and Package System.

MVNA – Minneapolis Visiting Nurse’s Association, a community non-profit.

NAMC – National Association of Minority Contractors.

NCIC – National Crime Information Center.

NCEC – Neighborhood and Community Engagement Commission

NCR – Neighborhood and Community Relations.

NDB – Net Debt Bonds – property tax supported bonds issued to finance general infrastructure improvements. Debt service is paid by taxes collected for the annual Bond Redemption Levy.

Net Tax Levy – This is the total tax levy (including fiscal disparities). The net tax levy is now the certified tax levy as required by a change in state law.

NFPA – National Fire Protection Association, accreditation organization for Fire Departments.

NIP – Neighborhood Initiatives Program of CPED.

NLC – National League of Cities.

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.

NRP – Neighborhood Revitalization Program, established in 1990, a joint powers agreement of the City to undertake neighborhood programs.

NSP Fund – Neighborhood Stabilization Program Fund

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 prepares its own budget for review by the Mayor to assist the Mayor in preparing a budget recommendation for the City Council. A department’s Operating Budget authorizes designated spending, revenue, and personnel levels.

Operating Revenues and Expenses – Cost of goods sold and services provided to customers and the revenue thus generated.

Operating Tax Funds – Those funds at least partially financed by property taxes, which support the normal functions of city government. They include the General fund, Board of Estimate and Taxation fund, Municipal Building Commission fund, and the Park Tax funds.

Original Budget – First complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior-year encumbrances.

Original/Current Appropriation – The amount of money allocated by the respective governing body for the budgeted year. The original appropriation is the amount approved at the time the budget was initially adopted. The current appropriation is the original budget as amended to reflect any approved changes.

OSA – Office of the State Auditor.

OSHA – Occupational Safety and Health Administration, of the federal government.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits. Other post-employment benefits (OPEB) include post-employment healthcare benefits, regardless of the type of plan that provides them, and all post-employment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

Outcome Measures – In the context of service efforts and accomplishments reporting, indicators that measure accomplishments or results that occur (at least partially) because of services provided. Results also include measures of public perceptions of outcomes.

Own-source Revenues – Revenues that are generated by a government itself (e.g., tax revenues; water and sewer charges; investment income) rather than provided from some outside source (e.g., intergovernmental aid and shared revenues).

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.

PCI – Pavement Condition Index, used to rate the condition of pavement.

Pension Benefits – Retirement income and all other benefits (e.g. disability benefits, death benefits, life insurance) except healthcare benefits that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or after retirement. Post-employment healthcare benefits are considered other post employment benefits, regardless of how they are provided.

Pension Cost – Accrual measure of the periodic cost of an employer's participation in a defined benefit pension plan.

Pension Obligation Bonds – Bonds issued by employers to finance one or more elements of their pension obligation to employees. Pension obligation bonds may be used, for example 1) to reduce or eliminate the employer's net pension obligation, 2) to pay the employer's annual required contribution for the year, or 3) to reduce or eliminate the plan's unfunded actuarial accrued liability.

Pension Plan – Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

PERA – Public Employees Retirement Association, state-wide pension plan, to which a majority of the City's employees belong.

Post-employment – Period following termination of employment, including the time between termination and retirement.

Post-employment Healthcare Benefits – Medical, dental, vision and other health-related benefits provided

to terminated employees, retired employees, dependents, and beneficiaries.

PI – Permanent Improvement.

PM – Performance Management.

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.

Priority Budgeting - Allows the City to direct resources towards programs, helps to articulate why a program exists and is transparent.

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.

PS&RS – Public Safety and Regulatory Services, standing committee of the City Council.

PW – Public Works Department.

RCV – Ranked-choice voting.

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.

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.

ROP – Repeat Offender Program.

RTW – Return to Work.

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.

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.

SUBP – Small and Underutilized Business Program of the Civil Rights Department.

SW&R – Solid Waste and Recycling.

T&PW – Transportation and Public Works, a standing committee of the City Council.

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 (replaced assessment ratios).

Tax Increment (TI) – Tax increment of real property within a municipality whose assessed valuation for tax purposes is frozen when the tax increment district is certified. The proceeds from the tax increment bond sale are used to develop this distressed or under-utilized property. Taxes collected from the frozen assessed valuation continue to be distributed to the various taxing districts. As development caused the valuation of the property to rise, the difference or increment between the frozen valuation levels and increased value after development provides the needed payment to pay off the bonds.

Tax Increment Finance Bonds --Bonds sold to investors to raise capital for development activities. Interest paid to bond purchasers is usually exempt from state and federal taxation, although TIF bonds can also be sold to investors with no interest exemption from state and federal taxes.

Tax-Increment Financing (TIF) – Financing secured by the anticipated incremental increase in tax revenue, resulting from the redevelopment of an area.

TISH – Truth in the Sale of Housing, a business function of Construction Code Services division of Regulatory Services.

TNT – Truth in Taxation Statement mailed to property owners each November, with approximate City taxes to be paid in following year.

Total Expenses – The total costs of a cost center or department including debt service and capital improvements.

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.

Unallotment – Executive branch power to reduce spending to avoid a deficit without legislative action.

Unisys – Unisys Corporation – The City of Minneapolis has a contract with Unisys to manage and support 2700 personal computers and more than 100 servers.

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.

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.

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).

WC – Worker Compensation.

WiFi – Wireless fidelity.

YCB – Youth Coordinating Board, a joint power agreement of the City.

YTD – Year to date.

Z&P – Zoning and Planning, City Council Subcommittee

**OFFICIAL PROCEEDINGS
MINNEAPOLIS CITY COUNCIL**

**ADJOURNED SESSION OF THE
REGULAR MEETING OF
DECEMBER 7, 2012 HELD
DECEMBER 12, 2012**

(Published December 22, 2012, in *Finance and Commerce*)

Council Chamber
Room 317 City Hall
350 South 5th Street
Minneapolis, Minnesota
December 12, 2012 - 6:05 p.m.

The Council met pursuant to adjournment.
President Johnson in the Chair.

Present - Council Members Reich, Hofstede, Schiff, Lilligren, Colvin Roy, Tuthill, Quincy, Glidden, Goodman, Hodges, Gordon, President Johnson.

Absent - Council Member Samuels.

Lilligren moved adoption of the agenda. Seconded.

Adopted upon a voice vote.

Absent - Samuels, Hofstede.

Lilligren moved to suspend Council Rule 14(b) to allow members of the public to address the Council.
Seconded.

Adopted upon a voice vote.

Absent - Samuels, Hofstede.

A public hearing was held to receive comments on the proposed 2013 budget and tax levy. A complete copy of the speakers list is available for public inspection (Petn No 276202) on file in the office of the City Clerk.

PETITIONS AND COMMUNICATIONS

WAYS AND MEANS BUDGET:

FINANCE DEPARTMENT (276201)

2013 Budget: Budget Hearing Materials.

WAYS AND MEANS BUDGET (See Rep):

MAYOR (276202)

2013 Budget: Mayor's Recommended 2013 Budget; Public Hearing Speakers

The following reports were signed by Mayor Rybak on December 19, 2012. 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 COMMITTEES

The WAYS & MEANS/BUDGET Committee submitted the following reports:

W&M/Budget - Your Committee recommends passage of the accompanying Resolutions approving the 2012 property tax levies, payable in 2013, for various funds of the City of Minneapolis for which the City Council levies taxes.

Adopted.

Absent - Samuels.

Resolutions 2012R-651 and 2012R-652, approving the 2012 property tax levies, payable in 2013, for various funds of the City of Minneapolis for which the City Council levies taxes, were adopted 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 resolutions.

RESOLUTION 2012R-651

By Hodges

Approving the 2012 property tax levies, payable in 2013, for the various funds of the City of Minneapolis for which the City Council levies taxes.

Resolved by The City Council of The City of Minneapolis:

That the following taxes and tax levies are hereby assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2012 for taxes payable in 2013 for the following funds:

FUND	CERTIFIED LEVY AMOUNT	ESTIMATED TAX CAPACITY RATES
General Fund	\$168,928,000	45.135
Municipal Building Commission	\$4,410,000	1.179
Permanent Improvement	\$1,000,000	0.268
Bond Redemption	\$21,200,000	5.665
Firefighters Relief Association (MFRA)	\$2,745,000	0.734
Police Relief Association (MPRA)	\$6,415,000	1.714
Minneapolis Employees Retirement (MERF)	\$18,155,000	4.850
Total	\$222,853,000	59.545

Be It Further Resolved that the difference between the amounts herein levied by for the Bond Redemption Fund and the aggregate of levies previously certified to the Hennepin County Auditor are made up by cash from prior years' balances. 1) The tax capacity rates shown for each of the above funds are derived by applying the amount of the levy to an estimated tax capacity value of \$397,535,784 and a spread levy tax capacity value of \$323,247,856, and are advisory in nature only. The dollar amount shown in the levy is hereby certified and such amounts to be determined by the County Auditor are to be due to the City under the "Fiscal Disparities" law.

Be It Further Resolved that a tax levy of \$9,300,000 be **assessed against and levied based on market value upon** the real and personal property in the City of Minneapolis in 2012 for taxes payable in 2013 for debt service associated with the voter approved Library Referendum Bond authorization of \$140,000,000.

Be It Further Resolved that a Special Tax Levy (Chapter 595) of \$1,021,000 with an estimated Tax Capacity Rate of 0.316 be assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2012 for taxes payable in 2013 **for a Special Levy under Chapter 595** to be initially deposited in the General Fund of the City upon receipt from the County and to be used only for expenditures consistent with Chapter 595.

Be It Further Resolved that the Certified Local Government Aid (LGA) Amount estimated at \$64,142,000 shall be initially distributed as follows:

Municipal Building Commission	\$193,067
Minneapolis Park & Recreation Board	\$7,570,039
General Fund	\$56,378,894
TOTAL	\$64,142,000

Any adjustments from this amount will be allocated in accordance to the principle of maintaining the proportional relationships in funding available for activities as set forth in the City's adopted financial policies.

Adopted.
Absent - Samuels.

RESOLUTION 2012R-652
By Hodges

Approving the Special Tax Levy for taxes in 2013, for the Minneapolis Public Housing Authority (MPHA) for which the City Council levies taxes.

Resolved by The City Council of The City of Minneapolis:

That the following Special Tax Levy is hereby assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2012 for taxes payable in 2013 for the Minneapolis Public Housing Authority (MPHA):

FUND	CERTIFIED LEVY AMOUNT	ESTIMATED TAX CAPACITY RATES
Minneapolis Public Housing Authority (MPHA)	\$ 200,000	0.002
Total	\$200,000	0.002

The tax capacity rate shown is derived by applying the amount of the levy to an estimated tax capacity value of \$397,535,784 and a spread levy tax capacity value of \$323,247,856, and is advisory in nature only. The dollar amount shown in the levy is hereby certified and such amounts to be determined by the County Auditor are to be due to the City under the "Fiscal Disparities" law.

Adopted.
Absent - Samuels.

W&M/Budget - Your Committee, having under consideration the Mayor's 2013 Recommended Budget, now recommends passage of the accompanying Resolution fixing the maximum amounts to be expended by the various departments for 2013 (2013 General Appropriation Resolution), from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees, based on the recommendations submitted by the Mayor (Petn No 276202).

Colvin Roy and Gordon moved that the resolution be amended in Footnote "s", to read as follows:
"s) The City Attorney's Office is directed to request ~~\$20,000~~ \$40,000 during the 2012 rollover process to be used for restorative justice contracts." Seconded.

Adopted upon a voice vote.
Absent - Samuels.

Hofstede moved that the resolution be amended by adding the following language:
“The City Coordinator department is directed to request \$30,000 for the St. Anthony Falls Heritage Board partnership on a one-time basis as part of the 2012 rollover process.” Seconded.
Adopted upon a voice vote.
Absent - Samuels.

Hofstede moved that the resolution be amended by adding the following language:
“The Community Planning and Economic Development department is directed to request \$25,000 to assume the responsibility of staffing for the Mississippi Riverfront Technical Advisory Committee and River Current on a one-time basis as part of the 2012 rollover process.” Seconded.
Lost upon a voice vote.
Absent - Samuels.

Lilligren moved Resolution 2012R-653 to accompany the Mayor’s 2013 Recommended Budget and the pending General Appropriation Resolution of 2013 to capture the details of the Regulatory Services reorganization as determined by the Transition Committee. Seconded.

Lilligren moved that the resolution be amended by adding “Fire” to the list of departments in number 3 of the be it further resolved clause, to follow Health and Family Support. Seconded.
Adopted upon a voice vote.
Absent - Samuels.
The resolution, as amended, was adopted upon a voice vote.
Absent - Samuels.

Resolution 2012R-653, outlining the work of the regulatory services reorganization transition committee, was adopted 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 2012R-653
By Lilligren, Glidden, Goodman, Reich

Regulatory Services Reorganization.

Whereas, the City Council has appointed members of the Council and City staff to a Transition Committee to provide coordination and oversight of the planning need to reorganize the Department of Regulatory Services; and

Whereas, the Transition Committee has met regularly from September through December to review the Regulatory Services reorganization proposed in the Mayor’s 2013 budget speech and related documents; and

Whereas, the Transition Committee has identified current Regulatory Service workings and functions that should be considered for assignment into other departments and identified Regulatory Service workings that should remain in the reorganized Regulatory Services Department; and

Whereas, the Transition Committee has identified and worked with key work groups including other Council Members and key department staff needed to plan, identify and implement the proposed reorganization of Regulatory Services Department and with the following goals in mind:

- i. Integrate the management of work units assigned to other departments;
- ii. Ensure ongoing activities of Regulatory Services are not interrupted through the transition;
- iii. Optimize the business process of working units assigned to other departments and those remaining in the reorganized Regulatory Services Department.
- iv. Optimize the management structure for all of the departments involved in the reorganization.
- v. Integrate any physical locations/office issues into the facilities, space and asset management (FSAM) process.

Whereas, the Transition Committee has worked with the Ways & Means/Budget Committee Chair and other Council Committee Chairs as needed to integrate the reorganization plan into the 2013 budget process; and

Whereas, the Transition Committee has developed Reorganization Principles, Reorganization Guidelines, and Reorganization Process Checkpoints to guide its recommendations, which are contained in the Transition Committee Regulatory Services Reorganization Update dated October 17 presented to the Ways and Means/Budget Committee and on file in the Office of the City Clerk as Petn No 276201.

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

1. That the duties and functions of the housing inspections, problem properties, animal control, traffic control and fire inspection services shall remain with the reorganized Regulatory Services Department.

2. That the fire inspection services shall have a dual reporting requirement through the Fire Marshall to the Director of Regulatory Services and the Chief of the Fire Department.

3. That the duties and functions of construction code services, Minneapolis development review, and business licensing shall be transferred to the Community Planning and Economic Development Department.

4. That the duties and functions of environmental management shall be transferred to the Department of Health and Family Support except that the duties and functions of the rain leader disconnect program shall be transferred to Public Works.

5. That all transfers of full time equivalents (FTEs) and budgetary actions necessary to implement the transfer of the above described duties and functions shall be as described and detailed in the 2013 Council Adopted Budget.

Be It Further Resolved:

1. That the Transition Committee shall continue to review any necessary transition work extending into 2013 regarding the reorganization of the Regulatory Services Department.

2. That the Transition Committee shall focus on community engagement throughout 2013 to maximize community service and business process improvement opportunities.

3. The City Coordinator and Chief Financial Officer are directed to lead a staff working group, including the heads of the Departments of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new Departments.

Adopted.

Absent - Samuels.

Lilligren moved that the appropriation resolution be amended by adding the following language:

“The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new Departments.” Seconded.

Adopted upon a voice vote.

Absent - Samuels.

Lilligren moved that the appropriation resolution be amended by adding the following language:
“The Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development are directed to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.” Seconded.

Adopted upon a voice vote.

Absent - Samuels.

Lilligren moved that the appropriation resolution be amended by adding the following language:
“The City Coordinator department is directed to request \$15,000 for the Midtown Safety Center partnership on a one-time basis as part of the 2012 rollover process.” Seconded.

Adopted upon a voice vote.

Absent - Samuels.

Lilligren moved that the appropriation resolution be amended by adding the following language:
“The City Coordinator department is directed to request \$75,000 for the Minneapolis Public Housing Authority “Project Lookout” partnership on a one-time basis as part of the 2012 rollover process.” Seconded.

Adopted upon a voice vote.

Absent - Samuels.

Johnson moved that the appropriation resolution be amended by adding the following language:
“The Human Resources Department is directed: (1) that none of the FTEs approved as part of the Workforce Planning program shall be hired until after a permanent Director of Human Resources is hired and on board, and is able to review and approve the program as proposed; and (2) to capture and reallocate \$100,000 in salary savings from the sequencing of hiring FTEs associated with the Workforce Planning program and to use those funds on a one-time basis to apply towards enterprise-wide training efforts.” Seconded.

Adopted upon a voice vote.

Absent - Samuels.

The report was adopted.

Absent – Samuels.

Resolution 2012R-654, the General Appropriation Resolution of 2013, fixing the maximum amounts to be expended by the various departments for 2013, from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees, was adopted 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 2012R-654
By Hodges

Fixing the maximum amounts to be expended by the various departments for 2013 from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees.

Resolved by The City Council of The City of Minneapolis:

That there be appropriated out of the monies in the City Treasury and revenues of the City applicable to specifically named funds the maximum appropriation amounts as outlined in Financial Schedules 1, 2, 3, 4 (Community Development Block Grant (“CDBG”) Program Allocations), 6 and 7 as published in the final 2013 Adopted Budget Book.

That the proper City officers be authorized to execute and/or carry out the intent of the 2013 Consolidated Plan program allocations (CDBG, HOME, ESG and HOPWA entitlement grants), as amended, including the 2013 Adopted Budget Schedule 4 CDBG Program, and Schedules 6 and 7 CPED Program Allocations by fund.

That the proper City officers be authorized to enter into any necessary grant agreements with the Department of Housing and Urban Development to receive Fiscal Year 2013 Consolidated Plan funding.

**2013 Operating Budget
Resolution Footnotes:**

a) Financial management Policies, as included in the Financial Policies Section of the 2013 Adopted Budget book, are hereby adopted as part of the 2013 budget.

b) Be it Further Resolved that this resolution may be cited as the "General Appropriation Resolution of 2013."

Additional/Changes to Financial Policies (as needed)

None

Changes to the Recommended Budget

c) Amend the Mayor's recommended budget as follows: Increase 911's General Fund (00100) expense appropriation by \$110,000 and add two FTEs for 911 Operators. Decrease Human Resources department's General Fund (00100) expense appropriation by \$110,000 from the Workforce Planning program and decrease one FTE.

d) Amend the Mayor's recommended budget to include funding for the domestic violence team as follows: Increase the City Attorney's General Fund (00100) appropriation by \$100,000 on a one-time basis and add two FTEs (one Assistant City Attorney and one Paralegal) in the Criminal Division on-going. Use 2013 budget savings in Human Resources from sequencing of hiring for open positions to decrease Human Resources expense appropriation by \$100,000 on a one-time basis.

e) To reflect the Regulatory Services Reorganization Transition Committee changes from the Mayor's recommended budget, (Construction Code Services moving to Community Planning & Economic Development rather than Regulatory Services, Traffic Control moving to Regulatory Services rather than Public Works, and Environmental Health/Food moving to Health & Family Support rather than Community Planning & Economic Development) and amend the Mayor's recommended budget as follows:

- (i) Increase Community Planning & Economic Development's general fund (00100) revenue by \$14,602,410. Increase Community Planning & Economic Development's special revenue fund (01900) revenue by \$360,690.
- (ii) Increase Health & Family Support's general fund (00100) revenue by \$587,058. Decrease Health & Family Support's other grants fund (01600) revenue by \$231,058.
- (iii) Decrease Public Works' general fund (00100) revenue by \$5,735,000.
- (iv) Decrease Regulatory Services' general fund (00100) revenue by \$9,223,410.
- (v) Decrease Regulatory Services' special revenue fund (01900) revenue by \$360,690.
- (vi) Increase Community Planning & Economic Development's general fund (00100) expense appropriation by \$5,685,386. Increase Community Planning & Economic Development's special revenue fund (01900) expense appropriation by \$359,826. Increase Community Planning & Economic Development FTE authorization by 44.
- (vii) Increase Health & Family Support's general fund (00100) expense appropriation by \$2,385,127. Decrease Health & Family Support's other grants fund (01600) by \$231,058. Increase Health & Family Support FTE authorization by 19.
- (viii) Decrease Public Works' general fund (00100) appropriation by \$4,642,469. Decrease Public Works' FTE authorization by 45.
- (ix) Decrease Regulatory Services' general fund (00100) expense authorization by \$3,196,986. Decrease Regulatory Services' special revenue fund (01900) expense appropriation by \$359,826. Decrease Regulatory Service's FTE authorization by 18.

f) Amend the Mayor's 2013 Recommended Budget to include the following: The Transition Committee for the proposed reorganization of Regulatory Services business units, including City staff and City Council Members

appointed by the Council in 2012, will continue to meet in 2013 for the purpose of: (1) Continuing to provide coordination and oversight for any necessary transition work extending into 2013 regarding the reorganized business units of Regulatory Services and the assignment of business units formerly in Regulatory Services into Departments of Community Planning & Economic Development and Health & Family Support; (2) Focusing on community engagement to maximize service to community and business process improvement opportunities; and (3) Evaluate opportunities for enhancing and improving the Office of Administrative Services, which is part of the Department of Regulatory Services.

Directions to Staff

g) Direct the Finance Officer to update the five-year financial direction consistent with recommendations of the City Council.

h) The 911 department is directed to use ongoing savings from attrition and sequencing of hiring to fully fund the two 911 Operator positions in 2013 and to maintain the positions in the 2014 base budget.

i) The Minneapolis Police Department is directed to (1) use their 2011 unused rollover and 2013 budget savings from attrition and contracts to provide \$510,000 in General Fund (00100) to retain six Community Crime Prevention Specialists; and (2) for the Department and Police Chief to provide a 2013 workforce plan for Crime Prevention Specialists to the Public Safety, Civil Rights & Health and the Ways & Means/Budget Committees by April 1, 2013.

j) The City Attorney department is directed to: (1) use on-going savings from attrition and sequencing of hiring to maintain the two positions (one Assistant City Attorney and one Paralegal) in the 2014 base budget; and (2) make a request to rollover \$75,000 for domestic violence team contracts as part of the rollover process.

k) The Information Technology Department is to report to the Information Technology Policy Group and the Ways & Means/Budget Committee by March 31, 2013 regarding major technology projects for 2013 including resource allocation (staffing time and funding) for implementing the projects.

l) The Finance Department is directed to amend all schedules and language according to amended budgets.

m) The Public Works Department is directed to report to the Transportation & Public Works committee by January 31, 2013, with proposed specific projects for the 2013 Capital Budget for the Paving Program.

n) The Finance Department is directed to work with the Departments of Community Planning & Economic Development, Health & Family Supports, Public Works, and Regulatory Services to make the appropriate adjustments at the program/cost center level to reflect these changes.

o) City Departments are directed to work with the Finance Department to review and analyze the City's existing fee structure to determine fiscal relationship between cost of providing activities and ability to recoup costs. The study shall be complete by April 1, 2013, and presented to the Ways & Means/Budget Committee and the Regulatory, Energy & Environment Committee during their regularly scheduled meetings in April 2013.

p) City Departments are further directed to work with the Finance Department and City Attorney to incorporate the results of the fees study into the development of a methodology and process to support any proposed ongoing adjustments to existing fees. The proposed methodology and process shall be presented to both the Ways & Means/Budget Committee and Regulatory, Energy & Environment Committee by June 30, 2013.

q) The City Attorney's Office is directed to work with Regulatory Services, Community Planning & Economic Development, Health & Family Support, and other affected departments to propose ordinance changes necessary to implement: (1) the reorganization of the Regulatory Services department; and (2) the transfer of certain duties from Regulatory Services to other departments as outlined in the Transition Committee Update, dated December 3, 2012. The City Attorney's Office is further directed to report proposed changes to the Committee of the Whole in the first Council cycle of 2013.

r) The Communications Department is directed to request \$46,000 for the MTN contract on a one-time basis as part of the 2012 rollover process.

s) The City Attorney's Office is directed to request \$40,000 during the 2012 rollover process to be used for restorative justice contracts.

t) The City Coordinator department is directed to request \$30,000 for the St. Anthony Falls Heritage Board partnership on a one-time basis as part of the 2012 rollover process.

u) The City Coordinator and Chief Financial Officer are directed to lead a staff working group, also including the heads of the Departments of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development, to oversee the operational execution of the Regulatory Services reorganization. This group will manage the various finance and accounting, technology, space and other related changes to various operational and processing activities necessary to reflect the movement of certain business units to new Departments.

v) The Department Heads of Regulatory Services, Health and Family Support, Fire, and Community Planning and Economic Development are directed to report on the status of the Regulatory Services reorganization at Committee of the Whole on June 13, 2013.

w) The City Coordinator department is directed to request \$15,000 for the Midtown Safety Center partnership on a one-time basis as part of the 2012 rollover process.

x) The City Coordinator department is directed to request \$75,000 for the Minneapolis Public Housing Authority "Project Lookout" partnership on a one-time basis as part of the 2012 rollover process.

y) The Human Resources Department is directed: (1) that none of the FTEs approved as part of the Workforce Planning program shall be hired until after a permanent Director of Human Resources is hired and on board, and is able to review and approve the program as proposed; and (2) to capture and reallocate \$100,000 in salary savings from the sequencing of hiring FTEs associated with the Workforce Planning program and to use those funds on a one-time basis to apply towards enterprise-wide training efforts.

Technical Changes

z) Amend the Mayor's recommended 2013 Solid Waste and Recycling rate by \$7.70. The Mayor's recommended rate of \$24.70 included a recycling credit and the program will no longer have a recycling credit. The new rate is proposed at \$17.00.

aa) Amend the Mayor's recommended 2013 Operating budget for Public Works by decreasing the revenue appropriation in the Solid Waste and Recycling Fund (07700) by \$885,604. The rate was changed to adjust base rate to remove recycling credit.

bb) Amend the Mayor's recommended 2013 Operating budget for Public Works by increasing the appropriation in the Sanitary Sewer Fund (07100) by \$339,017 for Sewer Access Charges (SAC) paid to Metropolitan Council.

cc) Amend the Mayor's recommended 2013 Capital budget for Community Planning and Economic Development by decreasing expense appropriation in the Capital Improvement Fund (04100) by \$200,000 for the Art in Public Places program.

dd) Amend the Mayor's recommended 2013 Capital budget for Community Planning and Economic Development by increasing the revenue in the Capital Improvement Fund (04100) by \$605,000 for the Art in Public Places program.

Adopted.

Declining to vote on footnote 'r' - Colvin Roy.

Absent - Samuels.

W&M/Budget - Your Committee recommends passage of the accompanying resolution adopting the 2013-2017 Five Year Capital Program, as shown in the "Capital Section" of the adopted 2013 Budget Book (Petn No 276202), fixing the maximum amounts of capital funds to be expended by the various funds under the jurisdiction of the City Council.

Adopted.

Absent - Samuels.

Resolution 2012R-655, adopting the 2013-2017 Five Year Capital Program, was adopted 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 2012R-655
By Hodges

Adopting the 2013 - 2017 Five Year Capital Program and fixing the maximum amounts for 2013 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 2013 - 2017 is hereby adopted and that there be appropriated out of the monies of the City Treasury and revenues of the City applicable to specifically named funds and revenue sources, the following maximum appropriation amounts for 2013:

Fund	Department	Project	Amounts	Revenue Source
			(in thousands)	Description
34200 MBC - CAPITAL IMPROVEMENTS				
9010901 MBC CAPITAL				
	MBC01	Life Safety Improvements	340	Net Debt Bonds
	MBC02	Mechanical Systems Upgrade	675	Net Debt Bonds
	MBC06	Clock Tower Upgrade	839	Net Debt Bonds
		TOTAL FOR FUND 34200 - 9010901	1,854	
14370 PARK - CAPITAL IMPROVEMENTS ASSESSED				
9103000 FORESTRY & TREE DISEASE CONTROL				
	PRKDT	Diseased Tree Removal	300	Assessment Bonds
		TOTAL FOR FUND 14370 - 9103000	300	
14300 PARK - CAPITAL IMPROVEMENTS				
9101000 PARKS CAPITAL IMPROVEMENT				
	PRK01	Recreation Center and Site Improvements Program	100	Net Debt Bonds
	PRK01	Recreation Center and Site Improvements Program	250	Park Capital Levy
	PRK02	Playground and Site Improvements Program	775	Net Debt Bonds
	PRK03	Shelter – Pool – Site Improvements Program	1,500	Net Debt Bonds
	PRK03	Shelter – Pool – Site Improvements Program	500	Park Capital Levy
	PRK03	Shelter – Pool – Site Improvements Program	125	Hilton Trust Funds
	PRK03	Shelter – Pool – Site Improvements Program	375	Other Local Govt
	PRK04	Athletic Fields and Site Improvements Program	225	Net Debt Bonds
	PRK04	Athletic Fields and Site Improvements Program	650	Park Capital Levy
	PRK30	Community Service Area Improvement Program	500	Net Debt Bonds
	PRK30	Community Service Area Improvement Program	500	Park Capital Levy
	PRK32	Northeast Park Building Improvements	1,900	Net Debt Bonds
	PRKCP	Neighborhood Parks Capital Infrastructure (b)	1,850	Park Capital Levy
		TOTAL FOR FUND 14300 - 9101000	9,250	
04100 CITY - CAPITAL IMPROVEMENTS				
PUBLIC WORKS CAPITAL IMPROVEMENTS				
9010937 STREET PAVING CAPITAL				
	PV001	Parkway Paving Program (PV1301)	580	Net Debt Bonds
	PV001	Parkway Paving Program (PV1301)	50	Assessment Bonds
	PV001	Parkway Paving Program (PV1301) (b)	440	Park Capital Levy
	PV006	Alley Renovation Program (PV1306)	120	Net Debt Bonds
	PV006	Alley Renovation Program (PV1306)	50	Assessment Bonds
	PV038	Winter St NE Residential/Commercial	2,455	Net Debt Bonds
	PV038	Winter St NE Residential/Commercial	2,155	Assessment Bonds
	PV056	Asphalt Pavement Resurfacing Program (PV1356)	1,200	Net Debt Bonds

PV056	Asphalt Pavement Resurfacing Program (PV1356)	1,600	Assessment Bonds
PV057	Nicollet Ave (Lake St E to 40th St E)	2,180	Net Debt Bonds
PV057	Nicollet Ave (Lake St E to 40th St E)	5,150	Municipal State Aid
PV057	Nicollet Ave (Lake St E to 40th St E)	1,185	Assessment Bonds
PV057	Nicollet Ave (Lake St E to 40th St E)	80	Other Local Govt
PV059	Major Pavement Maintenance Program (PV1359)	50	Net Debt Bonds
PV059	Major Pavement Maintenance Program (PV1359)	350	Hilton Trust Funds
PV061	High Volume Corridor Reconditioning Program (PV1361)	3,036	Net Debt Bonds
PV061	High Volume Corridor Reconditioning Program (PV1361)	1,000	Municipal State Aid
PV061	High Volume Corridor Reconditioning Program (PV1361)	1,320	Assessment Bonds
PV063	Unpaved Alley Construction (PV1363)	150	Net Debt Bonds
PV063	Unpaved Alley Construction (PV1363)	150	Assessment Bonds
PV069	Penn Ave S (50th to Crosstown)	5,105	Net Debt Bonds
PV069	Penn Ave S (50th to Crosstown)	1,375	Municipal State Aid
PV069	Penn Ave S (50th to Crosstown)	1,365	Assessment Bonds
PV070	Riverside Extension – 4th St/15th Ave	1,000	Net Debt Bonds
PV074	CSAH & MnDOT Cooperative Projects (PV1374)	1,785	Net Debt Bonds
PV074	CSAH & MnDOT Cooperative Projects (PV1374)	255	Municipal State Aid
PV074	CSAH & MnDOT Cooperative Projects (PV1374)	2,000	Assessment Bonds
PV074	CSAH & MnDOT Cooperative Projects (PV1374)	1,270	Other Local Govt
PV075	Development Infrastructure Program (PV1375)	2,300	Net Debt Bonds
PV081	46th St W (Dupont to Lyndale Ave S)	1,960	Net Debt Bonds
PV081	46th St W (Dupont to Lyndale Ave S)	465	Assessment Bonds
PV082	31st St E (Minnehaha to 28th Ave S)	580	Net Debt Bonds
PV082	31st St E (Minnehaha to 28th Ave S)	100	Assessment Bonds
PV085	Nicollet Mall Planning	555	Hilton Trust Funds
PV091	Penn Ave N Cooperative Project	200	Net Debt Bonds
PV99R	Reimbursable Paving Projects (PV13R)	3,500	Reimbursements
	04100-9010937 Street Paving Subtotal (a)	47,116	

9010938 BRIDGE CAPITAL

BR101	Major Bridge Repair and Rehabilitation (BR1301)	400	Net Debt Bonds
BR114	Midtown Corridor Bridge Preservation Program	895	Net Debt Bonds
BR114	Midtown Corridor Bridge Preservation Program	1,120	Federal Government
BR128	3rd Ave S Bridge – Gateway Project	50	Net Debt Bonds
	04100-9010938 Bridge Subtotal	2,465	

9010939 SIDEWALK CAPITAL

SWK01	Defective Hazardous Sidewalks (SWK13)	285	Net Debt Bonds
SWK01	Defective Hazardous Sidewalks (SWK13)	2,925	Assessments
	04100-9010939 Sidewalk Subtotal	3,210	

9010943 TRAFFIC CAPITAL

BIK25	Bluff Street Bike Trail Project	1,100	Net Debt Bonds
BIK26	Penn Ave S Parallel Bikeway	50	Net Debt Bonds
TR008	Parkway Street Light Replacement (TR1308)	150	Net Debt Bonds
TR008	Parkway Street Light Replacement (TR1308) (b)	440	Park Capital Levy
TR011	City Street Light Renovation (TR1311)	400	Hilton Trust Funds
TR021	Traffic Signals (TR1321)	2,300	Net Debt Bonds
TR021	Traffic Signals (TR1321)	600	Other Local Govt
TR022	Traffic Safety Improvements (TR1322)	840	Net Debt Bonds
TR022	Traffic Safety Improvements (TR1322)	320	Municipal State Aid
TR022	Traffic Safety Improvements (TR1322)	145	Hennepin County

TR022	Traffic Safety Improvements (TR1322)	23	State of Minnesota
TR022	Traffic Safety Improvements (TR1322)	62	Other Local Govt
TR99R	Reimbursable Transportation Projects (TR13R)	600	Reimbursements
	04100-9010943 Traffic Subtotal	7,030	

04100 - PUBLIC WORKS CAPITAL IMPROVEMENTS Subtotal 59,821

8900420 COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (CPED)

ART01	Art in Public Places (ART13)	605	Net Debt Bonds
	04100-8900420 CPED Subtotal	605	

9010923 PROPERTY SERVICES CAPITAL

CTY02	City Property Reforestation (CTY1302)	150	Net Debt Bonds
PSD01	Facilities – Repair and Improvements (PS1301)	830	Net Debt Bonds
PSD03	Facilities – Space Improvements (PS1303)	1,000	Net Debt Bonds
PSD11	Energy Cons and Emission Reduction (PS13E11)	250	Net Debt Bonds
PSD12	Pioneers & Soldiers Cemetery Fencing – Phase II	250	Net Debt Bonds
PSD12	Pioneers & Soldiers Cemetery Fencing – Phase II	250	State of Minnesota
PSD16	Farmer’s Market Improvements	50	Net Debt Bonds
	04100-9010923 Property Services Subtotal	2,780	

9010970 NON-DEPARTMENTAL CAPITAL

31101	311 Systems Refresh	235	Net Debt Bonds
91101	911 Telephone System Replacement	100	Net Debt Bonds
	04100-9010970 Non-Departmental Capital Subtotal	335	

TOTAL FOR FUND 04100 CITY - CAPITAL IMPROVEMENTS 63,541

06400 INFORMATION TECHNOLOGY INTERNAL SERVICE FUND

9010972 IT CAPITAL

IT003	Enterprise Content Management (IT1303)	350	Net Debt Bonds
IT004	Enterprise Infrastructure Modernization (IT1304)	250	Net Debt Bonds
IT033	Police Report Management System Upgrade	350	Net Debt Bonds
IT034	Minneapolis Information Commons	200	Net Debt Bonds
	TOTAL FOR FUND 06400 - 9010972	1,150	

07100 SANITARY SEWER ENTERPRISE FUND

9010932 SANITARY/STORM CAPITAL

SA001	Sanitary Tunnel and Sewer Rehabilitation Program (SA1301)	5,000	Sanitary Sewer Bonds
SA036	Infiltration & Inflow Removal Program (SA1336)	1,000	Sanitary Sewer Bonds
SA036	Infiltration & Inflow Removal Program (SA1336)	1,000	Sanitary Revenue
SA99R	Reimbursable Sanitary Sewer Projects (SA13R)	1,000	Reimbursements
	TOTAL FOR FUND 07100 - 9010932	8,000	

07300 STORMWATER ENTERPRISE FUND

9010932 SANITARY/STORM CAPITAL

SW004	Implementation of US EPA Storm Water Regulations (SW1304)	250	Stormwater Revenue
SW005	Combined Sewer Overflow Improvements (SW1305)	1,500	Stormwater Revenue
SW011	Storm Drains & Tunnels Rehab Program (SW1311)	8,000	Stormwater Bonds
SW011	Storm Drains & Tunnels Rehab Program (SW1311)	2,000	Stormwater Revenue
SW039	Flood Mitigation with Alternative Stormwater Mgmt (SW1339)	2,000	Stormwater Revenue
SW99R	Reimbursable Sewer & Storm Drain Projects (SW13R)	2,000	Reimbursements
PV038	Winter St NE Residential/Commercial	680	Stormwater Revenue

PV057	Nicollet Ave (Lake St E to 40th St E)	390	Stormwater Revenue
PV061	High Volume Corridor Reconditioning Program (PV1361)	200	Stormwater Revenue
PV069	Penn Ave S (50th to Crosstown)	330	Stormwater Revenue
PV081	46th St W (Dupont to Lyndale Ave S)	150	Stormwater Revenue
PV082	31st St E (Minnehaha to 28th Ave S)	200	Stormwater Revenue
TOTAL FOR FUND 07300 - 9010932		17,700	

07400 WATER ENTERPRISE FUND

9010950 WATER CAPITAL

WTR12	Water Distribution Improvements (WTR1312)	6,500	Water Revenue
WTR18	Water Maintenance Facility	3,000	Water Revenue
WTR23	Treatment Infrastructure Improvements (WTR1323)	4,500	Water Revenue
WTR24	Fridley Filter Plant Rehabilitation	2,000	Water Bonds
WTR24	Fridley Filter Plant Rehabilitation	700	Water Revenue
WTR9R	Reimbursable Watermain Projects (WTR13R)	2,000	Reimbursements
PV038	Winter St NE Residential/Commercial	65	Water Revenue
PV057	Nicollet Ave (Lake St E to 40th St E)	385	Water Revenue
TOTAL FOR FUND 07400 - 9010950		19,150	

07500 MUNICIPAL PARKING ENTERPRISE FUND

9010946 PARKING RAMP CAPITAL

RMP01	Parking Facilities-Repair and Improvements (RP1301)	1,700	Parking Bonds
TOTAL FOR FUND 07500 - 9010946		1,700	

GRAND TOTAL FOR ALL FUNDS 122,645

Be It Further Resolved that the following 2013 Capital Budget footnotes are hereby incorporated into the 2013 Capital Resolution:

- a) Staff Direction: Public Works is directed to report to the Transportation and Public Works committee by January 31, 2013 with proposed specific projects for the 2013 Capital Budget for the Paving Program.
- b) These projects were revised due to final adoption of the 2013 Park & Recreation Board budget which increased the Park Capital Levy by \$1,200 over the amounts referenced in the original capital resolution passed by the City Council on 12/12/12. This is a technical amendment.

Adopted.

Absent - Samuels.

W&M/Budget - Your Committee recommends passage of the accompanying resolutions requesting the Board of Estimate and Taxation to incur indebtedness and issue and sell City of Minneapolis bonds for various amounts, as reflected in the 2013 Capital Appropriation Resolution.

Adopted.

Absent - Samuels.

Resolutions 2012R-656 through 2012R-659, requesting the Board of Estimate and Taxation to incur indebtedness and issue and sell City of Minneapolis bonds for various amounts, as reflected in the 2013 Capital Appropriation Resolution, were adopted 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 resolutions.

RESOLUTION 2012R-656
By Hodges

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$300,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$300,000, the proceeds of which are to be used for the diseased tree removal program. Assessments shall be collected in 5 successive equal annual installments payable in the same manner as real estate taxes.

Adopted.
Absent - Samuels.

RESOLUTION 2012R-657
By Hodges

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$10,440,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$10,440,000, the proceeds of which are to be used for the purpose of paying the portion of the cost of making and constructing certain local improvements to be assessed against benefited properties as estimated by the City Council and the Park Board, including assessable portions of the costs relating to paving, mill and overlays, alley resurfacing, retaining walls, streetscapes, landscaping, curb and gutter, street lighting, traffic management plans, ornamental lighting and bike lane development, of which assessments shall be collected in successive equal annual installments, payable in the same manner as real estate taxes, with the number of installments determined by the type of improvement and current City Council policy.

PV001	Parkway Paving Program (PV1301)	50,000
PV006	Street Renovation Program (PV1306)	50,000
PV038	Winter St NE Residential/Commercial	2,155,000
PV056	Asphalt Pavement Resurfacing Program (PV1356)	1,600,000
PV057	Nicollet Ave (Lake St E to 40th St E)	1,185,000
PV061	High Volume Corridor Reconditioning Program (PV1361)	1,320,000
PV063	Unpaved Alley Construction (PV1363)	150,000
PV069	Penn Ave S (50th to Crosstown)	1,365,000
PV074	CSAH & MnDOT Cooperative Projects (PV1374)	2,000,000
PV081	46th St W (Dupont to Lyndale Ave S)	465,000
PV082	31st St E (Minnehaha to 28th Ave S)	100,000
	Total	\$10,440,000

Adopted.
Absent - Samuels.

RESOLUTION 2012R-658
By Hodges

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$40,245,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds, in the amount of \$40,245,000, the proceeds of which are to be used as follows:

Municipal Building Commission, in the amount of \$1,854,000

MBC01	Life Safety Improvements	340,000
MBC02	Mechanical Systems Upgrade	675,000
MBC06	Clock Tower Upgrade	839,000

Park & Recreation Board, in the amount of \$5,000,000

PRK01	Recreation Center and Site Improvements Program	100,000
PRK02	Playground and Site Improvements Program	775,000
PRK03	Shelter – Pool – Site Improvements Program	1,500,000
PRK04	Athletic Fields and Site Improvements Program	225,000
PRK30	Community Service Area Improvement Program	500,000
PRK32	Northeast Park Building Improvements	1,900,000

City Council, in the amount of \$33,391,000

PV001	Parkway Paving Program (PV1301)	580,000
PV006	Alley Renovation Program (PV1303)	120,000
PV038	Winter St NE Residential/Commercial	2,455,000
PV056	Asphalt Pavement Resurfacing Program (PV1356)	1,200,000
PV057	Nicollet Ave (Lake St E to 40th St E)	2,180,000
PV059	Major Pavement Maintenance Program (PV1359)	50,000
PV061	High Volume Corridor Reconditioning Program (PV1361)	3,036,000
PV063	Unpaved Alley Construction (PV1363)	150,000
PV069	Penn Ave S (50th to Crosstown)	5,105,000
PV070	Riverside Extension – 4th St/15th Ave	1,000,000
PV074	CSAH & MnDOT Cooperative Projects (PV1374)	1,785,000
PV075	Development Infrastructure Program (PV1375)	2,300,000
PV081	46th St W (Dupont to Lyndale Ave S)	1,960,000
PV082	31st St E (Minnehaha to 28th Ave S)	580,000
PV091	Penn Ave N Cooperative Project	200,000
BR101	Major Bridge Repair and Rehabilitation (BR1301)	400,000
BR114	Midtown Corridor Bridge Preservation Program	895,000
BR128	3rd Ave S Bridge – Gateway Project	50,000
SWK01	Defective Hazardous Sidewalks (SWK13)	285,000
BIK25	Bluff Street Bike Trail Project	1,100,000
BIK26	Penn Ave S Parallel Bikeway	50,000
TR008	Parkway Street Light Replacement (TR1308)	150,000
TR021	Traffic Signals (TR1321)	2,300,000
TR022	Traffic Safety Improvements (TR1322)	840,000
ART01	Art in Public Places (ART13)	605,000
CTY02	City Property Reforestation (CTY1302)	150,000
PSD01	Facilities – Repair & Improvements (PS1301)	830,000
PSD03	Facilities – Space Improvements (PS1303)	1,000,000
PSD11	Energy Conservation and Emission Reduction (PS13E11)	250,000
PSD12	Pioneers & Soldiers Cemetery Fencing – Phase II	250,000

PSD16	Farmer's Market Improvements	50,000
31101	311 Systems Refresh	235,000
91101	911 Telephone System Replacement	100,000
IT003	Enterprise Content Management (IT1303)	350,000
IT004	Enterprise Infrastructure Modernization (IT1304)	250,000
IT033	Police Report Management System Upgrade	350,000
IT034	Minneapolis Information Commons	200,000
	Grand Total	\$40,245,000

Adopted.
Absent - Samuels.

RESOLUTION 2012R-659
By Hodges

Requesting that the Board of Estimate and Taxation incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$17,700,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of \$17,700,000, the proceeds of which are to be used for sanitary and storm sewer projects, water projects and parking facility projects as follows:

Sanitary Sewer Projects – Fund 07100:

SA001	Sanitary Tunnel and Sewer Rehab Program (SA1301)	5,000,000
SA036	Infiltration & Inflow Removal Program (SA1336)	1,000,000
	Total	\$6,000,000

Storm Sewer Projects – Fund 07300:

SW011	Storm Drains & Tunnels Rehab Program (SW1311)	\$8,000,000
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Water Projects – Fund 07400:

WTR24	Fridley Filter Plant Rehabilitation	\$2,000,000
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Parking Projects – Fund 07500:

RMP01	Parking Facilities - Repair and Improvements (RP1301)	\$1,700,000
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Adopted.
Absent - Samuels.

W&M/Budget - Your Committee recommends passage of the accompanying resolution designating the utility rates for water, sewer, stormwater, solid waste, and recycling services, effective on and after January 1, 2013.

Adopted.
Absent - Samuels.

Resolution 2012R-660, designating the utility rates for water, sewer, stormwater, solid waste, and recycling services, effective on and after January 1, 2013, was adopted 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 2012R-660
By Hodges

Designating the utility rates for water, sewer, stormwater, solid waste, and recycling service effective with water meters read on and after January 1, 2013.

Resolved by The City Council of The City of Minneapolis:

Effective with utility billings for water meters read from and after January 1, 2013, the meter rates for water are hereby fixed and shall be collected as follows:

Charges commence when the street valve is turned on for water service.

(a) Three dollars and twenty-nine cents (\$3.29) per one hundred (100) cubic feet for customers not otherwise mentioned.

(b) Three dollars and forty-four cents (\$3.44) per one hundred (100) cubic feet to municipalities, municipal corporations, villages and customers outside the corporate limits of the city where service is furnished through individual customer meters.

(c) Rates for municipalities, municipal corporations and villages, which are established by contract, shall continue on the existing contract basis.

(d) In addition to the above rates a fixed charge based on meter size will be billed each billing period or fraction thereof as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8-inch	\$ 2.00
3/4-inch	3.00
1-inch	5.00
1 1/2-inch	10.00
2-inch	16.00
3-inch	32.00
4-inch	50.00
6-inch	100.00
8-inch	160.00
10-inch	230.00
12-inch	660.00

(e) The fixed charge for a property serviced by a combined fire/general service line shall be based on the small side register of the combined meter, provided the volume of water used on the large side register does not exceed 45,000 gallons per year. The volume of water used on the large side register in the previous year will be used to establish the fixed rate in the current year. In addition to the fixed charge, a fire line rate shall be assessed according to the size of the large side register at the annual rates established in provision (f) of this section.

The fixed charge for a property serviced by a combined fire/general service line shall be based on the large side register of the combined meter, when volume of water used on the large side register exceeds 45,000 gallons per year. The volume of water used on the large side register in the previous year will be used to establish the fixed rate in the current year.

The fixed charge for a combined fire/general service line shall remain in place for the entire year.

(f) All fire standpipes, supply pipes and automatic sprinkler pipes with detector meters, direct meters or non-metered, shall be assessed according to size of connection at the following rates each per annum for the service and inspection of the fire protection pipes and meters installed, as follows:

1½ inch pipe connection	\$ 30.00
2 inch pipe connection	\$ 30.00
3 inch pipe connection	\$ 40.00
4 inch pipe connection	\$ 60.00
6 inch pipe connection	\$120.00
8 inch pipe connection	\$190.00
10 inch pipe connection	\$275.00
12 inch pipe connection	\$790.00

When the seal of any of the valves connecting with such fire protection pipes shall be broken, it shall be forthwith resealed by the superintendent of the waterworks. All connections for fire systems must have a post indicator valve installed at the curb if ordered by the superintendent of the waterworks. (Code 1960, As Amend., § 606.030; Ord. of 12-28-73, § 1)

(g) Rates for other services and materials provided shall be fixed as follows:

	Activity	Proposed Fee Amount
1a	Damaged, Lost, or New Meters	
	5/8"	\$65
	3/4"	\$85
	1"	\$130
	1 1/2"	\$310
	2"	\$395
	3"	\$2,191
	4"	\$2,990
	6"	\$4,010
1b	Damaged or Lost Reader Equipment	
	MIU	\$175
	ERT	\$125
	Encoder	\$65
2	Remove or Install a Meter, Drain a Meter	
	Smaller than 1 inch	\$50
	1-2 inches	\$90
	3 inch or greater	\$135
3a	Meter Tampering Penalty/Administration Fee/Violation Fee	\$200
4	Meter Testing	
	Smaller than 1 inch	\$70
	1-2 inch	\$100
	3 inch or greater	\$135
5	Water Turn-On or Shut-Off	
	Base Charge	\$45
	Winter Fee - Nov.15-Apr. 15	\$25
	Delinquency Water On/Off Admin Fee	\$6
	Shut off Valve Flush Fee	\$20
6	Meter Reading, Missed Appointments, Posting	\$20

7	Tap Cutoff/Extension Permit	\$10
8	Garden Hydrant Permit Fee (Prepayment of \$100 required for water usage on properties over 5,000 Sq Ft. and will be metered and billed at regular city rates after 24 units of water used)	\$100
9	Hydrant Demolition Permit Fee (requires a \$1200 deposit for equipment)	\$50
	Water usage per week	\$50
10	Hydrant Construction Permit Fee (requires a \$1200-\$2500 deposit depending on size of RPZ) Includes equipment installation charge	\$250
	Water usage charged at regular in city rate	
11	Hydrant Special Event Permit Fee - Includes equipment installation charge	\$250
	Sanitization of hydrant for potable water	\$360
	Base water usage charges (non-potable) - \$100 + \$10/day for potable water	\$100
12	Penalty for Violation of Water Emergency Declaration	\$25
13a	Valve Tampering Penalty	\$200
13b	Fee to Re-Seal the Tampered Valve	\$20
14a	2012 LARGE METER TAP PRICING*	
	Tap Size	
	6x4"	\$1,949
	6x6"	\$2,198
	8x4"	\$2,096
	8x6"	\$2,166
	8x8"	\$2,903
	10x4"	\$2,388
	10x6"	\$2,404
	10x8"	\$2,657
	12x4"	\$2,113
	12x6"	\$2,263
	12x8"	\$3,076
	12x12"	\$5,149
	16x4"	\$2,717
	16x6"	\$2,437
	16x8"	\$3,793
	16x12"	\$5,040

	24x4"	\$2,392
	24x6"	\$2,975
	24x8"	\$4,049
	24x12"	\$5,763
	30x4"	\$3,480
	30x6"	\$3,686
	30x8"	\$5,144
	30x12"	\$8,531
	36x4"	\$3,741
	36x6"	\$3,854
	36x8"	\$4,876
	36x12"	\$7,910
14b	2012 SMALL TAP PRICING*	
	Tap Size	
	3/4x3/4"	\$188
	1x1"	\$198
	1x1 1/4"	\$213
14c	2012 TAP DISCONTINUE PRICING*	
	Tap Size	
	6x2"	\$1,774
	6x3"	\$1,774
	6x4"	\$2,068
	6x6"	\$2,068
	8x2"	\$1,807
	8x3"	\$1,807
	8x4"	\$1,807
	8x6"	\$2,274
	8x8"	\$2,274
	10x2"	\$1,874
	10x3"	\$1,874
	10x4"	\$1,874
	10x6"	\$2,960
	10x8"	\$2,960
	10x10"	\$2,960
	12x2"	\$1,939
	12x3"	\$1,939
	12x4"	\$1,939
	12x6"	\$1,939
	12x8"	\$3,027
	12x12"	\$3,027

16x2"	\$2,467
16x3"	\$2,467
16x4"	\$2,467
16x6"	\$2,467
16x8"	\$2,467
16x12"	\$4,163

24x2"	\$2,874
24x3"	\$2,874
24x4"	\$2,874
24x6"	\$2,874
24x8"	\$2,874
24x12"	\$2,874

14d Mechanical Plug Pricing*

4" Plug	\$1,774
6" Plug	\$1,786
8" Plug	\$1,827
12" Plug	\$1,874

*Where standard methods are not feasible due to site specific circumstances, fee will be based on the City's estimate for tapping a water main. Includes installation not excavation.

15 Coupling Pricing for Meters - Charged at inventory cost

The sanitary sewer rates and stormwater service rate shall be applied to utility billings for water meters read from and after January 1, 2013.

Sanitary Sewer Rate

The sanitary sewer rates to be charged properties within and outside the City of Minneapolis that are served directly by the City of Minneapolis sewer system and that are all served either directly or indirectly by the sewage disposal system constructed, maintained and operated by the Metropolitan Council Environmental Services under and pursuant to Minnesota Statutes Sections 473.517, 473.519 and 473.521, Sub. 2, are hereby set as follows:

(a) The sanitary sewer rate applicable inside the City of Minneapolis is three dollars and fourteen cents (\$3.14) per one hundred (100) cubic feet.

(b) In addition, a fixed charge based on water meter size will be billed each billing period or fraction thereof as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8-inch	\$ 3.00
3/4-inch	4.50
1-inch	7.50
1 1/2-inch	15.00
2-inch	24.00
3-inch	48.00
4-inch	75.00
6-inch	150.00
8-inch	240.00
10-inch	345.00
12-inch	990.00

(c) The sanitary sewer rate applicable outside the City of Minneapolis for all sewage flow generated is three dollars and fourteen cents (\$3.14) per one hundred (100) cubic feet when the City of Minneapolis also provides water. In addition, the fixed charge sanitary sewer rate shall be based on meter size per section (b).

(d) Sanitary sewer only service outside the City of Minneapolis shall be twenty dollars (\$20.00) per month.

(e) The sanitary sewer charge for residential property not exceeding three (3) residential units shall be based on the volume of water used during the winter season which is defined as a four (4) month period between November 1 and March 31.

(f) The sanitary sewer charge for residential property exceeding three (3) residential units and all other commercial and industrial property shall be based on measured sewage volume or the total water volume used during the billing period as is appropriate.

Stormwater Rate

The stormwater rate, subject to the provisions in Chapter 510, of the Minneapolis Code of Ordinances, is imposed on each and every Single-Family Residential Developed Property, Other Residential Developed Property, Non-Residential Developed Property, and Vacant Property, other than Exempt Property, and the owner and non-owner users, and is hereby set as follows:

(a) The Equivalent Stormwater Unit (ESU) rate is eleven dollars and eighty-two cents (\$11.82). The ESU measurement is 1,530 square feet of impervious area.

(b) The stormwater rate imposed on Single-Family Residential Developed Properties shall be categorized into three tiers based on the estimated amount of impervious area as follows:

High – Single-Family Residential Developed Property – greater than one thousand five hundred and seventy-eight (1,578) square feet of estimated impervious area. The ESU shall be 1.25 and the stormwater rate set at fourteen dollars and seventy-eight cents (\$14.78).

Medium – Single-Family Residential Developed Property – equal to or greater than one thousand four hundred and eighty-five (1,485) square feet and less than or equal to one thousand five hundred and seventy-eight (1,578) square feet of estimated impervious area. The ESU shall be 1.00 and the stormwater rate set at eleven dollars and eighty-two cents (\$11.82).

Low – Single-Family Residential Developed Property – less than one thousand four hundred and eighty-five (1,485) square feet of estimated impervious area. The ESU shall be .75 and the stormwater rate set at eight dollars and eighty-seven cents (\$8.87).

(c) Stormwater charges for all other properties will be based on the following calculation:

$$\text{(Gross Lot Size in sq.ft. X Runoff Coefficient)} \div 1,530 \text{ sq. ft.} = \# \text{ of ESU}$$

$$\# \text{ of ESU X } \underline{\$ 11.82} = \text{Monthly Fee}$$

The runoff coefficient assumed for each land use category is shown below.

<u>Land Use</u>	<u>Coefficient Applied</u>
Bar-Rest.-Entertainment	.75
Car Sales Lot	.95
Cemetery w/Monuments	.20
Central Business District	1.00
Common Area	.20
Garage or Misc. Res.	.55
Group Residence	.75
Ind. Warehouse-Factory	.90
Industrial railway	.85
Institution-Sch.-Church	.90
Misc. Commercial	.90

Mixed Comm.-Res-Apt	.75
Multi-Family Apartment	.75
Multi-Family Residential	.40
Office	.91
Parks & Playgrounds	.20
Public Accommodations	.91
Retail	.91
Single Family Attached	.75
Single Family Detached	ESU
Sport or Rec. Facility	.60
Utility	.90
Vacant Land Use	.20
Vehicle Related Use	.90

Solid waste and recycling variable rate charges associated with water meter read dates from and after January 1, 2013, the charges shall be as follows:

(a) The base unit charge shall be seventeen dollars (\$17.00) per dwelling unit per month.

(b) The cart disposal charge shall be two dollars (\$2.00) per month for each small cart.

(c) The cart disposal charge shall be five dollars (\$5.00) per month for each large cart assigned to a dwelling unit.

Adopted.

Absent - Samuels.

Lilligren moved to adjourn. Seconded.

Adopted upon a voice vote.

Absent - Samuels.

The adjourned session of the City Council meeting was tape recorded with the tape on file in the office of the City Clerk.

Casey Joe Carl,
City Clerk.

Unofficial Publication: 12/18/2012
Official Publication: 12/21/2012