City of Minneapolis
2015 Budget

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City of Minneapolis
2015 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 2015 budget document.

Table of Contents	The table of contents allows the user to pinpoint the page of a particular part of the City's budget.
Section A: Introduction and Background Information	This section contains a community profile of the City of Minneapolis, including an overview of the City's history, economy, population, and attractions. The section also includes lists of the City's elected officials, department and agency heads, the City's budget principles, and a citywide organization chart. 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. 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.
Section B: Financial Overview	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. This section also contains a summary of major decisions in the budget, and enterprise level challenges.
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 Plans	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. 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.

Section F: Operating Departments	This section provides the most detail on a department-by-department basis, including departments' financial summaries. These summaries include expenditures by program, type (*i.e.* salaries, benefits, contractual services and operating expenses) and fund; the department's revenue estimates; and positions. 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.
Section G: Capital Program	This section outlines the capital program by funding source and in total. A narrative summarizes the program and presents operating cost impacts as described by 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. 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.
Section H: Independent Boards	This section provides information in a format similar to the City Council operating departments for independent boards. The amounts included are generally those most recently approved by the board of the organization.
Section I: Financial Schedules	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.
Section J: Glossary	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.
Section K: Resolution	The Council-Adopted Budget Resolution that outlines Council action on the Mayor's Recommended Budget is included for reference.

City of Minneapolis
2015 Budget

Elected and Public Officials

Mayor

Betsy Hodges

City Council

Barbara Johnson, President	4th Ward
Elizabeth Glidden, Vice President	8th Ward
Kevin Reich	1st Ward
Cam Gordon	2nd Ward
Jacob Frey	3rd Ward
Blong Yang	5th Ward
Abdi Warsame	6th Ward
Lisa Goodman	7th Ward
Alondra Cano	9th Ward
Lisa Bender	10th Ward
John Quincy	11th Ward
Andrew Johnson	12th Ward
Linea Palmisano	13th Ward

Board of Estimate and Taxation
Board Members

Betsy Hodges	Mayor
Barbara Johnson	President, City Council
John Quincy	Chair, City Council Ways & Means/Budget Committee
David Wheeler	President (Elected)
Anita Tabb	Vice President (Elected) and Park Board Representative
Carol Becker	Elected Member

Minneapolis Park and Recreation Board
Board Members

Liz Wielinski	President, Commissioner District 1
Scott Vreeland	Vice President, Commissioner District 3
John Erwin	Commissioner At Large
M. Annie Young	Commissioner At Large
Meg Forney	Commissioner At Large
Jon Olson	Commissioner District 2
Anita Tabb	Commissioner District 4
Steffanie Musich	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
Spencer Cronk	City Coordinator
Velma Korbel	Civil Rights Director
Matt Laible	Interim Communications Director
Craig Taylor	Community Planning and Economic Development Director
Jeff Johnson	Convention Center, Director
John Fruetel	Fire Chief
Gretchen Musicant	Health Commissioner
Patience Ferguson	Human Resources Director
Gene Ranieri	Intergovernmental Relations Director
Will Tetsell	Director of Internal Audit
David Rubedor	Neighborhood and Community Relations Director
Nuria Rivera-Vandermyde	Director of Regulatory Services
Janee Harteau	Police Chief
Steve Kotke	Public Works Director/City Engineer

Independent Boards/Agencies

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

City of Minneapolis
2015 Budget

Budget Principles

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

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

2. Live within our means.

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

3. Challenge assumptions – nothing is off the table.

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

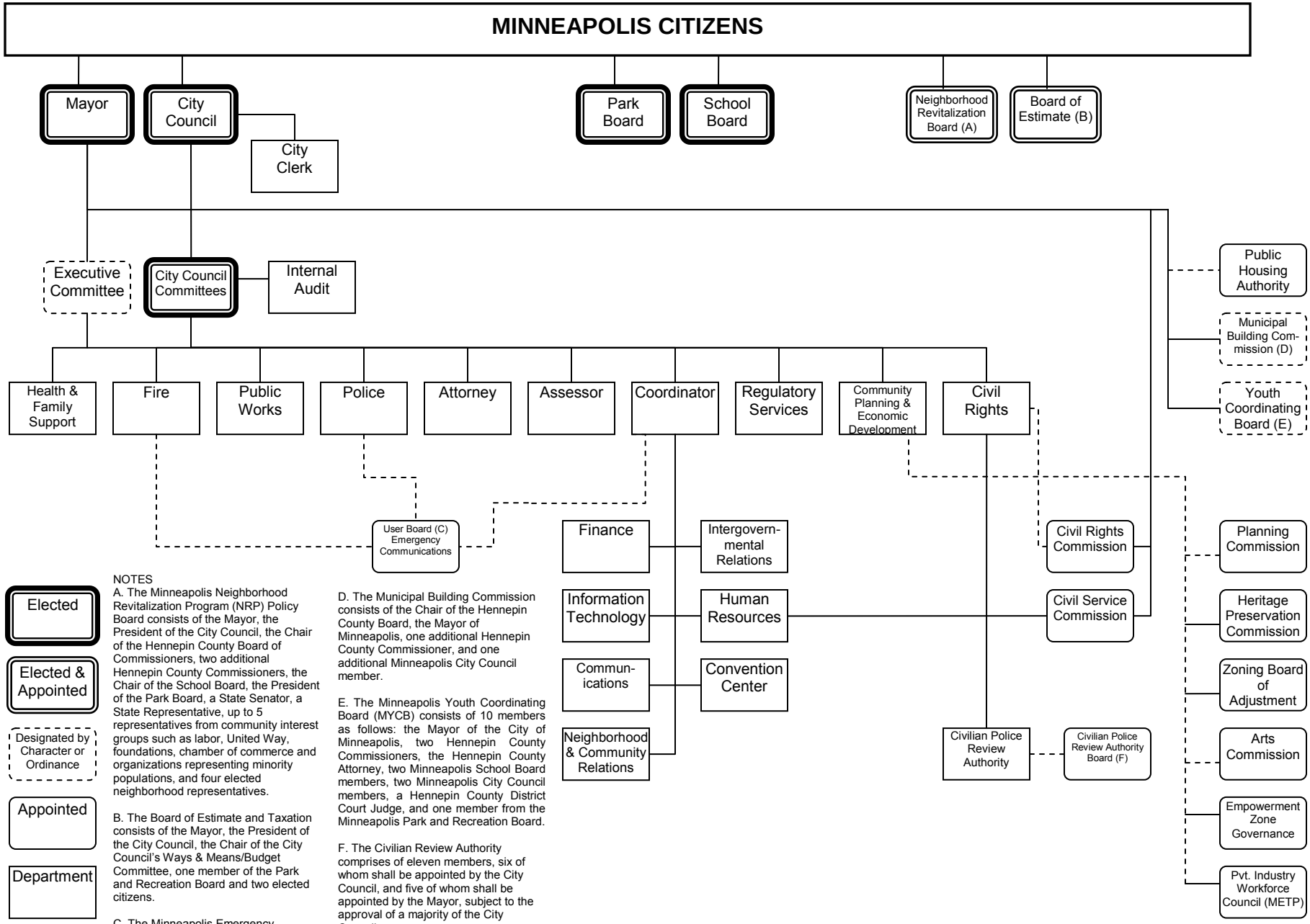
6. Protect core service delivery by avoiding duplication – both internal and external.

- ♦ 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

Distinguished Budget Presentation Award

PRESENTED TO

City of Minneapolis

Minnesota

For the Fiscal Year Beginning

January 1, 2014

Executive Director

City of Minneapolis
2015 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.

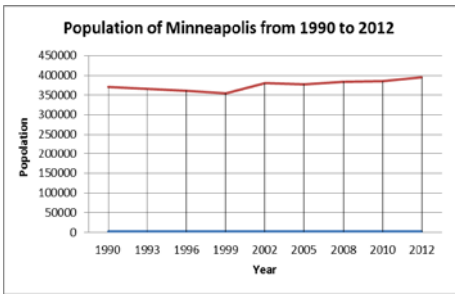
Location

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



According to 2013 Census Bureau estimates[2], Minneapolis is home to an estimated 400,070 people. Males and females each make up approximately 50% of the population. Children and youth under 18, seniors aged 65 and above, make up 20% and 8% of the population respectively. 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

[1] Source: Minnesota DNR, www.dnr.state.mn.us/faq/mnfacts/climate.html
[2] Source : http://quickfacts.census.gov/qfd/states/27/2743000.html

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[3]

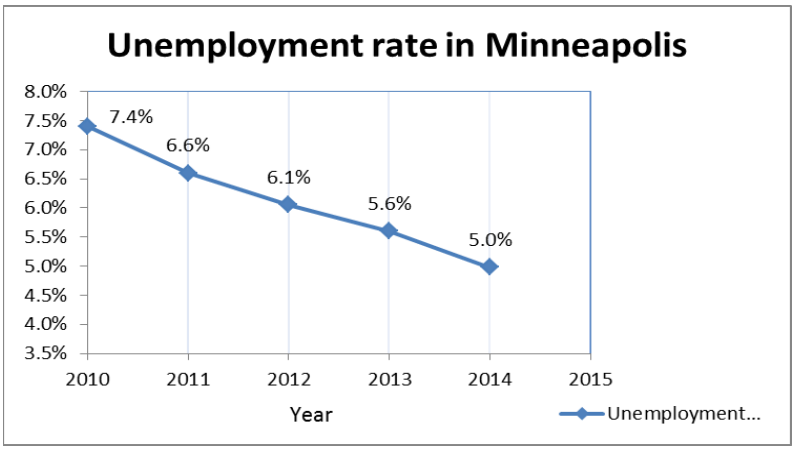
Economy

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 2014, the ten largest Fortune 500 Companies headquartered in the metro area were as in the table on the right:[5]

Company Name	Fortune 500 Ranking	Revenues $ billions
United Health Group	14	122.5
Target Corporation	36	72.6
Best Buy	60	45.2
CHS	62	44.5
Supervalu	94	34.3
3M	101	30.9
U.S. Bancorp	140	21.1
General Mills	159	17.8
Medtronic	173	16.6
Land O' Lakes	199	14.7

As of the fourth quarter 2013 there were 305,655 jobs in Minneapolis, an increase of nearly 400 jobs (0.1 percent) over the previous quarter, and 4,600 more (1.5 percent) than the same quarter of the previous year. Over the same 12-month period, the metro and state also added jobs at a similar pace of 1.7 percent[3]. 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.

Since 2010, the City's unemployment rate has been falling as shown in the graph below[4]



[3] http://quickfacts.census.gov/qfd/states/27/2743000.html
[4] http://www.ci.minneapolis.mn.us/www/groups/public/@cped/documents/webcontent/wcms1p-131362.pdf
[5] http://mn.gov/deed/business/locating-minnesota/companies-employers/fortune500.jsp

Neighborhoods

Minneapolis has 81 residential neighborhoods offering 177,309 residential housing units.[2] 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

Minneapolis downtown is home to many corporate headquarters and hotels. Hennepin Avenue has a concentration of theaters and entertainment. Nicollet Mall is the center of downtown. The area has a concentration of retail and office buildings along the street. Buildings in downtown Minneapolis are connected by a system of glass-enclosed bridges, the skyways, which help to keep activity during the cold Minneapolis winters[7].

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.

Education

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

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.

[6] Source: Minneapolis Assessor, January 2013
[7] http://www.ci.minneapolis.mn.us/neighborhoods/downtownwest/index.htm

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. The new Vikings stadium will have a sitting capacity of 65,000 football fans (expandable to 73,000) and will host the Super Bowl in 2018.The Minnesota Timberwolves of the National Basketball Association (NBA) and the 2013 national champions - Minnesota Lynx of the Women's National Basketball Association (WNBA) play downtown in the Target Center. Minnesota's National Hockey League (NHL) 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. Playing in summer softball leagues, golfing, jogging, swimming, playing tennis, biking or rollerblading around and sailing in the City's lakes are favorite pastimes.

The City's Park and Recreation Board maintain 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.

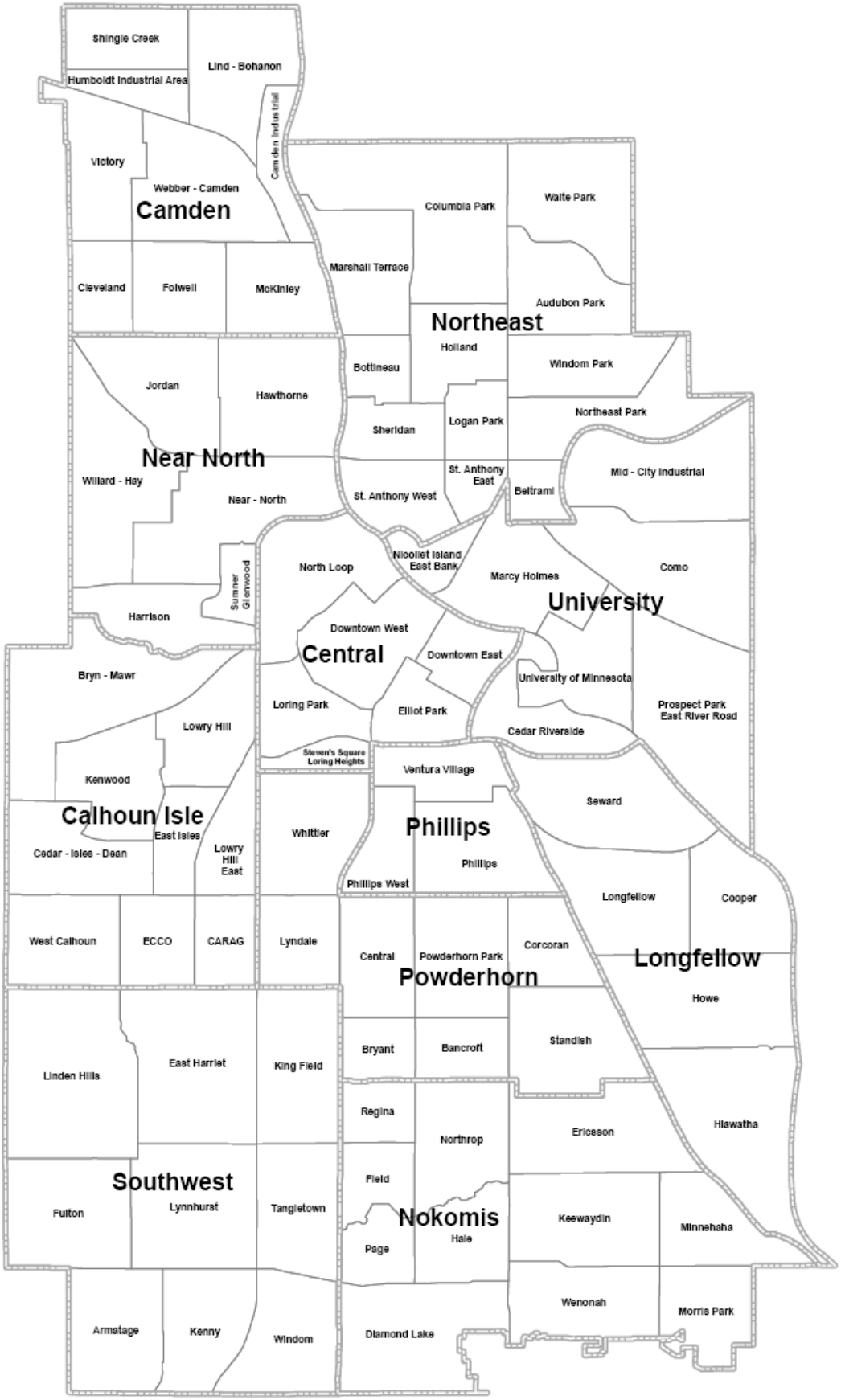
Nationally Recognized

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:

- 2014 - Named a Climate Action Champion by White House.
- 2014 - Ranked top in National Night Out participation with 1,484 events
- 2014 - Ranked as the City with the best Park System – Trust for Public Parks Organization
- 2014 - Ranked among Top 5 dog friendliest cities in the country - Dog Fancy magazine
- 2013 - Healthiest City in US – *Forbes Magazine*
- 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*
- 2010 - Cleanest City in America – *Travel and Leisure Magazine*
- 2010 - Third Best Market for Young Professionals – *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*

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

MINNEAPOLIS COMMUNITIES AND NEIGHBORHOODS



Generated by the City of Minneapolis CPED Department, Planning Division

City of Minneapolis
2015 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 deputy Chief Financial Officer (CFO) 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.

- ***Minnesota Sports Facilities Authority* (MSFA).** The Minnesota Sports Facilities Authority, the successor organization to the Metropolitan Sports Facilities Commission, is the entity that was created in 2012 by the Minnesota Legislature to control and operate the Vikings stadium (under construction) in Minneapolis. Three of its five members are appointed by the governor, with the remaining two being appointed by the Mayor of Minneapolis.

- ***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 Program Policy Board.*** Reestablished in 2011, Minneapolis Neighborhood Revitalization Program Policy Board reviews and approves the Neighborhood Revitalization Program plans and also reviews the Community Participation Plan submissions from neighborhood organizations.

- **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
2015 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
2013	Moody's Investors Service downgraded Minneapolis Credit Rating to Aa1 due to declining property values, high pension liabilities and dependence on state revenues.
2014	The theme of Minneapolis' bid, "Built for the Bold," emphasized the $1 billion Vikings stadium under construction and the state's friendly ethos, hence bringing the Super Bowl to Minneapolis in 2018.

City of Minneapolis
2015 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 Works Fund***. This fund is used to account for the operation, maintenance and construction projects related to the water delivery system. This fund also accounts for the operations related to the billings for water, sewage and solid waste fees.
>
> ***Sanitary Sewer Fund***. This fund will be used to account for the operation, maintenance and construction projects related to the sanitary sewer system.
>
> ***Stormwater Fund***. This fund will be used to account for the operation, maintenance and construction projects related to the stormwater utility system.
>
> ***Solid Waste and Recycling Fund***. This fund is used to account for the revenues and expenses for solid waste collection, disposal and recycling activities.
>
> ***Municipal Parking Fund***. This fund is used to account for the operation, maintenance and construction of the City's parking facilities as well as on-street parking and the Municipal Impound Lot.
>
> ***Park Operations Fund***. This fund is used to account for operation, maintenance and construction of projects related to the Park Board, especially golf courses.
>
> ***River Terminal***. This fund is used to account for the operations of the public terminal facility located on the Mississippi River.

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

> ***Engineering Materials and Supplies***. This fund is used to account for the operations of the City's asphalt plant and paving products laboratory. The paving products laboratory provides in-lab and on-site testing and soil boring services to ensure quality control of asphalt and soils for projects.
>
> ***Intergovernmental Services***. This fund is used to account for business information services, central mailing and printing services, and the City's telecommunication operations.

Property Services. This fund is used to account for the physical management and maintenance of fire stations, police precinct buildings, the Minneapolis Public Service Center, and various other City office locations, except for the City Hall/County 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 use 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.

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 Information Technology (IT) 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 the payment of principal, interest, and related costs on long-term debt obligations. Included in the Debt Service Funds are:

Community Development Agency Fund. This fund is used to account for the debt service activity for the department of Community Planning and Economic Development, including debt service on various non-general obligation tax increment revenue bonds.

Development Debt Service Fund. This fund is used to account for the debt of several projects supported by property tax increments including the Target Center Arena and transfers of sales tax revenues from the Convention Center Special Revenue Fund for related debt.

General Debt Service Fund. This fund is used to account for debt service activity related to General Obligation governmental debt supported by property tax levies or transfers to/from other City funds. Bonds and notes paid within this fund are related to general infrastructure projects, the library referendum and a Section 108 HUD note for the Midtown Exchange.

Special Assessment Debt Service Funds. This series of funds are used to account for debt supported by special assessments.

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, 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	Convention Center, Health, 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	General Debt, Development Debt, Special Assessment Debt, Community Development Agency	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, Sales Taxes, Special Assessments, 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	Payment of principal, interest and fees on City 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
2015 Budget

Financial Overview

Financial Overview B2
Property Tax Levy B33
Residential Property Taxes and Utility Fees: Sample Bills B34
Commercial/Industrial and Apartment Property: Sample Bills B36

City of Minneapolis
2015 Budget

Financial Overview

The 2015 Council Adopted Budget for all City funds is $1.303 billion. This represents a $65 million, or 5.3 percent, increase from the 2014 Budget of $1.238 billion inclusive of the City's independent boards. At the same time, the Council adopted a 2015 property tax levy for the City and its independent boards of $287.6 million, which results in a 2.1 percent increase or $5.9 million in additional property taxes as compared to the 2014 adopted levy of $281.7 million. This budget also utilizes accumulated fund balance to mitigate budgetary needs and to avoid placing undue burden on property taxpayers. The City's financial position has benefited from growth in local sales taxes and other revenues due to an improving economy. These factors, combined with an increased appropriation in Local Government Aid (LGA) from the State of Minnesota, allow the City to plan for significant improvements in service delivery and targeted enhancements to programs outlined in this budget, with a minimal increase in the property tax levy.

The Financial Overview is presented without transfers. Transfers have also been removed from charts and graphs within this section, including totals for comparative prior years, unless otherwise noted.

Major Highlights

The 2015 Council Adopted Budget includes significant proposals to address future financial and operating 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 4.7 percent in 2015, or $39.0 million. As part of this budget, funds that have accumulated in the General Fund due to a growing economy and fiscal restraint in prior years allows for utilization of fund balance in the amount of $13.5 million.

- This budget bolsters public safety by providing funding for ten more police officers, a class of 18 cadets, and funding for classes of community service officers which serve a hiring pipeline proven to increase the diversity of the City's police force. The budget also includes funding for police body cameras, four more 911 operators, and two recruit classes in the Fire Department. Funding is also included for the Fire and Emergency Service Explorer Program in the Fire Department, which offers leadership development and encourages young and diverse people in Minneapolis public high schools to enter firefighting and emergency services as a career.

- In addition to the diversity initiatives funded in the Police and Fire Departments, this budget also provides resources for other programs in support of racial diversity initiatives including the addition of two positions in the City Coordinator's Office that will focus exclusively on ensuring City work is coordinated to support the best possible racial equity outcomes in every department. Additionally, this budget adds one position in elections

and voter services to ensure the City pursues voter outreach, engagement and education initiatives across all communities.

- The 2015 budget does not project any growth in the cost of closed pension obligations from the prior year. The City will levy the same amount for these obligations as it did in 2014; costs are projected to remain flat for years to come. If recent advances in financial markets continue, it is possible that these costs may actually decline more quickly than currently projected as full funding for these obligations is reached. These funding levels are reviewed on a regular basis.

- The 2015 Council Adopted Budget is the first budget after the City completed aggressive efforts to reduce the City's internal service fund deficits and build reserves by prepaying remaining obligations prescribed under "workout" plans. The original workout plans were adopted between 2000 and 2004 and required the Self-Insurance, Equipment, Property Services and Intergovernmental Services (IT) internal service funds to rely on transfers from the General Fund to eliminate deficits through 2019. However, due to efforts in recent budget cycles, 2014 was the final year of these transfers. The elimination of this obligation allows for General Fund resources to be redeployed to other purposes in 2015 and beyond and to help hold levy increases to 3 percent annually in the City's long-range planning documents. More importantly, the early completion of this obligations provides flexibility in addressing future budget needs.

- The 2015 Council Adopted Budget continues to lay the foundation for a wave of development including large projects associated with building a new stadium in partnership with the State and the Minnesota Vikings. Construction growth in the City impacts a number of functions in the City including permitting and inspections. This budget includes funding for additional staffing to handle increased workloads and provides funding necessary to build supporting infrastructure and recognizes the growth in these revenue sources.

- In its second year, the Capital Asset Request System, or "CARS," will be used on an ongoing basis in long-range planning for smaller operating capital requests that would normally be budgeted in individual departments. Requests funded within the CARS system include items that are not ongoing in nature such as enterprise software upgrades, vehicle purchases and similarly-valued items. The CARS process provides a rolling five-year perspective of the City's needs for these assets and is intended to create a longer term funding plan. In the second year of this program, approximately $23.9 million is recommended to fund items through this process. The majority of items funded reflect deferred maintenance and replacement costs for existing operating capital including technology upgrades.

- Future challenges and opportunities that the 2015 budget addresses, through the five-year financial direction, include the impacts of rebounding property values and continued growth in the cost of providing City services due to inflationary pressures, as well as levy growth that has not kept pace with inflation.

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:

A Quickly Improving Economy and a Construction Boom
The City is experiencing its second year in a row of record construction as measured by value of permitted projects. For 2014, just over $2.0 billion of construction was permitted. This boom is fueled by new office buildings in and around downtown, multiple high-rise apartment buildings, and the new stadium to be used by the Minnesota Vikings. However, the quickly improving economy and construction boom have put multiple strains on the City in the areas of permitting, assessing, financial planning, compliance monitoring, and public works expansion. These strains, compounded by a backlog of needed infrastructure improvements accumulated during the economic downturn, stretch current resources and create a need for additional resources.

Shrinking Workforce and Increased Demands
In response to the economic downturn and increasing hardship on the City's taxpayers, the City made large cuts to its workforce by eliminating positions across all City departments and independent boards since 2007. The 2015 budget includes over 600 fewer FTEs than in 2007, despite additional resources in the recommendation. The reduction in staffing places increased pressure on remaining employees as the workloads are increasing as the economy improves. Increasing demands on employees coupled with declining wages when factoring for inflation also create challenges for attracting and retaining personnel.

Workforce Turnover
It is anticipated that the City's workforce will experience high turnover in the coming years due to three factors: a large population of retirement-eligible workers, the above-mentioned shrinking workforce and increased demands, and the rebounding economy allowing for greater workforce mobility. The loss of institutional knowledge and costs of retirement and transition planning has not been fully realized by City departments, despite recognition of and planning for in the 2015 budget.

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 software, and in particular, increased maintenance costs. For example, several enterprise software systems will be upgraded over the next several years, with anticipated costs in the millions of dollars. Other examples include increased computer and internet bandwidth usage, the growth in demand for wireless connectivity, 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. This budget includes a new effort to plan for these costs as well as other smaller operational capital needs through the Capital Asset Request System (CARS) program. The CARS program plans not only for major technological initiatives, but also for aging equipment replacement and facility upgrades. More information on CARS is available throughout this document.

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 and Community Planning and Economic Development cite 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, especially following several years t of significant cuts to the City's training programs, indicate a need for increased and improved employee training, possibly placing additional short-term strain on productivity, to address the growing complexities of their program administration.

Emergency and Security Management Needs

Ensuring adequate physical security, health security, electronic security (prevention of viruses, worms, fraud, and other system security threats), information backups, and emergency planning consumes resources of nearly every department. From natural disasters such as the tree-toppling thunderstorms of Summer 2014 or the recent 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.

Aging Office Facilities and Scattered Administrative Workforce

The City received responses to an RFP issued for consolidating several work locations and City operations. The goal of the RFP issuance is to begin the process of reducing the total office locations of the City's administrative workforce from seven to three or less, located close to and connected to City Hall via skyways or tunnels. The City may partner with the private sector in a build-to-suit development or consolidate its offices in some other fashion while divesting itself of other offices through lease expiration or sale. Combining the administrative offices may place challenges on the workforce due to the preparation of an existing building or building(s) or the retrofitting of an existing building along with the staff move itself. The City has also been undertaking an ongoing renovation of City Hall, resulting from deferred maintenance.

City Spending

Below is a summary of the 2015 Council Adopted Budget by major spending categories, excluding transfers.

Expenditures by Service
(In Millions of Dollars)

	2014 Adopted	2015 Adopted	% Change	$ Change
Attorney	15.9	16.7	4.8%	0.8
Coordinator*	107.7	119.5	11.0%	11.9
CPED	79.3	76.1	-4.0%	-3.2
Convention Center	51.5	52.6	2.2%	1.1
Fire	59.3	60.2	1.5%	0.9
Police	147.7	153.4	3.9%	5.7
Regulatory Services	20.6	22.8	10.8%	2.2
Public Works	309.3	326.6	5.6%	17.3
Other City Services**	75.5	79.9	5.8%	4.4
Health	17.8	18.5	4.4%	0.8
Debt Service	122.5	126.5	3.3%	4.0
Other Independent Boards***	13.6	11.5	-15.4%	-2.1
Capital Improvement	121.5	140.2	15.4%	18.7
Park Board	95.2	97.9	2.8%	2.6
Total City Spending	**1,237.5**	**1,302.5**	**5.3%**	**65.0**

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

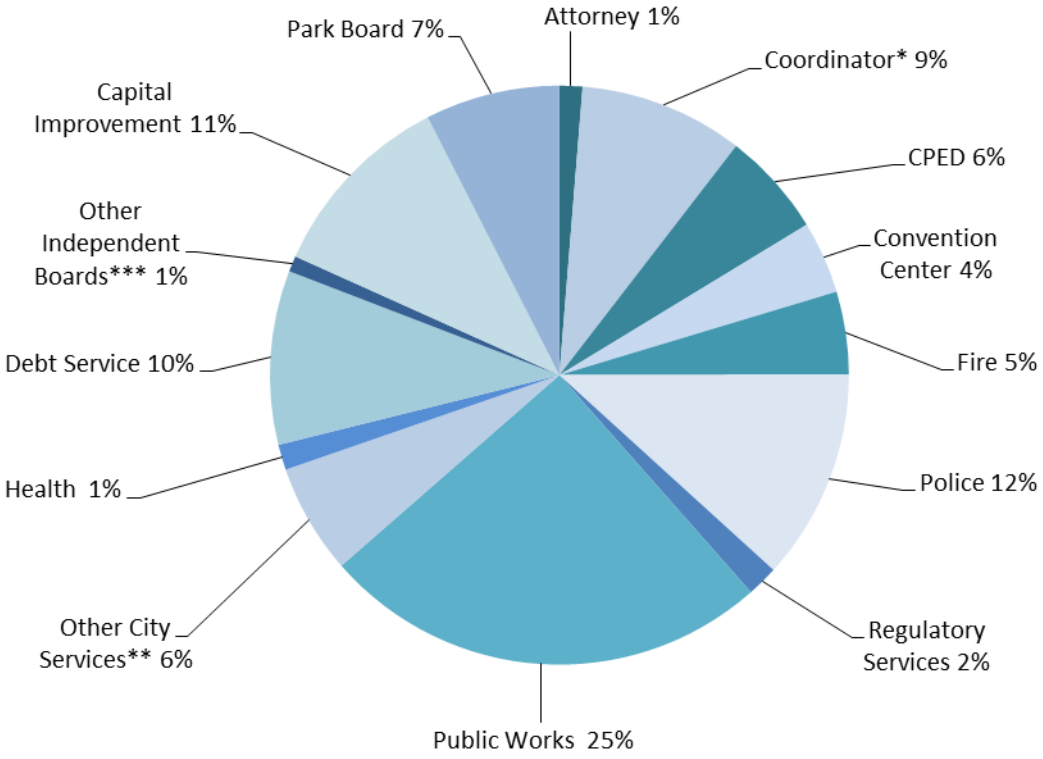
** Includes Assessor, Internal Audit, City Clerk/Elections/Council, Civil Rights, Mayor, Health, Worker's Compensation, Liability, Contingency and Pensions

***Includes Board of Estimate and Taxation, the City's contribution to the Municipal Building Commission and Library Board

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

Total Expense Budget - Use of Funds

2015 Council Adopted Budget: $1.303



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

** Includes Assessor, Internal Audit, City Clerk/Elections/Council, Civil Rights, Mayor, Health, Worker's Compensation, Liability, Contingency and Pensions

*** Includes Board of Estimate and Taxation, the City's contribution to Municipal Building Commission and Library Board

For 2015, the budget includes expenditure appropriations corresponding to priorities outlined in the Council Adopted budget as well as ongoing projects and current City-provided services. Details of the individual expenditure appropriations within the departments and other categories identified in the chart above are available in the Operating Departments and Capital Programs sections of this document.

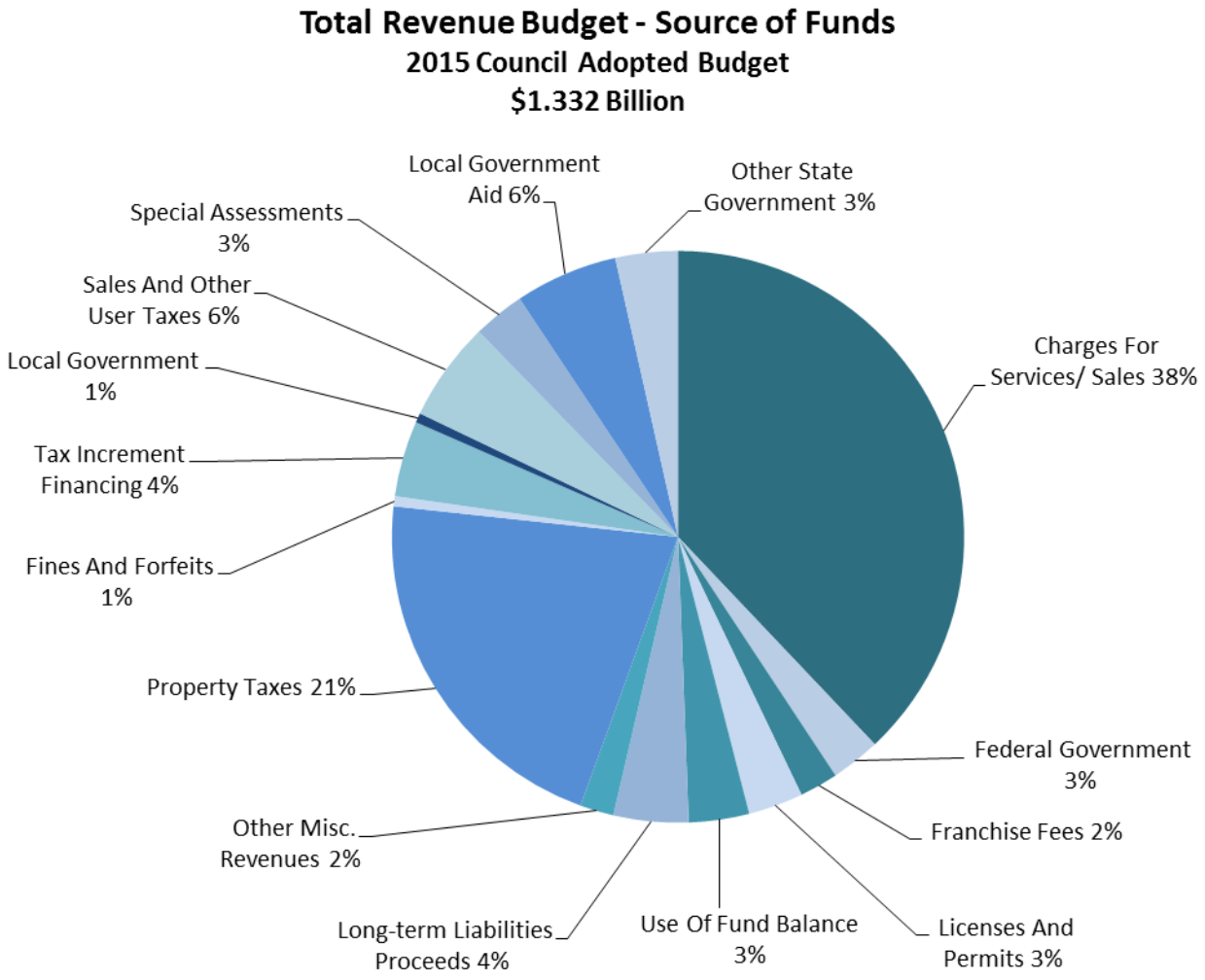
City Sources of Revenue

Below is a summary of the 2015 Council Adopted Budget revenues by major category.

Revenue by Category
(In Millions of Dollars)

REVENUE CATEGORY	2014 Adopted	2015 Adopted	$ Change	% Change
Charges For Services/ Sales	480.7	505.2	24.5	5.1%
Federal Government	29.1	37.2	8.1	27.8%
Franchise Fees	26.9	29.0	2.1	7.7%
Licenses And Permits	38.8	41.3	2.5	6.5%
Use Of Fund Balance	24.5	45.4	20.9	85.3%
Long Term Liabilities Proceeds	52.9	56.4	3.5	6.6%
Other Misc. Revenues	21.5	25.3	3.9	18.1%
Property Taxes	276.1	281.9	5.8	2.1%
Fines And Forfeits	8.8	7.7	-1.1	-12.9%
Tax Increment Financing	51.0	57.0	6.0	11.8%
Local Government	6.9	7.2	0.4	5.1%
Sales And Other User Taxes	73.7	75.1	1.4	2.0%
Special Assessments	32.0	38.9	6.9	21.4%
Local Government Aid	76.1	77.4	1.3	1.7%
Other State Government	39.5	47.0	7.5	19.0%
Total Revenue	**$1,238.4**	**$1,332.0**	**$93.6**	**7.6%**

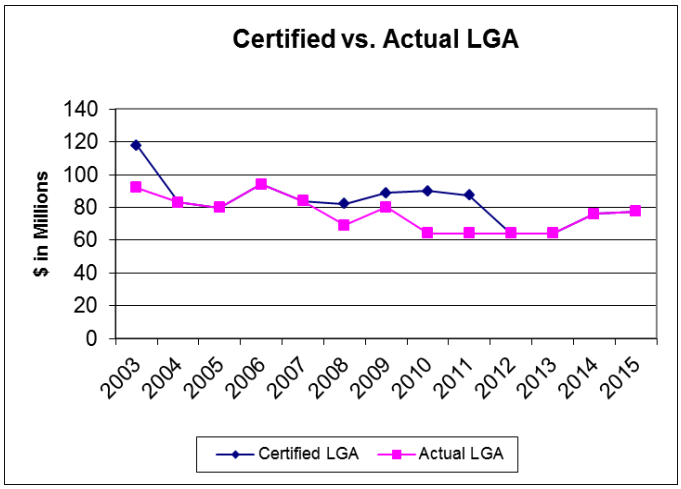
Because the City assumes a property tax collection rate of 98 percent, the table above reflects a different dollar amount in *budgeted* property taxes than the dollar amount actually levied.



For 2015, the City forecasts $1.332 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. These restrictions limit the City's ability to raise additional funds and to apply the revenue to other departments or programs. For example, the City charges fees for services such as water, sewer and trash pickup, but State law requires that these fees be no higher than the cost of providing the services, including both operating and capital costs, as well as indirect costs. Because these revenues are restricted, the City cannot raise water bills to pay for citywide police services.

Grants and allocations from the Federal Government and other units of government are usually designated for specific needs and purposes. If the City does not spend these resources for their designated purpose, the City will not receive the grants. Bond proceeds must go to purposes for which the debt was incurred. Like many Minnesota cities, Minneapolis pays for core City services (police, fire, streets, parks, etc.) primarily with property taxes and LGA, as well as other general governmental revenues such as licenses and permits.

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 stabilized and increased the amount of LGA appropriated to the City of Minneapolis from $64.1 million in 2013 to $76.1 million for 2014, with another $1.3 million added in 2015, bringing the total to $77.4 million. Of this $77.4 million, the City will allocate $68.0 million for its General Fund, $9.1 million to the Park Board, and the remaining $0.2 million to the Municipal Building Commission (MBC). The table to the right shows the historical certified and actual LGA amounts including the reductions, as well as projected LGA levels for 2015 based on current law.

Budget by Fund

The City uses different "funds" to account for expense and revenue associated with the various services provided.

General Fund is the general operating fund of the City. It is where the City accounts for most property tax supported services, represents 31 percent of the 2015 Council Adopted expenditure budget.

Special Revenue Funds are used for personnel costs, operating costs, contractual services and equipment that are funded by specific revenue sources. Special revenue 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, equipment (*e.g.* police squad cars, fire equipment, and other rolling stock), property services, tort claims, and workers compensation claims.

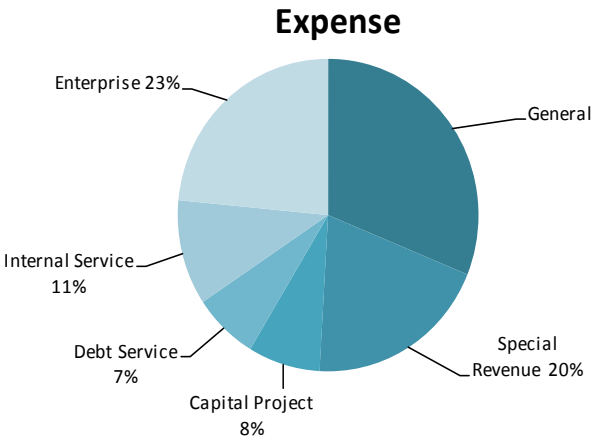
Enterprise Funds include services that the City provides that operate like a "business" – similar to internal service funds but with external customers. Charges for services are expected to recover operating costs, indirect costs, capital investments, and interest expense. Utility rates are set with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

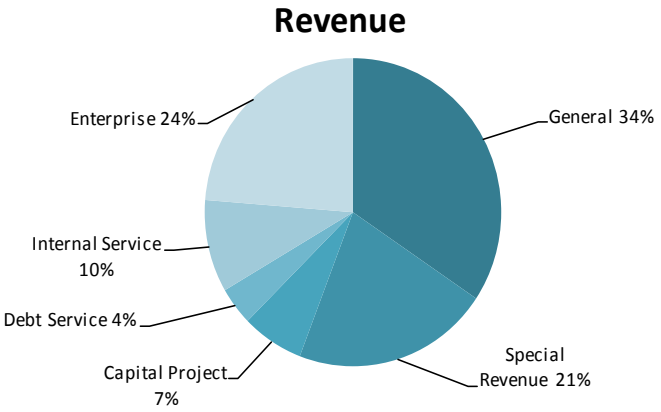
Expense and Revenue By Fund Type

In Millions

	2014 Adopted	2015 Adopted	Percent Change	Dollar Change
Expense:				
General	392.6	406.3	3.5%	13.7
Special Revenue	255.0	256.7	0.7%	1.7
Capital Project	76.5	100.9	31.8%	24.3
Debt Service	81.1	91.1	12.3%	10.0
Internal Service	133.3	141.7	6.3%	8.4
Enterprise	298.9	305.9	2.3%	6.9
Total	**1,237.5**	**1,302.5**	**5.3%**	**65.0**

	2014 Adopted	2015 Adopted	Percent Change	Dollar Change
Revenue:				
General	464.0	458.8	-1.1%	-5.2
Special Revenue	233.0	284.9	22.3%	51.9
Capital Project	67.4	89.6	32.9%	22.2
Debt Service	46.0	53.3	15.9%	7.3
Internal Service	128.0	129.4	1.1%	1.4
Enterprise	300.0	316.0	5.3%	16.0
Total	**1238.4**	**1332.0**	**7.6%**	**93.6**



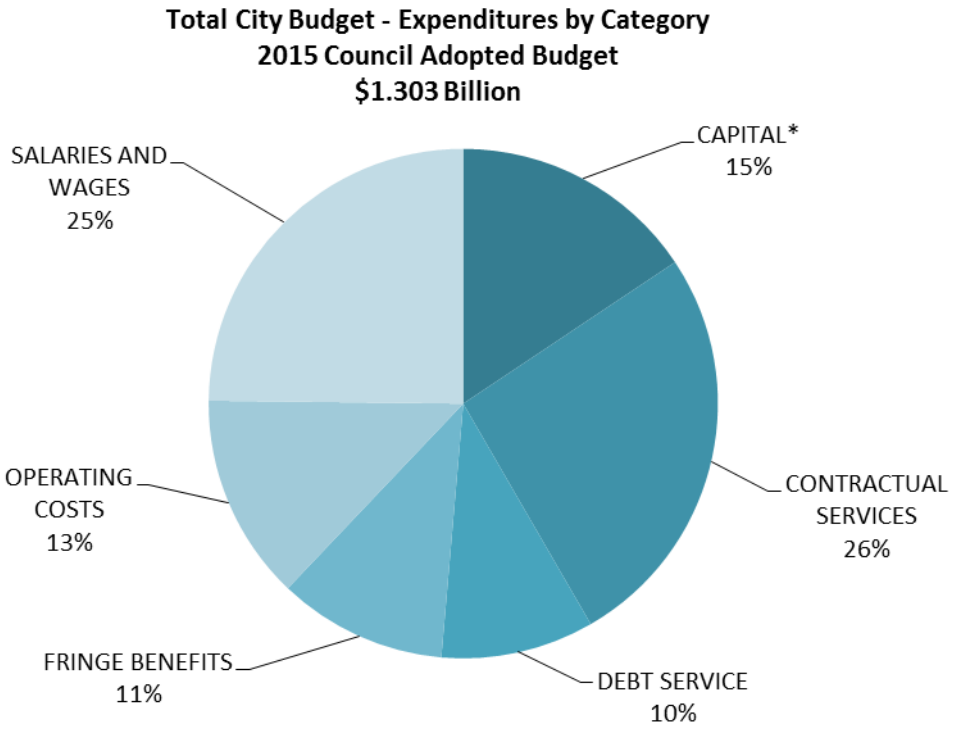


The largest portion of the City's budget is spent on personnel, which comprises $462.8 million or 35.5 percent of the total budget. The 2015 Council Adopted Budget includes an overall increase of 92.3 budgeted full-time equivalent (FTE) positions from the 2014 Council Adopted Budget, an increase of 1.9 percent to 5,025.9 FTE in total, inclusive of the City's independent boards.

Expense by Category

Expense Category	2014 Adopted	2015 Adopted	$ Change	% Change
CAPITAL	183.7	203.7	20.0	10.9%
CONTRACTUAL SERVICES	322.1	338.8	16.7	5.2%
DEBT SERVICE	122.7	126.7	4.0	3.3%
FRINGE BENEFITS	133.9	139.6	5.7	4.2%
OPERATING COSTS	162.5	170.5	8.0	4.9%
SALARIES AND WAGES	312.6	323.2	10.6	3.4%
Total Expense	**$1,237.5**	**$1,302.5**	**$65.0**	**5.3%**

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



Funding for Physical Infrastructure

Five-Year Capital Program Totals: For 2015 – 2019, the five-year capital program for City departments, independent boards and commissions totals $572.77 million including all funding sources. The 2015 portion of this program is $132.84 million. This budget continues the City's commitment to accelerate funding and completion of improvements to the City's infrastructure. Below is a summary of the five-year capital program by major infrastructure category.

Five-Year Capital Investment Allocation
Council Adopted Budget

Submitting Agency	Infrastructure Category	2015	2016	2017	2018	2019	Total	Percent of Total
					Budget in Thousands			
MUNICIPAL BUILDING COMMISSION		1,700	2,050	4,325	6,430	3,455	17,960	3.14%
PARK BOARD		5,010	6,093	5,557	4,150	7,150	27,960	4.88%
PUBLIC WORKS DEPARTMENT	STREET PAVING	48,889	29,325	29,776	30,160	31,705	169,855	29.66%
	SIDEWALKS	3,520	3,675	3,830	3,985	4,140	19,150	3.34%
	BRIDGES	11,000	2,915	3,050	6,850	6,895	30,710	5.36%
	TRAFFIC CONTROL & STREET LIGHTING	9,670	6,970	4,927	4,946	6,501	33,014	5.76%
	BIKE TRAILS	790	760	0	0	0	1,550	0.27%
	SANITARY SEWERS	7,200	7,250	7,250	7,250	7,250	36,200	6.32%
	STORM SEWERS	9,765	18,378	17,830	14,250	13,250	73,473	12.83%
	WATER INFRASTRUCTURE	22,200	22,800	22,900	32,400	20,600	120,900	21.11%
	Public Works Department Total	113,034	92,073	89,563	99,841	90,341	484,852	84.65%
INFORMATION TECHNOLOGY		2,850	2,950	1,150	450	1,050	8,450	1.48%
PUBLIC GROUNDS & FACILITIES		8,415	6,660	8,700	0	0	23,775	4.15%
MISCELLANEOUS PROJECTS		1,835	405	425	6,465	640	9,770	1.71%
	Grand Totals	132,844	110,231	109,720	117,336	102,636	572,767	100.0%

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 2015, $2.85 million in technology projects are funded through property tax supported debt with a five-year plan total of $8.45 million. Approximately 47 percent of the total or $4.0 million of this program is dedicated to replacing the Police Department's primary information system.

Pay-as-you go: The other method used to fund technology is through the Capital Asset Request System (CARS). With this program, which originated with the 2014 budget process, the City will allocate current-year available funding for technology projects rather than issuing bonds. Regardless of the initial funding source, funding the ongoing operating costs to keep technology assets current continues to be a challenge for the City.

Capital Asset Request System (CARS)

In 2014, the City implemented the CARS process to allow departments to submit budget requests for the replacement of capital equipment items greater than $5,000 such as technology systems, vehicles and construction equipment and/or other large dollar items necessary to provide services. The CARS process uses a five-year planning horizon similar to the Five-Year Capital Program (for infrastructure) with the intent of establishing normal replacement cycles for all long-term assets used by City Departments. Replacement cycles had already been established for fleet equipment, but not for other asset categories. For the 2015 - 2019 five-year cycle, the City received requests from departments totaling $125.2 million, with fleet equipment representing approximately 56 percent of this total. For 2015, the requests totaled $35.39 million. This budget allocates $8.27 million of general fund resources and $15.62 million of non-general fund resources for this program across all departments.

Funding for Pension Liabilities

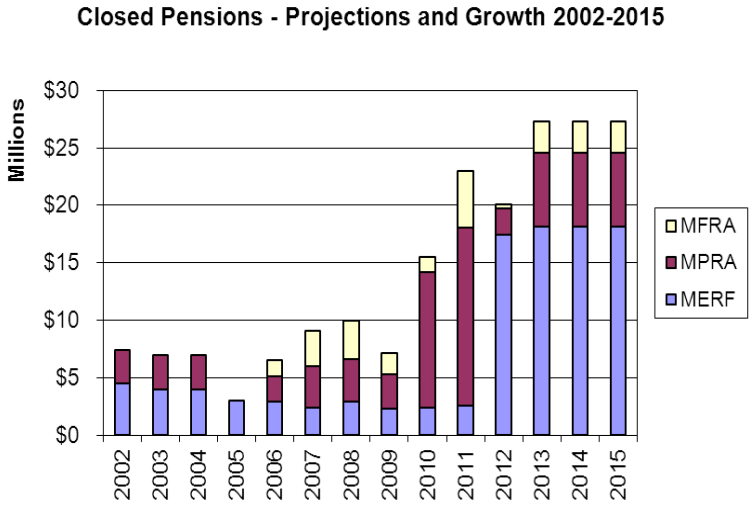
The City's levies for its former closed pension funds that were merged into the Minnesota State Public Employees' Retirement Association (PERA) remains level at $27.3 million in 2015. This information for each levy is detailed for each of the three former pension funds below.

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

The 2015 levy for MERF-related costs is $18.2 million, same as 2014. The funding 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 P&F on December 31, 2011. The 2015 levy for the former MPRA is $6.4 million, from the same as 2014. It is anticipated that these costs will remain constant through 2031.



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 December 31, 2011. The 2015 levy for the former MFRA is $2.7 million, the

same as 2014. It is anticipated that these costs will remain constant through 2031.

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 is typically less than 100 percent its levy. In 2015, the City must levy $2.3 million for TRA to insure that net collections provide the $2.25 million. It is anticipated that this levy amount will remain constant.

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

The employers' contribution level in PERA's Coordinated Plan was raised from 7.25 percent in 2014 to 7.5 percent in 2015. The Police and Fire Plans' employer's contribution was raised from 15.3 percent in 2014 to 16.2 percent beginning in 2015. The estimated total cost of contributions to PERA for the City in 2015 is $32.7 million, which is covered in the budgets of the departments in which the employees work.

	2014	2015	Change
PERA	$13.7	$15.1	$1.4
PERA Police & Fire	$16.3	$17.6	$1.3
Total	**$30.0**	**$32.7**	**$2.7**

Funding for Internal Services Funds' Long-Term Financial Plans

During the 1990s, external demands negatively impacted the ability for revenue to support internal services to keep pace with the growth in expenditures. Significant negative cash balances resulted because annual expenses exceeded revenues. By the year 2000, the combined net asset deficit in the Self Insurance, Equipment, and Intergovernmental Services Funds was $61.7 million. To correct these deficits, the City adopted long-term financial plans between 2000 and 2004 that called for the Self-Insurance, Equipment, Intergovernmental Services, as well as the Property Services internal service funds to rely on transfers from the General Fund through 2019 to eliminate deficits. However, due to efforts in recent budget cycles, 2014 was the final year of these transfers. The elimination of this obligation will allow General Fund resources to be redeployed to other purposes in 2015 and beyond.

Growth in Personnel Costs

Personnel Changes. The 2015 Council Adopted Budget increases the FTE count of City positions by 92.3 over the 2014 Council Adopted Budget, inclusive of the City's independent boards, from 4,933.6 to 5,025.9 FTEs.

Salary and Wages. The 2015 Council Adopted Budget includes an increase in personnel expenditures ($323.2 million in salaries and wages, compared to a 2014 total of $312.6

million). It also includes $139.6 million in retirement and payroll taxes, compared to $133.9 million in 2014 which is proportional to the change in salaries and wages.

Benefits. Health and dental insurance expenditures are budgeted to increase by 1.9 percent from $67.6 million in 2014 to $68.9 million in 2015. This estimate results from a combination of better than anticipated renewal rates, growth in employee headcount, and changes in coverage selections by employees.

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 requires Minneapolis to provide an additional declining base contribution for 10 years. In 2015, that contribution is approximately $2.4 million.

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

	Base	Reopen (1)		Reopen	Other City (2)	Total City	Library LGA (3)	Property Tax (4)	One Time (5)	Total
2008	$7,800	$45	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	$0	$17,371
2011	$5,460	$501	79%	$393	$10,750	$16,603	$5,853	$10,750	$0	$16,603
2012	$4,680	$521	58%	$302	$10,750	$15,732	$4,982	$10,750	$0	$15,732
2013	$3,900	$541	38%	$206	$10,750	$14,856	$4,106	$10,750	$0	$14,856
2014	$3,120	$563	21%	$118	$9,300	$12,538	$3,238	$9,300	$0	$12,538
2015	$2,340	$586	4%	$23	$9,300	$11,663	$2,363	$9,300	$0	$11,663
2016	$1,560	$609	0%	$0	$9,300	$10,860	$1,560	$9,300	$0	$10,860
2017	$780	$633	0%	$0	$9,300	$10,080	$780	$9,300	$5,550	$15,630

(1) The cost to reopen 3 libraries at 24 (2) and 20 (1) hours per week. Annual costs are inflated 4 percent per year after 2008.
(2) Other City includes debt service on net debt bonds.
(3) Library LGA is the amount of LGA allocated to Libraries not exceeding the 2007 level.
(4) Property tax amounts are in City's financial plans.
(5) The City will be responsible for these one-time costs with the exception of 2017, with an amount in the one-time column that is from the State of Minnesota as a contribution to cover 40 percent of the library debt service as agreed to by the 2014 Legislature. The legislature approved a provision that has the state of Minnesota paying 40 percent of the remaining annual debt service. The payments begin for debt service due in 2017 and the payments will be made in November of the preceding year.

Major Changes in the 2015 Council Adopted Budget

This section of the 2015 Council Adopted Budget describes changes the Mayor and Council made for various departmental program submissions. The changes are organized by department.

Citywide Changes

As a starting point for 2015 budget development, departments were provided a preliminary budget amount and asked to submit, for existing programs, proposals that would provide for the continuation of those programs at the same level of service. Departments were also asked to submit supporting documentation for any enhancements to current programs or any new programs. The Mayor's recommended changes to ongoing departmental programs, along with new initiatives recommended for funding, are noted below. Program proposals not funded are not included.

The 2015 Council Adopted Budget includes proposals that have citywide implications. This budget uses accumulated fund balance from the General Fund for one-time or time-limited activities. These resources were generated through fiscal restraint that resulted in under-spending in City departments and through revenues that exceeded budgetary expectations due to an improving economy.

This budget uses accumulated General Fund and other existing resources for funding the Capital Asset Request System (CARS) which was initiated as part of the 2014 budget as a new system for budgeting small and mid-level capital requests previously planned for in departmental budgets. CARS requests include items that are not ongoing in nature including enterprise software upgrades, vehicle purchases, and similarly-sized items. The goal of this effort is to increase transparency in spending and operating costs by including these budgetary requests in a separate process. Now in the second year, $44.8 million ($20.9 million in 2014 and $23.9 million in 2015) has been dedicated to fund items through this request process, The General Fund portion is $17.2 million ($8.9 million in 2014 and $8.3 million in 2015).

Departmental Changes

The Council approved several amendments to the Mayor's Recommended Budget that affect departments on a citywide basis. These amendments are reflected on the following pages:

Assessor

Mayor's Recommended Budget: The Mayor recommended no changes to this department's base program proposal.

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

Attorney

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund allocations; $90,000 to cover the City's share of the cost of two Downtown Probation officers including the Downtown 100 Prosecutor Downtown Improvement District (DID) grant shortfall, and $75,000 for 1.0 FTE (Data Management Analyst) to enable the City to better track program results and outcomes as well as developing and analyzing new initiatives. The Mayor also recommended $90,000 in ongoing resources from the City's Self Insurance Fund for an additional paralegal position to assist with responses to data practices requests.

The following one-time General Fund allocations were recommended; $75,000 for Domestic Abuse 24 Hour Hotline Services that provides immediate advocacy services for domestic abuse victims (City's share of costs in a joint project with Minneapolis Police Department (MPD)), and $50,000 for the Domestic Violence Hot Spot Initiative - a pilot partnership with the MPD, Health Department and domestic abuse advocates to focus prevention and follow-up efforts in selected hotspot areas.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the Minneapolis Police Department to dedicate up to $75,000 of its existing 2015 expense appropriation to partner with the City Attorney's Office and the Domestic Abuse Hotline.

City Clerk

Mayor's Recommended Budget: The Mayor recommended additional ongoing General Fund resources in the amount of $284,000 for a program assistant to assist with administering elections and voter services, a program assistant to provide administrative support to the City Council and City Clerk offices, and a software engineer to assist with developing the framework to provide information on City programs and policy actions more effectively and efficiently (3.0 new FTEs in total).

Council Adopted Budget: The City Council amended the Mayor's recommendations by: (1) Utilizing $80,000 in anticipated savings from the reduction in the 2015 citywide health insurance premium to add 1.0 Full-Time Equivalent (FTE) (Council Committee Coordinator), and (2) Increasing expense appropriation and staffing by $100,000 and 1.0 FTE, respectively, for the purposes of managing data practices requests with the on-going costs to be recouped through the City's internal cost allocation mechanism.

City Council

Mayor's Recommended Budget: The Mayor recommended no changes to this department's base program proposal.

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

City Coordinator Administration

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund allocations: $400,000 for downtown events, $250,000 (including 2.0 FTEs) for equitable outcomes - a program that will be focused on achieving the elimination of racial disparities for Minneapolis residents, as well as $75,000 for Creative CityMaking – an initiative that tailors creative community engagement strategies to department needs and works with underserved and vulnerable communities.

The Mayor also recommended the following one-time General Fund allocations; $150,000 for 1.0 FTE to oversee the Clean Energy Partnership, $50,000 relating to the transition of Minneapolis Public Housing Agency (MPHA) to its own medical insurance plan and related costs, and $35,000 for the City of Minneapolis Arts, Culture and the Creative Economy Road Map. Additionally, $40,000 in ongoing and $20,000 of one-time General Fund appropriations were recommended for a full update, design and dissemination of the Creative Index report that tracks the assets of the creative community through quantitative and qualitative measures.

Council Adopted Budget: The City Council amended the Mayor's recommendations by reducing the Arts, Culture & Creative Economy budget by a total of $15,000 to supplement the Arts in Public Places program in Community Planning and Economic Development (CPED).

The Council also provided the following directions to the department; (1) Include staff from multiple departments, including CPED, to solicit, evaluate, and recommend proposals for downtown activation activities that align with City goals and complement City initiatives, and (2) Convene key department stakeholders to research how the city is currently supporting communications technology and make recommendations for enhancements, including, but not limited to, the potential to move the existing Radio Communications & electronics work unit from Finance and Property Services Department to the Information Technology Department.

311 (a Division of City Coordinator Administration)

Mayor's Recommended Budget: The Mayor recommended no changes to this department's base program proposal.

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

911 (a Division of City Coordinator Administration)

Mayor's Recommended Budget: The Mayor recommended $347,000 in ongoing General Fund resources to increase staffing by four operators to make progress in achieving the level recommended in the 2014 National Emergency Number Association (NENA) staffing study.

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

Emergency Management (a Division of City Coordinator Administration)

Mayor's Recommended Budget: The Mayor recommended no changes to this department's base program proposal.

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

Civil Rights

Mayor's Recommended Budget: The Mayor recommended $100,000 in additional ongoing General Fund appropriation for a Contract Compliance Officer and $300,000 in additional one-time General Fund resources to be used for conducting a disparity study over the next two years, which is part of the City's process to comply with the small and underutilized business program.

Council Adopted Budget: The City Council amended the Mayor's recommendations by reducing $150,000 (50 percent) of the one-time funding for the Civil Rights Disparity Study in the Civil Rights Department.

Communications

Mayor's Recommended Budget: The Mayor recommended an additional $174,000 in ongoing resources from the City's Consolidated TIF fund for an additional 2.0 FTEs to boost collaboration with the Neighborhood and Community Relations Department and non-English media outlets to ensure that City news and information reach diverse communities across the City.

Council Adopted Budget: The City Council amended the Mayor's recommendations by shifting funding for the 2.0 FTE Communications positions ($174,000) from TIF to the General Fund and an additional action subsequently reduced the appropriation in the Communications Department by $174,000 and 2.0 FTEs resulting in no change in staffing levels. The Council also directed the department to work in coordination with the Neighborhood and Community Relations department and other City departments to provide planning, supportive services, and outreach for the implementation of President Obama's executive order on immigration policy.

Convention Center

Mayor's Recommended Budget: The Mayor recommended the transfer of $500,000 in one-time funding from the General Fund to the Convention Center Fund for the purpose of marketing, events and community engagement programming.

Council Adopted Budget: The City Council amended the Mayor's recommendations by reducing the one-time funding from the General Fund to the Convention Center Fund for the purpose of marketing events and community engagement programming by $160,000 for other purposes.

Community Planning and Economic Development (CPED)

Mayor's Recommended Budget: The Mayor recommended additional ongoing funding from the General Fund to support the following efforts: $200,000 for the Homelessness Initiative (with $150,000 for contractual services for homeless outreach services and the remaining $50,000 for the Office to End Homelessness), $250,000 in Homeownership Counseling and Outreach program, $100,000 in business technical assistance, $75,000 for youth training and development, $100,000 (1.0 FTE) for construction code services, and $94,000 (1.0 FTE) for a new business licensing position. The cost of the business licensing position is anticipated to be offset by the implementation of new license structures associated with taxi-cab and transportation services. Funding for staff in public art is shifted from the permanent improvement fund and debt financing to the general fund. The mayor also recommends one-time appropriations from the general fund for $1,000,000 in the Affordable Housing Trust Fund program, $125,000 in Homeownership Counseling and Outreach program, $100,000 for policy issues addressing land capacity, and $200,000 for construction code services (2.0 FTE). Additional one-time funding is recommended from the City's Consolidated TIF fund of $250,000 for planning activities associated with the closure of the Upper Harbor Terminal.

Council Adopted Budget: The City Council amended the Mayor's recommendations by directing $1.5 million in Community Development Block Grant (CDBG) funding currently earmarked for the Senior Housing Initiative ($1.0 million) and the Owner Occupied Rehab Program ($0.5 million) to the City's Affordable Housing Trust Fund, and to prioritize up to $2.5 million from the City's development accounts for qualified affordable housing projects. The City Council also amended funding for

Homeownership Counseling and Outreach by decreasing ongoing funding by $200,000, and increasing one-time funding by $100,000. In addition, the Council amended the Mayor's recommendations by increasing revenue and expense by $870,000 for the Upper Harbor Terminal to reflect the contractual operating agreement, and shifting $250,000 of the Upper Harbor Terminal planning activities from TIF funding to General Fund.

The Council also added the following staff directions:
(1) Direct the Community Planning and Economic Development to report to the Community Development & Regulatory Services and the Ways and Means committees by July 1, 2015, with the financial status of the Great Streets Façade Improvement and Business District Support programs for evaluation prior to issuance of the 2015 Request for Proposals.
(2) Direct the Community Planning & Economic Development Department to complete an analysis of existing housing stock and housing needs in Minneapolis to inform future policy decisions that support housing options for all levels of income including the Affordable Housing Trust Fund and Transit-Oriented Development program as well as potential policy changes that support housing affordability such as inclusionary zoning.
(3) Direct the Community Planning & Economic Development Department to develop a five-year Art in Public Places capital plan and report back to the Community Development & Regulatory Services and the Ways & Mean committees by March 31, 2015.
(4) Direct the Community Planning & Economic Development Department to collaborate with Summit Academy OIC to facilitate participation in the City's job training programs.

Finance & Property Services

Mayor's Recommended Budget: The Mayor recommended $96,000 in ongoing funding from the City's Property Services Fund to hire an additional Painter (1.0 FTE) in Finance and Property Services.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the Finance and Property Services Department's staff to:

(1) Amend all schedules and language according to amended budgets,
(2) Update the five-year financial direction budgets and staff directions,
(3) In collaboration with affected City departments;
  (a) Compile historical information of the City's utilization of single source contracts and report back to the Committee of the Whole and Ways & Means Committees in the first quarter with recommendations for policy considerations to provide more opportunities for supplier diversity in procurement activities; and
  (b) Review existing standards for insurance and bonding for City contractors, including comparison of standards used by the State of Minnesota and other public bodies, and report back to the Committee of the Whole and Ways & Means Committees in the first quarter with recommendations for policy considerations to provide more opportunities for supplier diversity in procurement activities, and
(4) Facilitate the hiring of five new FTE positions in the Community Planning & Economic Development Department, Development & Construction Code Services Division.

Fire

Mayor's Recommended Budget: The Mayor recommended $400,000 in ongoing and $400,000 one-time General Fund resources to enhance on-going training and recruitment activities. The $400,000 in ongoing funding provides for a class of trainees every year while the $400,000 in one-time funding will allow an additional class in 2015. An appropriation of $50,000 in one-time

General Fund resources was also recommended for continuing development and implementation of outreach to high schools and an alternative hiring process focusing on inner-city youth.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the Fire Department to commence with recruit classes as soon as feasible and report back to Ways and Means Committee with a plan to maintain staffing at the approved complement level by July 1, 2015, for the purpose of reviewing and recommending mechanisms to provide for enhanced staffing levels in the future.

Health and Family Support

Mayor's Recommended Budget: The Mayor recommended additional ongoing General Fund appropriation of $50,000 (0.5 FTE) for school based clinics, $70,000 for youth development and sexual health programming, $100,000 for youth violence prevention, and $350,000 (3.0 FTE) for the food, lodging and pools inspection program to keep pace with the increase in the number of establishments. An additional $110,000 in resources from the City's Storm Water fund provides for (1.0 FTE) for environmental services to keep pace with increased construction activity for erosion control. The Mayor recommended additional one-time General Fund allocations of $140,000 (1.0 FTE) for lead and healthy homes, $25,000 to finalize the 2007 Minneapolis Air Quality Study, and $72,000 (1.0 FTE) for tobacco prevention to pursue strategies to prevent exposure to second hand smoke.

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

Human Resources

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund allocations: $25,000 for an Enterprise Employee Recognition program designed to respond to needs identified in the 2011-12 Employee Engagement Survey, and $35,000 for the annual licensing fees for the NEOGOV Applicant Tracking System. The 2015 Budget also reallocates funding from Public Works to provide for strategic employment services provided by Human Resources staff, but targeted for Public Works employment needs.

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

Information Technology

Mayor's Recommended Budget: The Mayor recommended no changes to this department's base program proposal.

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

Intergovernmental Relations

Mayor's Recommended Budget: The Mayor recommended $15,000 in one-time funding for staff development in areas such as program management, policy analysis and development, leadership and negotiations, as well as a summer intern to assist in all program areas.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the Intergovernmental Services Department's staff to lead a staff workgroup to identify opportunities for the City to support the Minneapolis implementation for the Presidential executive order on immigration and bring forward a proposal with a recommended resolution acknowledging the City's commitment.

Internal Audit

Mayor's Recommended Budget: The Mayor recommended no changes to this department's base program proposal.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the department to work with the Neighborhood & Community Relations Department and other City Coordinator departments to create a scope of work and then oversee an evaluation of NCR Programs using existing budgeted resources, and to report back to the Committee of the Whole by August 2015.

Mayor

Mayor's Recommended Budget: The Mayor's 2015 Recommended Budget includes $195,000 in ongoing General Fund allocation for additional policy resources.

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

Neighborhood and Community Relations

Mayor's Recommended Budget: The Mayor recommended the following ongoing resources from special revenue funds; $150,000 for expanding the One Minneapolis Fund, and an additional $150,000 for 1.0 FTE (Neighborhood Support Specialist) and programming to provide for stronger support for neighborhood organizations to meet City standards and expectations. The Mayor also recommended $150,000 in one-time General Fund appropriation for conducting an evaluation of City programs and services for compliance with ADA Title II requirements.

Council Adopted Budget: The City Council amended the Mayor's recommendations by;

(1) Eliminating the Tax Increment Financing (TIF) activities in the Neighborhood & Community Relations Department (NCR) by $150,000 for staff/program expenses and $150,000 recommended for the One Minneapolis Fund,
(2) Utilizing the available $300,000 of TIF to replace General Fund resources in NCR,
(3) Shifting NCR General Fund allocation ($424,000) from the General Fund to TIF funding,
(4) Utilizing $150,000 in available one-time General Fund resources for the One Minneapolis Fund, initially funded by TIF, and
(5) Increasing the department's appropriation by $50,000 for support services to help implement President Obama's executive order on immigration.

The Council also directed the department to;

(1) Coordinate with the Communications Department and other City departments to provide planning, supportive services, and outreach for the implementation of President Obama's executive order on immigration policy,
(2) Provide a one-time allocation of $55,000 for the Minneapolis Highrise representative Council for Project Lookout utilizing $30,000 from the increased One Minneapolis Fund and the remainder from the department's existing budget,

(3) Work with the Internal Audit Department and other City Coordinator departments to create a scope of work and oversee an evaluation of NCR Programs using existing budgeted resources, and to report back to the Committee of the Whole by August 2015.

Police

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund resources: $996,000 for hiring 20 part time Community Service Officers, $520,000 as a matching requirement for $520,000 in funding from the Federal COPS Hiring Grant – to provide for ten more officers to address violent crime, and $100,000 for a 1.0 FTE Data Request Specialist to meet growing records/compliance requests, including maintenance of the newly implemented body cameras. The Mayor also recommended $962,000 one-time General Fund appropriation for hiring 18 Cadets in 2015.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the Minneapolis Police Department to (1) allocate up to $75,000 of its 2015 expense appropriation to partner with the City Attorney's Office and the Domestic Abuse Hotline and (2) utilize existing resources to facilitate up to eight Open Streets events in 2015.

Public Works

Mayor's Recommended Budget: Please see the divisional sections below for the Mayor's recommendation and Council amendments by division.

Administration

Mayor's Recommended Budget: The Mayor recommended no changes to this division's base program proposal.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the Public Works Department to utilize existing resources to facilitate up to eight Open Streets events in 2015.

Fleet Services

Mayor's Recommended Budget: The Mayor recommended no changes to this division's base program proposal.

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

Solid Waste and Recycling

Mayor's Recommended Budget: The Mayor's recommended budget includes appropriation in the Solid Waste and Recycling Fund to fund the beginning of a citywide source-separated organics recycling program estimated to cost $8.0 million in the first year. Of this total amount, approximately $5.1 million of the costs are considered one-time in nature related to the program's start-up.

The Mayor's recommended budget further proposes a reduction in the transfer of General Fund resources for alley plowing and graffiti removal initiatives which will continue to be funded from the Solid Waste and Recycling Fund.

Council Adopted Budget: The City Council amended the Mayor's recommendations by reducing the expense appropriation by $2,024,000 to reflect the partial-year organics rollout.

Surface Water & Sanitary Sewer – Sanitary Sewer

Mayor's Recommended Budget: The Mayor recommended no changes to this division's base program proposal.

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

Surface Water & Sanitary Sewer – Stormwater

Mayor's Recommended Budget: The Mayor recommended no changes to this division's base program proposal, with the exception of providing funding to offset the cost associated with an additional 1.0 FTE in Environmental Health for erosion control monitoring.

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

Traffic & Parking Services

Mayor's Recommended Budget: The Mayor's recommended budget includes $350,000 in General Fund resources for the Pedestrian Safety Initiative designed to reduce pedestrian and biking injuries and fatalities by providing for improved access and right-of-way markings, including crosswalks and similar signage.

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

Transportation Maintenance and Repair

Mayor's Recommended Budget: The Mayor's recommended budget includes $365,000 in base adjustments to reflect increased revenue from parking ramps and special service districts to align revenues and expenditures in these self-supporting programs. The recommended budget also includes $150,000 in one-time General Fund funding for snow removal from on-street bike lanes with an additional $30,000 for on-street bike lane summer cleaning and winter maintenance, and an additional $11,000 dedicated to off-street trail summer cleaning and winter maintenance. Further, the recommended budget includes $200,000 in ongoing General Fund appropriation for sidewalk snow removal and enforcement and $300,000 in ongoing capital sidewalk inspections funding to clear snow from street corners within five days after the end of a snow emergency.

Council Adopted Budget: The City Council amended the Mayor's recommendations by increasing revenue and expense appropriation by $118,667 in the General Fund to reflect the additional revenues and expenses associated with the Downtown Improvement District special assessment program, and amended the budget by reducing expenses by $300,000 to reflect technical adjustments.

The council also directed the Public Works Department to report to the Transportation & Public Works Committee by January 31, 2015, with proposed specific projects for the 2015 Capital Budget for the Paving Program.

Transportation Planning and Engineering

Mayor's Recommended Budget: The Mayor's recommended budget includes $300,000 in ongoing General Fund appropriation to enhance transportation planning, right of way/public realm planning, and asset management which covers the costs associated with adding 3.5 FTE to support these services. The budget also includes $75,000 in one-time General Fund resources to study intersections identified by the Pedestrian Advisory Committee for pedestrian improvements. Further, the Mayor's recommended budget also includes capital transportation planning and engineering funding in the amount of $386,000 to fund four engineering technician positions charged to capital projects and Public Works lab customers at two each.

Council Adopted Budget: The City Council amended the Mayor's recommendations by reducing revenue by $85,019 in the General Fund to reflect technical adjustments.

Water Treatment and Distribution

Mayor's Recommended Budget: The Mayor recommended no changes to this division's base program proposal.

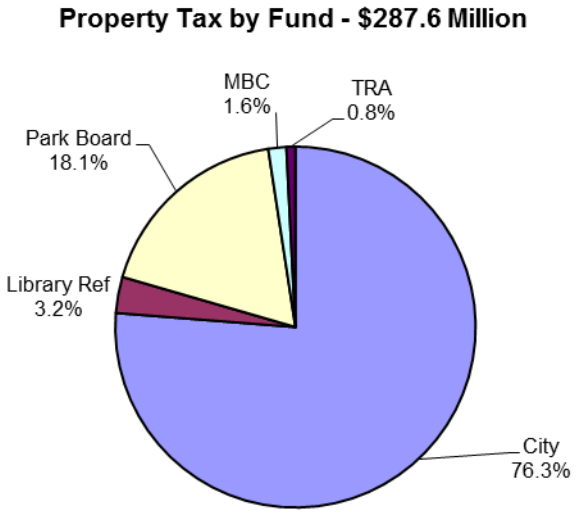
Council Adopted Budget: The City Council approved the Mayor's recommendations.

Regulatory Services

Mayor's Recommended Budget: The Mayor recommended an additional ongoing General Fund appropriation of $135,000 for 2 animal care technicians to allow animal control officers to spend increased time in the field, and $185,000 (1.5 FTE) in funding from the special revenue fund for a homeowner navigator and community engagement program. In addition, the Mayor recommended $300,000 (3.0 FTE) in additional appropriations for fire inspection services which is comprised of $180,000 in ongoing appropriation and $120,000 in one-time funding. The Mayor also recommended a one-time general fund appropriation of $30,000 for translation services.

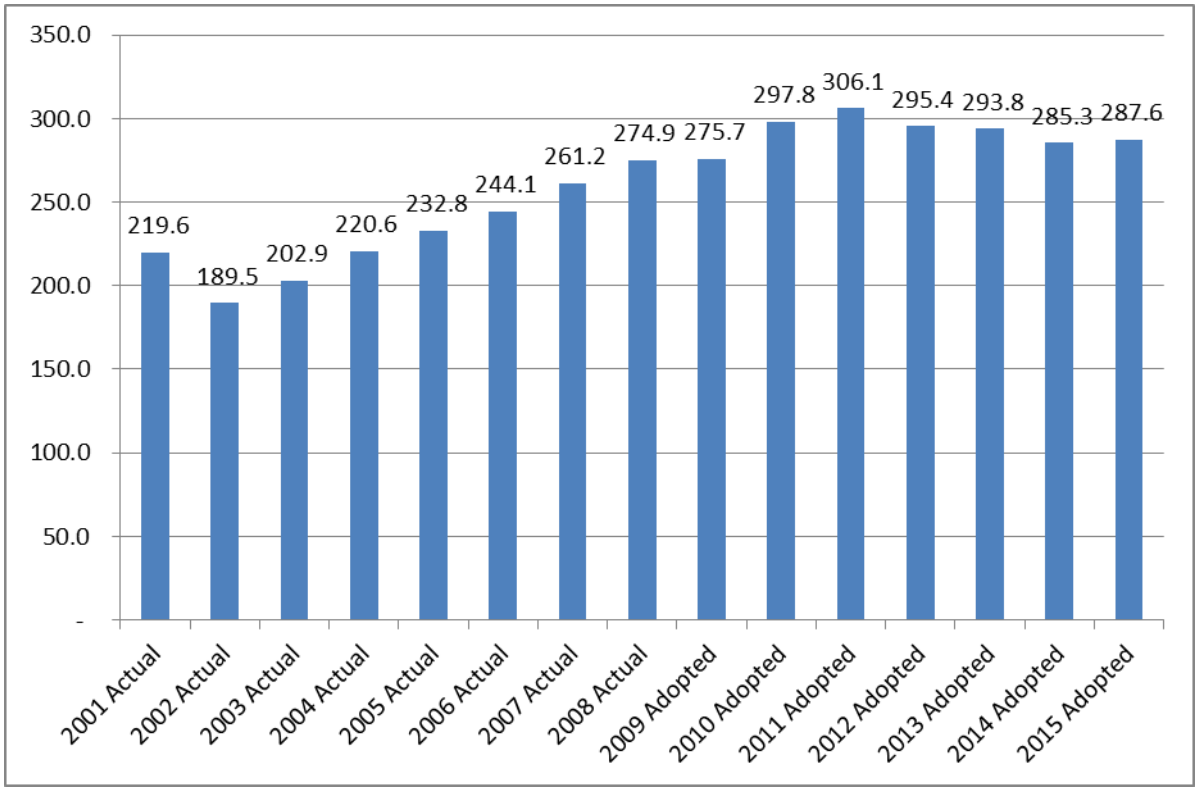
Council Adopted Budget: The City Council amended the Mayor's recommendations by including an additional $140,000 for Traffic Control to match revenue with expenditures, and to include funding for Homeline Services in the amount of $100,000 to be funded from internal reallocations from the Regulatory Services Fund. The Council also directed Regulatory Services staff to (1) provide a status update of the activities performed by Homeline to the Community Development & Regulatory Services committee by July 1, 2015 and (2) provide existing resources to facilitate up to eight Open Street events in 2015.

Property Tax Revenue



The City's 2015 Council Adopted Budget and $5.905 million increase in levy result in an estimated net tax capacity rate of 67.095 percent which reflects the ratio of the certified levy compared to the overall net tax capacity of taxable property in the City. 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 levy with an estimated market value rate of 0.02561 percent for 2015 and is not included in the City's net tax capacity rate. For more information regarding tax rate, please see http://www.house.leg.state.mn.us/hrd/pubs/ss/ssptterm.pdf.

Property tax revenue in constant 2014 dollars*



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

Property Taxes on Individual Homes

Several factors beyond the change in amount levied affect the annual change in property tax owed on a particular property. These factors include the tax base composition within property classifications, the tax rate of the jurisdiction, growth or decline in the value of other properties within the jurisdiction, properties placed in tax increment financing districts, improvements to a property, as well as other factors. 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 to the right shows the percentage of Minneapolis residential properties grouped according to changes in their estimated City tax impacts payable in 2015.

This table shows the estimated percentage tax change for City taxes from payable 2014 to payable 2015 with the Mayor's proposed tax levy increase.

Estimated Percentage Tax Change from Pay 2014 to Pay 2015 (City ONLY Portion)			Percentage of parcels in group*
more than - 15.00 %			1.55%
-10.00%	to	-15.00%	1.50%
-7.50%	to	-10.00%	10.58%
-5.00%	to	-7.50%	3.50%
-2.50%	to	-5.00%	17.97%
0.00%	to	-2.50%	21.62%
0.00%	to	0.00%	0.00%
2.50%	to	0.00%	16.66%
5.00%	to	2.50%	10.72%
7.50%	to	5.00%	8.57%
10.00%	to	7.50%	4.44%
12.50%	to	10.00%	1.63%
15.00%	to	12.50%	0.76%
more than + 15.00 %			0.50%

***This table shows that 56.72% of homesteaded properties that have not had improvement between valuation dates for payable 2012 though payable 2015 (Jan 2, 2011 >> Jan 2, 2014) will have property tax decreases in the City portion of their property tax bill in 2015 as compared to their 2014 City property taxes.**

City Utility Fees

For 2015, the Council Adopted utility rates 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. Stormwater fees will not increase in 2015. Solid waste rates are increasing due to the implementation of organics recycling in the city. The table below provides a summary of the anticipated change in an average residential customer's utility bill from 2014 to 2015. For detailed information of 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

	2014	2015 monthly average*	2015 annual average	2015 monthly dollar change	2015 % change
Water	$25.74	$26.59	$319	$0.85	3.3%
Sanitary Sewer	$22.24	$23.06	$277	$0.82	3.7%
Stormwater	$11.94	$11.94	$143	$0.00	0.0%
Solid Waste/Recycling**	$22.60	$26.60	$319	$4.00	17.7%
Total	$82.52	$88.19	$1,058	$5.67	6.9%

* The average household rate for water is based on 7 units of consumption at $3.37 per unit plus a $3.00 fixed charge. Sanitary rates are based on 6 units of water consumption at $3.21 per unit plus a fixed charge of $3.80. Stormwater rates are based on 1 equivalent Stormwater unit of 1,530 square feet on impervious surface.

**The solid waste rate is based on a $21.60 monthly charge with a large recycling cart fee of $5.00. Customers can substitute a small cart with a $2.00 fee. The large increase in the monthly charge is due to incorporating organics recycling.

Franchise Fees

Utility companies pay the City franchise fees for the use of the public right-of-way. Franchise fees are calculated as a percentage of each company's total utility revenues and customer volume, so the amounts paid to the City vary. The 2015 Council Adopted Budget anticipates the total franchise fee revenue will increase by $2.1 million from the 2014 Council Adopted Budget, from $26.9 million in 2014 to $29.0 million in 2015. The increase in revenue is primarily due to the anticipated agreements with CenterPoint Energy related to the franchise fee for natural gas and with Xcel Energy related to the franchise fee for electricity.

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 percent of its gross revenues for Minneapolis residential service customers, 3 percent of gross revenues for Minneapolis commercial/industrial customers, and 5 percent of gross revenues for Minneapolis small commercial/industrial customers. The residential rate dropped to 4.5 percent of gross revenues beginning in 2014. In 2015, the Council Adopted Budget anticipates Xcel will pay the City $18.0 million from this agreement, up $1.0 million from 2014.

The franchise agreement with CenterPoint Energy for natural gas requires the company to pay the City 4.25 percent of gross revenues for Minneapolis residential buildings with four units or less, 5 percent for small commercial/industrial/firm or "interruptible" customers (customers who have agreements to allow their service to be interrupted, generally during peak loads), and 3 percent for large volume interruptible customers. For 2015, the Council Adopted Budget anticipates CenterPoint Energy will pay the City $7.5 million from this agreement, an increase of $1.0 million from 2014.

The City also maintains a cable television franchise agreement with Comcast that is anticipated to generate $3.5 million for the City in 2015, a $77,500 increase from 2014. Comcast also collects an "access fee" from subscribers to support public, educational and government (PEG) access programming. The City estimates that it will receive $950,000 from Comcast for the access fee in 2015, a $110,000 increase from 2014. There are ten PEG channels in the City of Minneapolis: four public, three educational and three government channels.

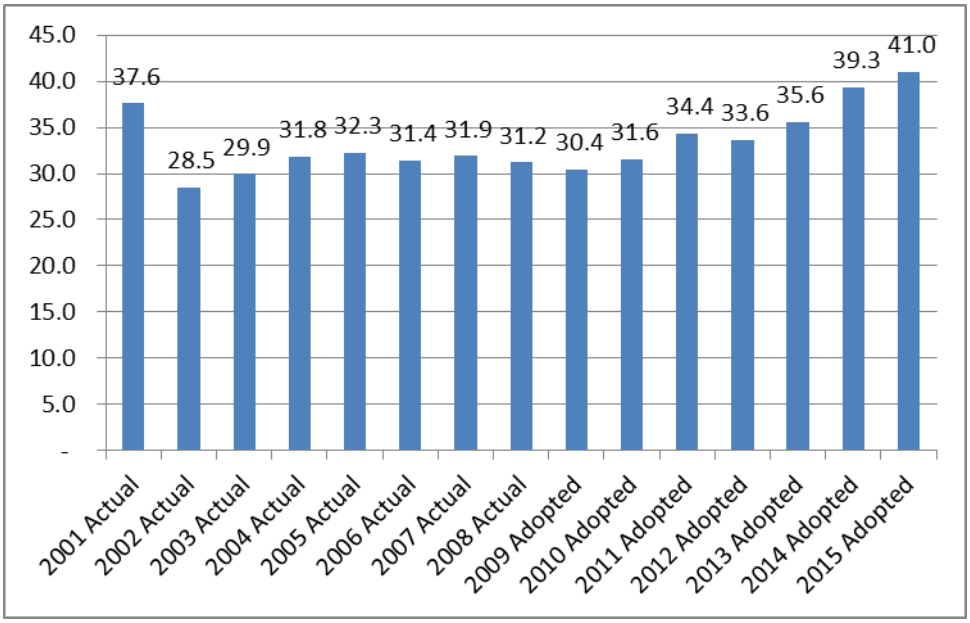
Community Development Block Grant

The 2015 Council Adopted Budget allocates $10.7 million in CDBG funding for City programs, the same amount as the 2014 consolidated plan.

License and Permit Fee Revenue

Revenue from City-issued licenses and permits is expected to increase from $38.8 million in 2014 to $41.0 million in 2015 primarily due to an increase in construction activities throughout the City.

License and permit revenue in constant 2014 dollars ($ in millions)

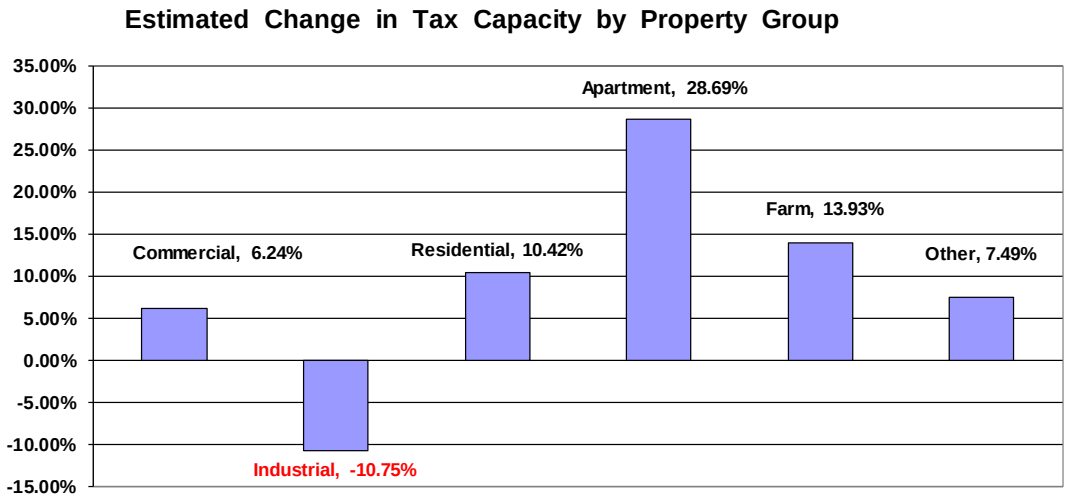


*This revenue chart shows the trend of City revenues adjusted for inflation using the Consumer Price Index (CPI).

Property Market Values and Tax Base Highlights

The following table shows the estimated market values and corresponding tax capacity by property group for the January 2, 2014 assessment utilized for property taxes payable in 2015 based on preliminary numbers.

Group	2014 Estimated Market Value	% of Total	% Change	Tax Capacity	% of Total	% Change
Real Estate						
Commercial	$6,545,491,500	18.0%	6.14%	$128,493,549	28.9%	6.24%
Industrial	1,183,526,600	3.3%	-9.92%	23,044,468	5.2%	-10.75%
Residential	23,520,080,100	64.6%	8.71%	228,901,268	51.5%	10.42%
Apartment	4,716,961,200	13.0%	27.80%	56,142,797	12.6%	28.69%
Farm	1,704,800	0.0%	13.93%	17,048	0.0%	13.93%
Other	18,995,100	0.1%	9.94%	253,247	0.1%	7.49%
Sub Total	$35,986,759,300	98.9%	9.63%	$436,852,377	98.2%	9.78%
Personal Property						
All	415,930,000	1.1%	1.00%	7,960,000	1.8%	1.05%
Grand Total	$36,402,689,300	100.0%	9.53%	$444,812,377	100.0%	9.61%



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 in 2015 based on preliminary numbers from the City and County assessors and the Board of Estimate and Taxation:

For Taxes Payable in 2015*	
Real Estate Tax Capacity	$436,852,377
Personal Property Tax Capacity	$7,960,000
Gross Tax Capacity	**$444,812,377**
- Less Increment Financing	($28,904,146)
- Less Value Captured Financing	($1,900,571)
- Less Fiscal Disparities Contribution	($51,741,779)
+ Plus Fiscal Disparities Distribution	$49,817,942
Adjusted Net Tax Capacity	**$412,083,823**

*** Property Values Jan 2, 2014**

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 2014 commercial/industrial market value is estimated at $7.7 billion dollars, of which $4.3 billion resides in the Minneapolis Central Business District (CBD). Between January 2013 and January 2014 the Minneapolis CBD experienced a respectable 5.3 percent increase in commercial market value. Industrial market values declined by 9.9 percent primarily due to the redevelopment and repurposing of several industrial buildings. The sites for the Vikings football stadium and Wells Fargo campus have been cleared and the projects are on schedule for completion in 2016.

Apartments

The 2014 apartment market continues to outperform the other markets in Minneapolis with a 27.8 percent growth in market value over 2013. Marquette Advisors reports an increase in apartment vacancy rates from 2.2 percent to 5 percent in downtown Minneapolis between the first quarters of 2013 and 2014. The jump in vacancy is attributed to the high volume of new luxury apartments coming to market. While the vacancy rate is slightly higher than the metro area, the demand for apartments in Downtown, Uptown and the University of Minnesota neighborhoods remains strong. Apartment projects scheduled to open in 2014 are: Nic on Fifth with 253 units; Mill & Main with 162 units; LPM Apartments with 354 units, and Latitude 45 with 319 units.

Residential

At year-end 2013, the inventory of foreclosures sales competiting with traditional sales declined 39 percent from 2012. As foreclosures continue to exit the market, the negaitive impact these properties exhibit on neighborhoods diminishes. The housing market is "stable" with the job market and other economic sectors improving. The number of homes actively on the market is up 5 percent from the previous year and down 19 percent from the peak in 2006. The current volume of housing inventory on the market is a three-month supply which is considered "in balance," neither a buyer's market or a seller's market. Residential property values grew more than 8 percent in 2013, which will impact taxes payable in 2015.

The table below shows the overall growth or decline in the market value by the three main property type classifications for the tax year in which property taxes are paid from 2006 to 2015:

	Change in Market value for Taxes Payable Year-Over-Year		
Taxes Payable in:	**Commercial/Industrial**	**Residential**	**Apartment**
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%
2014	0.60%	0.65%	8.53%
2015	3.32%	8.71%	27.80%

Source: City Assessor's Office and Board of Estimate and Taxation

The following table summarizes the 2015 Adopted Levy amounts:

2015 Adopted Property Tax Levies

	Fund	Council Adopted Levy 2014	Council Adopted Levy 2015	% Change From 2014	$ Change From 2014
City-Certified Levies	General Fund	157,124,000	153,929,000	-2.03%	(3,195,000)
	Minneapolis Park Board - General	48,616,000	50,560,000	4.90%	1,944,000
	Minneapolis Park Board - Tree	1,011,000	1,475,000		464,000
	Bond Redemption	29,300,000	35,900,000	22.53%	6,600,000
	595 (HRA) Levy	1,000,000	1,021,000	2.10%	21,000
	Permanent Improvement	1,000,000	1,000,000	0.00%	-
	Pensions (MERF, MPRA, MFRA)	27,310,000	27,310,000	0.00%	-
	Board of Estimate and Taxation	170,000	160,000	0.00%	(10,000)
Other Levies	Municipal Building Commission	4,594,000	4,675,000	1.76%	81,000
	Teachers' Retirement	2,300,000	2,300,000	0.00%	-
	Library Referendum Debt Service	9,300,000	9,300,000	0.00%	-
	Total	281,725,000	287,630,000	2.10%	5,905,000

Residential Property Tax - Sample Bills

Section B TOC

Residential Property Levy & Utility Fee Estimated Impact

with Estimated Market Value Change of >>			0.0%			15.0%	
	2014	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$130,000	$130,000	0.0%	$0	$149,500	15.0%	$19,500
Market Value Credit Exclusion	($25,540)	($25,540)	0.0%	$0	($23,785)	-6.9%	$1,755
Taxable Value	$104,460	$104,460	0.0%	$0	$125,715	20.3%	$21,255
Tax Capacity	$1,045	$1,045	0.0%	$0	$1,257	20.3%	$213
City Property Taxes							
Tax Capacity based Taxes	$750	$693	-7.6%	($57)	$833	11.1%	$83
MV Referendum Tax	$37	$33	-8.7%	($3)	$38	5.1%	$2
Total City Property Taxes	$787	$726	-7.6%	($60)	$871	10.8%	$85
Utility Fees							
Water	$309	$319	3.2%	$10	$319	3.2%	$10
Storm	$143	$143	0.0%	$0	$143	0.0%	$0
Sanitary Sewer	$267	$277	3.7%	$10	$277	3.7%	$10
Solid Waste Recycling	$271	$319	17.7%	$48	$319	17.7%	$48
Total Utilities	$990	$1,058	6.9%	$68	$1,058	6.9%	$68
Total City Property Taxes & Utility	$1,777	$1,784	0.4%	$8	$1,929	8.6%	$153

Residential Property Levy & Utility Fee Estimated Impact

with Estimated Market Value Change of >>			0.0%			15.0%	
	2014	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$175,000	$175,000	0.0%	$0	$201,250	15.0%	$26,250
Market Value Credit Exclusion	($21,490)	($21,490)	0.0%	$0	($19,128)	-11.0%	$2,363
Taxable Value	$153,510	$153,510	0.0%	$0	$182,123	18.6%	$28,613
Tax Capacity	$1,535	$1,535	0.0%	$0	$1,821	18.6%	$286
City Property Taxes							
Tax Capacity based Taxes	$1,102	$1,018	-7.6%	($84)	$1,207	9.5%	$105
MV Referendum Tax	$49	$45	-8.7%	($4)	$52	5.0%	$2
Total City Property Taxes	$1,151	$1,063	-7.7%	($88)	$1,259	9.3%	$107
Utility Fees							
Water	$309	$319	3.2%	$10	$319	3.2%	$10
Storm	$143	$143	0.0%	$0	$143	0.0%	$0
Sanitary Sewer	$267	$277	3.7%	$10	$277	3.7%	$10
Solid Waste Recycling	$271	$319	17.7%	$48	$319	17.7%	$48
Total Utilities	$990	$1,058	6.9%	$68	$1,058	6.9%	$68
Total City Property Taxes & Utility	$2,141	$2,121	-0.9%	($20)	$2,317	8.2%	$175

Residential Property Levy & Utility Fee Estimated Impact

Section B TOC

with Estimated Market Value Change of >>		0.0%			15.0%		
	2014	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$240,000	$240,000	0.0%	$0	$276,000	15.0%	$36,000
Market Value Credit Exclusion	($15,640)	($15,640)	0.0%	$0	($12,400)	-20.7%	$3,240
Taxable Value	$224,360	$224,360	0.0%	$0	$263,600	17.5%	$39,240
Tax Capacity	$2,244	$2,244	0.0%	$0	$2,636	17.5%	$392
City Property Taxes							
Tax Capacity based Taxes	$1,611	$1,487	-7.7%	($124)	$1,748	8.5%	$137
MV Referendum Tax	$68	$62	-8.7%	($6)	$71	5.0%	$3
Total City Property Taxes	$1,679	$1,549	-7.7%	($130)	$1,819	8.4%	$140
Utility Fees							
Water	$309	$319	3.2%	$10	$319	3.2%	$10
Storm	$143	$143	0.0%	$0	$143	0.0%	$0
Sanitary Sewer	$267	$277	3.7%	$10	$277	3.7%	$10
Solid Waste Recycling	$271	$319	17.7%	$48	$319	17.7%	$48
Total Utilities	$990	$1,058	6.9%	$68	$1,058	6.9%	$68
Total City Property Taxes & Utility	$2,669	$2,607	-2.3%	($62)	$2,877	7.8%	$208

Residential Property Levy & Utility Fee Estimated Impact

with Estimated Market Value Change of >>		0.0%			15.0%		
	2014	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$350,000	$350,000	0.0%	$0	$402,500	15.0%	$52,500
Market Value Credit Exclusion	($5,740)	($5,740)	0.0%	$0	($1,015)	-82.3%	$4,725
Taxable Value	$344,260	$344,260	0.0%	$0	$401,485	16.6%	$57,225
Tax Capacity	$3,443	$3,443	0.0%	$0	$4,015	16.6%	$572
City Property Taxes							
Tax Capacity based Taxes	$2,472	$2,282	-7.7%	($190)	$2,662	7.7%	$190
MV Referendum Tax	$99	$90	-8.7%	($9)	$104	5.0%	$5
Total City Property Taxes	$2,571	$2,372	-7.7%	($199)	$2,766	7.6%	$195
Utility Fees							
Water	$309	$319	3.2%	$10	$319	3.2%	$10
Storm	$143	$143	0.0%	$0	$143	0.0%	$0
Sanitary Sewer	$267	$277	3.7%	$10	$277	3.7%	$10
Solid Waste Recycling	$271	$319	17.7%	$48	$319	17.7%	$48
Total Utilities	$990	$1,058	6.9%	$68	$1,058	6.9%	$68
Total City Property Taxes & Utility	$3,561	$3,430	-3.7%	($131)	$3,824	7.4%	$263

Commercial/ Industrial and Apartment Property Tax - Sample Bills

Commercial/Industrial Property with an Estimated Pay 2015 Market Value Change of		0.00%			5.00%			10.00%		
	2014	2015	% Change	$ Change	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$275,000	$275,000	0.00%	$0	$288,750	5.00%	$13,750	$302,500	10.00%	$27,500
Tax Capacity	$4,750	$4,750	0.00%	$0	$5,025	5.79%	$275	$5,300	11.58%	$550
City Property Taxes										
Tax Capacity based Taxes	$2,324.86	$2,088.83	-10.15%	($236.03)	$2,209.77	-4.95%	($115.09)	$2,330.70	0.25%	$5.84
MV Referendum Tax	$77.47	$70.76	-8.66%	($6.71)	$74.30	-4.09%	($3.17)	$77.83	0.46%	$0.36
Total City Property Taxes	**$2,402.33**	**$2,159.59**	**-10.10%**	**($242.74)**	**$2,284.07**	**-4.92%**	**($118.26)**	**$2,408.53**	**0.26%**	**$6.20**

Commercial/Industrial Property with an Estimated Pay 2015 Market Value Change of		0.00%			5.00%			10.00%		
	2014	2015	% Change	$ Change	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$10,375,000	$10,375,000	0.00%	$0	$10,893,750	5.00%	$518,750	$11,412,500	10.00%	$1,037,500
Tax Capacity	$206,750	$206,750	0.00%	$0	$217,125	5.02%	$10,375	$227,500	10.04%	$20,750
City Property Taxes										
Tax Capacity based Taxes	$101,192.71	$90,919.22	-10.15%	($10,273.49)	$95,481.68	-5.64%	($5,711.03)	$100,044.13	-1.14%	($1,148.58)
MV Referendum Tax	$2,922.64	$2,669.49	-8.66%	($253.15)	$2,802.96	-4.09%	($119.68)	$2,936.44	0.47%	$13.80
Total City Property Taxes	**$104,115.35**	**$93,588.71**	**-10.11%**	**($10,526.64)**	**$98,284.64**	**-5.60%**	**($5,830.71)**	**$102,980.57**	**-1.09%**	**($1,134.78)**

Apartment Property with an Estimated Pay 2015 Market Value Change of		0.00%			5.00%			10.00%		
	2014	2015	% Change	$ Change	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$404,000	$404,000	0.00%	$0	$424,200	5.00%	$20,200	$444,400	10.00%	$40,400
Tax Capacity	$5,050	$5,050	0.00%	$0	$5,303	5.00%	$253	$5,555	10.00%	$505
City Property Taxes										
Tax Capacity based Taxes	$2,471.70	$2,220.76	-10.15%	($250.94)	$2,331.80	-5.66%	($139.90)	$2,442.84	-1.17%	($28.86)
MV Referendum Tax	$113.81	$103.95	-8.66%	($9.86)	$109.15	-4.09%	($4.66)	$114.34	0.47%	$0.53
Total City Property Taxes	**$2,585.51**	**$2,324.71**	**-10.09%**	**($260.80)**	**$2,440.95**	**-5.59%**	**($144.56)**	**$2,557.18**	**-1.10%**	**($28.33)**

Apartment Property with an Estimated Pay 2015 Market Value Change of		0.00%			5.00%			10.00%		
	2014	2015	% Change	$ Change	2015	% Change	$ Change	2015	% Change	$ Change
Assessed Market Value (MV)	$722,000	$722,000	0.00%	$0	$758,100	5.00%	$36,100	$794,200	10.00%	$72,200
Tax Capacity	$9,025	$9,025	0.00%	$0	$9,476	5.00%	$451	$9,928	10.00%	$903
City Property Taxes										
Tax Capacity based Taxes	$4,417.24	$3,968.78	-10.15%	($448.46)	$4,167.22	-5.66%	($250.02)	$4,365.66	-1.17%	($51.58)
MV Referendum Tax	$203.39	$185.77	-8.66%	($17.62)	$195.06	-4.10%	($8.33)	$204.35	0.47%	$0.96
Total City Property Taxes	**$4,620.63**	**$4,154.55**	**-10.09%**	**($466.08)**	**$4,362.28**	**-5.59%**	**($258.35)**	**$4,570.01**	**-1.10%**	**($50.62)**

City of Minneapolis
2015 Budget

Strategic Planning

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City Vision and Values

Vision

Minneapolis is a growing and vibrant world-class city with a flourishing economy and a pristine environment, where *all* people are safe, healthy and have equitable opportunities for success and happiness.

Values

We will be a city of…

Equity
Fair and just opportunities and outcomes for all people.

Safety
People feel safe and are safe.

Health
We are focused on the well-being of people and our environment.

Vitality
Minneapolis is a world class city, proud of its diversity and full of life with amenities and activities.

Connectedness
People are connected with their communities, are connected to all parts of the city and can influence government.

Growth
While preserving the city's character, more people and businesses lead to a growing and thriving economy.

We work by…

Innovating and being creative
New ideas drive continuous improvement.

Getting results
Our efficient, effective work meets measurable goals for today and tomorrow.

Engaging the community
All have a voice and are heard.

Valuing employees
Valued and supported employees take pride in public service.

Building public trust
All have access to services and information.
We work in an open, ethical and transparent manner.

Collaborating
We work better together as one team.
We value our partners, and they value us.

Goals and Strategic Directions

Living well
Minneapolis is safe and livable and has an active and connected way of life

- All neighborhoods are safe, healthy and uniquely inviting.
- High-quality, affordable housing choices exist for all ages, incomes and circumstances.
- Neighborhoods have amenities to meet daily needs and live a healthy life.
- High-quality and convenient transportation options connect every corner of the city.
- Residents and visitors have ample arts, cultural, entertainment and recreational opportunities.
- The city grows with density done well.

One Minneapolis
Disparities are eliminated so all Minneapolis residents can participate and prosper

- Racial inequities (including in housing, education, income and health) are addressed and eliminated.
- All people, regardless of circumstance, have opportunities for success at every stage of life.
- Equitable systems and policies lead to a high quality of life for all.
- All people have access to quality essentials, such as housing, education, food, child care and transportation.
- Residents are informed, see themselves represented in City government and have the opportunity to influence decision-making.

A hub of economic activity and innovation
Businesses – big and small – start, move, stay and grow here.

- Regulations, policies and programs are efficient and reliable while protecting the public's interests.
- The workforce is diverse, well-educated and equipped with in-demand skills.
- We support entrepreneurship while building on sector (such as arts, green, tourism, health, education and high-tech) strengths.
- We focus on areas of greatest need and seize promising opportunities.
- Infrastructure, public services and community assets support businesses and commerce.
- Strategies with our City and regional partners are aligned, leading to economic success.

Great places
Natural and built spaces work together and our environment is protected

- All Minneapolis residents, visitors and employees have a safe and healthy environment.
- We sustain resources for future generations by reducing consumption, minimizing waste and using less energy.
- The City restores and protects land, water, air and other natural resources.
- We manage and improve the city's infrastructure for current and future needs.
- Iconic, inviting streets, spaces and buildings create a sense of place.
- We welcome our growing and diversifying population with thoughtful planning and design.

A City that works
City government runs well and connects to the community it serves

- Decisions bring City values to life and put City goals into action.
- Engaged and talented employees reflect our community, have the resources they need to succeed and are empowered to improve our efficiency and effectiveness.
- Departments work seamlessly and strategically with each other and with the community.
- City operations are efficient, effective, results driven and customer focused.
- Transparency, accountability and ethics establish public trust.
- Responsible tax policy and sound financial management provide short-term stability and long-term fiscal health.

On March 28th, 2014 the Minneapolis City Council adopted the City's vision, values, goals and strategic directions that will guide the City's work for the next four years. City leaders set new goals every four years, resulting in clear priorities that provide long-term direction and clarify the core function of City government.

City of Minneapolis
2015 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.

February-March

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 2014, the elected officials and department leadership participated in sessions aimed at setting a future direction for the City within the financial parameters anticipated. As a result of the decisions arrived at in these sessions, a new vision, five-year goals, and strategic directions were adopted. These will be revisited next in 2018.

March

Preliminary prior 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 not available until 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 an annual basis. Finance and Property Services, Community Planning and Economic Development (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.

April–June

Operating budget development

Departments work in coordination with Finance and Property Services 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.

Capital Asset Request System (CARS) plan and budget development

Departments work in coordination with Finance and Property Services to prepare five-year plans for the replacement of smaller capital assets and operating capital. The plans are based upon the need for replacements and the addition of capital assets for operational effectiveness. Each request requires a justification and an estimate of the impact on operating budgets, as well as identification of funding sources.

June–August

Mayor's Recommended Budget

The 2015 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, and staff from the Coordinator's Office and Finance and Property Services 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 30 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.

September–November

City Council budget review and development

The City Council budget review and development process beings with a series of public hearings on the budget. Departments present their Mayor's Recommended Budget to the Ways and Means and Budget Sub-committees with all Councilmembers invited to attend. Following departmental budget hearings, the Ways and Means and Budget Subcommittees amend and move forward final budget recommendations to the full City Council. The Committee-recommended budget includes any and all changes that are made by the Committee to the Mayor's Recommended Budget.

Truth in Taxation

Truth in Taxation (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 TNT public hearings will be held. State law was changed in the 2009 legislative session to eliminate a separate TNT hearing. This requirement was replaced with a mandate to allow public comments at the meeting at which the final budget adoption occurs. The City Council has maintained this hearing however as part of the regularly scheduled budget meetings. According to State law, the meeting at which the budget is adopted must be held after 6:00 p.m., on a date after November 24.

December

City Council budget adoption

The City Council adopts a final budget that reflects any and all changes made by the full Council to the Mayor's Recommended Budget. Once the final budget resolutions are adopted, requests from departments for additional funds or positions made throughout the year are to be 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.

Financial/Business Decisions 2015 Budget Calendar

January	February	March
Elected Official Orientation	Citywide Strategic Planning (once every 4 years)	

April	May	June
Adoption of City's Goals and Strategic Directions	Departments prepare 2015 budget proposals	Departments work with Coordinator's office to review proposals Departmental meetings with Mayor on 2015 Budget, and

July	August	September
	Mayor presented recommended 2015 Budget and update to five-year financial direction	Council hearings on Mayor's recommended 2015 budget and updates to the five-year financial direction

October	November	December
Council hearings on Mayor's recommended 2015 budget and updates to the five-year financial direction		Adoption of 2015 budget and five-year financial direction

City of Minneapolis
2015 Budget
Integrating Key City Processes

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

The diagram following this narrative illustrates the linkages among these key City processes. By fully integrating strategic planning, business planning, budgeting and performance monitoring, Minneapolis is able to plan for the future and 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 March 2014, the Mayor and 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 (Minneapolis uses a four-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.

Annual Business Plan Updates and Priority Updates
The City develops a four-year business plan accompanied by annual updates following the adoption of the budget. The last long-term citywide strategic planning process was completed in 2014, with changes to or development of new goals and directions, followed by updates to departmental business plans. The current goals and strategic directions for departments are listed at the end of this section.

	Jan.	Feb	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
2014		Strategic Planning	City Goals Adopted	Departments Develop 4-year Business Plans								Budget Adoption
2015	Optional: Council Committee Workplan Development	Department Business Plan Update										Budget Adoption
2016	Optional: Council Committee Workplan Development	Department Business Plan Update										Budget Adoption
2017	Optional: Council Committee Workplan Development	Department Business Plan Update									Election	Budget Adoption

The Annual Budget Process

Minneapolis' annual budget process is the process in which 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 intended 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.

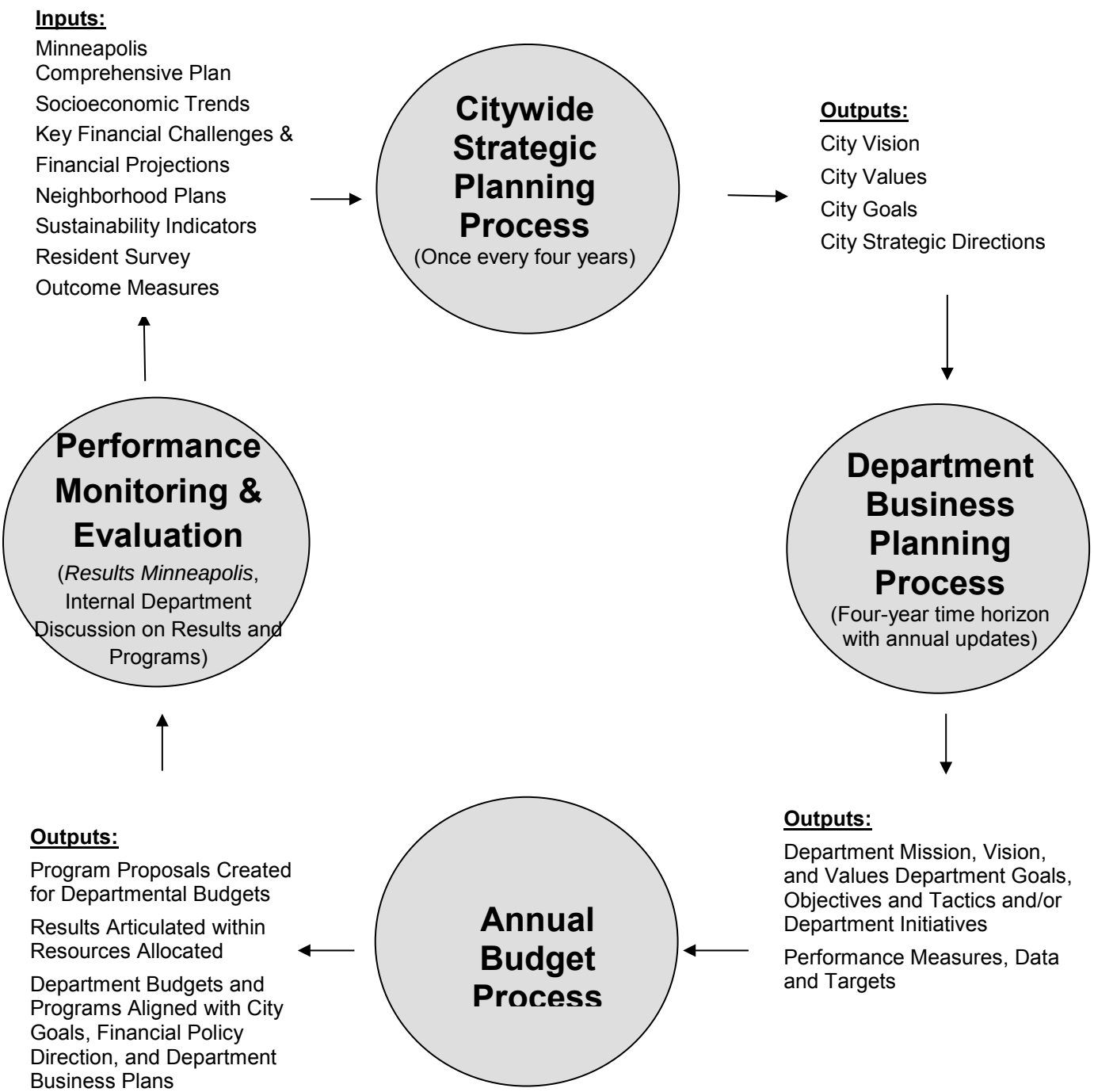
Performance Monitoring

Performance monitoring is the means we use to examine our progress toward both our City and department goals. A successful performance monitoring 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 monitoring effort whereby each City department presents before a panel at least annually to discuss progress on outcomes that it deems most important in its decision-making process.

Integrating Key City Processes



What is *Results Minneapolis*?
Results Minneapolis is a performance management and monitoring tool used by Minneapolis city leaders to monitor progress and offer strategic counsel toward achieving the City's adopted four-year goals and 20-year vision.

How *Results Minneapolis* is helping us meet our goals
Results Minneapolis has institutionalized Minneapolis as a results-focused, data-driven, and more transparent government. Monitoring performance helps City decision-makers 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.

Components of *Result Minneapolis*

- **Report**
  Each *Results Minneapolis* report focuses on a specific department or multi-departmental initiative. They are organized around business plan goals and include various performance measures ranging from department outputs to influence level and are accompanied by supporting narrative.
- **Progress conference**
  Conferences are held regularly with the following format::
    - Introduction (5 minutes)
    - Question and answer by review panel (40 minutes)
    - Department opportunity to present anything that was not discussed (10 minutes)
    - Final thoughts and big takeaways (5 minutes)

  Panel: The review panel is made up of the Mayor, home committee chair, City Coordinator, Deputy City Coordinator, other department heads, and, when appropriate, outside key stakeholders.
- **Public transparency**
  The *Results Minneapolis* reports can be found at- (www.minneapolismn.gov/results).

How *Results* measures are being utilized
Results Minneapolis measures can lead to continuous improvement of program performance, improved customer service, strengthened accountability, and empowered employees. Some of the other ways in which *Results Minneapolis* measures are used include:

- Business planning;
- Department budget proposals;
- Department budget presentations
- The budget book;
- Talking points (The State of the City, Budget Address, Press Conferences); and
- In presentations to outside entities.

City of Minneapolis
2015 Budget

Financial Policies

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City of Minneapolis
2015 Budget

Financial Management Policies

OPERATING BUDGET POLICIES

The objective of the operating budget policies is to ensure that sufficient information is available to decision makers to provide for adequate levels of funding for 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 [including Internal Service Funds]. 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 submitted as a part of the annual budget process.

- ***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. If the department cannot meet its obligations within their adopted budget, as identified in on-going cooperation with Finance and Property Services, they may seek budget amendments through requests to the City Council via the Ways & Means Committee.

  In the event that service levels are not able to be maintained with the current complement of budgeted FTEs as monitored and reported through the *Results Minneapolis* process and other mechanisms, departments may seek to temporarily expand staffing beyond the number of approved FTEs to meet business needs if the department has exhausted the potential to reallocate existing, vacant positions. To accomplish this, departments shall prepare a business case showing the targeted service level, the change in ability to meet the service level, reasons for the change in level of service required, the amount of additional staff resources necessary to meet services and a plan for reduction of staffing if or when the need for service declines. Budget impacts shall be monitored in cooperation with Finance and Property Services throughout the year.

- ***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.

- ***Internal Service Fund Charges***. Internal service funds' charges shall be fully allocated to the extent possible using approved allocation methodology. Charges allocated to General Fund departments shall be funded per the approved allocation model. Non-General Fund departments, including special revenue funds and enterprise funds, shall fully fund their allocated costs with fund revenues. Additional costs incurred by departments throughout the year shall be funded by the department with the understanding that the expenditures were either planned through the Capital Asset Request System (CARS) process or as part of the department's operating budget. Appropriation authority used in one year to enhance internal service fund-related costs will be reviewed on an annual basis for continued appropriation in the subsequent budget year, including both operating and CARS budgets. Subject to review by Finance and Property Services and the internal service fund staff, the additional cost and/or service may be funded through the cost recovery model in the subsequent budget year using the approved allocation methodology.

- ***Elected Official Budgets***. A year-end deficit of up to 25% will be allowed for each ward and the Mayor's office budget with the exception of the final year of their term (but not for two consecutive years). The deficit will be offset by a corresponding reduction in the Council Member or Mayor's office budget for the current year. If there are savings in a ward or Mayor's budget, these savings may be re-appropriated from one year to the next year, but cannot be re-appropriated following the final year of the term.

- ***Grant Funded Programs***. General governmental programs financed with grant awards may 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 may be substituted only after all competing program priorities are considered during the annual budget process. Grant programs that require an ongoing City funding commitment shall be specified at the time of grant acceptance and may be rejected on the basis that the City is unwilling or unable to provide continued funding.

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 determined to be meet these standards for accrual and budgeting 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 budgeted but interest on special assessments receivable is not 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 (OPEB) are not budgeted

and are considered expenditures at the time they are paid. 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. Long-term liabilities are recorded at full cost, including Compensated Absences and the actuarial accrued liability for Other Post-Employment Benefits.

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 legal levels of budgetary control within a fund, even though budgetary data may be presented at lower levels within the department. 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 activities lapse at year end. Encumbrances and other requests may be approved during the roll-over process after year end [See re-appropriation authority in the Authority of Finance Officer Section].

Purchase orders, certain contracts, and other commitments are recorded as encumbrances, which may 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 process.

Five-Year Financial Direction. City departments 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, as well as special revenues other than grant funds. This financial direction is based upon the City's shared revenue distribution policy which aligns the revenue growth of City departments and independent boards. The financial direction is updated annually with each budget release. City departments update their major financial projections prior to their final submission to the Mayor and Council.

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. Effects include such items as local match requirements, 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 approval and acceptance of grant funding shall determine the amount of additional City resources that will be required to fund any local match requirement, as well as the ongoing services, maintenance and operation costs, and positions once the grant funding expires. Those estimates shall be reported to the Finance and Property Services Department, as well as included as information when seeking Council approval for accepting and entering into the grant agreement. 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 with a citywide benefit shall be financed with revenue sources generated from a broad base, such as property taxes, state aids, and general fees. 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.

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

Shared Revenue Distribution. Subject to annual review as part of the budget process, 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 and decreases will be aligned with available resources, and the annual percentage change in revenues covered by this policy 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 may include, but are not limited to, closed pension obligations, 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 described to allow for maximum transparency and should be considered within the context of the impact on the overall organization and the ability to provide for such adjustments.

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 and availability of revenue. 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 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. Such adjustments will be reviewed and made subject to the annual budget process.

Local Sales Taxes. The City shall use the proceeds from local sales taxes dedicated by the State for municipal use as funding levels allow for the following purposes:

- 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.
- Other needs as determined by the City.

License, Permit and User Fees. The City may implement user charges to supplement general revenue sources for identified services where the costs are related to the service. The user charge may not exceed the cost of providing the service, although the City may recoup all associated and indirect costs, subject to limitations imposed by Statute, Charter or Ordinance. The City, at the direction of the City Council, may charge less than the cost of providing the service. Fee schedules shall be reviewed with Finance and Property Services and approved by the Council on an annual basis.

Cost of Service. The City shall establish user charges and fees at levels that reflect 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. The user fee may not exceed the cost of providing the service.

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 and provide for sufficient reserves as determined by fund policy.

Administrative Fees. The General Fund Overhead Allocation Model shall be used to recover General Fund costs attributed to all non-General Fund activities and to allocate costs to General Fund activities for the purpose of calculating indirect costs.

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

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:* The most common types of assessments are for infrastructure improvements and replacements such as sidewalks, street improvements, water and sewer line repairs (not including delinquent utility bills) and special service districts.
    - *Park Board:* The most common types of assessments are for tree removal, and parkway and sidewalk reconstruction, similar to Public Works Improvements.
- *Inspections and Code Enforcement:* The 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.
    - *Tax-Forfeited Properties: A portion of nuisance abatement special assessments under State statute may be cancelled for tax-forfeited properties.*
- *Unpaid Citations and Invoices:* The most common types are for unpaid administrative citations and utility bills, as well as abatement and service invoices associated with Inspections and Code Enforcement (above).
- *Special Districts*. Assessments may be collected for the purpose of funding special districts to the extent allowed by State statue, City Charter or Ordinance.

Method of Payment (Public Works and Park Board Improvement Assessments). Owners of benefiting properties shall have the option of paying their assessments all at once or in installments as part of their annual real estate taxes following the process outlined in MN Statutes 429.061 and Chapter 10 of the City Charter. 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 upon certification of the assessment based on current market interest rates. Interest rates shall be determined annually for the new projects to be assessed each year

based upon then current rates. The first installment shall be payable in the year following completion of the project and in the same manner as real estate taxes.

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%-75% of construction project costs depending upon the nature of the improvement project. 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).

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 funding deficiencies.

Method of Payment (Inspections, Code Enforcement and Unpaid Citations/Invoice Assessments). Owners of properties with unpaid citations and invoices shall have the amount of the outstanding balance certified to the County by December 15th of the year prior to collection following the process outlined in MN Statutes 429.101. The assessed amount shall be payable in the year following certification of the assessed amount and in the same manner as real estate taxes.

Proceeds from Sale of Real Property. City Ord. Sec. 14.120 requires proceeds from the sale of City property used for municipal operations 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 (FSAM) Committee with the exception of enterprise and proprietary funds and those funds and properties associated with development purposes. The City's Property Disposition Policy shall be reviewed and updated on a regular basis.

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 unrestricted fund balance in the General Fund equal to 17% of the following year's General Fund budgeted expenditures to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, to meet unexpected increases in service delivery costs or unexpected revenue shortfalls.

These funds are used to avoid cash flow interruptions, generate interest income, and to 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. Each year, 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 which may be aggregated by fund type to maintain a positive balance.

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 funds' annual operating budgets. This balance shall be maintained to ensure adequate maintenance reserves, operating cash flow balancing requirements, debt service 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 in a manner which charges current consumers to pay for future facilities, with exceptions made for those funds associated with economic development purposes***.*** Balances in excess of three months of operating expense may be utilized for capital purchases and replacements in lieu of debt financing if doing so allows for continued maintenance of appropriate balances and funding plans. Alternatively, surplus cash reserves may be used for early debt retirement. Financing decisions shall consider the impact on user rates.

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 claim reserves payable amount on its balance sheet, as defined by the independent actuary plus 10% of the annual department operating budgets within the fund. Net position 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 position shall not fall below two times the fund's annual depreciation amount.

- *Stores and Engineering Materials & Testing Funds* shall maintain cash and net position equal to 15% of the fund's annual operating budget.

Use of Fund Balances. Fund balance is the accumulation of prior years' excess or deficit of all revenues and expense. In the case of proprietary funds, this is termed unrestricted net position. For the purposes of the budget, revenue and expense activity includes 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 fiscal year end as required by the Office of the Minnesota State Auditor. The CAFR shall be published on the City's website.

INVESTMENT POLICIES

Investment Policy and Strategy. It is the policy of the City that the administration of its funds and the investment of those funds shall be regarded as its highest public trust. The Investment Policy of the City defines the parameters within which funds are invested. The policy establishes the framework for the City's investment program to ensure effective and judicious investment of the City's funds. The Policy is intended to be broad enough to allow investment officer(s) to function properly within the parameters of responsibility and authority, flexible enough to address changing market conditions, and specific enough to safeguard investment assets. The receipt of a market rate of return is secondary to the requirements for safety and liquidity. The earnings from investments are used in a manner that best serves the interests of the City and its various specialized funds.

The complete current Investment Policy and Strategy, approved by the City Council is available at: http://www.ci.minneapolis.mn.us/www/groups/public/@finance/documents/webcontent/wcms1p-128032.pdf

DEVELOPMENT FINANCE POLICIES

The objective of the development finance policies is to provide guidance for public assistance to community development efforts in a manner that balances costs against benefits. To the greatest extent possible, all development activities are 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 must offset any negative balance in a TI fund.

Development Project Funding Allocations and Reappropriation. Beginning in 2014, appropriations for those development projects and program allocations, which by the end of four years including the appropriation year, have not moved forward toward implementation as indicated by a minimum of 75% of appropriation expended on tangible project activities are subject to expiration (i.e. unspent 2014 appropriation expires in 2018).

The mechanism for tracking appropriations for multi-year projects shall be an annual report to the Community Development/Regulatory Services, and Ways & Means Committees.

The annual development project and program status report shall contain the following information by individual project or program:

1) Brief description
2) Year of original appropriation
3) Annual appropriation for most recent completed fiscal year;
4) Annual expenditures for most recent completed fiscal year;
5) Total outstanding encumbrances and Council commitments as of the most recently completed fiscal year end;
6) The unexpended and unobligated appropriation balance;

The 2015 report shall include 2014 information and will expand to include subsequent fiscal years in the future years. The 2018 report [with 2014-2017 information] shall identify those development projects and programs whose expenditures in the first year, i.e. 2014, did not meet the 75% of appropriation spending threshold as defined above, and therefore will be subject to having the unspent portion of the 2014 appropriation expire and available for reprogramming, subject to review by the City Council.

PUBLIC PARTICIPATION POLICIES

Consistent with adopted City goals and values, the objective of the Department's 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 budget reports are available on the City's web site and in the Finance & Property Services Department offices in Room 325M City Hall.

Financial Reports. Information regarding the City budget and, financial statements shall be available to residents in various formats and, upon request, translation assistance is available via the City's Neighborhood and Community Relations Department.

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. The Mayor's recommended budget is available on the City's web site for review shortly after its release in mid-August each year. All City Council budget meetings in the fall are public and advertised as part of the normal Council Committee process. City stakeholders are encouraged to communicate any concerns related to the budget to the Mayor's Office, and to their Council Member.

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 cost recovery.
- To support activities and services of departments which are funded by the General Fund and provide services to other departments which are supported by other fund types.
- Provide for a mechanism to calculate the total cost of service when determining user fees and charges.

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.
- Costs shall be allocated to the fullest extent possible. When feasible, costs deemed non-allocable (for example, un-utilized space in leased facilities) shall be allocated to a non-department specific cost center in the General Fund to maintain the level of funding needed in the Internal Service Fund.

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 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 overhead 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 are based upon standard practices for allocating costs. The method and procedure to calculate the prorated costs and collection of the charge are finalized and communicated to the Independent Boards by December 31 of each year in accordance with the City's revenue policies.

Fleet Services Division (Equipment Services Fund).

Fleet Defined

For the purposes of this document "Fleet Units" or "Units" will be used when referring to the following: City's vehicles, on road and off road equipment, mobile equipment, rolling stock, trailers, boats, and associated components / attachments.

Fleet Acquisitions

1. All Fleet units shall be purchased through and maintained by the Fleet Services Division ("FSD"). Exceptions may be granted on a case by case basis by the Director of Public Works or the City Coordinator or designee.
2. The benefitting department shall request, through the CARS process, funding for additional units or the underfunded portions of replacement units.
    - i. The purchase of a Fleet unit may be funded from a number of different sources including but not limited to: accumulation in the Fleet replacement fund, net debt bonds, General Fund appropriation, fund balance in enterprise or internal service funds, State or Federal capital grants.
    - ii. All funds, including State and Federal capital grant money, that are to be used for the purchase of Fleet units will be paid or contributed to the FSD Fund upon initial purchase of the Fleet unit.
    - iii. The funding for the purchase of a replacement unit includes the replacement amount accumulated through the Fleet Services Division rental fee for the specific unit with any shortfalls funded by the using department through the CARS program or operating appropriation.
3. Unless purchased for specific closed ended projects, all units are assumed to be replaced at a later date in accordance with the replacement plan established by FSD.
    - i. Exceptions may be granted on a case by case basis by the Director of Public Works or the City Coordinator or designee, if it is determined that an enterprise fund or internal service fund unit will either not be replaced in the future or will be replaced on a pay-as-you-go basis using fund balance. The enterprise or internal service department, in cooperation with the Finance and Property Services Department, must be able to substantiate that funding will be available at the time of replacement. The benefitting department will need to include in its operating budget the ongoing charges for the FSD administrative costs for each item.
    - ii. FSD will establish a monthly replacement/rental fee for the replacement of that unit with a similar unit.
    - iii. The benefitting department must include <u>in its annual budget</u> the total rental fee due to Fleet Services for the units for that budget year.
    - iv. The rental fee will be charged monthly to the department's budget through the City of Minneapolis Fleet Management system and accounting system. Cost recovery schedules are available from FSD.
    - v. The rental fee for each unit includes depreciation, an inflationary factor, and administrative charges.
    - vi. The City of Minneapolis is self-insured and any claims or tickets against the City will be charged to the benefitting department.
    - vii. All other charges associated with the unit will be charged to the benefitting department.

ADMINISTRATIVE POLICIES

Quarterly and Year-End Reporting. The Finance and Property Services Department will report to the Ways and Means Committee quarterly and at 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 projected expenditures in excess of authorized appropriations and/or revenues projected to be less than budgeted amounts.

Departments with unanticipated or projected year-end actual expenses in excess of authorized appropriations and/or revenues less than budgeted amounts will report to the Ways & Means Committee each quarter for the year following the year of overspending or under-collection of revenues, beginning with the first committee meeting in April. This report should include information on 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 work with Finance and Property Services to present a plan that reduces spending to meet authorized appropriations or otherwise addresses the deficit.

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 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. Departments shall work with the Information Technology (IT) Department and Finance and Property Services to ensure those costs are identified and included in the contract for technology services. Departments shall also work with IT to jointly determine the appropriateness of the purpose for the City's technology planning. Operating costs of department-specific technology will be allocated to that department. Technology for use across the City or in support of citywide operations shall be allocated citywide.

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 and Property Services Department shall submit a quarterly gift report to the City Council's Ways and Means Committee for approval.

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

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

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

***Approval of Payments and Procurements*.** All payments for 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. Additional procurement policies and procedures are available for reference at: http://www.ci.minneapolis.mn.us/finance/procurement/WCMS1Q-003577.

Accounts Receivable Collections Policy. Services provided in advance of payment are recorded as accounts receivable. Invoices must be created and recorded as receivables as soon as possible after a billing cycle ends or service is provided. Collections of receivables are managed according to type and age. Collection methods may include the use of collection agencies, cancellation of service and assessment of unpaid amounts to real estate property taxes. Installment arrangements may be utilized to facilitate collections. Receivables that are in dispute or are determined to be uncollectible will be processed in accordance with Minneapolis City Ordinance 509.920 or the City's Write-off Policy depending on the receivable type. All efforts to collect or resolve an outstanding receivable must be done in accordance with Federal Regulations, State Statute and Minneapolis City Ordinance or Charter. Write-offs for delinquent billings shall be managed using the allowance for doubtful accounts methodology rather than the direct write-off method.

PCI Information Security Policy. This policy has been created to ensure compliance with the Payment Card Industry Data Security Standard ("PCI DSS"). The data that resides at and is transmitted from the City of Minneapolis merchant locations includes cardholder data as defined by the Payment Card Industry Security Standards Council. Due to the value of cardholder data and contractual requirements of processing credit cards it is a high priority for the City of Minneapolis to protect such data and maintain compliance with the Payment Card Industry Data Security Standard.

Central Requisitions and Receiving Policy. The City has developed a Central Requisitions and Receiving process for the purpose of improving and strengthening practices relating to the procurement of goods and services as outlined on the City's Finance & Property Services Department internal website (accessible only to City staff). http://citytalk/finance/central/index.htm

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 following authorities:

- To make temporary loans between funds to cover any cash deficits at the end of each fiscal year.
- To adjust appropriations in any fund to facilitate transfers for debt service and to make all appropriate transfers and payments relating to debt service and the administration thereof.
- 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 the necessary adjustments in Subrogation 3rd party claims, to take the necessary action to increase 3rd party payments and decrease write-offs to the City.
- To make any necessary appropriation adjustments to allow departments to receive and spend funds consistent with Council-approved actions.
- To provide oversight of related-party or sub-recipient transactions using City or pass-through funds to insure compliance with applicable rules and regulations.
- To review and approve any and all transfers of eligible revenues into and out of 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 and/or any subsequent City Council action.
- 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.
- 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 and not a recurring budget item;
3) Have a purpose consistent with the department's business plan and included as part of the department's planned expenditures for the year;
4) Have the budget year appropriation balance available for the encumbered item; and
5) Have a positive fund financial position

CDBG REPROGRAMMING POLICIES

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 over four years old,
4) Program income.

Administrative Allocations. The intent of the reprogramming policy 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 do 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 may 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.

Program Income. Program income not obligated existing contracts 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. The CIP includes City infrastructure, but does not include capital planning for major City facilities, including the Minneapolis Convention Center or Target Center.

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 Asset Request System (CARS). In addition to physical assets narrowly defined as infrastructure, the City needs to maintain and replace capital equipment such as fleet and rolling stack, software, personal protective equipment and other depreciable assets that are generally not large enough or of the asset nature to fund through the City's CIP process. To plan for these needs, the City has implemented a five-year planning process to identify needs associated with operating capital, including software as well as the aforementioned items. The five-year plan shall be updated and maintained on an annual basis to capture changes in equipment and funding needs. Whenever possible, the City shall utilize external resources, but recognize replacement costs associated with externally funded equipment. External resources received after funding has been appropriated shall replace funding for the department and not expand spending to the extent that the external revenue does not allow supplanting. Funding shortfalls in Internal Service Funds in the first year of the plan may be funded by General Fund fund balance with the expectation that recognized shortfalls in subsequent years will be funded through the approved rate models. Technology-related CARS requests shall be submitted cooperatively between the user department and Information Technology to insure that the additional technology is consistent with the City's longer-term technology plan.

CAPITAL PROJECT ADMINISTRATION

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

Re-appropriation of Capital Projects. Capital project appropriations automatically roll over from year to year for ongoing or incomplete projects. Appropriations associated with the CARS program shall only roll-over if meeting the roll-over criteria for operations. 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. Exceptions for large multi-year standalone enterprise projects will be made on a case by case basis with the approval of the Finance Officer. 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 after a maximum of four years following 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 Committee and is approved by the City Council.

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 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. The City shall designate a Municipal Advisor for each bond sale.

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 actively participates in conduit business financings. Applications for financing and development proposals are reviewed by City staff to determine if they meet program objectives as determined by City Council financing guidelines and whether the proposal is financially feasible. As part of the application process, City staff will complete a due diligence process and project vetting procedure per established guidelines. Items reviewed during due diligence reviews may include, but are not limited to, narrative on the company and owners, past three years of financial statements, personal financial statements, tenant and lease data, market feasibility studies, business plans, budget projections, 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 stormwater and sanitary sewers, waterworks, solid waste and parking ramps, as well as select other projects, including those financed through the collection of special assessments. 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.

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.

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 may 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.

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

Post Issuance Compliance Policy. The City of Minneapolis adopted a formal Post-Issuance Compliance Procedure and Policy for Tax Exempt Governmental Bonds 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/wcms1 p-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 Finance and Property Services. 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
Solid Waste & Recycling Services	Solid Waste 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 Committee and the Board of Estimate and Taxation.

City of Minneapolis
2015 Budget

Financial Plans

The section that follows contains 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 2016-2020 ..... E2

Demands on the Property Tax: 10 Year Projection E8

Special Revenue Funds

Convention Center Special Revenue Fund E11

Arena Reserve Fund E16

Community Planning and Economic Development Fund E19

Neighborhood and Community Relations E23

Regulatory Services E25

Enterprise Funds

Municipal Parking Fund E27

Solid Waste and Recycling Fund E32

Sanitary Sewer Fund E36

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Water Fund E45

Internal Service Funds

Public Works Stores Fund E51

Engineering Materials and Testing Fund E54

Intergovernmental Services Fund E58

Fleet Services Fund E64

Property Services Fund E68

Self-Insurance Fund E72

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Five-year Financial Direction 2016-2020
(Including information on the City's General Fund)

Introduction

The Five-year Financial Direction reflects the City's ongoing commitment to long-term financial planning. The purpose of recommending a 2016-2020 financial direction is to provide guidance for decision making on available planned resources in the City's General Fund.

The financial direction provides projections for property tax supported services, including the City's General Fund, pensions, capital and debt.

General Fund

The General Fund is the general operating fund of the City and is the primary funding source for public safety, street paving, snow plowing and other general government services. In 2015, the General Fund expenses and revenues, including use of fund balance is $463 million.

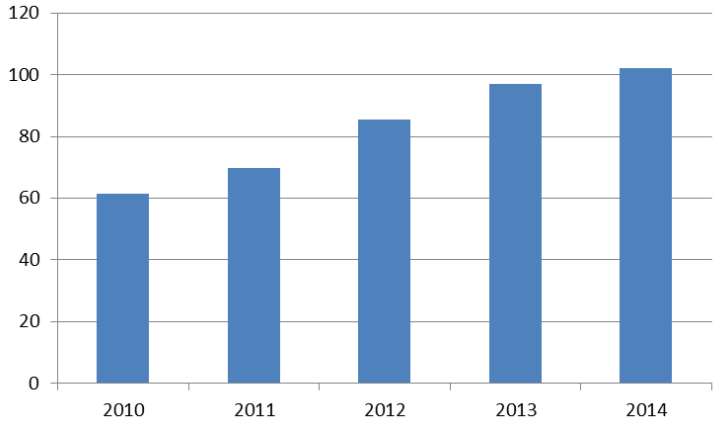
Historical Financial Performance

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 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 unrestricted fund balance of 17 percent of the following year's budgeted expenditures 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 shortfalls.

The General Fund began 2014 with a fund balance of $97 million. The 2014 year-end fund balance in the General Fund as of December 2014 is expected to be $102 million, which is above the stated fund balance requirement of 17 percent of the following year's expenditure budget.

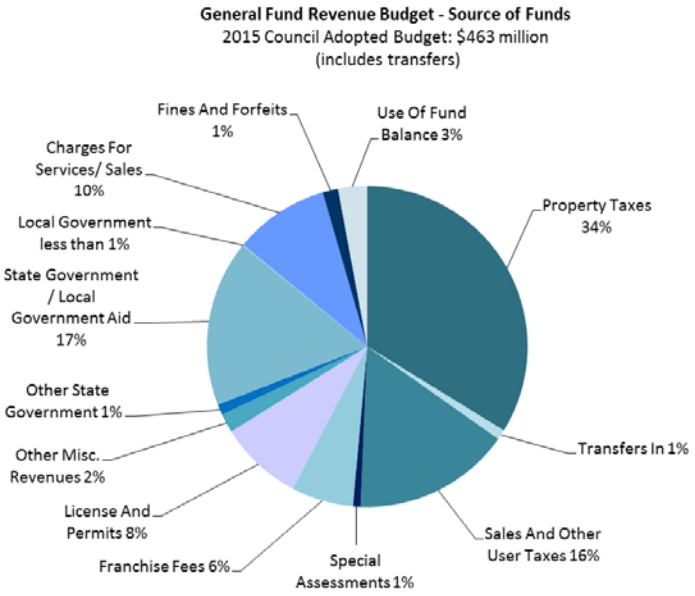
Fund Balance
(in millions of dollars)

Include projection



2015 General Fund Revenue Budget

The 2015 Council Adopted budget includes a total of $463 million of revenues for services incorporated in the financial direction, including transfers from other funds and use of fund balance. Budgeted revenues are expected to decrease by 0.6 percent from the 2014 budget from a combination of property taxes and fines and forfeits declining. The reduction would have been greater if not for the increases in local sales and other user taxes, local government aid and other non-tax revenues.



Revenue Source	2013 Actual	2014 Adopted	2015 Adopted	% Chg from 2014 Adopted	2014 Adopted % of Total	2015 Adopted % of Total
Property Tax	175.5	159.5	156.5	-1.9%	34.2%	33.8%
Sales and Other User Taxes	13.1	72.2	73.6	100.0%	15.5%	15.9%
Franchise Fees	29.6	26.9	29.0	7.7%	5.8%	6.3%
Licenses and Permits	39.2	36.3	39.0	7.4%	7.8%	8.4%
State Government /Local Government Aid	69.8	76.1	77.4	1.7%	16.3%	16.7%
Other State Government		4.7	5.0	6.4%	1.0%	1.1%
Charges for Services / Sales	42.4	44.0	44.3	0.7%	9.4%	9.6%
Local Government	0.7	0.5	0.7	39.8%	0.1%	0.2%
Special Assessments	3.5	3.3	3.6	8.2%	0.7%	0.8%
Fines and Forfeits	7.7	7.9	7.2	-8.2%	1.7%	1.6%
Transfers In	13.9	2.3	4.7	101.5%	0.5%	1.0%
Use of Fund Balance		24.6	13.5	-45.0%	5.3%	2.9%
Misc. Revenues	1.0	8.0	9.0	11.9%	1.7%	1.9%
Total	396.4	466.3	463.5	-0.6%	100.0%	100.0%

State Aids (including Local Government Aid):
The City's local government aid (LGA) allocation in 2015 is certified at $77.4 million. This is based on legislative actions during the 2014 session and reflects an increase of $1 million over the 2014 allocation.

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

- The franchise agreement with Xcel Energy for electricity requires payment of 5 percent of gross revenues for residential service customers, 3 percent of gross revenues for commercial and industrial customers, and 5 percent of gross revenues on small commercial and industrial customers. The residential rate dropped to 4.5 percent of gross revenues beginning in January 2014. This franchise agreement expires on December 31, 2014. For

2015, the City is anticipating $18 million in revenues from newly-negotiated agreement beginning in January 2015.

- The franchise agreement with Center Point Energy requires payment of 4.25 percent of gross revenues for residential buildings with four units or less, 5 percent for small commercial/industrial or interruptible customers, and 3 percent for large-volume interruptible customers. This franchise agreement expires on December 31, 2015. For 2015, the City is anticipating $7.5 million in revenues from the final year of this franchise agreement.

- The City anticipates $3.5 million in revenue from the cable franchise in 2015.

In total, the 2015 budget anticipates franchise fee revenue to be $29 million.

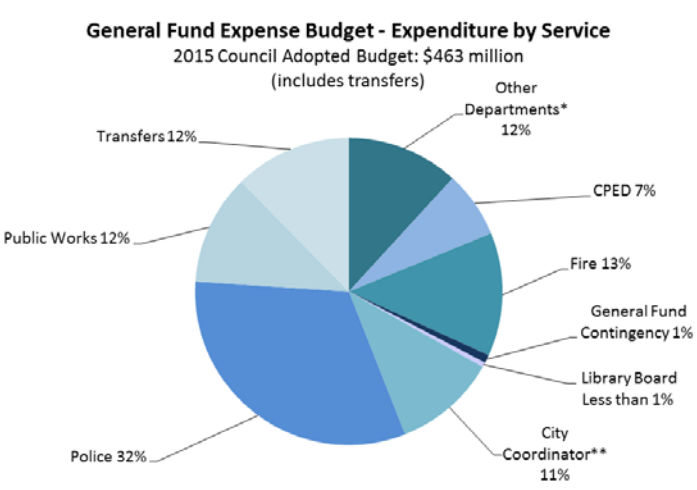
Licenses and Permits: are issued by the City for a wide variety of regulated activities. Building permits and business licenses are a major component of this revenue category. The 2015 budget anticipates a 7.4 percent increase in licenses and permit revenue, reflecting continued growth in these revenues.

Fines and Forfeiture*: (*traffic fines, administrative citations, and forfeitures related to certain state and federal crimes) Citywide collections from are anticipated to decline by 8.2 percent in 2015, continuing a recent trend, generally due to fewer citations being issued.

2015 General Fund Expenditure Budget

The 2015 recommended budget for City services included in the financial direction is $463 million, which includes $57.2 million in transfers to other funds.

Approximately 60% of the overall expenditure budget is related to salaries and benefits. In the General Fund, salary and wage expenditures increased from $191.1 million in 2014 to $196.8 million in 2015. The salary and wages expense category also includes overtime costs, contractually-obligated payments, and one-time funding for positions that are not permanent.



The General Fund provides funding in some shape or form for most City functions. A breakdown of the allocation of the $463 million in the 2015 General Fund budget is reflected in the chart to your right.

* Other Departments: Assessor, Attorney, Council/Clerk/Elections, Civil Rights, Internal Audit, and Mayor
** Coordinator: 311, 911, Emergency Management, IT, Communications, Finance and Property Services, Intergovernmental Relations, Neighborhood and Community Relations

Five-Year Financial Direction

The Five-year Financial Direction includes a tax policy of 2.1 percent increase for 2015, 4.4 percent in 2016, 2.9 percent in 2017, 2.7 percent in 2018, 3 percent in 2019 and 3.2 percent in 2020. These percentages reflect statutorily-required costs and provide for a current service level cost escalator for departments and support services.

The 2015 budget is the basis for future projections: In other words, services and activities included in the 2015 budget provide the starting point for the 2016-2020 department budget estimates. One-time 2015 supplemental items are removed from department budgets in 2016 and beyond.

The financial direction from 2016 to 2020 contains updates to departmental resources: The financial direction includes the most updated assumptions about contract settlements and other commitments, as well as projected changes in revenue.

Salary Assumption -- The City adopted a compensation philosophy in 2007, rather than a specific salary policy. It is anticipated 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 the 2014 budget, the amount of property tax supported resources for capital improvements was expanded from the previous five-year plan to respond to critical infrastructure needs. For 2015 and future years, the intent is to sustain this higher level of property tax supported (net debt bond) funding to continue progress toward an enhanced level of infrastructure improvements. There is a large backlog of infrastructure needs that still must be addressed and the current emphasis for these funds is primarily on improving street paving and bike, pedestrian, and traffic safety improvements.

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 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 as well as growth in non-property tax revenues.

Funding for pension liabilities: The annual property tax levy that is required to support closed pension fund-related obligations is $27.3 million in 2015 and will remain near that level through 2031. The five-year financial direction includes obligations for three closed pension funds that are merged into the statewide retirement system, the Public Employees Retirement Association (PERA) of Minnesota. Those former closed funds are the Minneapolis Police Relief Association (MPRA), the Minneapolis Firefighters' Relief Association (MFRA), and the Minneapolis Employees Retirement Fund (MERF). All three funds are now administered by PERA. The City has ongoing obligations funded from within departmental budgets to support PERA contributions for current employees' retirement plans.

Change in Contingency for Adverse Circumstances

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

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

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

- *Property taxes:* Future projections plan on property tax increases to support future services. Reducing the growth in property taxes in the face of additional budget needs will require the City to continue monitoring other revenue sources and expenditures.

- *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 challenges related to the ability to keep up with increased workloads across the enterprise while mitigating the impact on property tax payers.

- *Aging Facilities and Infrastructure:* The City is responsible for facilities and infrastructure that is not contemplated in its existing capital processes. As these facilities need major repairs and maintenance, there will be a need to recognize large out-year commitments to fund these projects.

Assumptions for 2015-2020

- The tax policy for 2015-2020 is as follows: 2.1 percent in 2015; 4.4 percent in 2016, 2.9 percent in 2017, 2.7 percent in 2018, 3 percent in 2019 and 3.2 percent in 2020. These changes reflect statutorily-required cost adjustments and provide for current service level cost escalator for departments.
- Out-year projections will be adjusted over time as new information becomes available.
- Contingency increased to provide cushion for uncertainty related to seasonal and economic conditions proportional to overall anticipated budget increases.
- Health insurance is assumed to be flat in 2015 and increase by 5 percent through 2020.
- Revenues in the General Fund are assumed to increase by 3.0 percent annually. Expenditures for the cost allocation model for internal City departments and the government service fee also include cost escalators.
- Full funding of internal service fund debts is included.
- Local tax revenue is recorded as direct revenue into the General Fund.

Five Year Financial Direction

	2015	2016	2017	2018	2019	2020
Uses:						
General Fund Base Cost	398,878,775	411,070,000	427,416,000	439,286,000	453,986,000	469,686,000
General Fund One-times	13,521,347	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
General Fund Commitments	51,081,669	53,451,000	53,605,000	54,735,000	55,035,000	55,335,000
Total Uses	463,481,791	474,521,000	491,021,000	504,021,000	519,021,000	535,021,000
Sources:						
Non-Property Tax Resources General Fund	296,031,444	300,500,000	310,000,000	317,000,000	325,000,000	333,000,000
Use of Fund Balance	13,521,347	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Property Tax Resources General Fund	153,929,000	164,021,000	171,021,000	177,021,000	184,021,000	192,021,000
Total Sources	463,481,791	474,521,000	491,021,000	504,021,000	519,021,000	535,021,000

Property Tax	**2014**	**2015**	**% chg**		**2016**	**2017**	**2018**	**2019**	**2020**
General Fund	157,103,000	153,929,000	-2.02%	===>>	164,021,000	171,021,000	177,021,000	184,021,000	192,021,000
Minneapolis Park Board	49,627,000	52,035,000	4.85%		53,600,000	55,200,000	56,900,000	58,600,000	60,500,000
Bond Redemption	29,300,000	35,900,000	22.53%		37,800,000	37,800,000	38,300,000	38,800,000	38,800,000
Housing and Redevelopment Authority	1,021,000	1,021,000	0.00%						
Permanent Improvement	1,000,000	1,000,000	0.00%		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Pensions	27,310,000	27,310,000	0.00%		27,310,000	27,310,000	27,310,000	27,310,000	27,310,000
Municipal Building Commission	4,594,000	4,675,000	1.76%		4,800,000	5,000,000	5,100,000	5,300,000	5,500,000
Board of Estimate and Taxation	170,000	160,000	-5.88%		170,000	170,000	170,000	170,000	170,000
Teacher's Retirement Association	2,300,000	2,300,000	0.00%		2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Library Debt Service	9,300,000	9,300,000	0.00%		9,300,000	9,300,000	9,300,000	9,300,000	9,300,000
Total	281,725,000	287,630,000	2.10%		300,301,000	309,101,000	317,401,000	326,801,000	336,901,000
	Percentage Change from Prior Year				4.4%	2.9%	2.7%	3.0%	3.1%

City of Minneapolis
2015 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 illuminate 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 Program 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.

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.
- Health insurance cost growth is flat for 2015 with 5 percent increases in 2016-2020.
- Non-personnel increases are assumed to be 3.5 percent each year.
- Revenues are expected to increase by 3 percent annually.
- Commitments relating to 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 a result of increasing the base Net Debt Bond (NDB) program for enhanced infrastructure improvements over the last few years, the bond redemption levy will continue to show increases for 2015 through 2020 to support the additional debt service to be incurred, with the most significant increase in 2015. These increases are possible due to significantly lower internal service fund subsidies in 2015 and lower overall debt service due to the retirement of all pension bonds in 2012.
- The base NDB funding levels were increased for the 2012 – 2016 capital program by $56.57 million from $93.43 to $150.00 million. The 2015 – 2019 capital program continues this higher base level of NDB funding to continue significant improvements to the City's infrastructure. This capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, pedestrian and bikeway connections, safety and lighting improvements, traffic safety and signage improvements

and bridge improvements. These additional resources are combined with municipal state aid, special assessments and grant funds.

- The current NDB assumptions for the years 2020 through 2025 include increasing capacity by $1 million each year from $31 million in 2020 to $36 million by 2025.

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

Property Tax	2014	Current Budget Year 2015	% Chg		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund	157,124,000	153,929,000	-2.03%	===>>>	164,021,000	171,021,000	177,021,000	184,021,000	192,021,000	199,800,000	207,600,000	215,900,000	224,500,000	233,600,000
Minneapolis Park Board	49,627,000	52,035,000	4.85%		53,600,000	55,200,000	56,900,000	58,600,000	60,500,000	62,300,000	64,200,000	66,200,000	68,200,000	70,300,000
Debt	29,300,000	35,900,000	22.53%		37,800,000	37,800,000	38,300,000	38,800,000	39,000,000	39,000,000	39,200,000	39,400,000	39,600,000	39,800,000
Housing and Redevelopment Authority	1,000,000	1,021,000	2.10%											
Permanent Improvement	1,000,000	1,000,000	0.00%		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Pensions	27,310,000	27,310,000	0.00%		27,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000
Municipal Building Commission	4,594,000	4,675,000	1.76%		4,800,000	5,000,000	5,100,000	5,300,000	5,500,000	5,700,000	5,900,000	6,100,000	6,300,000	6,500,000
Board of Estimate and Taxation	170,000	160,000	-5.88%		170,000	170,000	170,000	175,000	180,000	185,000	190,000	195,000	200,000	206,000
Teacher's Retirement Association	2,300,000	2,300,000	0.00%		2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Library Debt Service	9,300,000	9,300,000	0.00%		9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000
Total Property Tax	281,725,000	287,630,000	2.10%		300,301,000	309,101,000	317,401,000	326,806,000	337,111,000	346,895,000	357,000,000	367,705,000	378,710,000	390,316,000
% Change Property Tax					4.4%	2.9%	2.7%	3.0%	3.2%	2.9%	2.9%	3.0%	3.0%	3.1%

City of Minneapolis
FY 2015 Budget
Financial Plan

Convention Center Special Revenue Fund

Background

The Convention Center Special Revenue Fund is used to account for the maintenance, operation and marketing of the City-owned Convention Center and related facilities. The Convention Center Operates as a department of the City of Minneapolis and receives a subsidy from the General Fund from the hospitality taxes generated in the City. The Convention Center was created to foster and generate economic growth and vitality by providing facilities and services for conventions, trade shows, exhibits, and meetings, 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 2013 fund balance for the Convention Center Special Revenue Fund was $60.1 million, an increase of $6.9 million from 2012. The cash balance in the fund grew by approximately $10.5 million. In addition, the Convention Center Facilities Reserve Fund had a 2013 year-end fund balance of nearly $5.4 million. The 2013 increase in the Convention Center fund balance can be largely attributed to an increase in operating and local hospitality tax revenue, coupled with lower debt service payments for the building and parking fund.

For 2013, the operating deficit (operating revenue less operating expenses) dropped to $(7.6) million from $(8.2) million in 2012.

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 is 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 2013, total operating revenue was $16.2 million, which was an increase of nearly $1.2 million from 2012 and $1.5 million over the 2013 budget.

2014 Projections

Operating revenue is currently projected to come in at approximately $16.5 million, which is $251,000 over the 2013 all-time record results. With operating expenses are projected to be $25.9 million, the operating deficit is projected to be $(9.4) million. The ongoing management of operating expenses includes a variety of cost containment activities:

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

Capital investments for equipment, maintenance and improvements are projected at $14.5 million which includes nearly a $5.4 million rollover for obligated, but unspent funds.

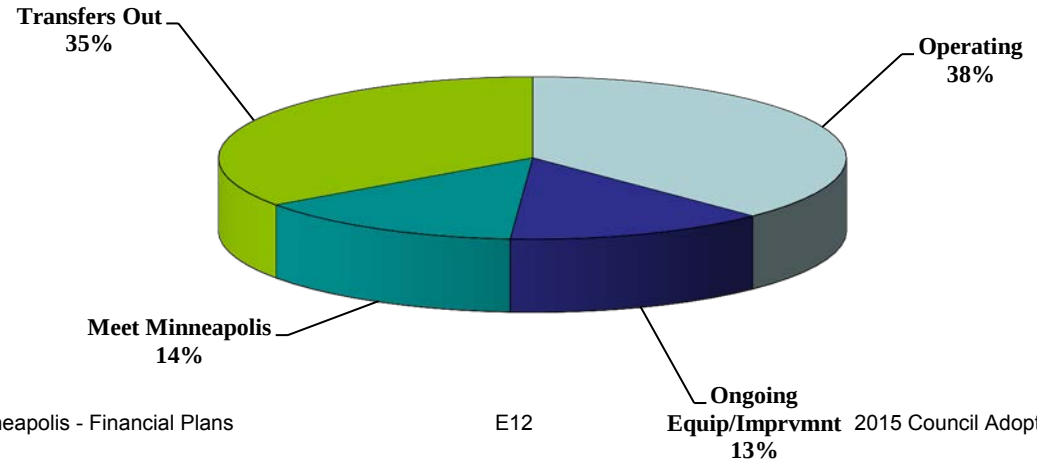
City funding of Meet Minneapolis is projected to be approximately $9.5 million, $125,000 under budget and approximately $694,000 above 2013. Meet Minneapolis is projected to finish $125,000 under budget as a result of receiving $375,000 of their $500,000 budgeted incentive.

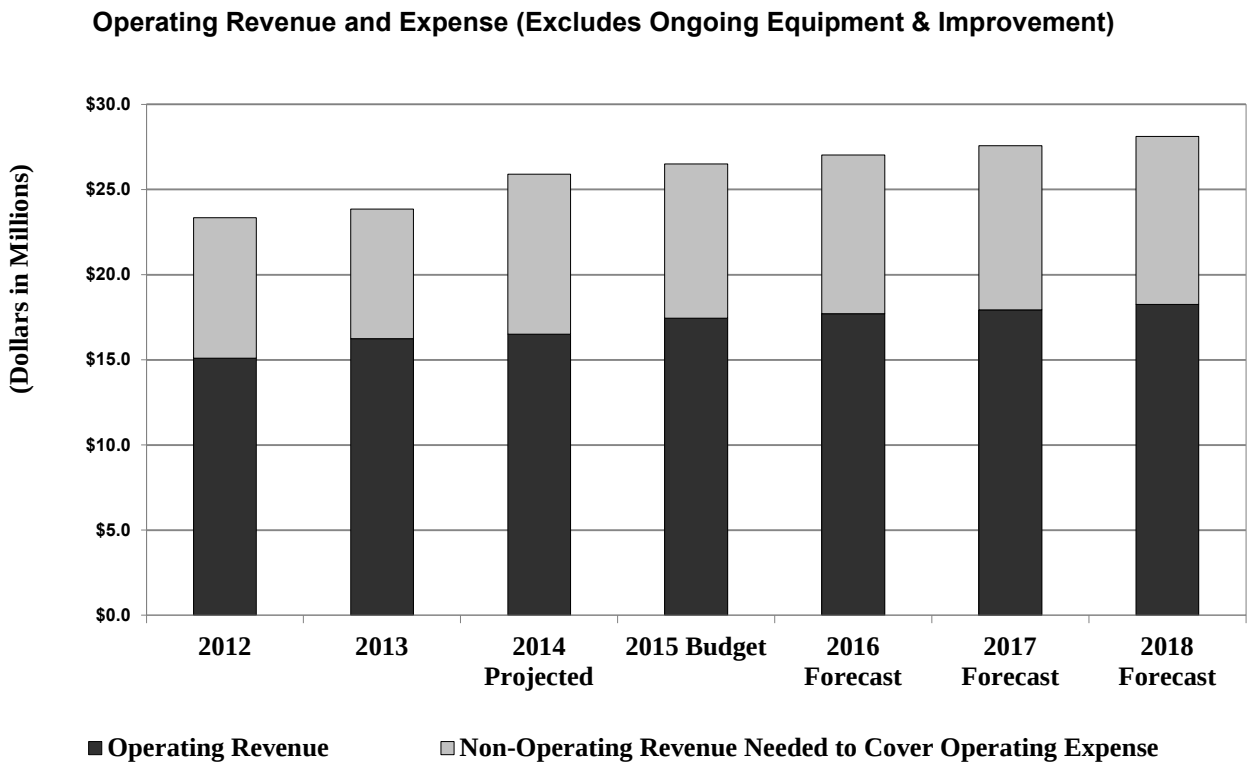
Local Sales Tax Revenue
Beginning in 2014, local tax revenue credited directly to the General Fund, and the General Fund is transferring funds to the Convention Center to fund Convention Center operating and non-operating expenditures.

2015 Budget
Operating Revenues
The 2015 revenues for the Convention Center have been adjusted to reflect the actual historical receipts and anticipated event activity. Total operating revenue for 2015 is expected to be $17.4 million which is an increase of $947,000 over the most recent 2014 projection. The Convention Center continues to discount rents heavily to compete nationally. Operational changes made in 2012 are showing positive results, particularly with increases in sales of services and equipment, while also reducing overall labor costs. Meet Minneapolis sales and marketing initiatives include new digital advertising, as well as a new print advertising campaign for the Convention Center along with continued efforts to bring people downtown with events such as the Creative City Challenge and the Balancing Ground display on the plaza. Although the economy is rebounding, the convention and meeting industry continues to face challenges in controlling costs as centers discount heavily to remain competitive.

Expenditures
Operating expenses are budgeted at $26.5 million, up approximately $600,000 from the projected $25.9 million in 2014. At this level, the operating deficit is budgeted to be approximately $(9.1) million. The budget for Meet Minneapolis is $9.9 million; up $419,000 thousand from projected 2014. This increase supports several new initiatives including Sports Minneapolis, an expanded welcome program, a new visitor information center, awareness building and the Convention Support Fund. Capital investments for 2015 are budgeted at $9.5 million, per the long-term capital plan previously adopted by the City Council.

Use of Funds
($70.4 million)





Cash/Fund Balance
Beginning in 2015, the Facility Reserve Fund cash and fund balance of $5.4 million are being reported under the Convention Center Fund to reflect the current reporting in the Comprehensive Annual Financial Report (CAFR). The 2015 combined balance of the Convention Center Special Revenue Fund and Facility Reserve Fund is projected at approximately $58.9 million. In 2015, the Convention Center has a planned use of balance of approximately $2 million.

Debt Service
The 2015 budget includes full funding for transfers out of the Convention Center Fund including debt service payments of both $23.5 million in outstanding building related debt and $1 million in debt for the dome replacement.

From 2016 – 2018, capital investments are forecasted to be $10.6 million, $9.5 million, and $9.6 million over this period as aligned with the long-term capital plan.

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

The General Fund will be transferring funds to fund the Convention Center to meet the Convention Center's operating and non-operating expenditures in 2015.

Convention Center Related Programs
The Convention Center has four programs associated with the Fund:

Minneapolis Convention Center Events Program
Convention Centers exist to provide economic impact to their communities.

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 Program
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 repair and maintenance expenditures.

Minneapolis Convention Center Tallmadge Program
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 long-term competitive strategy to reimagine this building.

Target Center Program
The Target Center program provides an operating subsidy and capital funds for this City-owned facility through a contractual agreement with its operator, AEG.

City of Minneapolis
FY 2015 Council Adopted Budget
Financial Plan (in thousands of dollars)

Convention Center Special Revenue Fund

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Operating Revenues:									
Charges for Services	5,405	5,788	5,720	5,800	6,200	6.9%	6,324	6,387	6,515
Rents and Commissions	7,005	7,238	6,980	7,300	7,597	4.1%	7,625	7,575	7,651
Other Miscellaneous Operating	2,689	3,223	3,300	3,400	3,650	7.4%	3,760	3,972	4,091
Sub-Total	15,099	16,249	16,000	16,500	17,447	5.7%	17,709	17,934	18,257
Non-Operating Revenues:									
Sales Tax	31,731	32,598	-	-	-	0.0%	-	-	-
Restaurant Tax	11,465	11,874	-	-	-	0.0%	-	-	-
Liquor Tax	5,427	5,087	-	-	-	0.0%	-	-	-
Lodging Tax	6,432	6,749	-	-	-	0.0%	-	-	-
Interest	259	(64)	361	390	396	1.5%	404	412	420
Other Misc Non Operating	880	457	215	460	164	-64.3%	114	63	13
Bonds Issued - Domes	4,200	-	-	-	-	0.0%	-	-	-
Premium on Bonds	111	-	-	-	-	0.0%	-	-	-
Transfer from Convention Facilities Reserve	1,500	-	-	-	-	0.0%	-	-	-
Sub-Total	62,005	56,701	576	850	560	-34.1%	518	475	433
Total	77,104	72,952	16,576	17,350	18,007	3.8%	18,227	18,409	18,690
Entertainment Tax	-	-	-		-	-	-	-	-
Use of Funds:									
Convention Center Operations	23,345	23,856	25,904	25,900	26,503	2.3%	27,033	27,574	28,125
Ongoing Equipment/Improvement	5,099	5,720	14,468	14,468	9,480	-34.5%	10,628	9,453	9,642
Meet Minneapolis	8,138	8,767	9,586	9,461	9,880	4.4%	10,078	10,279	10,485
Capital Improvements - Domes	3,905	376	-	-	-	0.0%	-	-	-
Transfers Out	27,325	27,331	18,861	18,861	24,502	29.9%	24,612	24,669	24,811
Total	67,812	66,050	68,819	68,690	70,365	2.4%	72,351	71,975	73,063
Transfer from General Fund	-	-	46,593	46,593	50,340	0.0%	50,500	50,500	50,500
Net Income	9,292	6,902	(5,650)	(4,747)	(2,018)	-57.5%	(3,624)	(3,066)	(3,873)
Fund Balance/Retained Earnings:									
Beginning Balance	43,933	53,225	60,128	60,128	55,381	-7.9%	58,763	55,139	52,073
Ending Balance	53,225	60,128	54,478	55,381	58,763	6.1%	55,139	52,073	48,200
Ending Cash Balance	39,021	49,516	43,866	44,769	48,151	7.6%	44,527	41,461	37,588
Convention Center Facility Reserve Fund Balance	5,750	5,400	5,400	5,400	-	-100.0%	-	-	-

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 additonal 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, IT will transfer $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
FY 2015 Budget
Financial Plan

Arena Special Revenue Fund

Background

The Arena Special Revenue Fund (Arena 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 provides support for the operation of the Arena and pays AEG a fee based upon a revenue sharing formula, if certain criteria are met, for contracted services associated with operating and promoting the Target Center.

The entertainment tax directed to the Arena Fund reflects entertainment tax proceeds generated directly from Target Center activities. The Arena Fund also receives a transfer of funds from the Parking Fund per Council action and the long-term Target Center finance plan. The transfer reflects the estimated parking revenue received from events at the Target Center.

The Arena Fund also receives financing from three Tax Incremental Financing (TIF) sources: the NBA Arena TIF District (now decertified), the Consolidated TIF District, and the Common Project . These revenues are segregated and restricted to specific purposes, including debt service and capital expenses.

2014 Projections

In 2014, the unrestricted Arena revenue, before the balance of the $2.0 million capital contribution from AEG, is projected to be $6.077 million which is slightly below the $6.011 million budget. This is mainly the result of the projected reduction in interest earnings. In 2013, the Target Center had less activity than was expected, mainly due to the cancellation and rescheduling of some concerts. For 2014, it is projected that entertainment tax collections could be closer to the collections of 2012, which would exceed the 2014 budgeted amount of $1.275 million. For the year, total capital investments are projected to be $5.908 million, including the balance of the capital contribution from AEG, as well as the $0.4 million that was carried forward from 2013 for completion in 2014.

2015 Budget

Revenues
Revenues from the TIF sources are budgeted to be $7.819 million, an increase of $1.030 million over the 2014 projections. This is mainly a result of increased market valuations of properties within the Consolidated TIF District. Entertainment tax revenues are budgeted at $1.3 million, slightly more than 2014 budgeted levels, and the parking revenue transfer is budgeted at $3.5 million, which is consistent with prior years. As of 2014, the Arena is tax exempt with respect to the primary tenant. In lieu of property taxes, the primary tenant now makes an annual rent payment. It is anticipated that debt will be issued in mid-2015 to finance costs relating to the proposed renovation of the Arena. It is estimated that $2 million in public resources, along with $2 million from private sources will be used to pay debt service on these bonds in 2015. It is anticipated that the public payments will be funded with resources generated by local option

taxes.

The cumulative tax increment (TI) balance for the 2009 Bonds is maintained solely to pay future debt service on the 2009 Bonds. Based upon current TI projections, when combined with the cumulative balance, sufficient revenue will be available from the TI sources to make principal and interest payments on the 2009 Bonds as they become due. Any residual TI Balance available after the 2009 Bonds have been paid in full may be used to finance capital improvements of the Arena.

Expenditures
The only expenditure funded with the TIF revenue in the 2015 budget is $4.5 million of existing debt service. Budgeted expenditures funded with non-TIF sources include $5.0 million in capital improvements, $264,000 in administrative costs and a $1.5 million operator reimbursement. The 2015 budget anticipates a debt service payment of $8 million on new debt to finance the renovation project.

Renovation project
The 2015 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 repayment of debt service on these bonds. A renovation agreement with AEG, the Timberwolves/Lynx and the City is currently being drafted. As a result of the agreement, it is possible that certain of the financial inter-relationships among the parties may change. The proposed 2015 budget includes a placeholder to reflect the financial impact of the renovation within the Arena Fund. In 2015, $2 million in annual local sales tax revenues has been identified, along with $2 million in private payments, to fund an estimated $4 million in new debt service. It is currently projected that approximately $4 million in annual local sales tax revenues and $4 million in private payments will be used to finance $8 million in debt service on an ongoing basis for the term of the renovation bonds. 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 Fund will be revised. The renovation agreement includes the repayment of extraordinary costs incurred by AEG as a result of the renovation as well as the prepayment of the unamortized value of the capital improvement undertaken by AEG. As the final agreement is reached, the financial schedule for the Arena 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
FY 2015 Council Adopted Budget
Financial Plan (in thousands of dollars)

Arena Special Revenue Fund

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Tax Increment Funds:									
Common Project TIF Contribution (01CPK)	2,073	1,438	1,474	1,474	1,515	2.8%	1,556	1,586	1,586
Arena Tax Increment (01CPK)	930	907	-	-	-	0.0%	-	-	-
Consolidated TIF District (01CON)	4,981	5,044	5,149	5,247	6,231	18.8%	6,892	7,422	7,866
Interest Earnings (01CPK & 01CON)	51	(15)	10	68	73	7.4%	89	108	129
Sub-Total	8,035	7,374	6,757	6,789	7,819	15.2%	8,537	9,116	9,581
Use of Tax Increment Funds:									
Transfer to Debt Service (01CPK)	0	-	-	-	1,515	0.0%	1,556	1,586	1,586
Transfer to Debt Service (01CON)	4,956	5,272	4,250	4,250	2,977	-30.0%	3,184	3,417	3,662
Capital Improvements/Admin	2,038	3,864	-	-	-	0.0%	-	-	-
Sub-Total	6,994	9,136	4,250	4,250	4,492	5.7%	4,740	5,003	5,248
Net Available After 2009 Debt	1,041	(1,762)	2,507	2,539	3,327		3,797	4,113	4,333
Cumulative TI Balance for 2009 Bonds (see note)	11,991	10,229	12,909	14,530	17,857		21,654	25,767	30,100
Source of Non-Restricted Funds:									
Estimated Local Option Taxes	-	-	3,700	-	2,000	0.0%	4,000	4,000	4,000
Estimated Private Debt Payments	-	-	3,700	-	2,000	0.0%	4,000	4,000	4,000
Event Parking	2,941	3,129	3,323	3,323	3,523	6.0%	3,728	3,940	4,158
Rent	-	-	1,350	1,350	1,350	0.0%	1,350	1,433	1,462
Entertainment Tax (Arena Events Only)	1,295	1,226	1,275	1,385	1,300	-6.1%	1,300	1,375	1,403
Arena Base Tax	92	89	-	-	-	-	-	-	-
Miscellaneous Equipment Sales	-	3	-	-	-	-	-	-	-
AEG Capital Investment	1,681	82	-	237	-	-	-	-	-
Interest Earinings (01260)	35	2	63	19	41	115.8%	42	42	43
Sub-Total	6,044	4,531	13,411	6,314	10,214	61.8%	14,420	14,790	15,065
Use of Non-Restricted Funds:									
Estimated New Debt Service	-	-	7,400	-	4,000	0.0%	8,000	8,000	8,000
Capital Improvements	3,181	1,873	5,234	5,908	5,005	-15.3%	4,620	4,622	4,727
Administration	23	22	259	259	260	0.4%	265	271	276
Operator Reimbursement	1,483	1,476	1,441	1,452	1,500	3.3%	1,500	1,500	1,500
Sub-Total	4,687	3,371	14,334	4,055	10,765	165.5%	14,385	14,393	14,503
Net Income for Operations	1,357	1,160	(923)	2,259	(551)	-124.4%	1,294	397	562
Cumulative Operations Fund Balance	2,610	3,770	2,847	5,106	4,555		5,849	6,246	6,809
Total Anticipated Capital Expenditures	5,074	5,639	5,234	5,908	5,005		4,620	4,622	4,727

Notes:

Cumulative TI Balance for 2009 Bonds, balance to be maintained and reserved to pay debt service on the 2009 Bonds.
Assumes bonds for renovation will be issued mid-year 2015.
Finance Plan will be updated as renovation agreement is finalized.

City of Minneapolis
2015 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 section of the Finance and Property Services Department. The resources used to fund these activities have faced several challenges in past years, including, reductions in federal grant allocations, and limited flexible resources. The Financial Plan schedule is inclusive of both CPED's operating budget and transfer and debt service payments. Transfer and debt services payments are reflected in separate lines for ease in comparing operational activities from year-to-year.

2015 Budget

Revenues

Overall, revenues in CPED have increased by 21.8% for the 2015 adopted budget, an increase of $14.1 million as compared to the 2014 adopted budget. Included within this -21.8% increase, is the projected increase in permit revenues associated with the current boom in new construction, including the Vikings stadium and associated developments as well as planned uses of fund balances in the amount of $19.3 million.

Tax increment revenues for 2015 are generally budgeted at an amount similar to the 2014 adopted budget for same funds and districts Future years' tax increment revenue is projected to decline slightly on an annual basis due to decertification of districts. The 2015 budget contemplates utilizing $2.0 million in TIF for affordable housing, and is anticipated to be reduced in future years as accumulated funds are depleted. Program income varies on an annual basis and is projected to increase at a rate of 2% in future years, despite a 7.3% reduction from the 2014 adopted budget.

Federal funds are dependent upon the availability of federal grants and allocations. These resources have generally been declining in recent years. Future amounts are based upon current projections and are adjusted as new information becomes available.

Revenue from the Consolidated TIF District will be used to pay existing Target Center debt in 2015 and neighborhood revitalization activities..

Expenditures

The 2015 adopted operating budget of $59.6 million reflects a $4.4 million, or -6.9% decrease compared to the revised 2014 adopted operating budget including 2014 HUD allocations. The 2015 operating budget includes authorization for -2 new FTEs, and one-time funding for 2 FTEs to expand CPED's regulatory capacity in response to the current building boom. Other on-going operating cost adjustments include $1,500,000 for Affordable Housing Trust Fund, $200,000 for housing initiatives, $75,000 for enhancing Youth Programs and $200,000 for various economic development activities. The adopted budget also includes one-time additional funding of $1.0 million for the Affordable Housing

Trust Fund as recommended by the Mayor, -$275,000 for Homeownership Counselling and Outreach program, $100,000 for policy issues addressing land capacity, $100,000 for commercial property management and $250,000 for Upper Harbor Terminal planning. The Council also prioritized up to $2.5 million from the City's development accounts for qualified affordable housing projects. The future expenditure projections contain assumptions that must be revisited annually in the context of revised revenues and department performance measures. The tax increment revenues will continue to be restricted to existing debt and contractual obligations.

Debt

Bonded debt payable from tax increment revenues remains outstanding beyond 2015. 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.

Finance Plan - Table 1

Projected CPED Revenues & Expenditures 2015 - 2018

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Projected CPED Revenues & Expenditures

	2012 Actuals	2013 Actuals	2014 Adopted[1]	2015 Adopted	% Chg from 2014	2016 Forecast	2017 Forecast	2018 Forecast
Local Funds								
General Fund Total	28.394	29.894	34.525	35.629	3.2%	36.698	37.799	38.933
GF Property Tax & Non-Direct Revenue	-	-	1.116	-		-	-	-
General Fund LGA	-	-	-	-		-	-	-
General Fund Direct Revenues	28.394	29.894	33.409	35.629		36.698	37.799	38.933
HRA Levy[2]		1.001		1.000	100.0%	1.000	1.000	1.000
Capital Bonding (CIP) (Public Arts Proj)	0.175	0.528	0.480	-	-100.0%	0.405	0.425	0.465
Tax Increment[3]	50.834	38.246	30.257	42.650	41.0%	41.283	42.756	43.817
Affordable Housing TI	-	-	2.000	2.000	0.0%	2.000	2.000	1.075
Interest Earnings all Funds	1.599	(0.070)	1.225	0.511	-58.3%	0.511	0.511	0.511
Housing Program Fees & Revenues[4]	1.696	1.313	-	-		-	-	-
Economic Dev Program Fees & Revenues[4]	3.308	3.571	-	-		-	-	-
Other Project & Program Income	21.879	25.682	14.838	13.750	-7.3%	14.025	14.306	14.592
								-
Federal Funds								-
CDBG, ESG & NSP[5]	14.813	9.869	11.143	9.630	-13.6%	9.525	9.525	9.525
HOME	4.019	2.512	2.248	2.248	0.0%	2.248	2.248	2.248
								-
Other State/Local Grants	32.830	27.523	4.500	4.708	4.6%	4.708	4.708	4.708
Adjustment to cover Transfers and Debt Service	(42.874)	(37.042)	(36.401)	(33.196)	-8.8%	(37.155)	(38.480)	(39.435)
Total Projected Revenues	**116.672**	**103.027**	**64.816**	**78.930**	**21.8%**	**74.248**	**75.797**	**76.438**
Appropriated								
Business Lines:								
Economic Policy & Development	17.125	21.214	11.856	10.584	-10.7%	10.795	11.011	11.231
Workforce Development	10.186	9.511	8.375	8.403	0.3%	8.571	8.742	8.917
Housing & Policy Development	38.126	26.450	18.952	16.881	-10.9%	17.218	17.563	17.914
Long Range Planning	1.563	1.878	2.571	1.856	-27.8%	1.893	1.931	1.969
Development Services	2.267	13.120	12.377	12.728	2.8%	12.983	13.242	13.507
CPED Support:								-
Executive & Support Services	5.202	5.567	9.881	9.164	-7.3%	9.347	9.534	9.724
Total Projected Uses	**74.470**	**77.741**	**64.010**	**59.615**	**-6.9%**	**60.807**	**62.023**	**63.264**
Transfer & Debt Service[3]	46.874	37.042	36.401	33.196	-8.8%	37.155	38.480	39.435
Difference	**42.202**	**25.286**	**0.805**	**19.315**		**13.441**	**13.774**	**13.175**

1 - Includes final 2014 HUD Consolidated Allocations
2 - Included in General Fund numbers in prior years
3 - 2015 numbers include Consolidated TIF Dist adjustments
4 - Beginnning in 2014, Housing and Economic Development bond fees are being treated as General Fund Direct Revenue
5 - Includes CDBG Program Income

Finance Plan - Table 1

Projected CPED Revenues & Expenditures 2015 - 2018

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Projected CPED Revenues & Expenditures

	2012 Actuals	2013 Actuals	2014 Adopted[1]	2015 Adopted	% Chg from 2014	2016 Forecast	2017 Forecast	2018 Forecast
Local Funds								
General Fund Total	28.394	29.894	34.525	35.629	3.2%	36.698	37.799	38.933
GF Property Tax & Non-Direct Revenue	-	-	1.116	-		-	-	-
General Fund LGA	-	-	-	-		-	-	-
General Fund Direct Revenues	28.394	29.894	33.409	35.629		36.698	37.799	38.933
HRA Levy[2]		1.001		1.000	100.0%	1.000	1.000	1.000
Capital Bonding (CIP) (Public Arts Proj)	0.175	0.528	0.480	-	-100.0%	0.405	0.425	0.465
Tax Increment[3]	50.834	38.246	30.257	42.650	41.0%	41.283	42.756	43.817
Affordable Housing TI	-	-	2.000	2.000	0.0%	2.000	2.000	1.075
Interest Earnings all Funds	1.599	(0.070)	1.225	0.511	-58.3%	0.511	0.511	0.511
Housing Program Fees & Revenues[4]	1.696	1.313	-	-		-	-	-
Economic Dev Program Fees & Revenues[4]	3.308	3.571	-	-		-	-	-
Other Project & Program Income	21.879	25.682	14.838	13.750	-7.3%	14.025	14.306	14.592
								-
Federal Funds								-
CDBG, ESG & NSP[5]	14.813	9.869	11.143	9.630	-13.6%	9.525	9.525	9.525
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CPED Support:								-
Executive & Support Services	5.202	5.567	9.881	9.164	-7.3%	9.347	9.534	9.724
Total Projected Uses	**74.470**	**77.741**	**64.010**	**59.615**	**-6.9%**	**60.807**	**62.023**	**63.264**
Transfer & Debt Service[3]	46.874	37.042	36.401	33.196	-8.8%	37.155	38.480	39.435
Difference	**42.202**	**25.286**	**0.805**	**19.315**		**13.441**	**13.774**	**13.175**

1 - Includes final 2014 HUD Consolidated Allocations
2 - Included in General Fund numbers in prior years
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4 - Beginnning in 2014, Housing and Economic Development bond fees are being treated as General Fund Direct Revenue
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City of Minneapolis
2015 Budget
Financial Plan

Neighborhood and Community Relations Special Revenue Fund

Background

The Neighborhood & Community Relations (NCR) Special Revenue Fund accounts for neighborhood revitalization efforts funded by the revenues of the Consolidated Redevelopment Tax Increment Financing District. The district was established pursuant to special legislation adopted in 2008, and must be decertified no later than December 31, 2020. The tax increment revenue generated by the Consolidated TIF District, for neighborhood revitalization purposes, may be spent anywhere within the City of Minneapolis. The Fund is used primarily for community engagement and neighborhood-based initiatives, as well as a portion of NCR administrative costs.

Historical Financial Performance

This fund was established in 2011. Growth in the fund was impacted by the two year hiatus on tax increment collection. 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.

2015 Budget Revenues and Expenditures

The total revenue budgeted for 2015 is $6.2 million with budgeted expenditures also totaling $6.2 million.

City of Minneapolis
FY 2015 Council Adopted Budget
Financial Plan (in thousands of dollars)

NCR Special Revenue Fund - 1800

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Change from 2014 Proj	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds									
Operating Revenues:									
Charge for services	40	19	-	-	-	-	-	-	-
Other Misc.	-	-	-	-	-	-	-	-	-
Non-Operating Revenues:									
Interest	-	-	-	-	-	-	-	-	-
Transfer from TI funds	1,500	1,200	5,149	5,149	6,225	20.9%	5,360	5,413	5,465
Total source of funds	1,540	1,219	5,149	5,149	6,225	0	5,360	5,413	5,465
Use of Funds									
Community Services	3,036	1,517	5,100	5,100	6,225	22.1%	5,300	5,400	5,400
Transfers Out	-	-	-	-	-	-	-	-	-
Total Use of funds	3,036	1,517	5,100	5,100	6,225	22.1%	5,300	5,400	5,400
Net Income for Operations	(1,496)	(298)	49	49	-		60	13	65
Beginning Fund Balance	2,444	948	650	650	699	7.5%	699	759	772
Ending Fund Balance	948	650	699	699	699	0.0%	759	772	837
Ending Cash Balance	962	681	730	730	730	0.0%	790	803	868

Note: Neighborhood & Community Relations (NCR) Special revenue fund 01800 accounts for neighborhood vitalization efforts funded by the revenues of the Consolidated Redevelopment Tax Increment Financing District. This Fund is used primarily for community engagement and neighborhood -based initiatives.

City of Minneapolis
2015 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 for 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 2013, it accumulated a fund balance of $5.5 million. 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 2014 and beyond, including lower than expected assessment collections and reductions in grant allocations.

2015 Budget

Revenues
Revenues for the Regulatory Services Special Revenue Fund have been declining since 2011. The total revenue budgeted for 2015 is $3.8 million; $3.7 million of this is from special assessments. In 2015 Regulatory Services' share of these revenues is $3.5 million and CPED's share is $300,000. Revenue in future years is projected to decline by 10% annually.

Expenditures
Expenditures for the Regulatory Services Special Revenue Fund include services such as demolitions, board-ups, nuisance grass cutting, nuisance tree removals, and nuisance rubbish removal. In order to continue to spend down fund balance, total budgeted expenditures for 2015 are $5.3 million or $1.5 million in excess of revenue. The Fund plans to use fund balance to pay for expenses not recovered by current year revenues. Regulatory Services' appropriation is $5.0 million, and CPED's appropriation is $300,000.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Regulatory Services Special Revenue Fund - 1900

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Operating Revenues	4,574	3,906	4,235	4,135	3,821	-7.6%	3,439	3,095	2,786
Use of Funds:									
Operating Expenses	4,845	3,642	5,104	4,383	5,334	21.7%	4,400	3,960	3,564
Net Income	(271)	264	(869)	(248)	(1,513)		(961)	(865)	(778)
Fund Balance:									
Beginning Balance	5,478	5,207	5,471	5,471	5,223	-4.5%	3,710	2,749	1,884
Ending Balance	5,207	5,471	4,602	5,223	3,710	-29.0%	2,749	1,884	1,106
Ending Cash Balance	5,141	5,495	4,626	5,247	3,734	-28.8%	2,773	1,908	1,130

City of Minneapolis
2015 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 capital construction and related activities also occur in this fund.

Historical Financial Performance
The financial condition of the Parking Fund has historically been stable, but it continues to experience financial challenges due to remaining debt levels and funding commitments to other City functions. The fund generates positive retained earnings and is capable of satisfying its debt service while restoring its productive assets. The Parking Fund has benefitted from sales tax revenues and tax increment and abatement revenues in the past to supplement debt service on ramps tied to the Convention Center and other development projects, but these sources will be reduced in the future because the corresponding debts have been paid off. The fund still retains financial commitments to other funds in the form of transfers or dividend payments leading to cash balances being lower than financial policy goals.

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
- Impound Lot operations

The fund received local sales tax transfers of $4.7 million in 2013 from the Minneapolis Convention Center to pay debt service and operating costs for Convention Center related parking facilities. The fund also received tax increment transfers of $6.9 million in 2013 to pay part of major development projects in the downtown area. For 2014 and beyond there will be significantly less debt service owed for these functions and therefore only a small amount of tax increment revenue will be received by the Parking Fund. In addition, sales tax revenue will be deposited into the general fund in 2014 instead of the Convention Center fund. Thus the operations and maintenance costs for the Convention Center ramps will be managed by reducing the transfers out of the Parking Fund that would have otherwise gone to the general fund.

For historical trends, the 2012 and 2013 operating revenues and expenses are presented in the 2015 Parking Fund budget chart (see following pages). Increases in revenues and expenses for 2013 can be attributed to newly installed parking meters.

The Parking Fund cash balance for year 2013 was $13.3 million. The parking system creates a positive cash flow from parking operations. Based on current and proposed budgets, the Parking Fund cash balance will remain positive while decreasing slightly from current levels.

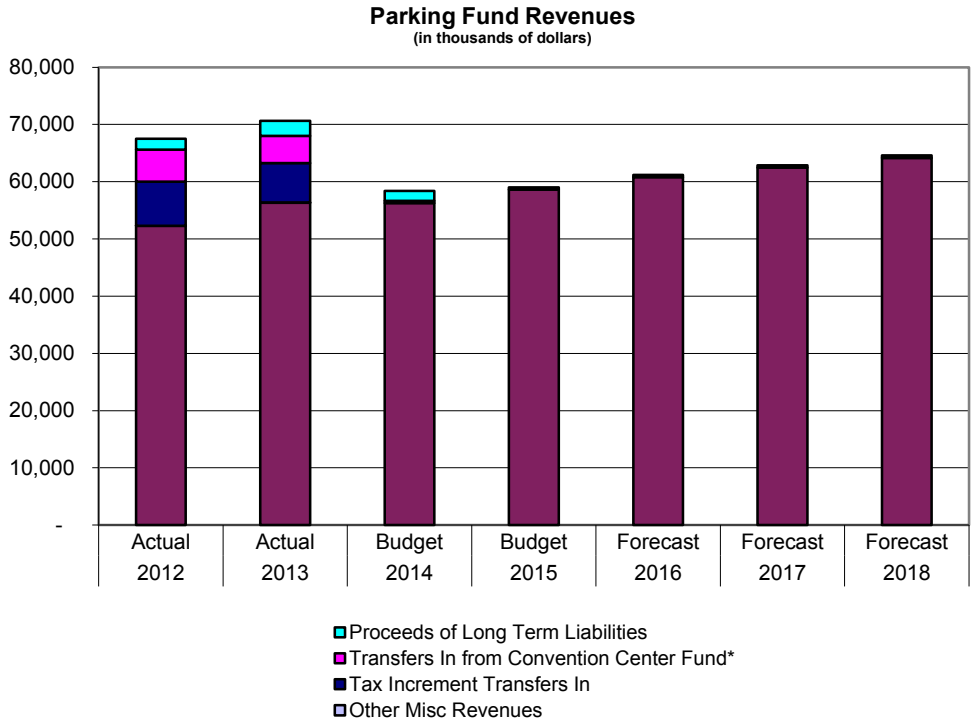
2015 Budget

Revenues

The parking system operating revenue budget for 2015 increased 3.1% to $60.4 million from $58.6 million budgeted for 2014. The 2015 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 (2015)	
Utilization Percentage in 2014	81%
Number of Parking Stalls in the system	20,238
Forecasted Revenue increase	2014 1.0% 2015 1.0% 2016 2.0%
Assumed rate increases (if any)	1.0%
System-wide average event rate	$ 10.00
System-wide average daily rate	$ 8.75
System wide average monthly rate	$ 150.00
Number of new stalls in the system	2014 0 2015 0 2016 0

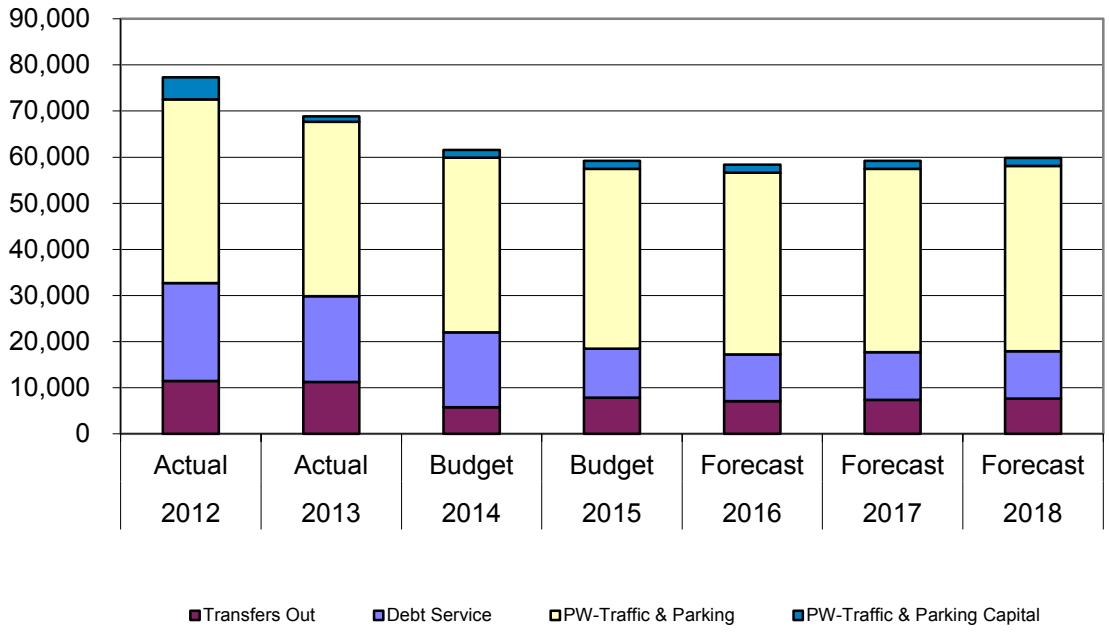
For assumptions regarding sales tax revenue, please see the Convention Center Finance Plan.



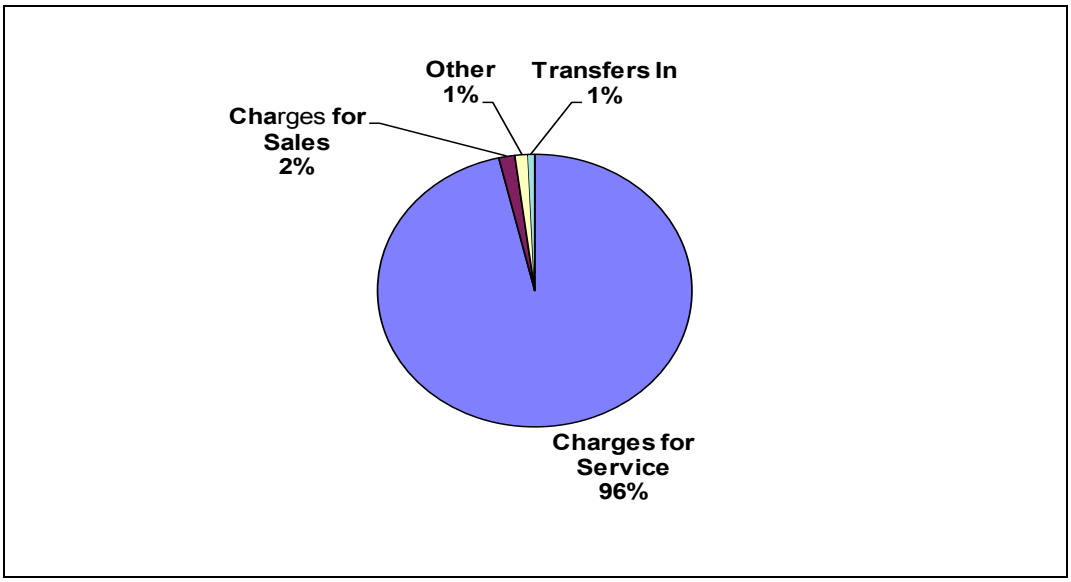
Expenditures

The parking system operating budget for 2015 stands at $39.0 million which is an increase of 2.9% from 2014 budgeted expenditures. The increase for 2015 is due to alignment with historical actuals. The capital budget for 2015 is set at $1.7 million, the same level as 2014, due to on-going repair and improvement work in the City-owned parking facilities.

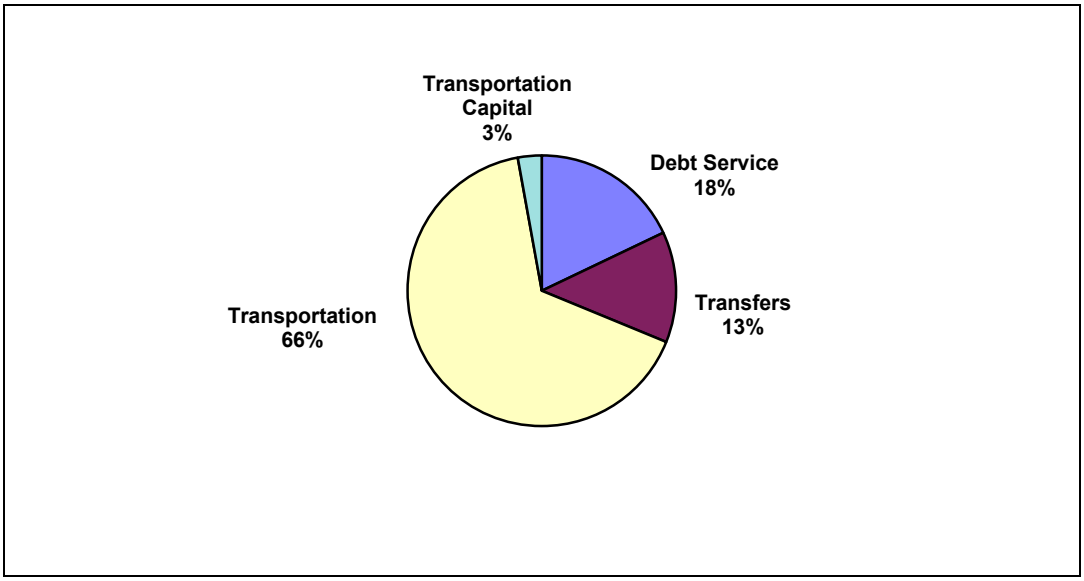
Parking Fund Expenditures
(in thousands of dollars)



Sources of Funds
($60.8 million)



Uses of Funds
($59.2 million)



Debt Service
Total debt service, which includes principal and interest on bonds issued for construction of municipal parking ramps, is $10.6 million for 2015. A portion of this debt service cost will be funded by a $0.42 million transfer in from tax increment. For 2014 and beyond, only tax increment transfers will be received by the Parking Fund. The final Convention Center related parking ramp debt (other than major maintenance repairs) was paid off in 2014.

Transfers
The transfer to the General Fund increases to $4.1 million in 2015, a $1.8 million increase over the 2014 amount of $2.3 million. The transfer to the Target Center Arena Fund increases in 2015 by $0.2 million to $3.5 million over the 2014 transfer amount of $3.3 million, 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.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Municipal Parking Fund - 7500

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Budget	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Licenses and Permits	317	331	275	366	275		283	292	298
Charges for Service, Sales/Permits	52,285	56,348	56,257	57,007	58,607	4.1%	60,773	62,449	64,171
Charges for Sales	1,411	1,290	1,500	1,511	1,000	-33.1%	1,000	1,000	1,000
Special Assessments	57	25	543	543	543		543	543	543
Federal Grant		177	-	-	-		-	-	-
Rents (Transportation)	2	2	-	2	-		-	-	-
Other Misc Revenues	10	12	-	100			-	-	-
Total Operating Revenue	*54,082*	*58,185*	*58,575*	*59,529*	*60,425*	1.5%	*62,599*	*64,284*	*66,012*
Tax Increment Transfers In	7,703	6,893	423	423	423		432	441	450
Transfers In from Convention Center Fund	5,580	4,729	-	-			-	-	-
Other Transfers In	886			-			-	-	-
Total Transfers In	*14,169*	*11,622*	*423*	*423*	*423*		*432*	*441*	*450*
Proceeds of Long Term Liabilities	1,900	2,655	1,700	1,700	-	-100.0%	-	-	-
Total	70,151	72,462	60,698	61,652	60,848	0.2%	63,031	64,725	66,462
Use of Funds:									
Debt Service	21,267	18,631	16,214	16,214	10,628	-34.5%	10,172	10,335	10,267
General Fund Transfer Out	7,818	7,918	2,323	2,323	4,148	78.6%	3,187	3,253	3,320
Target Arena Transfer Out	2,941	3,129	3,323	3,323	3,523	6.0%	3,728	3,940	4,158
Debt Service Transfer Out	47	41	-	-	-		-	-	-
MERF Liability Transfer Out	477		-	-					
Sanitation Transfer Out	146	146	146	146	146		146	146	146
Total Transfers Out	*11,429*	*11,234*	*5,792*	*5,792*	*7,817*	35.0%	*7,061*	*7,339*	*7,624*
PW-Traffic & Parking	39,861	37,838	37,883	36,645	39,032	3.1%	39,422	39,817	40,215
PW-Traffic & Parking Capital	4,737	1,124	1,700	1,700	1,700		1,700	1,700	1,700
Total	77,294	68,827	61,589	60,351	59,177	-4.0%	58,355	59,191	59,806
Change in Net Assets	5,559	9,778	3,038	5,230	156	-55.1%	3,690	4,943	6,255
Net Assets	5,559	15,337	18,375	10,789	10,945	-68.9%	14,635	19,578	25,833
Cash Balances	7,729	13,304	12,413	14,605	16,276	11.4%	20,952	26,486	33,142

City of Minneapolis
2015 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 additional activities. There are nine programs that are budgeted for in 2015 under the Solid Waste fund. The Solid Waste Division provides weekly and bi-weekly services for trash, yard-waste, and recycling materials pickups. 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 in the City with the other half 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, graffiti, and organic programs.

Historical Financial Performance

The overall financial condition of the Solid Waste and Recycling Fund has remained stable over the years despite a projected decrease in net position for 2014. Total revenues for year 2013 were at $31.9 million compared to $32.5 million in 2012, a decrease of $600,000, or 2%. The increase in revenues of $700,000 from miscellaneous services, special assessments, graffiti, and local government grants was off-set by a decrease in revenues of $800,000 in scrap metal sales. The monthly utility revenues also decreased by $500,000 due to implementation of a flat rate charge and elimination of recycling credits. Total expenditures for 2013 came to $35.9 million compared to $33.6 million for 2012, an increase of $2.3 million or 7%. Approximately $2.4 million of this increase is due to purchases of equipment related to the one-sort recycling program. The additional increase of $500,000 is due to the mattress recycling program and garbage carts replacement which were off-set by a decrease or absence of $600,000 in MERF pension plan costs. The 2013 year-end cash balance for this fund was $17.8 million compared to $23.9 million in 2012.

For 2014, utility revenues from collection services are projected to reach $29.6 million, and the total revenues for the fund are projected at $32.6 million. Expenses for the Solid Waste and Recycling Fund are projected to be $33.0 million. This amounts to a projected deficit of $(400,000). With a cash balance in excess of $17.7 million at the end of 2013, the Solid Waste and Recycling Fund is able to absorb these costs.

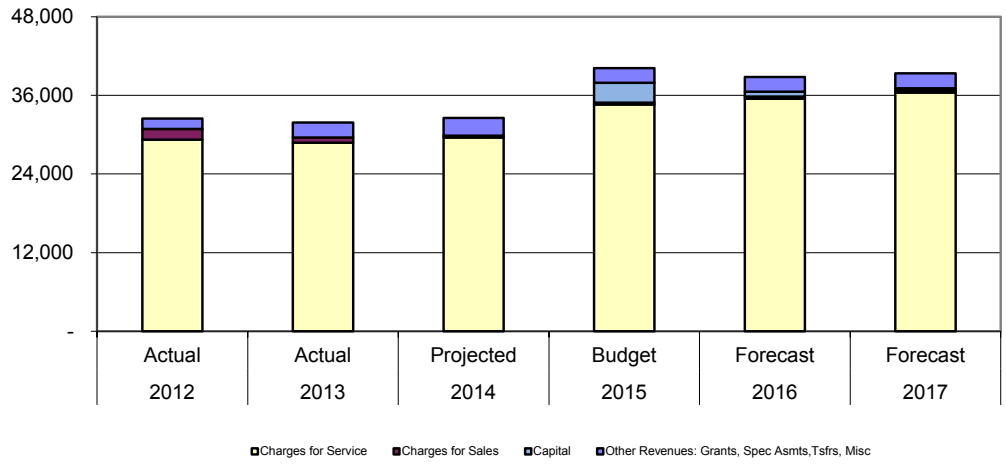
2015 Budget

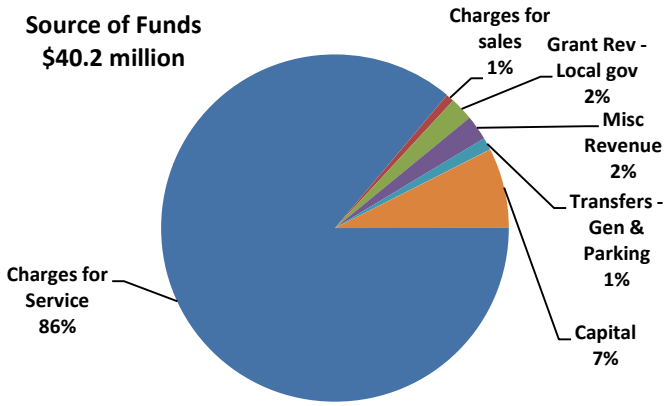
Revenues

The total revenue budget for the Fund for 2015 amounts to $40.2 million compared to $32.6 million projected for 2014. This is an increase of $7.6 million over the 2014 projection. Service revenue has been estimated at $34.6 million which is $5.1 million more than the projection for 2014. Bond proceeds are estimated at $3.0 million to fund capital program scheduled for the

year. For 2015, the collection fee has been proposed at $21.60 per dwelling unit. Monthly charges for large and small disposal carts are the same as 2014 which were set at $5 and $2, respectively. Due to the decreasing market for scrap metals, recyclable sales for 2015 are expected to be $300,000, the same as projected for 2014. Funds from local governments include a Hennepin County recycling grant of $880,000. Revenues generated from debris removal, special district maintenance, and various miscellaneous sources are estimated at $500,000. An additional $400,000 is expected to be generated from other City departments for graffiti related work done on streets, bridges and other City properties.

Solid Waste Fund Revenues
(in thousands of dollars)





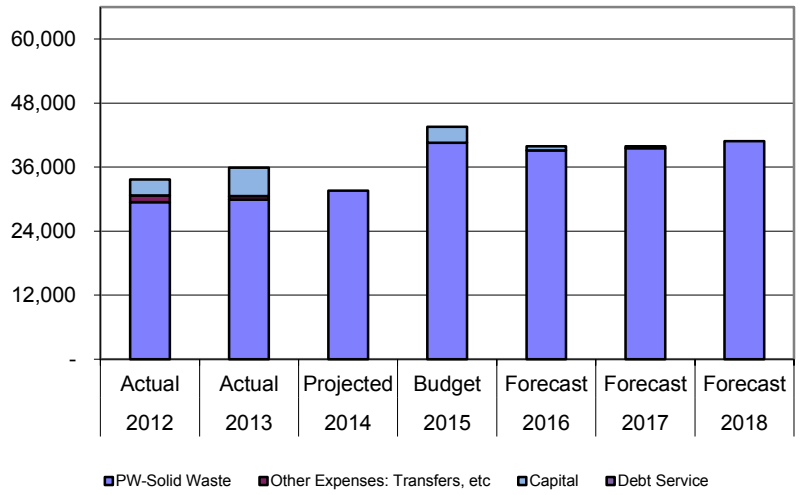
Revenue Assumptions (2015)	
Number of dwelling units	105,635

Expenditures

The total expenditure budget for 2015 amounts to $43.5 million compared to $31.6 million projected for 2014, an increase of $11.9 million, or 37.7%. The operating budget at $40.5 million accounts for 93% of the total budget. The remaining 7% is for a land purchase for which $3.0 million is proposed under capital improvements. The increase of $8.9 million in the operating budget, compared to the 2014 projection, reflects the following changes: (i) the implementation

of a planned City-wide Source Separated Organics program estimated at $6.3 million; (ii) an extended yard waste season which is expected to result in additional cost increases of $100,000 in time, labor, and contractual services; (iii) the replacement of 10,000 small garbage carts, trucks and vehicles costing $700,000; and (iv) increased costs from as a result of the graffiti abatement program and SWIS software system upgrade amounting to $200,000.

Solid Waste Fund Expenditures
(in thousands of dollars)



Transfers
The Solid Waste and Recycling Fund will continue to receive $146,000 from the Parking Fund for litter container pick-ups in the downtown area. The Fund has been receiving an annual transfer from the General Fund for graffiti removal and micro grants. For 2015, this amount is $325,000 and is expected continue at the same rate through 2020.

Debt Service
This fund does not have any capital debt service payments in 2015. However, with a capital program funded through bond sales, the Fund anticipates these payments on a yearly basis in the future.

Cash Balance
The Solid Waste and Recycling Fund is projected to have a $15.5 million cash balance at the end of 2015.

Fund Balance
In 2015, the budget is purposely set to use $3,339,000 of the cash reserve build up in fund balance to assist in the funding of capital improvements and the Organics program expansion.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Solid Waste Fund - 7700

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Sources of Funds:									
Local Government	864	890	880	872	880	0.9%	880	880	880
Charges for Service	29,251	28,802	28,890	29,500	34,617	17.3%	35,520	36,454	37,418
Charges for Sales	1,611	794	750	350	300	-14.3%	300	300	300
Special Assessments	98	142	-	-	-		-	-	-
Other Misc Revenues, Rents	335	940	852	1,000	920	-8.0%	920	920	920
Long Term Proceeds - Capital	-	-	-	-	3,000	100.0%	750	350	-
Operating Transfers In:									
From Parking Fund	146	146	146	146	146		146	146	146
From General Fund - Graffiti		-	695	695	325		325	325	325
From General Fund	150	150	125	125	-	-100.0%	-	-	-
Total	32,455	31,864	32,338	32,688	40,188	22.9%	38,841	39,375	39,989
Use of Funds:									
PW-Solid Waste	29,440	29,879	33,378	31,608	40,527	28.2%	39,120	39,538	40,864
Transfers									
To General Fund	700	700	-	-	-		-	-	-
To MERF Fund	571	-	-	-	-		-	-	-
General Services Capital									
Capital	2,938	5,328	2,500	-	3,000	100.0%	750	350	-
Debt Service							-	-	-
Total	33,649	35,907	35,878	31,608	43,527	37.7%	39,870	39,888	40,864
Change in Net Position	(1,194)	(4,043)	(3,540)	1,080	(3,339)		(1,028)	(513)	(874)
Net Position Balance	30,319	26,844	23,304	27,924	24,585		23,557	23,045	22,170
Cash Balance	23,856	17,794	14,254	18,874	15,535		14,507	13,995	13,120

City of Minneapolis
2015 Budget
Financial Plan

Sanitary Sewer Fund

Background

The Sanitary Sewer Fund accounts for the enterprise activity of wastewater collection and treatment. Approximately 62% of the operating expenditures in the Sanitary Sewer Fund are comprised of contractual payments made to the Metropolitan Council Environmental Services (MCES) for sewage interceptor and treatment services. The Sanitary Sewer Fund portion is approximately 95% of the total paid by the City to MCES. In addition to charges to the Sanitary Sewer Fund, the Storm Water Fund also provides 5% of the payments to MCES. The fund also accounts for the operation, maintenance and design work, capital programs, transfers, and long-term debt services associated with the sanitary sewer system.

Historical Financial Performance

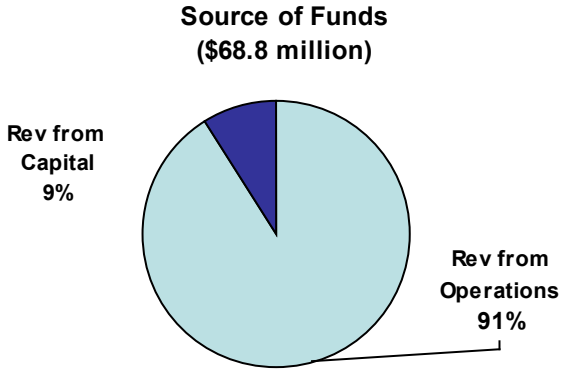
Total 2013 revenues were $68.2 million compared to $68.6 million in 2012, a decrease of $400,000, or 1%, over 2012. Sewer Availability Charges (SAC) revenues account for $2 million of this decrease which is off-set by an increase of $1.8 million from monthly service revenues and capital programs. Reduced activities in the design area account for an additional decrease of $200,000. Sanitary service revenue totaled $51.4 million, compared to the 2012 total of $50.8 million. This increase of $600,000 is due to an increase in the variable rate component of the monthly utility billings which for 2013 was set at $3.14 compared to $3.05 for 2012. Usage charges are based upon the amount of water used by the account holder. Any increase or decrease in SAC revenues corresponds to a similar increase or decrease in SAC expenditures as the SAC charges are passed through to property owners and developers as a direct charge.

The expenditures for 2013 totaled $62.5 million compared to $64.1 million over 2012. This is a decrease of $1.6 million, or 3%, of which $2 million is SAC related. Debt services and MERF contributed an additional $2 million decrease in 2013 expenses. This decrease is off-set by increases in Met Council payments of $1.9 million due to higher rates from MCES. Maintenance and design expenditures increased by $400,000 due to equipment and software purchases and upgrades. Other increases include transfers to the Water department and capital programs which together account for $178,000.

2015 Budget

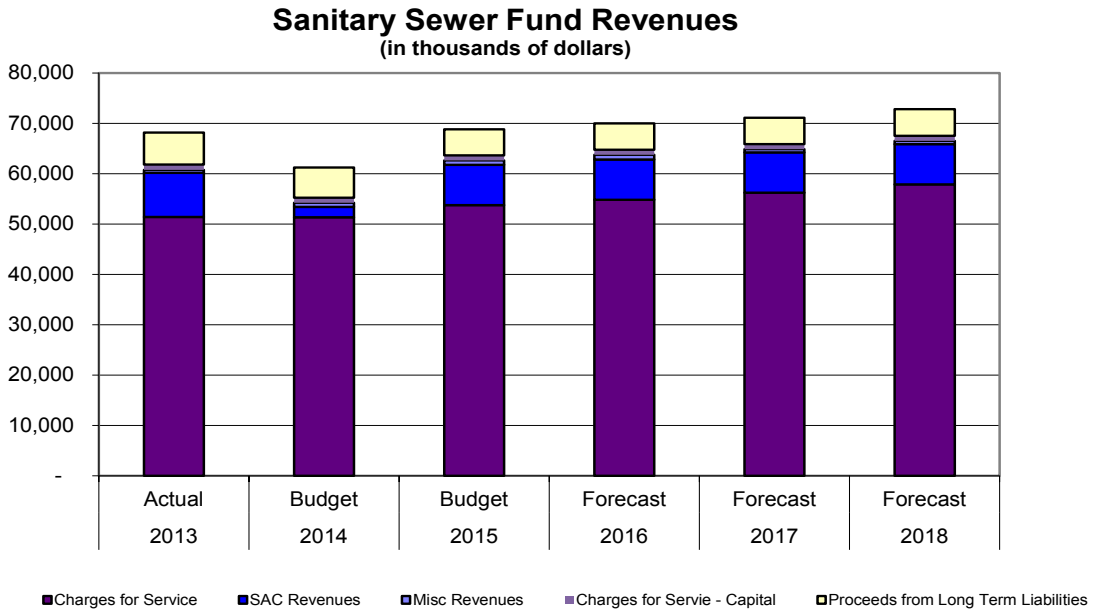
Revenues

The total revenue budget for the Sanitary Sewer Fund for 2015 amounts to $68.8 million compared to the 2014 projected revenues of $61.2 million, an increase of $7.6 million, or 12.5%. Monthly utility billings, Sewer Access Charge (SAC) permits, design and miscellaneous activities, along with proceeds from capital programs provide the revenue sources for the Sanitary Sewer Fund.



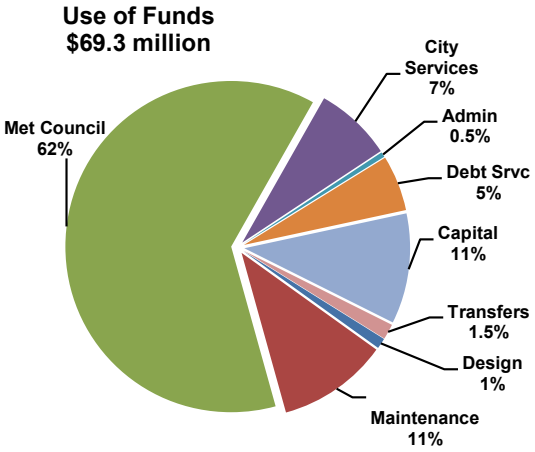
Revenues from operations account for 91% of the budget with the remaining 9% received from bond proceeds and reimbursements from capital programs. Sanitary sewer rates are comprised of variable and fixed rates. For 2015, the variable sewer rate is proposed at $3.21 per one hundred cubic feet (one *unit*, or 748 gallons) compared to $3.14 for 2014, while the fixed rate is set at $3.80 compared to $3.40. Revenue estimates were increased to fund sanitary collection and treatment programs, upgrade the Hiawatha facility, televise and rehab the sanitary system, capital programs, debt payments, and shared meter costs.

Year	Rate (cost per 100 per cubic feet)	% Increase	Average Monthly Bill	Utility Revenue from variable rates
2015	$3.21	2.23%	$19.26	$47.7 million
2016	$3.26	1.56 %	$19.56	$48.1 million
2017	$3.31	1.53%	$19.86	$48.9 million
2018	$3.38	2.11%	$20.28	$49.9 million
2019	$3.45	2.07%	$20.70	$50.9 million



Expenditures

The total expense budget for 2015 amounts to $69.3 million compared to $68.2 million projected for 2014. This is an increase of $1.1 million, or 1.6%, over 2014 projections. Maintenance and design activities, treatment facility charges from MCES, transfers, capital programs, and long-term debt are included in these expenses. An increase of $2.6 million in Met Council department is due to a 7.9% increase in MCES charges over 2014. Met Council sets the rate for treatment services,

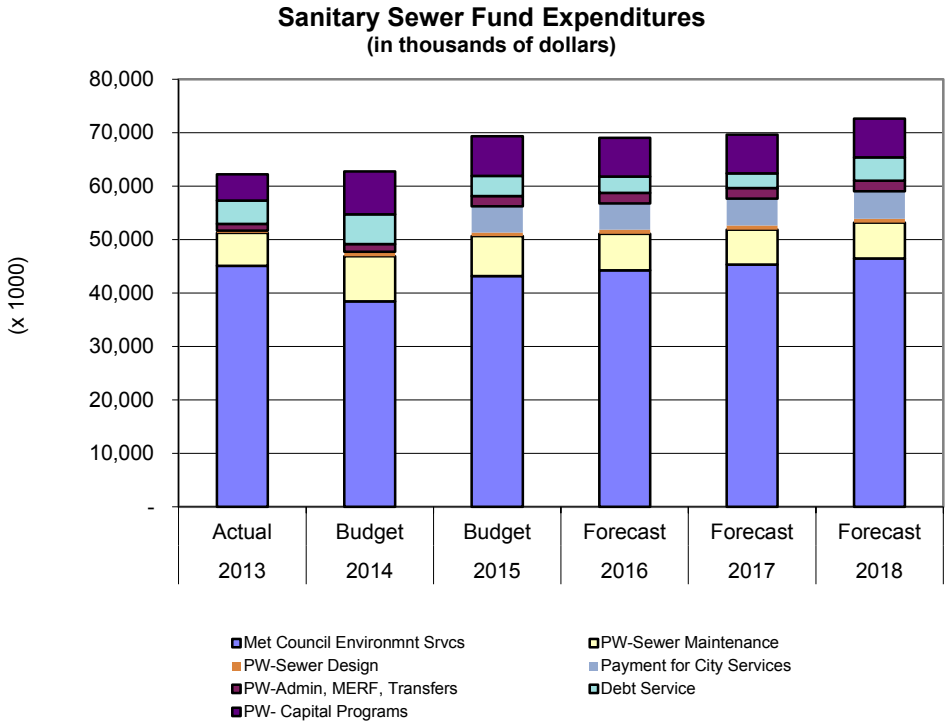


referred to as Municipal Water Charges (MWC), which is allocated regionally to all users of the system based upon their proportionate use. Design and maintenance budgets increased by $500,000 due to the upgrades to the Hiawatha facility, the purchase of televising pipes, and other maintenance work. An additional increase of $684,000 is the result of increases in the personnel, rate model charges, and transfers in Admin and City service departments. However, the decrease in debt services and capital programs by $2.5 million reduces the overall increase in the 2015 expense budget.

Capital expenses for 2015 total $7.4 million which is $725,000 less than the projected total of $8.1 million for 2014. The largest expense in the Sanitary Sewer Fund is the service charge paid to Metropolitan Council Environmental Services (MCES) for the treatment of waste water. The estimated payment to MCES for 2015 is $37.2 million, a 7.9% increase over 2014. The Sanitary Sewer Fund bears 95%, or $35.4 million, of this cost with the remaining $1.9 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; the SAC payments are included in the plan total).

Debt Service & Transfers

Capital programs for 2015 include the inflow/infiltration and sewer rehab programs. An additional component of capital program includes repair work on existing infrastructures. For 2015, $3.8 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 2015, the transfer is estimated at $1.3 million.



Fund Balance

The 2015 budget is purposely set to use the build-up of the cash reserve in the fund balance by $471,000 to assist in the funding of capital improvements.

Council Adopted Budget

The Mayor recommended and the Council adopted an increase in the variable rate from $3.14 to $3.21 per unit and a fixed rate increase from $3.40 to $3.80 to pay for Metropolitan Council SAC fees, as described above under the *Expenditures* subheading.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Sanitary Sewer Fund - 7100

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Charges for Service	50,779	51,420	51,384	51,384	53,754	4.6%	54,851	56,229	57,901
SAC Revenues	10,813	8,769	2,060	8,000	8,000		8,000	8,000	8,000
Other Misc Revenues	754	563	820	820	879	7.2%	915	655	655
Charges for Service - Capital	-	1,100	1,000	1,000	1,000		1,000	1,000	1,000
Proceeds from Long Term Liabilities	6,252	6,300	6,000		5,200		5,250	5,250	5,250
Total	68,597	68,151	61,264	61,204	68,833	12.5%	70,016	71,134	72,806
Use of Funds:									
PW-Sewer Design	453	413	860	644	709	10.0%	727	745	764
PW-Sewer Maintenance	6,004	6,197	8,426	6,812	7,094	4.1%	6,854	6,549	6,707
MERF Debt Service -New Plan	-	292	292	292	292		292	292	292
Met Council Environment Srvcs	45,463	45,069	38,425	40,915	43,515	6.4%	44,576	45,670	46,796
Payment for City Services				4,657	4,882		4,965	5,049	5,135
PW - Sewer Admin					342		350	359	368
Debt Service	5,157	4,320	5,564	5,564	3,761	-32.4%	2,136	876	1,560
Future Debt Service	-	-	-	-	-		944	1,897	2,850
Transfers	-	-							
To MERF/Gen Debt Service	1,112	109	-	-	-		-	-	-
To Water Fund	994	1,149	1,157	1,157	1,285	11.1%	1,285	1,285	1,285
PW- Capital Programs	4,915	4,937	8,000	8,150	7,425	-8.9%	7,250	7,250	7,250
Total	64,098	62,485	62,724	68,190	69,305	1.6%	69,379	69,971	73,006
Deferred Capital Projects-Rev Funded					2,000	100.0%	2,000	-	-
Change in Net Position	4,499	5,666	(1,460)	(6,987)	(2,471)		(1,363)	1,162	(200)
Net Position Balance	107,462	114,438	112,978	107,451	104,980		103,618	104,780	104,580
Cash Balances									
Operating Cash	19,181	23,640	23,859	18,333	15,862		14,499	15,661	15,461
Construction Cash	837	1,679							

City of Minneapolis
2015 Budget
Financial Plan

Stormwater Fund

Background

The Stormwater Collection and Street Cleaning programs make up the budget for the Stormwater Fund. The Fund accounts for the design, construction, and maintenance of the City's storm drain system and street cleaning activities. A portion of the Stormwater Fund is used for sanitary water interceptor and treatment services, a function carried out through the Metropolitan Council Environmental Services (MCES). The Fund also accounts for the Combined Sewer Overflow (CSO) program, which separates stormwater from the sanitary sewer lines.

Historical Financial Performance

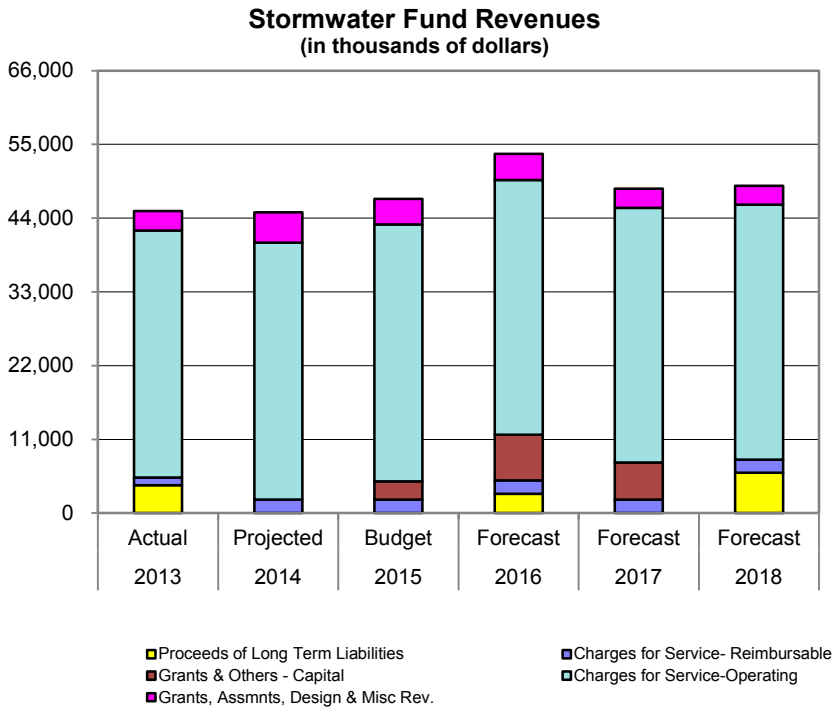
In 2013 total revenues decreased to $45.1 million compared to $45.9 million in 2012. Design revenues, along with revenues from maintenance agreements and capital reimbursements, account for $1.0 million of the decrease. This was off-set by an increase of $900,000 in bond revenues from capital programs. However, the decrease of $700,000 in assessment revenue put the total decrease in revenue for 2013 at $0.8 million. The $41.5 million in expenditures in 2013 represents an increase of $3.7 million, or 9.7%, compared to $37.8 million in 2012. Of this increase, $2.5 million is attributable to Capital programs, $1.5 million to maintenance and tunnel rehab, and $1.0 million to Met Council, debt services, and design activities. These increases were reduced by $1.4 million in decreases to street maintenance and transfers.

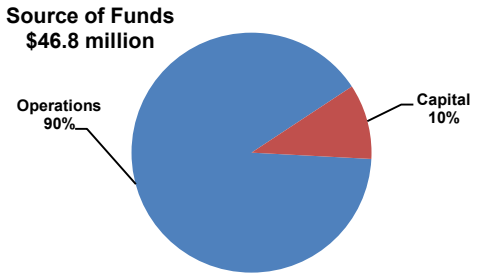
2015 Budget

Revenues
The 2015 revenue budget totals $46.8 million, compared to $44.9 million projected for 2014, reflecting an increase of $1.9 million, or 4.4%. Design and assessment revenues decreased by $700,000 while revenues from County/State maintenance agreements decreased by $100,000. The service revenue, estimated at $38.3 million, is the same as the 2014 projection since the utility rate was continued at $11.94 per ESU without a change from 2014. Capital programs funded by watershed districts are estimated to generate an additional $2.7 million in revenue.

Planned rates:

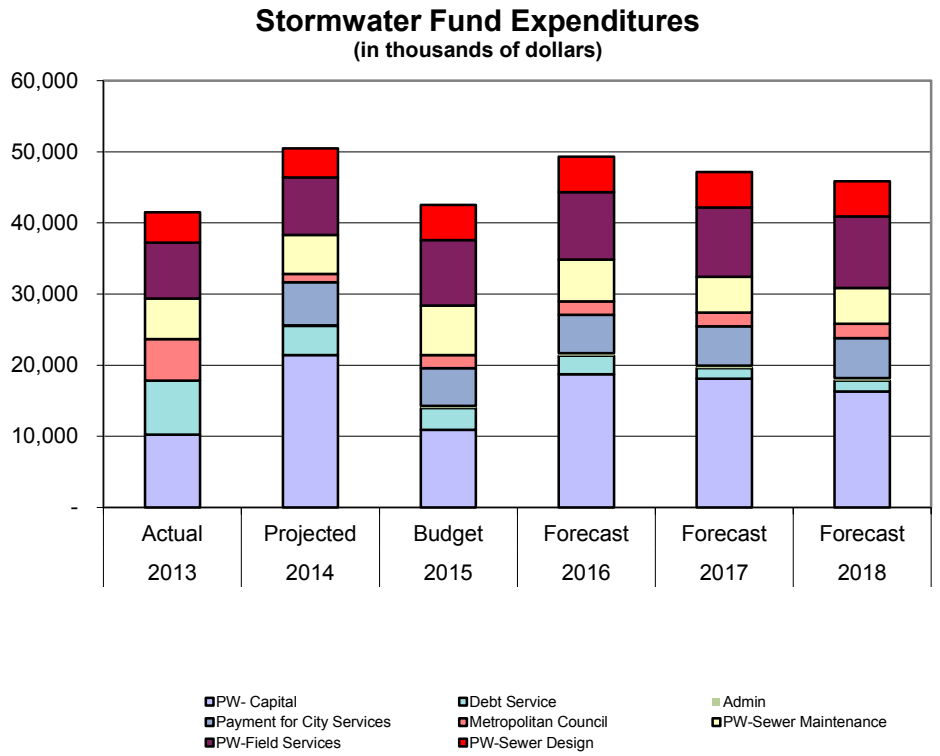
Year	Rate per ESU (Equivalent Stormwater Unit)	% Increase	Total Planned Revenue from Utility Fee
2015	$11.94	0.0%	$38.3 million
2016	$11.94	0.0%	$38.0 million
2017	$11.94	0.0%	$38.0 million
2018	$11.94	0.0%	$38.0 million
2019	$11.94	0.0%	$38.0 million





Expenditures

The 2015 total expenditure budget for the Stormwater Fund amounts to $42.6 million compared to $50.4 million projected for 2014, a decrease of $7.7 million, or 15.4%. The fund's operating budget is used for design, maintenance, overflow programs, Met Council payments, and street cleaning. The operating budget for 2015 totals $28.6 million which is $3.7 million more than the $24.9 million projected for 2014. The increase is the result of expenditures related to Hiawatha facility improvement, Maximo project, additional personnel and FTE adjustments. Capital programs are estimated at $10.9 million compared to $21.4 million projected for 2014. For 2015, $6.2 million of capital projects are Storm revenue funded, $2.7 million of capital projects are funded by watershed districts, and the remaining $2.0 million are pay-as-you go. The 2015 budget anticipates a decrease in net position of $4.6 million due to an additional $8.9 million in deferred capital expenditures approved in prior years.



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. For 2015, $500,000 has been allotted in the operating budget with additional funding coming from the Capital programs.

Debt Service & Transfers
The 2015 budget includes funding for debt service payments that are primarily for bonds that have been previously sold to finance the Combined Sewer Overflow (CSO) and flood mitigation programs. For 2015, debt service payments are estimated at $3.0 million compared to $4.1 million projected for 2014. Transfers out of this fund cover environmental services programming and CARS funding.

Council Adopted Budget

The Mayor proposed and Council adopted a stormwater rate of $11.94 per ESU for 2015, unchanged from 2014.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Storm Water Sewer Fund - 7300

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Federal Government	210	49							
State Government	1,115	1,157	1,158	1,158	1,168	0.8%	1,168	1,168	1,168
Local Government	400	291	400	400	312	-22.0%	312	312	312
Charges for Service-Operating	36,694	36,830	38,319	38,319	38,313	0.0%	38,013	38,013	38,013
Design & Misc Revenues	1,834	1,146	1,230	2,612	2,319	-11.2%	2,397	1,374	1,341
Special Assessments	966	279	-	383	-		-	-	-
Grants Proceeds/Others - Capital					2,735	100.0%	6,783	5,525	-
Charges for Service-Capital	1,382	1,120	2,000	2,000	2,000		2,000	2,000	2,000
Proceeds of Long Term Liabilities	3,272	4,180	7,700	-	-		2,900	-	6,000
Total	45,873	45,051	50,807	44,872	46,847	4.4%	53,573	48,392	48,835
Use of Funds:									
PW-Sewer Design	4,076	4,249	5,859	4,064	4,923	21.1%	4,993	4,975	4,959
PW-Field Services	7,994	7,868	9,264	8,100	9,190	13.5%	9,469	9,757	10,054
PW-Sewer Maintenance	4,191	5,703	7,009	5,489	6,965	26.9%	5,866	5,032	5,043
Metropolitan Council	5,329	5,829	6,536	1,158	1,844	59.2%	1,899	1,956	2,015
Payment for City Services				6,053	5,298	-12.5%	5,380	5,493	5,609
Admin				-	342	100.0%	350	359	368
Debt Service	7,265	7,602	4,085	4,085	3,030	-25.8%	2,600	-	-
Future Debt Service	-	-	-	-	-		-	1,505	1,505
Transfers	1,245	-	-		110		-	-	-
PW- Capital	7,734	10,240	17,505	21,408	10,920	-49.0%	18,738	18,080	16,315
Total	37,834	41,491	50,259	50,356	42,621	-15.4%	49,296	47,157	45,866
Def.Capital Proj - Rev Funded					8,920		7,700	40	-
Change in Net Assets	8,039	3,560	548	(5,485)	(4,694)		(3,423)	1,195	2,968
Net Asset Balance	299,594	311,577	312,125	306,092	301,398		297,976	299,171	302,140
Cash Balances	33,223	36,354	36,908	30,874	26,181		22,758	23,953	26,921
Construction Cash	4,185	6							
Total Cash Balance	37,409	36,360	36,908	30,874	26,181		22,758	23,953	26,921

City of Minneapolis
2015 Budget
Financial Plan

Water Treatment and Distribution Services Fund

Background

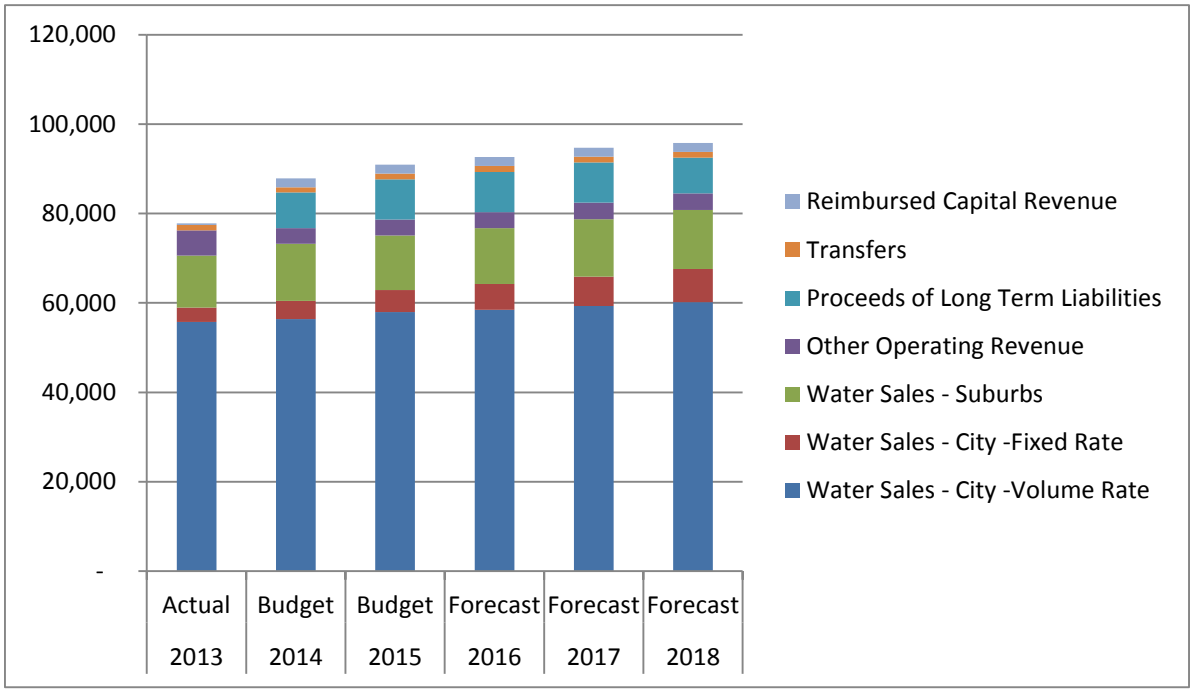
The Water Treatment and Distribution Services Fund accounts for water production and distribution costs for the City of Minneapolis and several suburban customers, as well as for the related capital improvement program. The City currently sells water to seven suburbs including Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal, Edina, and the Metropolitan Airport Commission.

Historical Financial Performance

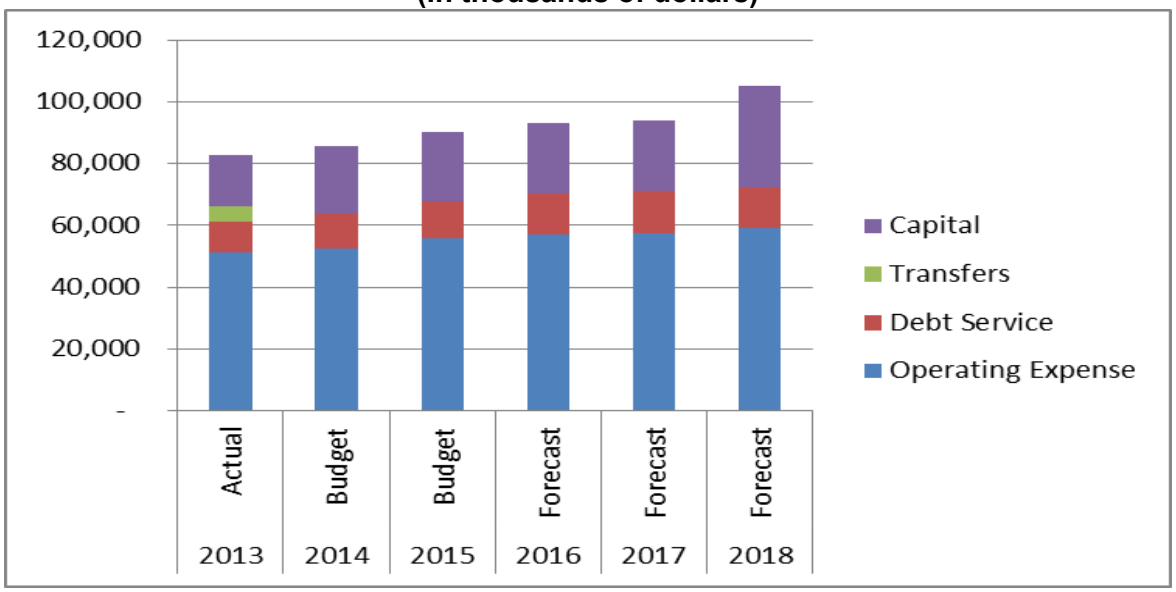
The net position of the Water Fund has increased over the past several years due primarily to scheduled rate increases and major capital improvements. The following table shows the revenue earned from Minneapolis and suburban sales for years 2012 – 2013, the projected 2014 revenue, and the 2015 budgeted revenue:

Source of Revenue	2012	2013	2014 Projected	2015 Budget
Bloomington	$3,649,480	$3,385,177	$ 3,255,535	$3,252,444
Columbia Heights	1,273,934	1,168,255	1,123,515	1,296,165
Hilltop	76,813	74,920	72,050	77,479
Joint Water Commission	6,849,525	5,903,381	5,677,300	6,478,860
Edina	246,533	238,592	229,455	253,155
MAC	880,656	836,893	804,843	887,111
Total Suburban	**$12,976,941**	**$11,607,219**	**$11,162,698**	**$12,245,215**
Volume Rate	$56,249,333	$55,738,712	$54,819,189	$57,922,085
Fixed Rate	3,216,611	3,230,251	4,025,780	4,930,038
Total Minneapolis	**$59,465,944**	**$58,968,963**	**$58,844,969**	**$62,852,123**
Total Revenue	**$72,442,885**	**$70,576,182**	**$70,007,667**	**$75,097,338**

Water Fund Revenues
(In thousands of dollars)

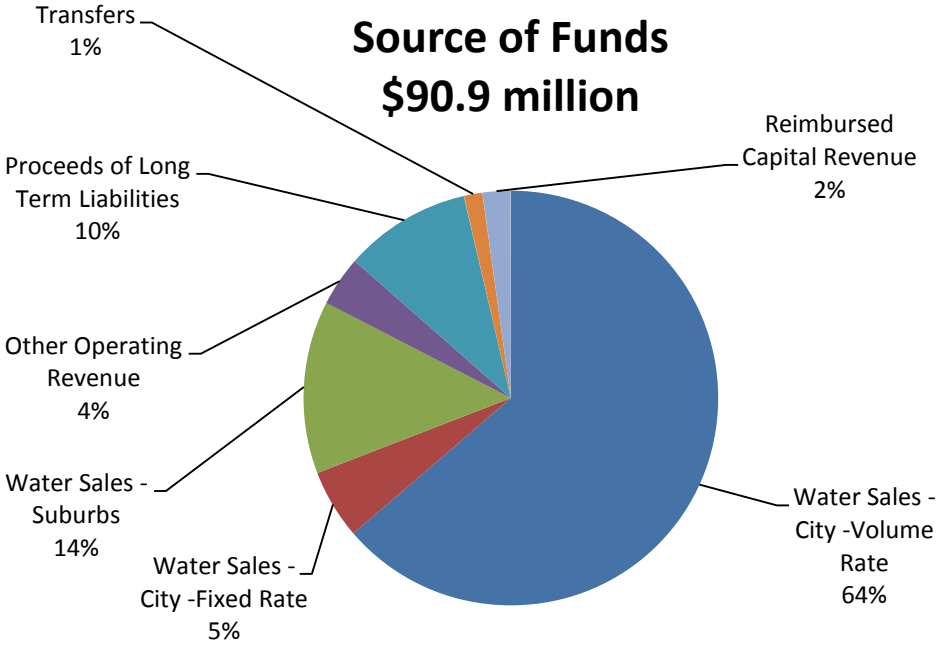


Water Fund Expenses
(In thousands of dollars)



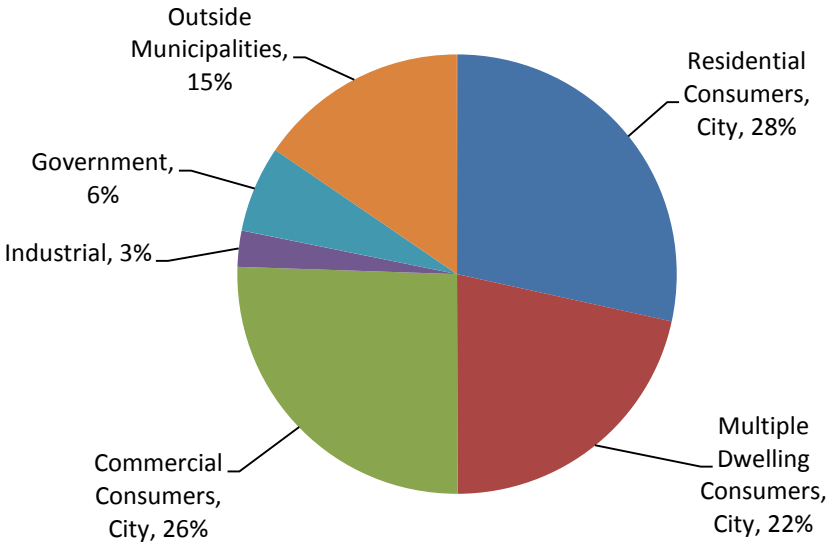
2015 Budget

Revenues
The 2015 revenue budget of $90.9 million is $3.0 million higher than the 2014 revenue budget of $87.9 million. This increase is in part related to bond proceeds that will be used to finance the rehabilitation of the Fridley filter plant and the replacement of the recarbonation system. There are also projected rate increases for the years 2015 – 2018 to pay debt service for the capital program expenses and to repair infrastructure as well as to cover anticipated growth in operating expenses.



Water Utility Rates
The budget includes a fixed rate charge based on meter size as well as a variable rate charge of $3.37/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 2013 Consumption)

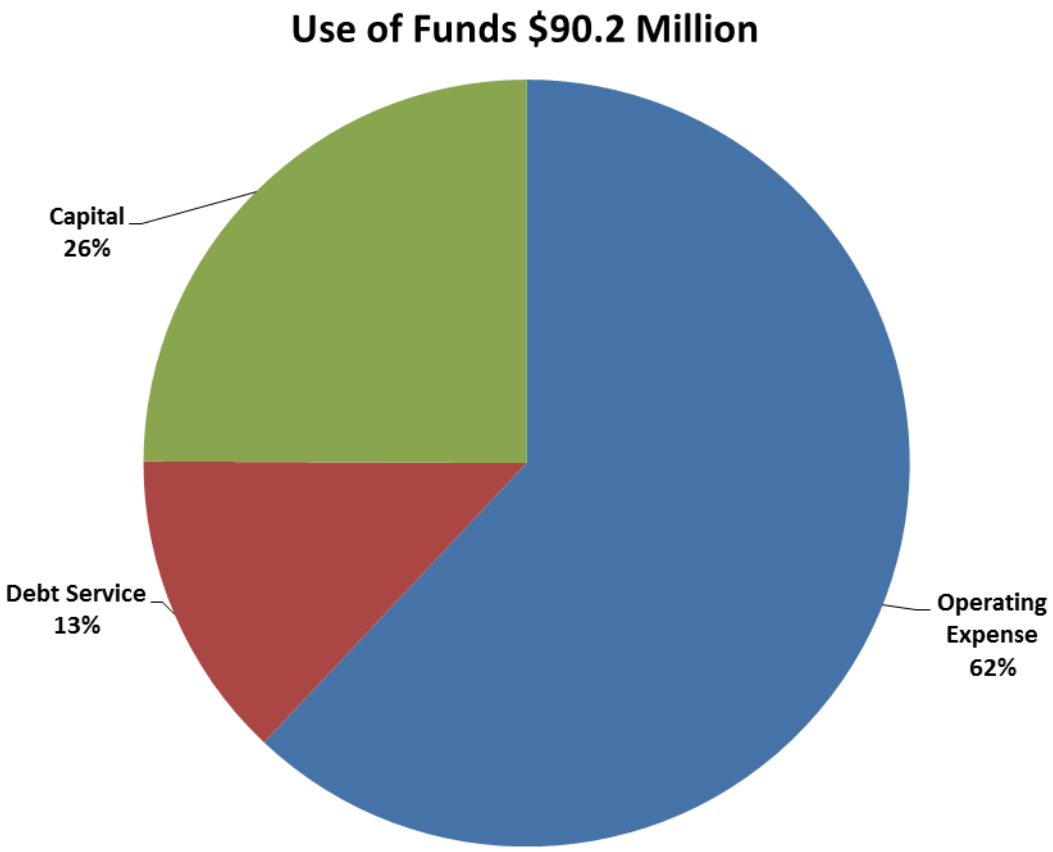


Projected Revenue from City Water Sales

Year	Fixed Rate (5/8" Meter)	Rate (cost per 100 cubic feet)	Total Cost Per Month for Average Consumer[1]	Total % Increase	Total Monthly Cost Increase per Household	Total Planned Revenue from Utility Fee
2013	$2.00	$3.29	$25.03	2.58%	$0.63	$58.9 Million
2014	$2.50	$3.32	$25.74	2.84%	$0.71	$60.5 Million
2015	$3.00	$3.37	$26.59	3.30%	$0.85	$62.8 Million
2016	$3.50	$3.42	$27.44	3.20%	$0.85	$64.2 Million
2017	$4.00	$3.47	$28.29	3.10%	$0.85	$65.9 Million
2018	$4.50	$3.52	$29.14	3.00%	$0.85	$67.6 Million

Projected Revenue from Suburban Water Sales

Year	% Increase	Total Revenue Earned from Utility Fee - Suburbs
2013	-10.56%	$11.6 Million
2014	10.09%	$12.8 Million
2015	-4.18%	$12.2 Million
2016	2.13%	$12.5 Million
2017	2.67%	$12.8 Million
2018	2.60%	$13.1 Million



Expenditures
The 2015 expense budget is $90.2 million, a 5.4% increase over 2014 budgeted expenses of $85.6 million. The budget provides funding for water production 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 2015 capital budget of $22.5 million represents a 1.8% increase from the 2014 capital budget.

Debt Service and Transfers
The debt service total of $11.8 million is for bonds and notes sold to finance the Water Fund's Capital Construction program.

City of Minneapolis

2015 Budget

Financial Plan (In thousands of dollars)

Water Fund - 7400

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg from 2014 Budget	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Water Sales - City									
Volume Rate	56,249	55,739	56,365	54,819	57,922	2.8%	58,449	59,318	60,188
Fixed Rate	3,217	3,230	4,108	4,026	4,930	20.0%	5,752	6,573	7,395
Water Sales - Suburbs	12,977	11,607	12,779	11,163	12,245	-4.2%	12,507	12,840	13,174
Other Operating Revenue	2,779	5,661	3,446	4,656	3,524	2.3%	3,596	3,669	3,744
Proceeds of Long Term Liabilities	215	-	8,000	6,000	9,000	12.5%	9,000	9,000	8,000
Transfers									
From Sewer Fund for Meter Shop	994	1,149	1,157	1,157	1,285	11.1%	1,285	1,285	1,285
From General Fund	-	22	27	27	25	-7.4%	25	25	25
Reimbursed Capital Revenue	759	364	2,000	500	2,000		2,000	2,000	2,000
Total	77,190	77,772	87,882	82,348	90,931	3.5%	92,614	94,710	95,811
Use of Funds:									
Operating Expense	47,085	51,206	52,424	50,667	55,962	6.7%	57,018	57,407	59,013
Debt Service	10,273	10,106	10,454	10,454	10,691	2.3%	10,906	10,928	10,015
Future Debt Service	-	-	670	-	1,085	61.9%	2,218	2,865	3,513
Transfers									
To Debt Service for MERF Liability	4,992	-	-	-	-		-	-	-
Capital	12,683	16,456	22,100	15,250	22,495	1.8%	22,800	22,900	32,400
Total	75,033	77,768	85,648	76,371	90,233	5.4%	92,942	94,100	104,941
Water Fund Margin	2,157	4	2,234	5,977	698	-68.8%	(328)	610	(9,130)
Water Net Position	197,186	197,186	199,420	203,163	203,861	2.2%	203,533	204,143	195,013
Cash Balance	19,067	18,963	21,197	24,940	26,440	24.7%	26,112	26,722	17,592

City of Minneapolis
2015 Budget
Financial Plan

Public Works Stores Fund

Background

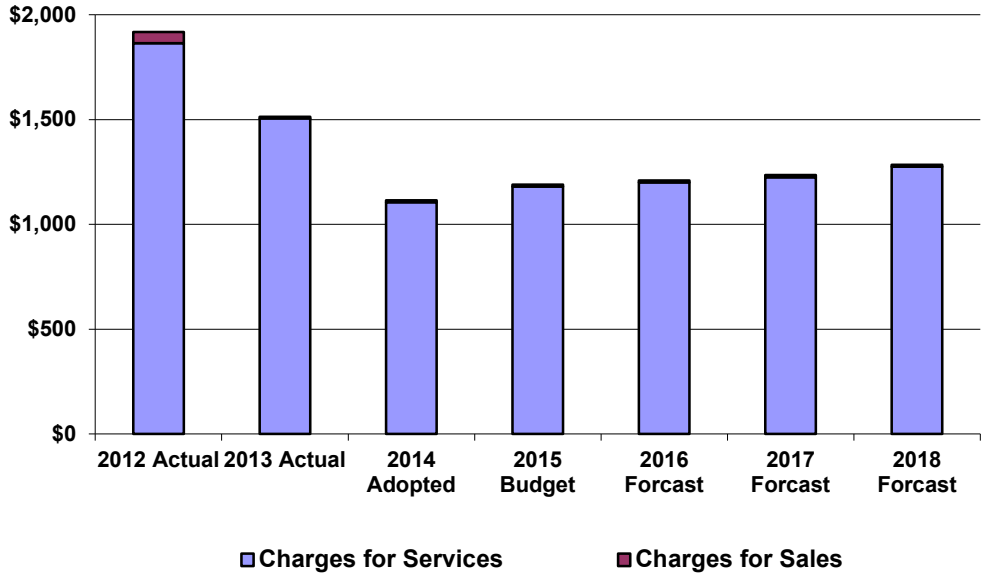
The Public Works Stores Fund accounts for the centralized procurement, receiving, warehousing, and distribution of stocked inventory items and the purchase of special goods and services through Central Stores and Public Works Traffic Stores.

Historical Financial Information

Public Works operated Central Stores beginning in January 1965. At that time, the stockrooms of property services, bridge maintenance, paving construction, and sewer construction and maintenance were combined to establish a central stores operation. In 1980, Central Stores began purchasing 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 Finance & Property Services Department. 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 was implemented in 1998 which resulted in positive net income for years 2000 through 2007. For year ending 2011, PW Stores recorded a net loss of $(196,000). The net income for 2012 and 2013 was $667,000 and $394,000 respectively.

Public Works Stores Revenue
(in thousands of dollars)

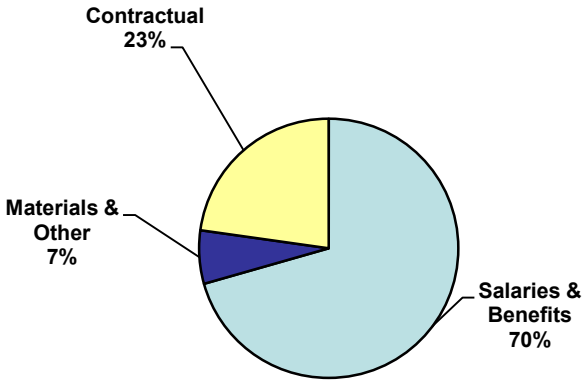


2015 Budget

Revenues
Revenues for 2015 are budgeted at $1.19 million, a decrease of 15.2% from the 2014 projected revenue of $1.40 million. Revenues for 2014 are projected to be higher than budgeted due to an increase in inventory transactions processed by both Central Stores and Traffic Stores. The 2014 revenue budget was calculated using historical levels of inventory sales.

Expense
The 2015 expense budget of $1.05 million is a 4.9% decrease from the 2014 projected expense of $1.11 million. There are no significant planned changes for expenses.

Public Works Stores Funds
Use of Funds
$1.1 million



Transfers
Beginning in 2013, this fund no longer plans for a transfer out for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability. The City retired the 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 any long-term debt.

Net Position and Cash Balance
The year-end net position for 2013 was $4.1 million, an increase of $394,000 from the ending net assets of $3.7 million in 2012. The financial policy for the net position for this fund determines that the fund should maintain a net position, at a minimum, equal to 15% of the operating budget. For the year ending 2013, the benchmark for net assets is $0.2 million and the fund exceeded the benchmark by $3.9 million.

The fund experienced a negative cash balance since year-end 2006 when the balance was a deficit of $(900,000). By 2011, the deficit had increased to $(1,027,000). In 2013 the deficit cash balance decreased to $(179,000) and is projected to continue to improve and achieve a positive balance by year-end 2014.

City of Minneapolis
2015 Budget
Financial Plan (in thousand of dollars)
PW Stores Fund - 06300*

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Charges for Services	1,865	1,506	1,105	1,393	1,180	-15.3%	1,200	1,225	1,275
Charges for Sales	54	8	10	10	10	0.0%	10	10	10
Total	1,919	1,514	1,115	1,403	1,190	-15.2%	1,210	1,235	1,285
Use of Funds:									
Salaries and Fringes	727	790	715	769	744	-3.3%	759	774	789
Contractual Services	310	313	273	303	240	-20.9%	245	250	255
Materials and Other	99	16	71	36	70	94.7%	72	73	75
Transfers	117	-	-	-	-	0.0%	-	-	-
Total	1,253	1,120	1,059	1,108	1,054	-4.9%	1,075	1,097	1,119
Change in Net Position	667	394	56	295	136		135	139	166
Net Position	3,692	4,089	4,145	4,384	4,520		4,655	4,794	4,960
Cash Balance	(163)	(179)	(123)	16	152		287	426	592
Target Cash Reserve[1]	158	159	159	156	158		161	165	168
Variance Cash to Target Reserve	(321)	(337)	(282)	(140)	(6)		126	261	424

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

[1]The 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 2015-2018 forecasts for use of funds are calculated using a factor of 2.0% to capture increases in expense.

City of Minneapolis
2015 Budget
Financial Plan

Engineering Materials and Testing Fund

Background

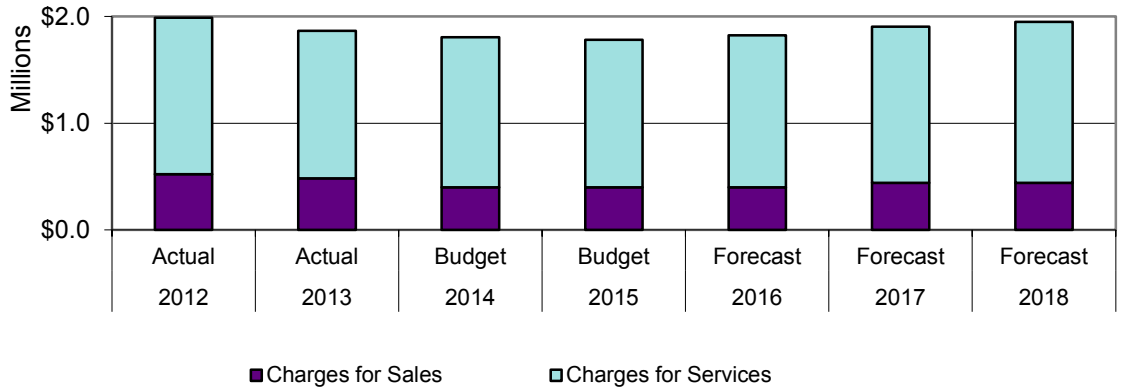
The Engineering Materials and Testing Fund accounts for City purchases of hot-mix asphalt and ready-mix concrete in order to ensure compliance with State and Federal standards and specifications, and to provide quality control of these materials. The Engineering Laboratory is a component of this fund 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 2013, the net assets increased $391,000 bringing the ending balance from $1.6 million in 2012 to $2.0 million in 2013. The cash balance increased from a balance of $1.7 million in 2012 to a balance of $2.1 million in 2013.

Engineering Materials and Testing Revenues



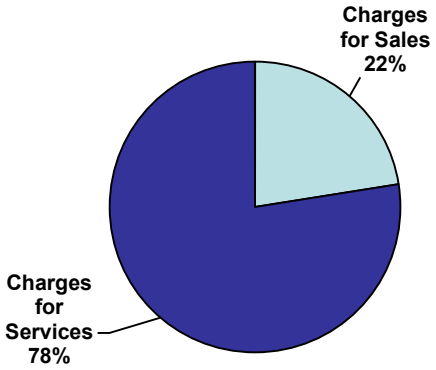
2015 Budget

Revenues
The 2015 revenue budget is $1.8 million, an increase of 17.5% from the 2014 projected revenue of $1.5 million. In 2014, projected revenue is less than the 2014 budgeted amount due to a decrease in both the overhead rate and in laboratory billing rates. These adjustments were first

implement mid-year of 2013. The rates continue to be reviewed to ensure accurate capture of revenue sufficient to cover expenses.

This fund generates revenue from testing and inspection services provided by the Engineering Lab and the sale of concrete and asphalt from outside vendors to other City departments. Product types and quantities are identified for customer departments. A cost allocation model determines product costs to allow the fund to generate revenues that match operating expenditures. The 2015 revenue budget includes $1.4 million earned from charges for services provided by the Engineering Lab and $400,000 as mark up on the sale of asphalt and concrete.

Source of Funds
($1.8 million)

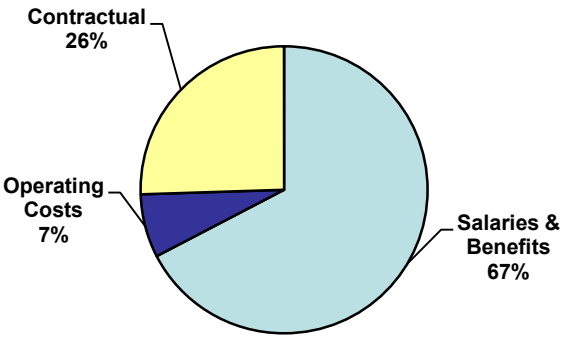


Expenditures
The 2015 expense budget is $1.9 million, an increase of 22.4% from the 2014 projected expense of $1.5 million. This increase is primarily due to the addition of two engineering technicians to work in the lab. The fund also received approval to purchase two new vehicles through the Capital Asset Request System (CARS) at a cost of $49,000. The use of net position, or equity in the fund, will provide the source of financing for this purchase. Expense in 2014 is projected to be less than the amount budgeted due to vacant positions.

Transfers
There are no transfers scheduled in 2015 for this fund.

Debt Service
This fund does not have any long-term debt.

Use of Funds
($1.9 million)



Net Position and Cash Balance
The Engineering, Materials and Testing Fund has a positive net position of $2.0 million at year-end 2013, an increase of $391,000 from the 2012 ending position of $1.6 million. The net position is projected to be $1.9 million at the end of 2014 and to decrease to $1.8 million in 2015. The primary reason for the decrease in net position is a reduction in revenue due to the decrease in overhead and laboratory testing rates charged to customers. In 2015, the fund was approved to use $49,000 of net position as the funding source for two new vehicles for personnel. The financial policy for the net position for this fund determines that the fund should maintain a net position equal to 15% of the operating budget. For the year ending 2013, the benchmark for net position is $0.2 million and the fund exceeded the benchmark by $1.8 million. The net position is projected to exceed the benchmark of $0.3 million for 2014 and 2015 by $1.7 million and $1.5 million respectively each year.

The 2012 year-end cash balance was $2.1 million, an increase of $379,000 from the 2012 year-end balance of $1.7 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 2013. The fund exceeded the benchmark by $1.9 million. The cash balance is projected to be $2.1 million in 2014 and $2.0 million 2015, exceeding the cash reserve benchmark for each year.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Engineering, Materials and Testing - 06000

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Charges for Services	1,468	1,381	1,406	1,150	1,381	20.1%	1,423	1,465	1,509
Charges for Sales	521	484	400	366	400	9.3%	400	440	440
Total	1,989	1,865	1,806	1,516	1,781	17.5%	1,823	1,905	1,949
Use of Funds:									
Personnel Services	826	950	1,209	1,100	1,274	15.8%	1,312	1,351	1,392
Contractual Services	454	410	471	375	482	28.6%	497	512	527
Materials and other	56	89	84	70	135	92.8%	89	91	94
Transfers Out	195	-	-	-	-		-	-	-
Total	1,530	1,449	1,764	1,545	1,891	22.4%	1,895	1,953	2,011
Change in Net Position	394	391	42	(29)	(110)		(73)	(48)	(61)
Net Position	1,584	1,975	2,017	1,946	1,836		1,764	1,716	1,654
Cash Balance	1,746	2,125	2,167	2,096	1,986		1,914	1,866	1,804
Target Cash Reserve[1]	248	233	265	232	284		285	293	302
Variance Cash to Target Reserve	1,498	1,892	1,902	1,864	1,703		1,629	1,573	1,502

[1]The 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 2016-2018 forecasts for source and use of funds are calculated using a factor of approximately 3.0% to capture increases in revenues and expense.

City of Minneapolis
2015 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 account for 95.7% 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 3.5% of operating activities. A portion of the Human Resources budget that is designated for internal training is included in this fund, representing 0.8% 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 in this fund. Since year-end 2002, the fund has achieved positive increases to its net position bringing the balance from a deficit of $(40.8) million in 2002 to a positive net position of $37.4 million in 2013. For 2014, the fund is projected to increase net position by $14.2 million for an ending net position of $51.6 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. Debt service payments totaling $10.7 million in 2011 and $9.6 million in 2012 extinguished all debt related to the past deficits. In 2014, an additional $1.6 million of debt will be retired and an additional $2.2 million will be issued, resulting in a total outstanding debt balance at year-end 2014 of $2.7 million. This debt will be paid through transfers from the bond redemption fund.

In 2013, IT incurred $4.8 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 $1.2 million for technology capital projects in 2013 which are funded by net debt bonds. For 2014 and 2015, the City Council approved $2.1 million and $2.9 million, respectively, for technology capital projects. The majority of the funding for technology projects is derived from City departments' operating budgets.

The Information Technology department continues to be active with new citywide initiatives:

- *Information Operations Platform,* 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.

- *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 project is expected to be completed in 2016.

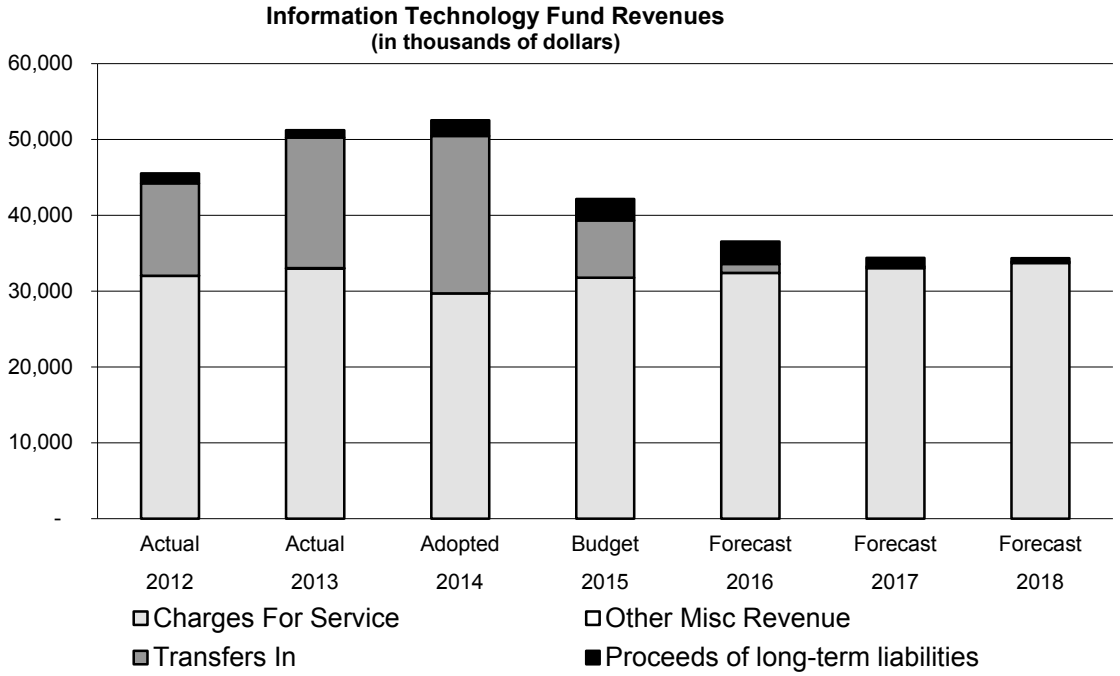
- *Enterprise Resource Planning (ERP) Program:* The City will acquire and implement upgrades to the current PeopleSoft systems: financial reporting (Compass), HRIS including HCM (Human Capital Management) and ELM (Enterprise Learning Management), and Business Intelligence (Cognos reporting). The implementation enables more effective integration and collaboration of the components through the ERP perspective resulting in enhanced business processes, better data, and improved financial and HR reports. Hardware and database upgrades were completed in 2013 and the system-wide completion date is August 2015.

The net position in this fund will remain positive 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 based on usage of enterprise-wide applications and customer specific services. The net position of the fund increases primarily as a result of the capitalization of technology projects.

Historical Financial Performance

The net position of the fund was 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 of a negative $21.7 million to the fund's net position. Although this negative adjustment caused fund net position 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 and at year-end 2013, net position had improved to $37.4 million.

The updated long-term financial plan projected the net position at year-end 2013 to increase to $35.9 million. The actual net position at year-end 2013 was $37.4 million, representing an increase of $10.0 million from the 2012 ending balance of $27.4 million. The fund's cash balance has also increased as projected in the long-term financial plan. From 2003 to 2013 the cash balance increased by $38.5 million from a deficit of $(3.2) million to a positive of $35.3 million at year-end 2013. It should be noted that included in the cash balance is $12.9 million of unearned revenue, or cash received from other City departments as prepayment for future technology projects. In addition, the general fund transfer to the Intergovernmental Services fund increased by $3.7 million in 2013 contributing to the increase in cash.



2015 Budget

Revenues

The 2015 revenue budget is $42.1 million, a decrease of 29.9% from the 2014 projected revenue of $60.1 million. The primary reason for the decrease in revenue is a reduction of $15.2 million in the amount transferred in from the general fund. The original financial plan required that this fund receive an annual transfer from the general fund to assist in the cost of providing information technology services. Revenue transfers from the general fund in 2013 and 2014 are $14.2 million and $19.0 million respectively. The transfer in from the general fund in 2014 includes $5.3 million of approved funding through the Capital Asset Request System (CARS) Allocation for the Enterprise Resource Management Upgrade project, which will be recognized as PMO revenue (charges for services). In addition, the fund will receive transfers from the bond redemption fund of $0.7 million in 2014 and $2.8 million in 2015. Beginning in 2015, the fund will not receive a transfer from the general fund to finance the payment for outstanding net debt bonds. The outstanding debt significantly decreased to a year-end balance of $2.2 million from 2012 to 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 2015 as compared to the 2014 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 customer specific 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:

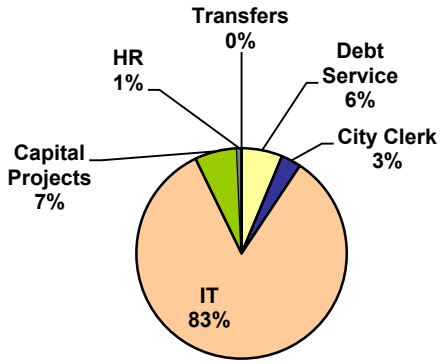
- IT operating costs at a level that conforms to the Council-adopted financial plan.
- Debt service resulting from phone system purchase.
- A small portion for City Clerk data center operations and Human Resources operations.

Revenue Assumptions (2015)	
Number of PC's	2,758
Number of telephones	2,883

Expenses

The 2015 expense budget is $43.8 million, a decrease of 4.5% from 2014 projected expense budget. The decrease in the 2015 total expense budget is due to a $3.8 million decrease in IT operating expense which is offset by a $0.8 million increase in the capital project budget and a $1.0 million increase in the debt service budget. The 2014 projected operating expense is $11.8 million over the 2014 budget primarily due to expenses related to the Enterprise Resource Planning and the Enterprise Land Management projects that are expected to be completed in 2015 and 2016 respectively. The ERP project is partially funded through the CARS program and both projects received funding through department cost savings. Expense related to customer funded PMO projects is not included in the original operating budget. Operating expenses in the Intergovernmental Services Fund are comprised of the following: salaries/benefits, contractual, operating, equipment. Of the total operating budget for 2015, the IT expense budget comprises 95.7%. A portion of the operating expenses of the City Clerk's office and Human Resources are included in this fund and comprise 3.5% and 0.8%, 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 2015, the capital budget is $2.9 million, an increase of 39.0% from the 2014 budget primarily due to an additional $1.0 million appropriated for the Police Report Management System Upgrade. 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 ($43.8 million)



Transfers

As of 2015, the Intergovernmental Services Fund does not receive a transfer in from the general fund to assist with debt payments as the majority of the debt obligations were retired in 2012. The fund does however receive a transfer from the general fund of $0.2 million to fund City Hall rent as well as additional funding in general fund transfers for CARS projects. In addition, the fund receives a $2.8 million transfer from the general debt service fund and a $1.0 million transfer from the Self Insurance Fund. The City proprietary funds no longer transfer payments to the Minneapolis Employees Retirement Fund debt service as bonds related to this obligation were retired in 2012. The Intergovernmental Services Fund used fund balance as a revenue source for this payment and recovers this cost through the cost allocation model in years 2013 through 2015.

Debt Service
In 2015, the fund will have a beginning bond liability of $2.7 million. In 2014 $2.2 million in general obligation bonds were issued and there were debt service payments of $1.7 million including $60,798 of interest. This will leave an ending balance of bonds payable of $2.7 million at 2014 year end.

Net Position and Cash Balance
The financial policy related to the net position for the Intergovernmental Services Fund determines that the net position should not fall below two times the fund's annual depreciation. The annual depreciation for 2014 is $6.6 million and the projected year-end net position is $51.6 million which brings the fund's projected net position $38.4 million over the benchmark amount of $13.2 million. The financial policy for cash balance states that the minimum cash balance should be equal to 15.0% of the fund's total budget. The year-end cash balance for 2013 was $35.3 million. The fund had a 2013 total budget of $31.9 million resulting in a benchmark amount of $4.7 million. At year-end 2013, the fund's cash balance exceeded the benchmark by $30.5 million. The cash balance is projected to increase significantly in 2014 to an ending balance of $46.0 million due to a transfer in of $14.9 million from the general fund. In the following years, the fund is projected to decrease its cash balance from $42.8 million in 2015 to $33.9 million in 2018. Net position is projected to decrease from $49.9 million in 2015 to $42.8 million in 2018.

The 2015 budget includes the use of $2.8 million of net position to cover capital expenses. This includes $2.7 million for outsourcing transition expenses and $0.1 million for web infrastructure expenses.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Intergovernmental Services Fund - 6400

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Charges For Service	32,018	32,971	29,681	43,200	31,752	-26.5%	32,387	33,035	33,696
Other Miscellaneous Revenue	13	35	-	-	-		-	-	-
Operating Transfers In	12,185	17,240	20,771	14,863	7,544	-49.2%	1,192	192	192
Proceeds of Long term Liabilities	1,275	965	2,050	2,050	2,850	39.0%	2,950	1,150	450
Total	45,491	51,211	52,502	60,113	42,146	-29.9%	36,529	34,377	34,338
Use of Funds:									
Transfers	1,103	15	-	-	-		-	-	-
Debt Service	9,241	1,983	1,706	1,706	2,751	61.3%	-	-	-
City Clerk	1,269	1,353	1,286	1,450	1,349	-7.0%	1,376	1,404	1,432
Human Resources	272	302	277	300	301	0.2%	307	313	319
Information Technology	26,401	32,840	28,811	40,400	36,568	-9.5%	33,627	34,304	34,765
Capital Projects	1,000	1,371	2,050	2,050	2,850	39.0%	2,950	1,150	450
Total	39,287	37,864	34,130	45,906	43,819	-4.5%	38,260	37,170	36,965
Change in Net Position	2,904	9,994	18,371	14,207	(1,673)		(1,731)	(2,793)	(2,628)
Net Position	27,410	37,404	55,775	51,611	49,938		48,207	45,414	42,786
Cash Balance[1]	15,805	35,263	46,884	45,970	42,797		39,316	36,523	33,895
Target Cash Reserve	6,028	4,737	5,074	5,074	5,615		5,611	5,476	5,514
Variance Cash to Target Reserve	9,777	30,526	41,810	40,896	37,182		33,704	31,047	28,381

[1] The cash balance for years 2014 through 2016 is reduced by $1.5 million and $1.75 million for repayment of Minneapolis Convention Center loan. At year end 2013, fund 06400 has a liability balance of $12.9 million in unearned revenue resulting from prepayments by City departments for future IT projects. These prepayments result in an increase to the cash balance.

City of Minneapolis
2015 Budget
Financial Plan

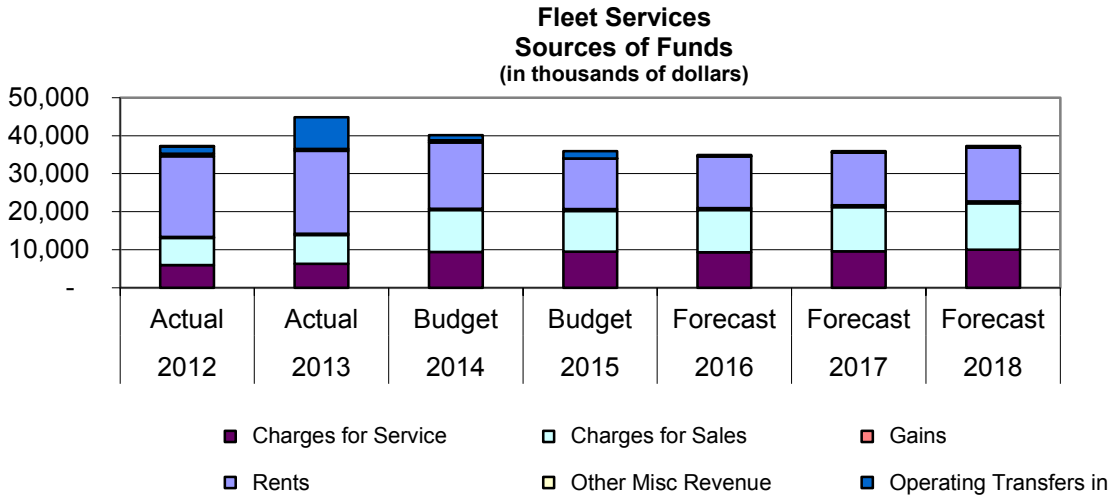
Fleet Services Division Fund

Background

The Fleet Services Division Fund manages the acquisition, maintenance and disposal of approximately 1,700 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 the services of technicians to maintain the equipment, and the fund manages the dispatch of City-owned and contractual equipment. The City's fleet of vehicles and equipment has an acquisition value of $74.7 million and accounts for 49.5% 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 2012 with the exception of 2008 when the cash balance was a deficit of $(49,000) at year end. At the end of 2013, the cash balance was $18.9 million. The target cash reserve balance for this fund is $4.1 million.



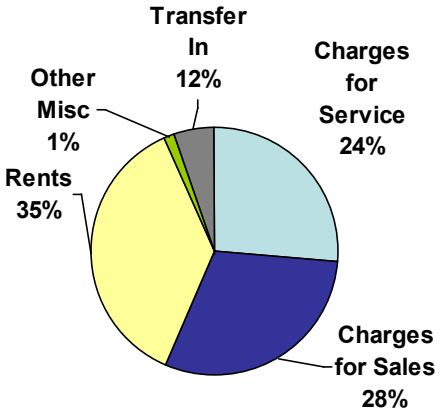
The original long-term financial plan financed fleet purchases by issuing general obligation bonds. Upgrading the fleet reduced the average age of the fleet, thereby reducing maintenance costs in the fund. Historically, the fund continued to follow the plan to maintain a positive cash balance, increase net position, 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.

2015 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 2015 are budgeted at $35.9 million, a decrease of $3.7 million or 9.3% from the 2014 projected revenue of $39.6 million. The decrease in revenue is primarily due to the fact that Fleet will no longer provide short term rental of equipment for department use, but will instead assign units on a permanent basis to the departments.

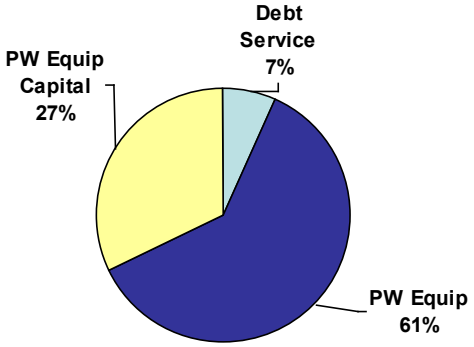
Sources of Revenue ($35.9 million)



Expense

The 2015 expense budget is $36.9 million which represents a decrease of $7.0 million or 16.0% from the 2014 projected expense of $43.9 million. The decrease in expense is primarily due to planned reduction in capital purchases during 2015. Fleet equipment purchases are based on a long-term replacement schedule with some years having higher amounts of replacement than others. Additionally, four FTEs were removed from the fund as a result of restructuring of the Dispatch Operations.

Use of Funds ($36.9 million)



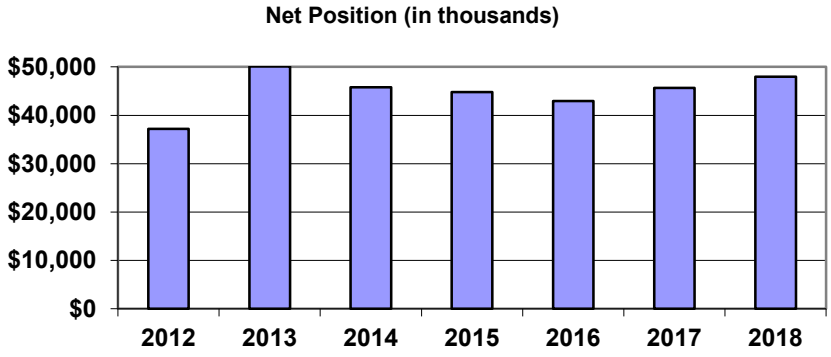
Transfers

The prior years' transfers 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 $2.3 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 in years 2012 through 2014.

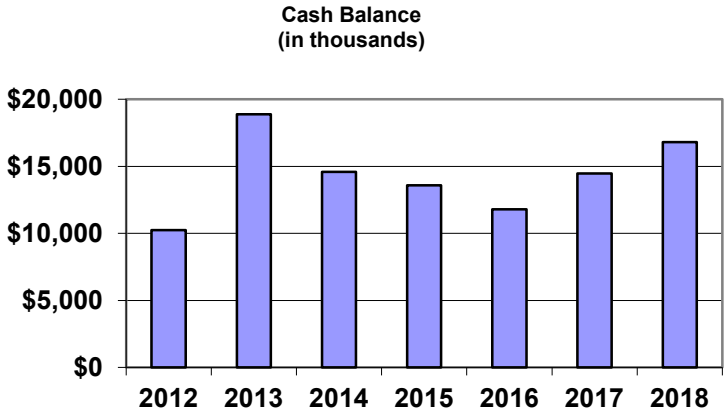
There is a transfer in of $0.3 million from Property Services to pay a portion of the debt expense related to the Currie Maintenance Facility. Property Services included a portion of the debt expense in its rent cost allocation model to charge other City departments that are housed in the Currie facility for a portion of the debt. There are also $1.6 million in other transfers in to pay for Capital Asset Request System (CARS) projects funded by this fund as part of the regular lifecycle replacement schedule for fleet capital assets.

Debt Service
As part of the fleet modernization effort that began in 1997, the City issued bonds to finance fleet upgrades and to build new maintenance facilities. Principal and interest payments totaling $2.6 million are due in 2015 related to these bonds. The remaining debt obligation after 2015 is $14.6 million with a payment of $9.3 million scheduled for 2018 that is expected to be refinanced.

Net Position
A primary objective of the long-term financial plan is to increase the fund's net position and the cash balance from the deficit balances in 2002. The fund has steadily increased its net position since 2003 when the financial plan was first implemented. The net position at year-end 2013 was $50.1 million, an increase of $12.9 million from the 2011 ending position of $37.2 million. The primary reason for the increase was a transfer in from the general fund of $8.3 million to assist with debt repayment through 2018. In 2015, the fund has a planned use of $992,000 of net position to fund the purchase of fueling station hardware and to assist with debt payments and other operating expense. The purchase and funding of the fuel station hardware is estimated to be $100,000 and was approved through the Capital Asset Request System (CARS). The projected net position is expected to stabilize close to $45.0 million as operating revenues are matched to expenses and capital outlay follows the fleet replacement plan. The financial policy related to net position for the Fleet Services Division states that the net position should not fall below two times the annual depreciation amount. The annual depreciation for Fleet Services in 2013 was $6.2 million. The 2013 position of $50.1 million is $37.7 million greater than the benchmark amount. The 2014 projected net position is $45.8 million.



The 2013 ending cash balance of $18.9 million was an increase of $8.7 million from the 2012 ending balance of $10.2 million. A transfer in from the general fund of $8.3 million was the primary reason for the increase in cash. The cash balance is projected to decrease from 2014 to 2016 as the fund experiences an increase in capital outlay ranging from $15.6 million to $10.9 million. Beginning in 2017, the capital outlay is expected to decrease to $6.5 million followed by an outlay of $7.3 million in 2018 allowing the cash balance to rebound. The target cash balance for 2013 as determined by the cash reserve policy was $5.1 million. The 2014 projected balance is $14.6 million. The chart to the right illustrates the historical and projected cash performance of the fund.



City of Minneapolis
2015 Budget
Financial Plan (in thousand of dollars)

Fleet Services Divison - 06100

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Charges for Service	5,981	6,353	9,482	9,199	9,491	3.2%	9,390	9,645	10,051
Charges for Sales	7,170	7,534	11,003	9,095	10,721	17.9%	11,042	11,594	12,174
Gains	233	340	300	100	500	400.0%	500	500	500
Rents	21,226	21,786	17,394	19,582	13,287	-32.1%	13,618	13,825	14,143
Other Misc Revenue	680	525	624	352	10	-97.2%	10	10	10
Operating Transfers in	1,926	8,315	1,289	1,289	1,912	48.4%	331	346	408
Total	37,216	44,853	40,091	39,617	35,921	-9.3%	34,892	35,920	37,286
Use of Funds:									
Debt Service	2,775	4,296	2,507	2,507	2,560	2.1%	2,615	2,677	2,704
Transfers	2,284	-	-	-	-	0.0%	-	-	-
PW Equipment	26,832	27,099	27,600	25,814	22,433	-13.1%	23,178	24,057	24,972
PW Equipment Capital	6,381	5,429	15,600	15,600	11,919	-23.6%	10,892	6,516	7,287
Total	38,272	36,823	45,707	43,921	36,912	-16.0%	36,685	33,250	34,962
Change in Net Position	2,844	12,862	(5,616)	(4,304)	(992)		(1,793)	2,670	2,324
Net Position	37,200	50,062	44,446	45,757	44,765		42,973	45,644	47,967
Cash Balance	10,237	18,894	13,278	14,590	13,598		11,805	14,475	16,799
Target Cash Reserve[1]	3,569	5,130	4,140	4,061	3,350		3,296	3,381	3,468
Variance Cash to Target Cash Reserve	6,668	13,764	9,138	10,529	10,248		8,509	11,094	13,331

[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 2012 is a phase-in amount.

City of Minneapolis
2015 Budget
Financial Plan

Property Services Fund

Background

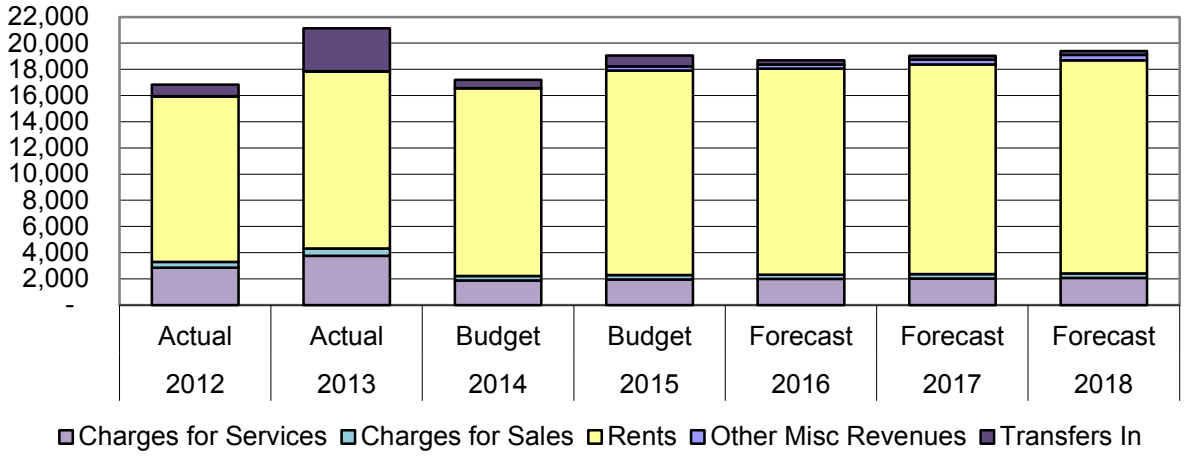
The Property Services Fund is an internal service fund responsible for the operations and maintenance of the majority of the City-owned buildings including police precincts, fire stations, public works buildings, parking structures, and specialty facilities. At this time, the fund does not provide any 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 services 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's department. 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 charges to City departments are calculated through cost allocation models using historical and anticipated operational costs. The cost recovery structure is configured to enable the fund to charge the amounts 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)

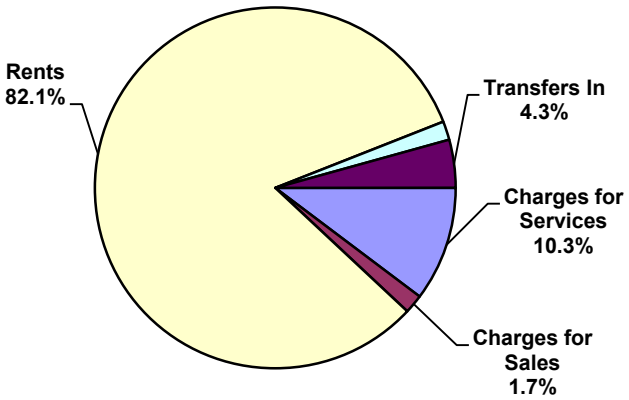


2015 Budget

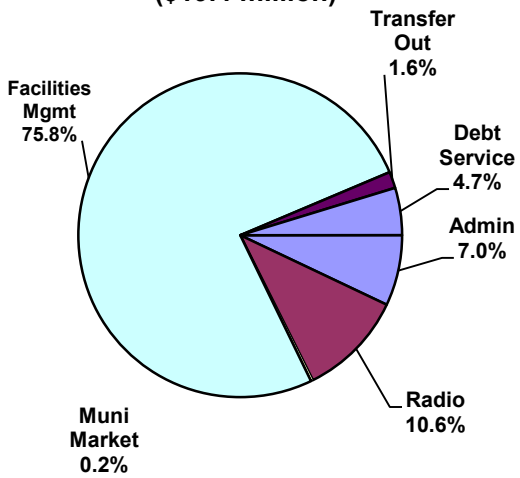
Revenues

The 2015 revenue budget for this fund is $19.1 million, representing a slight decrease from the projected 2014 revenue of $19.1 million. The 2014 projected revenue shows a significant increase in revenue received for charges for services when compared to the 2014 and 2015 budgeted amounts due to an increase in maintenance project work completed for other City departments in 2014. Revenue received from rents charged to other City departments for use of City owned buildings will increase 8.5% over the 2014 projected rents. In 2015, the fund will receive a General Fund transfer in of $466 thousand for Capital Asset Request System (CARS) programs, primarily for the radio communication system.

Source of Funds ($19.1 million)



Use of Funds ($19.4 million)



Expense

The 2015 expense budget is $19.4 million, an increase of 2.5% from projected 2014 expense of $18.9 million. The increase in expense is primarily related to approved CARS project costs of $465,540 and a transfer out of $316,216 to the Fleet Services Division for debt payment related to the Currie Maintenance Facility. The 2014 projection includes expected contractual services and materials provided for other departments that Property Services will pay for and bill out in projects. A conservative estimate of these expenses is included in the 2015 budget due to the variability of these types of projects. As the projects are requested and expense is realized by Property Services, there is offsetting revenue collected through the billing process. Also included in this fund's expense budget is $4.5 million of pass-through costs for services provided by the Municipal Building Commission for maintaining the City's space in City Hall.

Transfers

The 2015 expense budget includes a transfer out of $316,216. Property Services is using the rent allocation model to charge a portion of the debt expense of the Currie Maintenance Facility to those departments that occupy space in the facility and will transfer that revenue to Fleet Services to pay the debt expense. The final transfer for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded pension liability occurred in 2012 and totaled $598,000. This payment retired the bonds related to this debt service, 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

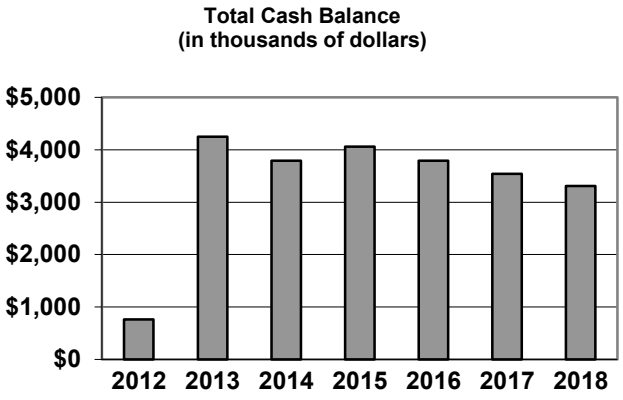
reimbursed for this payment through revenue generated by increasing the rents for City buildings as determined by the rent cost allocation model for years 2013 through 2015.

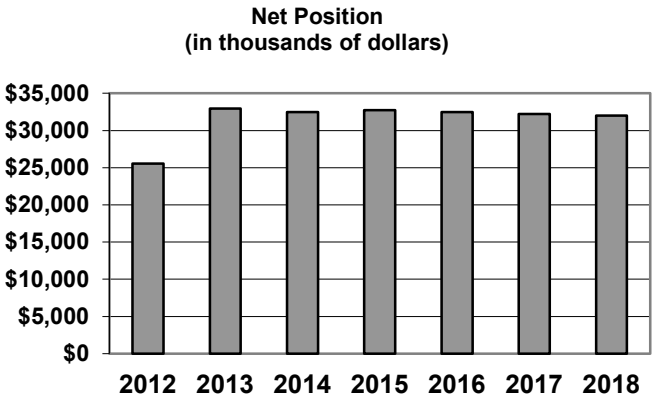
Included in the transfer in revenue budget is $345,407 intended to cover the cost of City Hall rent that Property Services pays for space it occupies in City Hall. An additional transfer of $465,540 is intended to pay for the costs associated with approved CARS projects.

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 general fund completed a transfer for debt service in 2013 of $3,282,000 to cover the years 2014 through 2018 and there will be no further transfers for debt service. Total debt service for 2015 is $918,400.

Net Position and Cash Balance
The Property Services Fund has a positive net position of $32.9 million at year-end 2013, an increase of $7.4 million from the 2012 ending position of $25.6 million. The fund does not recover the cost of depreciation of the buildings or equipment included as assets of the fund. Because this cost is not recovered, it is expected that the net position will decline over time even though the fund recovers its operating costs through a rent cost allocation model. The large increase in net position in 2013 was primarily due to the transfer in of general fund to cover debt service costs through 2018 as well as the capitalization of several large building improvement projects. The financial policy for the net position for the Property Services Fund determines that the net position should not fall below two times the annual depreciation amount. The depreciation for Property Services in 2013 was $1.3 million. The 2013 net position of $32.9 million is $30.3 million greater than the benchmark amount.

The 2013 year-end cash balance was $4.2 million, an increase of $3.5 million from the 2012 year-end balance of $762,000. The Property Services Fund cash balance includes operating cash and the cash balance in the Property Disposition Fund, a fund that receives proceeds from the sale of City property. The cash balance in the Property Disposition Fund at year end 2013 was $1.4 million, leaving a balance of $2.8 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 $2.1 million for 2013.





City of Minneapolis
2015 Budget
Financial Plan (in thousand of dollars)
Property Services Fund - 06200

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Charges for Services	2,857	3,754	1,889	3,600	1,956	-45.7%	1,996	2,035	2,076
Charges for Sales	427	557	324	540	324	-39.9%	331	338	344
Rents	12,637	13,536	14,351	14,300	15,635	9.3%	15,721	16,014	16,265
Other Misc Revenues	23	11	3	5	319	6284.3%	334	349	411
Transfers In	894	3,282	646	646	819	26.7%	300	300	300
Total	16,838	21,141	17,213	19,091	19,054	-0.2%	18,682	19,036	19,396
Use of Funds:									
Property Services Administration	1,286	1,394	1,696	1,210	1,367	13.0%	1,394	1,422	1,450
Radio Equipment	1,634	1,675	1,697	1,700	2,049	20.5%	1,733	1,767	1,803
Municipal Market	33	17	41	35	41	16.0%	41	42	44
Facilities Management	12,567	15,408	13,348	15,100	14,711	-2.6%	14,887	15,185	15,489
Debt Service	864	873	886	886	918	3.6%	894	869	845
Transfers Out	598	-	-	-	316		-	-	-
Total	16,982	19,367	17,668	18,931	19,402	2.5%	18,949	19,285	19,629
Change in Net Position	(491)	7,362	(455)	160	(349)		(268)	(250)	(233)
Net Position	25,571	32,933	32,478	33,093	32,745		32,477	32,227	31,994
Total Cash Balance	762	4,248	3,794	4,408	4,060		3,792	3,543	3,309
Operating Cash balance[1]	(618)	2,868	2,413	3,028	2,679		2,412	2,162	1,929
Target Cash Reserve[2]	1,920	2,069	1,842	2,031	1,976		1,959	2,013	2,069
Variance of Operating Cash to Target Cash Reserve	(2,538)	799	571	997	703		453	149	(140)

[1] Total cash balance is the sum of cash recorded to the Property Dispositon 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.

Note: The 2014-2016 forecasts for source and use of funds are calculated using a factor of approximately 2.0% to capture increases in revenues and expense.

City of Minneapolis
2015 Budget
Financial Plan

Self-Insurance Fund

Background

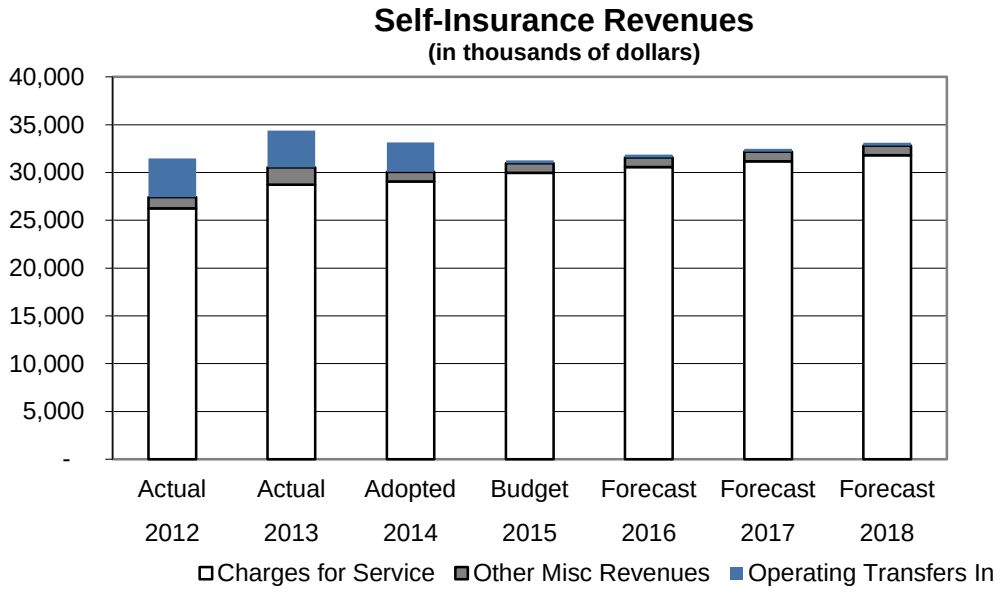
The Self-Insurance Fund records tort liability settlements, workers' compensation claims, severance payments to employees who meet eligibility requirements and the related administrative costs of these and other services. An activity-based cost allocation model assigns charges to City departments to cover these expenses.

Historical Financial Performance

The net position of the Self-Insurance Fund first reached a positive balance at year-end 2012 with a net position of $1.7 million after recording annual deficit net positions with a 2002 balance of a negative $43.3 million. The net position increased by $2.9 million in 2013 bringing the fund's year-end balance to $4.6 million. The fund has historically recorded a negative net position primarily because of the required accounting recognition of liability for unpaid claims. The 2013 unpaid claims liability is $54.7 million representing an increase of $1.7 million from the 2012 liability of $53.0 million. An actuarial study completed for year-end 2012 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 position 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 2013 with a cash balance of $61.4 million, an increase of $4.8 million from the 2012 ending balance of $56.6 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 10.0% of the annual department operating budgets. The ending 2013 cash balance is $5.7 million greater than the amount determined by the financial policy.

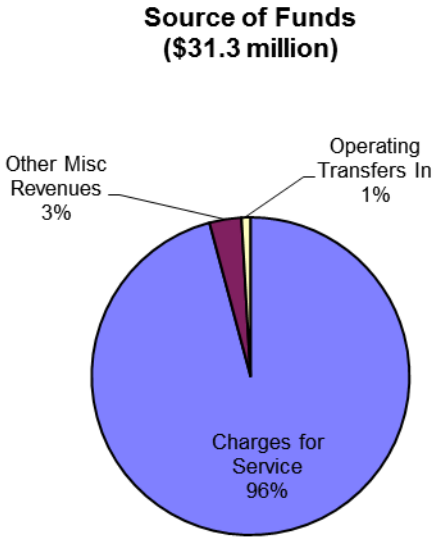
For 2007, a cost allocation model was implemented to recover costs associated with all programs in the fund. The cost allocation model assigns charges to City departments based on a minimum of 5-year claims history for workers compensation and liability. The model was put in place to raise departmental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



2015 Budget

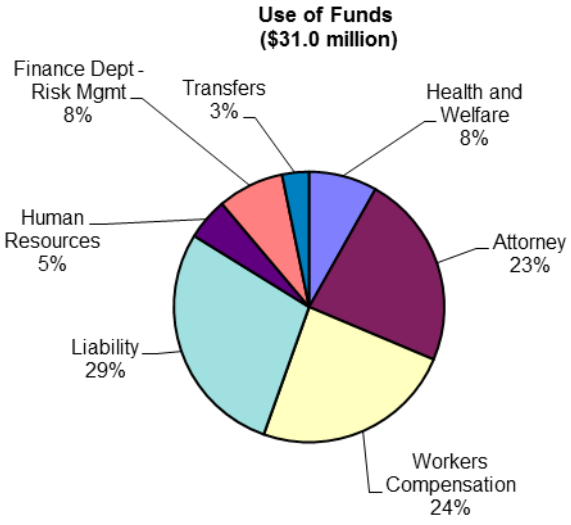
Revenues

Revenue recorded in this fund primarily consists of funds received from City departments through a cost 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 2015 budgeted revenue for the Self Insurance Fund is $31.3 million, a decrease of 6.6% from the 2014 projected revenue of $33.5 million. The decrease is primarily due to the transfer in from the general fund which decreased from $3.1 million in 2014 to $0.3 million in 2013. Beginning in 2015, the Self Insurance Fund does not receive a transfer from the general fund, as determined by the long-term financial plan, to increase net position. The fund does receive a general fund transfer for City Hall rent. An increase in charges allocated to City departments for the projected increase in the cost of litigation, tort settlements and workers compensation claims results in an increase of 1.3% in the revenue earned from charges for service.

Expenditures
The expense budget for 2015 is $31.0 million, an increase of 18.2% from the projected 2014 expenses of $26.2 million. The 2014 projected expense budget reflects an 18.2% decrease over the 2014 adopted budget due to a significant decrease in the projected cost of tort settlements. The projected decrease in tort settlement expense will be partially offset by a projected 29.8% increase in the cost of workers compensation claims.



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. In recent years, the amount collected from City departments is greater than the payouts to qualified employees. The unpaid balance is retained in the Self Insurance Fund to provide for future payouts.

The worker's compensation payments are estimated at $7.5 million for 2015. This is a 21.9% decrease from the 2014 projected amount of $9.6 million. The 2014 projected payments, based on actual payments processed through November, are 29.8% greater than the original 2014 actuarial prediction. The actuarial study predicted an increase in liability payments of 2.5% from 2014 to 2015. Actual liability payments for 2014 are projected to be 59.2% less than the amount predicted in the actuarial study based. This results in a significant increase in the 2015 budgeted amount when compared to the 2014 projection.

Transfers
The 2015 revenue budget includes a $0.3 million transfer from the general fund for the cost of City Hall rent. The transfer from the general fund to assist the Self Insurance Fund to attain a positive net position as determined by the fund's long-term financial plan, ended in 2015. The expense budget includes a $1.0 million transfer to the Intergovernmental Services Fund to assist with payment of debt service. This transfer will not occur after 2016.

Debt Service
This fund does not have any long-term debt.

Net Position
The net position at year-end 2013 is $4.6 million representing an increase of $2.9 million from the 2012 net position of $1.7 million. The net position 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 position for the Self Insurance

Fund should not fall below zero. For 2015, the fund was approved the use of net position as a funding source for $70,000 of expense related to a build out of pre-trial rooms for the City Attorney.

The fund experienced an increase in cash of $4.9 million in 2013, bringing the cash balance to $61.4 million. The primary reason for the increase in cash balance is the revenue provided from the transfer in from the general fund. The amount paid to retired employees for sick leave payout was $1.2 million less than the amount collected and contributed to the increase in cash. 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 10.0% of the annual operating budgets within the fund. For year ending 2013, the target cash reserve is $55.7 million or $5.7 million less than the actual ending cash balance.

City of Minneapolis
2015 Budget
Financial Plan (in thousands of dollars)

Self Insurance Fund - 06900

	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Budget	% Chg From 2014 Projected	2016 Forecast	2017 Forecast	2018 Forecast
Source of Funds:									
Charges for Service	26,229	28,732	29,045	29,570	29,956	1.3%	30,555	31,166	31,789
Other Misc Revenues	1,178	1,782	1,010	800	1,010	26.3%	1,010	1,010	1,010
Operating Transfers In	4,071	3,856	3,086	3,086	292	-90.5%	298	304	310
Total	31,478	34,370	33,141	33,455	31,258	-6.6%	31,863	32,480	33,109
Use of Funds:									
Health and Welfare	784	1,097	2,468	1,400	2,530	80.7%	2,581	2,632	2,685
Attorney	6,042	6,132	6,889	6,500	7,185	10.5%	7,257	7,402	7,550
Workers Compensation	9,528	10,461	7,364	9,562	7,469	-21.9%	7,618	7,771	7,926
Liability	3,908	6,026	8,574	3,500	8,790	151.1%	8,965	9,145	9,328
Human Resources	1,421	2,468	1,435	1,507	1,556	3.2%	1,587	1,619	1,651
Finance Dept - Risk Mgmt	2,328	2,535	2,485	2,750	2,459	-10.6%	2,509	2,559	2,610
Transfers	1,485	1,000	1,000	1,000	1,000		1,000	-	-
Total	25,496	29,718	30,215	26,219	30,989	18.2%	31,517	31,127	31,750
Change in Net Position	5,982	2,852	2,925	7,236	269		345	1,352	1,359
Net Position	1,701	4,553	7,478	11,789	12,058		12,403	13,757	15,115
Cash Balance	56,564	61,419	64,344	68,655	68,924		69,269	70,621	71,980
Target Cash Reserve	54,019	55,688	57,938	57,938	59,683		61,455	63,287	65,174
Variance Cash to Target Reserve	2,545	5,731	6,406	10,717	9,241		7,814	7,334	6,806

The 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 10.0% of the annual operating budgets within the fund.

City of Minneapolis
2015 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 F2
- Attorney F9
- City Clerk/Elections F20
- City Council F28
- City Coordinator
  - Total City Coordinator Summary Pages F33
  - City Coordinator – Administration F44
  - 311 ..... F50
  - 911 ..... F56
  - Emergency Management F62
  - Communications F67
  - Convention Center F77
  - Finance and Property Services F86
  - Human Resources F100
  - Information Technology F111
  - Intergovernmental Relations F119
  - Neighborhood and Community Relations F127
- Civil Rights F136
- Community Planning and Economic Development F145
- Fire F160
- Health and Family Support F171
- Internal Audit F184
- Mayor F190
- Police F195
- Public Works
  - Total Public Works Summary Pages F212
  - Administration F228
  - Fleet Services F232
  - Solid Waste and Recycling F236
  - Surface Water & Sanitary Sewer – Sanitary Sewer F240
  - Surface Water & Sanitary Sewer – Stormwater F244
  - Traffic and Parking Services F248
  - Transportation Maintenance and Repair F253
  - Transportation Planning and Engineering F259
  - Water Treatment and Distribution F264
- Regulatory Services F268

ASSESSOR

MISSION

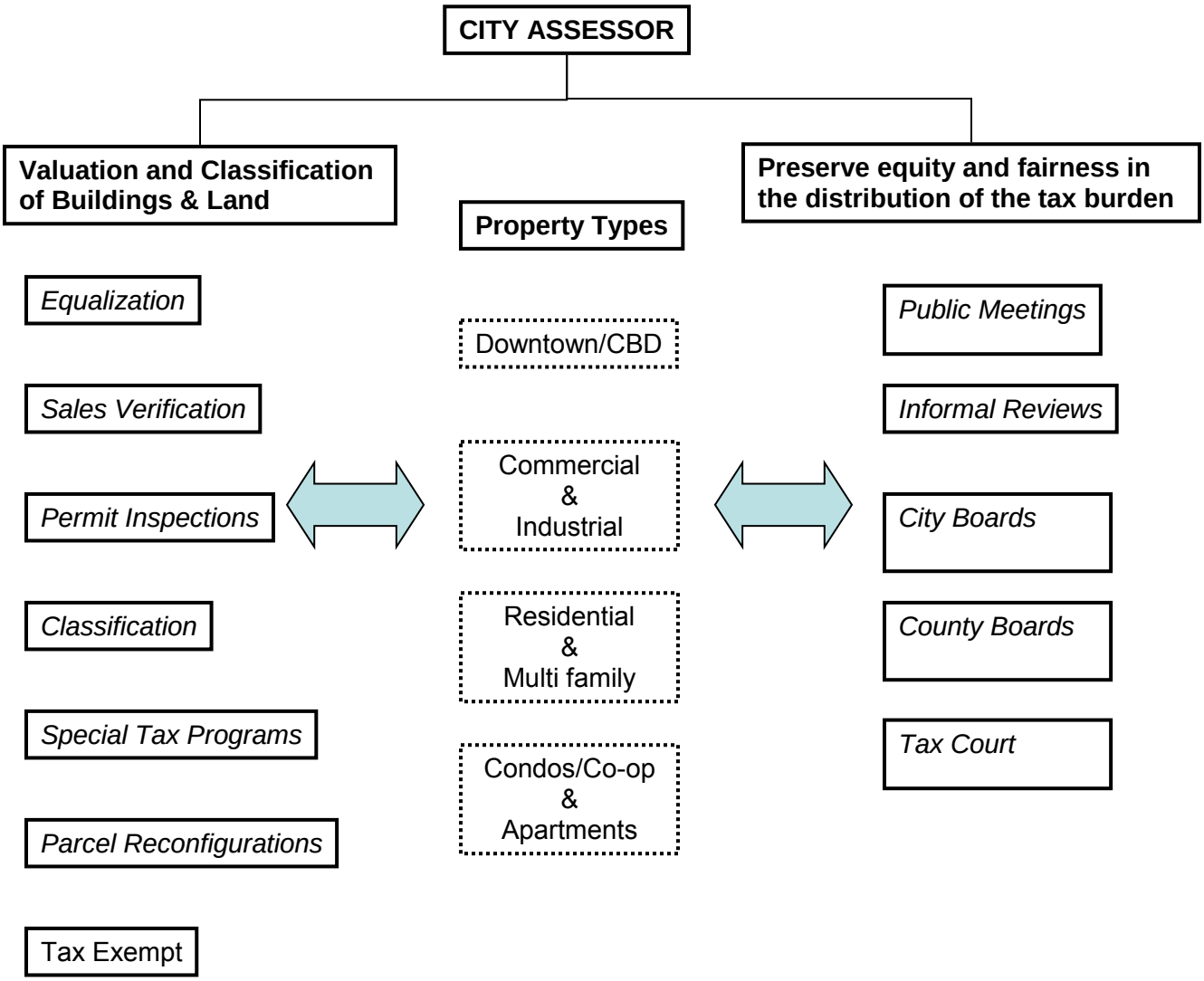
The Minneapolis Assessor's Office serves the taxpayers of the City by valuing and classifying real estate property in an accurate, ethical, equitable and defensible manner as prescribed by state law.

BUSINESS LINES

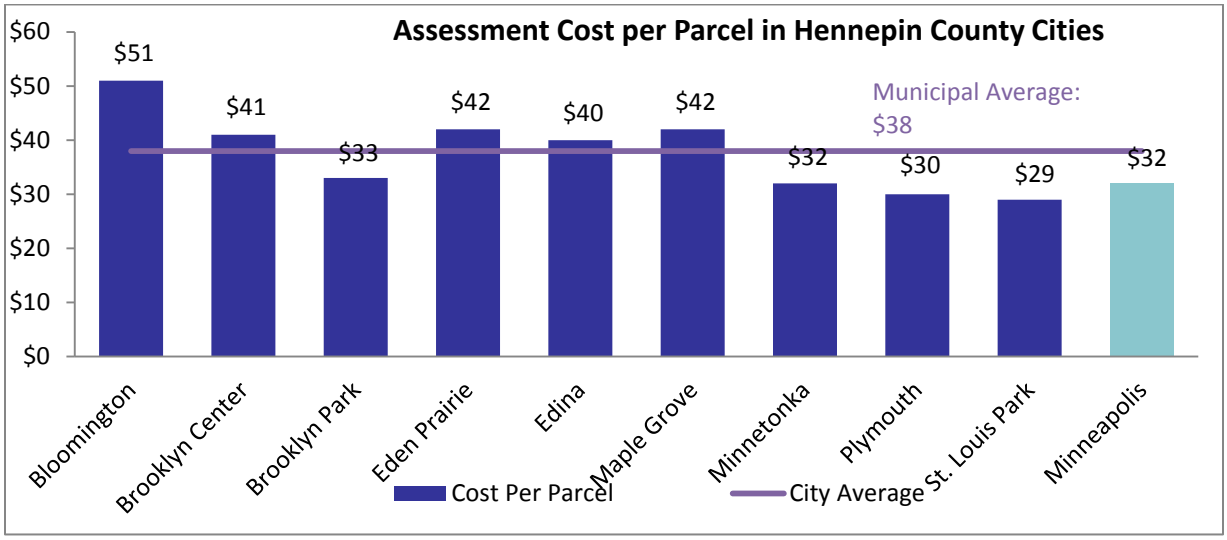
1. **Valuation and Classification of Real Estate Property –** Perform the assessment function for all real estate and appropriate personal property and share this information with Hennepin County
    a. *Valuation* – The annual estimation of value for all taxable and non-taxable real property per state 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

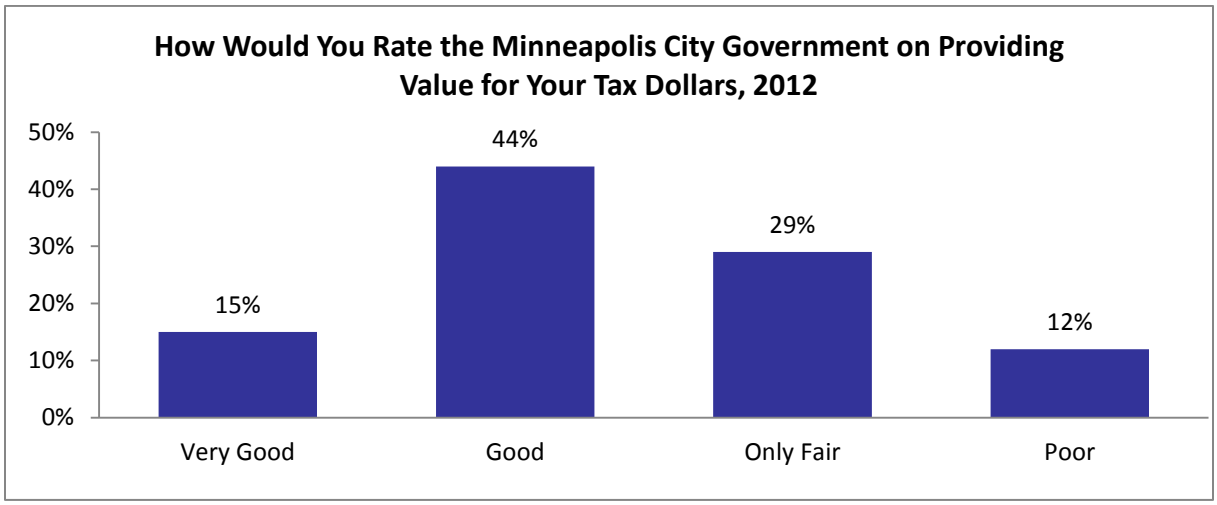
2. **Preserve equity and fairness in the distribution of the tax burden** –
    a. *Appeals and Reviews* – Respond to all informal and formal owner/taxpayer appeals and requests for property reviews. Defend values and classifications at the City and County Boards of Appeal and Equalization.
    b. *Tax Court Petitions* – Defend the departments assessed values and classifications in Minnesota Tax Court.

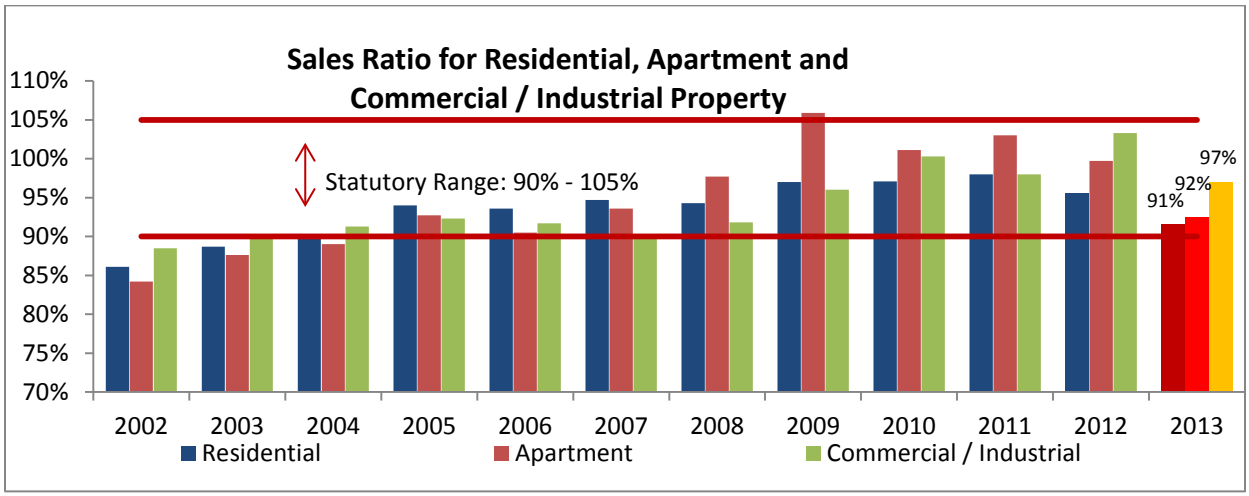
ORGANIZATION CHART

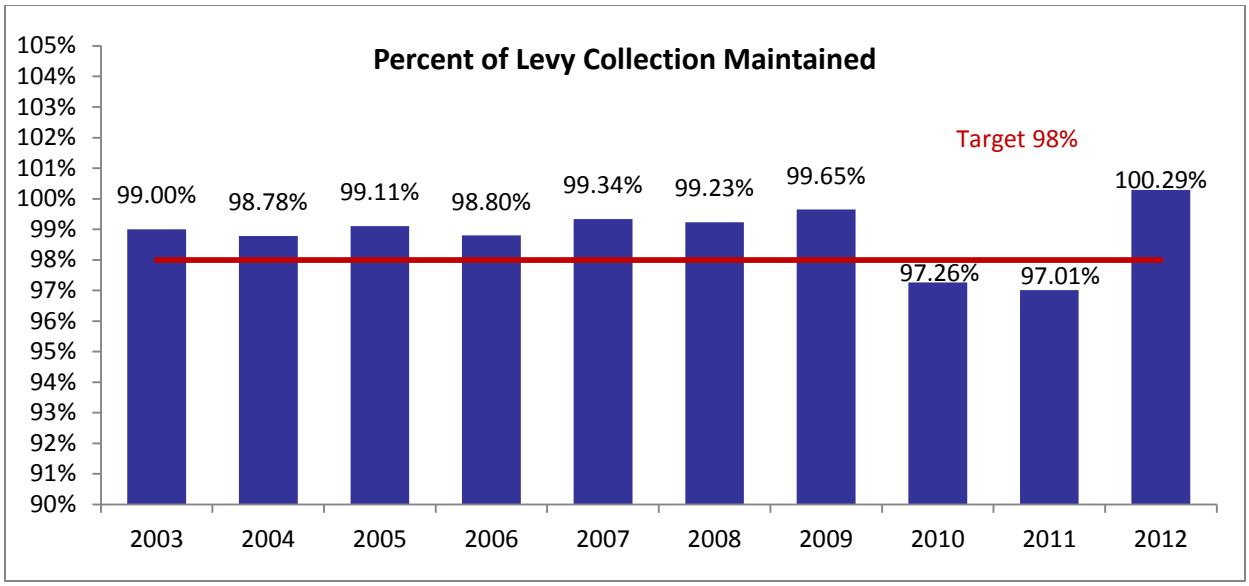


Selected Results Minneapolis Measures









A City That Works

Appraisals and Assessments Administration General Fund: $4,869,380

The Assessor's office is statutorily mandated to determine the market value and classification of all land and improvements annually. An annual assessment includes: Property Inspections; Exemptions and Tax Relief Programs; Data & Record Management; Taxpayer Notification; Taxpayer Appeals and Reviews; Tax Court Litigation, and Neighborhood and Business Relations.

Financial Analysis

Expenditure
The total Assessor's Department's council adopted budget increases from $4.6 million to $4.9 million from 2014 to 2015. This is an increase of $0.2 million, or 5.2% attributable to $0.1 million for CARS and inflationary adjustments to employees' salaries/wages and fringe benefits.

Revenue
Consistent with previous years, the department's total revenues in 2015 are projected to be $62,500.

Fund Allocation
This department is funded completely in the General Fund.

Mayor's Recommended Budget
The Mayor recommended no changes to this department's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

ASSESSOR
EXPENSE AND REVENUE INFORMATION

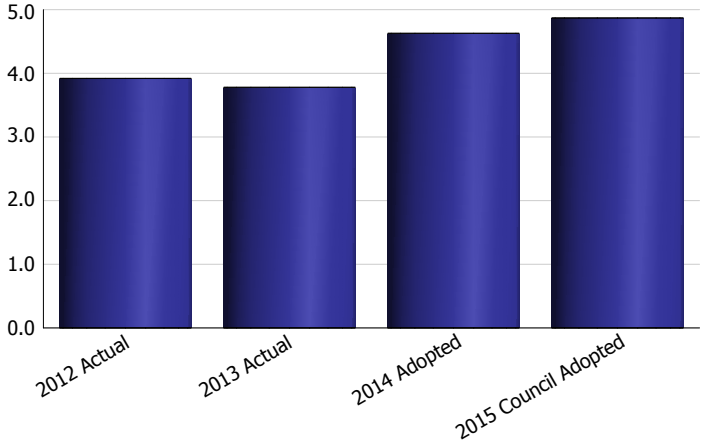
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,178,110	2,064,244	2,585,568	2,660,527	2.9%	74,959
FRINGE BENEFITS	751,313	748,000	1,062,005	1,074,079	1.1%	12,074
CONTRACTUAL SERVICES	830,765	804,369	779,583	791,816	1.6%	12,233
OPERATING COSTS	159,926	163,569	201,447	207,958	3.2%	6,511
CAPITAL				135,000		135,000
TOTAL GENERAL	**3,920,114**	**3,780,182**	**4,628,603**	**4,869,380**	**5.2%**	**240,777**
TOTAL EXPENSE	**3,920,114**	**3,780,182**	**4,628,603**	**4,869,380**	**5.2%**	**240,777**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,900	1,500	500	500	0.0%	0
CHARGES FOR SERVICES	12,184				0.0%	0
OTHER MISC REVENUES		30			0.0%	0
PROPERTY TAXES	56,481	53,882	62,000	62,000	0.0%	0
GENERAL	**70,565**	**55,412**	**62,500**	**62,500**	**0**	**0**
TOTAL REVENUE	**70,565**	**55,412**	**62,500**	**62,500**	**0**	

ASSESSOR
EXPENSE AND REVENUE INFORMATION

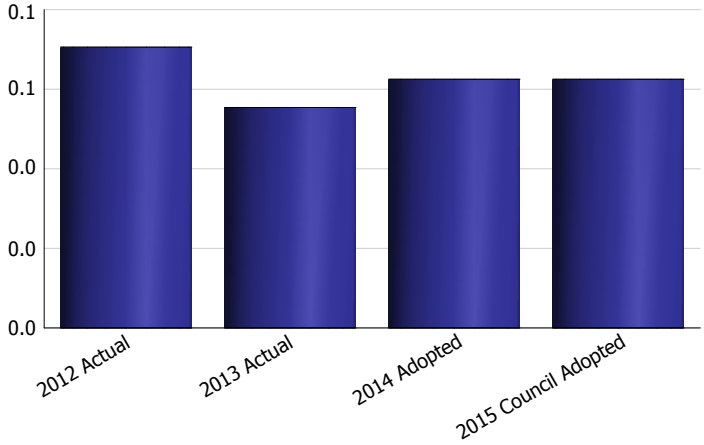
Expense 2012 - 2015

In Millions

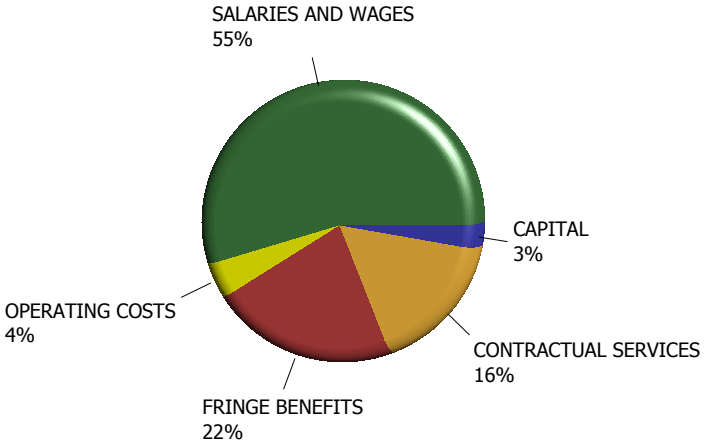


Revenue 2012 - 2015

In Millions



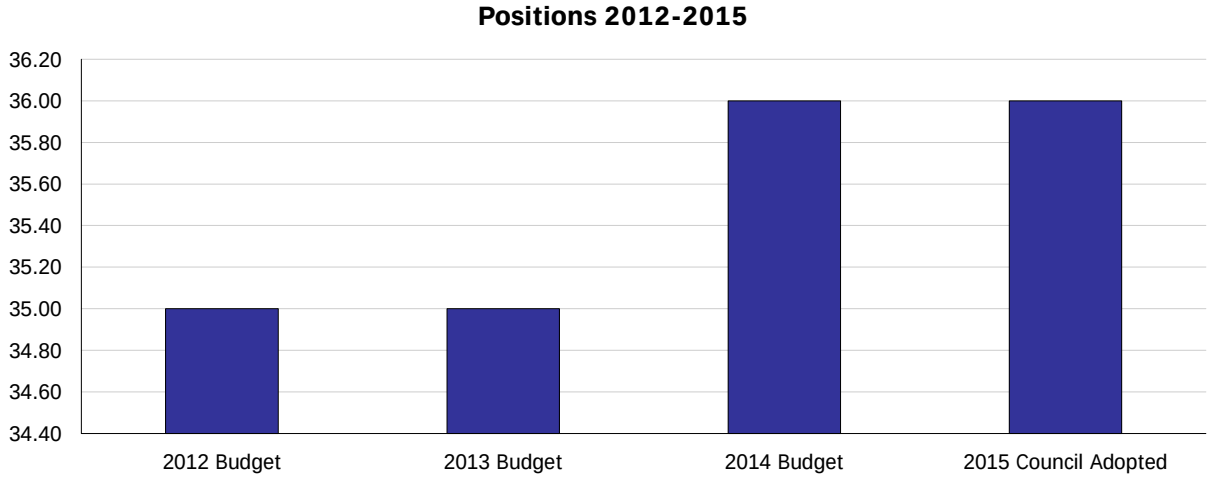
Expense by Category



ASSESSOR

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
ASSESSOR OPERATIONS	35.00	35.00	36.00	36.00	0.0%	0
Overall	35.00	35.00	36.00	36.00	0.0%	0



CITY ATTORNEY

MISSION

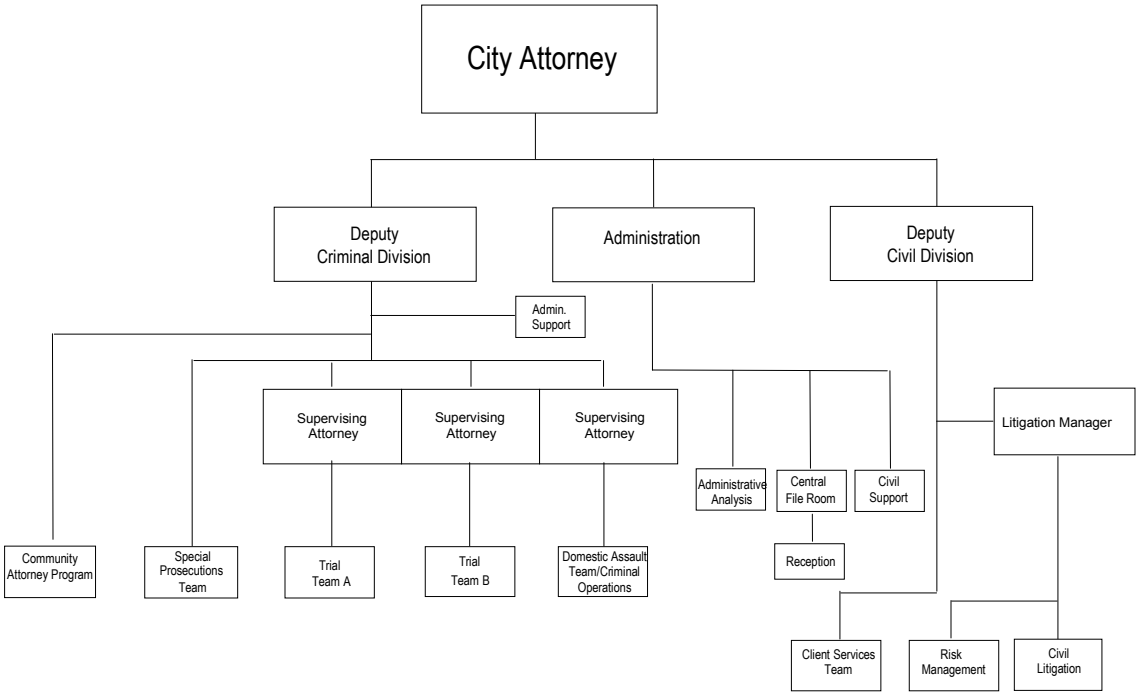
The mission of City Attorney's Office (CAO) is to enhance public safety, serve justice and vigorously represent the interests of the City of Minneapolis and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

BUSINESS LINES

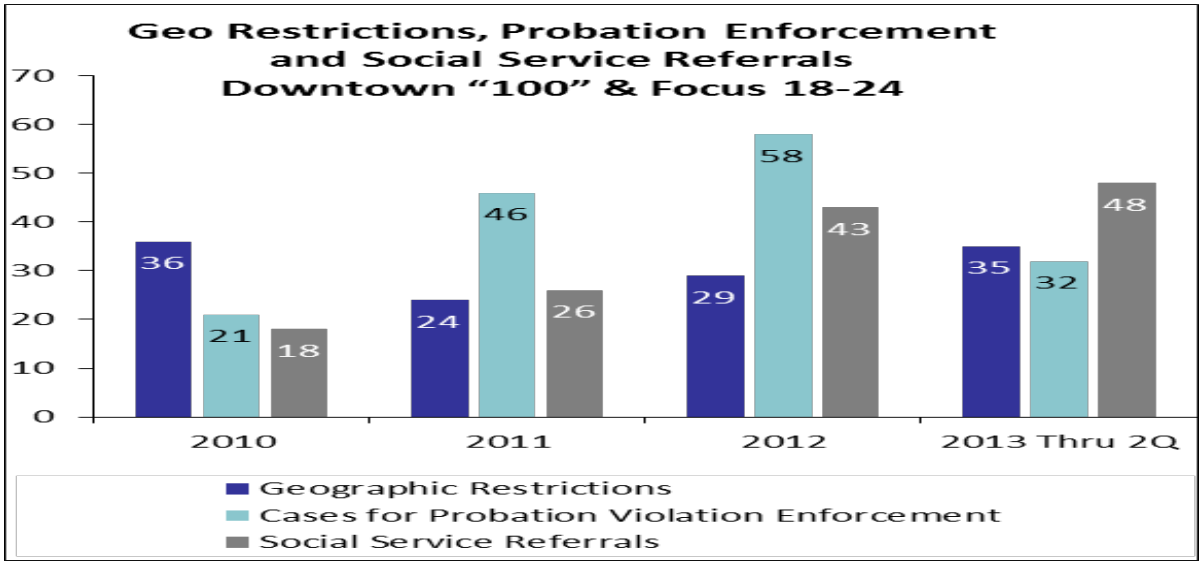
The City Attorney's Office has two business lines. They are:

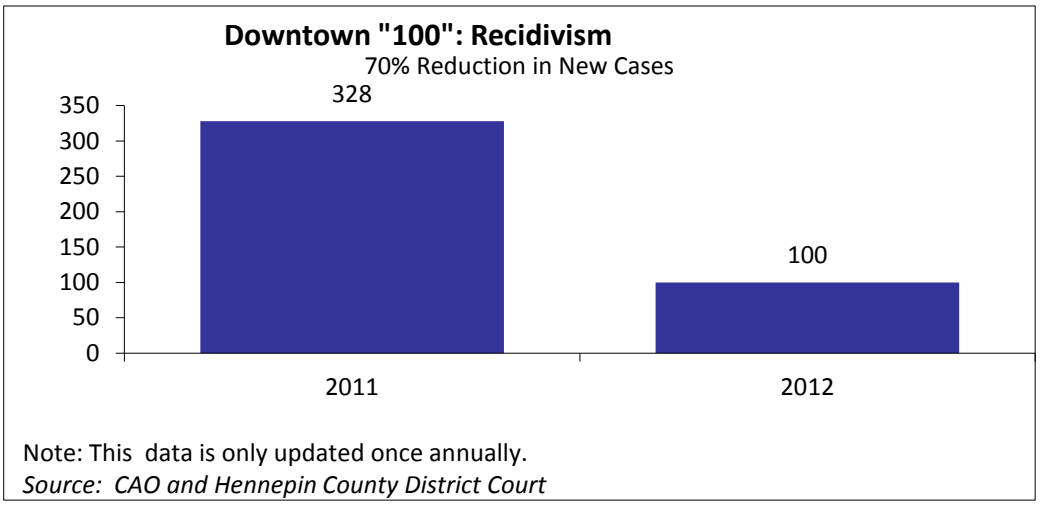
1. Criminal Division: Prosecutes all adult misdemeanor, gross misdemeanor and petty misdemeanor crime in the City of Minneapolis.
2. Civil Division: Delivers legal services for City clients and provides litigation representation.

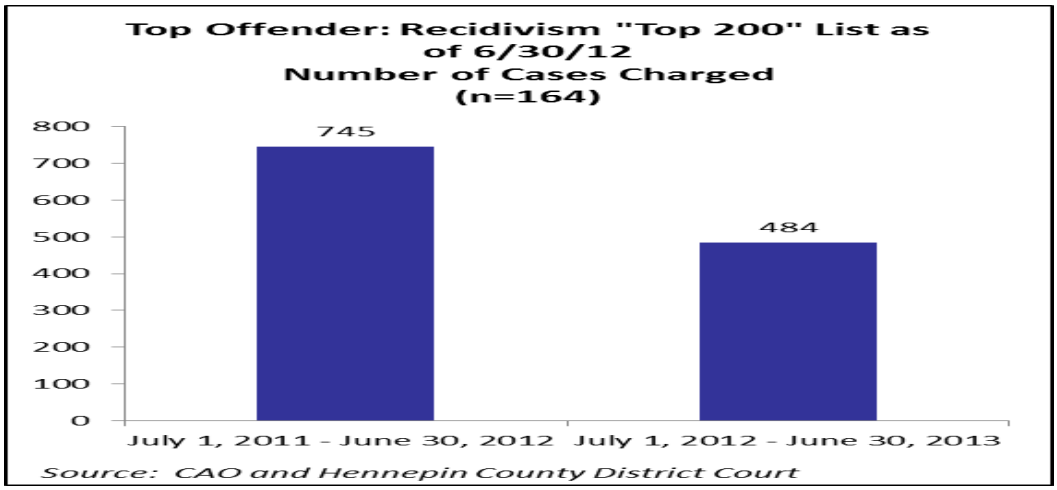
ORGANIZATION CHART

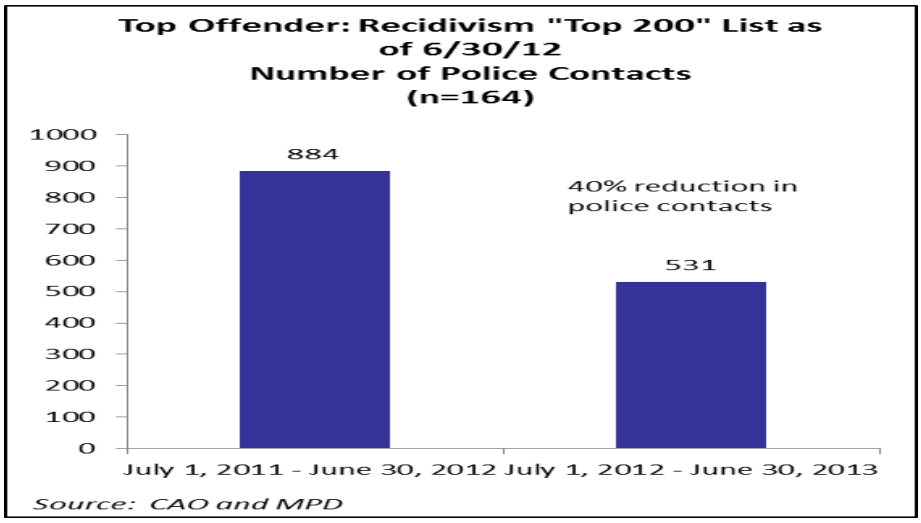


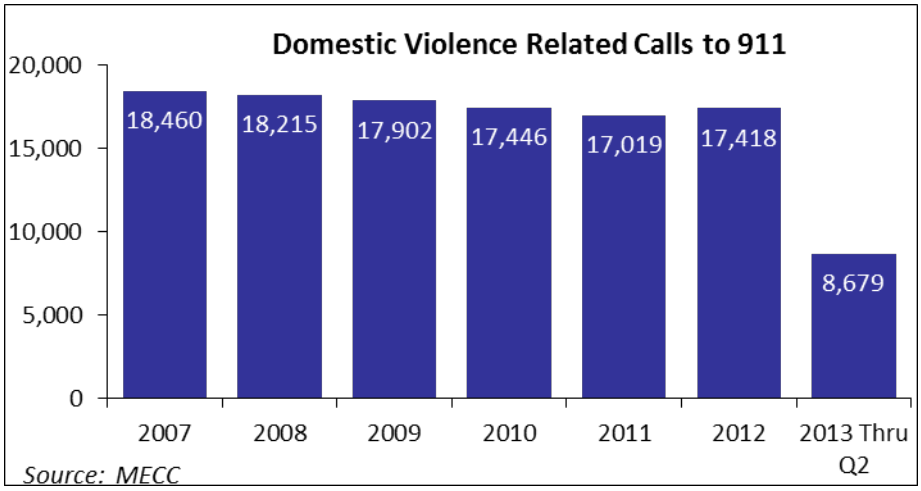
SELECTED RESULTS MINNEAPOLIS MEASURES

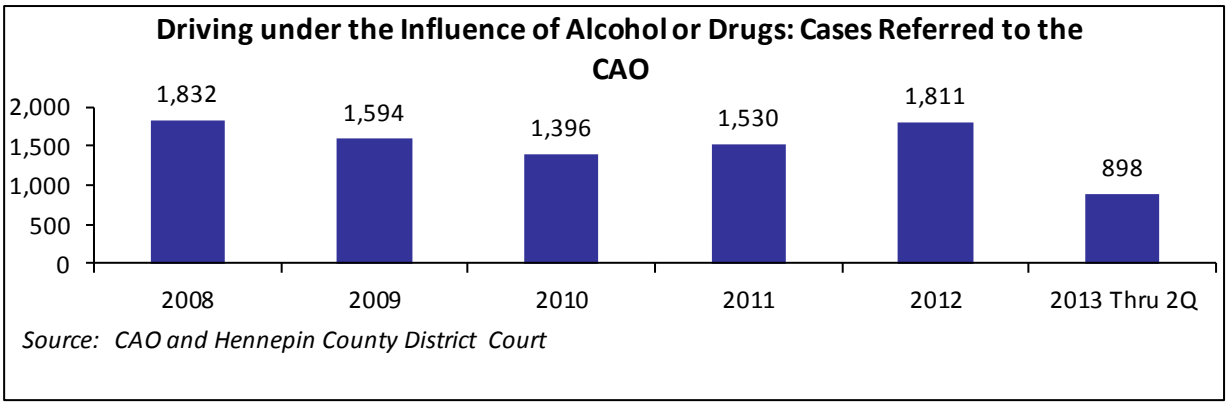


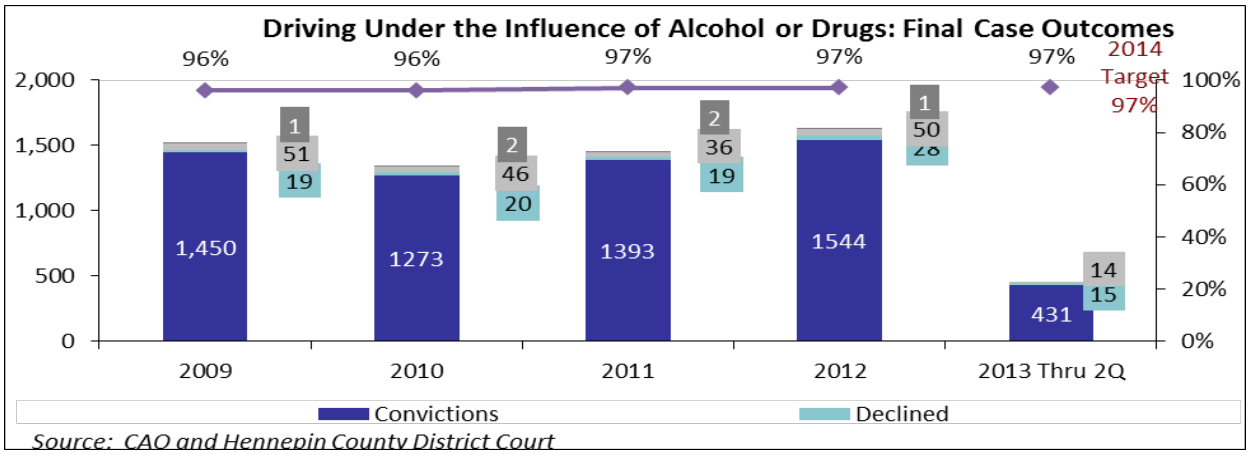


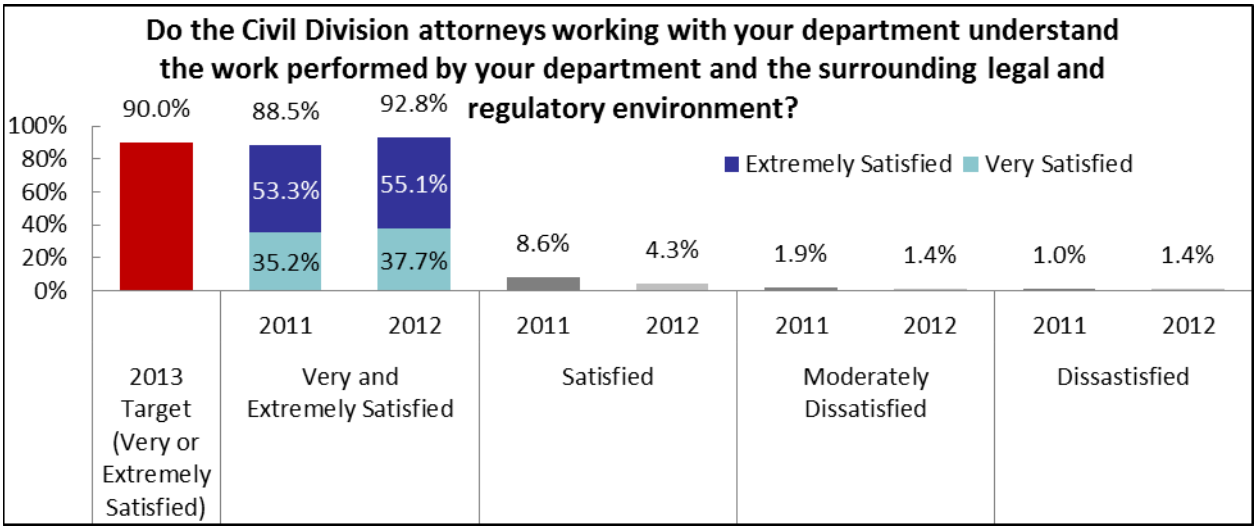


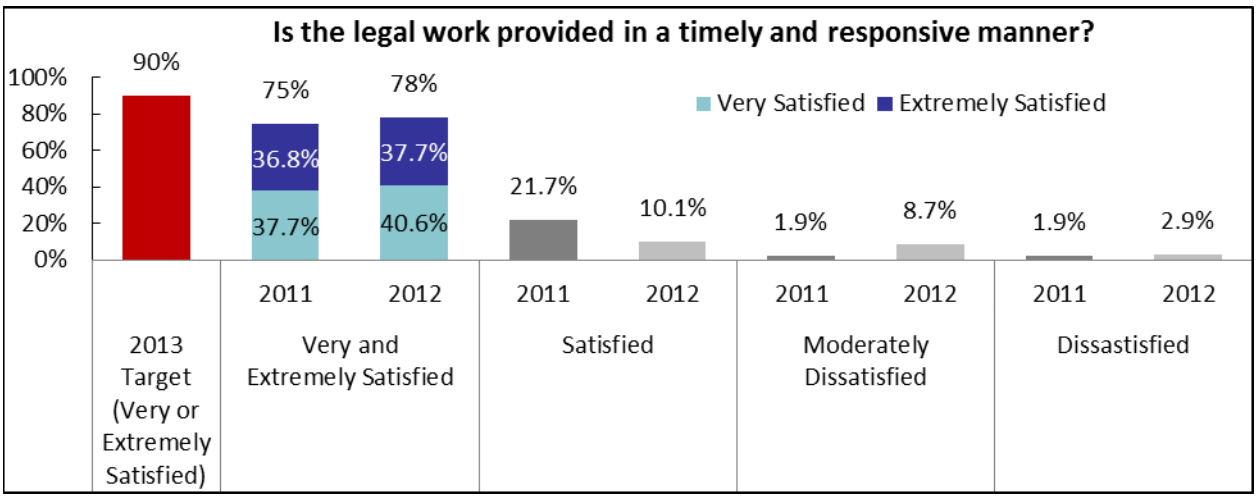

Top Offender: Recidivism "Top 200" List as of 6/30/12
Number of Police Contacts
(n=164)
1000
900
800
700
600
500
400
300
200
100
0
884
40% reduction in police contacts
531
July 1, 2011 - June 30, 2012
July 1, 2012 - June 30, 2013
Source: CAO and MPD

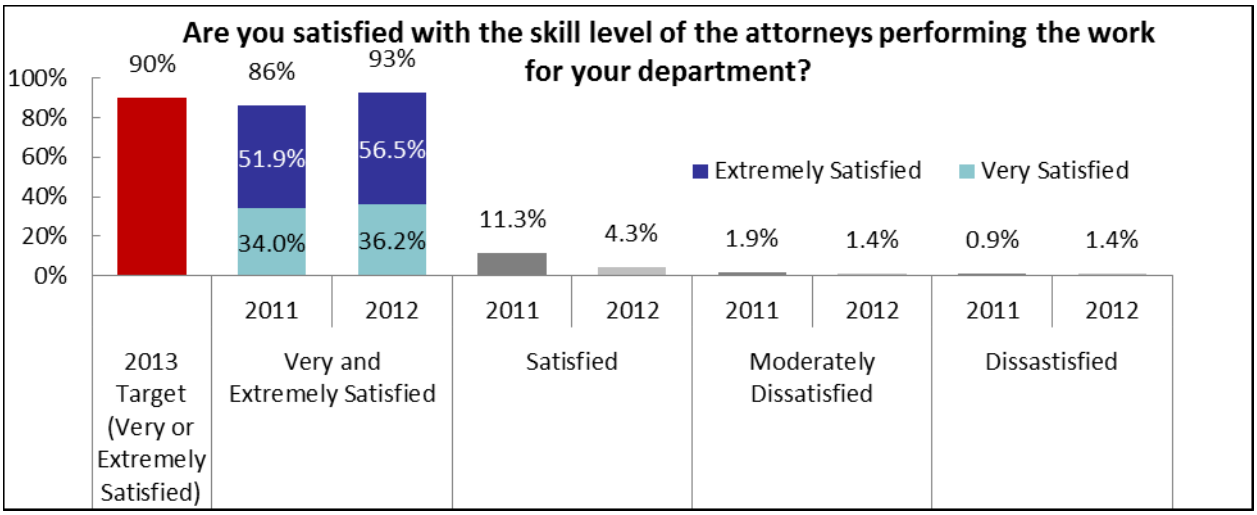

Domestic Violence Related Calls to 911
20,000
15,000
10,000
5,000
0
18,460
18,215
17,902
17,446
17,019
17,418
8,679
2007
2008
2009
2010
2011
2012
2013 Thru Q2
Source: MECC

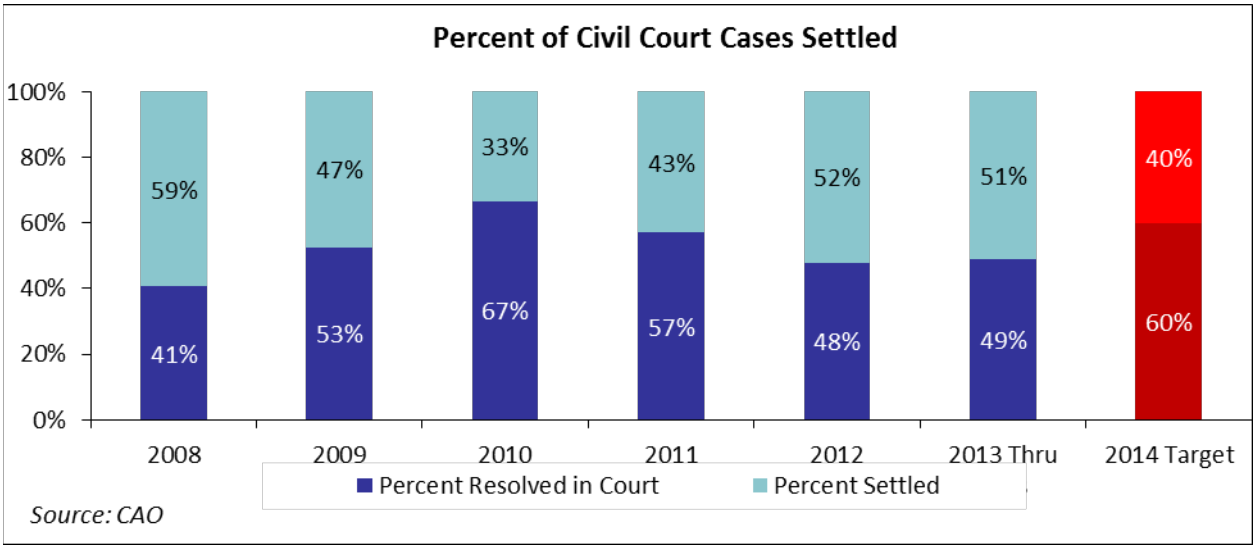

Driving under the Influence of Alcohol or Drugs: Cases Referred to the CAO
2,000
1,500
1,000
500
0
1,832
1,594
1,396
1,530
1,811
898
2008
2009
2010
2011
2012
2013 Thru 2Q
Source: CAO and Hennepin County District Court

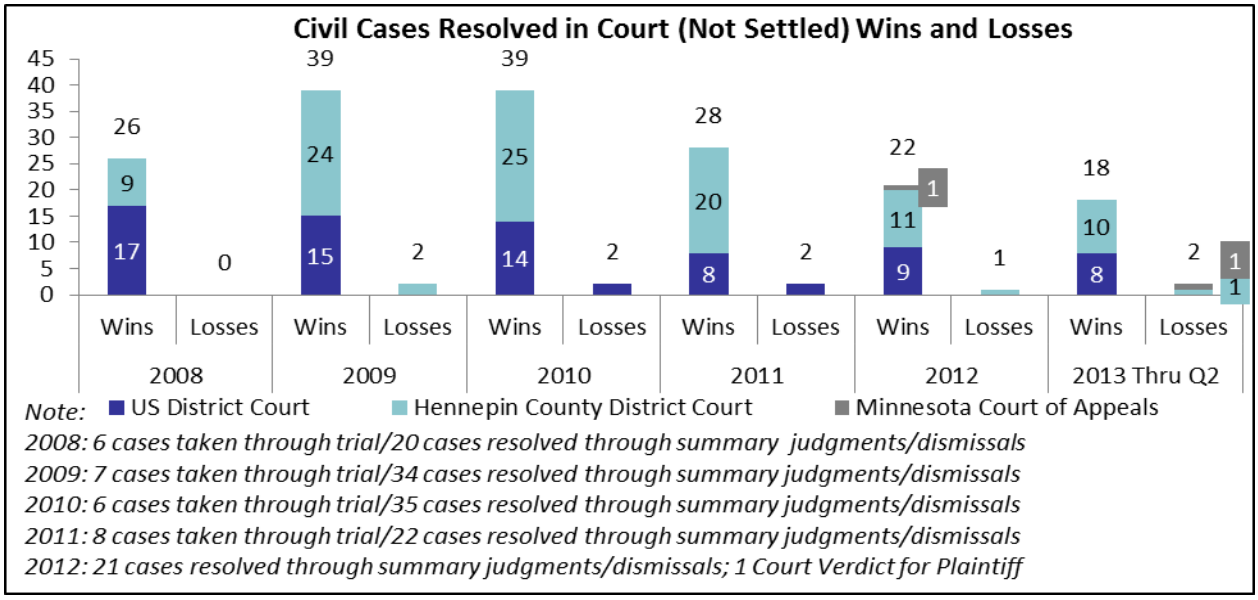

Driving Under the Influence of Alcohol or Drugs: Final Case Outcomes
96%
96%
97%
97%
97%
2014 Target 97%
2,000
1,500
1,000
500
0
100%
80%
60%
40%
20%
0%
1,450
1
51
19
1273
2
46
20
1393
2
36
19
1544
1
50
28
431
14
15
2009
2010
2011
2012
2013 Thru 2Q
Convictions
Declined
Source: CAO and Hennepin County District Court


Do the Civil Division attorneys working with your department understand the work performed by your department and the surrounding legal and regulatory environment?
100%
80%
60%
40%
20%
0%
90.0%
88.5%
92.8%
53.3%
35.2%
55.1%
37.7%
8.6%
4.3%
1.9%
1.4%
1.0%
1.4%
Extremely Satisfied
Very Satisfied
2011
2012
2011
2012
2011
2012
2011
2012
2013 Target (Very or Extremely Satisfied)
Very and Extremely Satisfied
Satisfied
Moderately Dissatisfied
Dissatisfied


Is the legal work provided in a timely and responsive manner?
100%
80%
60%
40%
20%
0%
90%
75%
78%
36.8%
37.7%
37.7%
40.6%
21.7%
10.1%
1.9%
8.7%
1.9%
2.9%
Very Satisfied
Extremely Satisfied
2011
2012
2011
2012
2011
2012
2011
2012
2013 Target (Very or Extremely Satisfied)
Very and Extremely Satisfied
Satisfied
Moderately Dissatisfied
Dissatisfied


Are you satisfied with the skill level of the attorneys performing the work for your department?
100%
80%
60%
40%
20%
0%
90%
86%
93%
51.9%
34.0%
56.5%
36.2%
11.3%
4.3%
1.9%
1.4%
0.9%
1.4%
Extremely Satisfied
Very Satisfied
2011
2012
2011
2012
2011
2012
2011
2012
2013 Target (Very or Extremely Satisfied)
Very and Extremely Satisfied
Satisfied
Moderately Dissatisfied
Dissatisfied


Percent of Civil Court Cases Settled
100%
80%
60%
40%
20%
0%
59%
41%
47%
53%
33%
67%
43%
57%
52%
48%
51%
49%
40%
60%
2008
2009
2010
2011
2012
2013 Thru
2014 Target
Percent Resolved in Court
Percent Settled
Source: CAO


Civil Cases Resolved in Court (Not Settled) Wins and Losses
45
40
35
30
25
20
15
10
5
0
26
9
17
0
39
24
15
2
39
25
14
2
28
20
8
2
22
11
9
1
1
18
10
8
2
1
1
Wins
Losses
Wins
Losses
Wins
Losses
Wins
Losses
Wins
Losses
Wins
Losses
2008
2009
2010
2011
2012
2013 Thru Q2
Note:
US District Court
Hennepin County District Court
Minnesota Court of Appeals
2008: 6 cases taken through trial/20 cases resolved through summary judgments/dismissals
2009: 7 cases taken through trial/34 cases resolved through summary judgments/dismissals
2010: 6 cases taken through trial/35 cases resolved through summary judgments/dismissals
2011: 8 cases taken through trial/22 cases resolved through summary judgments/dismissals
2012: 21 cases resolved through summary judgments/dismissals; 1 Court Verdict for Plaintiff

A City That Works

Community Attorney General Fund: $1,365,022
Other Funds: $464,911

The CAO houses a prosecutor in each of the 5 MPD Precincts whose mission is to engage the community in neighborhood public safety issues and to serve as a resource for MPD. The program includes 5 Community Attorneys, 3 Paralegals and the Downtown 100 Prosecutor. The program engages local residents and neighborhood businesses in responding to public safety and livability crime concerns in their communities.

Living Well

Criminal Prosecution General Fund: $7,636,825
Other Funds $58,105

The Criminal Division of the City Attorney's Office 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 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.

A Hub of Economic Activity and Innovation

Civil Litigation Other Funds: $3,544,597

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.

One Minneapolis

Client Services Other Funds: $3,640,898

The Client Services group provides all non-litigation legal services for City clients including providing advice to all City departments, boards, commissions and office holders. The group is called upon to draft development agreements, prepare ordinances and charter amendments, advice 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.

Financial Analysis

Expenditure

The total City Attorney Department's council adopted budget increases from $15.9 million to $16.7 million from 2014 to 2015. This is an increase of $0.8 million or 4.8%. The City Attorney Department's 2015 expenditure budget reflects the following additions from 2014:

- $90,000 in Community Attorney program enhancements.
- $200,000 in the Criminal Prosecution program enhancements including 1 FTE.
- 90,000 for 1 FTE in client Services enhancements
- $70,000 CARS funding to reconfigure existing workstations.

Revenue

The department's total revenues in 2015 are projected to be $0.3 million. This is $0.2 million increase over 2014 due to an increase in the grant received from the Downtown Improvement District.

Fund Allocation

This department is funded primarily by the General Fund at 54.1%, with the remainder of the department's funding found in the Self Insurance Fund at 42.8% and 3.1% funded by the Special Revenue Fund.

Mayor's Recommended Budget

The Mayor recommended the following ongoing General Fund allocations; $90,000 to cover the City's share of the cost of two Downtown Probation officers including the Downtown 100 Prosecutor Downtown Improvement District (DID) grant shortfall, and $75,000 for 1.0 FTE (Data Management Analyst) to enable the City to better track program results and outcomes as well as developing and analyzing new initiatives. The Mayor also recommended $90,000 in ongoing resources from the City's Self Insurance Fund for an additional paralegal position to assist with responses to data practices requests.

The following one-time General Fund allocations were recommended; $75,000 for Domestic Abuse 24 Hour Hotline Services that provides immediate advocacy services for domestic abuse victims (City's share of costs in a joint project with Minneapolis Police Department (MPD)), and $50,000 for the Domestic Violence Hot Spot Initiative - a pilot partnership with the MPD, Health Department and domestic abuse advocates to focus prevention and follow-up efforts in selected hotspot areas.

Council Adopted Budget

The City Council approved the Mayor's recommendations and directed the Minneapolis Police Department to dedicate up to $75,000 of its existing 2015 expense appropriation to partner with the City Attorney's Office and the Domestic Abuse Hotline.

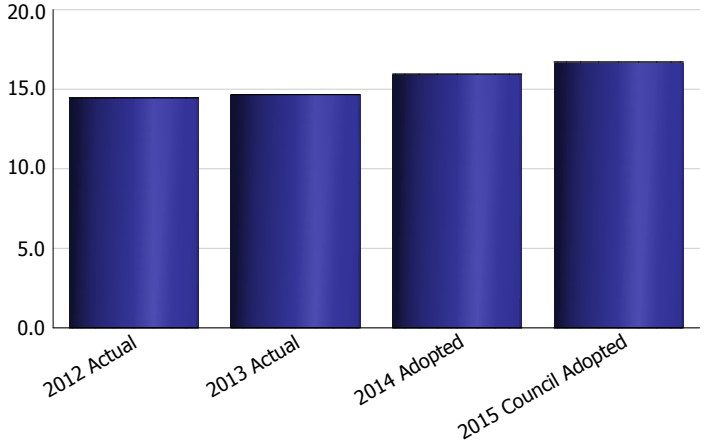
ATTORNEY
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	4,310,132	4,274,836	4,460,918	4,642,266	4.1%	181,348
FRINGE BENEFITS	1,357,375	1,370,826	1,807,734	1,789,066	-1.0%	(18,668)
CONTRACTUAL SERVICES	2,086,539	2,222,144	2,231,837	2,418,235	8.4%	186,398
OPERATING COSTS	97,999	93,082	174,767	152,280	-12.9%	(22,487)
TOTAL GENERAL	**7,852,044**	**7,960,888**	**8,675,256**	**9,001,847**	**3.8%**	**326,591**
SPECIAL REVENUE						
SALARIES AND WAGES	337,024	246,321	315,664	347,565	10.1%	31,901
FRINGE BENEFITS	110,162	80,737	68,932	90,451	31.2%	21,519
CONTRACTUAL SERVICES	120,765	85,836		85,000		85,000
TOTAL SPECIAL REVENUE	**567,951**	**412,894**	**384,596**	**523,016**	**36.0%**	**138,420**
INTERNAL SERVICE						
SALARIES AND WAGES	3,371,028	3,619,240	4,007,800	4,219,620	5.3%	211,819
FRINGE BENEFITS	1,099,094	1,142,955	1,384,374	1,426,170	3.0%	41,796
CONTRACTUAL SERVICES	1,439,408	1,382,625	1,294,924	1,344,687	3.8%	49,763
OPERATING COSTS	132,461	144,619	202,018	195,018	-3.5%	(7,000)
TOTAL INTERNAL SERVICE	**6,041,992**	**6,289,440**	**6,889,117**	**7,185,495**	**4.3%**	**296,378**
TOTAL EXPENSE	**14,461,987**	**14,663,222**	**15,948,969**	**16,710,358**	**4.8%**	**761,389**

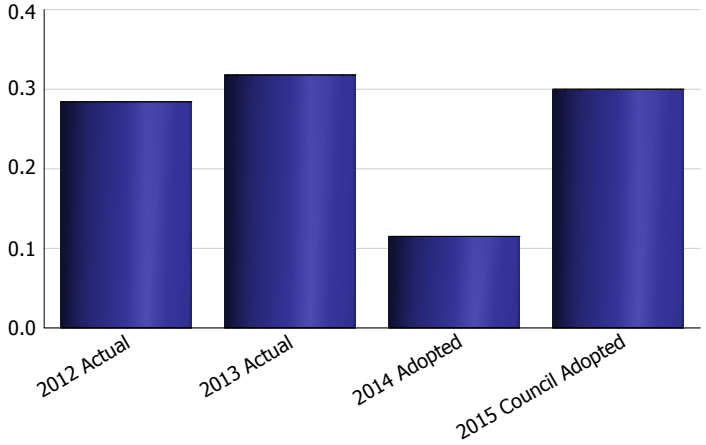
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	23,702	37,729	20,000	20,000	0.0%	0
OTHER MISC REVENUES	35,938	30,751			0.0%	0
GENERAL	**59,640**	**68,480**	**20,000**	**20,000**	**0**	**0**
SPECIAL REVENUE						
FEDERAL GOVERNMENT	53,224	53,015			0.0%	0
LOCAL GOVERNMENT	162,000	174,508	85,000	200,000	135.3%	115,000
SPECIAL REVENUE	**215,224**	**227,523**	**85,000**	**200,000**	**135.3%**	**115,000**
INTERNAL SERVICE						
CHARGES FOR SERVICES	5,546	1,126			0.0%	0
LONG TERM LIABILITIES PROCEEDS				70,000	0.0%	70,000
OTHER MISC REVENUES	3,831	20,869	10,000	10,000	0.0%	0
INTERNAL SERVICE	**9,377**	**21,995**	**10,000**	**80,000**	**700.0%**	**70,000**
TOTAL REVENUE	**284,240**	**317,998**	**115,000**	**300,000**	**160.9%**	**185,000**

ATTORNEY
EXPENSE AND REVENUE INFORMATION

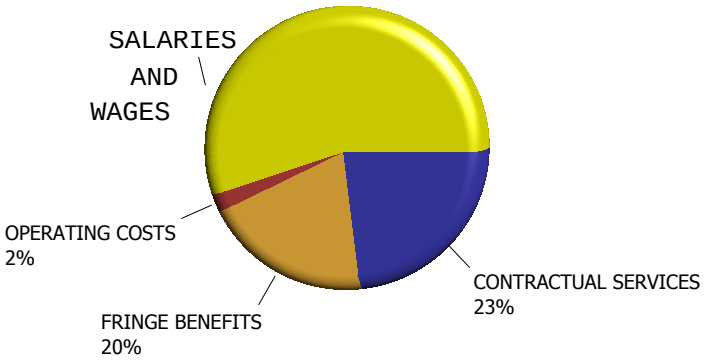
Expense 2012 - 2015
In Millions



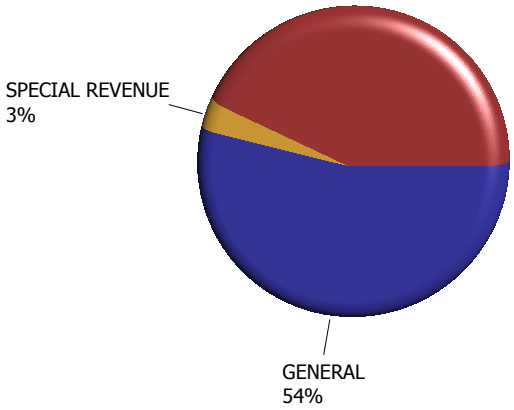
Revenue 2012 - 2015
In Millions



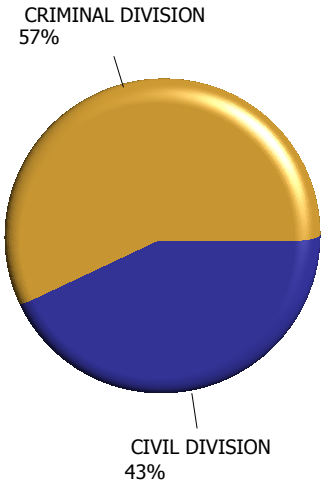
Expense by Category



Expense by Fund



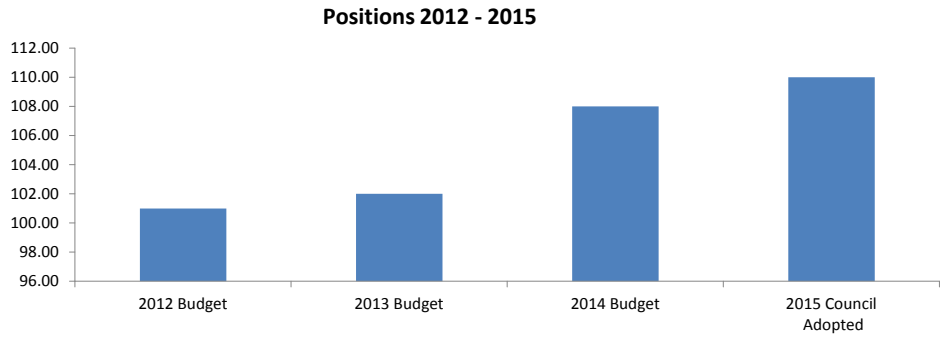
Expense by Division

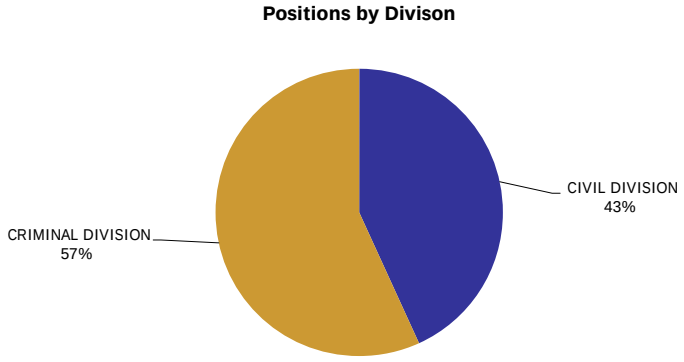


ATTORNEY

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
CIVIL DIVISION	41.50	41.50	46.50	47.50	2.2%	1.00
CRIMINAL DIVISION	59.50	60.50	61.50	62.50	1.6%	1.00
Overall	101.00	102.00	108.00	110.00	1.9%	2.00





CITY CLERK

MISSION

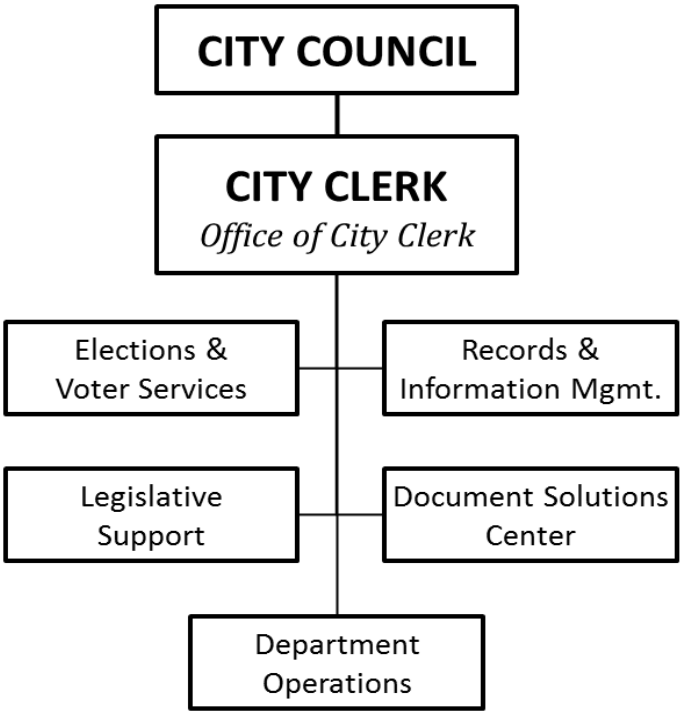
The Office of City Clerk is the secretariat of the City Council and facilitates its legislative processes. In addition, the office serves as the organizational center for three enterprise programs: elections administration; records and information management; and the document solutions center.

BUSINESS LINES

The City Clerk is elected by City Council and serves concurrently as the corporate secretary of the municipal corporation and secretary of its governing body. The office has five distinct lines of business:

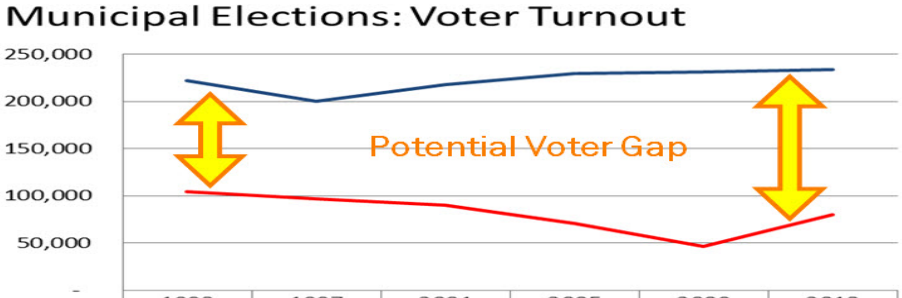
1. Elections & Voter Services
2. Records & Information Management
3. Legislative Support
4. Document Solutions Center
5. Department Operations

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES

Municipal turnout: 1993-2013



	1993	1997	2001	2005	2009	2013
Pre-Registered Voters	222,101	200,311	217,802	229,593	231,078	233,351
Total Voter Turnout	104,626	96,772	89,927	70,987	45,968	80,099
Potential Voter Gap	117,475	103,539	127,875	158,606	185,110	153,252

The "potential voter gap" increased by 13 points during the 20-year timeframe, from 1993-2013.

Schmidt assessment - Findings

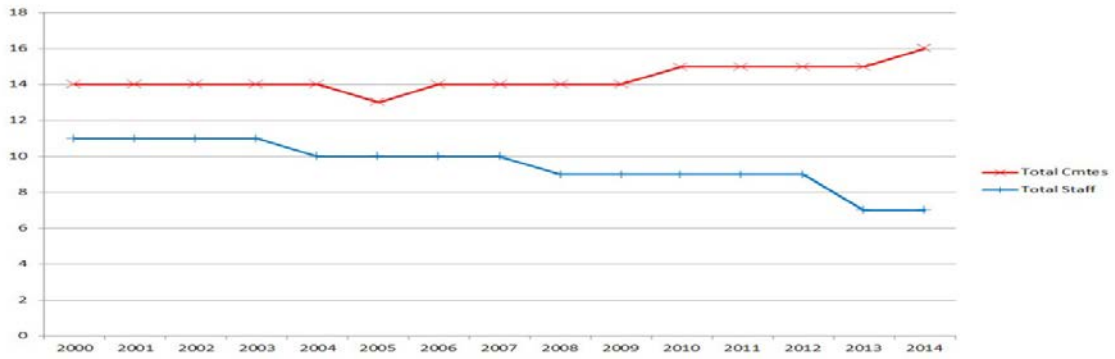
1. **Overall, general compliance with legal mandates, policy requirements, and industry best practices**

2. **Areas for future improvement:**
   - Increase staffing levels, similar to other first-class municipalities
   - Consolidation of operations in a single facility
   - Financial planning that better meets operating needs

3. **Reflecting the recently published report of the Presidential Election Commission:**

   "[t]he electorate seeks above all modern, efficient, and responsive administrative performance in the conduct of elections…"

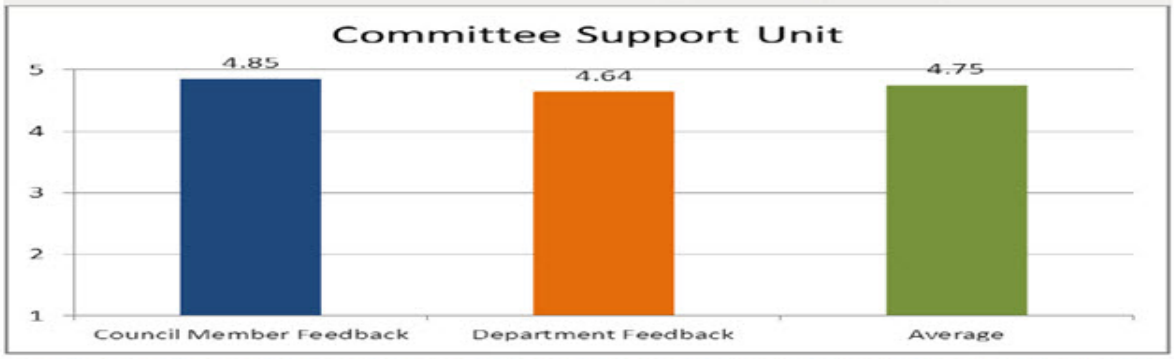
Committee & staff levels since 2000



2012 customer survey results

Committee coordinators

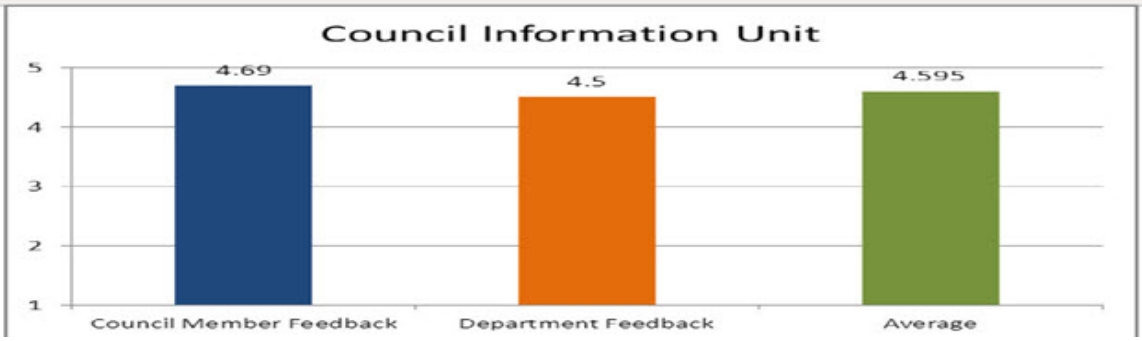
CCC	Very Poor (1)	Poor (2)	Average (3)	Strong (4)	Very Strong (5)	N/A	Response Count
How would you rate this unit?	0	0	0	24% (6)	72% (18)	4% (1)	25



2012 customer survey results

Information specialists

CID	Very Poor (1)	Poor (2)	Average (3)	Strong (4)	Very Strong (5)	N/A	Response Count
How would you rate this unit?	0	0	4% (1)	32% (8)	64% (16)	0	25



DSC by the numbers

Cost comparisons

Black & White (Printed One Sided on 20# White Recycled Bond)

	100 to 500 Copy Run	
IMPRESS Office Max	0.10	**40% Savings Over Outside Vendor**
Copy Center	0.06	

Color Copies (Printed One Sided on 8 1/2 x 11 20# White Recycled Bond)

	100 to 500 Copy Run	
IMPRESS Office Max	0.49	**57% Savings Over Outside Vendor**
Copy Center	0.21	

Courier Services (Daily Round Trip Between City Hall and Downtown City Offices)

Dynamex	$17.52 Per Day Per Stop	
Quicksilver	$10.30 Per Day Per Stop	**77% Savings Over Outside Vendor**
Internal Courier (Lifeworks)	$4.04 Per Day Per Stop	

Annual production (2013)

- Produced 5,140,000 prints in 2013 and billed $617,000 to requesting departments.
  - Placed end to end, this would run 868 miles, or from Minneapolis to Pittsburgh.
  - Maintained a 99.5% on time completion rate.
- Processed 749,000 pieces of mail and used $367,000 in USPS postage.
- Shredded 2,700 boxes of obsolete records generating 94,500 pounds of paper for recycling.

One Minneapolis

Elections & Voter Services General Fund: $1,229,459

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.

A City that Works

Office of City Clerk General Fund: $3,073,971

The Office of City Clerk is the secretariat of the City Council and its standing committees and provides leadership and centralized management control of the City's information assets and data in compliance with the requirements of law.

Document Solutions Center General Fund: $34,500
Other Funds: $1,349,198

The Document Solutions Center (DSC) provides centralized document production services to all City departments. The Document Solutions Center encompasses five 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
(5) Central Mailing

FINANCIAL ANALYSIS

Expenditure
The total 2015 City Clerk Department's council adopted budget of $5.7 million is an increase of 11.6%, or $0.6 million, from the 2014 budget of $5.1 million. The primary drivers for this increase are an increase of staffing by 5 FTE in the General Fund to support administration, technology, records and elections. This increase is partially offset by one-time funding in the 2014 budget allocated to cover the cost of a position (1 FTE) not carried forward to the 2015 budget, reducing the net position additions in this department to 4 FTE. Additional funding is also reflected in this department's General Fund budget in 2015 in the amount of $40,000 for Constituent Relationship Management (CRM) systems and the Legislative Information Management System (LIMS). An increase is also reflected in the internal service funds in the amount of $63,000 to reflect growth in costs of internal services charged to this department.

Revenue
Budgeted revenue for this department in 2015 is projected to be $1.2 million, inclusive of an additional $147,000 collected through cost allocation model charges to other departments related to data operations.

Fund Allocation
This department is funded primarily by the General Fund (76%), with the remaining 24% from internal service funds.

Mayor's Recommended Budget
The Mayor recommended additional ongoing General Fund resources in the amount of $284,000 for a program assistant to assist with administering elections and voter services, a program assistant to provide administrative support to the City Council and City Clerk offices, and a software engineer to assist with developing the framework to provide information on City programs and policy actions more effectively and efficiently (3.0 new FTEs in total).

Council Adopted Budget
The City Council amended the Mayor's recommendations by: (1) Utilizing $80,000 in anticipated savings from the reduction in the 2015 citywide health insurance premium to add 1.0 Full-Time Equivalent (FTE) (Council Committee Coordinator), and (2) Increasing expense appropriation and staffing by $100,000 and 1.0 FTE, respectively, for the purposes of managing data practices requests with the on-going costs to be recouped through the City's internal cost allocation mechanism.

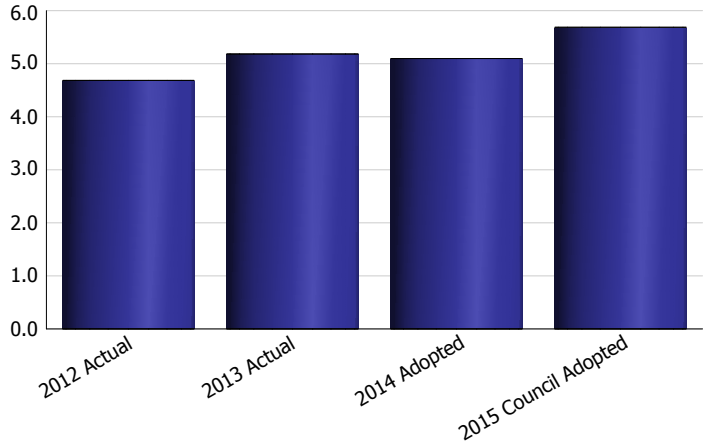
CITY CLERK
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,621,792	1,450,462	1,748,856	2,028,770	16.0%	279,914
FRINGE BENEFITS	394,219	385,203	567,913	673,952	18.7%	106,038
CONTRACTUAL SERVICES	1,142,069	1,717,407	1,210,006	1,390,954	15.0%	180,948
OPERATING COSTS	235,276	274,106	267,822	227,192	-15.2%	(40,630)
CAPITAL	22,529		17,062	17,062	0.0%	0
TOTAL GENERAL	**3,415,885**	**3,827,179**	**3,811,659**	**4,337,929**	**13.8%**	**526,270**
INTERNAL SERVICE						
SALARIES AND WAGES	196,080	217,687	283,577	290,424	2.4%	6,847
FRINGE BENEFITS	74,234	62,865	143,577	145,781	1.5%	2,205
CONTRACTUAL SERVICES	795,114	814,106	674,097	782,296	16.1%	108,199
OPERATING COSTS	203,836	261,940	174,442	120,225	-31.1%	(54,217)
CAPITAL			10,472	10,472	0.0%	0
TOTAL INTERNAL SERVICE	**1,269,265**	**1,356,599**	**1,286,165**	**1,349,198**	**4.9%**	**63,033**
TOTAL EXPENSE	**4,685,149**	**5,183,778**	**5,097,824**	**5,687,127**	**11.6%**	**589,303**

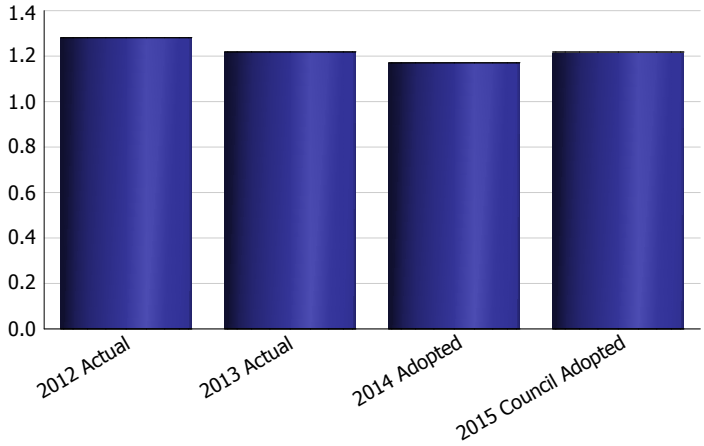
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	339	570			0.0%	0
CHARGES FOR SERVICES	107,781	6,046	104,481	106,281	1.7%	1,800
LICENSE AND PERMITS	3,564	4,712		1,000	0.0%	1,000
OTHER MISC REVENUES	424				0.0%	0
GENERAL	**112,108**	**11,327**	**104,481**	**107,281**	**2.7%**	**2,800**
INTERNAL SERVICE						
CHARGES FOR SERVICES	1,167,297	1,207,341	1,066,204	1,110,766	4.2%	44,562
OTHER MISC REVENUES	1,733	72			0.0%	0
INTERNAL SERVICE	**1,169,030**	**1,207,413**	**1,066,204**	**1,110,766**	**4.2%**	**44,562**
TOTAL REVENUE	**1,281,138**	**1,218,740**	**1,170,685**	**1,218,047**	**4.0%**	**47,362**

CITY CLERK
EXPENSE AND REVENUE INFORMATION

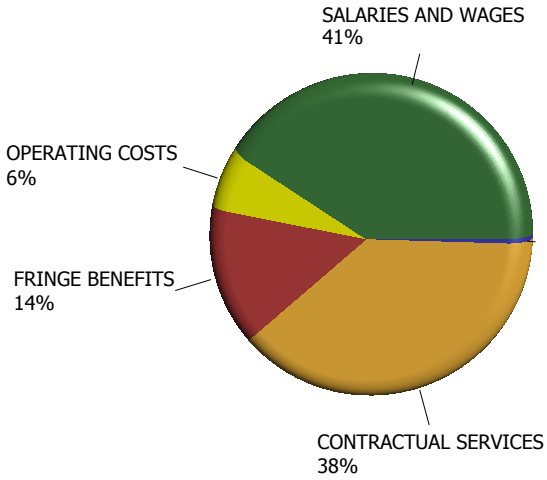
Expense 2012 - 2015
In Millions



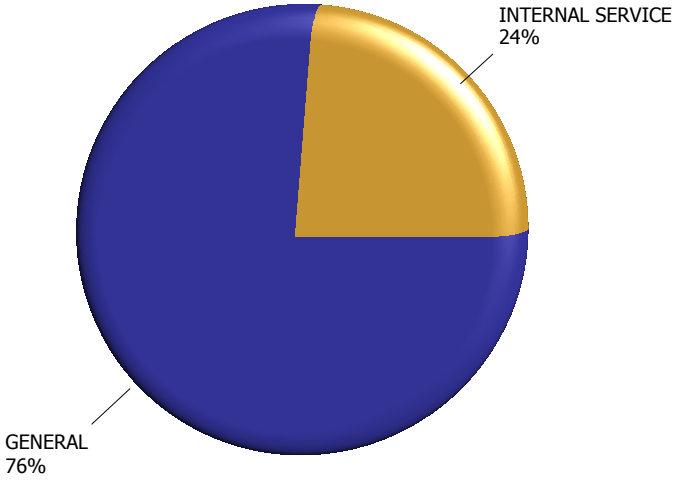
Revenue 2012 - 2015
In Millions



Expense by Category



Expense by Fund

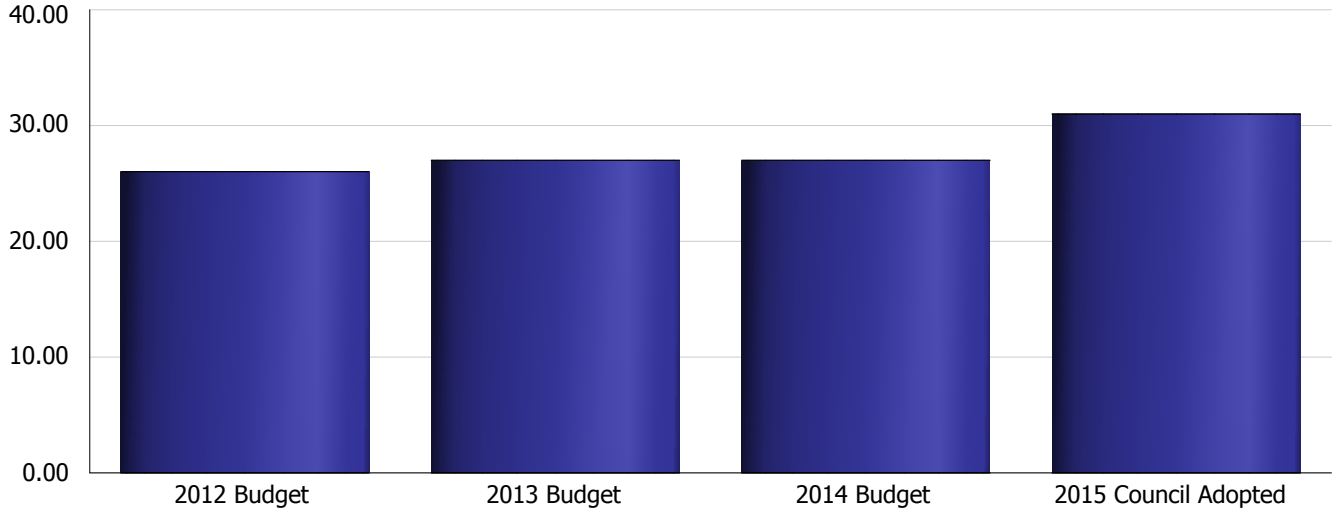


CITY CLERK

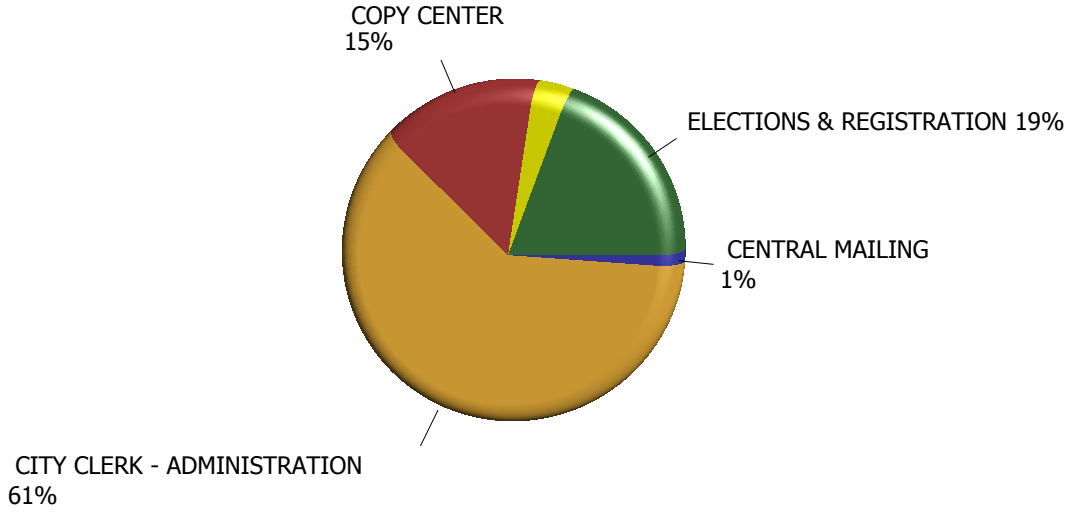
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
CENTRAL MAILING	0.37	0.35	0.35	0.35	0.0%	0
CITY CLERK - ADMINISTRATION	14.60	17.00	16.00	19.00	18.8%	3.00
COPY CENTER	6.05	5.65	5.65	4.65	-17.7%	(1.00)
DATA OPERATIONS CENTER				1.00		1.00
ELECTIONS & REGISTRATION	5.00	4.00	5.00	6.00	20.0%	1.00
Overall	26.02	27.00	27.00	31.00	14.8%	4.00

Positions 2012-2015



Positions by Divison



CITY COUNCIL

MISSION

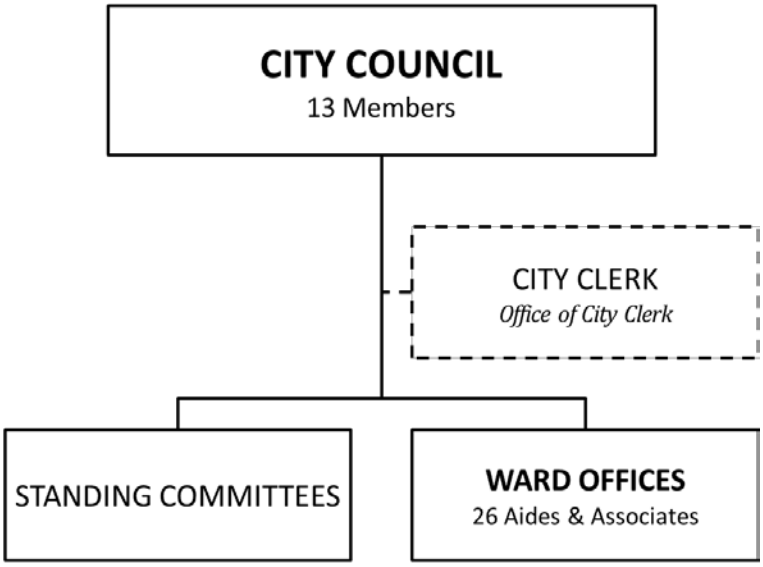
The City Council maximizes access to municipal government, exercises oversight of City departments and service delivery, and enables informed decision-making for community governance.

BUSINESS LINES

The City Council is 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. In summary, the business lines are as follows:

- Legislative Authority & Policy Enactment
- Executive Oversight & Evaluation
- Community Representation

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES

As an elected, policymaking body, this department does not have specific Results Minneapolis measures that it is required to meet.

A City that Works

City Council General Fund: $4,893,499

The City Council is the legislative body of the City of Minneapolis, providing a direct link between residents and the municipal government. The Council is composed of thirteen Members, each elected from separate wards of approximately 30,000 residents.

The Council works in partnership with the Mayor to provide for the general health, safety, and welfare of the community. Without limiting the generality of the foregoing, the City Council has the power to:

1. Adopt, amend, and repeal public policies;
2. Levy and apportion taxes, make appropriations and adopt budgets; and
3. Oversee organizational performance and the delivery of municipal services.

FINANCIAL ANALYSIS

Expenditure
The total City Council Department's council adopted budget of $4.9 million represents a 3.5% or $0.2 million increase over the 2014 budget of $4.7 million. The overall increase is attributable to inflationary growth in personnel expenses and internal services costs such as those for space and computer equipment.

Revenue
This department is not expected to generate revenue in 2015, which is consistent with prior years.

Fund Allocation
This department is funded completely by the General Fund.

Mayor's Recommended Budget
The Mayor recommended no changes to this department's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

CITY COUNCIL
EXPENSE AND REVENUE INFORMATION

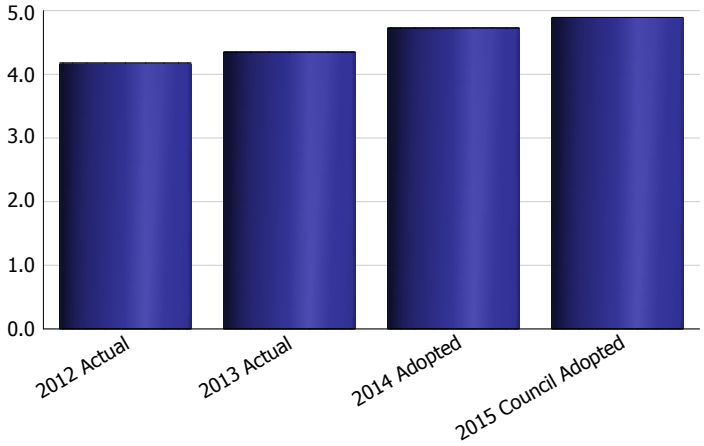
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,394,766	2,384,921	2,575,152	2,642,114	2.6%	66,962
FRINGE BENEFITS	803,275	799,276	1,041,589	1,073,218	3.0%	31,629
CONTRACTUAL SERVICES	616,576	770,273	748,350	789,177	5.5%	40,827
OPERATING COSTS	362,233	397,045	364,418	388,990	6.7%	24,572
TOTAL GENERAL	**4,176,850**	**4,351,516**	**4,729,509**	**4,893,499**	**3.5%**	**163,991**
TOTAL EXPENSE	**4,176,850**	**4,351,516**	**4,729,509**	**4,893,499**	**3.5%**	**163,991**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change

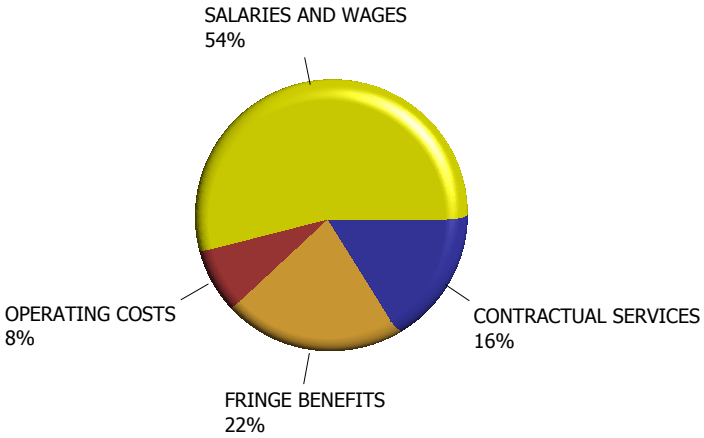
CITY COUNCIL
EXPENSE AND REVENUE INFORMATION

Expense 2012 - 2015

In Millions



Expense by Category

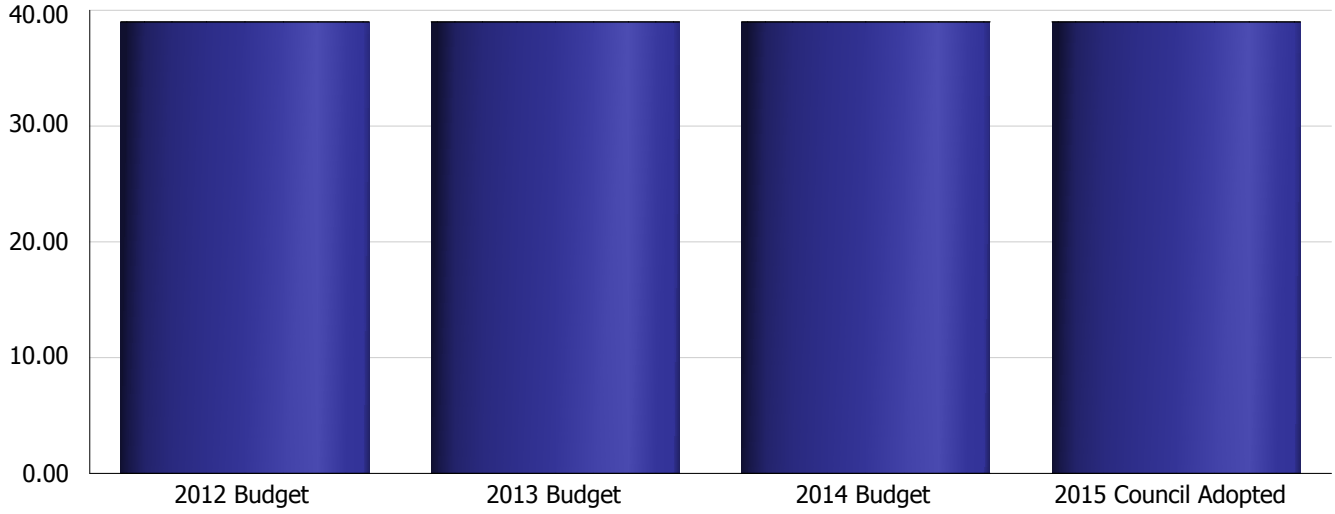


CITY COUNCIL

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
CITY COUNCIL STAFF	39.00	39.00	39.00	39.00	0.0%	0
Overall	39.00	39.00	39.00	39.00	0.0%	0

Positions 2012-2015



CITY COORDINATOR

MISSION

The City Coordinator department 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

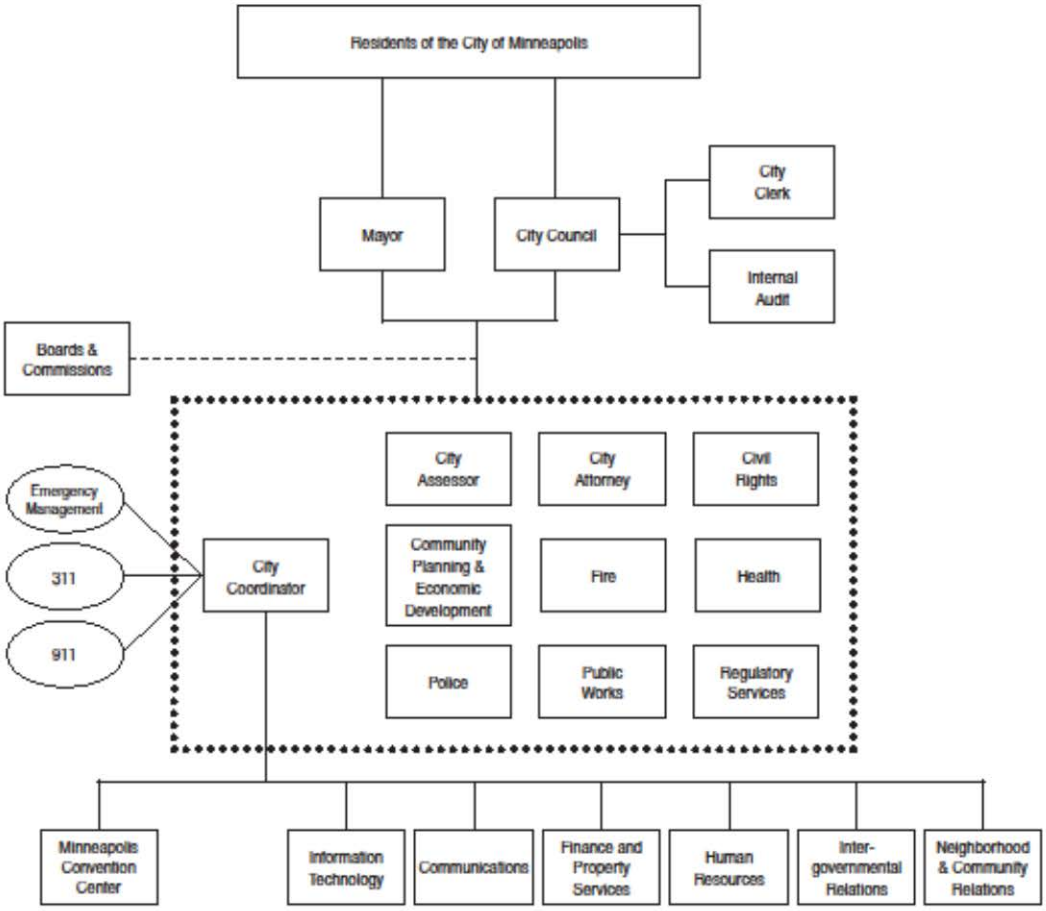
The City Coordinator Department has three primary business lines:

- **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 communications, finance and property services, human resources, information technology, 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.

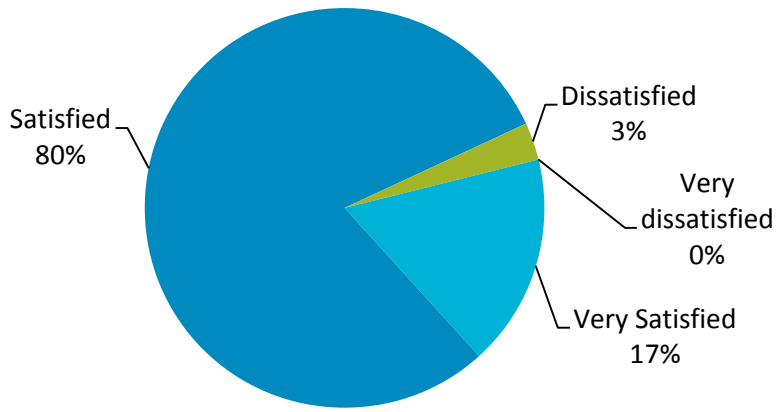
City of Minneapolis

City Coordinator

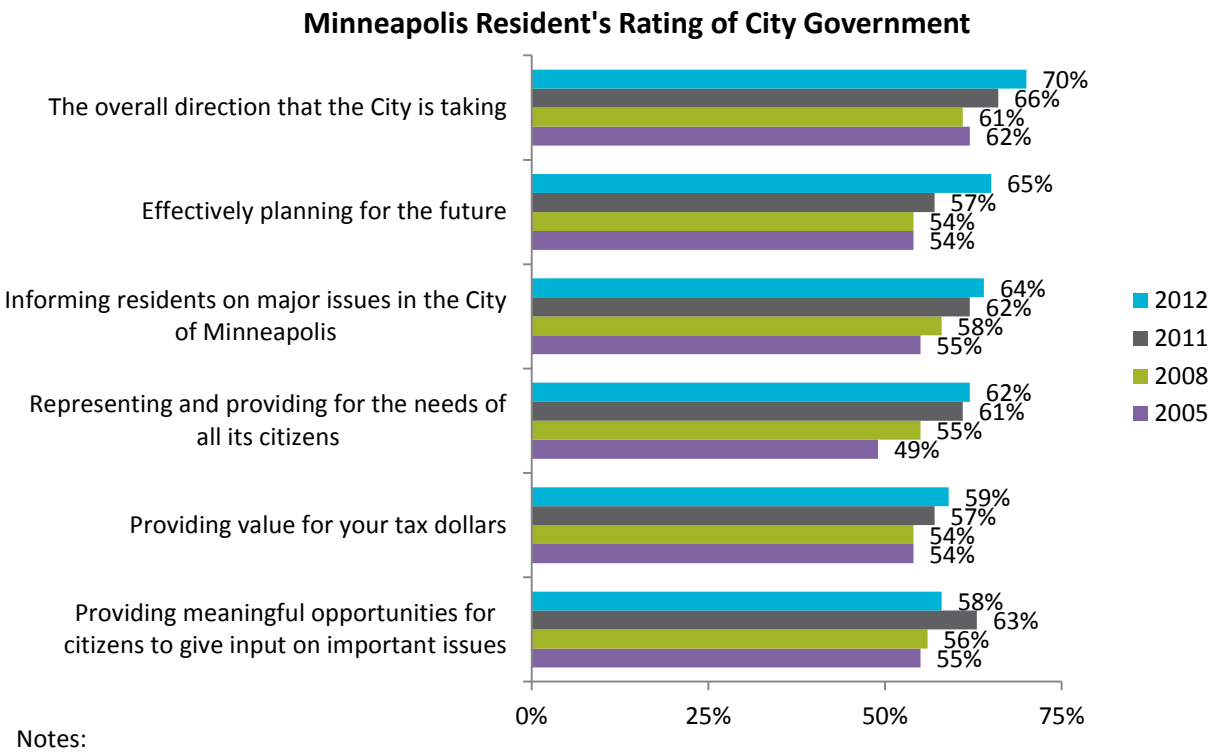
Organizational Chart



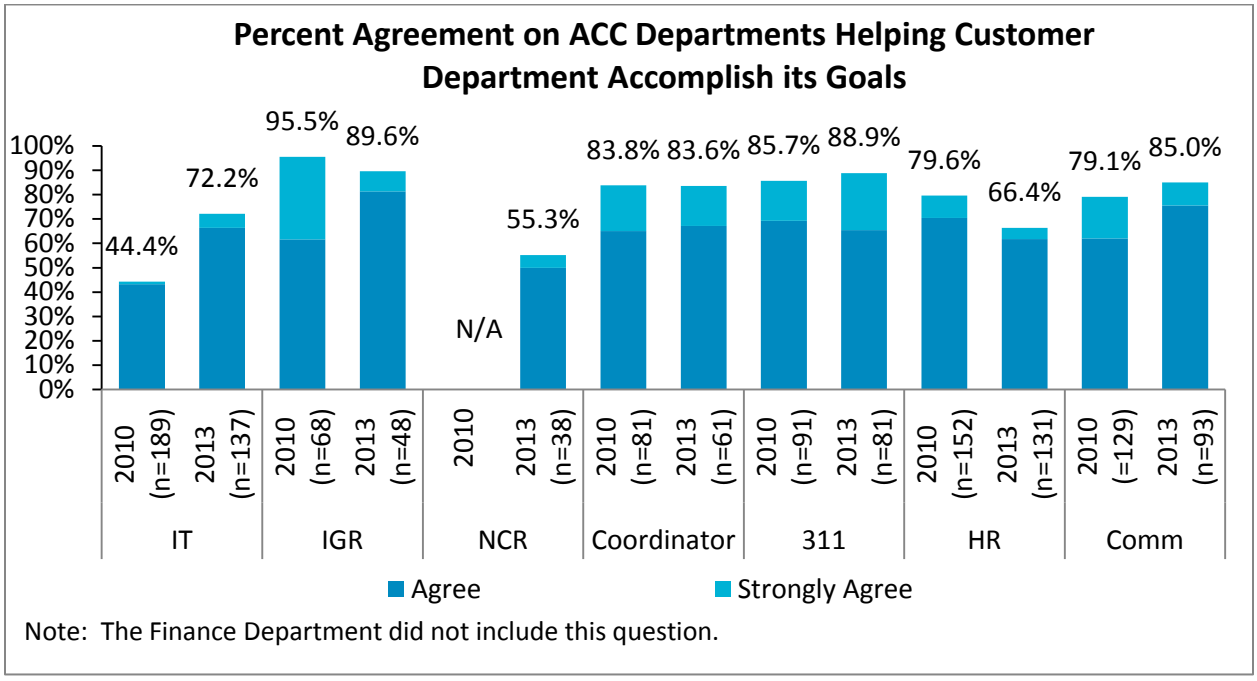
SELECTED RESULTS MINNEAPOLIS MEASURES



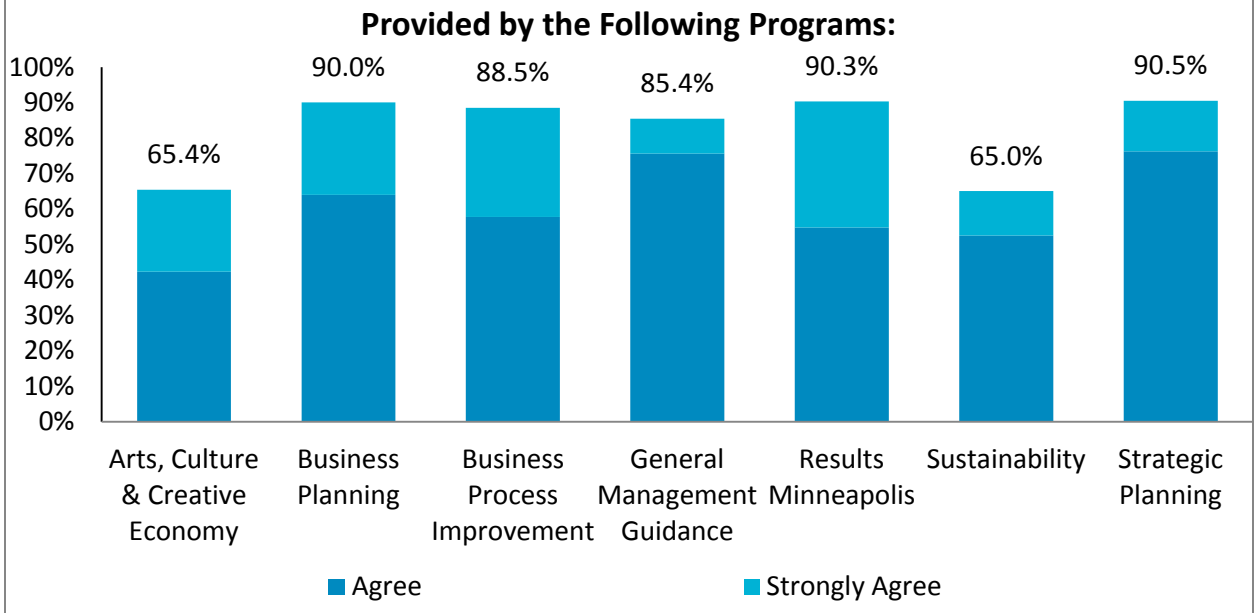
Note: New question in 2012
Source: 2012 Minneapolis Resident Survey



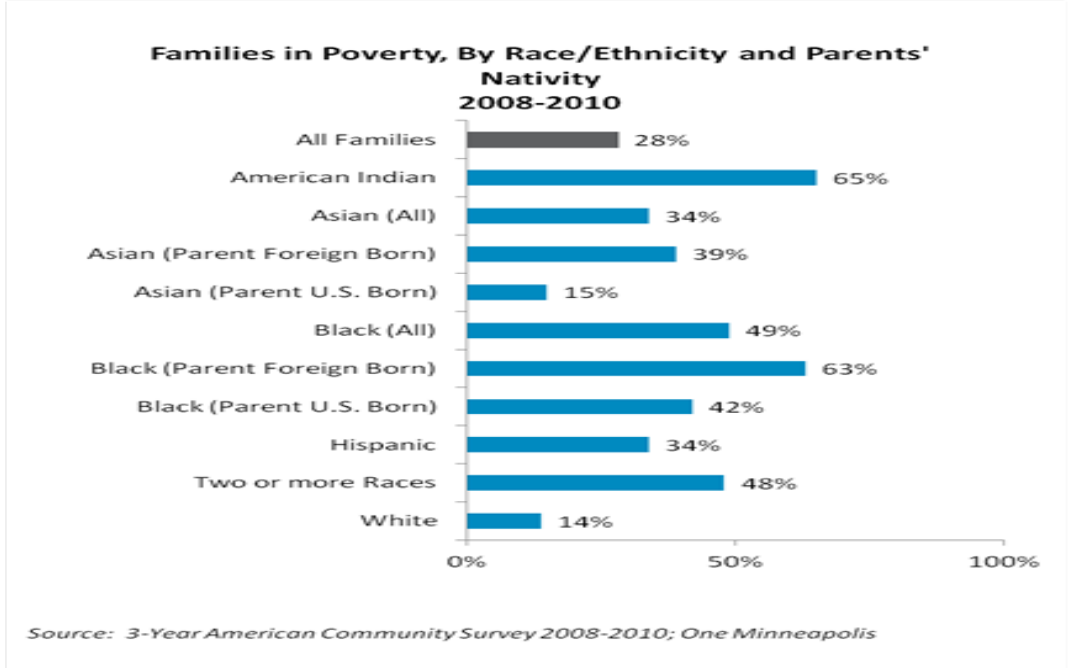
Notes:
1) Percent of residents responding "good" or "very good" when asked the following question: "How would you rate the Minneapolis City government on..."
2) Question wording differed between survey years. In 2003 and 2001, "Informing residents on major issues in the City of Minneapolis" was worded "Minneapolis City government on communication with its citizens"

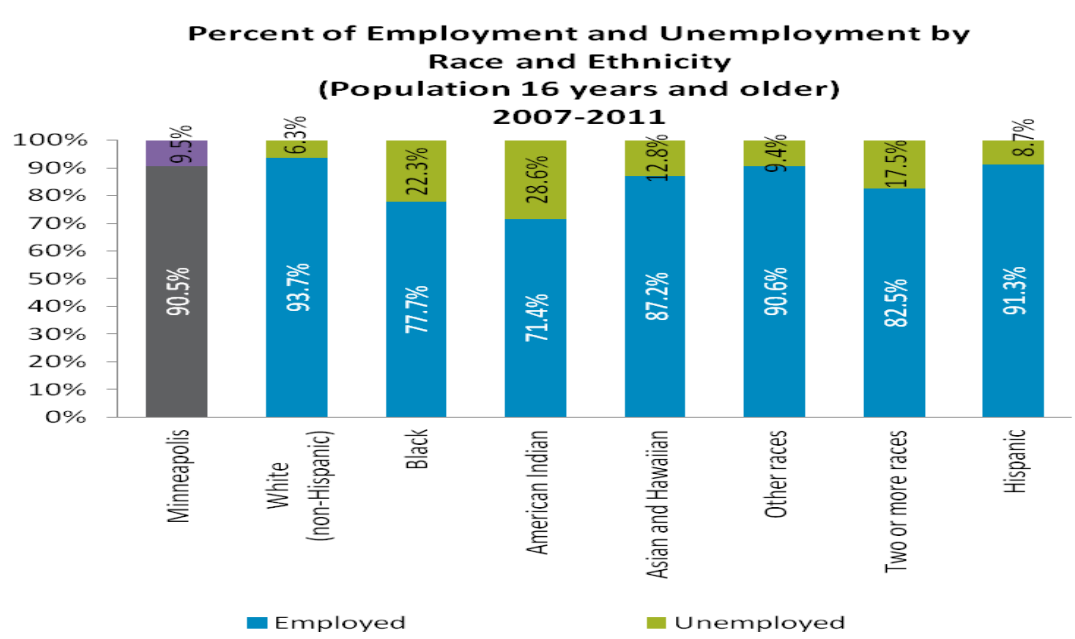


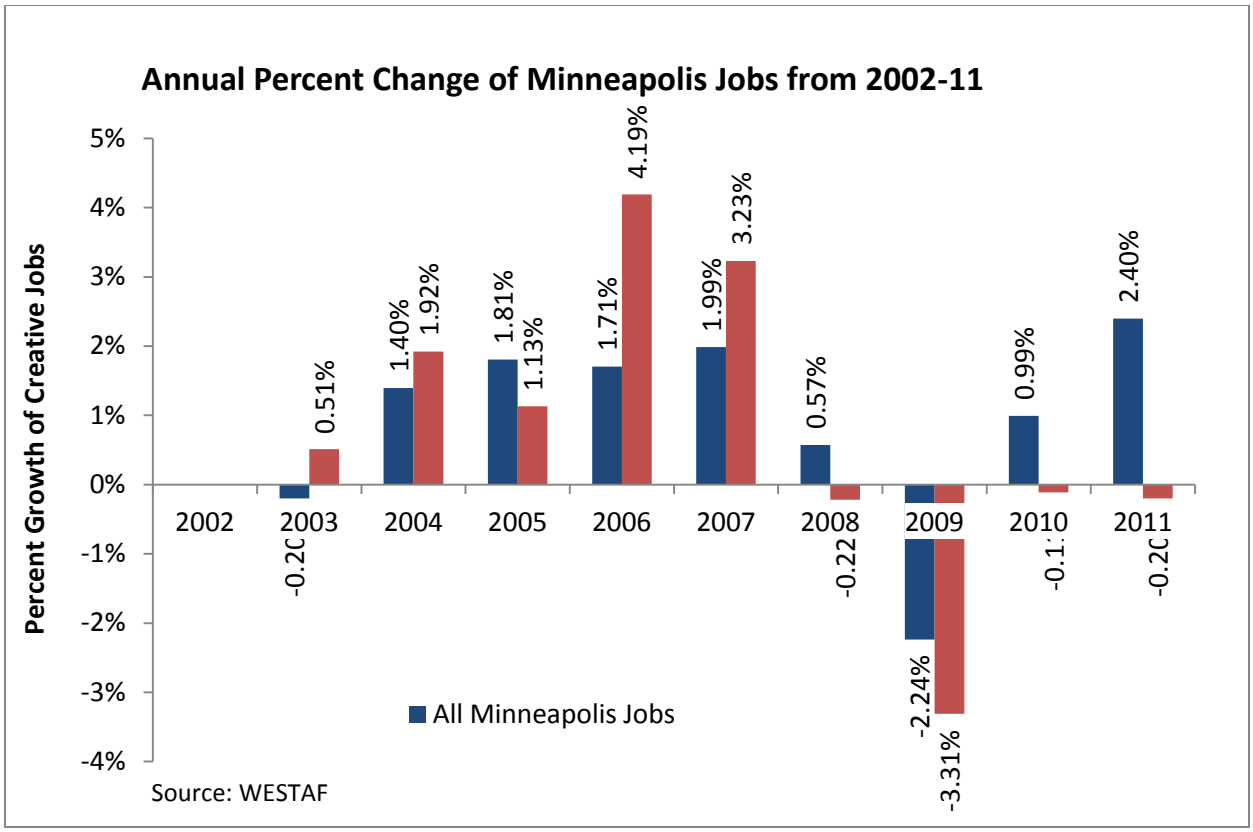
Note: The Finance Department did not include this question.

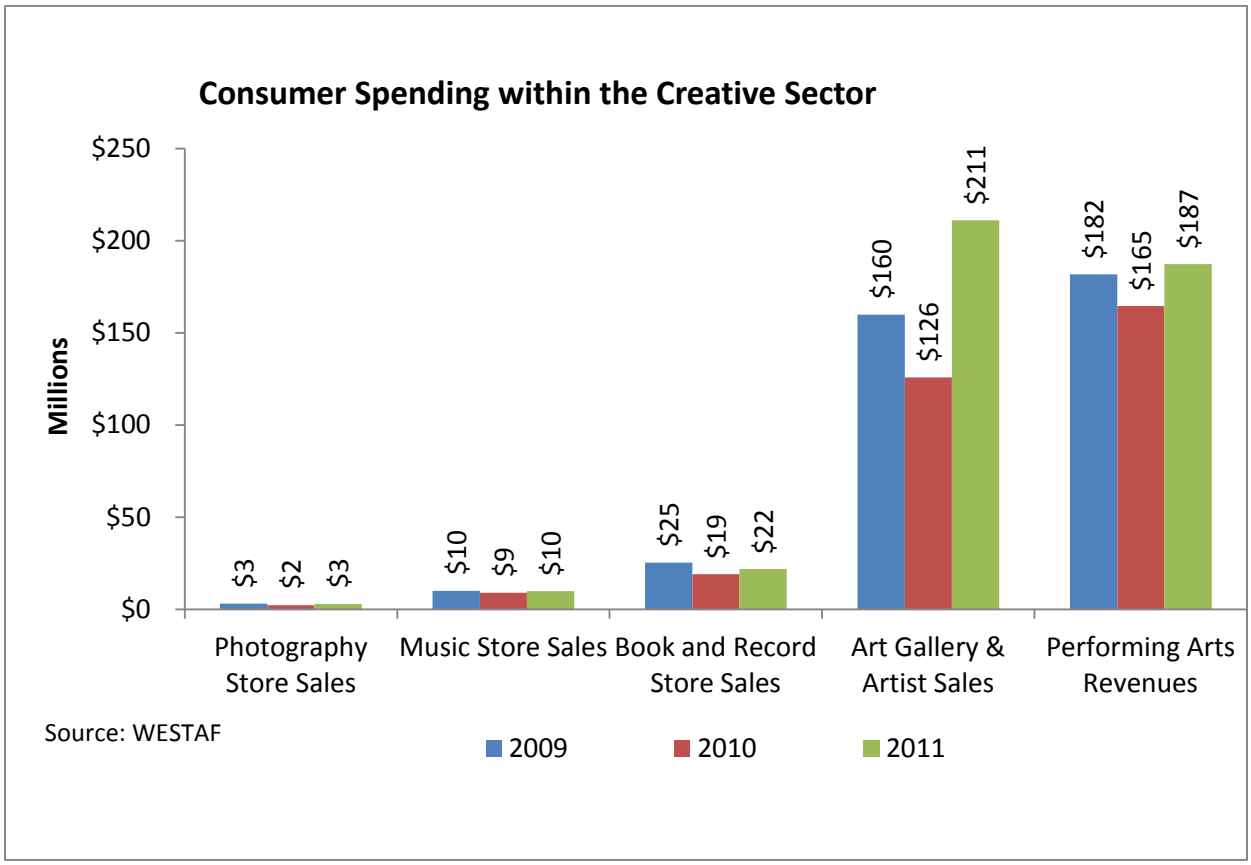


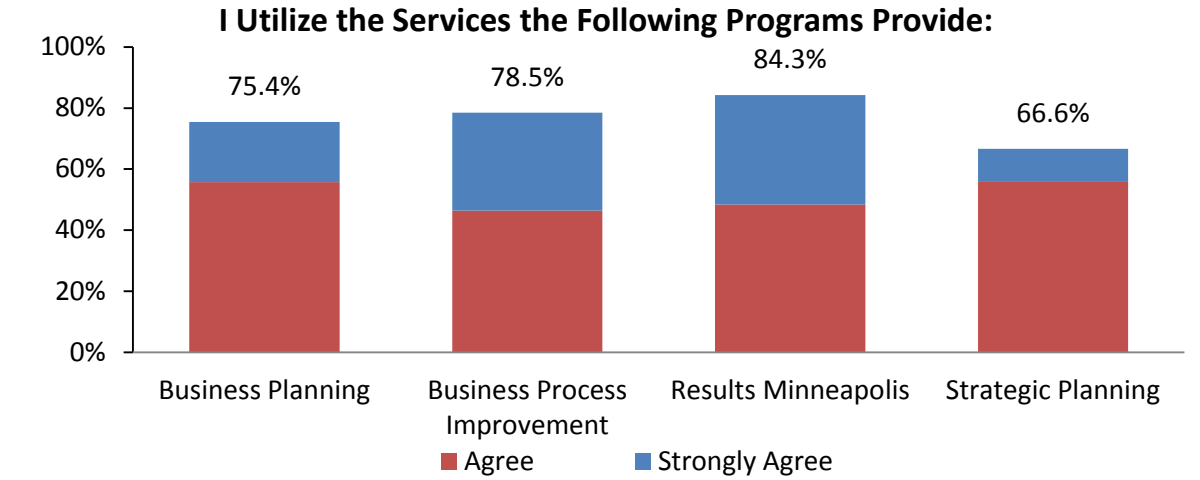
Source: 2012 Coordinator Management Services Survey


Families in Poverty, By Race/Ethnicity and Parents' Nativity
2008-2010
All Families 28%
American Indian 65%
Asian (All) 34%
Asian (Parent Foreign Born) 39%
Asian (Parent U.S. Born) 15%
Black (All) 49%
Black (Parent Foreign Born) 63%
Black (Parent U.S. Born) 42%
Hispanic 34%
Two or more Races 48%
White 14%
0%
50%
100%
Source: 3-Year American Community Survey 2008-2010; One Minneapolis

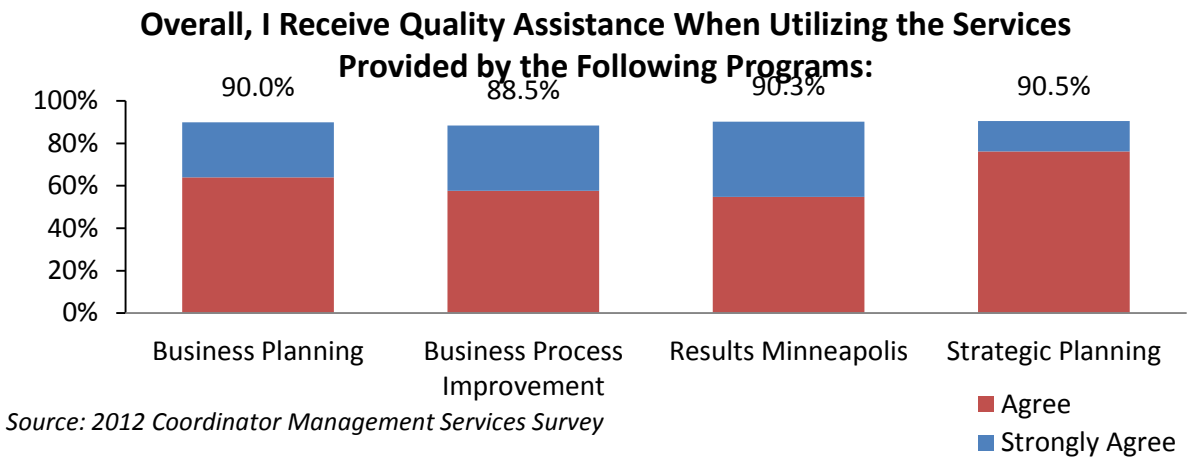

Percent of Employment and Unemployment by Race and Ethnicity
(Population 16 years and older)
2007-2011
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
Minneapolis 90.5% 9.5%
White (non-Hispanic) 93.7% 6.3%
Black 77.7% 22.3%
American Indian 71.4% 28.6%
Asian and Hawaiian 87.2% 12.8%
Other races 90.6% 9.4%
Two or more races 82.5% 17.5%
Hispanic 91.3% 8.7%
Employed
Unemployed
Note: The charts above are based on a five year average. As a result the numbers will differ from those based on other data sources.
Source: American Community Survey 2007-2011


Annual Percent Change of Minneapolis Jobs from 2002-11
Percent Growth of Creative Jobs
5%
4%
3%
2%
1%
0%
-1%
-2%
-3%
-4%
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
0.51%
1.40%
1.92%
1.81%
1.13%
1.71%
4.19%
1.99%
3.23%
0.57%
0.99%
2.40%
-2.24%
-3.31%
All Minneapolis Jobs
Source: WESTAF

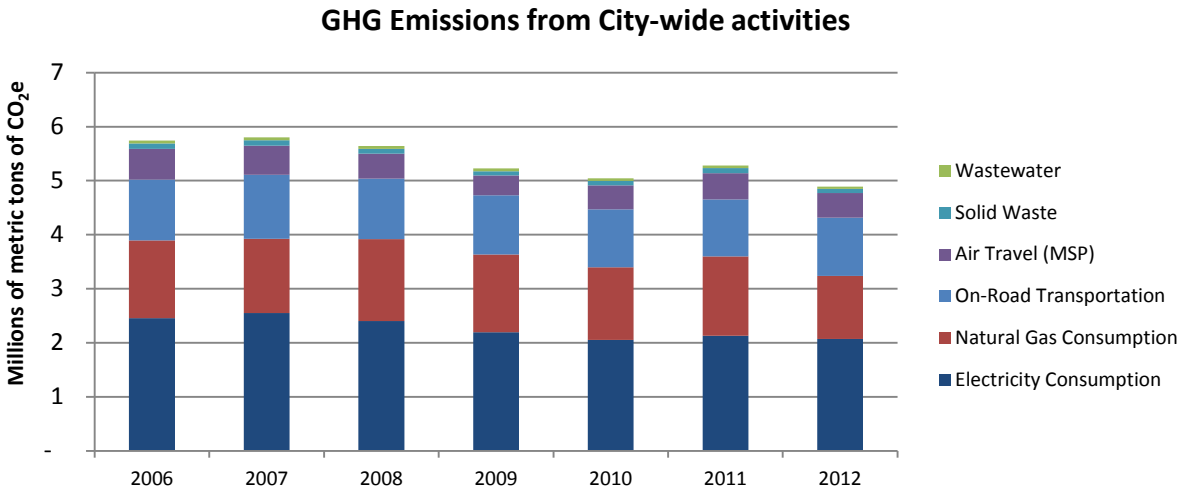

Consumer Spending within the Creative Sector
Millions
$250
$200
$150
$100
$50
$0
$3
$2
$3
$10
$9
$10
$25
$19
$22
$160
$126
$211
$182
$165
$187
Photography Store Sales
Music Store Sales
Book and Record Store Sales
Art Gallery & Artist Sales
Performing Arts Revenues
Source: WESTAF
2009
2010
2011

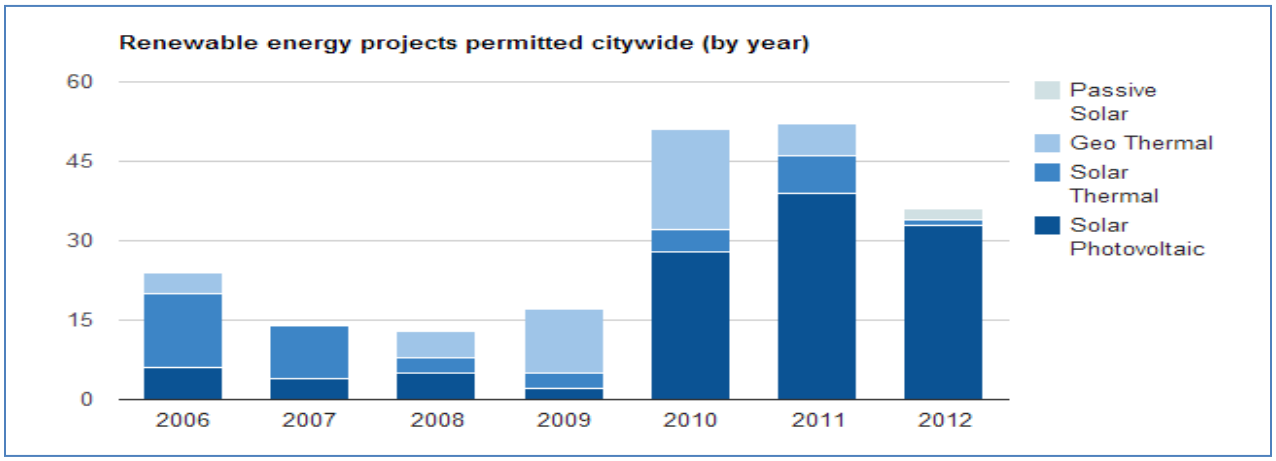


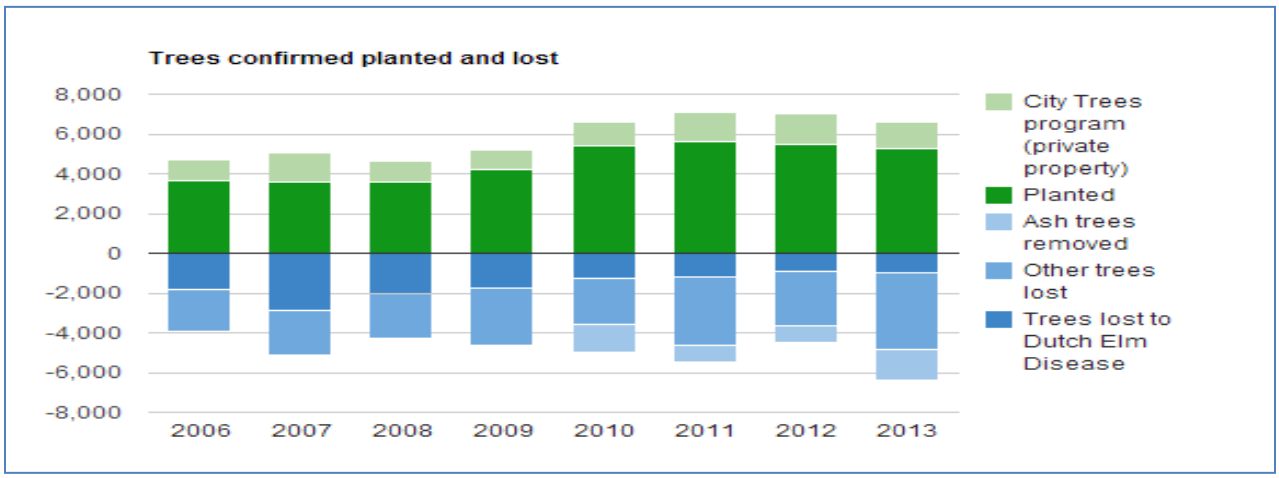
Source: 2012 Coordinator Management Services Survey

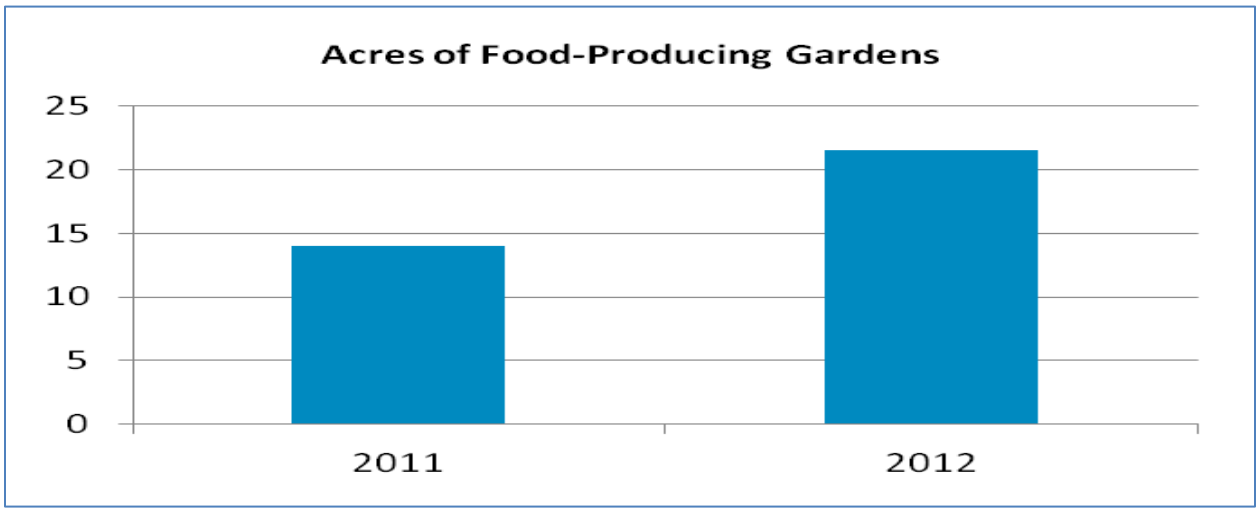


Source: 2012 Coordinator Management Services Survey




Renewable energy projects permitted citywide (by year)
60
45
30
15
0
2006
2007
2008
2009
2010
2011
2012
Passive Solar
Geo Thermal
Solar Thermal
Solar Photovoltaic


Trees confirmed planted and lost
8,000
6,000
4,000
2,000
0
-2,000
-4,000
-6,000
-8,000
2006
2007
2008
2009
2010
2011
2012
2013
City Trees program (private property)
Planted
Ash trees removed
Other trees lost
Trees lost to Dutch Elm Disease

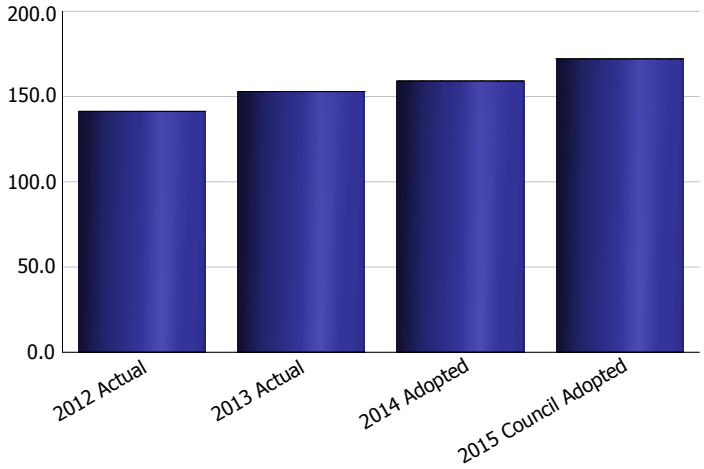

Acres of Food-Producing Gardens
25
20
15
10
5
0
2011
2012

CITY COORDINATOR ROLLUP
EXPENSE AND REVENUE INFORMATION

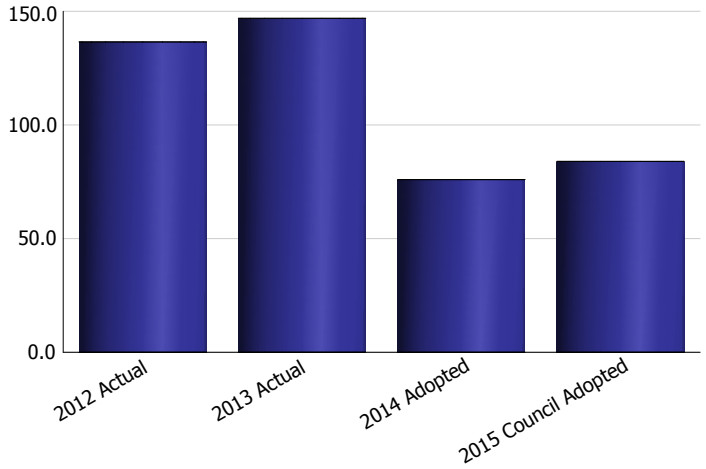
EXPENSE		2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	% Change	Change
GENERAL	CAPITAL	40,162	324,226	662,160	389,160	-41.2%	(273,000)
	CONTRACTUAL SERVICES	11,731,464	16,740,852	12,722,890	13,076,324	2.8%	353,434
	FRINGE BENEFITS	7,465,493	7,663,255	9,829,021	9,962,184	1.4%	133,163
	OPERATING COSTS	1,830,428	2,590,859	2,266,946	2,441,716	7.7%	174,770
	SALARIES AND WAGES	20,449,193	21,261,309	23,550,207	24,433,918	3.8%	883,710
GENERAL		41,516,739	48,580,500	49,031,225	50,303,303	2.6%	1,272,078
INTERNAL	CAPITAL			470,181	590,721	25.6%	120,540
SERVICE	CONTRACTUAL SERVICES	31,573,261	32,450,581	31,080,371	39,236,232	26.2%	8,155,861
	FRINGE BENEFITS	3,728,189	3,828,044	4,501,623	4,721,954	4.9%	220,331
	OPERATING COSTS	3,603,072	4,138,021	2,818,126	3,062,108	8.7%	243,982
	SALARIES AND WAGES	8,981,343	10,334,661	11,541,658	12,165,204	5.4%	623,546
INTERNAL SERVICE		47,885,865	50,751,307	50,411,959	59,776,220	18.6%	9,364,260
SPECIAL	CAPITAL	7,892,737	11,824,741	14,748,964	14,885,262	0.9%	136,298
REVENUE	CONTRACTUAL SERVICES	27,254,093	25,343,225	28,612,345	29,050,951	1.5%	438,606
	FRINGE BENEFITS	3,678,522	3,563,721	4,516,664	5,174,170	14.6%	657,506
	OPERATING COSTS	2,388,882	2,795,902	1,491,705	1,738,212	16.5%	246,507
	SALARIES AND WAGES	9,933,021	10,070,801	10,331,607	11,212,971	8.5%	881,364
	TRANSFERS	750,000					
SPECIAL REVENUE		51,897,255	53,598,391	59,701,284	62,061,566	4.0%	2,360,282
	TOTAL EXPENSE	141,299,859	152,930,198	159,144,468	172,141,089	8.2%	12,996,620

REVENUE		2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	% Change	Change
GENERAL	CHARGES FOR SALES	2,418	1,093	1,000		-100.0%	(1,000)
	CHARGES FOR SERVICES	569	5,260				
	CONTRIBUTIONS	805,808	944,831	840,000		-100.0%	(840,000)
	FRANCHISE FEES	3,353,634	3,503,201	3,400,000		-100.0%	(3,400,000)
	OTHER MISC REVENUES	904	17,385	1,500	1,500	0.0%	
	RENTS	1,559	759				
GENERAL		4,164,891	4,472,528	4,242,500	1,500	-100.0%	(4,241,000)
INTERNAL	CHARGES FOR SALES	469,838	590,562	324,293	324,293	0.0%	
SERVICE	CHARGES FOR SERVICES	36,425,149	39,449,660	32,638,388	34,964,918	7.1%	2,326,530
	FEDERAL GOVERNMENT	11,631					
	FINES AND FORFEITS		53,151				
	LONG TERM LIABILITIES PROCEEDS		4,844,732		2,020,819		2,020,819
	OTHER MISC REVENUES	77,945	45,633	3,000	3,000	0.0%	
	RENTS	13,240,297	14,060,331	14,350,830	15,951,461	11.2%	1,600,631
INTERNAL SERVICE		50,224,860	59,044,068	47,316,511	53,264,491	12.6%	5,947,980
SPECIAL	CHARGES FOR SALES	552,337	3,240				
REVENUE	CHARGES FOR SERVICES	5,448,981	5,788,478	5,720,000	6,200,000	8.4%	480,000
	CONTRIBUTIONS	140,908	48,931				
	FEDERAL GOVERNMENT	5,279,464	3,695,064	1,000,000	1,100,000	10.0%	100,000
	INTEREST	314,359	266,849	214,631	164,130	-23.5%	(50,501)
	LONG TERM LIABILITIES PROCEEDS			250,000	2,610,126	944.1%	2,360,126
	OTHER MISC REVENUES	3,077,787	3,435,190	3,300,000	3,650,000	10.6%	350,000
	RENTS	7,005,147	7,238,371	6,980,000	8,947,000	28.2%	1,967,000
	SALES AND OTHER TAXES	56,349,332	57,533,157	1,275,000	1,300,000	2.0%	25,000
	STATE GOVERNMENT	478,686	412,263	515,480	515,480	0.0%	
	TRANSFERS IN	3,487,650	4,966,000	5,149,480	6,225,384	20.9%	1,075,904
SPECIAL REVENUE		82,134,649	83,387,543	24,404,591	30,712,120	25.8%	6,307,529
	TOTAL REVENUE	136,524,400	146,904,139	75,963,602	83,978,111	10.6%	8,014,509

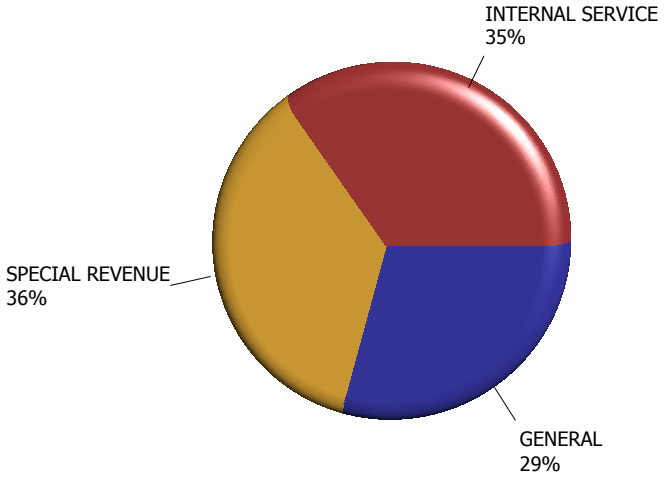
Expense 2012 - 2015



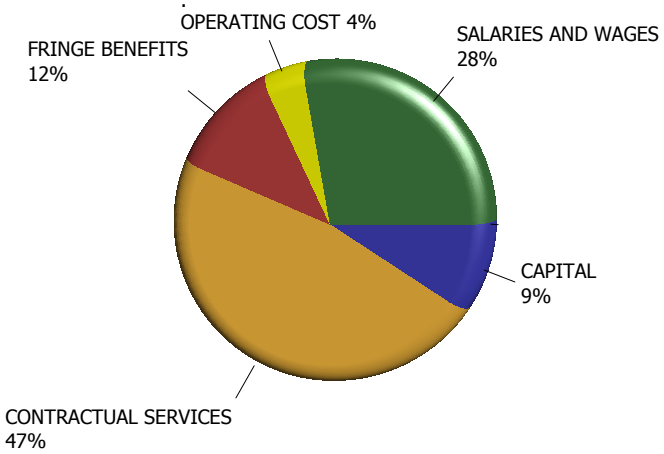
Revenue 2012 - 2015



Expense by Fund



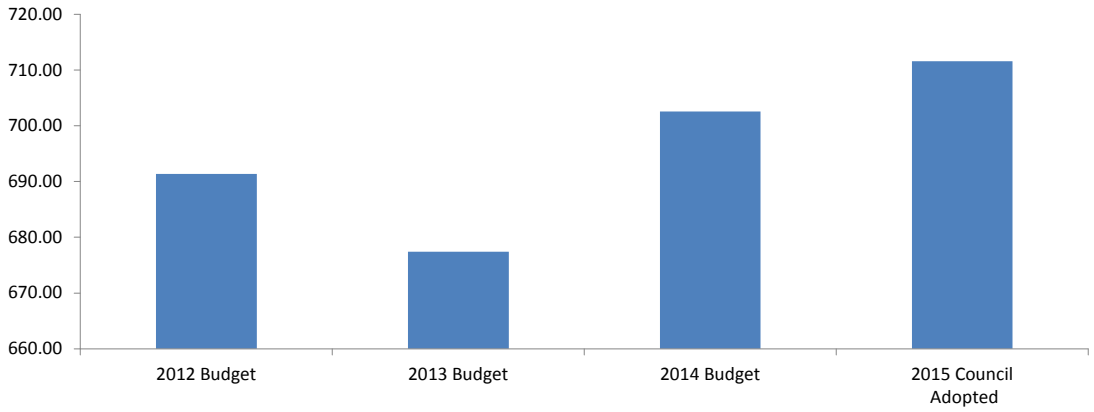
Expense by Type



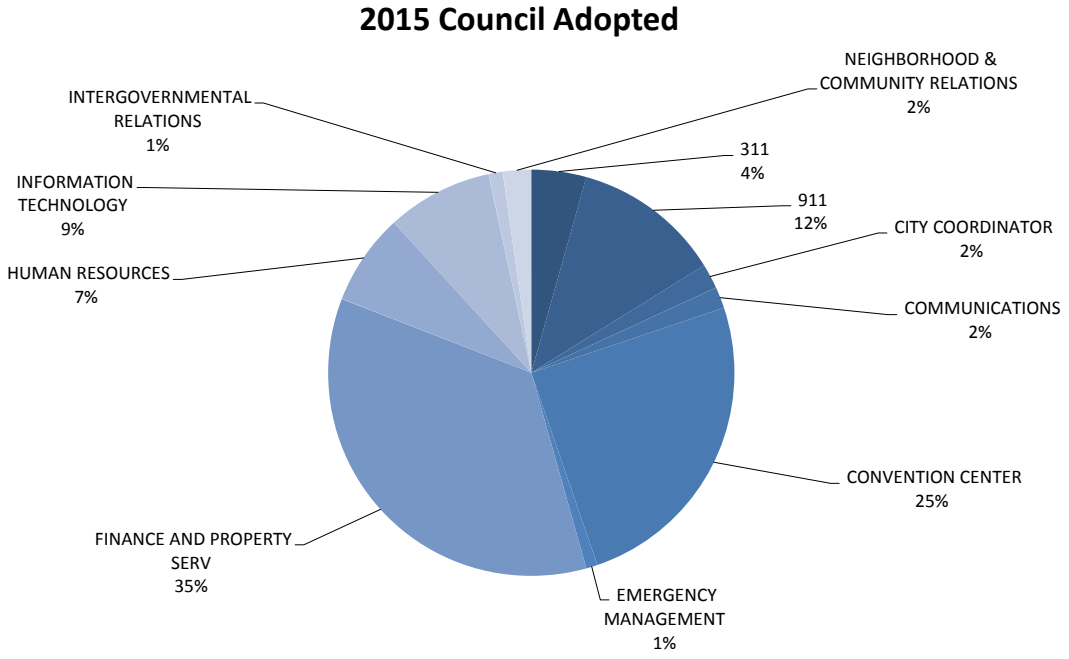
CITY COORDINATOR

Staffing Information

	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	Change	% Change
CITY COORDINATOR						
311	28.00	28.00	31.00	31.00	0.00	0.0%
911	78.00	80.00	80.00	84.00	4.00	5.0%
CITY COORDINATOR	9.00	9.00	11.00	14.00	3.00	27.3%
COMMUNICATIONS	12.00	12.00	12.00	12.00	0.00	0.0%
CONVENTION CENTER	194.10	177.10	177.30	177.30	0.00	0.0%
EMERGENCY MANAGEMENT	6.00	4.00	6.50	6.50	0.00	0.0%
FINANCE AND PROPERTY SERV	239.00	240.50	250.00	251.00	1.00	0.4%
HUMAN RESOURCES	45.30	48.80	50.80	51.80	1.00	2.0%
INFORMATION TECHNOLOGY	57.00	54.00	60.00	60.00	0.00	0.0%
INTERGOVERNMENTAL RELATIONS	7.00	8.00	8.00	8.00	0.00	0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	16.00	16.00	16.00	16.00	0.00	0.0%
CITY COORDINATOR	**691.40**	**677.40**	**702.60**	**711.60**	**9.00**	**1.3%**



Staffing by Department



CITY COORDINATOR – ADMINSTRATION

One Minneapolis

Office of Sustainability General Fund: $675,110

The major focus for Office of Sustainability includes the following highlights:

1) Residents are connected to and engaged with each other and the City around sustainability issues.
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.

The above is achieved through the City Coordinator's work in the following areas:

A. Advancing sustainability initiatives by working closely with other departments to advance new and ongoing sustainability initiatives. This may include simple changes to departmental work plans, or work processes, or more major initiatives, or policies.
B. Conducting public outreach through electronic media, presentations to neighborhood groups and other stakeholders, collaboration with other organizations and other forms of direct contact at sustainability-related events.
C. Building partnerships and securing funding with local, regional, federal and international partners to collaborate on projects and secure outside funding.
D. Staffing the Citizens Environmental Advisory Committee, Environmental Coordinating Team, and the Homegrown Minneapolis Food Council.
E. Coordinating the performance measures and reporting related to the 26 sustainability indicators, and allowing the policymakers and staff to understand the progress and challenges the City is making toward goals established by the City Council.

Living Well

Arts, Culture, & the Creative Economy General Fund: $304,105

Arts, Culture and Creative Economy is an initiative of the City Coordinator's Office developed in August 2011 to leverage on the creative sector towards strengthening social and economic growth in the City of Minneapolis. The program promotes and coordinates City resources to develop the arts as an economic generator; stimulates cross-sector collaboration to strengthen the arts economy and achieve broader community goals and provides presence and visibility for the arts, artists and creative industries within the city enterprise. The program includes Creative CityMaking – an initiative tailoring creative community engagement strategies to department needs focusing on undeserved and vulnerable communities, Minneapolis Creative Index and 2020 City of Minneapolis Arts, Culture and the Creative Economy Road Map.

Office of equitable outcomes General Fund: $250,000

The Office of Equitable Outcomes focuses on achieving the following: Elimination of racial disparities for Minneapolis residents, prosperity in key areas of safety for all Minneapolis neighborhoods, better health, enhanced economy/income and overall livability, and Equitable City systems and service delivery. The Office of Equitable Outcomes works in coordination with the Mayor, Council, community and departments by providing leadership on: City of Minneapolis racial equity work, and community turnaround strategies, including Promise Zone, for Minneapolis' most challenged neighborhoods.

A City that Works

Results Management General Fund: $379,087

The Results Management program for the City of Minneapolis provides enterprise leadership and departmental support on: strategic/business planning, *Results Minneapolis,* and continuous improvement efforts. This program provides support to departments as they work to better align their business planning, performance measurement, continuous improvement, budgeting, and employee performance management efforts. In addition, this program is also responsible for evaluating and elevating City employee knowledge and skills around planning, measurement, and continuous improvement.

Strategic Advising and Administration General Fund: $1,600,709

The core functions of the City Coordinator's Office include the strategic management and policy guidance to all elected and non-elected City leaders, overseeing Downtown Activation, and 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, it also oversees the City's Sustainability; Results Management, Arts, Culture & Creative Economy, Everybody In and Sustainability programs. These programs provide leadership and coordination around their respective areas for the entire City enterprise.

One Minneapolis

Everybody In General Fund $40,000

The main focus of this program is eliminating Racial Employment Disparities. One of the City's goals - One Minneapolis is to place more people of color in by educating businesses about the unemployment gap and the economic necessity of ensuring parity in employment, as well as ensuring that people of color are trained, ready, willing and able to fill available jobs. To achieve this goal, the City will leverage on establishing partnerships with other government entities in the region, the business community, nonprofits, philanthropy organizations and the community.

FINANCIAL ANALYSIS

Expenditure
The total City Coordinator's- Administration Department's council adopted budget increases from $2.2 million to $3.2 million from 2014 to 2015. This is an increase of $1.0 million, or 48.2%. The City Coordinator's- Administration Department's 2015 expenditure budget reflects the following changes from 2014:

- $250,000 Office of Equitable Outcomes including 2 FTEs.
- $155,000 in Arts, Culture and the Creative Economy enhancements.
- $150,000 in Sustainability program enhancements including 1 FTE
- $400,000 for Downtown Activation
- $40,000 for Everybody In program

Revenue
This department does not produce revenue.

Fund Allocation
This department is funded completely in the General Fund.

Mayor's Recommended Budget
The Mayor recommended the following ongoing General Fund allocations: $400,000 for downtown events, $250,000 (including 2.0 FTEs) for equitable outcomes - a program that will be focused on achieving the elimination of racial disparities for Minneapolis residents, as well as $75,000 for Creative CityMaking – an initiative that tailors creative community engagement strategies to department needs and works with underserved and vulnerable communities.

The Mayor also recommended the following one-time General Fund allocations; $150,000 for 1.0 FTE to oversee the Clean Energy Partnership, $50,000 relating to the transition of Minneapolis Public Housing Agency (MPHA) to its own medical insurance plan and related costs, and $35,000 for the City of Minneapolis Arts, Culture and the Creative Economy Road Map. Additionally, $40,000 in ongoing and $20,000 of one-time General Fund appropriations were recommended for a full update, design and dissemination of the Creative Index report that tracks the assets of the creative community through quantitative and qualitative measures.

Council Adopted Budget
The City Council amended the Mayor's recommendations by reducing the Arts, Culture & Creative Economy budget by a total of $15,000 to supplement the Arts in Public Places program in Community Planning and Economic Development (CPED).

The Council also provided the following directions to the department; (1) Include staff from multiple departments, including CPED, to solicit, evaluate, and recommend proposals for downtown activation activities that align with City goals and complement City initiatives, and (2) Convene key department stakeholders to research how the city is currently supporting communications technology and make recommendations for enhancements, including, but not limited to, the potential to move the existing Radio Communications & electronics work unit from Finance and Property Services Department to the Information Technology Department.

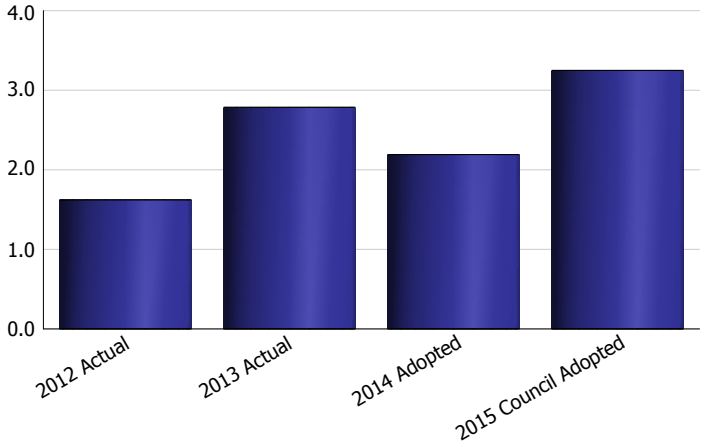
CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	802,369	795,303	898,908	1,214,615	35.1%	315,707
FRINGE BENEFITS	250,258	263,189	300,392	409,559	36.3%	109,167
CONTRACTUAL SERVICES	361,132	1,001,616	901,501	1,465,566	62.6%	564,065
OPERATING COSTS	144,379	595,439	90,876	159,271	75.3%	68,395
CAPITAL	421	126				0
TOTAL GENERAL	**1,558,558**	**2,655,672**	**2,191,677**	**3,249,011**	**48.2%**	**1,057,334**
SPECIAL REVENUE						
SALARIES AND WAGES	13,528	2,428				0
FRINGE BENEFITS	0	1,165				0
CONTRACTUAL SERVICES	50,356	125,978				0
OPERATING COSTS	325	261				0
TOTAL SPECIAL REVENUE	**64,209**	**129,832**				**0**
TOTAL EXPENSE	**1,622,768**	**2,785,504**	**2,191,677**	**3,249,011**	**48.2%**	**1,057,334**

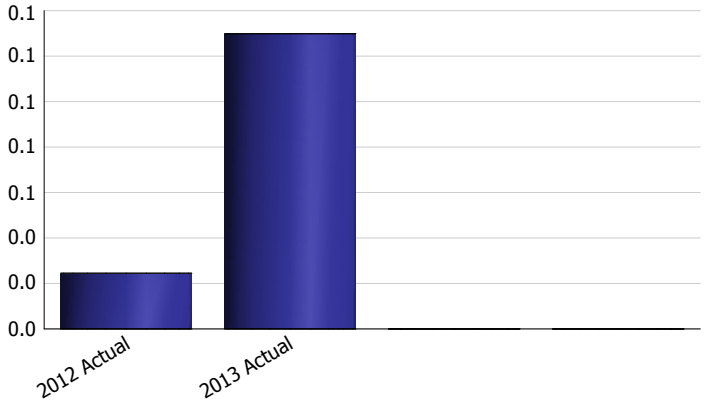
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES		30			0.0%	0
GENERAL		**30**				**0**
SPECIAL REVENUE						
CONTRIBUTIONS	11,908	71,541			0.0%	0
FEDERAL GOVERNMENT	15,545	58,291			0.0%	0
STATE GOVERNMENT	(2,935)				0.0%	0
SPECIAL REVENUE	**24,518**	**129,832**				**0**
TOTAL REVENUE	**24,518**	**129,862**				

CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION

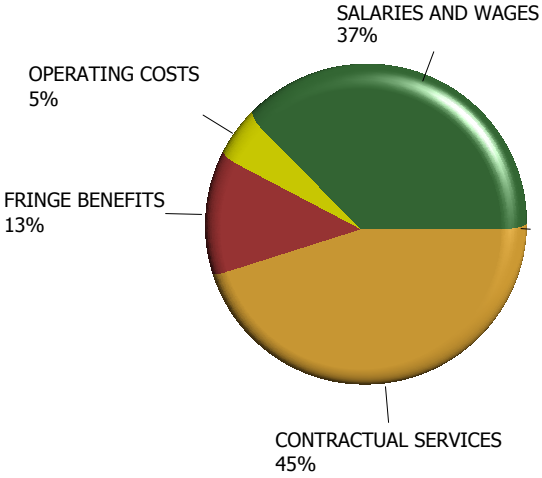
Expense 2012 - 2015
In Millions



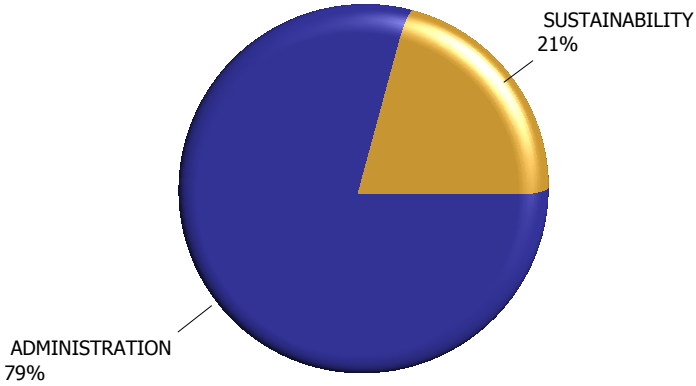
Revenue 2012 - 2015
In Millions



Expense by Category



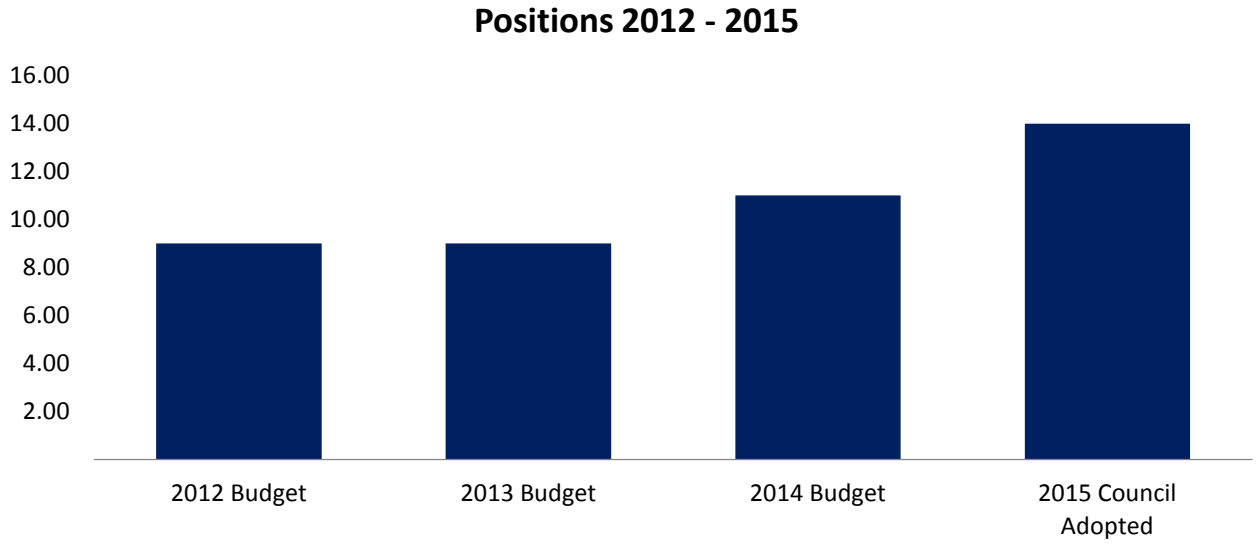
Expense by Division

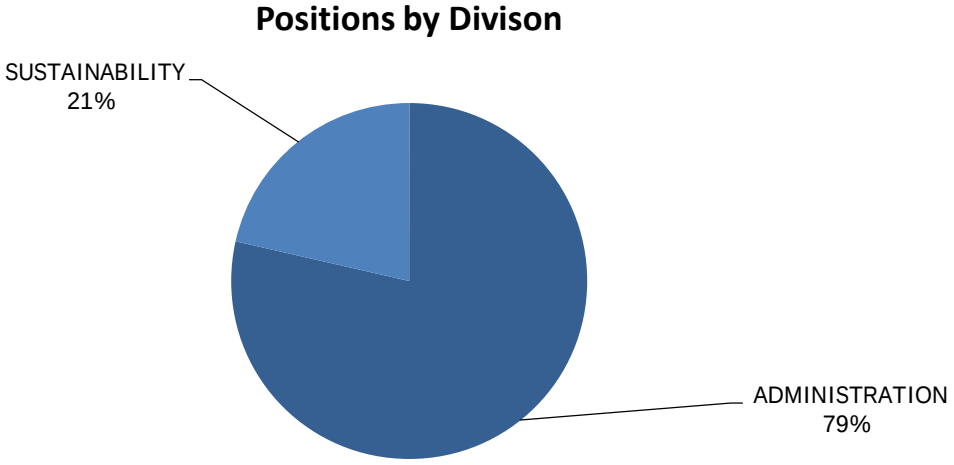


CITY COORDINATOR

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
ADMINISTRATION	7.00	7.00	9.00	11.00	22.2%	2.00
SUSTAINABILITY	2.00	2.00	2.00	3.00	50.0%	1.00
Overall	9.00	9.00	11.00	14.00	27.3%	3.00





MINNEAPOLIS 311

MISSION

311 serves as the single point of contact for local government information and services providing accountability and transparency by:

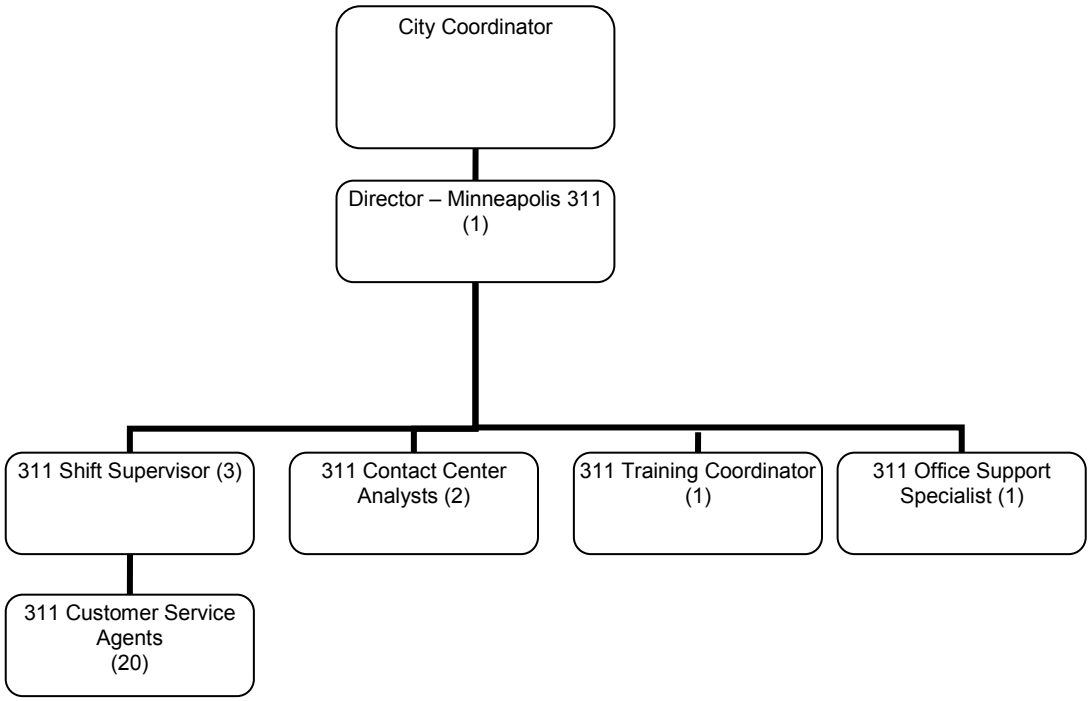
- Simplifying access to information and services
- Enabling organizations to deliver services more effectively
- Tracking requests for service delivery from inception to completion
- Providing process solutions

BUSINESS LINES

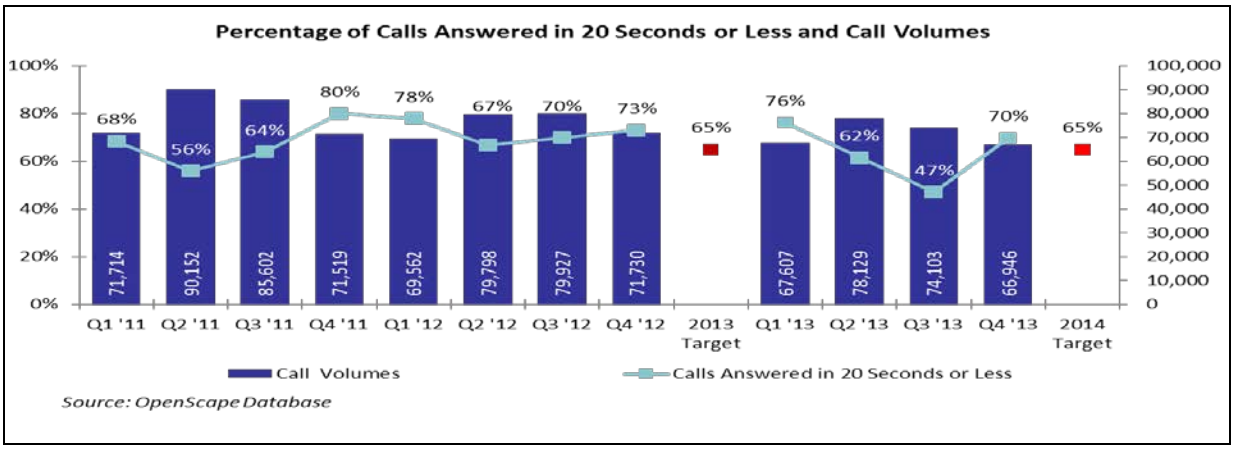
The 311 Department is the primary source of contact for government by providing a single access point for all information and services.

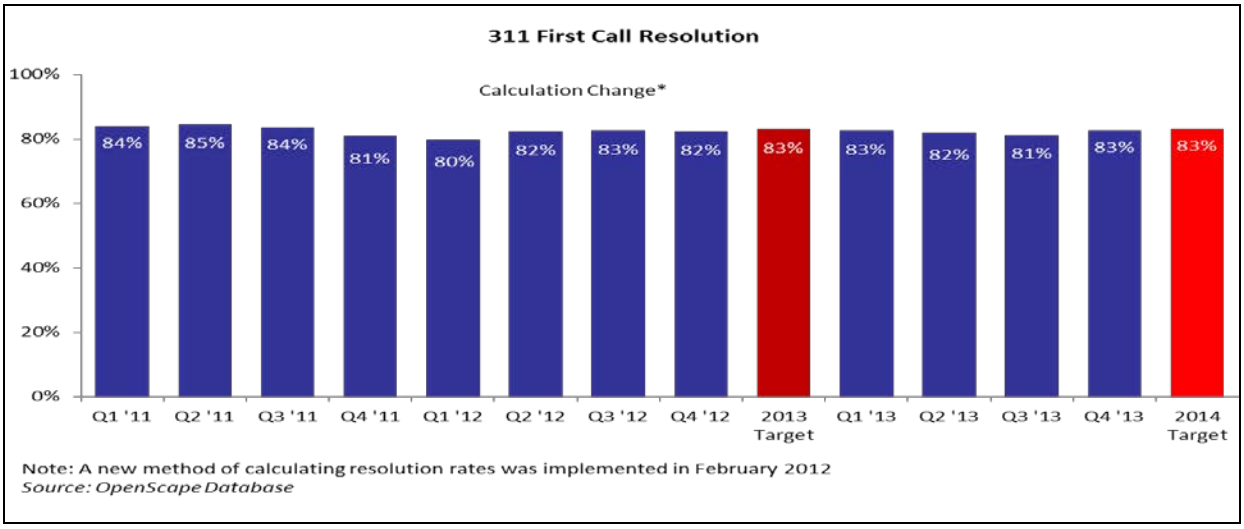
- Answer questions utilizing the department's knowledge tools
- Initiate a Service Request within the Enterprise Case Management (ECM) system for processing by the resolving departments
- When 311 is not able to resolve a customer request or issue, it connects the customer to an expert within the City who can.

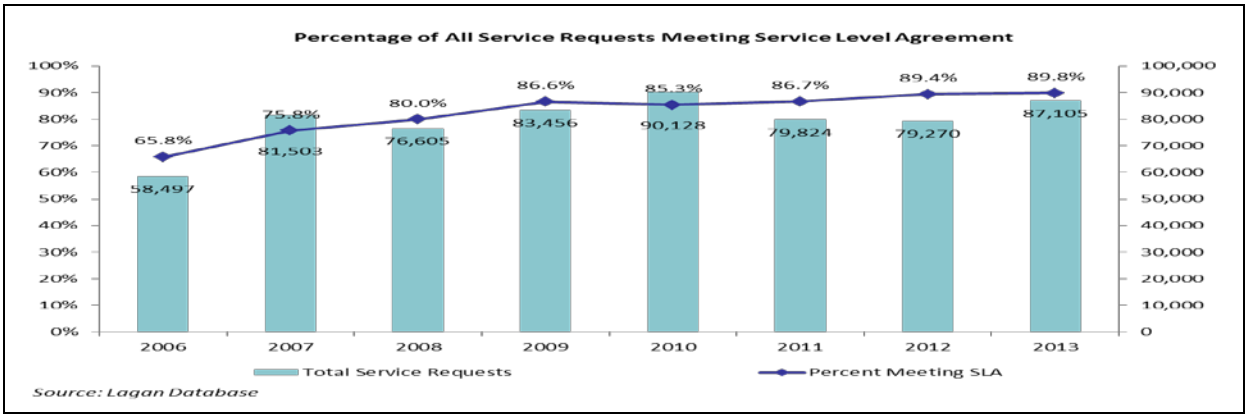
ORGANIZATION CHART

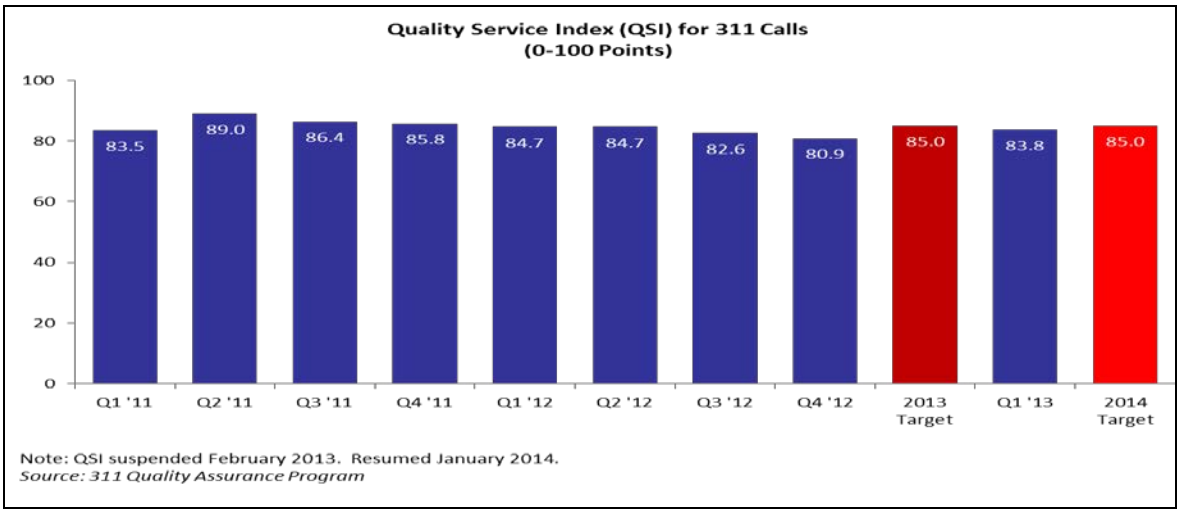


SELECTED RESULTS MINNEAPOLIS MEASURES









A City That Works

Minneapolis 311 General Fund: $3,683,465

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 Minneapolis 311 Department's council adopted budget increases from $3.5 million to $3.7 million from 2014 to 2015. This is an increase of $0.1million, or 4.0% due to higher contractual services and operating costs resulting from an increase in internal service charges in 2015's budget.

Revenue
This department does not produce revenue.

Fund Allocation
This department is funded completely in the General Fund.

Mayor's Recommended Budget
The Mayor recommended no changes to this department's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

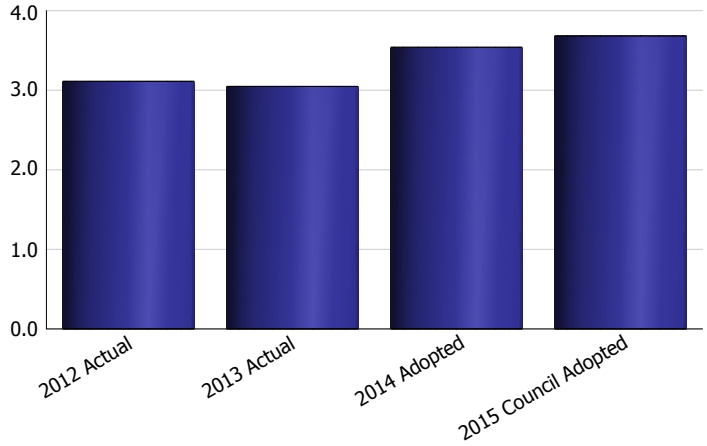
311
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,401,442	1,445,475	1,676,394	1,711,411	2.1%	35,017
FRINGE BENEFITS	604,434	618,404	821,305	832,740	1.4%	11,435
CONTRACTUAL SERVICES	1,065,105	940,385	947,405	985,745	4.0%	38,340
OPERATING COSTS	39,693	43,763	20,119	106,068	427.2%	85,949
CAPITAL			75,000	47,500	-36.7%	(27,500)
TOTAL GENERAL	**3,110,674**	**3,048,027**	**3,540,223**	**3,683,465**	**4.0%**	**143,242**
SPECIAL REVENUE						
CONTRACTUAL SERVICES	1,232					0
TOTAL SPECIAL REVENUE	**1,232**					**0**
TOTAL EXPENSE	**3,111,906**	**3,048,027**	**3,540,223**	**3,683,465**	**4.0%**	**143,242**

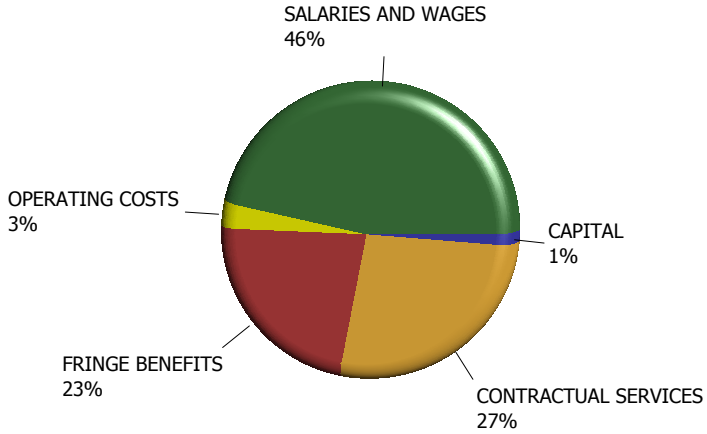
311
EXPENSE AND REVENUE INFORMATION

Expense 2012 - 2015

In Millions



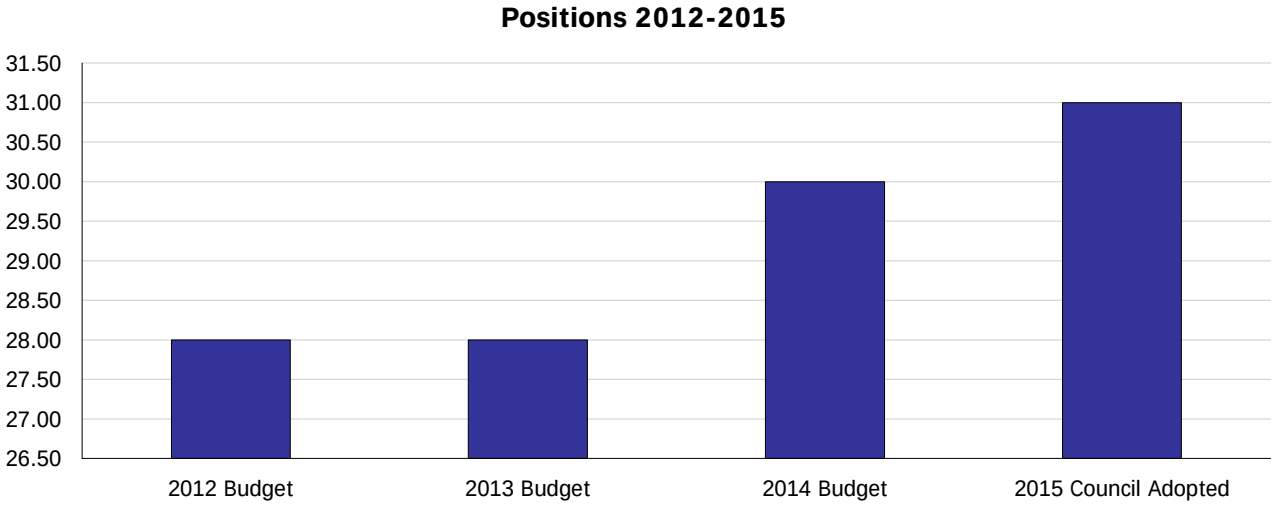
Expense by Category



311

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
311	28.00	28.00	31.00	31.00	0.0%	0
Overall	28.00	28.00	31.00	31.00	0.0%	0



911

MISSION

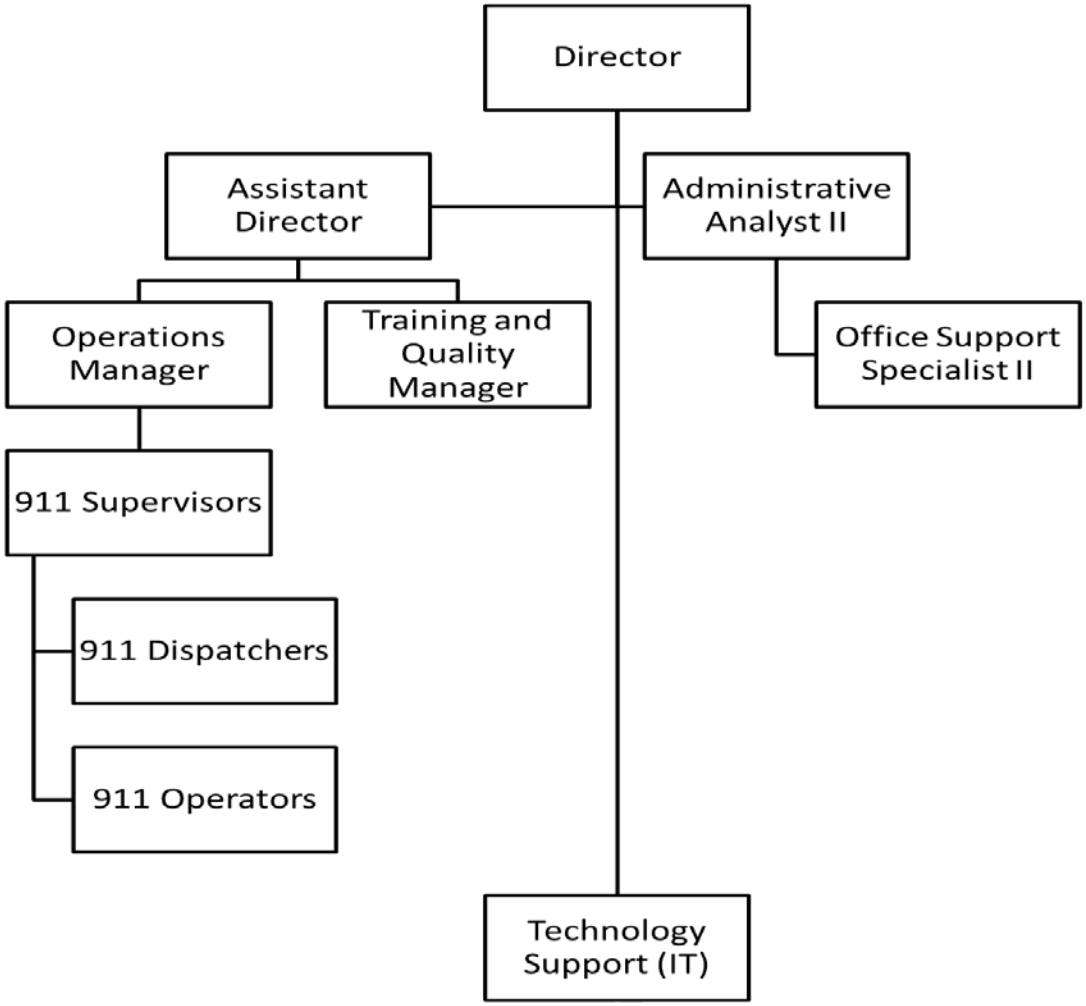
Minneapolis 9-1-1 forms the vital link between the public and the emergency responders. The department strives to collect and disseminate all requests for service in a prompt, courteous, and efficient manner. The department's actions help save lives, protect property and assist the public in their time of need. The department's motto is, *"Always here, always ready!"*

BUSINESS LINES

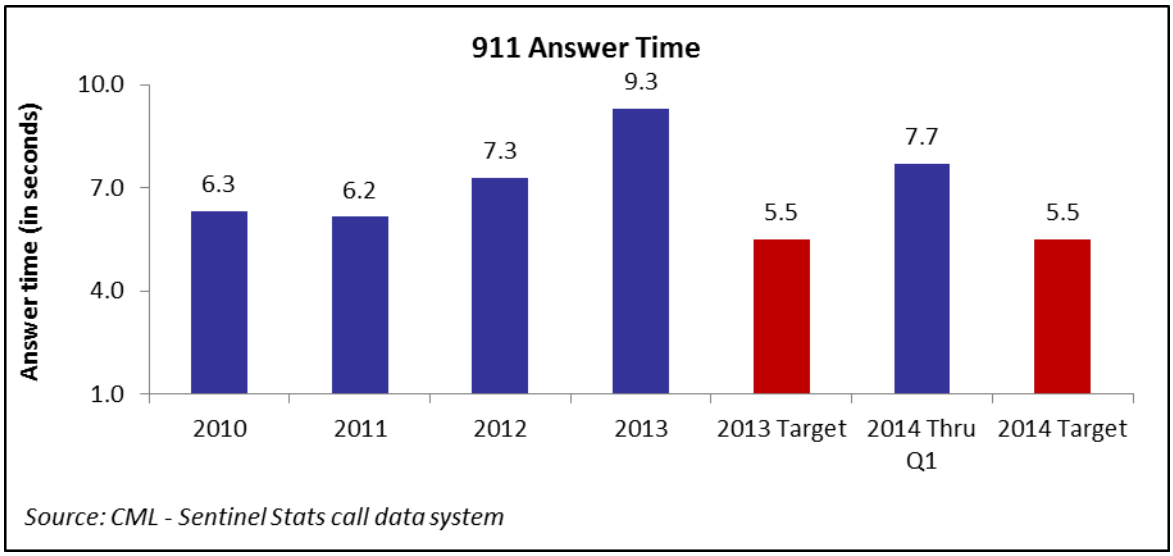
911 Call Handling and Dispatching Operations

- 911 is the single contact point for emergency services. 911 Department is much more than a call center; it receives, prioritizes, dispatches and manages public safety response throughout the city.

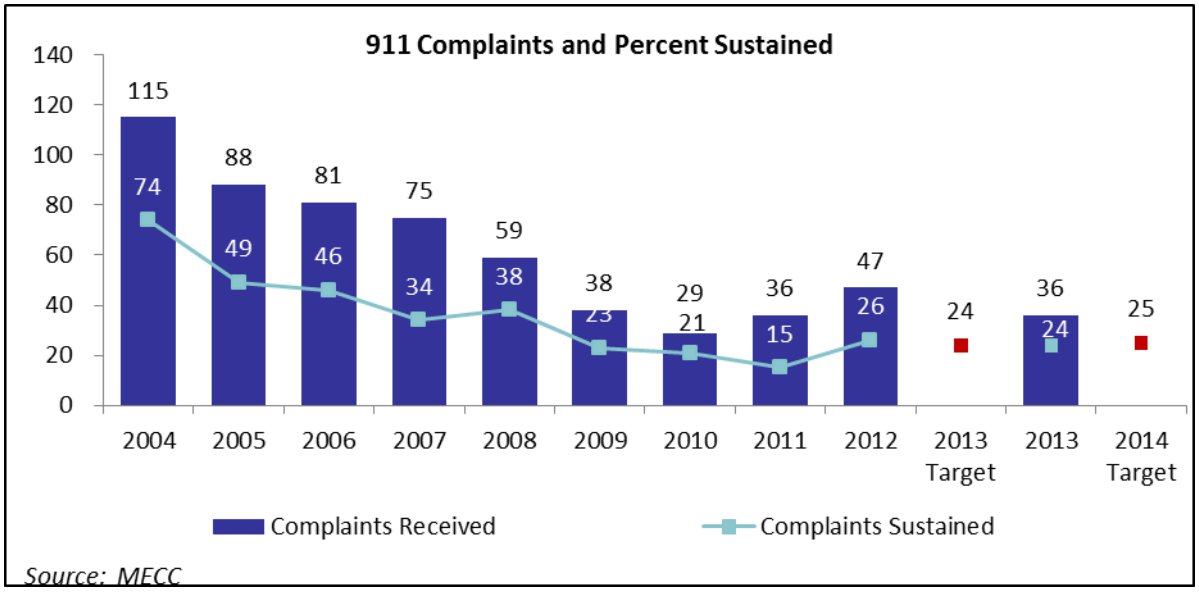
ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES



911 Answer Time measures the average annual answer time for 911 calls. Factors influencing answer times are: Call arrivals, Agent availability, and Call duration.



911 complaints provide feedback to the department on performance and opportunities for improvement. Analysis of complaints provides additional data that can then be used to improve the customer experience.

Living Well

911 Call Handling and Dispatch Operations

General Fund: $9,052,193
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. 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 council adopted budget increases from $8.6 million to $9.6 million from 2014 to 2015. This is an increase of $0.9 million, or 10.6%. The 911 Department's 2015 expenditure budget reflects $0.4 million or 7.4% increase in salaries/wages and fringe benefits due to additional 4 FTEs and inflationary increases, and $0.2 million increase in contractual services primarily due to an increase in internal service charges.

Revenue

2015's projected revenues of $0.5million from the State 911 program are projected to remain the same as in 2014.

Fund Allocation

This department is funded primarily in the General Fund, with the remainder of the department's funding found in the Other Grant fund.

Mayor's Recommended Budget

The Mayor recommended $347,000 in ongoing General Fund resources to increase staffing by four operators to make progress in achieving the level recommended in the 2014 National Emergency Number Association (NENA) staffing study.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

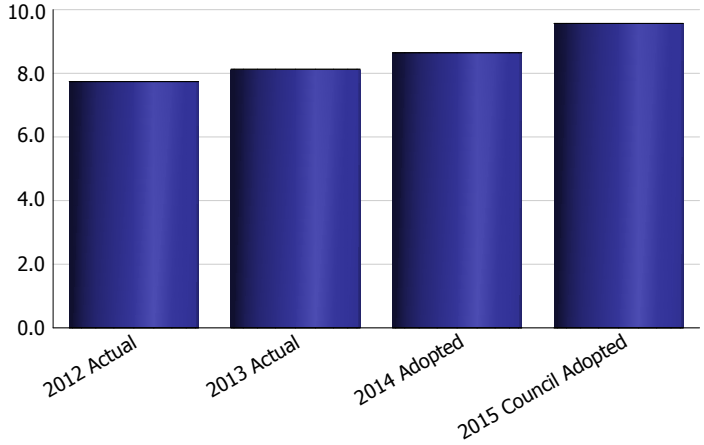
911
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	4,660,115	4,962,391	5,023,303	5,396,187	7.4%	372,884
FRINGE BENEFITS	1,637,656	1,703,619	2,087,364	2,237,558	7.2%	150,194
CONTRACTUAL SERVICES	895,059	946,540	879,571	1,120,177	27.4%	240,606
OPERATING COSTS	89,594	98,722	130,974	137,645	5.1%	6,671
CAPITAL			10,626	160,626	1,411.6%	150,000
TOTAL GENERAL	**7,282,423**	**7,711,272**	**8,131,838**	**9,052,193**	**11.3%**	**920,356**
SPECIAL REVENUE						
SALARIES AND WAGES	31,587	1,622				0
CONTRACTUAL SERVICES	406,764	367,897	515,480	515,480	0.0%	0
OPERATING COSTS	19,404	46,583				0
TOTAL SPECIAL REVENUE	**457,755**	**416,102**	**515,480**	**515,480**	**0**	**0**
TOTAL EXPENSE	**7,740,178**	**8,127,375**	**8,647,318**	**9,567,673**	**10.6%**	**920,356**

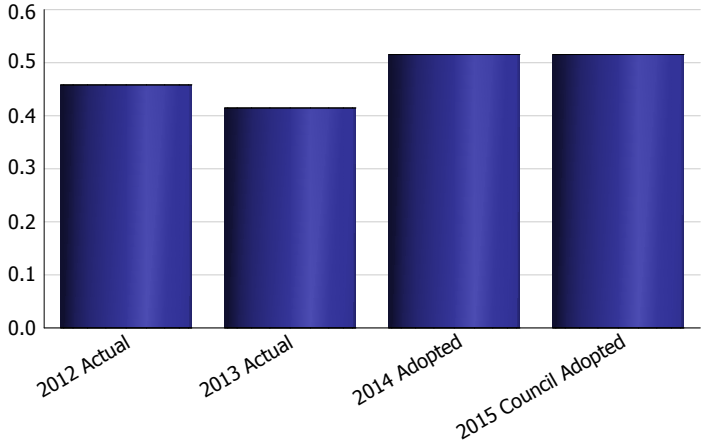
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	464	705			0.0%	0
GENERAL	**464**	**705**				**0**
SPECIAL REVENUE						
INTEREST		1,717			0.0%	0
STATE GOVERNMENT	457,755	412,263	515,480	515,480	0.0%	0
SPECIAL REVENUE	**457,755**	**413,980**	**515,480**	**515,480**	**0**	**0**
TOTAL REVENUE	**458,219**	**414,685**	**515,480**	**515,480**	**0**	

911
EXPENSE AND REVENUE INFORMATION

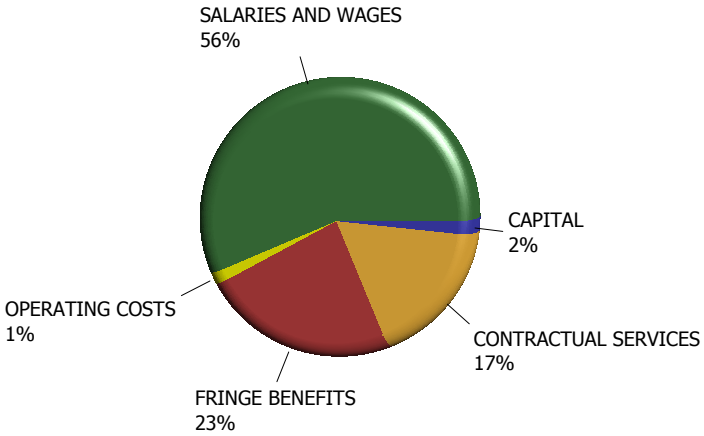
Expense 2012 - 2015
In Millions



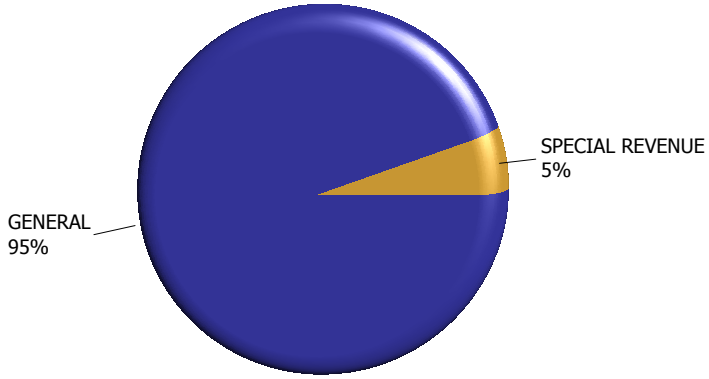
Revenue 2012 - 2015
In Millions



Expense by Category



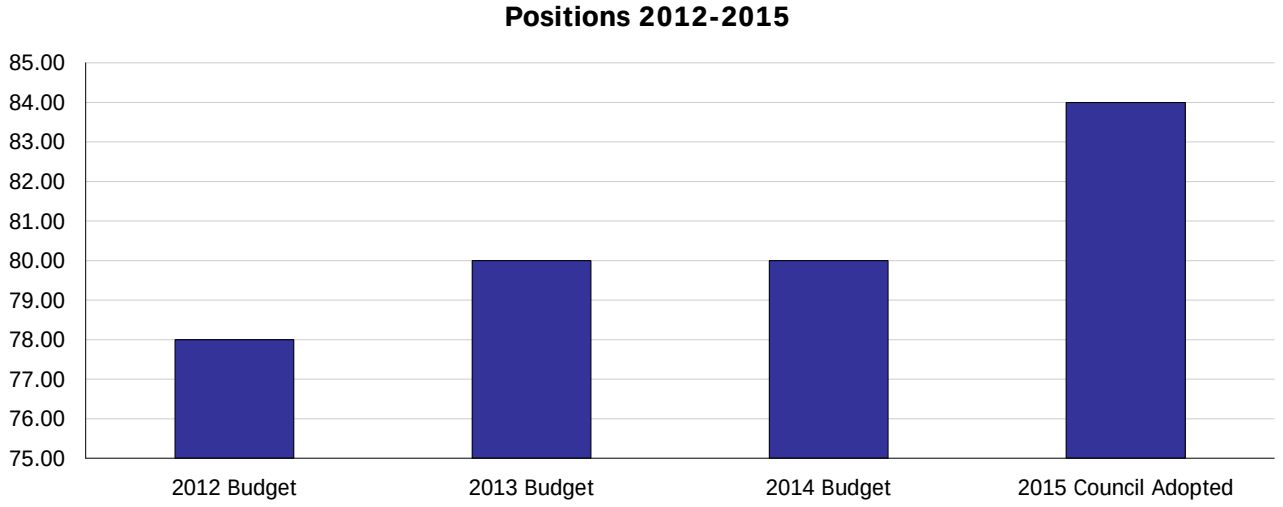
Expense by Fund



911

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
911	78.00	80.00	80.00	84.00	5.0%	4.00
Overall	78.00	80.00	80.00	84.00	5.0%	4.00

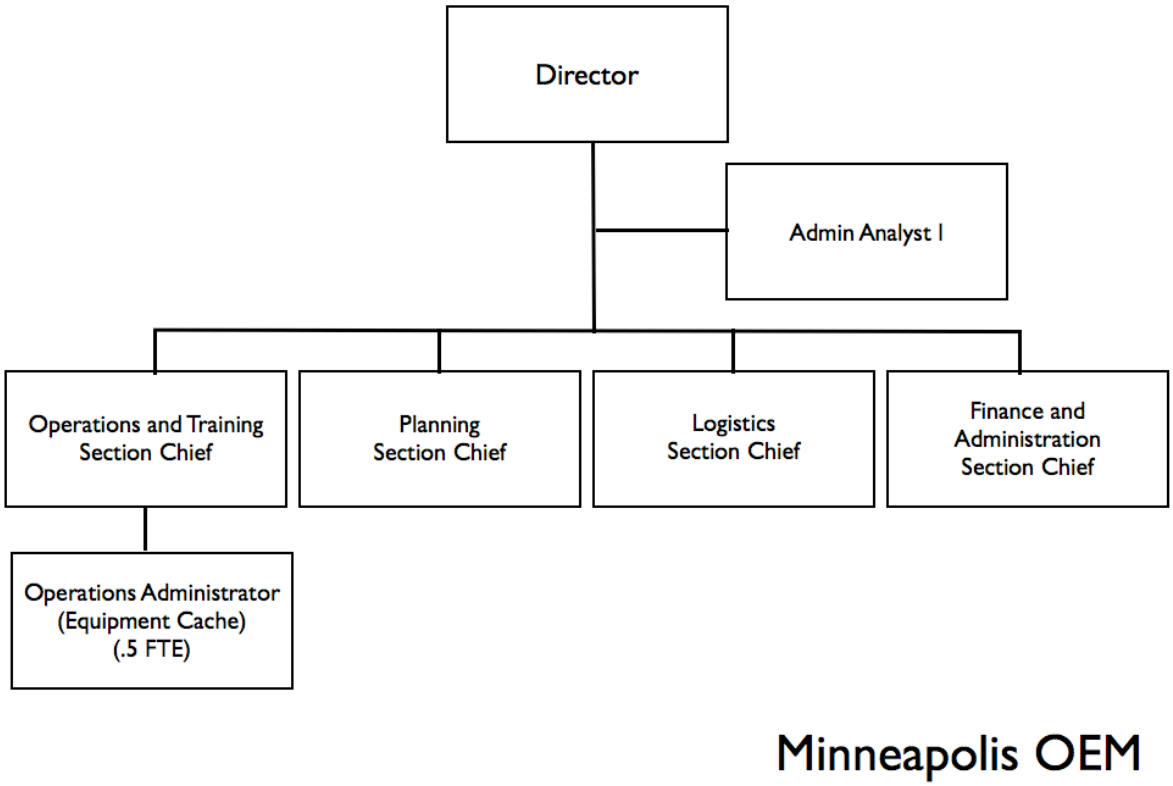


OFFICE OF EMERGENCY MANAGEMENT

MISSION

The Office of Emergency Management (OEM) protects the people who live, work and play in the City of Minneapolis, the State and Nation by building, sustaining and improving the department's 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



SELECTED RESULTS MINNEAPOLIS MEASURES

This department does not participate in Results Minneapolis due to the sensitive nature of their work.

Living Well

Office of Emergency Management General Fund: $767,969
Other Funds: $1,100,000

The Office of Emergency Management protects the people who live, work and play in the City of Minneapolis, the State and 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 Statues as well as Minneapolis Ordinances.

Financial Analysis

Expenditure
The total Emergency Management's Department's council adopted budget increases from $1.7 million to $1.9 million from 2014 to 2015. This is an increase of $0.2 million, or 8.8%. The Emergency Management's Department's 2015 expenditure budget reflects additional $0.2 million in salaries and wages and a corresponding reduction in contractual services.

Revenue
Revenues are projected to increase by 10% or $0.1 million in this department due to increased funding in Special Revenue Funds. The department's total revenues in 2015 are projected to be $1.1 million.

Fund Allocation
This department is funded primarily the Special Revenue Fund, with the remainder of the department's funding found in the General Fund.

Mayor's Recommended Budget
The Mayor recommended no changes to this department's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

EMERGENCY MANAGEMENT
EXPENSE AND REVENUE INFORMATION

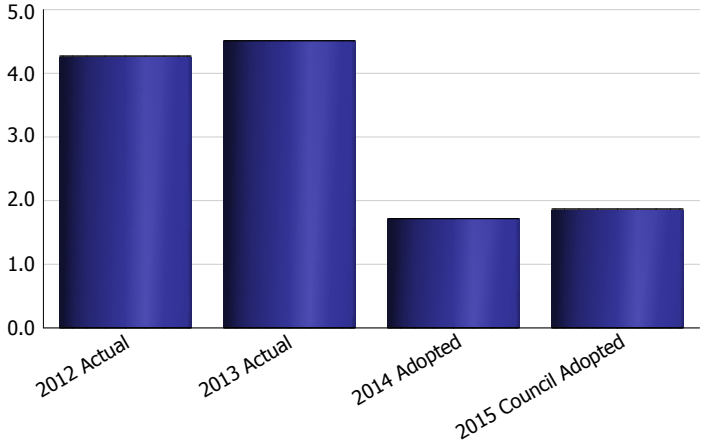
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	340,523	330,929	338,984	350,742	3.5%	11,758
FRINGE BENEFITS	102,785	106,469	118,854	119,095	0.2%	242
CONTRACTUAL SERVICES	139,501	254,398	207,983	221,442	6.5%	13,459
OPERATING COSTS	15,328	19,124	43,218	61,689	42.7%	18,471
CAPITAL	12,081	164,766	8,000	15,000	87.5%	7,000
TOTAL GENERAL	**610,218**	**875,688**	**717,039**	**767,969**	**7.1%**	**50,930**
SPECIAL REVENUE						
SALARIES AND WAGES	108,114	65,181		203,000		203,000
FRINGE BENEFITS	12,541	19,807		61,000		61,000
CONTRACTUAL SERVICES	1,408,353	1,597,753	600,000	436,000	-27.3%	(164,000)
OPERATING COSTS	993,208	1,196,170				0
CAPITAL	388,491	757,879	400,000	400,000	0.0%	0
TRANSFERS	750,000					0
TOTAL SPECIAL REVENUE	**3,660,708**	**3,636,790**	**1,000,000**	**1,100,000**	**10.0%**	**100,000**
TOTAL EXPENSE	**4,270,926**	**4,512,477**	**1,717,039**	**1,867,969**	**8.8%**	**150,930**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	99,000	(49,000)			0.0%	0
FEDERAL GOVERNMENT	4,063,971	3,636,790	1,000,000	1,100,000	10.0%	100,000
SPECIAL REVENUE	**4,162,971**	**3,587,790**	**1,000,000**	**1,100,000**	**10.0%**	**100,000**
TOTAL REVENUE	**4,162,971**	**3,587,790**	**1,000,000**	**1,100,000**	**10.0%**	**100,000**

EMERGENCY MANAGEMENT
EXPENSE AND REVENUE INFORMATION

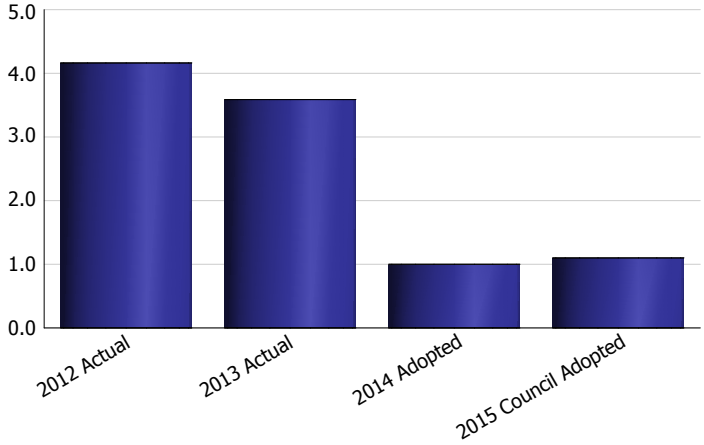
Expense 2012 - 2015

In Millions

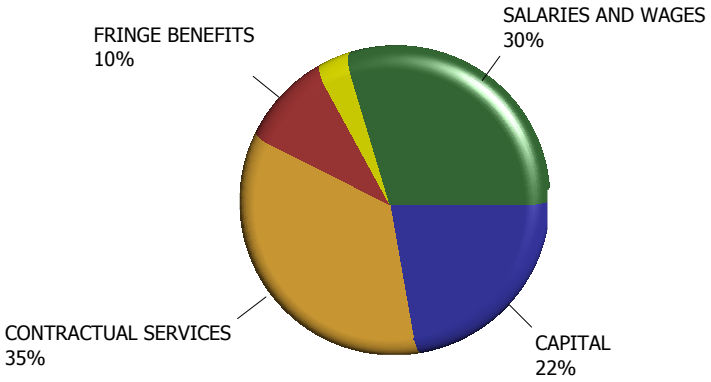


Revenue 2012 - 2015

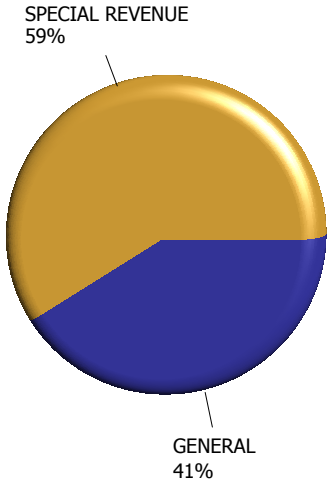
In Millions



Expense by Category



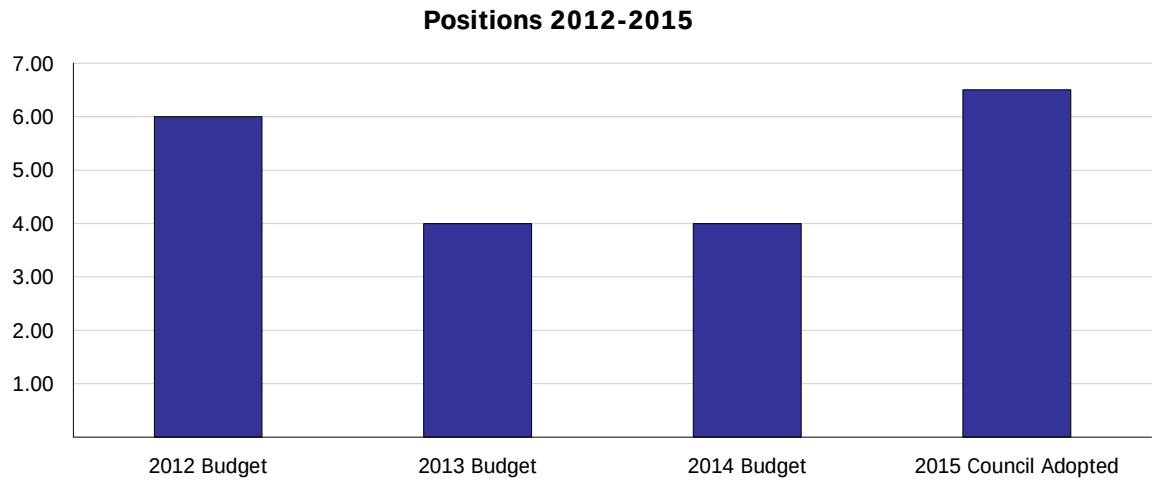
Expense by Fund



EMERGENCY MANAGEMENT

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
EMERGENCY MANGEMENT	6.00	4.00	6.50	6.50	0.0%	0
Overall	6.00	4.00	6.50	6.50	0.0%	0



COMMUNICATIONS DEPARTMENT

MISSION

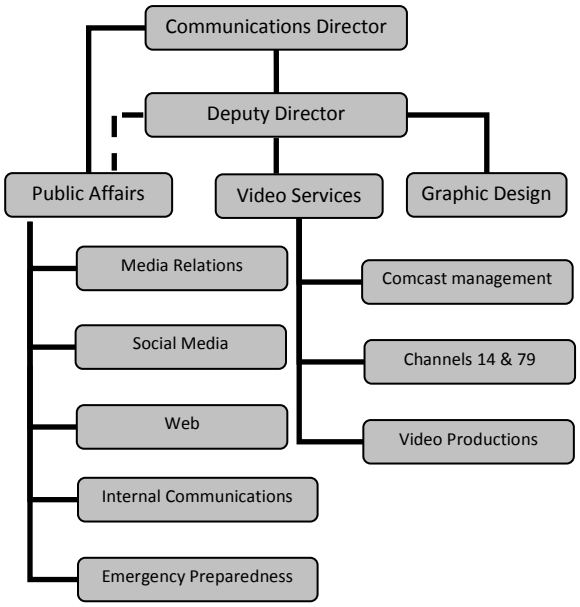
To actively communicate City government news and information to the public, so people who live, work and play in Minneapolis understand and benefit from the work the City does and know how to engage in the governing process.

BUSINESS LINES

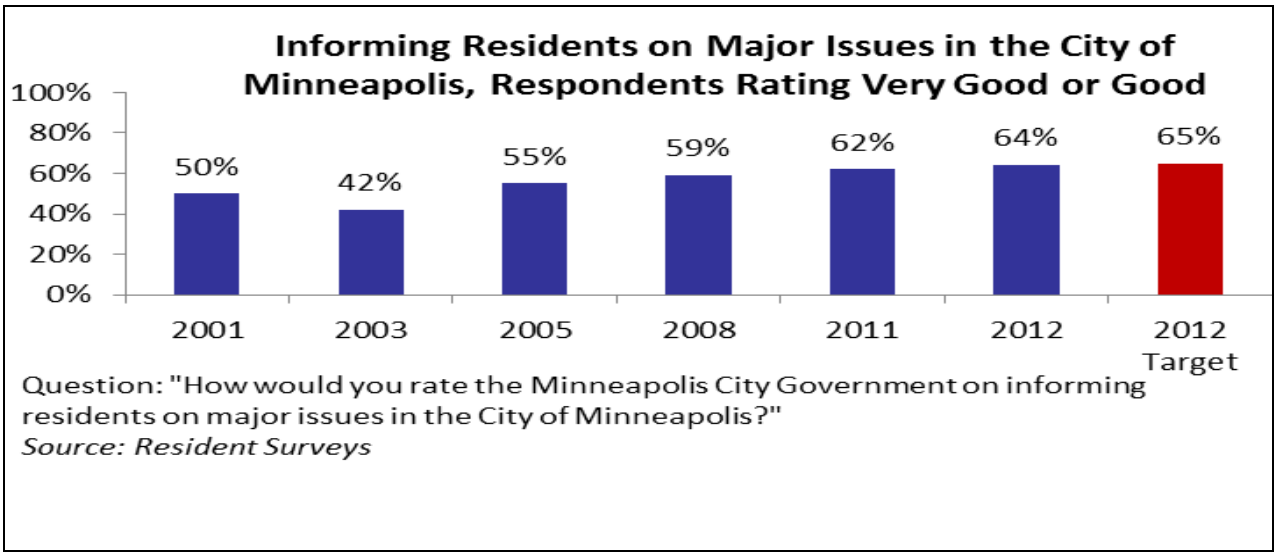
1) **Lead Communications planning and execution for the City enterprise (internal and external audiences) and assist elected officials and City departments with their proactive and reactive communications challenges and opportunities.**
   Communications staff provides strategic communications support and planning to all City departments and elected officials, edits and designs print publications and other communications products, manages and oversees Internet and intranet website 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 and handling consumer complaints..

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES



Communications helps my department promote important news, information and services to the public and key stakeholders (via news media, web, social media, video, graphic design, etc.). How are we doing?		
Excellent	14	15.20%
Above Average	31	33.60%
Average	35	38.04%
Below Average	8	8.60%
Poor	4	4.30%

Source: 2013 Management Survey

250 Press Releases and Advisories ⇨

2013 Thru Q3 Impact of Press Releases and Advisories

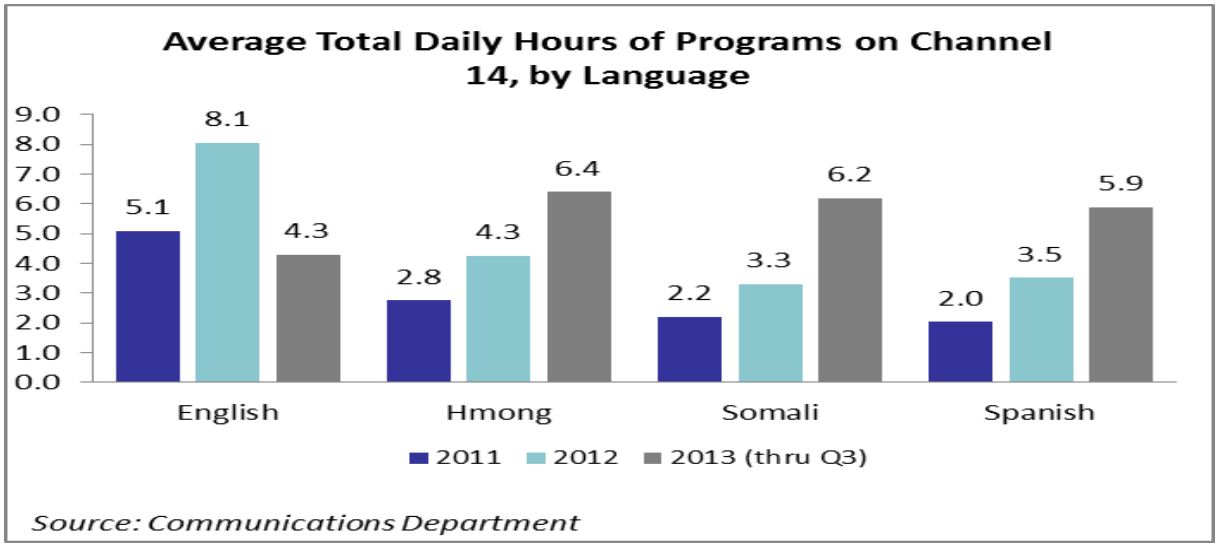
Audience Reach of 28,760,436,477 ⇨ Publicity Ad Value of $14,871,869

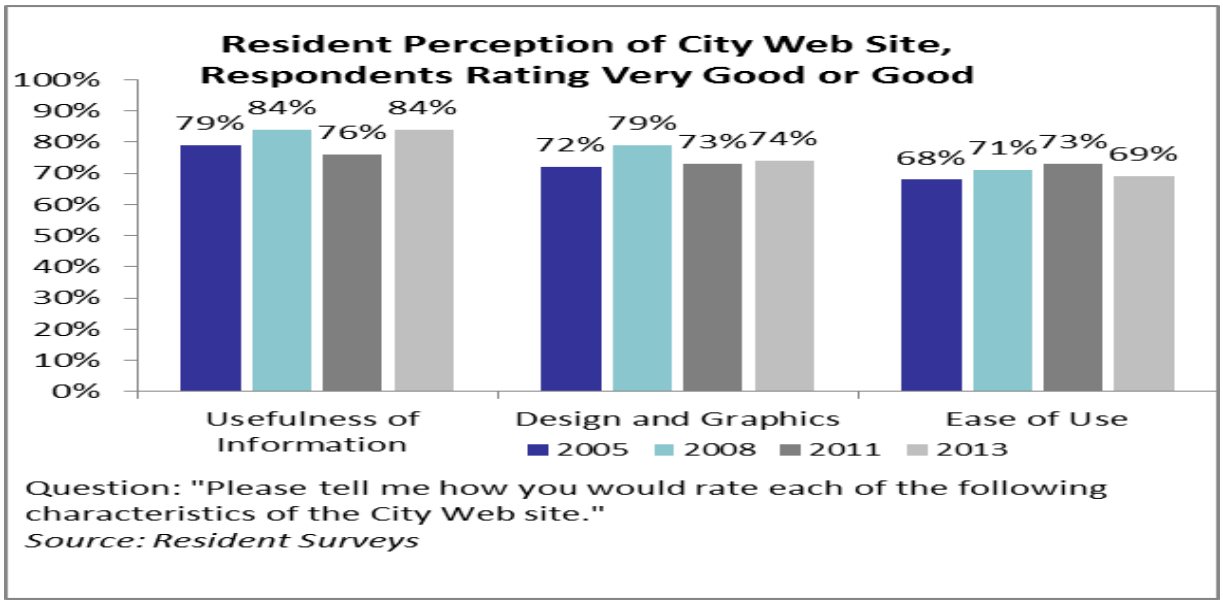
322 Press Releases and Advisories ⇨

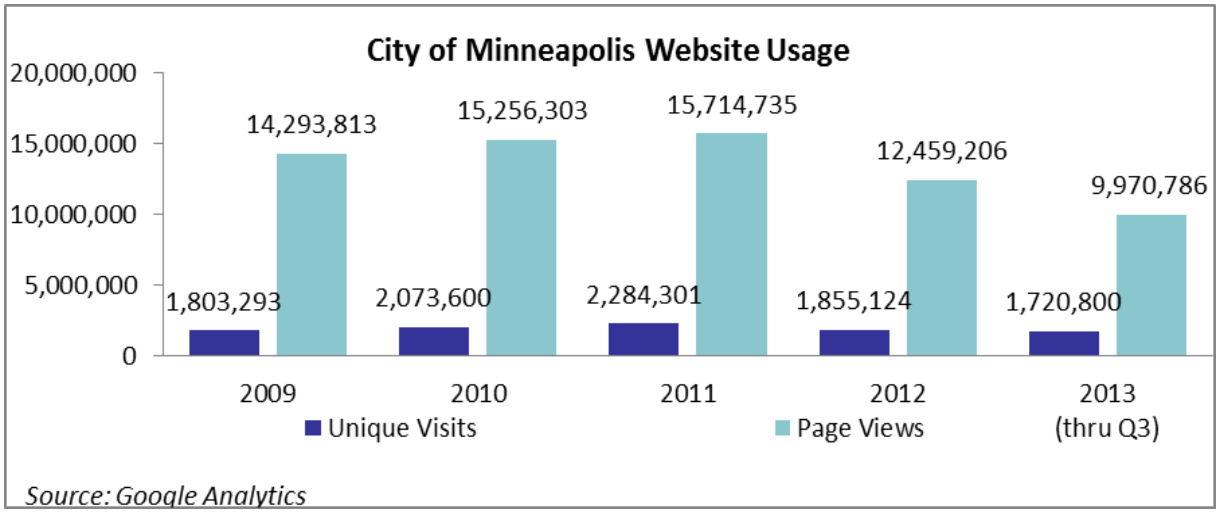
2012 Impact of Press Releases and Advisories

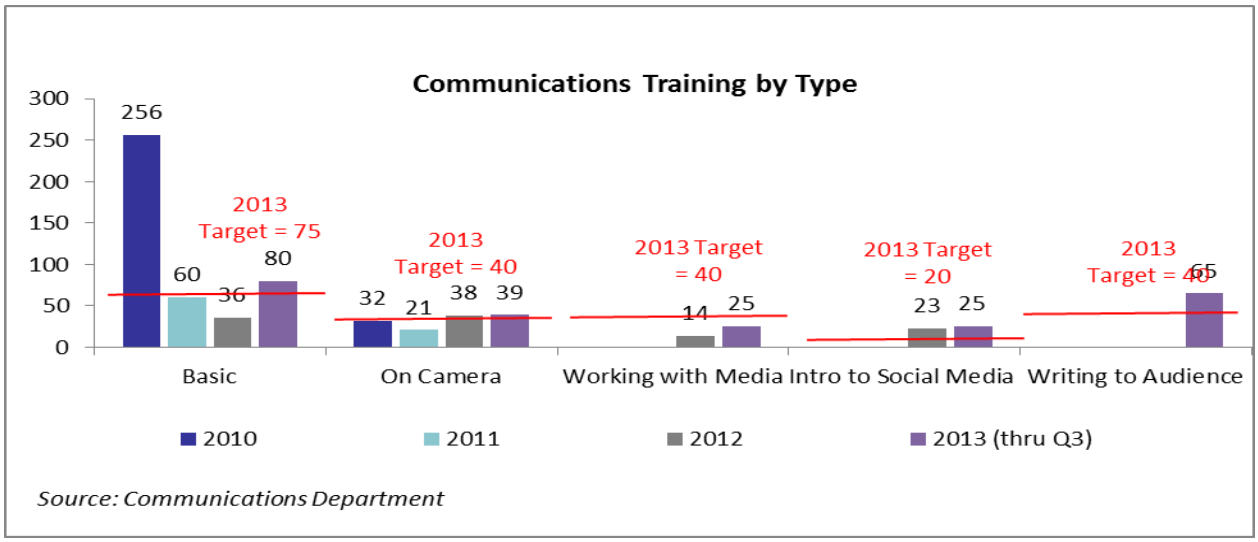
Audience Reach of 12,516,803,069 ⇨ Publicity Ad Value of $20,350,262

rency in Government

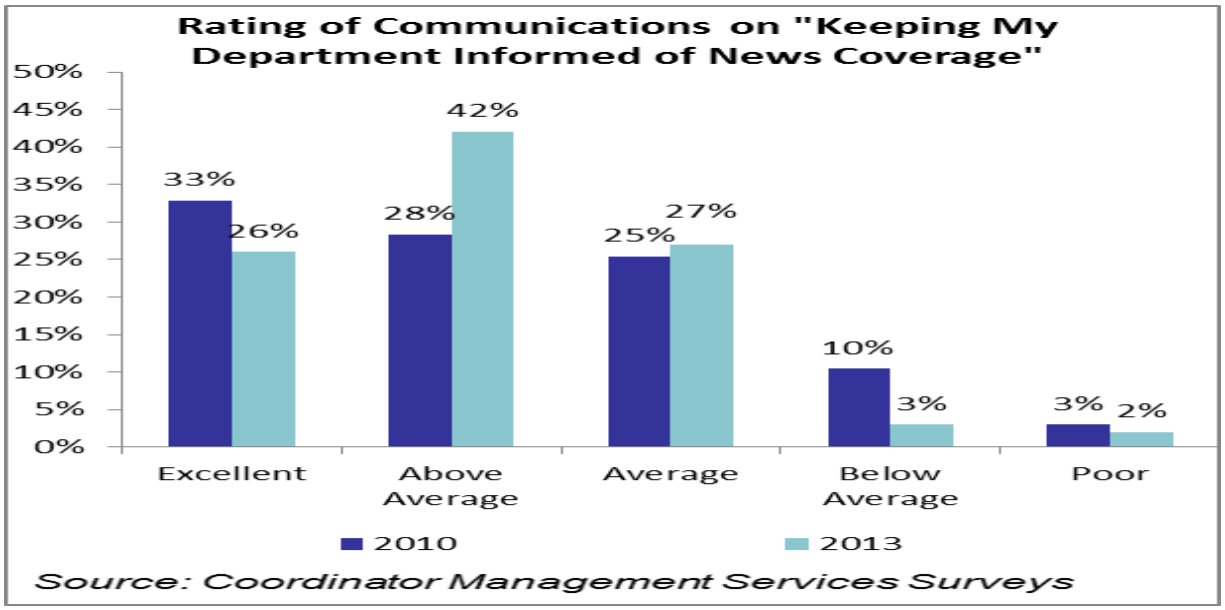

Average Total Daily Hours of Programs on Channel 14, by Language
9.0
8.0
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.1
8.1
4.3
2.8
4.3
6.4
2.2
3.3
6.2
2.0
3.5
5.9
English
Hmong
Somali
Spanish
2011
2012
2013 (thru Q3)
Source: Communications Department

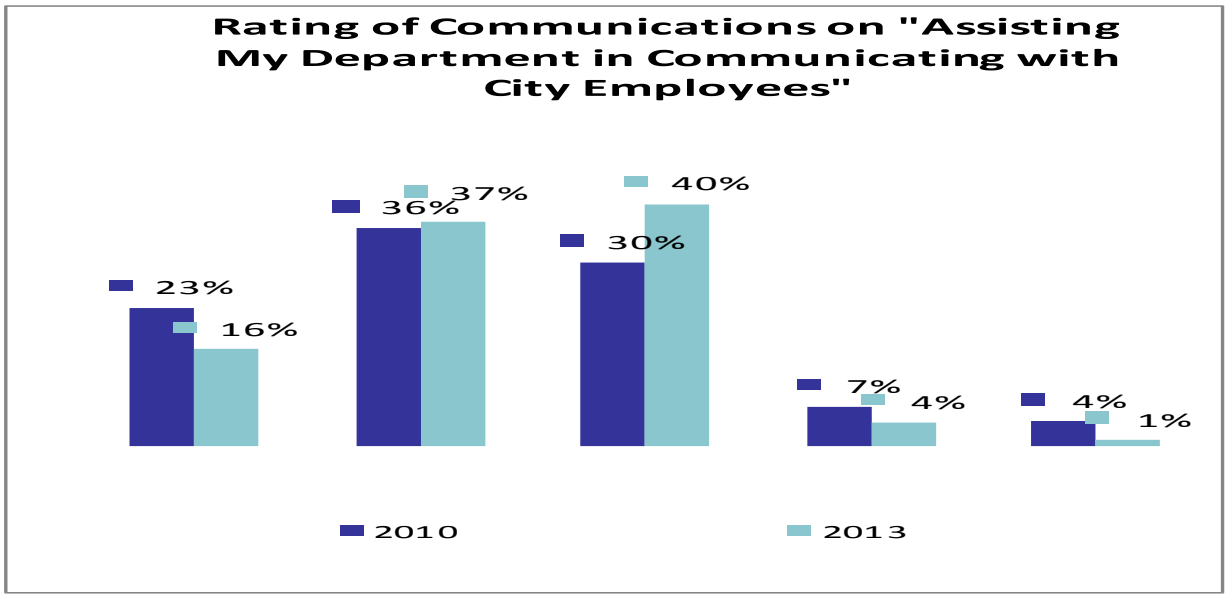

Resident Perception of City Web Site, Respondents Rating Very Good or Good
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
79%
84%
76%
84%
72%
79%
73%
74%
68%
71%
73%
69%
Usefulness of Information
Design and Graphics
Ease of Use
2005
2008
2011
2013
Question: "Please tell me how you would rate each of the following characteristics of the City Web site."
Source: Resident Surveys


City of Minneapolis Website Usage
20,000,000
15,000,000
10,000,000
5,000,000
0
1,803,293
14,293,813
2,073,600
15,256,303
2,284,301
15,714,735
1,855,124
12,459,206
1,720,800
9,970,786
2009
2010
2011
2012
2013 (thru Q3)
Unique Visits
Page Views
Source: Google Analytics



Communications helps my department more effectively communicate by offering skills training to my employees (on-camera media training, working with the media training, social media training, etc.).		
Strongly Agree	12	14.40%
Agree	40	47.60%
Disagree	27	32.10%
Strongly Disagree	4	4.70%





A City That Works

Internal Communications General Fund: $236,710

The goal of 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.

Tools and Training General Fund: $217,947

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 communications tools to effectively inform the public about their 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.

Emergency Preparedness General Fund: $51,054

This program works to ensure that the Communications team is properly trained in the City's emergency response model (NIMS), has a response plan that is continually evaluated for improvement, and has the right tools and technology to be effective in an emergency response.

One Minneapolis

Proactive Communication General Fund: $778,879

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 strategic proactive communications efforts around the City's goals.

Transparency in Government General Fund: $454,427

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 service
- Reactive/defensive media relations to provide transparent access to City information and help manage the City's image

One Minneapolis

Public Access Television: Minneapolis Television Network General Fund: $472,496

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.

Financial Analysis

Expenditure
The total Communication's Department's council adopted budget of $2.2 million is fairly stable with only a slight increase of $21,626 or 1% from 2014 due to inflationary increases in costs.

Revenue
For 2015, major revenues (Cable Franchise and PEG fees), previously reported under Communications department have been reallocated to General Funds Revenues. The department's total revenues in 2015 are projected to be $1,500.

Fund Allocation
This department is funded completely in the General Fund.

Mayor's Recommended Budget
The Mayor recommended an additional $174,000 in ongoing resources from the City's Consolidated TIF fund for an additional 2.0 FTEs to boost collaboration with the Neighborhood and Community Relations Department and non-English media outlets to ensure that City news and information reach diverse communities across the City.

Council Adopted Budget
The City Council amended the Mayor's recommendations by shifting funding for the 2.0 FTE Communications positions ($174,000) from TIF to the General Fund and an additional action subsequently reduced the appropriation in the Communications Department by $174,000 and 2.0 FTEs resulting in no change in staffing levels. The Council also directed the department to work in coordination with the Neighborhood and Community Relations department and other City departments to provide planning, supportive services, and outreach for the implementation of President Obama's executive order on immigration policy.

COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION

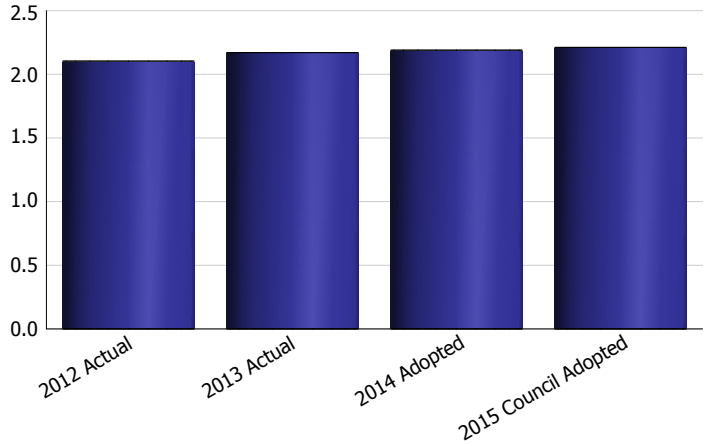
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	774,861	820,152	805,159	850,009	5.6%	44,850
FRINGE BENEFITS	270,145	291,050	327,435	320,580	-2.1%	(6,855)
CONTRACTUAL SERVICES	946,951	811,985	820,908	831,616	1.3%	10,708
OPERATING COSTS	80,910	91,203	87,960	92,883	5.6%	4,923
CAPITAL	30,970	156,225	148,425	116,425	-21.6%	(32,000)
TOTAL GENERAL	**2,103,836**	**2,170,614**	**2,189,887**	**2,211,514**	**1.0%**	**21,626**
TOTAL EXPENSE	**2,103,836**	**2,170,614**	**2,189,887**	**2,211,514**	**1.0%**	**21,626**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	545	1,052	1,000		-100.0%	(1,000)
CONTRIBUTIONS	805,808	944,831	840,000		-100.0%	(840,000)
FRANCHISE FEES	3,353,634	3,503,201	3,400,000		-100.0%	(3,400,000)
OTHER MISC REVENUES			1,500	1,500	0.0%	0
RENTS	1,559	759			0.0%	0
GENERAL	**4,161,546**	**4,449,842**	**4,242,500**	**1,500**	**-100.0%**	**(4,241,000)**
TOTAL REVENUE	**4,161,546**	**4,449,842**	**4,242,500**	**1,500**	**-100.0%**	**(4,241,000)**

COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION

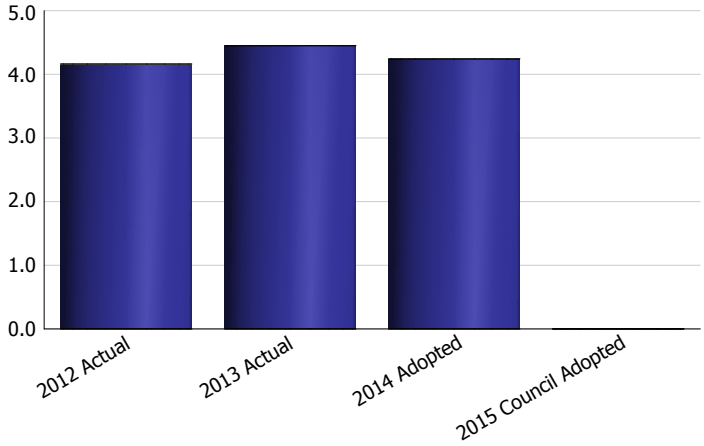
Expense 2012 - 2015

In Millions

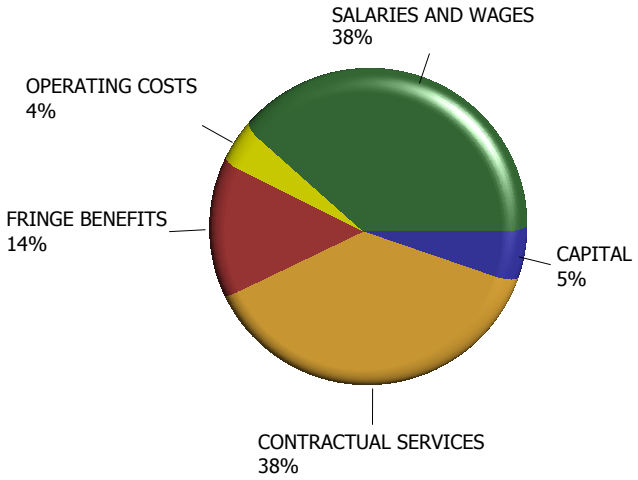


Revenue 2012 - 2015

In Millions



Expense by Category

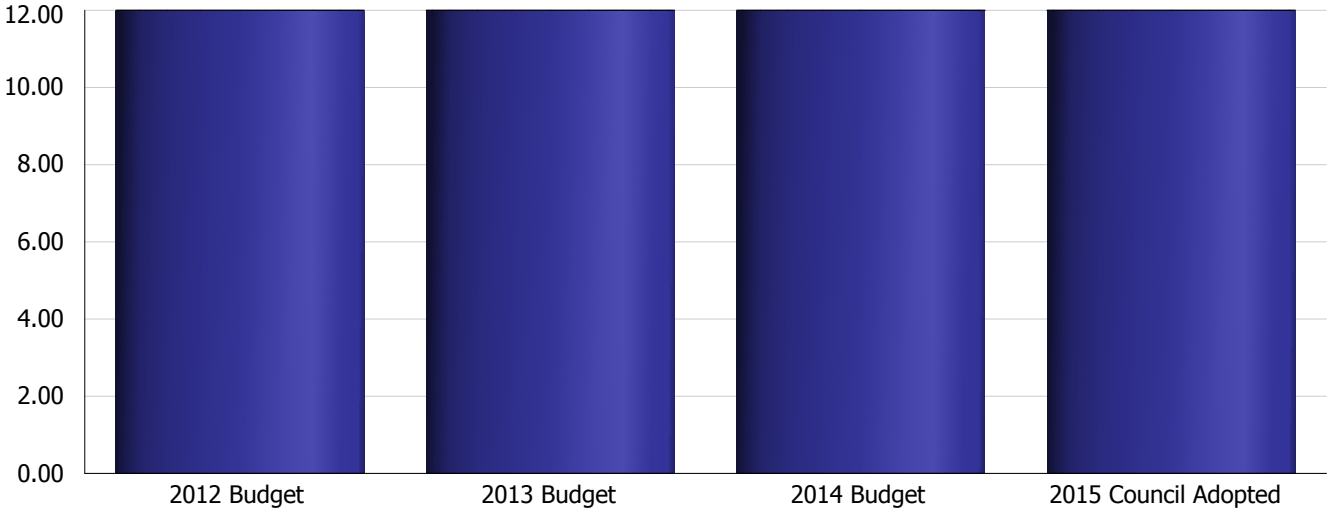


COMMUNICATIONS

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
COMMUNICATIONS	12.00	12.00	12.00	12.00	0.0%	0
Overall	12.00	12.00	12.00	12.00	0.0%	0

Positions 2012-2015



MINNEAPOLIS 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

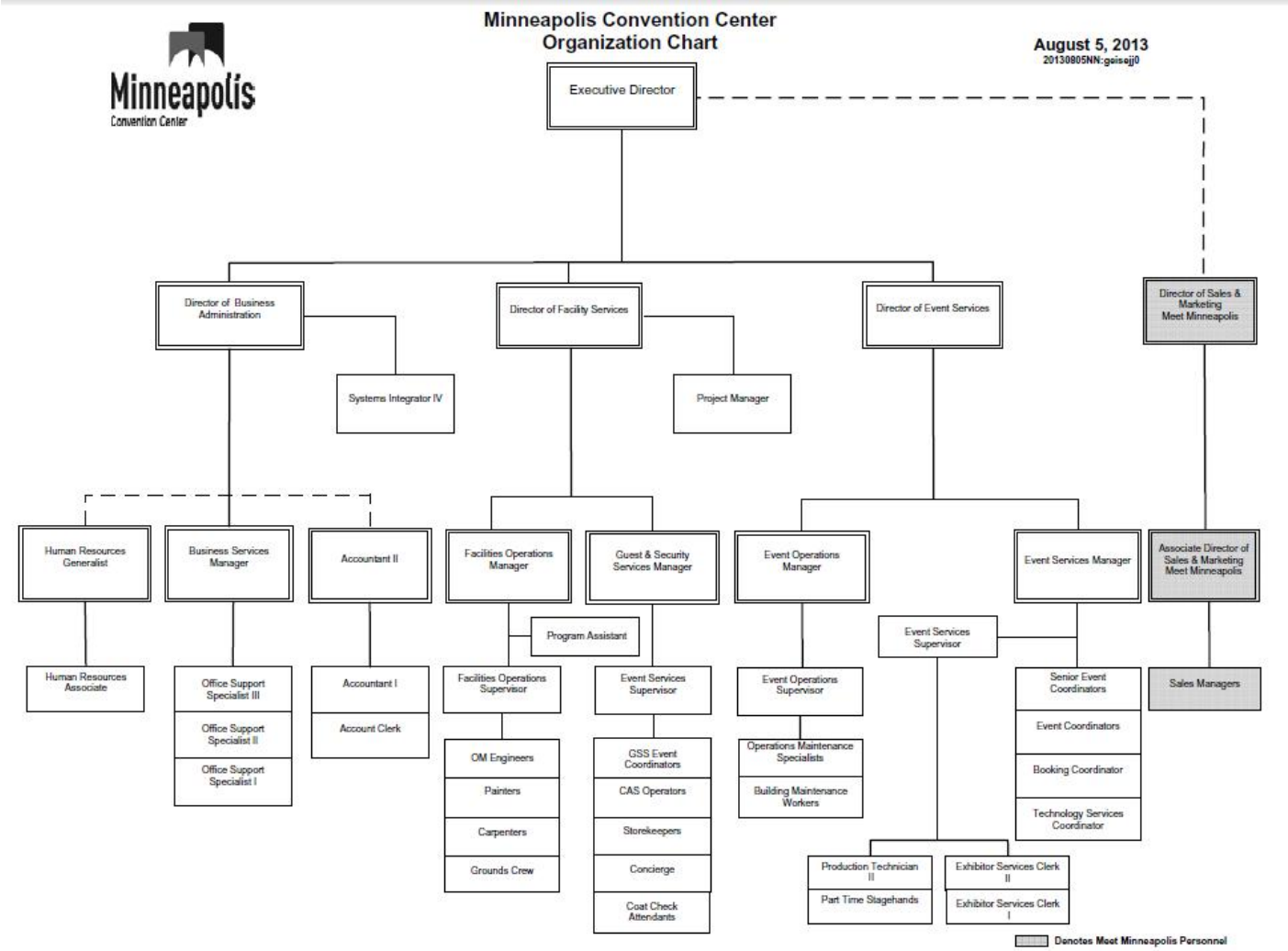
- **Event Services** is responsible for providing an exceptional product through the coordination of both in-house departments and contracted services for these major event activities: Event Services, Event Operations, Custodial Operations and Technology Services. These business units work to address 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.

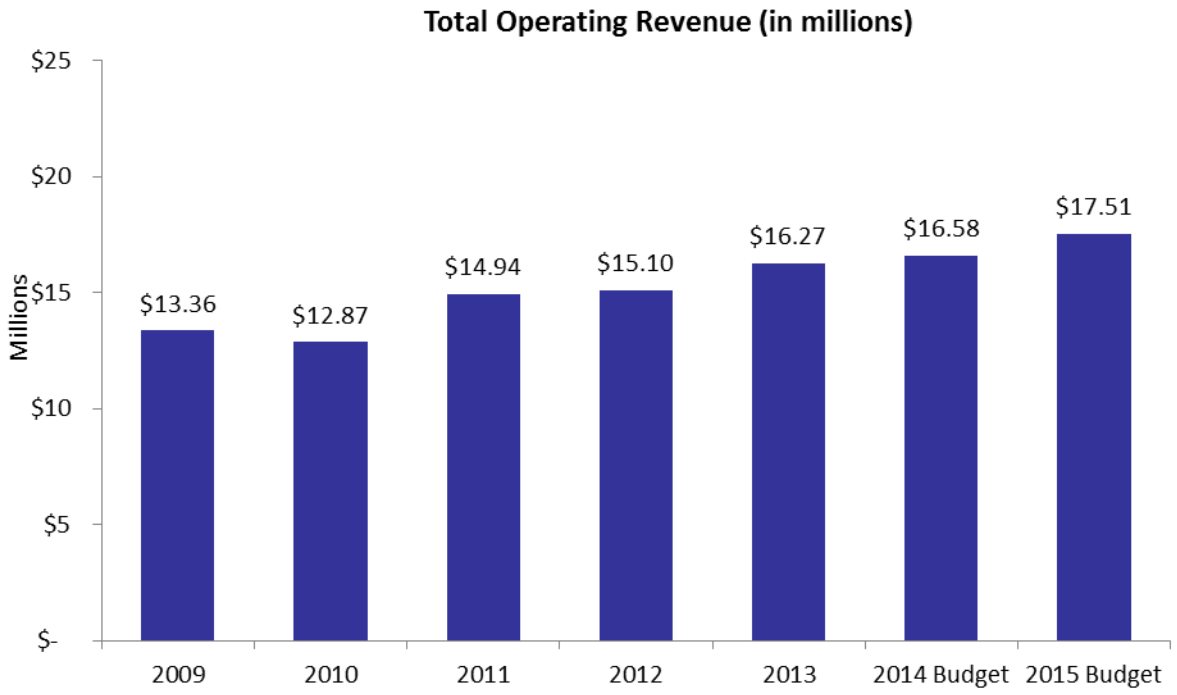
- **Sales and Marketing Services** provide the first point of contact for all business. This group is responsible for providing information about the facility, identifying and attracting events, maintaining relationships, and gathering data on how the MCC serves customers. The majority of these services are provided through our partnership with Meet Minneapolis, in coordination with the Convention Center's Executive Management Team.

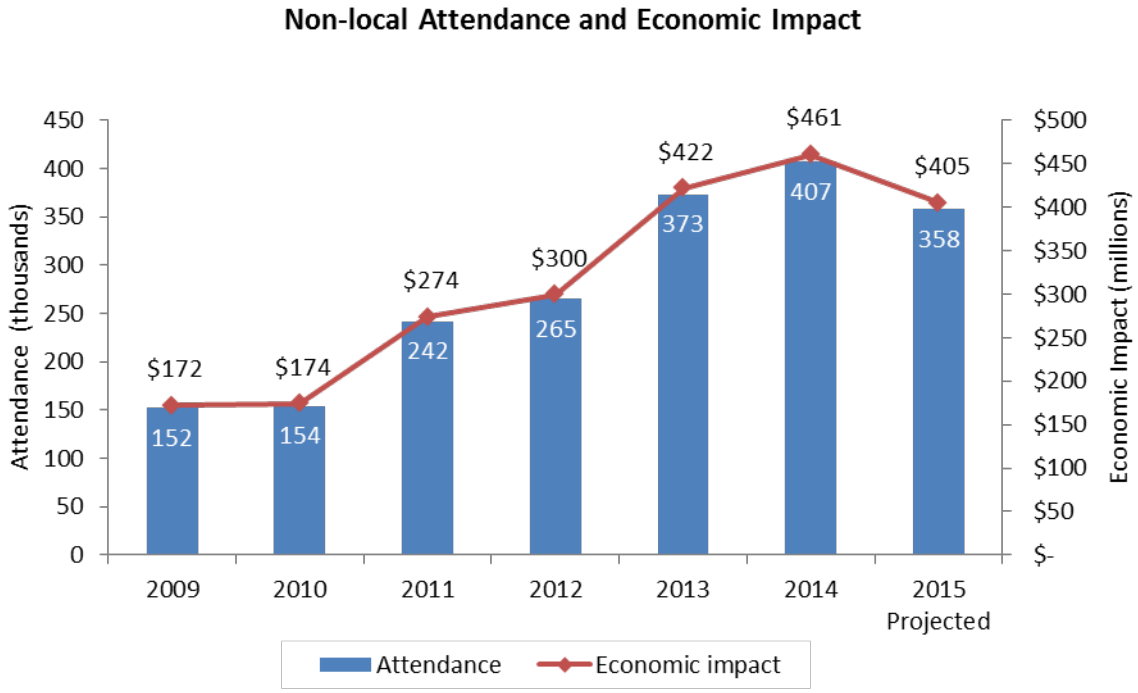
- **Business and Employee Services** addresses the need for depth and sophistication of the business reporting requirements for our Executive Management Team and stakeholders, as well as responds to employee relations and employee development needs. We recognize that the labor force at the Convention Center must be fully developed, fully utilized, and fully recognized in order to move us to the next level of superior customer service.

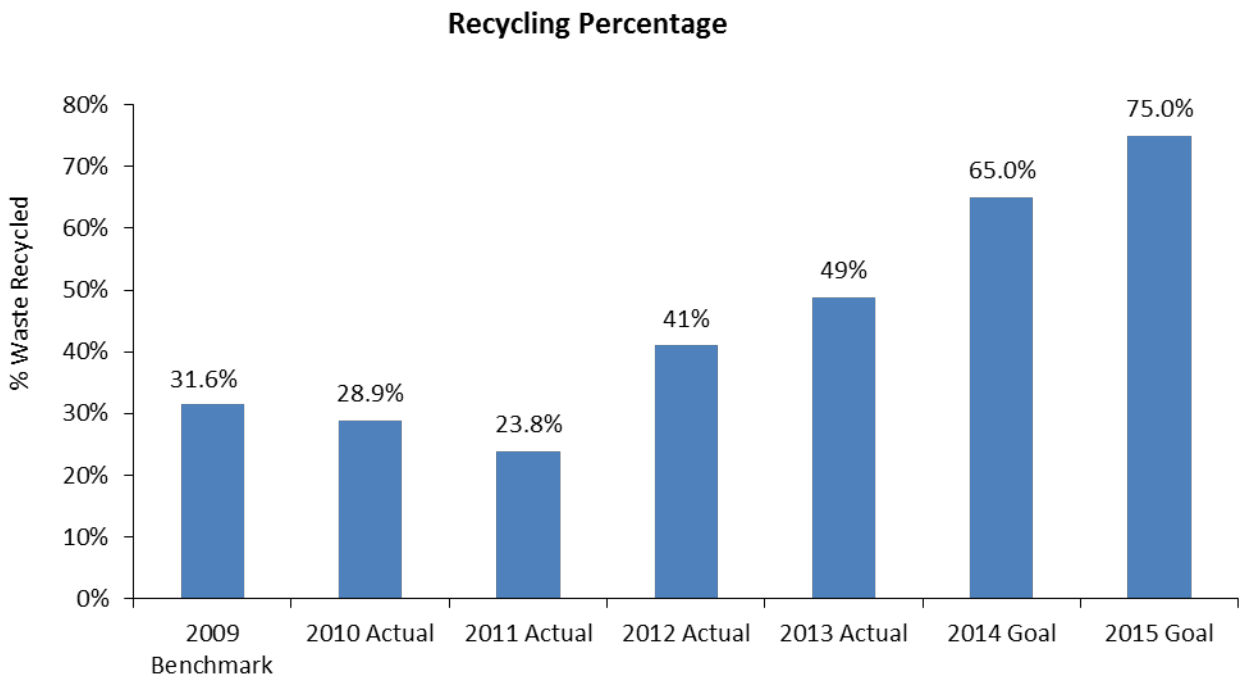
ORGANIZATION CHART

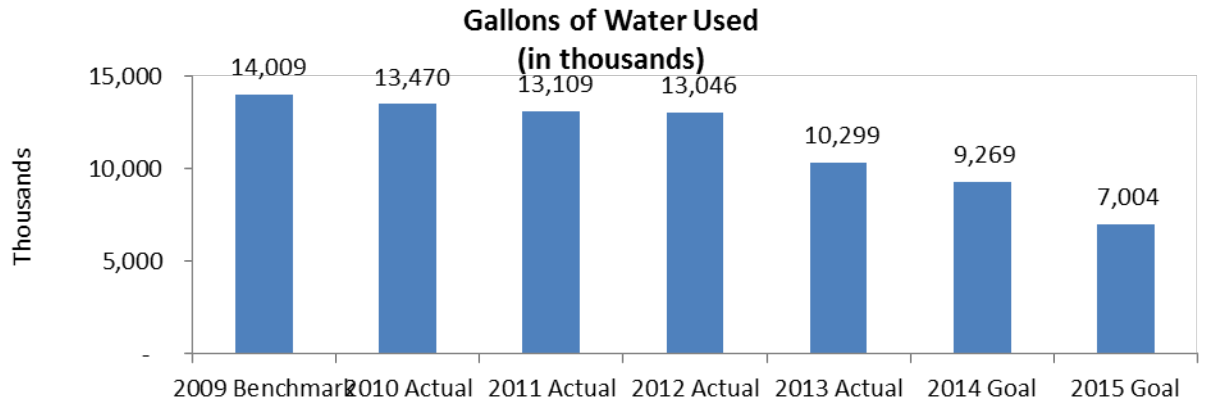


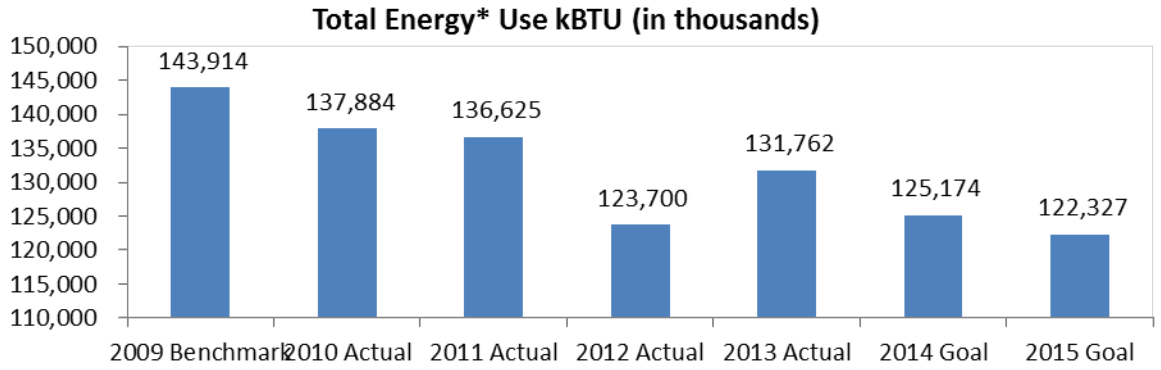
SELECTED RESULTS MINNEAPOLIS MEASURES






Recycling Percentage
% Waste Recycled
80%
70%
60%
50%
40%
30%
20%
10%
0%
31.6%
28.9%
23.8%
41%
49%
65.0%
75.0%
2009 Benchmark
2010 Actual
2011 Actual
2012 Actual
2013 Actual
2014 Goal
2015 Goal


Gallons of Water Used
(in thousands)
Thousands
15,000
10,000
5,000
-
14,009
13,470
13,109
13,046
10,299
9,269
7,004
2009 Benchmark
2010 Actual
2011 Actual
2012 Actual
2013 Actual
2014 Goal
2015 Goal


Total Energy* Use kBTU (in thousands)
150,000
145,000
140,000
135,000
130,000
125,000
120,000
115,000
110,000
143,914
137,884
136,625
123,700
131,762
125,174
122,327
2009 Benchmark
2010 Actual
2011 Actual
2012 Actual
2013 Actual
2014 Goal
2015 Goal

A Hub of Economic Activity and Innovation

Minneapolis Convention Center Events Program Other Fund: $24,206,834

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 Other Fund: $21,456,149

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 Other Fund: $200,000

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 our 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 our City.

Target Center Other Fund: $6,764,844

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 2015, the Convention Center Department's budget is $52.8 million, an increase of 2.5% over the 2014 budget of $51.5 million. The increase reflects the Mayor's recommendation for a one-time funding increase and routine inflationary operating increases and internal service charges.

Revenue
Revenue for the Convention Center is projected to increase by 28.9% to $22.9 million in 2015, an increase of $5.1 million over 2014. The increase is primarily associated with a $2.4 million increase in use of fund balance, in addition to an increase in forecasted rents and charges for services.

Fund Allocation
This department is funded primarily in the Convention Center Fund and from a general fund transfer.

Mayor's Recommended Budget
The Mayor recommended the transfer of $500,000 in one-time funding from the General Fund to the Convention Center Fund for the purpose of marketing, events and community engagement programming.

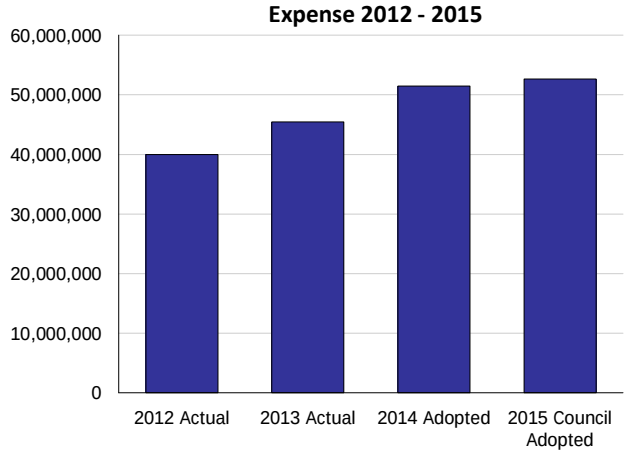
Council Adopted Budget
The City Council amended the Mayor's recommendations by reducing the one-time funding from the General Fund to the Convention Center Fund for the purpose of marketing events and community engagement programming by $160,000 for other purposes.

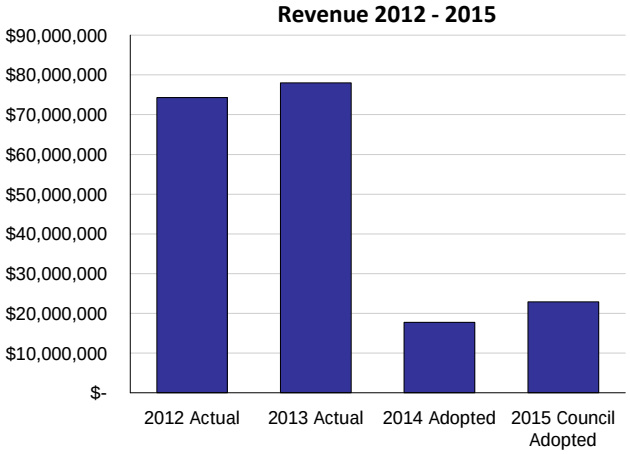
CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

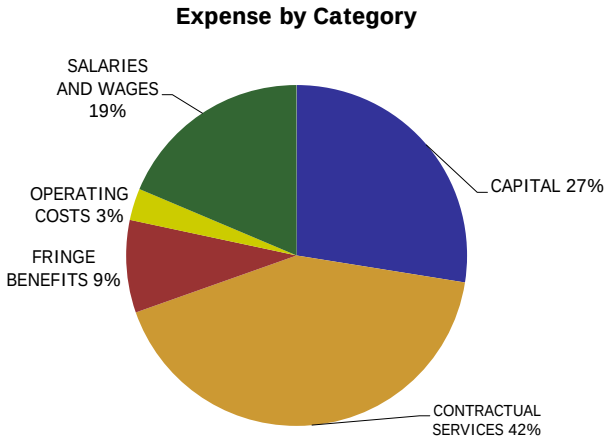
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	8,670,074	9,003,483	9,442,105	9,803,948	3.8%	361,843
FRINGE BENEFITS	3,318,568	3,220,669	4,161,173	4,607,199	10.7%	446,026
CONTRACTUAL SERVICES	19,769,760	20,688,722	22,122,001	22,137,719	0.1%	15,718
OPERATING COSTS	1,225,580	1,492,963	1,416,915	1,593,700	12.5%	176,785
CAPITAL	6,991,884	11,028,301	14,348,964	14,485,262	0.9%	136,298
TOTAL SPECIAL REVENUE	**39,975,866**	**45,434,138**	**51,491,158**	**52,627,827**	**2.2%**	**1,136,670**
TOTAL EXPENSE	**39,975,866**	**45,434,138**	**51,491,158**	**52,627,827**	**2.2%**	**1,136,670**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	552,337	3,240			0.0%	0
CHARGES FOR SERVICES	5,405,038	5,788,478	5,720,000	6,200,000	8.4%	480,000
INTEREST	314,359	265,132	214,631	164,130	-23.5%	(50,501)
LONG TERM LIABILITIES PROCEEDS			250,000	2,610,126	944.1%	2,360,126
OTHER MISC REVENUES	2,702,235	3,416,376	3,300,000	3,650,000	10.6%	350,000
RENTS	7,005,147	7,238,371	6,980,000	8,947,000	28.2%	1,967,000
SALES AND OTHER TAXES	56,349,332	57,533,157	1,275,000	1,300,000	2.0%	25,000
TRANSFERS IN	1,987,650	3,766,000			0.0%	0
SPECIAL REVENUE	**74,316,097**	**78,010,755**	**17,739,631**	**22,871,256**	**28.9%**	**5,131,625**
TOTAL REVENUE	**74,316,097**	**78,010,755**	**17,739,631**	**22,871,256**	**28.9%**	**5,131,625**

CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION





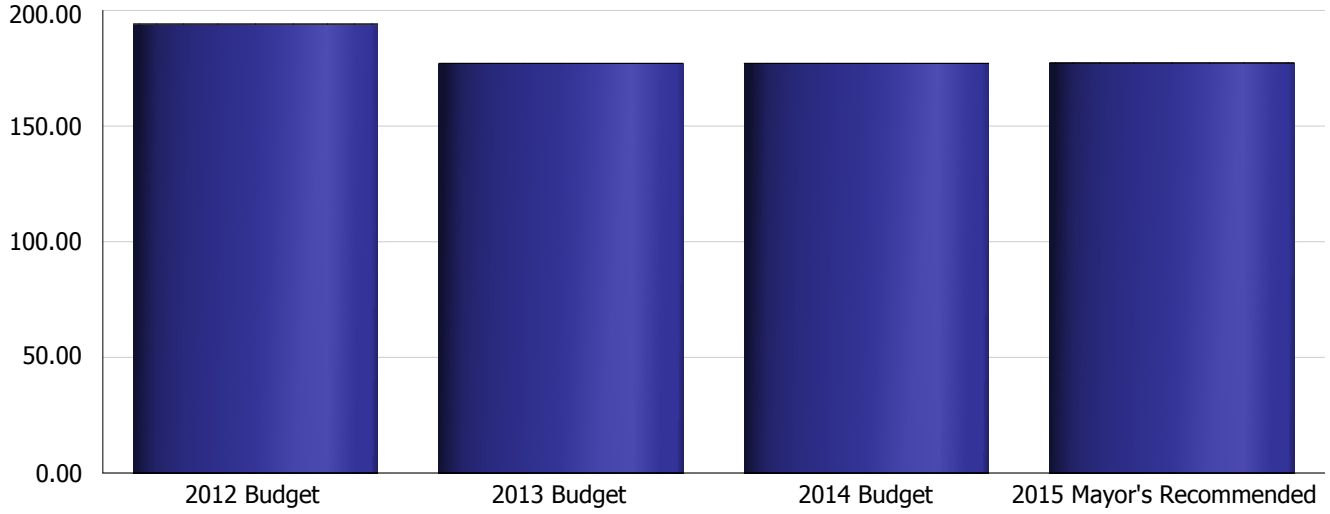


CONVENTION CENTER

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Mayor's Recommended	% Change	Change
CONVENTION CENTER OPERATIONS	194.10	177.10	176.30	176.30		0
TARGET CENTER			1.00	1.00		0
Overall	194.10	177.10	177.30	177.30		0

Positions 2012-2015



FINANCE & PROPERTY SERVICES DEPARTMENT

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 AND FINANCIAL REPORTING** – monitor and report department revenues and expenditures to managers and policy-makers; 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; assist managers during the annual budget process; and provide functional support of COMPASS; 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; and 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.
- **BUY, ORDER AND PAY FOR GOODS AND SERVICES** – facilitate the purchase of goods and services on the most favorable terms according to state law and City policies; assure contracts are consistent with good business practices and City policies; create requisitions for goods and services, issue purchase orders, document receipt of goods and services, and pay vendors.
- **ERP APPLICATION AND SYSTEM FUNCTIONAL SUPPORT** – this information technology system also known as COMPASS is used to provide information on the City's financial resources to include tracking of financial transactions on a daily, monthly and annual basis, maintaining historical records and details on how each employee is paid and where their time should be charged and recording contractual information, approvals for purchases, quantity, type and price of goods and services purchased, the department making the purchase, and the financial coding to which charges should be applied.
- **FACILITIES, ENERGY AND SECURITY MANAGEMENT** -- comprehensively and strategically provide for the land, facility, and furnishing needs of City owned, operated and leased facilities through various activities including preventive maintenance and corrective maintenance, routine cleaning and maintenance, construction, tenant improvements, space and asset management, and security and life safety needs. Further provide centralized energy management services that support energy conservation, renewable energy and alternative fuels, and emissions reductions.
- **INVESTING, CASH MANAGEMENT AND RECEIPTING** – invest City funds, monitor bank accounts and cash balances, make electronic fund transfers and payments, and bill and collect revenue for utilities and do citywide receivable work. Issue monthly utility bills that include charges for water, sanitary sewer, stormwater and solid waste.
- **MBC CITY HALL OPERATING COSTS** – mechanism to collect revenue for City 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).
- **PAY EMPLOYEES** – pay employees according to labor agreements, state and federal laws, and City policies.
- **RADIO COMMUNICATIONS AND ELECTRONICS** – provide, maintain, and manage public safety radio communications systems to meet the needs of the City during emergencies as well as

day-to-day operations. In addition, provide for and support (in partnership with the Information Technology Department) the comprehensive communications, data, video, and electronics needs of the City's Operating Departments.

- **RISK MANAGEMENT AND CLAIMS** – protect City assets, prevent loss of money and injury to City employees, and manage claims for workers' compensation and tort.
- **STRATEGIC FINANCIAL SERVICES** – lead City annual budget and long-term financial planning process, initiate financial analyses on issues impacting the City Enterprise, and provide financial information and advice to policy-makers and City leadership.
- **UTILITY BILLING** – all activities associated with billing, payment collection and processing and call center services for City utilities (sewer, water and waste collection).

ORGANIZATION CHART

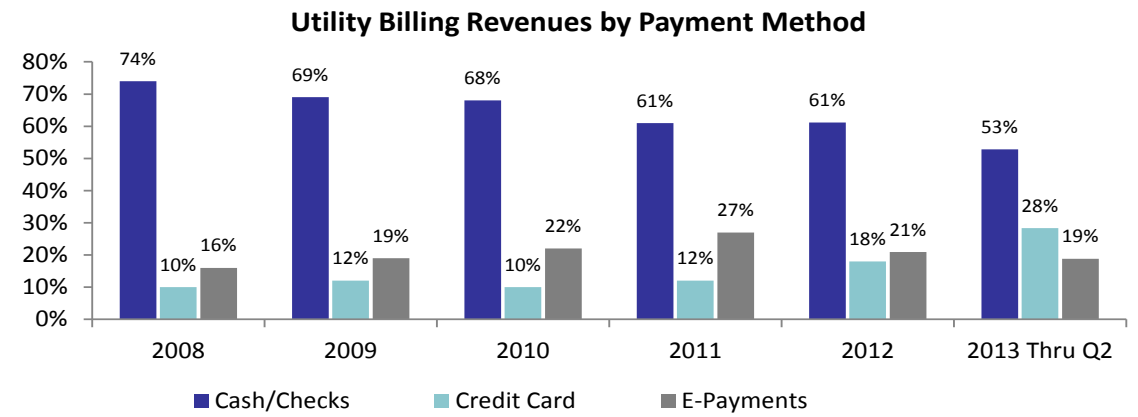
DEPARTMENT ORGANIZATIONAL CHART

Administrative Services & COMPASS Support

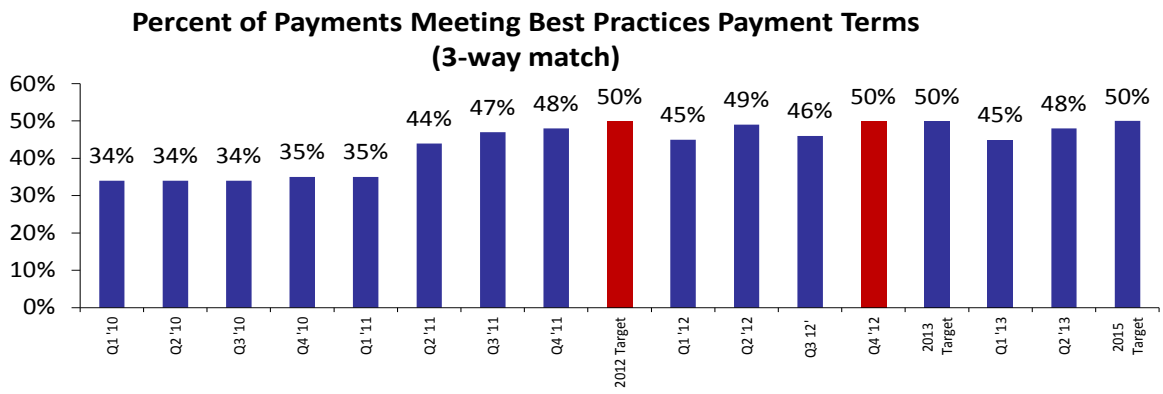
CHIEF FINANCIAL OFFICER

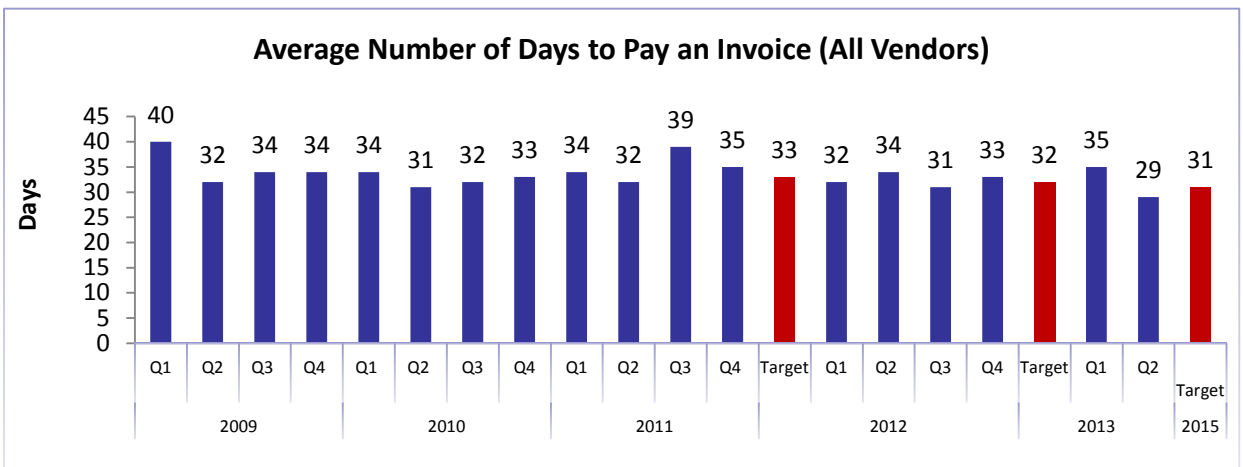
Controller	Enterprise Financial Management	Property Services	Procurement	Treasury
• Central Payroll • Managerial Accounting & Reporting	• Budget • Enterprise Financial Analysis • Capital & Debt Management • Workers' Compensation • Tort Claims • Insurance • Loss Prevention • Subrogation • Risk Analysis • Development Planning & Analysis • Financial Management of Development Resources • CPED Budgeting & Grant Management • Administer NRP and Citizen Participation Contracts	• Energy Management • Facilities Management • Public Safety Communications Systems • Security Management	• Contract Management • Purchasing • Central Requisitions & Receiving	• Accounts Payable • Accounts Receivable • Revenue Collection • Cash Management • Investments • Utility Billing

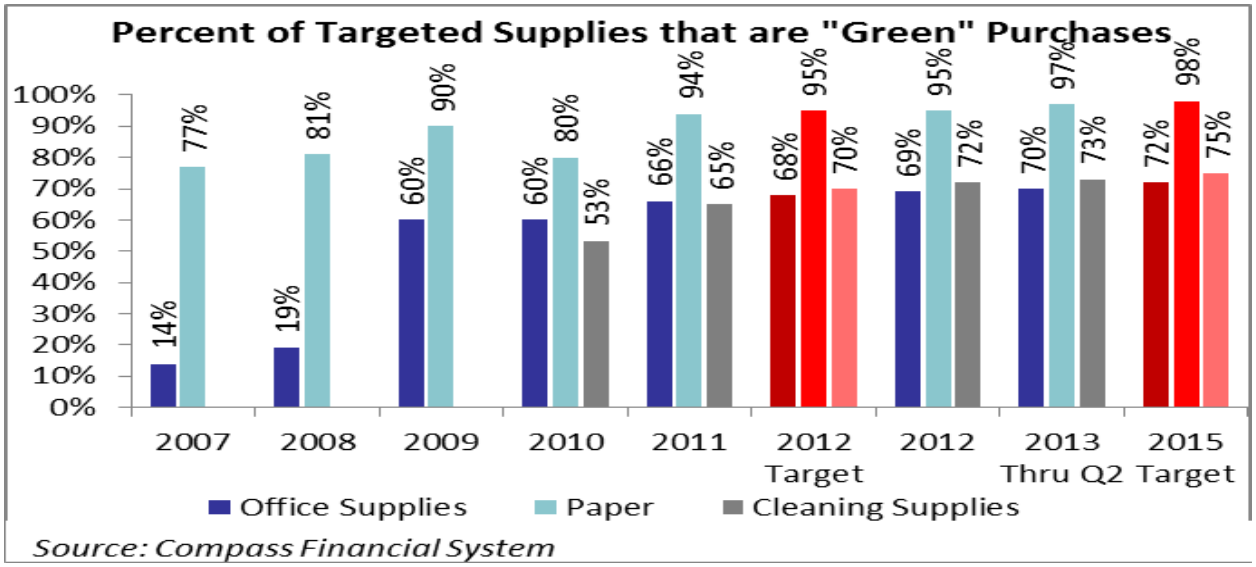
SELECTED RESULTS MINNEAPOLIS MEASURES

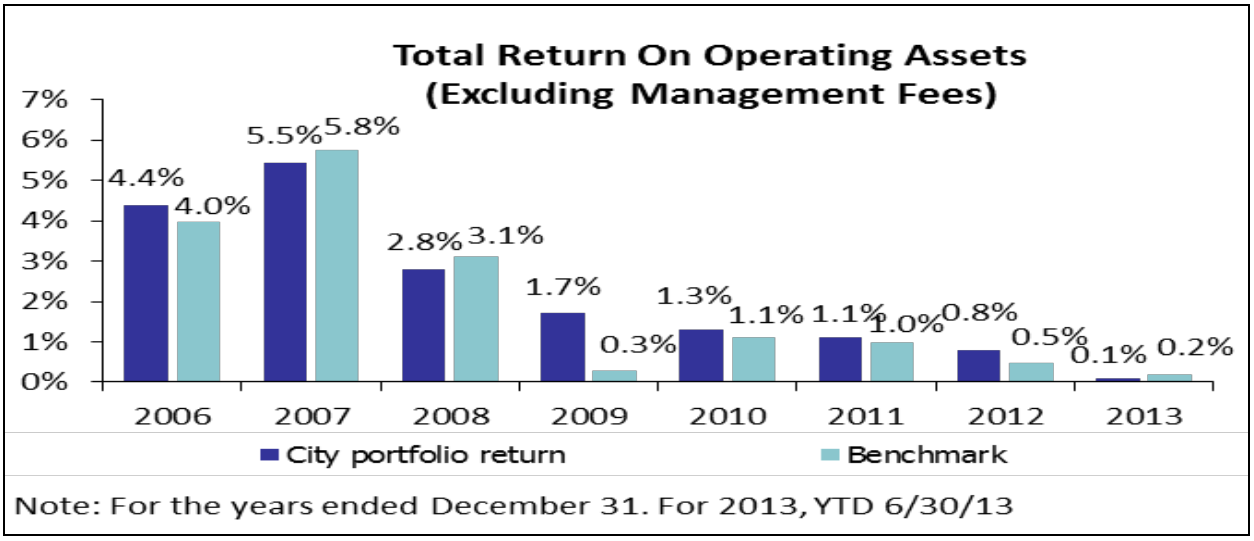


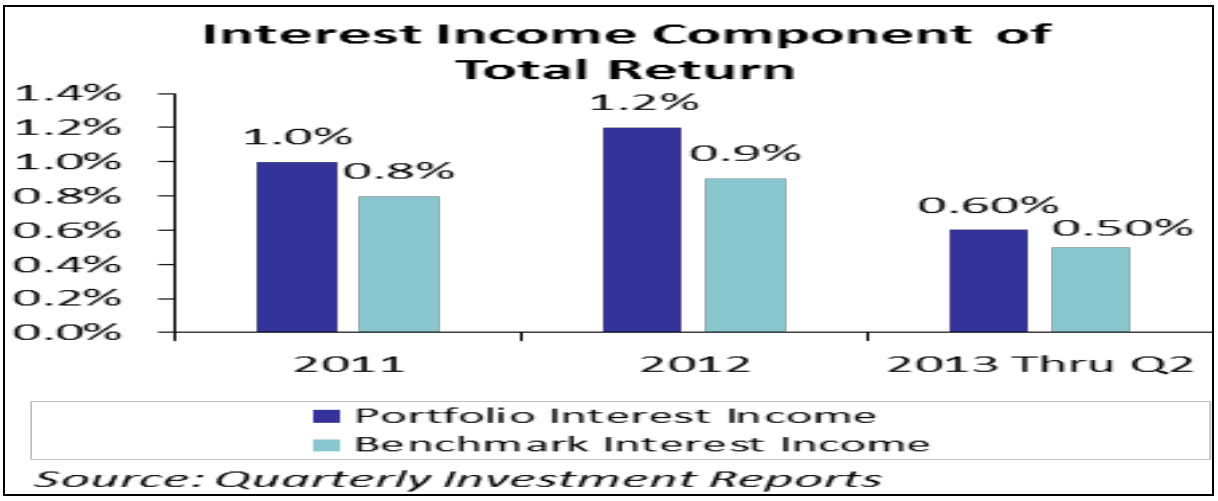
Source: Enquesta Reports

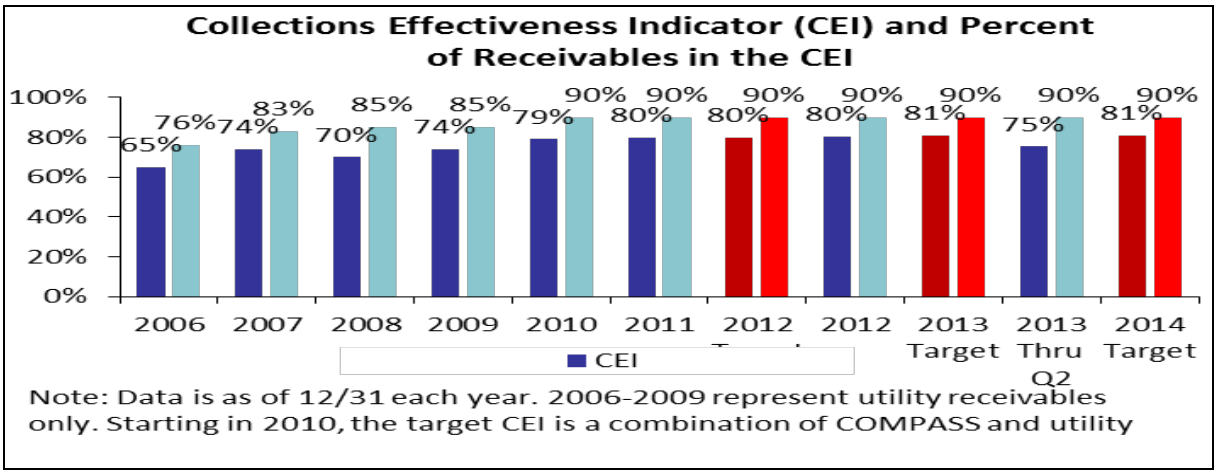


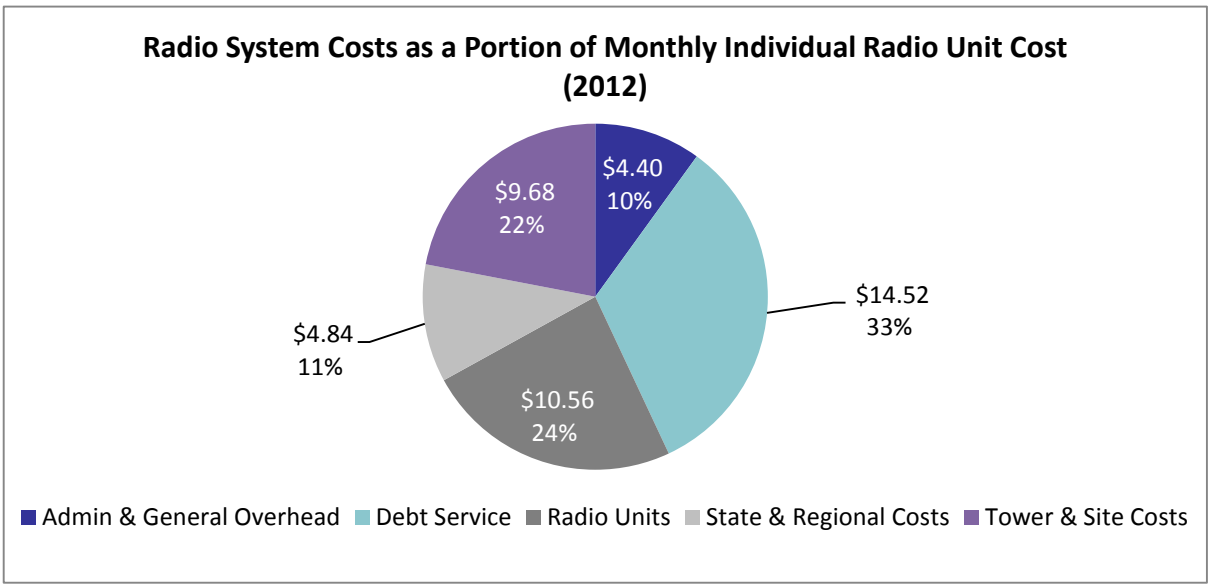


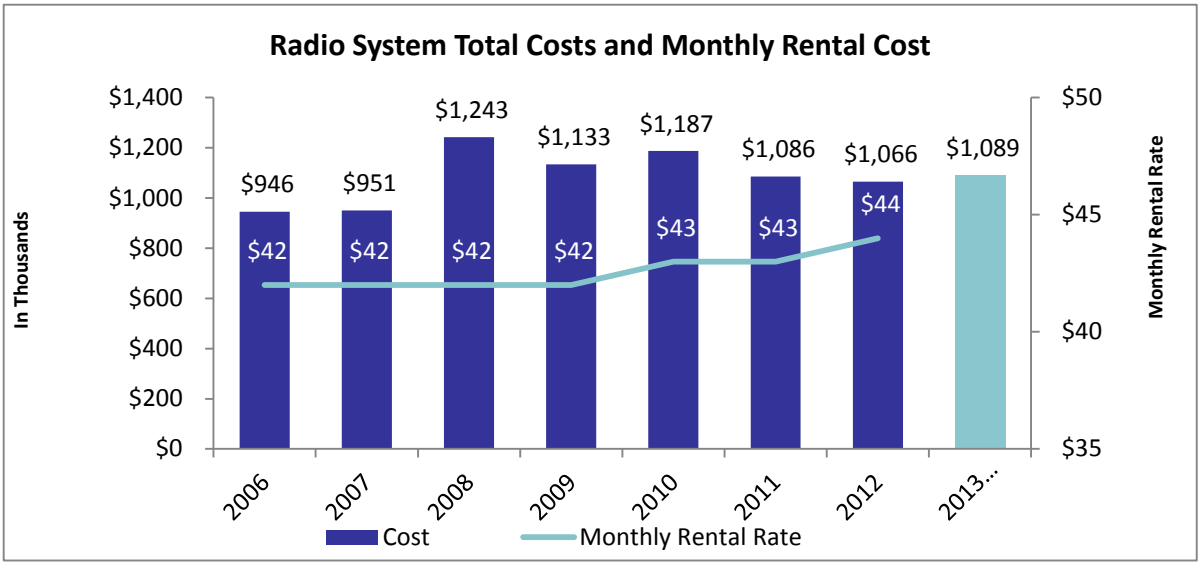

Percent of Targeted Supplies that are "Green" Purchases
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
14%
77%
19%
81%
60%
90%
60%
80%
53%
66%
94%
65%
68%
95%
70%
69%
95%
72%
70%
97%
73%
72%
98%
75%
2007
2008
2009
2010
2011
2012 Target
2012
2013 Thru Q2
2015 Target
Office Supplies
Paper
Cleaning Supplies
Source: Compass Financial System

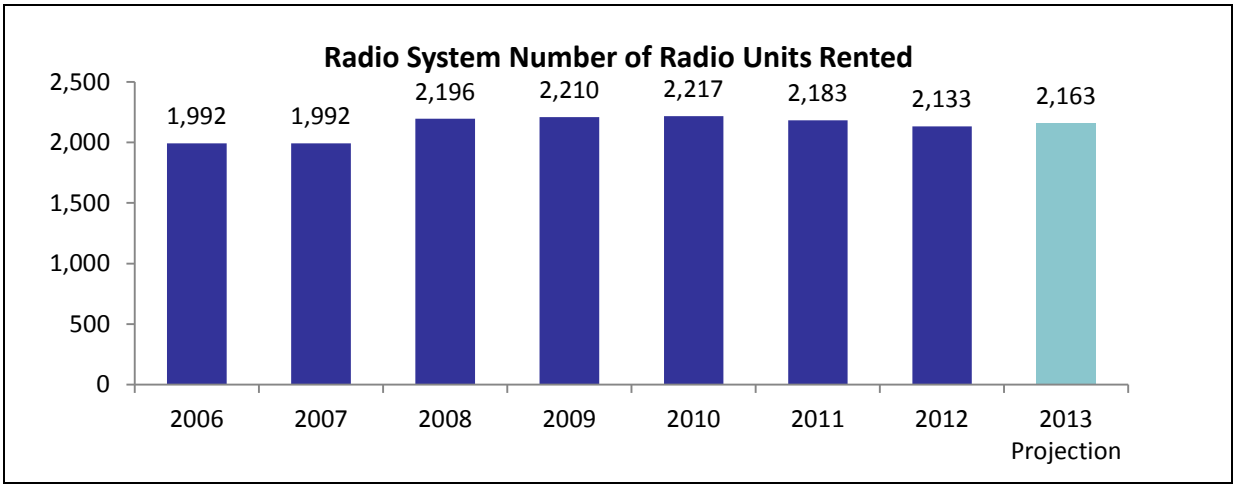

Total Return On Operating Assets
(Excluding Management Fees)
7%
6%
5%
4%
3%
2%
1%
0%
4.4%
4.0%
5.5%
5.8%
2.8%
3.1%
1.7%
0.3%
1.3%
1.1%
1.1%
1.0%
0.8%
0.5%
0.1%
0.2%
2006
2007
2008
2009
2010
2011
2012
2013
City portfolio return
Benchmark
Note: For the years ended December 31. For 2013, YTD 6/30/13

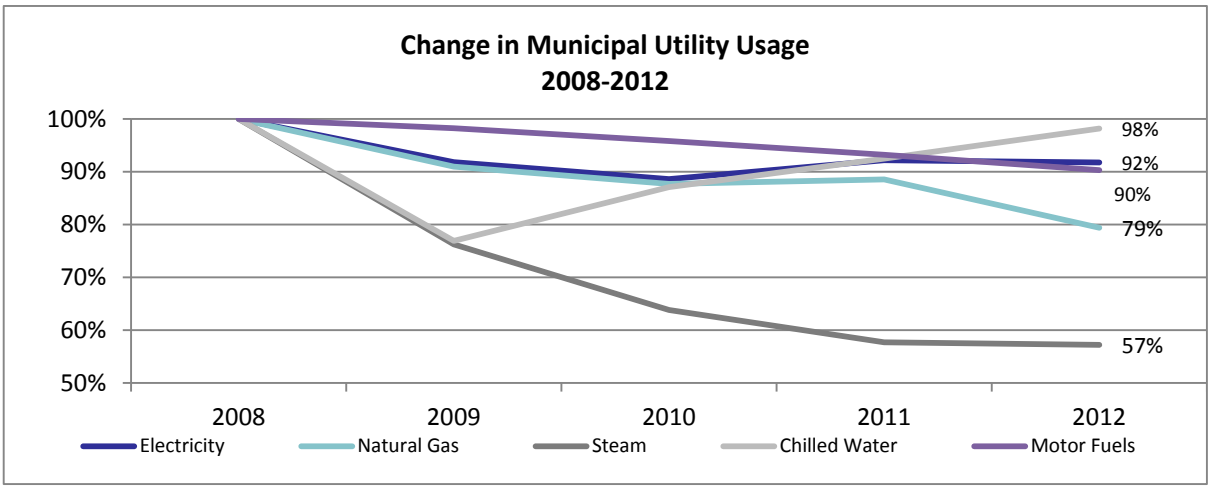

Interest Income Component of
Total Return
1.4%
1.2%
1.0%
0.8%
0.6%
0.4%
0.2%
0.0%
1.0%
0.8%
1.2%
0.9%
0.60%
0.50%
2011
2012
2013 Thru Q2
Portfolio Interest Income
Benchmark Interest Income
Source: Quarterly Investment Reports

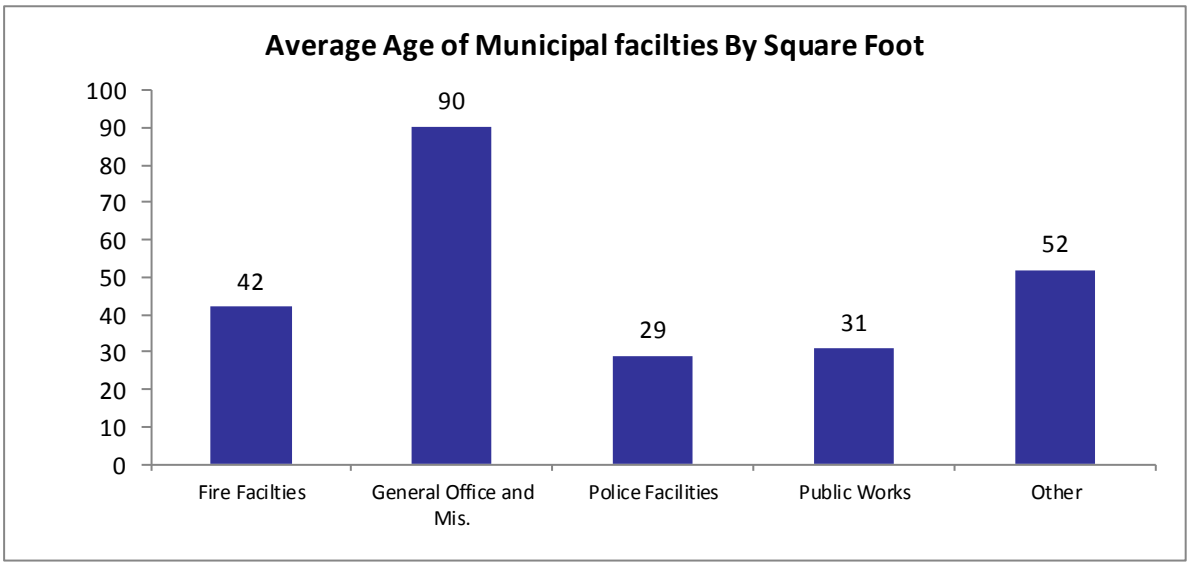

Collections Effectiveness Indicator (CEI) and Percent of Receivables in the CEI
100%
80%
60%
40%
20%
0%
65%
76%
74%
83%
70%
85%
74%
85%
79%
90%
80%
90%
80%
90%
80%
90%
81%
90%
75%
90%
81%
90%
2006
2007
2008
2009
2010
2011
2012
2012
2013 Target
2013 Thru Q2
2014 Target
CEI
Note: Data is as of 12/31 each year. 2006-2009 represent utility receivables only. Starting in 2010, the target CEI is a combination of COMPASS and utility


Radio System Costs as a Portion of Monthly Individual Radio Unit Cost (2012)
$4.40
10%
$14.52
33%
$10.56
24%
$4.84
11%
$9.68
22%
Admin & General Overhead
Debt Service
Radio Units
State & Regional Costs
Tower & Site Costs


Radio System Total Costs and Monthly Rental Cost
In Thousands
$1,400
$1,200
$1,000
$800
$600
$400
$200
$0
$946
$951
$1,243
$1,133
$1,187
$1,086
$1,066
$1,089
$42
$42
$42
$42
$43
$43
$44
$50
$45
$40
$35
Monthly Rental Rate
2006
2007
2008
2009
2010
2011
2012
2013...
Cost
Monthly Rental Rate


Radio System Number of Radio Units Rented
2,500
2,000
1,500
1,000
500
0
1,992
1,992
2,196
2,210
2,217
2,183
2,133
2,163
2006
2007
2008
2009
2010
2011
2012
2013 Projection


Change in Municipal Utility Usage
2008-2012
100%
90%
80%
70%
60%
50%
98%
92%
90%
79%
57%
2008
2009
2010
2011
2012
Electricity
Natural Gas
Steam
Chilled Water
Motor Fuels


Average Age of Municipal facilties By Square Foot
100
90
80
70
60
50
40
30
20
10
0
42
90
29
31
52
Fire Facilties
General Office and Mis.
Police Facilities
Public Works
Other

A Hub of Economic Activity and Innovation

Accounting and Financial Reporting General Fund: $6,855,636
Other Funds: $214,858

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.

Order, Buy and Pay for Goods and Services General Fund: $2,672,750
Other Funds: $725,392

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 also moved into this program as of January 1, 2012.

One Minneapolis

Utility Billing System General Fund: $5,526,747

This program is mandated by Minneapolis City Ordinance and is 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 storm water services. The revenues generated sustain the operations of these departments, so it is imperative that revenues are billed and collected in an efficient manner.

Investment, Cash Management and Receivables General Fund: $1,504,574

This program is in charge of selecting, contracting, and monitoring Investment Managers responsible for investing City funds for all City Departments. The program is also charged with 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.

A City That Works

Pay Employees General Fund: $1,283,502

This program oversees performance of payroll functions according to twenty-three different City labor contract agreements and numerous work rules surrounding pay, and federal and state regulations. The program is also in charge of proofing and auditing 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 & Claims General Fund: $34,664
Other Funds: $2,459,371

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.

ERP Application & System Functional Support General Fund: $1,061,849

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.

Living Well

Strategic Financial Services General Fund: $2,879,149

The goal of this program is to 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.

Radio Communications & Electronics General Fund: $34,664
Other Funds: $2,265,725

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.

Facilities, Energy & Security Management General Fund: $316,633
Other Funds: $10,581,612

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.

Great Places

MBC/City Hall Operating Costs Other Funds: $5,319,887

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 reminder is paid by Hennepin County).

Financial Analysis

Expenditure
The total Finance and Property Service's Department's council adopted budget increases from $42.0 million to $43.7 million from 2014 to 2015. This is an increase of $1.7 million, or 4.1%. The Finance and Property Service's Department's 2015 expenditure budget reflects one additional FTE in property services and $0.8 million increase in contractual services in the internal service funds.

Revenue
Revenues are projected to increase by 12.4% in this department due mainly to increased rental income. The department's total revenues in 2015 are projected to be $19.4 million.

Fund Allocation
This department is funded primarily by the General Fund (51%), with the remainder of the department's funding found in the Internal Service funds (48%) and Special Revenue grant funds (1%).

Mayor's Recommended Budget
The Mayor recommended $96,000 in ongoing funding from the City's Property Services Fund to hire an additional Painter (1.0 FTE) in Finance and Property Services.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed the Finance and Property Services Department's staff to:

(1) Amend all schedules and language according to amended budgets,
(2) Update the five-year financial direction budgets and staff directions,
(3) In collaboration with affected City departments;
  (a) Compile historical information of the City's utilization of single source contracts and report back to the Committee of the Whole and Ways & Means Committees in the

first quarter with recommendations for policy considerations to provide more opportunities for supplier diversity in procurement activities; and

(b) Review existing standards for insurance and bonding for City contractors, including comparison of standards used by the State of Minnesota and other public bodies, and report back to the Committee of the Whole and Ways & Means Committees in the first quarter with recommendations for policy considerations to provide more opportunities for supplier diversity in procurement activities, and

(4) Facilitate the hiring of five new FTE positions in the Community Planning & Economic Development Department, Development & Construction Code Services Division.

FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	9,233,260	9,610,670	10,459,685	11,022,063	5.4%	562,378
FRINGE BENEFITS	3,498,261	3,554,647	4,485,189	4,521,418	0.8%	36,229
CONTRACTUAL SERVICES	5,889,121	9,262,197	5,769,862	5,825,516	1.0%	55,654
OPERATING COSTS	622,174	705,675	744,334	751,562	1.0%	7,228
CAPITAL			417,609	49,609	-88.1%	(368,000)
TOTAL GENERAL	**19,242,817**	**23,133,188**	**21,876,679**	**22,170,168**	**1.3%**	**293,489**
SPECIAL REVENUE						
SALARIES AND WAGES	282,693	226,540	182,381	157,345	-13.7%	(25,036)
FRINGE BENEFITS	77,542	62,910	68,785	57,513	-16.4%	(11,272)
CONTRACTUAL SERVICES	2,504,549	199,127				0
OPERATING COSTS	56,125	31,275				0
CAPITAL	332,711					0
TOTAL SPECIAL REVENUE	**3,253,620**	**519,852**	**251,166**	**214,858**	**-14.5%**	**(36,308)**
INTERNAL SERVICE						
SALARIES AND WAGES	4,384,862	4,722,138	5,228,860	5,595,253	7.0%	366,393
FRINGE BENEFITS	2,210,548	2,221,990	2,364,760	2,492,843	5.4%	128,083
CONTRACTUAL SERVICES	11,112,356	12,540,425	10,358,353	11,188,485	8.0%	830,132
OPERATING COSTS	1,521,460	1,390,288	1,585,963	1,603,792	1.1%	17,829
CAPITAL			351,076	471,616	34.3%	120,540
TOTAL INTERNAL SERVICE	**19,229,226**	**20,874,842**	**19,889,011**	**21,351,988**	**7.4%**	**1,462,977**
TOTAL EXPENSE	**41,725,663**	**44,527,882**	**42,016,856**	**43,737,015**	**4.1%**	**1,720,158**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,872	41			0.0%	0
CHARGES FOR SERVICES	105	4,305			0.0%	0
OTHER MISC REVENUES	769	5,315			0.0%	0
GENERAL	**2,747**	**9,661**				**0**
SPECIAL REVENUE						
CHARGES FOR SERVICES	4,230				0.0%	0
FEDERAL GOVERNMENT	1,199,948	(16)			0.0%	0
OTHER MISC REVENUES	375,551				0.0%	0
STATE GOVERNMENT	23,865				0.0%	0
SPECIAL REVENUE	**1,603,595**	**(16)**				**0**
INTERNAL SERVICE						

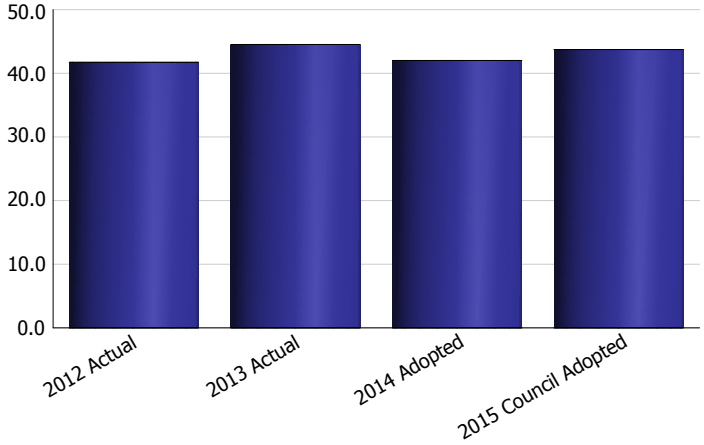
FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
CHARGES FOR SALES	460,815	586,406	324,293	324,293	0.0%	0
CHARGES FOR SERVICES	3,871,048	4,947,655	2,588,642	2,781,373	7.4%	192,731
LONG TERM LIABILITIES PROCEEDS		4,844,732		347,987	0.0%	347,987
OTHER MISC REVENUES	23,140	11,067	3,000	3,000	0.0%	0
RENTS	13,240,297	14,060,331	14,350,830	15,951,461	11.2%	1,600,631
INTERNAL SERVICE	**17,595,299**	**24,450,191**	**17,266,765**	**19,408,114**	**12.4%**	**2,141,349**
TOTAL REVENUE	**19,201,641**	**24,459,836**	**17,266,765**	**19,408,114**	**12.4%**	**2,141,349**

FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

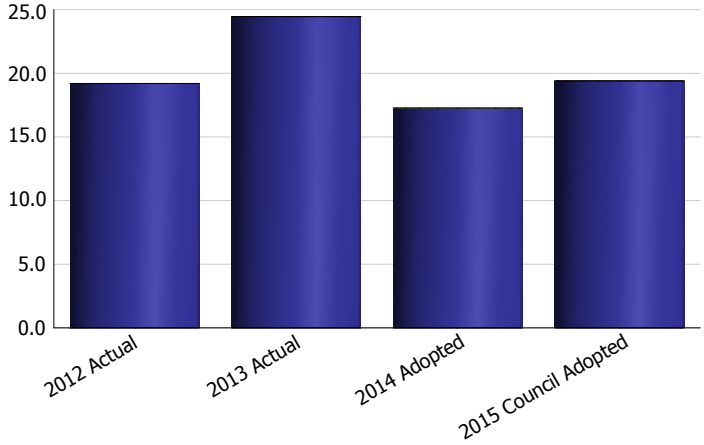
Expense 2012 - 2015

In Millions

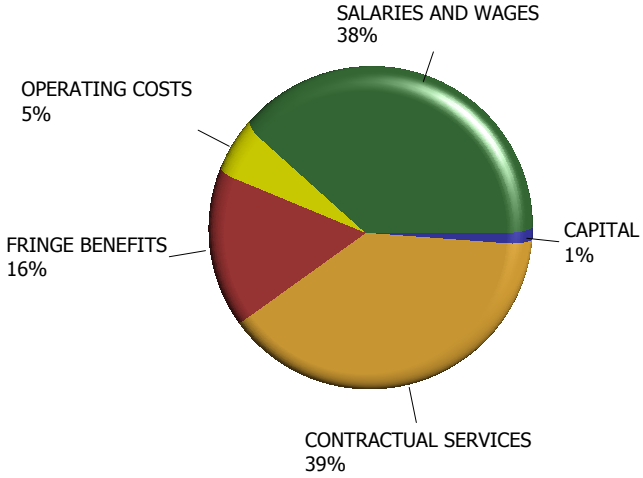


Revenue 2012 - 2015

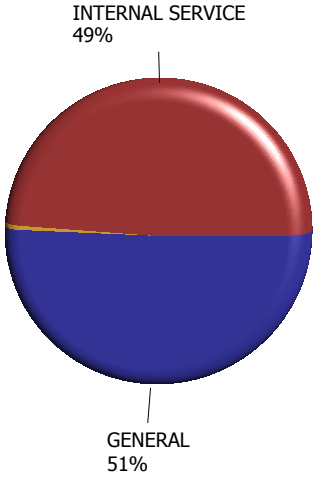
In Millions



Expense by Category



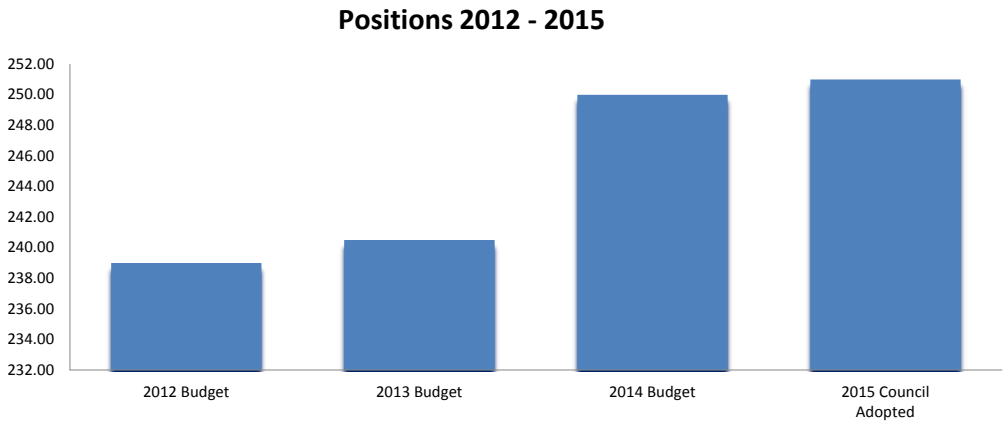
Expense by Fund

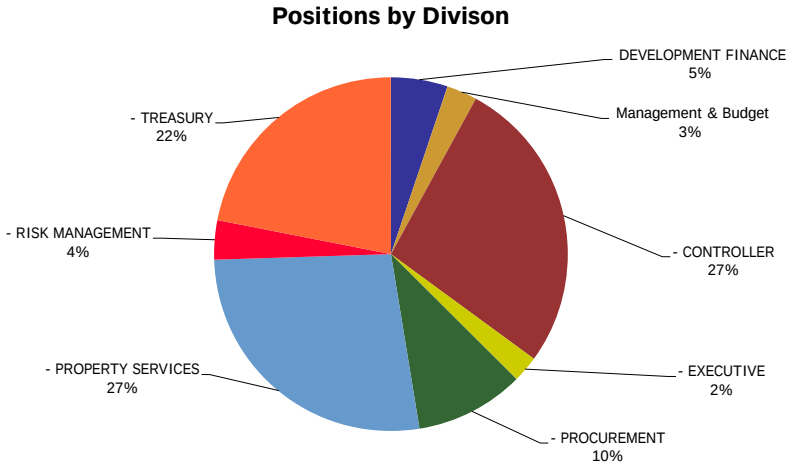


FINANCE AND PROPERTY SERV

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
CONTROLLER	92.00	68.00	68.00	68.00	0.0%	0
DEVELOPMENT FINANCE	10.00	10.00	13.00	13.00	0.0%	0
EXECUTIVE	10.00	6.00	6.00	6.00	0.0%	0
Management & Budget		7.00	7.00	7.00	0.0%	0
PROCUREMENT	9.00	23.00	25.00	25.00	0.0%	0
PROPERTY SERVICES	62.00	63.50	67.00	68.00	1.5%	1.00
RISK MANAGEMENT	9.00	9.00	9.00	9.00	0.0%	0
TREASURY	47.00	54.00	55.00	55.00	0.0%	0
Overall	239.00	240.50	250.00	251.00	0.4%	1.00





HUMAN RESOURCES DEPARTMENT (HR)

MISSION

Working together in a spirit of continuous improvement, the Human Resources Department provides leadership and guidance that fosters a work environment designed to meet the needs and challenges of a vibrant world-class city.

The department's team members demonstrate the following professional qualities, competencies and behaviors:

- **Strategic**. Provide people strategies in alignment with the City's vision and goals.
- **Talent-driven.** Recruit and retain great people to the City and help employees do their best work.
- **Partners.** Work hand in hand with leaders by providing innovative, value-added Human Resource solutions.
- **Ethical and Respectful.** Create policies, practices and processes designed to promote equity and fairness in employee decisions.

BUSINESS LINES: (DIVISIONS)

The Human Resources Department has four divisions: HR Administration, Employee Services, HR Technology Solutions and Strategic Workforce Solutions.

HR Administration – Provides leadership and oversight in the following areas:

- **Strategic Direction** - Ensures HR strategic direction aligns with City values and goals.
- **Civil Service Commission Process** - Ensures fair human resource practices in hiring, selection and promotions.
- **HR Policy Development, EEO/Affirmative Action Leadership** - Ensures affirmative action goals and timelines are developed and integrated into enterprise-wide business plans.
- **Human Resource Racial Equity Leadership** - Ensures integration of racial equity processes into HR programs, policies and practices.

Employee Services – Provides the following services:

- **Labor Relations** – Provides strategic and operational leadership for all of the City's collective bargaining:
  - Ensures compliance with MN Statute 179A
  - Ensures City has necessary tools to manage its labor related affairs
  - Develops and maintains productive relationships with unions
- **Benefits and Wellness**
  - Recommends benefits policy and strategy
  - Designs, negotiates and implements health and wellness programs
- **Classification Administration**
  - Maintains fair and objective system for valuing positions
- **Compensation Administration**
  - Recommends competitive compensation strategy and results
  - Ensures compliance with State's Pay Equity requirements

- **Employee Complaint Investigations**
    - Ensures discrimination and harassment complaints are investigated in a timely manner

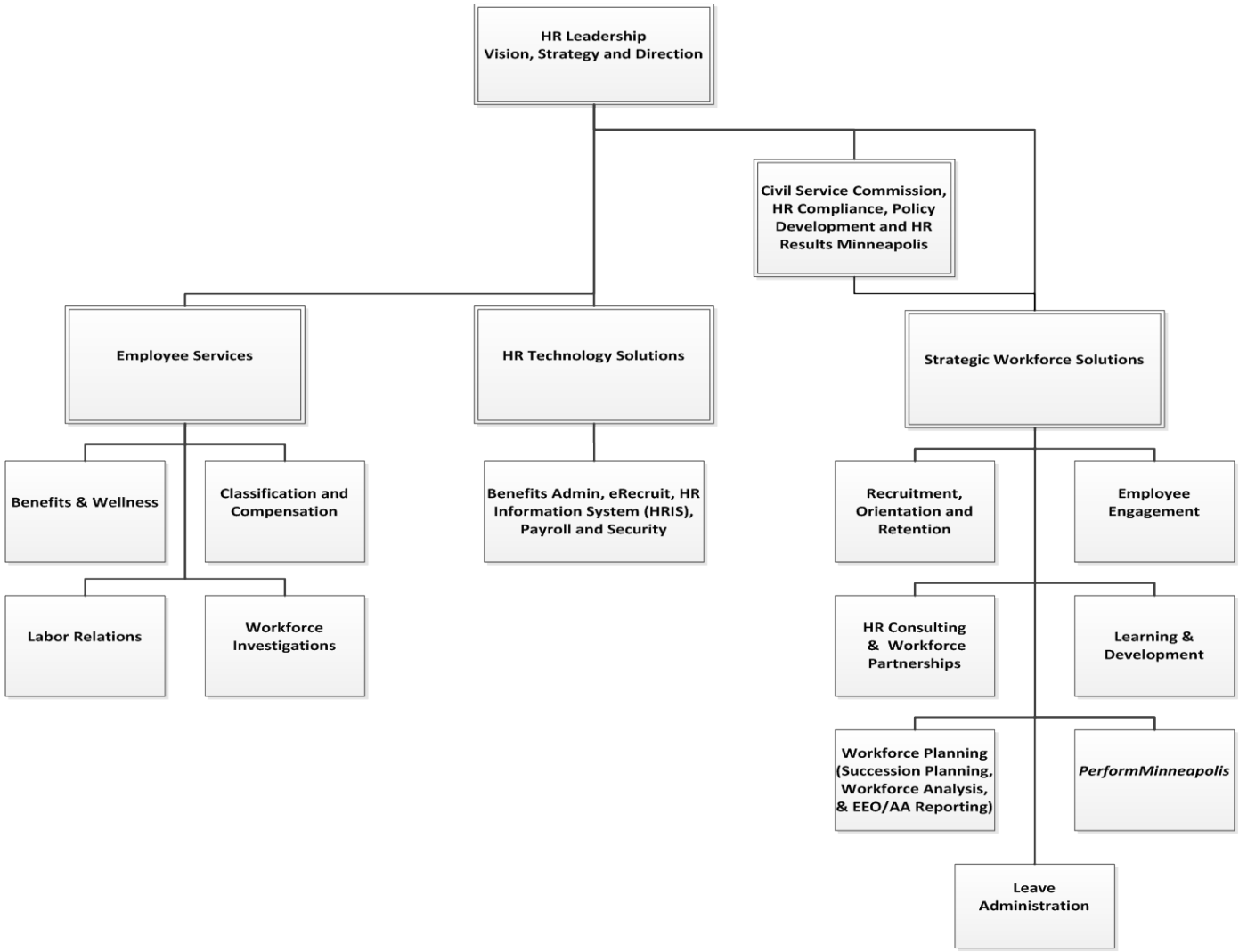
HR Technology Solutions - Provides technology solutions in the following areas:

- **Enterprise-wide applicant and employment information management**
- **City Works** - Applicant tracking, reporting and Management
- **Enterprise-wide learning information management**
- ***PerformMinneapolis*** - Performance Management System
- **Independent Boards and Agencies** - Information Management Support
- **NeoGov –** Applicant Tracking System

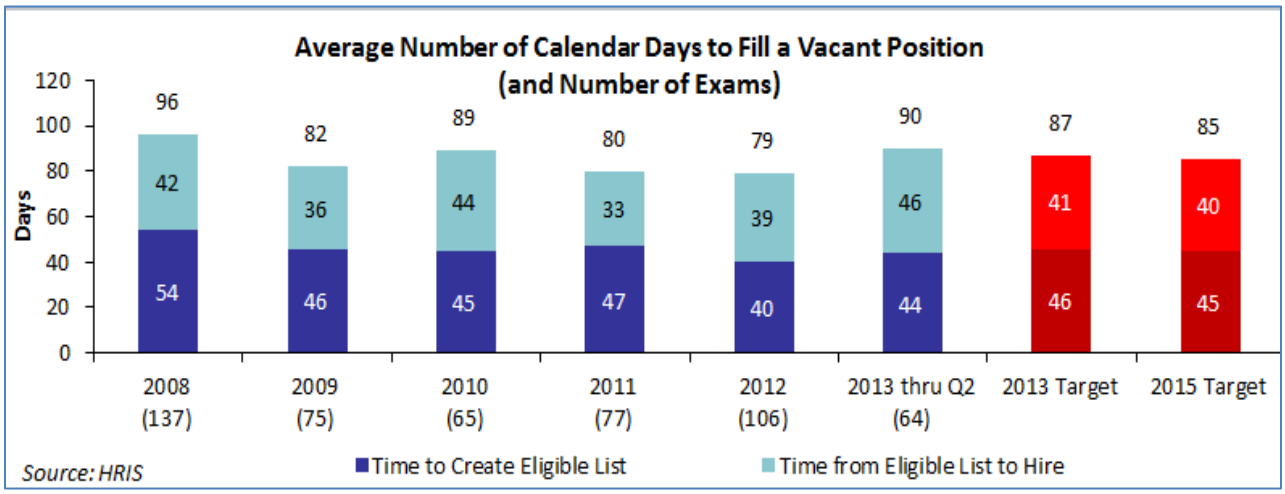
Strategic Workforce Solutions - Provides employee and organizational opportunities that enable increased employee skills and effective and efficient leadership of the employees who conduct the City's work. Programming is focused on attracting, retaining, leading and managing the City's workforce:

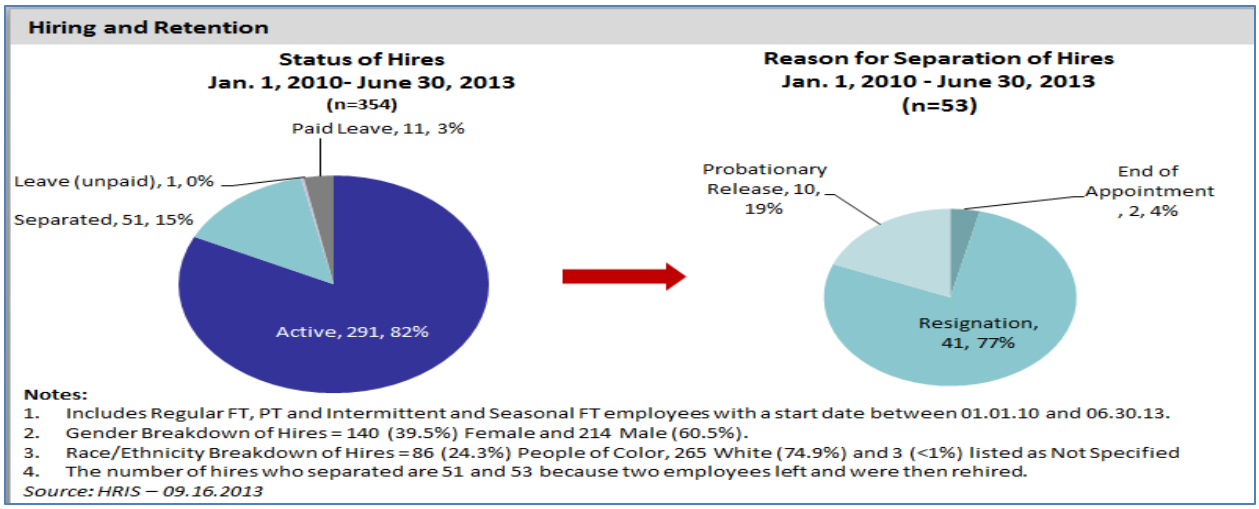
- **Recruitment and Retention**
    - Targeted recruitment
    - Applicant processing
    - Testing and interviewing
- **Performance Management Process**
    - Planning: Goal Setting
    - Monitoring: Ongoing feedback
    - Self-Review
    - Performance Review
- **Employee Engagement**
    - My Minneapolis Employee Engagement Survey: Survey Administration, Results Communication, Action Planning based on results
- **Orientation and Onboarding**
    - New Employee Orientation including access to online information
    - Supervisor's guide to online tools
- **Training and Development:**
    - Skills training for leaders, supervisors and individual contributors
- **Workforce Planning, Succession Management and Knowledge Transfer**
- **Legal Compliance:**
    - Oversight of compliance with Federal/State/Local laws and Civil Service Rules
    - Provides consultation on adherence to labor contracts
    - Leave administration

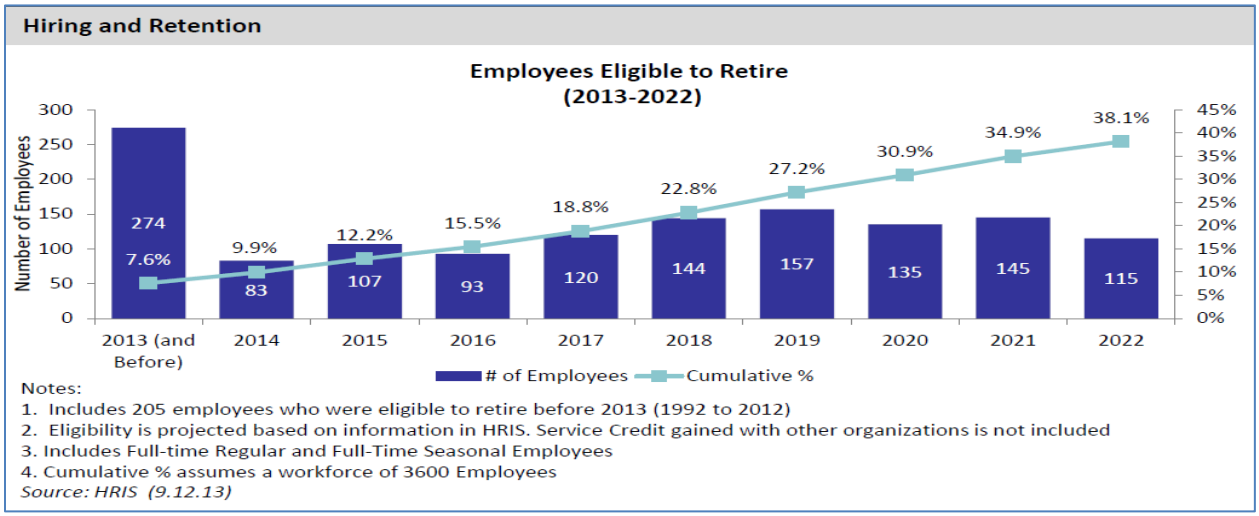
ORGANIZATION CHART

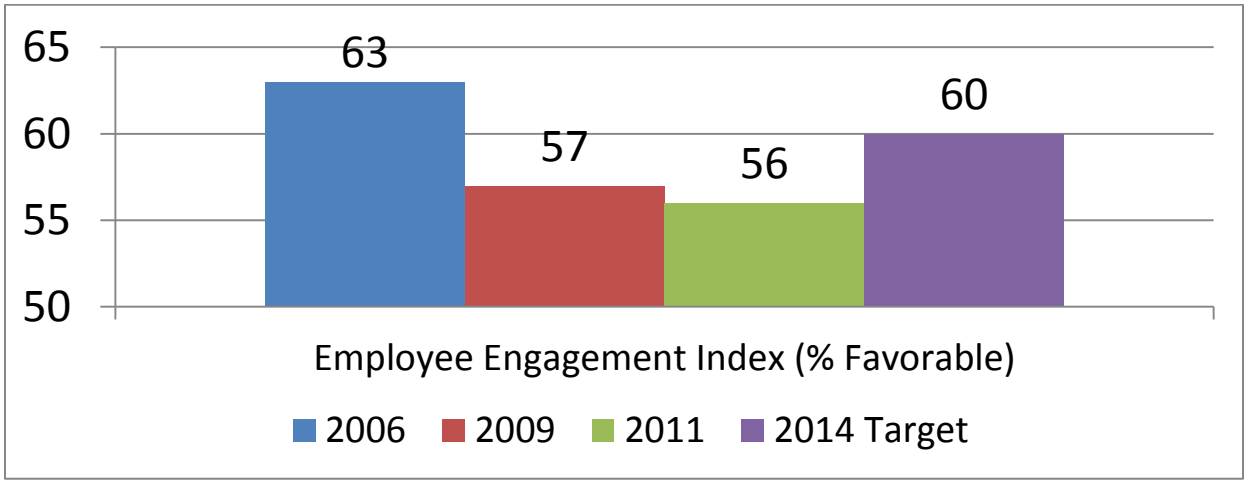


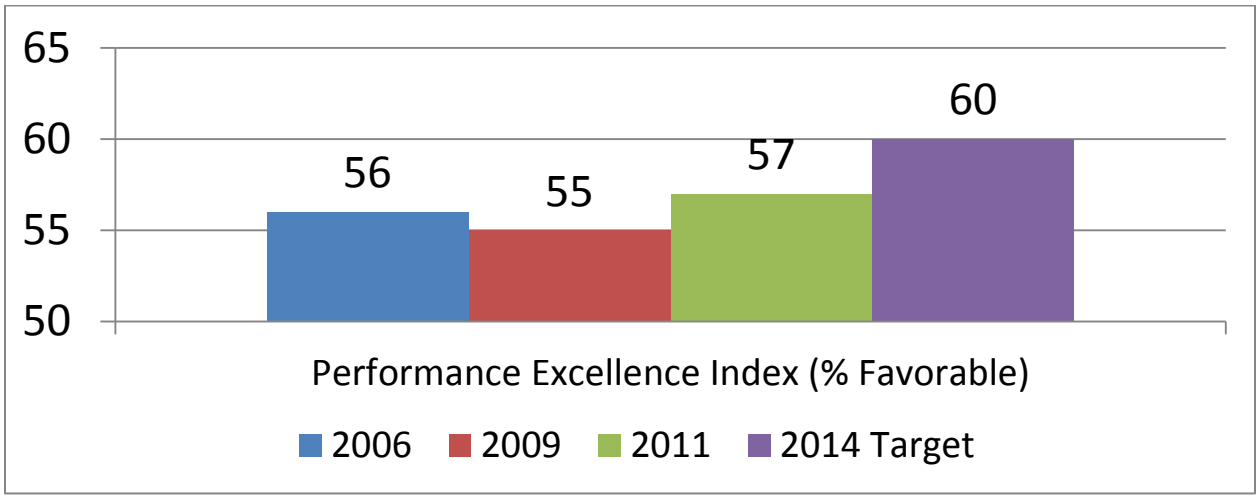
SELECTED RESULTS MINNEAPOLIS MEASURES








65
60
55
50
63
57
56
60
Employee Engagement Index (% Favorable)
2006
2009
2011
2014 Target


65
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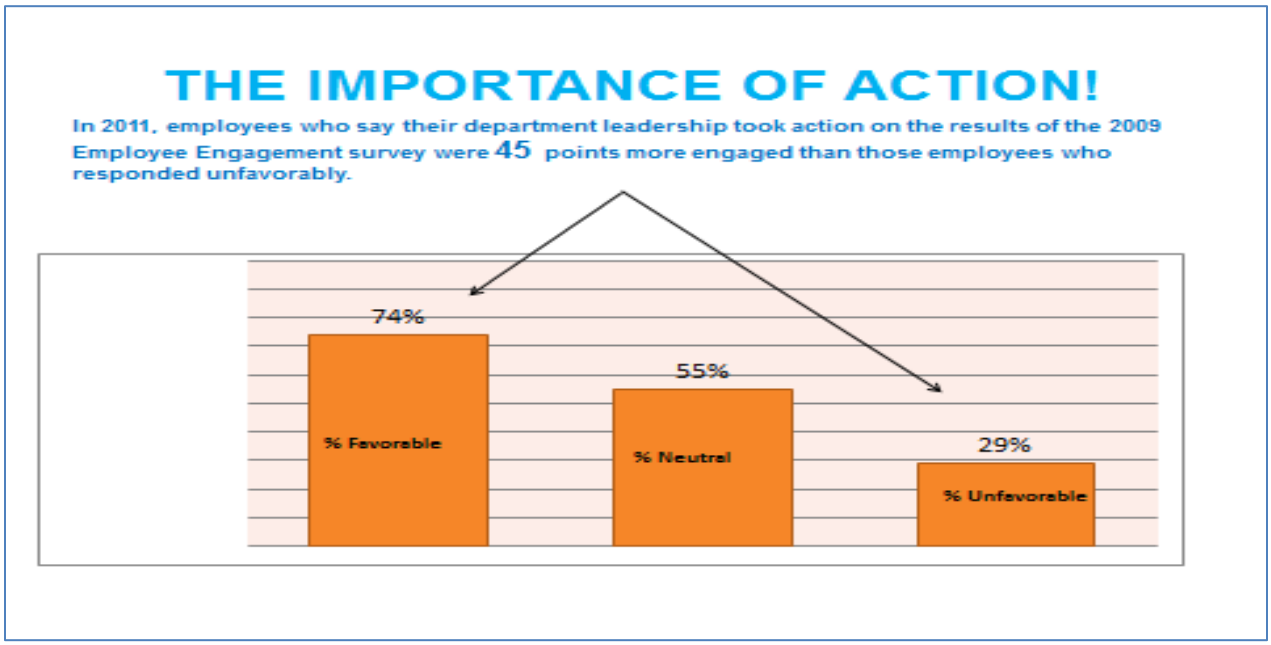
55
57
60
Performance Excellence Index (% Favorable)
2006
2009
2011
2014 Target


THE IMPORTANCE OF ACTION!
In 2011, employees who say their department leadership took action on the results of the 2009 Employee Engagement survey were 45 points more engaged than those employees who responded unfavorably.
74%
% Favorable
55%
% Neutral
29%
% Unfavorable

A City that Works

HR Administration General Fund: $2,474,851

Under the City Coordinator, the Director of Human Resources (Administration) directs the HR Department which includes Department Leadership, Civil Service Commission, Policy Development, HR Results Minneapolis and EEO and Affirmative Action leadership. HR Administration also oversees and manages the programs by allocating resources, planning, organizing, managing and controlling various activities so the HR Department can stay focused on its mission like ensures integration of racial equity processes into HR programs, policies and practices

HR Technology Solutions (HRTS) General Fund: $407,225
Other Funds: $572,441

HR Technology Solutions (HRTS) is responsible for the HR technology for City, Independent Boards, and Agencies. These technologies provide employees with pay, benefits, and ownership of their data. These technologies allow departments to track and report on key employee information that can support them in meeting their business goals.

Strategic Workforce Solutions General Fund: $3,575,750
Other Funds $300,714

Strategic Workforce Solutions provides employee and organizational opportunities that enable increased employee skills and effective and efficient leadership of the employees who conduct the City's work. Programming is focused on attracting, retaining, leading and managing the City's workforce; and includes: Recruitment and retention, Performance Management, Employee Engagement, Orientation and onboarding, Training and Development, Workforce Planning and Legal Compliance. The program encompasses HR Generalist Teams, Enterprise Learning & Development, *PerformMinneapolis,* Testing and Staffing Services, Workforce Planning and Leave Administration.

Enterprise Employee Recognition General Fund: $25,000

Enterprise Employee Recognition program responds to needs identified in 2011-12 Employee Engagement Survey and follow-up employee recognition survey done in 2013. The employee recognition survey found that more than 90 percent of City employees said they want their work to be valued and recognized and less than half felt their contributions are recognized in a meaningful way. Showing employees they are valued and supported aligns with newly adopted City values.

Living Well

Employee Services General Fund: $748,168
Other Funds: $983,277

Employee Services includes Benefits & Wellness, Classification, Compensation, Complaint Investigation and Labor Relations. The key activities essential in this program are: labor contract negotiation and administration, compensation administration, classification administration, complaint investigation, and benefits administration, including negotiating and

implementing employee healthcare, life and long-term disability insurance, dental care, all other benefit plans, and wellness programs.

FINANCIAL ANALYSIS

Expenditure

The total Human Resources Department's council adopted budget increases from $8.7 million to $9.1 million from 2014 to 2015. This is an increase of $0.4 million, or 4.5%. The Human Resources Department's 2015 expenditure budget reflects the following changes from 2014:

- $100,000 for 1 FTE to support the Strategic Workforce Solutions program
- $35,000 for NeoGov – an Applicant Tracking System
- $25,000 for an employee recognition program.

Revenue

Revenues are projected to increase by 7.5% in this department due to increases in charges for services provided through internal service funding. The department's total revenues in 2015 are projected to be $1.5 million.

Fund Allocation

This department is funded primarily by the General Fund, with the remainder of the department's funding found in the Intergovernmental Services Fund and the Self Insurance Fund.

Mayor's Recommended Budget

The Mayor recommended the following ongoing General Fund allocations: $25,000 for an Enterprise Employee Recognition program designed to respond to needs identified in the 2011-12 Employee Engagement Survey, and $35,000 for the annual licensing fees for the NEOGOV Applicant Tracking System. The 2015 Budget also reallocates funding from Public Works to provide for strategic employment services provided by Human Resources staff, but targeted for Public Works employment needs.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

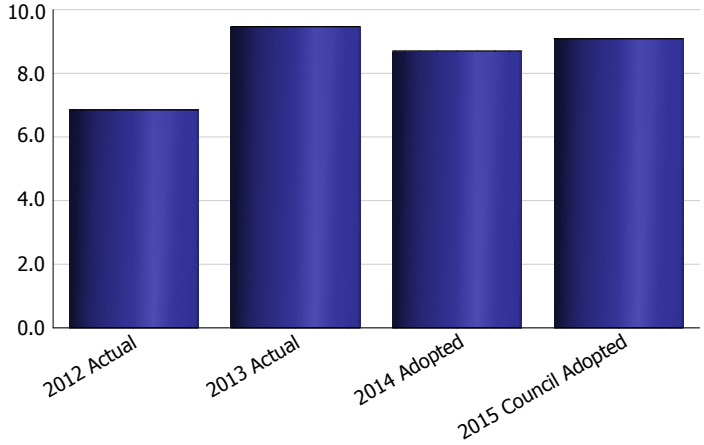
HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,412,306	2,442,984	3,057,305	3,160,006	3.4%	102,701
FRINGE BENEFITS	788,173	850,314	1,241,324	1,281,784	3.3%	40,460
CONTRACTUAL SERVICES	1,416,343	2,648,363	1,902,856	1,895,019	-0.4%	(7,837)
OPERATING COSTS	571,139	707,680	784,739	894,185	13.9%	109,446
TOTAL GENERAL	**5,187,960**	**6,649,341**	**6,986,224**	**7,230,994**	**3.5%**	**244,770**
SPECIAL REVENUE						
CONTRACTUAL SERVICES	(580)					0
TOTAL SPECIAL REVENUE	**(580)**					**0**
INTERNAL SERVICE						
SALARIES AND WAGES	685,082	1,523,847	716,927	775,358	8.2%	58,431
FRINGE BENEFITS	250,672	241,866	270,851	299,371	10.5%	28,521
CONTRACTUAL SERVICES	688,977	1,015,557	651,470	709,116	8.8%	57,646
OPERATING COSTS	41,364	35,909	72,586	72,586	0.0%	0
TOTAL INTERNAL SERVICE	**1,666,095**	**2,817,179**	**1,711,834**	**1,856,432**	**8.4%**	**144,598**
TOTAL EXPENSE	**6,853,475**	**9,466,519**	**8,698,058**	**9,087,426**	**4.5%**	**389,368**

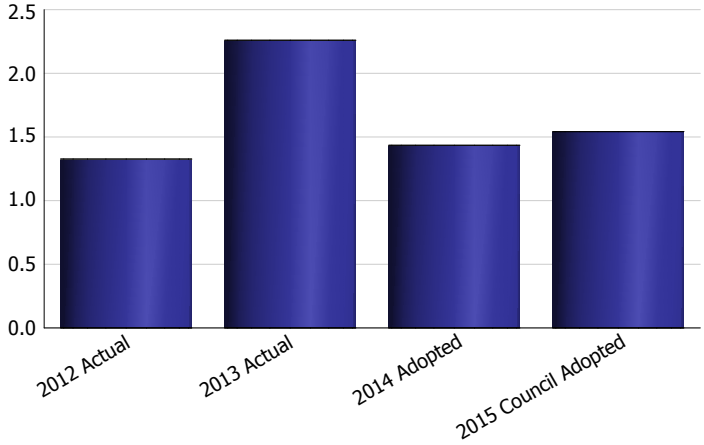
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES		250			0.0%	0
OTHER MISC REVENUES	135	12,040			0.0%	0
GENERAL	**135**	**12,290**				**0**
INTERNAL SERVICE						
CHARGES FOR SERVICES	1,271,371	2,194,379	1,434,713	1,541,914	7.5%	107,201
FINES AND FORFEITS		53,151			0.0%	0
OTHER MISC REVENUES	54,805	23			0.0%	0
INTERNAL SERVICE	**1,326,175**	**2,247,553**	**1,434,713**	**1,541,914**	**7.5%**	**107,201**
TOTAL REVENUE	**1,326,310**	**2,259,842**	**1,434,713**	**1,541,914**	**7.5%**	**107,201**

HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION

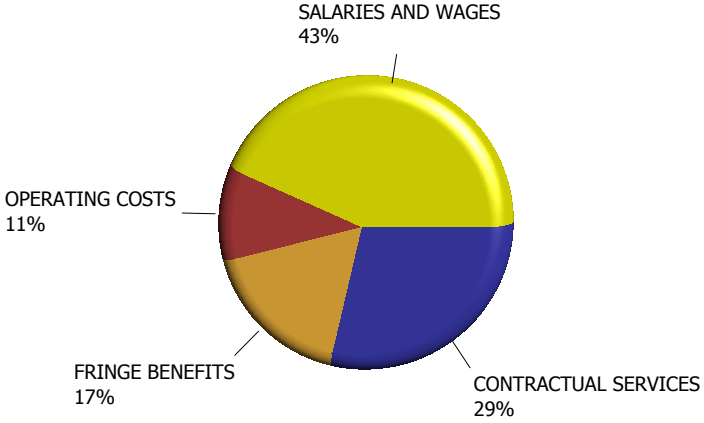
Expense 2012 - 2015
In Millions



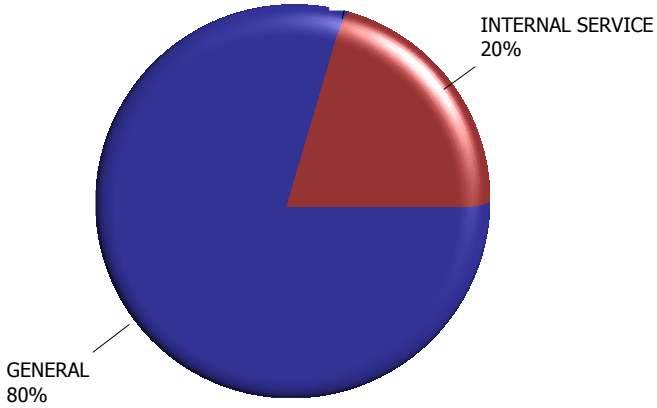
Revenue 2012 - 2015
In Millions



Expense by Category



Expense by Fund

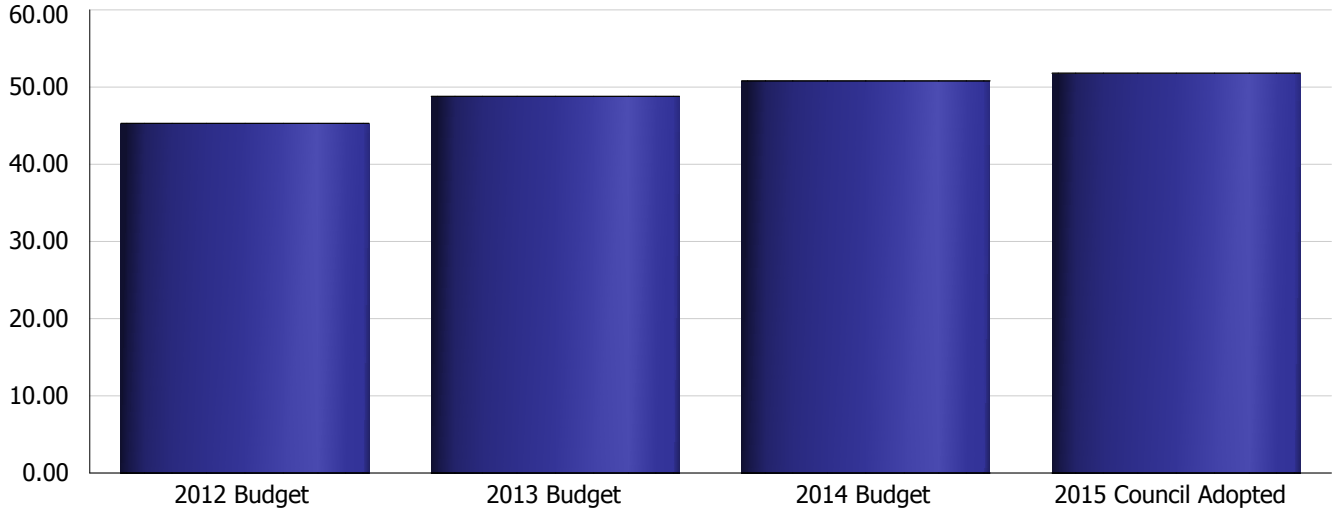


HUMAN RESOURCES

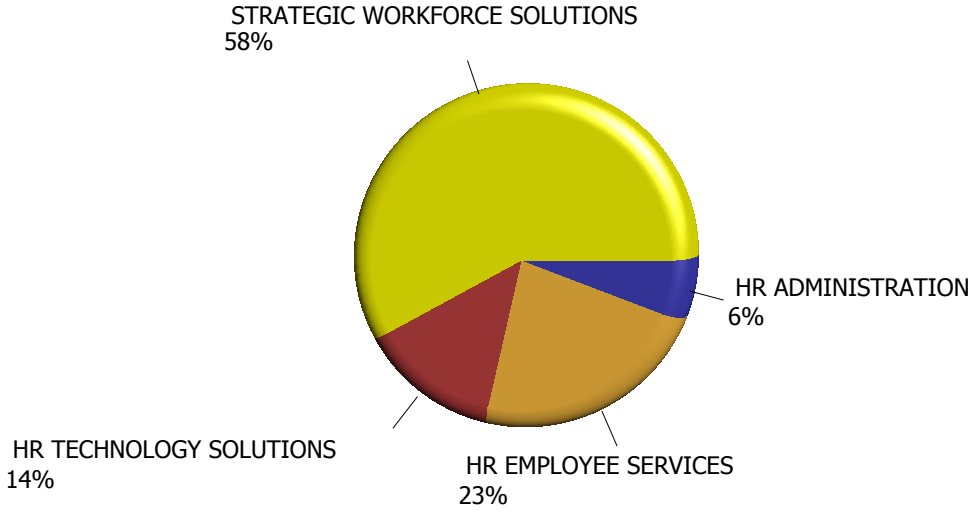
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
HR ADMINISTRATION	9.00	10.00	12.00	3.00	-75.0%	(9.00)
HR EMPLOYEE SERVICES	10.30	11.80	11.80	11.80	0.0%	0
HR TECHNOLOGY SOLUTIONS		5.00	6.00	7.00	16.7%	1.00
STRATEGIC WORKFORCE SOLUTIONS	26.00	22.00	21.00	30.00	42.9%	9.00
Overall	45.30	48.80	50.80	51.80	2.0%	1.00

Positions 2012-2015



Positions by Divison



INFORMATION TECHNOLOGY

MISSION

The mission of Information Technology is to deliver innovative, high quality, cost effective civic enablement, decision support, infrastructure and workforce empowerment services to City departments and residents in support of their business goals and objectives. Information Technology (IT) strives to be a valued partner to *transform Minneapolis through technology* by providing innovative technology solutions to meet City needs, challenges and opportunities.

BUSINESS LINES

Civic Enablement Services

As the world becomes increasingly tied to and reliant on digital technology and easy access to information, the City must ensure its residents and businesses are digitally literate so they can engage in important dialogs about their place and interests. Digital technology has the capability to enable residents and businesses to take a greater role in governing and to increase civic participation. Civic Enablement Services will address the digital equity gap by getting households access to the Internet and ensuring an appreciation of the value proposition for embracing the digital society; address the opportunity gap by fostering programs which train adults for professional careers; provide 21st century civic engagement tools and practices; facilitate a strong digital infrastructure; and provide a hi-tech, business friendly environment. IT accomplishes this through professional services contracts and IT staff.

Decision Support Services

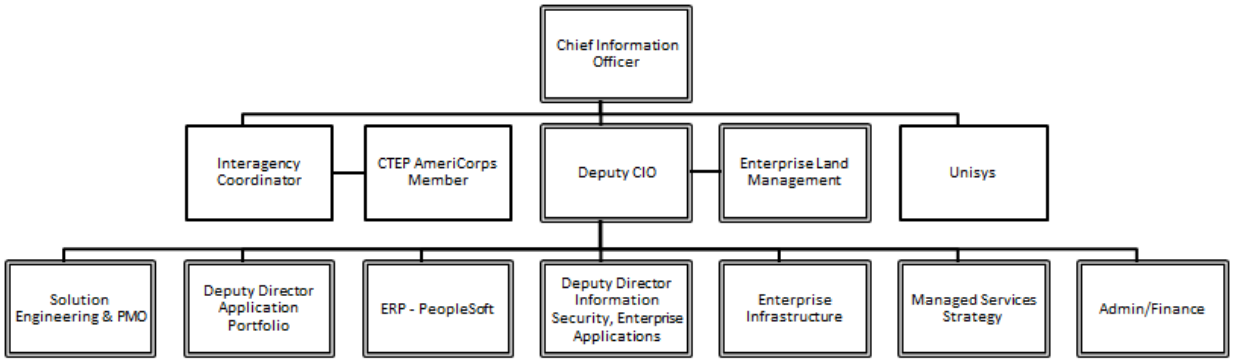
City workers need real-time, integrated information from a digitized city. The City's computing applications make use of electronic data that requires databases and analytic tools to be architected, installed, configured, administered (capacity management, security, performance management, etc.) and maintained. IT accomplishes this through managed services contracts, professional services contracts and IT staff.

Infrastructure Services

City workers need reliable and effective information services to do their job. The City's computing applications run on computers embedded in networks that require architecture, installation, configuration, administration (capacity management, security, performance management, etc.) and maintenance services. 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 are transported through land line and wireless City networks. IT accomplishes this through managed services contracts, telecommunications services contracts and IT staff.

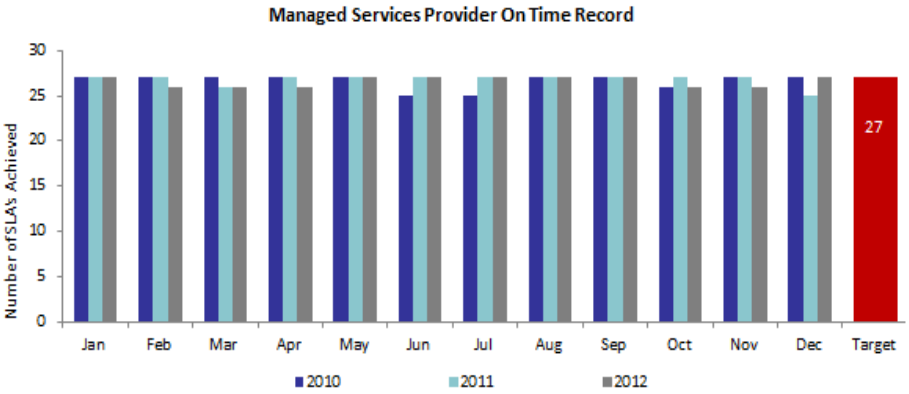
Workforce Empowerment Services
City workers rely on systems of record applications and other information technology to function. Computer software systems and applications require project management, requirements gathering, business and technical architecture, installation, configuration, administration and maintenance activities. IT accomplishes this through several professional services contracts and IT staff.

ORGANIZATION CHART

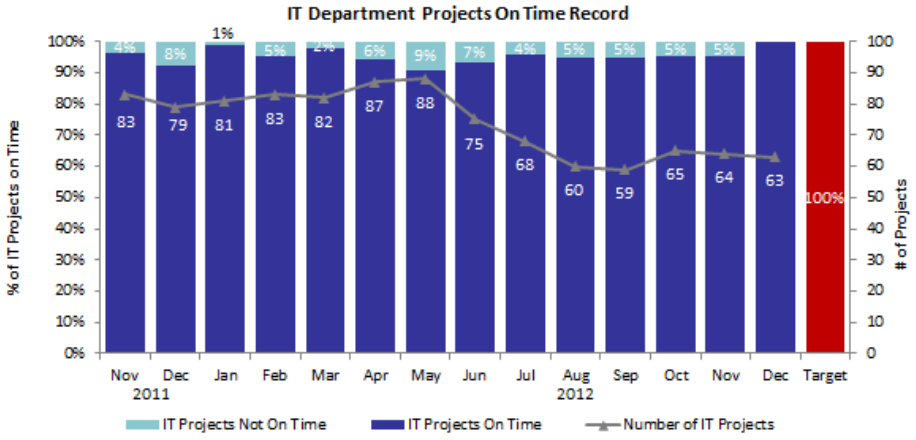


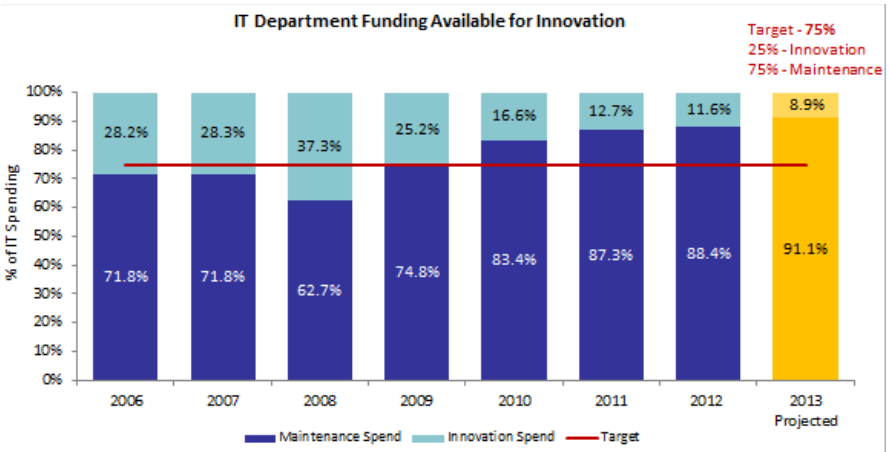
SELECTED RESULTS MINNEAPOLIS MEASURES

Operational Excellence: IT Delivered On Time

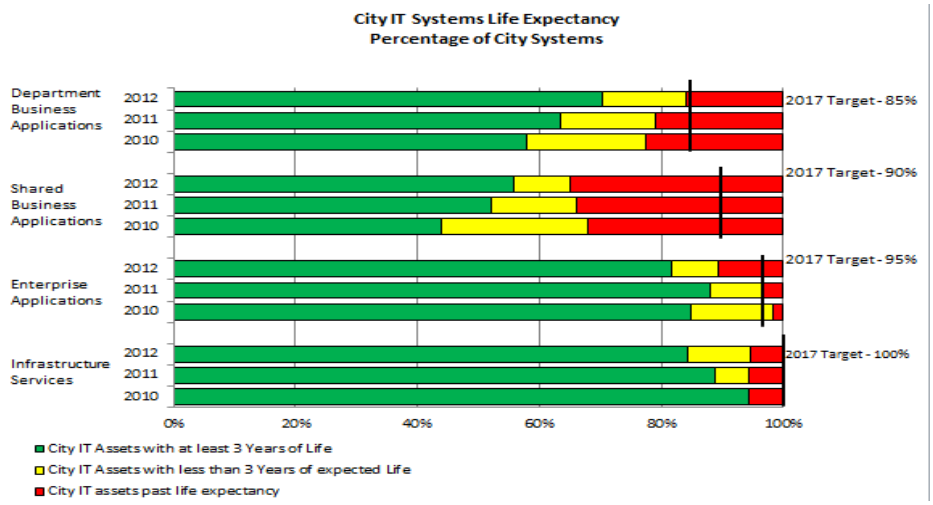


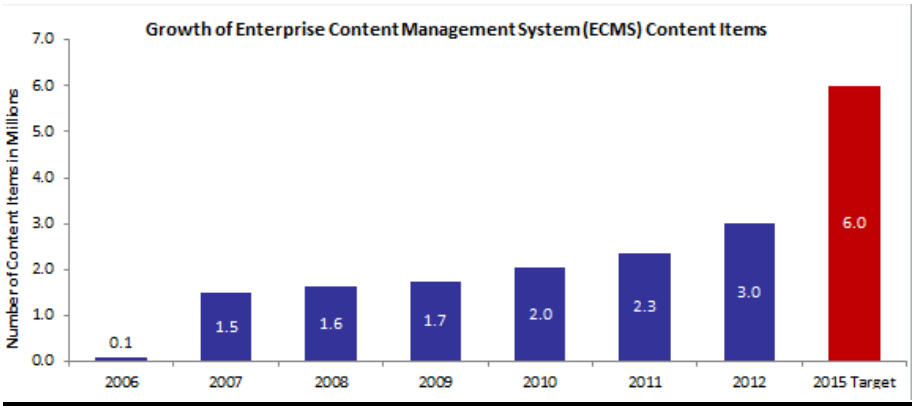
Note: Service Level Agreements (SLAs) are not at zero outages





Note: Innovation IT expenditures are IT department dollars spent for the advancement of new initiatives or new technology within the City. Maintenance expenditures are defined as costs to maintain existing technology.





A City that Works

Workforce Empowerment Services Other Funds: $12,691,768

Workforce empowerment services leverages technology to increase worker productivity. It includes the project management office, contract administration, IT solutions and engineering, and portfolio management for ERP, Public Safety, and Land Management.

Decision Support Services Other Funds: $2,948,596

The Decision support services program utilizes technology to turn the city's data into information and knowledge for better decision making. The program supports enterprise applications for document management, business intelligence, and advanced analytics. It provides solution development and engineering.

Infrastructure Services Other Funds: $20,708,596

The Infrastructure Services program maintains computers and networks for high availability, reliability and performance. It includes architect services, and oversight of managed services and broadband services contracts. Enterprise applications such as email and office applications, telecommunications and network services as well as copiers are also included in this program.

One Minneapolis

Digital and Opportunity Gaps Other Funds: $218,838

Program focuses on closing the digital equity gap by getting residents to fully participate in the digital society.

FINANCIAL ANALYSIS

Expenditure
For 2015, the Information Technology Department's budget is $36.6 million, an increase of 24.1% over the 2014 budget of $29.5 million. Contractual services are projected to be $7.3 million higher in 2015 for service support and contract management systems. The department's FTE count is not changing in the 2015 budget, and remains at 60. The 2014 budget included a one-time $725,000 of General Fund appropriation and the 2015 budget is completely funded by the Intergovernmental Services Fund.

Revenue
In 2015, the department anticipates $30.6 million in revenue, a 7.1% increase from 2014. These revenues result from internal services charges to other departments.

Fund Allocation
This department is funded 100% in the Intergovernmental Services Fund.

Mayor's Recommended Budget
The Mayor recommended no changes to this department's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

INFORMATION TECHNOLOGY
EXPENSE AND REVENUE INFORMATION

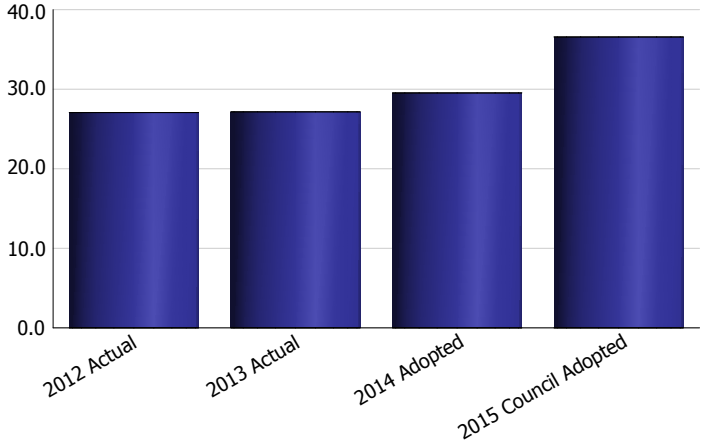
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES			193,197		-100.0%	(193,197)
FRINGE BENEFITS			31,803		-100.0%	(31,803)
CONTRACTUAL SERVICES	35,111	100,406	500,000		-100.0%	(500,000)
OPERATING COSTS	14,889					0
TOTAL GENERAL	**50,000**	**100,406**	**725,000**		**-100.0%**	**(725,000)**
SPECIAL REVENUE						
CONTRACTUAL SERVICES	25,000					0
TOTAL SPECIAL REVENUE	**25,000**					**0**
INTERNAL SERVICE						
SALARIES AND WAGES	3,911,399	4,088,676	5,595,871	5,794,593	3.6%	198,722
FRINGE BENEFITS	1,266,970	1,364,188	1,866,013	1,929,740	3.4%	63,727
CONTRACTUAL SERVICES	19,771,928	18,894,599	20,070,548	27,338,631	36.2%	7,268,083
OPERATING COSTS	2,040,247	2,711,824	1,159,577	1,385,730	19.5%	226,153
CAPITAL			119,105	119,105	0.0%	0
TOTAL INTERNAL SERVICE	**26,990,544**	**27,059,287**	**28,811,114**	**36,567,799**	**26.9%**	**7,756,686**
TOTAL EXPENSE	**27,065,544**	**27,159,693**	**29,536,114**	**36,567,799**	**23.8%**	**7,031,685**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	25,000				0.0%	0
SPECIAL REVENUE	**25,000**					**0**
INTERNAL SERVICE						
CHARGES FOR SALES	9,023	4,156			0.0%	0
CHARGES FOR SERVICES	31,282,731	32,307,625	28,615,033	30,641,631	7.1%	2,026,598
FEDERAL GOVERNMENT	11,631				0.0%	0
LONG TERM LIABILITIES PROCEEDS				1,672,832	0.0%	1,672,832
OTHER MISC REVENUES		34,543			0.0%	0
INTERNAL SERVICE	**31,303,385**	**32,346,324**	**28,615,033**	**32,314,463**	**12.9%**	**3,699,430**
TOTAL REVENUE	**31,328,385**	**32,346,324**	**28,615,033**	**32,314,463**	**12.9%**	**3,699,430**

INFORMATION TECHNOLOGY
EXPENSE AND REVENUE INFORMATION

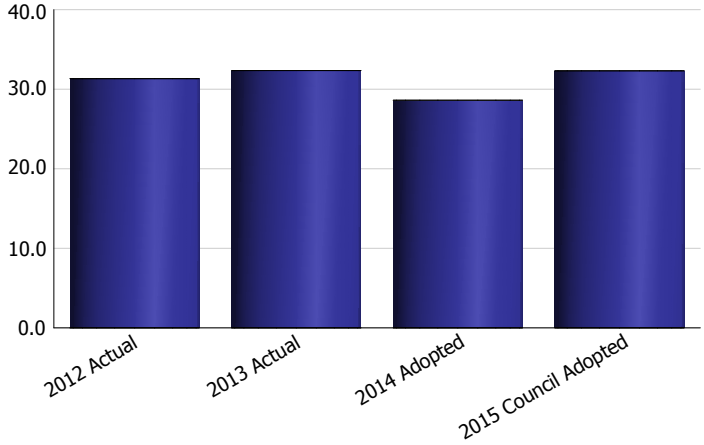
Expense 2012 - 2015

In Millions

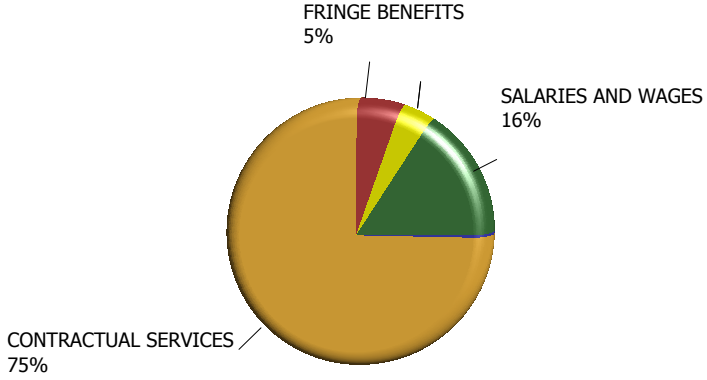


Revenue 2012 - 2015

In Millions



Expense by Category

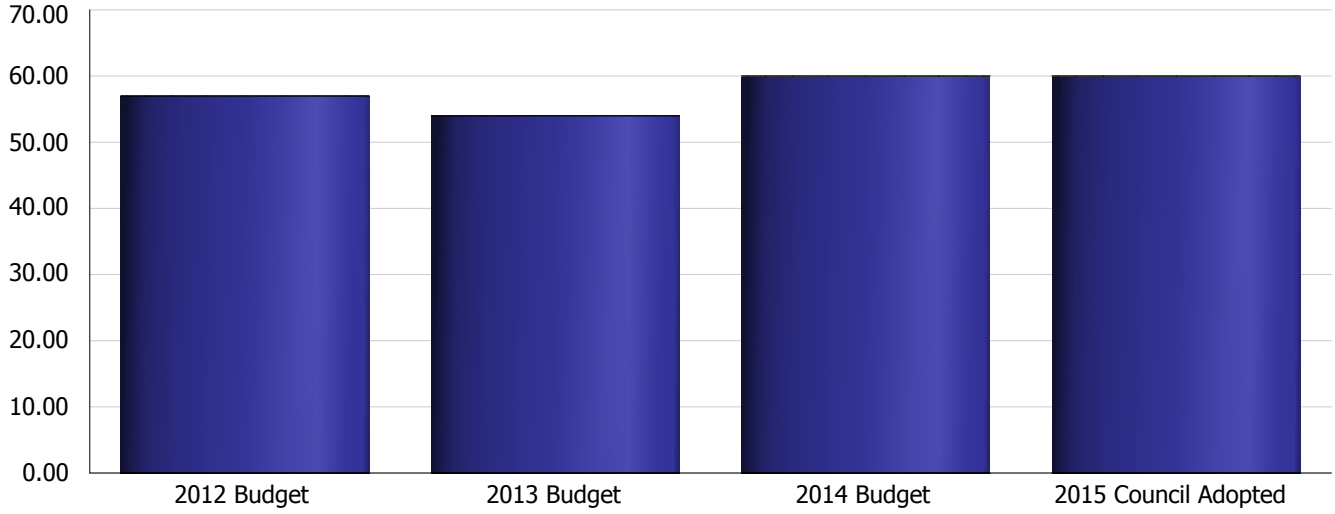


INFORMATION TECHNOLOGY

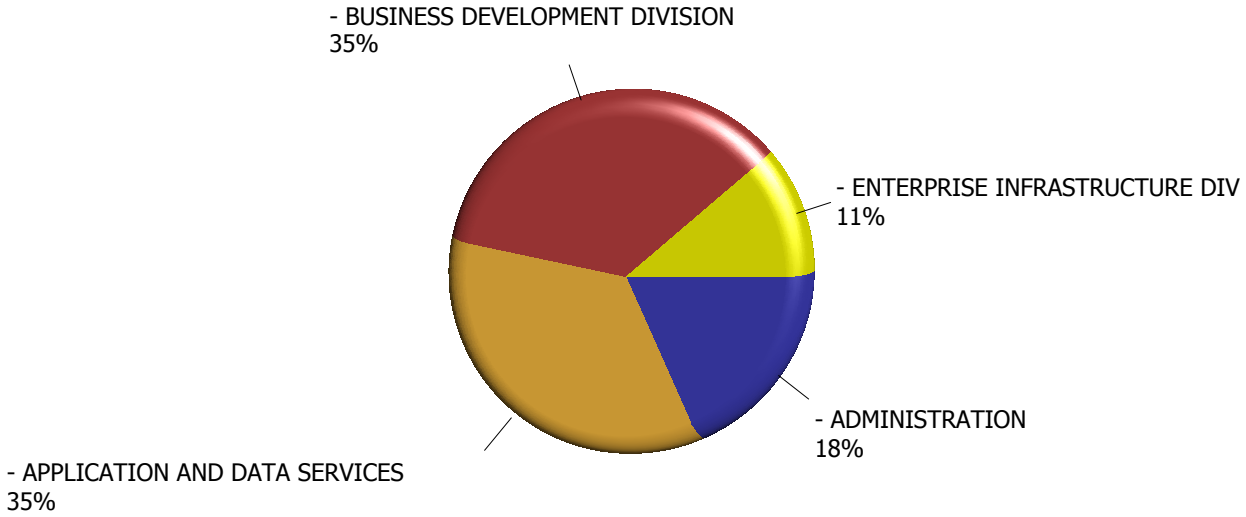
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
ADMINISTRATION	7.00	7.00	12.00	11.00	-8.3%	(1.00)
APPLICATION AND DATA SERVICES	25.00	21.00	21.00	21.00	0.0%	0
BUSINESS DEVELOPMENT DIVISION	18.00	19.25	20.25	21.25	4.9%	1.00
ENTERPRISE INFRASTRUCTURE DIV	7.00	6.75	6.75	6.75	0.0%	0
Overall	57.00	54.00	60.00	60.00	0.0%	0.00

Positions 2012-2015



Positions by Divison



INTERGOVERNMENTAL RELATIONS

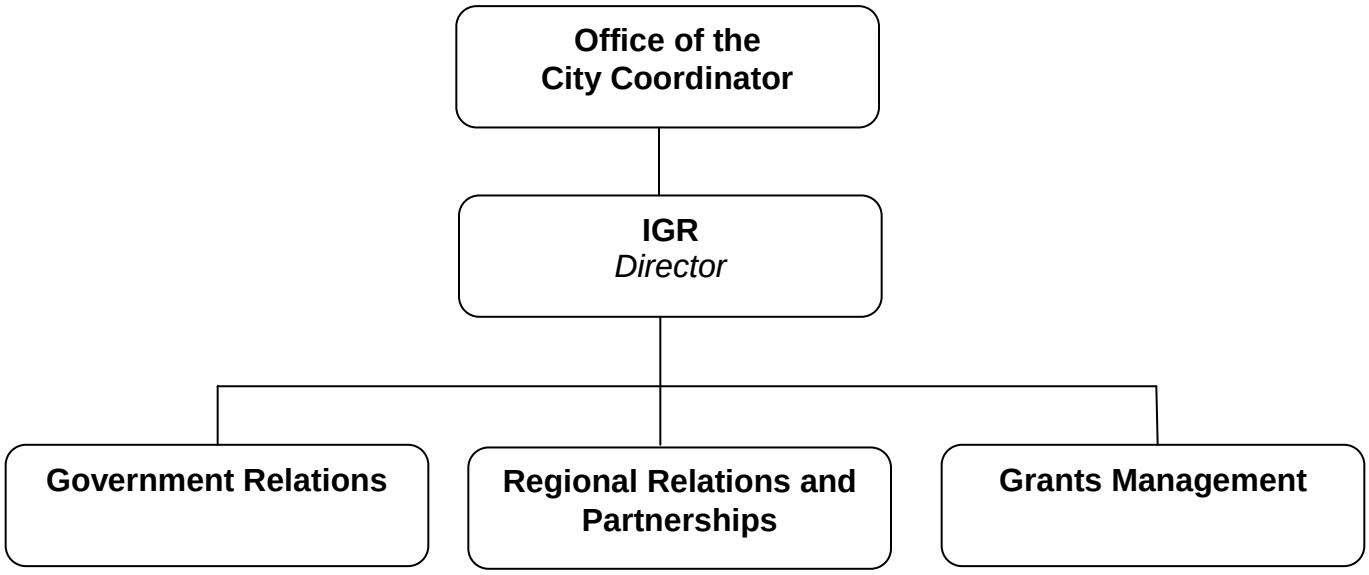
MISSION

Effectively represent 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.

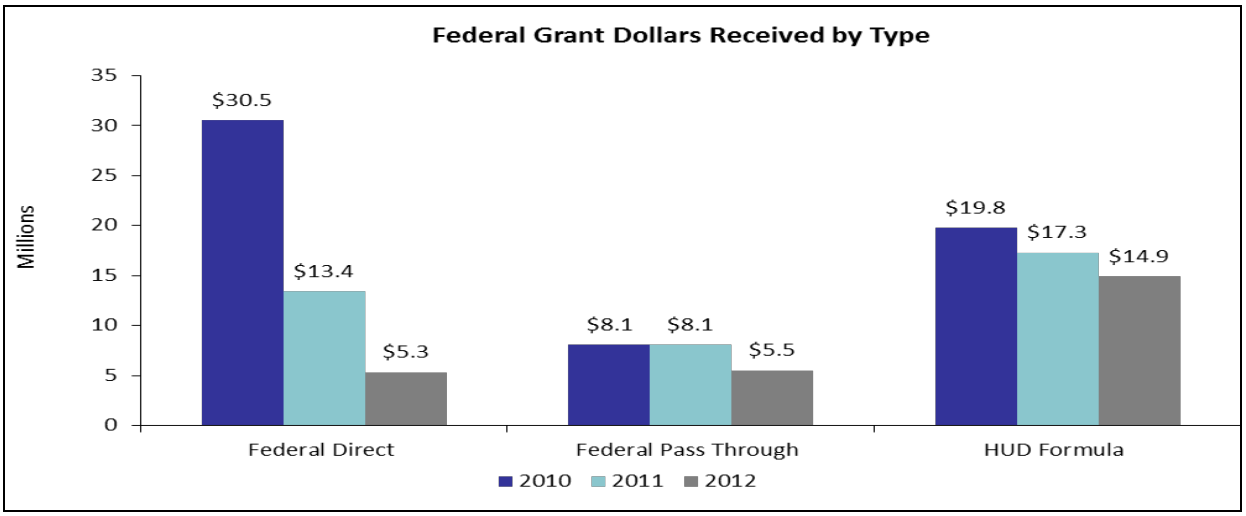
BUSINESS LINES

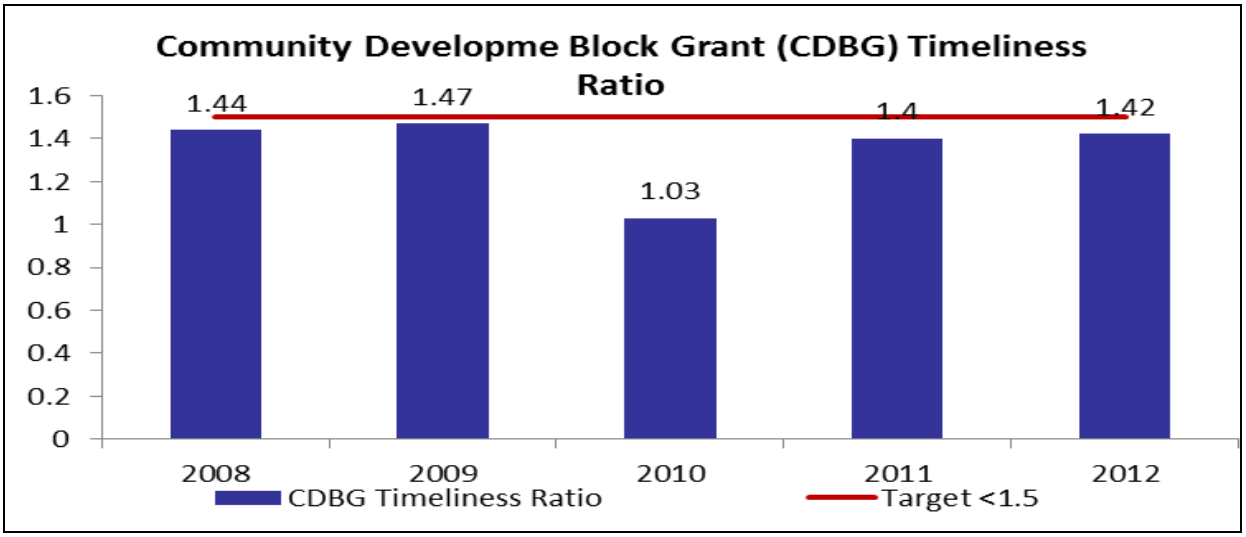
- Consolidated Plan / Federal and Grant Management
- Federal Government Relations
- State Government Relations
- Regional Relations and Partnerships

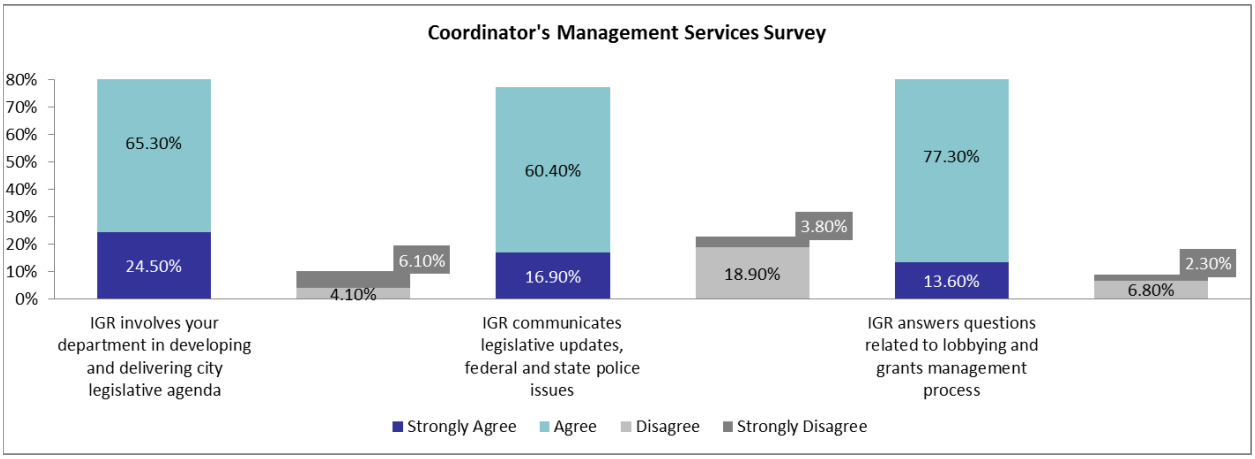
ORGANIZATION CHART

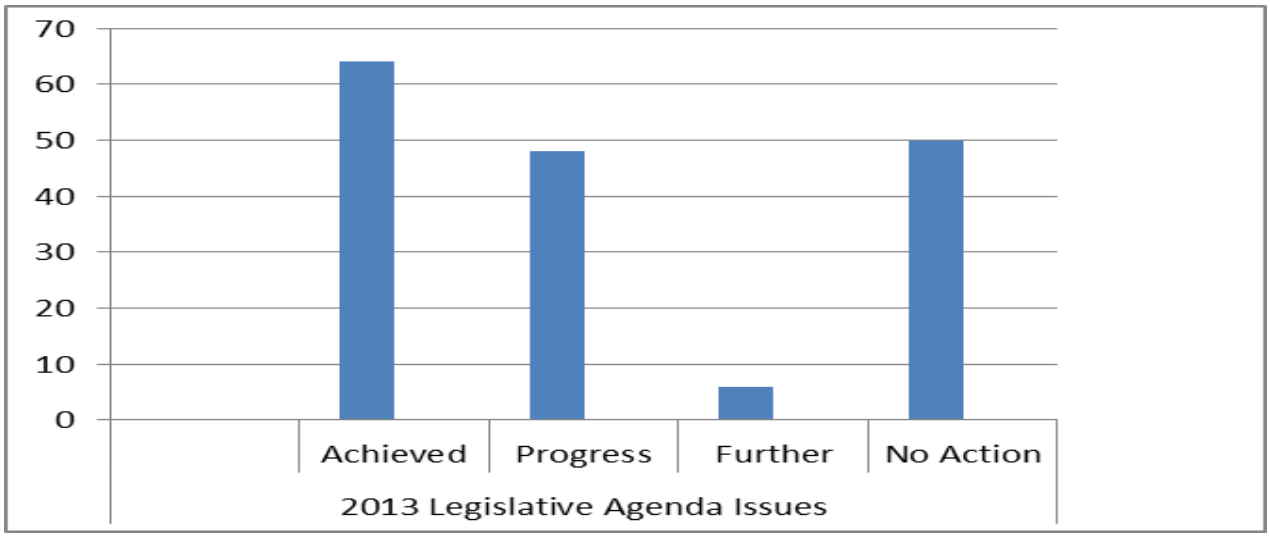


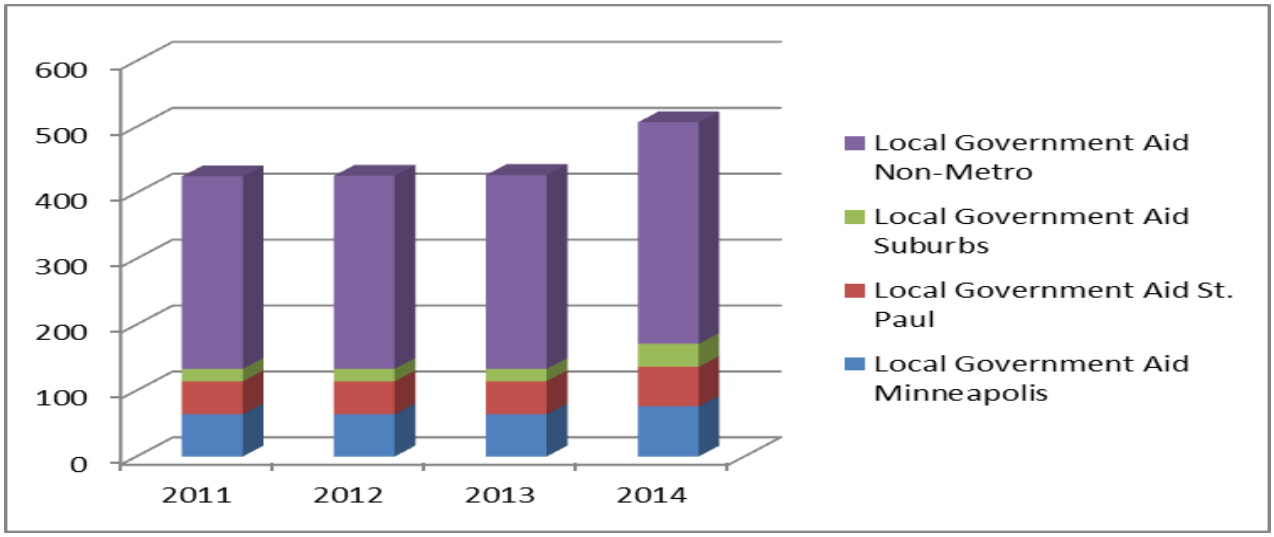
SELECTED RESULTS MINNEAPOLIS MEASURES











Great Places

Consolidated Plan/Federal and Grant Management

General Fund: $184,422
Other Funds: $1,276,017

The program is responsible for the administration of the community development (CD) programs funded by the US Department of Housing and Urban Development (HUD). 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, management of subcontracts, on-site monitoring and payments to vendors and contractors.

One Minneapolis

Federal Government Relations General Fund: $315,292

The program advocates for both legislative and administrative policies on behalf of the City to Congress and federal agencies. The work in Washington, D.C. 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: $734,648

The program develops and implements the City's state legislative agenda. The program works with all City departments and elected officials to identify key legislative priorities for the City in the upcoming legislative session. Involvement includes, but is not limited to, proposing and drafting legislation, attending City Council meetings and legislative hearings, testifying at committee meetings, providing information related to legislative proposals and working with executive branch agencies and constitutional officers. The program also involves policy monitoring and development with other units of government such as the Metropolitan Council, Hennepin County and other cities.

Regional Relations and Partnerships General Fund: $278,212

The Regional Relations and 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 also provides assistance in growing and enhancing the elected and staff leadership relationship with the Metropolitan Council related with the program Federal, State and Private Policy and Grant Initiatives. The program staffs the development, advocacy and implementation of enterprise projects as needed. This program also consists of memberships in affinity groups providing generalized research assistance in support of the government relations program proposals.

Financial Analysis

Expenditure
The total Intergovernmental Relations' Department's council adopted budget decreases from $2.83 million to $2.79 million from 2014 to 2015. This is a decrease of $37 thousand, or 1.3%. The Intergovernmental Relations' Department's 2015 expenditure budget reflects an increase of $15,000 in State Government Relations activities.

Revenue
This department does not generate revenue.

Fund Allocation
This department is funded primarily by the General Fund, with the remainder of the department's funding found in the Special Revenue grant funds relating to grants management.

Mayor's Recommended Budget
The Mayor recommended $15,000 in one-time funding for staff development in areas such as program management, policy analysis and development, leadership and negotiations, as well as a summer intern to assist in all program areas.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed the Intergovernmental Services Department's staff to lead a staff workgroup to identify opportunities for the City to support the Minneapolis implementation for the Presidential executive order on immigration and bring forward a proposal with a recommended resolution acknowledging the City's commitment.

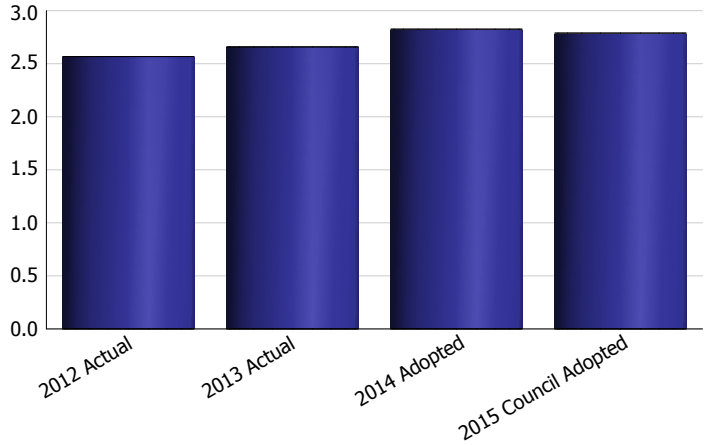
INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	443,473	462,488	601,366	570,989	-5.1%	(30,377)
FRINGE BENEFITS	146,894	138,140	210,029	183,909	-12.4%	(26,119)
CONTRACTUAL SERVICES	530,209	417,676	503,228	519,263	3.2%	16,035
OPERATING COSTS	220,595	284,175	316,536	238,413	-24.7%	(78,123)
CAPITAL			2,500		-100.0%	(2,500)
TOTAL GENERAL	**1,341,172**	**1,302,479**	**1,633,658**	**1,512,574**	**-7.4%**	**(121,084)**
SPECIAL REVENUE						
SALARIES AND WAGES	175,823	170,572	150,536	168,027	11.6%	17,491
FRINGE BENEFITS	56,391	55,391	53,989	58,200	7.8%	4,211
CONTRACTUAL SERVICES	993,601	1,130,022	987,475	1,049,790	6.3%	62,315
OPERATING COSTS	517	364				0
TOTAL SPECIAL REVENUE	**1,226,332**	**1,356,349**	**1,192,000**	**1,276,017**	**7.0%**	**84,017**
TOTAL EXPENSE	**2,567,503**	**2,658,827**	**2,825,659**	**2,788,592**	**-1.3%**	**(37,067)**

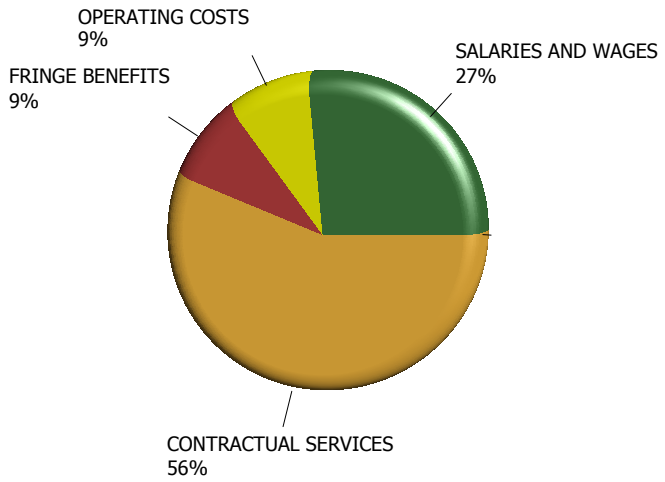
INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION

Expense 2012 - 2015

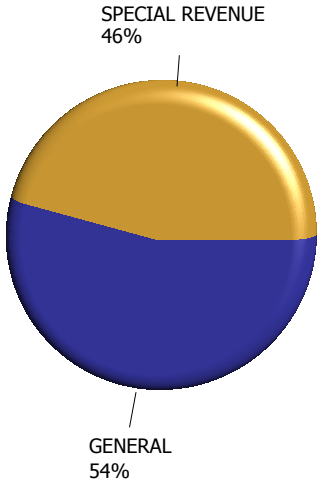
In Millions



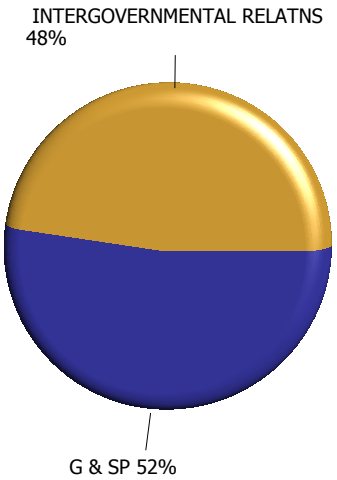
Expense by Category



Expense by Fund



Expense by Division

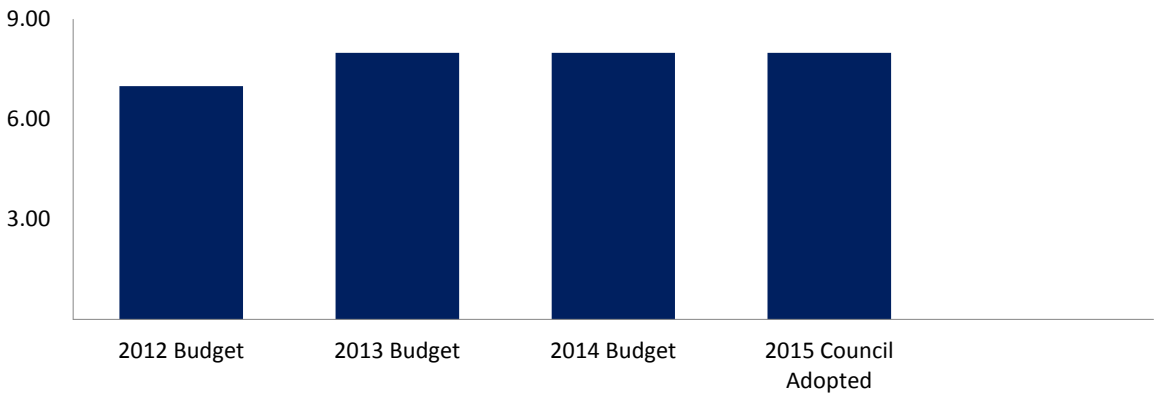


INTERGOVERNMENTAL RELATIONS

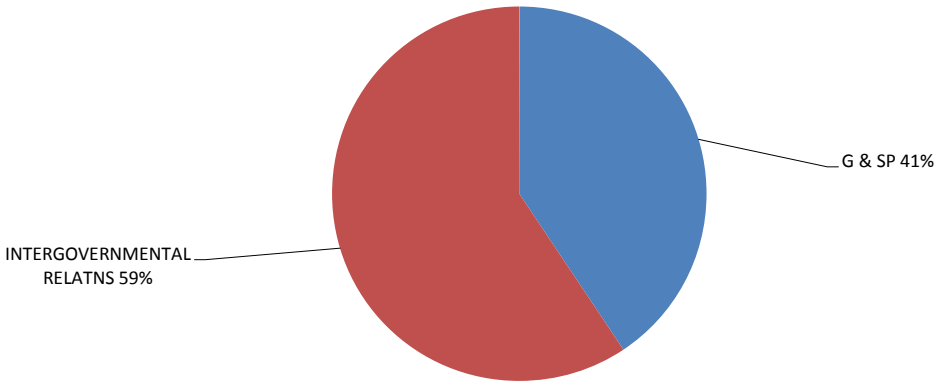
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
G & SP	2.68	3.68	3.25	3.25	0.0%	0
INTERGOVERNMENTAL RELATNS	4.32	4.32	4.75	4.75	0.0%	0
Overall	7.00	8.00	8.00	8.00	0.0%	0

Positions 2012-2015



Positions by Divison



NEIGHBORHOOD AND COMMUNITY RELATIONS

MISSION

The mission of Neighborhood and Community Relations (NCR) department is to strengthen the 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. Access and Outreach Support

   The Access and Outreach Team provides support for a broad range of engagement activities to cultural communities and under engaged groups in the City enterprise. It also manages various state and federally mandated programs that create equity in accessibility.

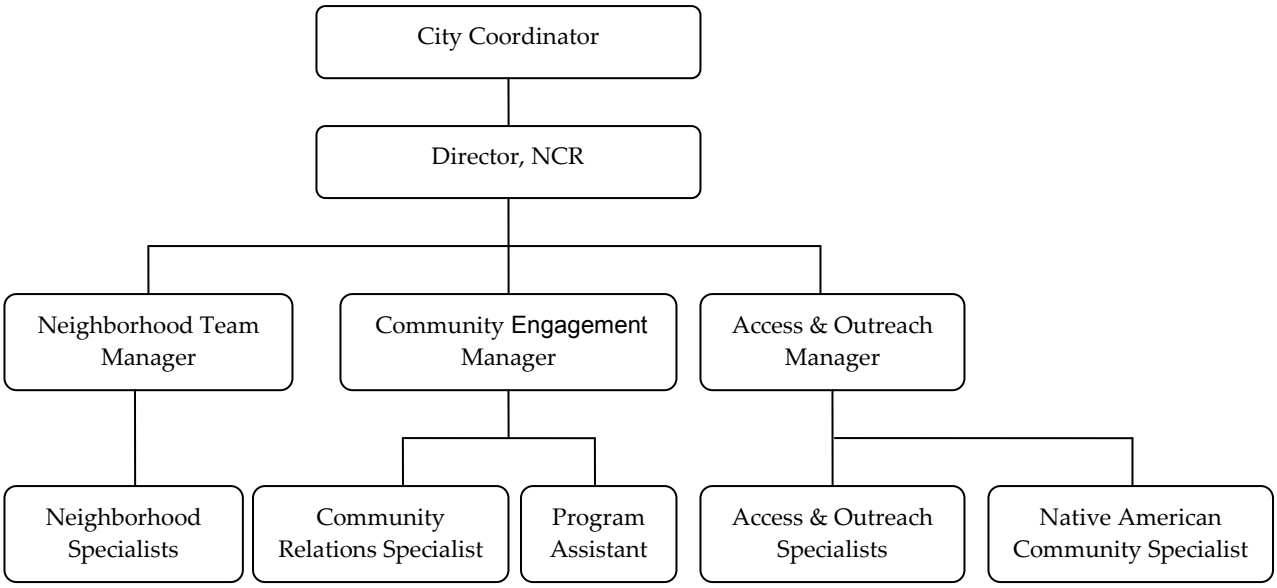
2. Coordinated Engagement Services

   The department serves as a resource to all City departments and staff to develop new and dynamic ways to incorporate community participation activities in its work. Through broader and inclusive engagement, City departments are better informed about meeting community needs. The department strives to align the priorities of the City, neighborhoods and community organizations.

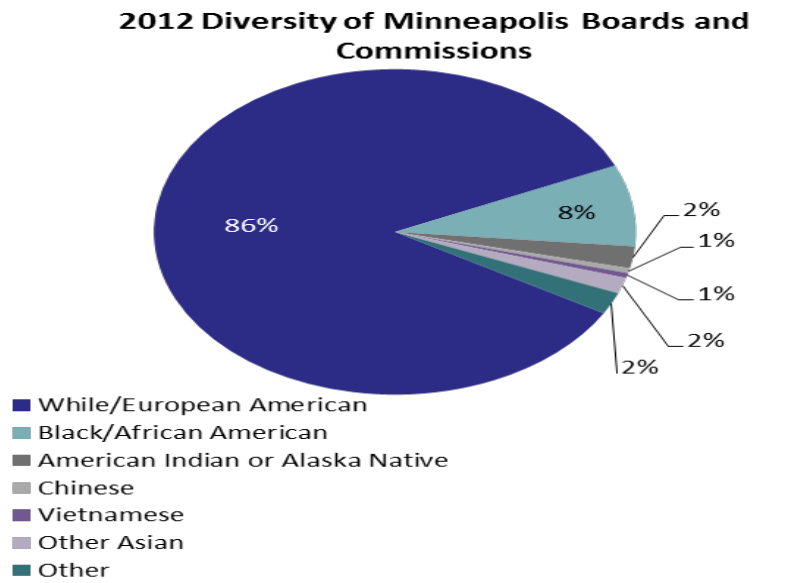
3. Neighborhood Engagement and Support

   The department provides logistical and organizational support for neighborhood programs throughout the City.

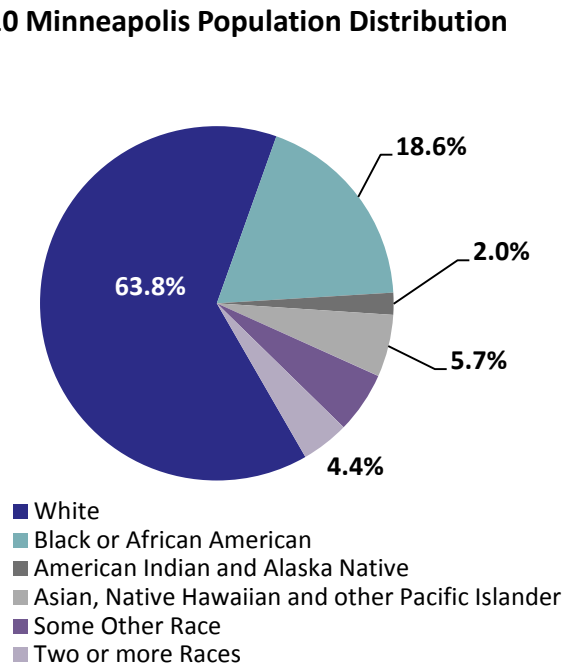
ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES

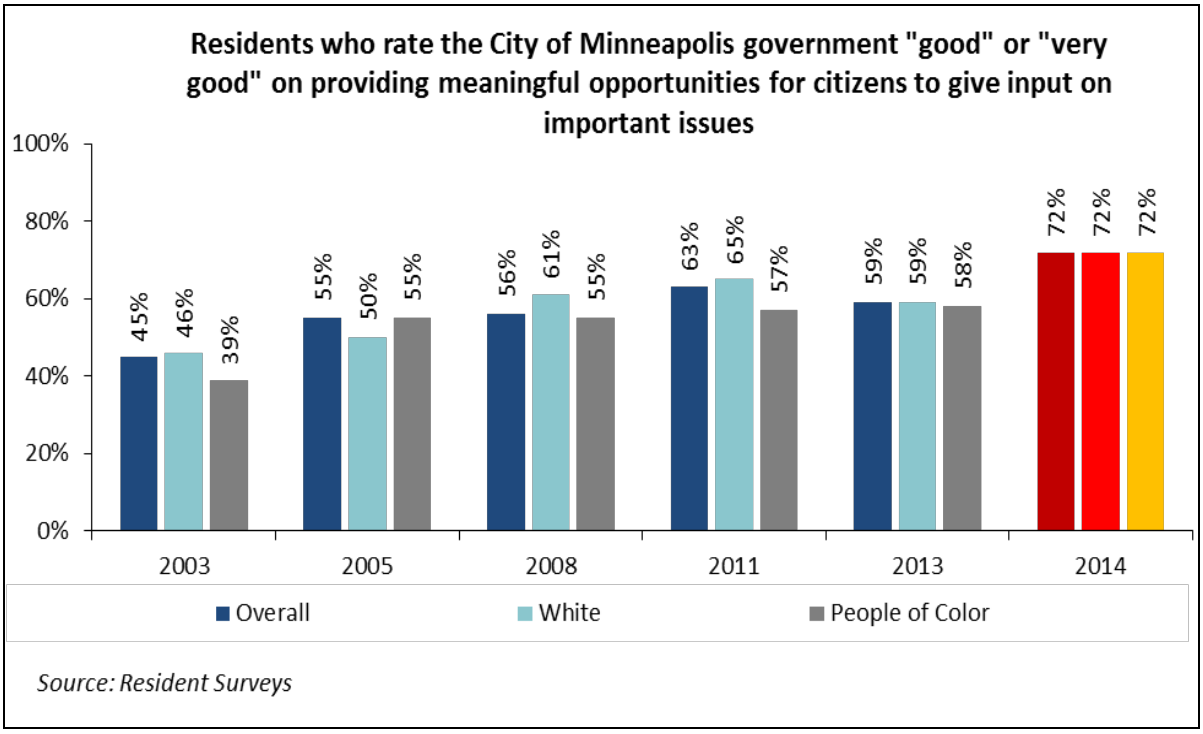


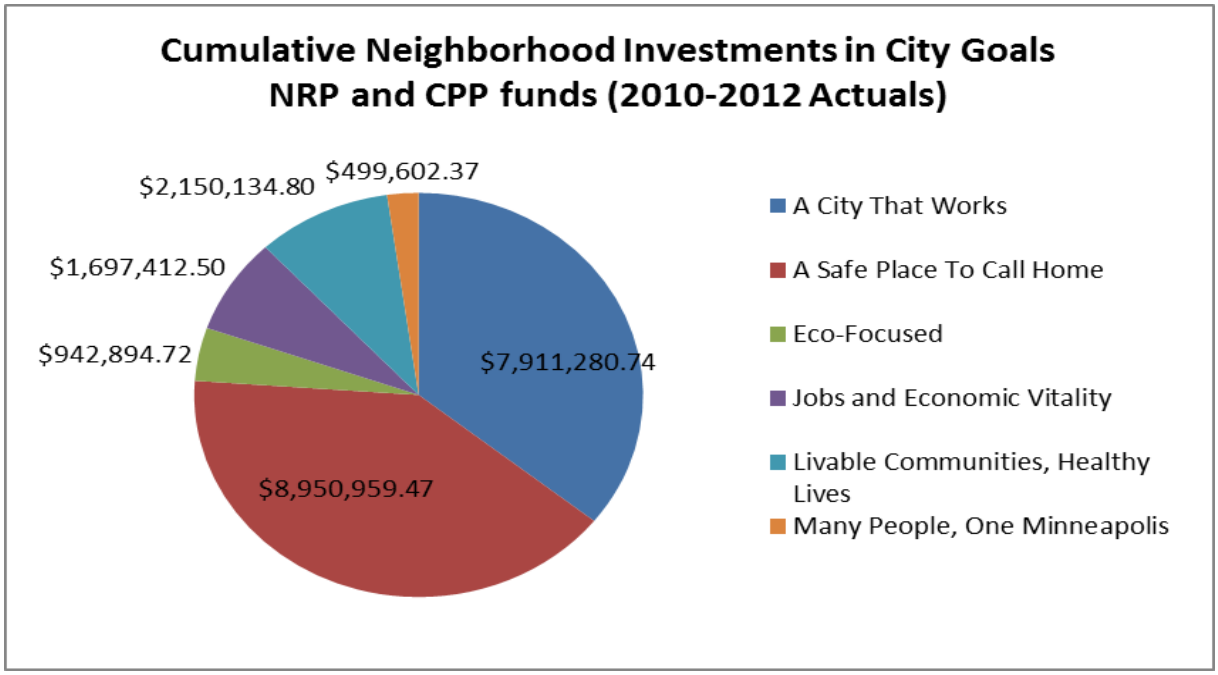
Note: African, Asian Indian, Chinese, and Vietnamese are listed for comparison purposes; however, these categories are currently at zero percent.

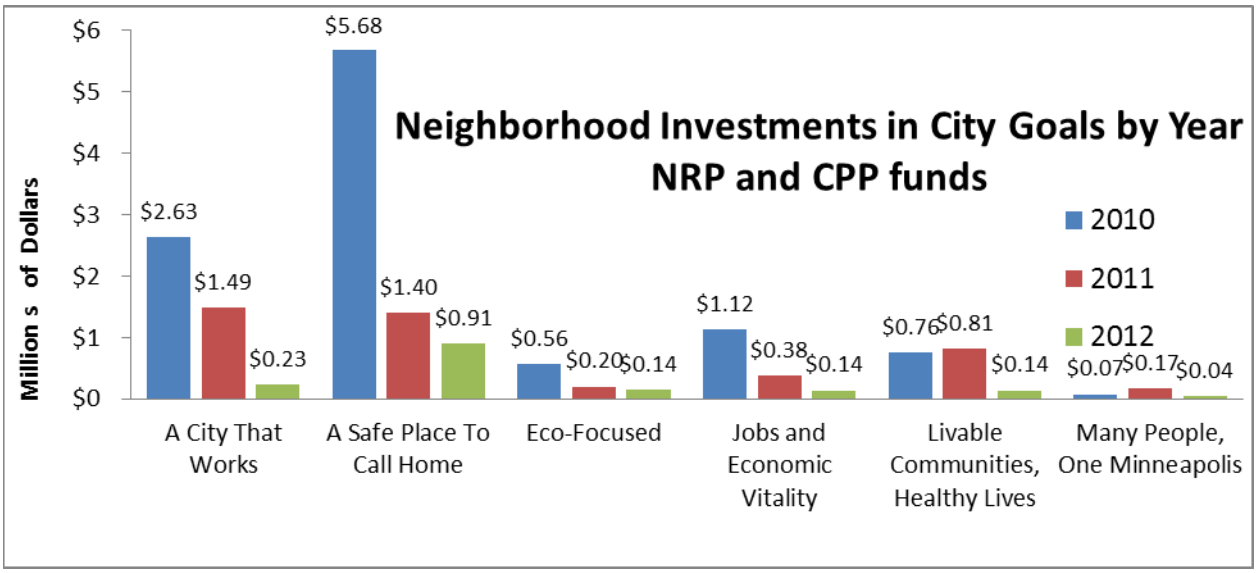


Approximately 11% of respondents indicated they were of Hispanic/Latino descent

Source: Census 2010


Residents who rate the City of Minneapolis government "good" or "very good" on providing meaningful opportunities for citizens to give input on important issues
100%
80%
60%
40%
20%
0%
45%
46%
39%
55%
50%
55%
56%
61%
55%
63%
65%
57%
59%
59%
58%
72%
72%
72%
2003
2005
2008
2011
2013
2014
Overall
White
People of Color
Source: Resident Surveys


Cumulative Neighborhood Investments in City Goals
NRP and CPP funds (2010-2012 Actuals)
$2,150,134.80
$499,602.37
$1,697,412.50
$942,894.72
$7,911,280.74
$8,950,959.47
A City That Works
A Safe Place To Call Home
Eco-Focused
Jobs and Economic Vitality
Livable Communities, Healthy Lives
Many People, One Minneapolis



One Minneapolis

Access and Outreach Support General Fund: $309,362
Other Funds: $534,868

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) compliance, continuation of Limited English Proficiency planning, interpretation and translation services, administration of the One Minneapolis Fund, the Hello Neighbor program among other activities. The program provides core infrastructure support to eliminating barriers to participation in neighborhood organizations, boards and commissions, and City programing.

Living Well

Coordinated Engagement Services General Fund: $116,053
Other Funds: $1,110,880

This program builds a coordinated resident engagement strategy for the City. Following the City's adopted Core Principles of Engagement, this program provides staff support to the City's engagement systems – neighborhood organizations, boards and commissions and enterprise engagement efforts. The various efforts underway at NCR will be connected to and coordinated with other engagement related activities in the City and with multijurisdictional partners.
The program includes work in the following areas: the Blueprint for Equitable Engagement, the American Indian Memorandum of Understanding, the Latino Engagement Task Force, neighborhood engagement, the Senior Initiative, ongoing engagement with cultural communities, work to diversify advisory boards and commissions, organizing the City Academy, and staff support to four advisory commissions.

Neighborhood Engagement and Support

Other Funds: $4,681,636

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 coordinating 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. The major programs administered by this initiative include the Community Participation Program (CPP) and the Neighborhood Revitalization Program (NRP). This also includes office support such as contract management, directors' and officers' insurance, auditing, training, legal support and other related activities.

Financial Analysis

Expenditure

The total NCR Department's council adopted budget increases from $6.3 million to $6.8 million, from 2014 to 2015. This is an increase of $0.5 million, or 7.3%. The NCR Department's 2015 expenditure budget reflects the following changes from 2014:

- $150,000 for enlarging the One Minneapolis Fund
- 150,000 one-time funds in Access and Outreach Support program for performing an evaluation of the City's programs compliance with ADA Title II requirements
- $50,000 for support services to help implement President Obama's executive order on immigration
- $0.6 million funding shift from General Fund to Special Revenue Fund.

Revenue

Revenues are projected to increase by 20.9% related to an increase in Consolidated TIF District Special Revenue allocation. The department's total revenues in 2015 are projected to be $6.2 million in comparison to $5.1 million in 2014.

Fund Allocation

This department is funded primarily by the NCR Special Revenue Fund, with remainder of the department's funding in General Fund and CDBG Fund.

Mayor's Recommended Budget

The Mayor recommended the following ongoing resources from special revenue funds; $150,000 for expanding the One Minneapolis Fund, and an additional $150,000 for 1.0 FTE (Neighborhood Support Specialist) and programming to provide for stronger support for neighborhood organizations to meet City standards and expectations. The Mayor also recommended $150,000 in one-time General Fund appropriation for conducting an evaluation of City programs and services for compliance with ADA Title II requirements.

Council Adopted Budget

The City Council amended the Mayor's recommendations by;

(1) Eliminating the Tax Increment Financing (TIF) activities in the Neighborhood & Community Relations Department (NCR) by $150,000 for staff/program expenses and $150,000 recommended for the One Minneapolis Fund,
(2) Utilizing the available $300,000 of TIF to replace General Fund resources in NCR,
(3) Shifting NCR General Fund allocation ($424,000) from the General Fund to TIF funding,
(4) Utilizing $150,000 in available one-time General Fund resources for the One Minneapolis Fund, initially funded by TIF, and
(5) Increasing the department's appropriation by $50,000 for support services to help implement President Obama's executive order on immigration.

The Council also directed the department to;
(1) Coordinate with the Communications Department and other City departments to provide planning, supportive services, and outreach for the implementation of President Obama's executive order on immigration policy,
(2) Provide a one-time allocation of $55,000 for the Minneapolis Highrise representative Council for Project Lookout utilizing $30,000 from the increased One Minneapolis Fund and the remainder from the department's existing budget,
(3) Work with the Internal Audit Department and other City Coordinator departments to create a scope of work and oversee an evaluation of NCR Programs using existing budgeted resources, and to report back to the Committee of the Whole by August 2015.

NEIGHBORHOOD & COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION

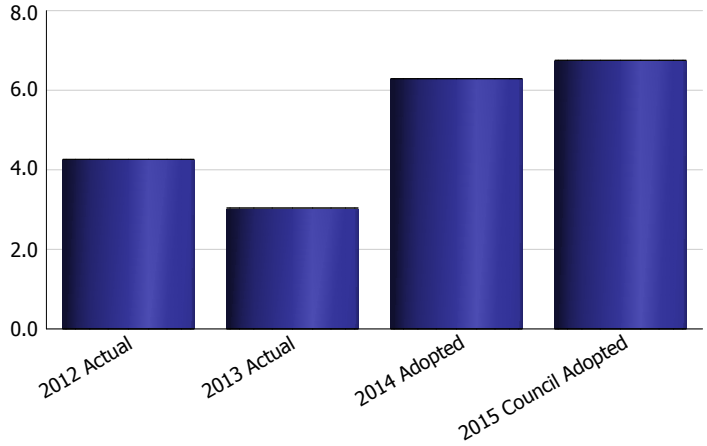
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	380,844	390,917	495,906	157,894	-68.2%	(338,012)
FRINGE BENEFITS	166,887	137,422	205,328	55,540	-73.0%	(149,787)
CONTRACTUAL SERVICES	452,932	357,286	289,576	211,980	-26.8%	(77,596)
OPERATING COSTS	31,728	45,079	48,190		-100.0%	(48,190)
CAPITAL	(3,309)	3,110				0
TOTAL GENERAL	**1,029,081**	**933,813**	**1,039,000**	**425,415**	**-59.1%**	**(613,585)**
SPECIAL REVENUE						
SALARIES AND WAGES	651,201	600,976	556,585	880,652	58.2%	324,067
FRINGE BENEFITS	213,479	203,779	232,716	390,257	67.7%	157,541
CONTRACTUAL SERVICES	2,095,057	1,233,726	4,387,389	4,911,962	12.0%	524,573
OPERATING COSTS	93,724	28,285	74,790	144,512	93.2%	69,722
CAPITAL	179,651	38,562				0
TOTAL SPECIAL REVENUE	**3,233,113**	**2,105,328**	**5,251,480**	**6,327,384**	**20.5%**	**1,075,903**
TOTAL EXPENSE	**4,262,194**	**3,039,141**	**6,290,480**	**6,752,798**	**7.3%**	**462,318**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SERVICES	39,713				0.0%	0
CONTRIBUTIONS	5,000	26,390			0.0%	0
OTHER MISC REVENUES		18,814			0.0%	0
TRANSFERS IN	1,500,000	1,200,000	5,149,480	6,225,384	20.9%	1,075,904
SPECIAL REVENUE	**1,544,713**	**1,245,204**	**5,149,480**	**6,225,384**	**20.9%**	**1,075,904**
TOTAL REVENUE	**1,544,713**	**1,245,204**	**5,149,480**	**6,225,384**	**20.9%**	**1,075,904**

NEIGHBORHOOD & COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION

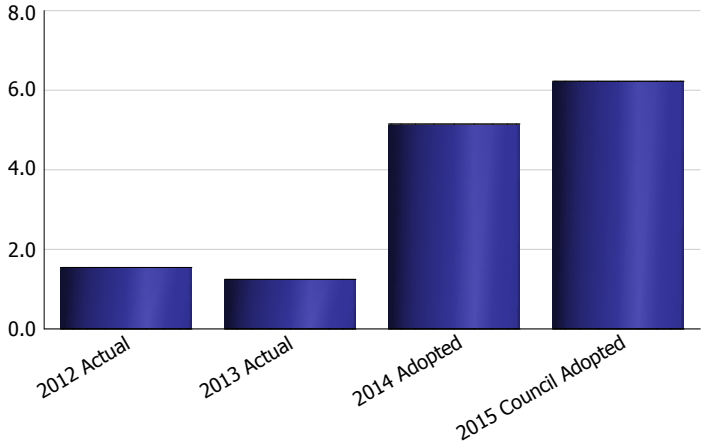
Expense 2012 - 2015

In Millions

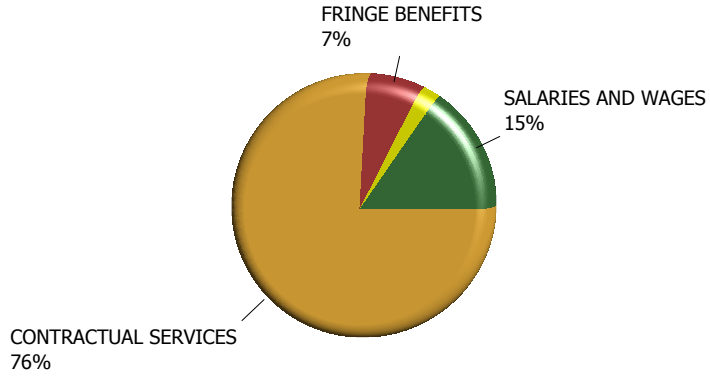


Revenue 2012 - 2015

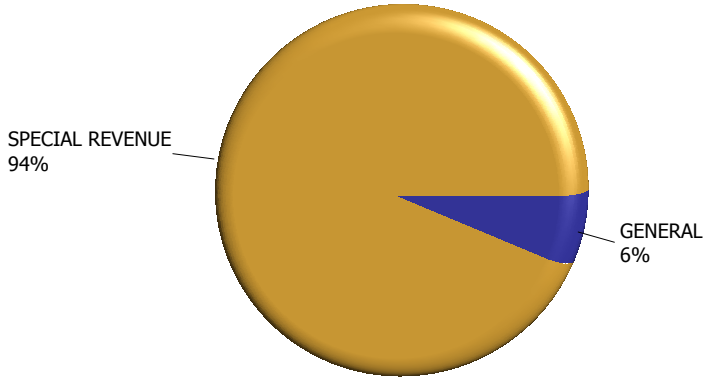
In Millions



Expense by Category



Expense by Fund

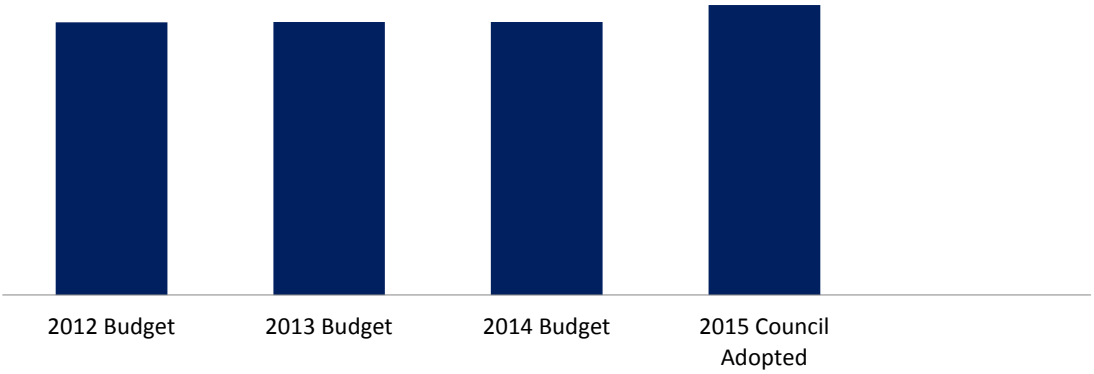


NEIGHBORHOOD & COMMUNITY RELATIONS

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
Administration	16.00	16.00	16.00	17.00	6.3%	1.00
Overall	16.00	16.00	16.00	17.00	6.3%	1.00

Positions 2012-2015



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 Minneapolis Department of Civil Rights (MCDR) is composed of four business lines: the Complaint Investigations Division; the Contract Compliance Division; the Office of Police Conduct Review; and, the Employment Equity Division.

The Complaint Investigations Division (CID) is required by city ordinance and a federal work share agreement with the US Equal Employment Opportunity Commission (EEOC) to investigate and resolve complaints that allege illegal discrimination. Investigation and outreach work is performed by one division director, three investigators and one administrative support person. The investigators gather and analyze evidence, conduct investigative interviews, and draft legal conclusions. The administrative staff person performs intake on all of the allegations by individuals seeking to file a complaint with the department. The division also provides administrative support to the Minneapolis Commission on Civil Rights. The Commission is comprised of twenty-one Minneapolis residents whose primary function is to serve on administrative hearing panels that make decisions regarding discrimination cases investigated by MDCR. The division director also collaborates with the Commission on outreach and engagement efforts throughout the City. The division also maintains an Alternative Dispute Resolution program which offers complaint resolution services that give parties an opportunity to control the outcome of their charge of discrimination. Approximately twenty percent of cases are resolved through mediation. The division director provides policy expertise and oversight of this service unit.

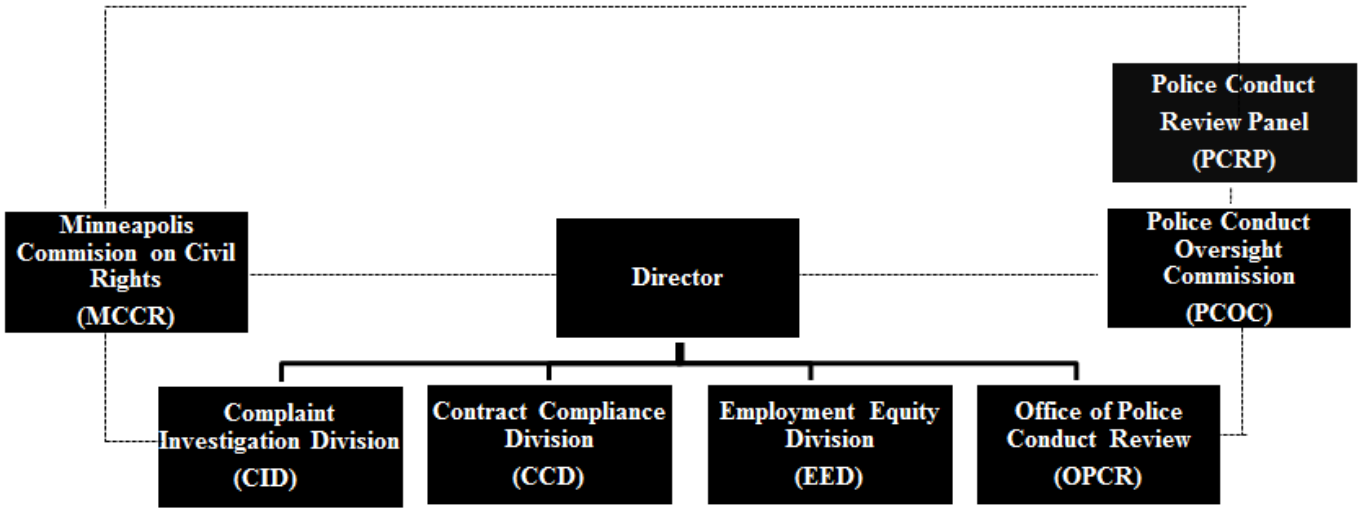
The Contract Compliance Division (CCD) monitors City of Minneapolis construction and development, commodities and supplies, and professional and technical services contracts by enforcing related local and federal civil rights and wage laws and policies. CCD monitors City contracts to ensure that minorities, women and low income business owners and workers have access to employment and contracting opportunities, and ensures that workers are paid appropriate wages. CCD is responsible for ensuring compliance in five primary program areas: affirmative action; minority and women business inclusion; minority and female employment; Davis Bacon and prevailing wage and US Department of Housing and Urban Development Section 3 contracting and employment. CCD is also a certifying agency of the Minnesota Unified Certification Program (MNUCP), a statewide collaboration that evaluates small woman-owned and minority-owned businesses to participate in the City's inclusion programs. CCD work is mandated by Minneapolis City Code of Ordinances Title 7, Chapter 139.50; Title 16, Chapter 423; and Title 23, Chapter 26, and Title 49 of the Code of Federal Regulations, Part 26.

The Office of Police Conduct Review (OPCR) is mandated by Chapter 172 of the Minneapolis City Code of Ordinances to handle claims of police misconduct made to the City of Minneapolis. Civilian and police managers at the office decide what course each case takes. Minor offenses

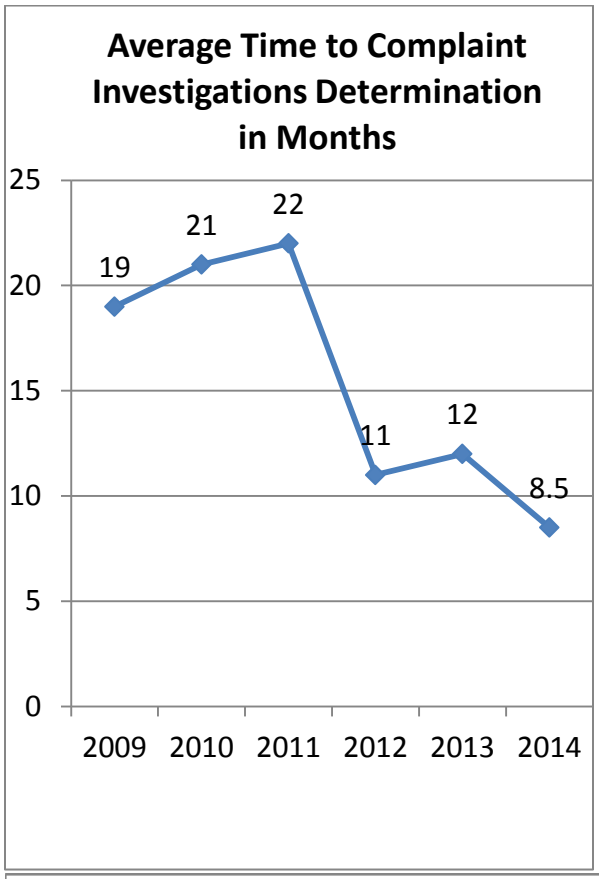
may go straight to the officer's supervisor for action. Cases may also go to mediation, where the complainants and officers meet with mediators to resolve the situations. Allegations of more severe misconduct prompt a full investigation, and the heads of the office decide whether a civilian or a police investigator should handle a particular case. OPCR staff in the Department of Civil Rights includes a division director, a legal analyst, two investigators and a support professional. Completed investigations go to the Police Conduct Review Panel, which is made up of two civilians and two sworn officers. The four members make final recommendations on the merits of the allegations to the Minneapolis Police Chief for action. Additional civilian participation in oversight of police misconduct is guaranteed through the Police Conduct Oversight Commission whose mission is to review policy implications of misconduct. Members have a variety of responsibilities including shaping police policy, auditing cases, engaging the community in discussions of police procedure, and facilitating cultural awareness trainings for the Minneapolis Police Department. The members of the Review Panel and Oversight Commission are residents of Minneapolis appointed by the Mayor and City Council.

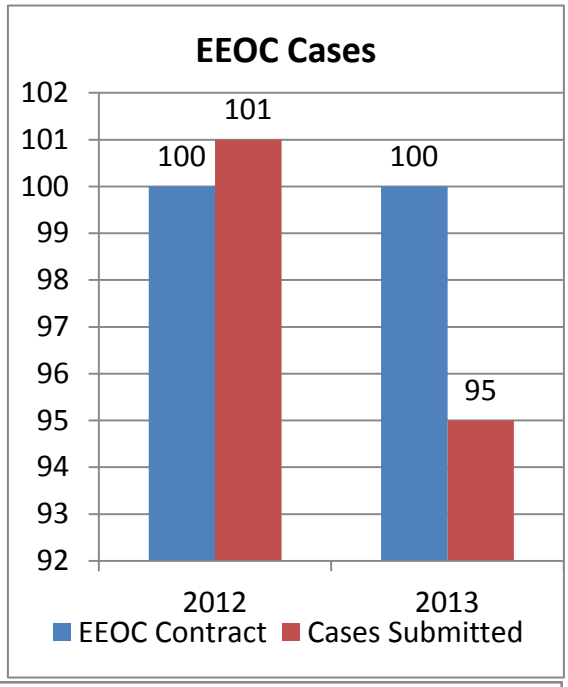
The Employment Equity Division (EED) supports and encourages efforts in the City to hire, retain, and promote people of color, and collaborates intentionally with private, public, and nonprofit partners to close racial disparities in the region. EED operates within regional collaborations to eliminate employment disparities. The division also manages Urban Scholars, the City's leadership development internship program for post-secondary students from diverse racial and ethnic backgrounds. Urban Scholars creates a pipeline of qualified and experienced candidates for entry-level employment in the public sector. Directed by City Council resolution 2012R-456, the division is leading a collaboration of City departments in developing a *Racial Equity Framework* to view City policy, programs, and initiatives through a racial equity lens. The framework will be used to identify and address institutional racism, remedy long-standing inequities and to assess racial equity impacts in hiring, procurement, and community engagement in City boards and commissions. The work in the division is performed by a director and one administrative support employee.

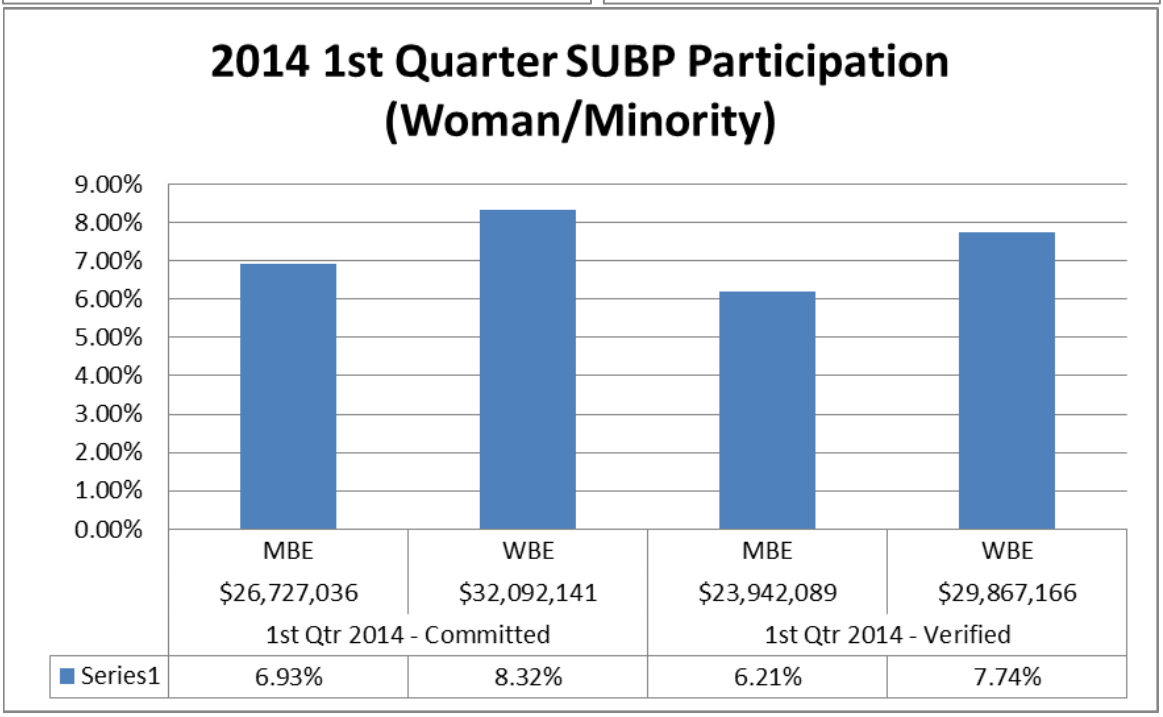
ORGANIZATION CHART

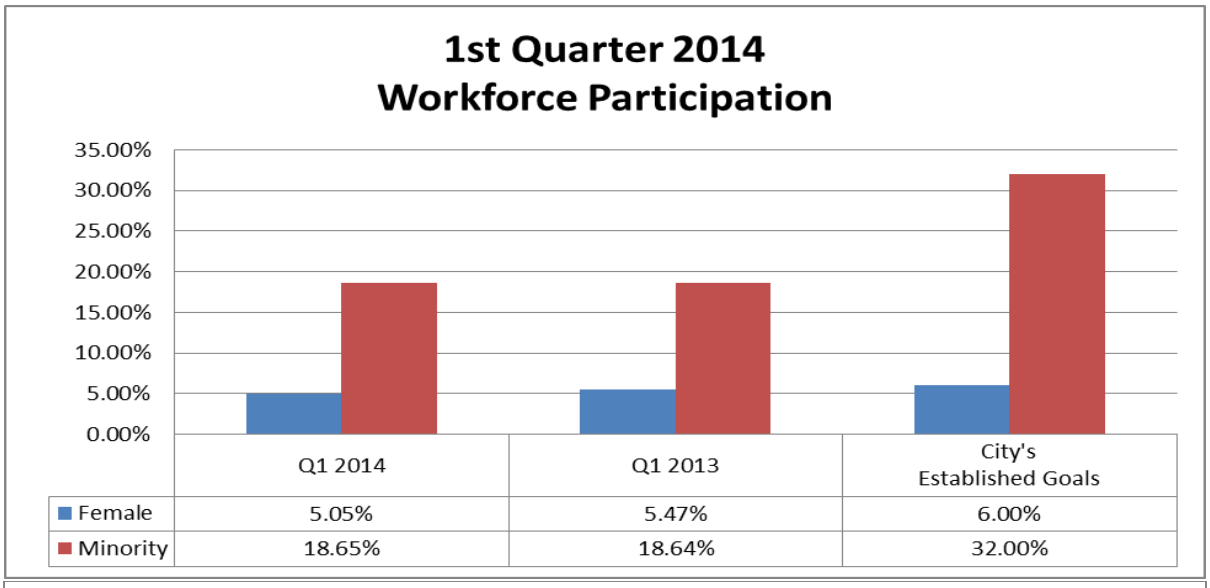


SELECTED RESULTS MINNEAPOLIS MEASURES

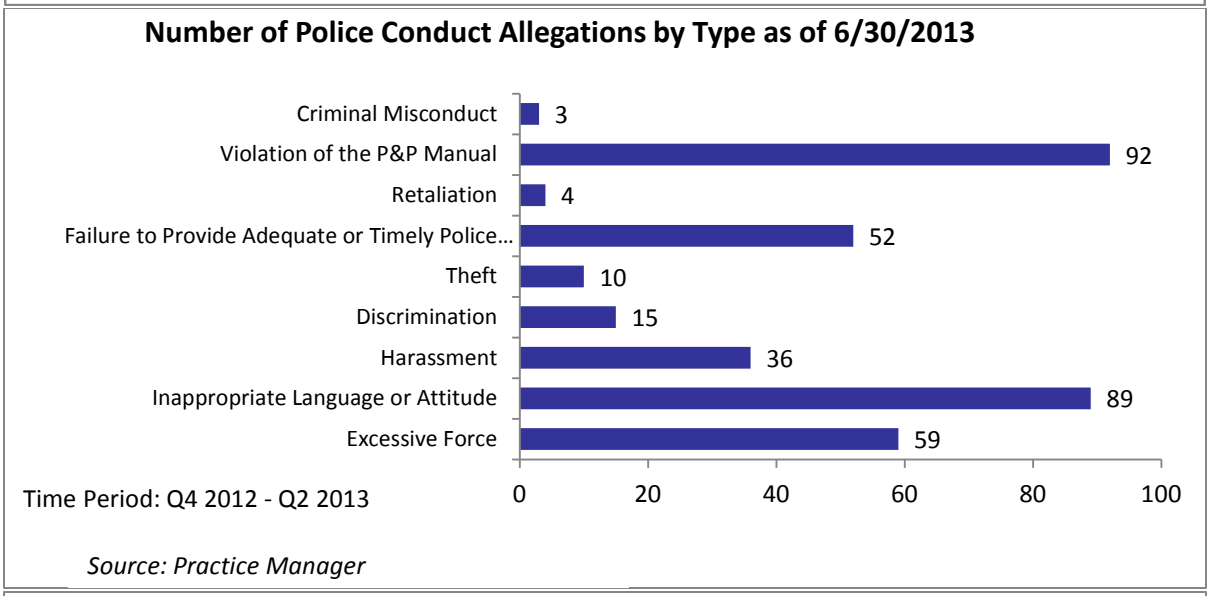


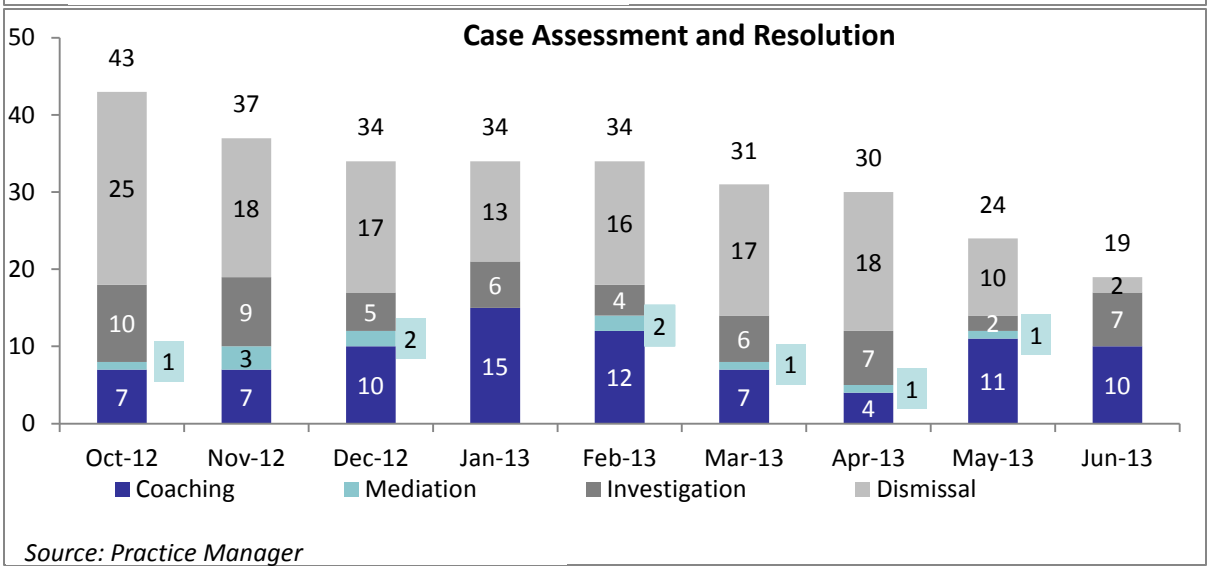


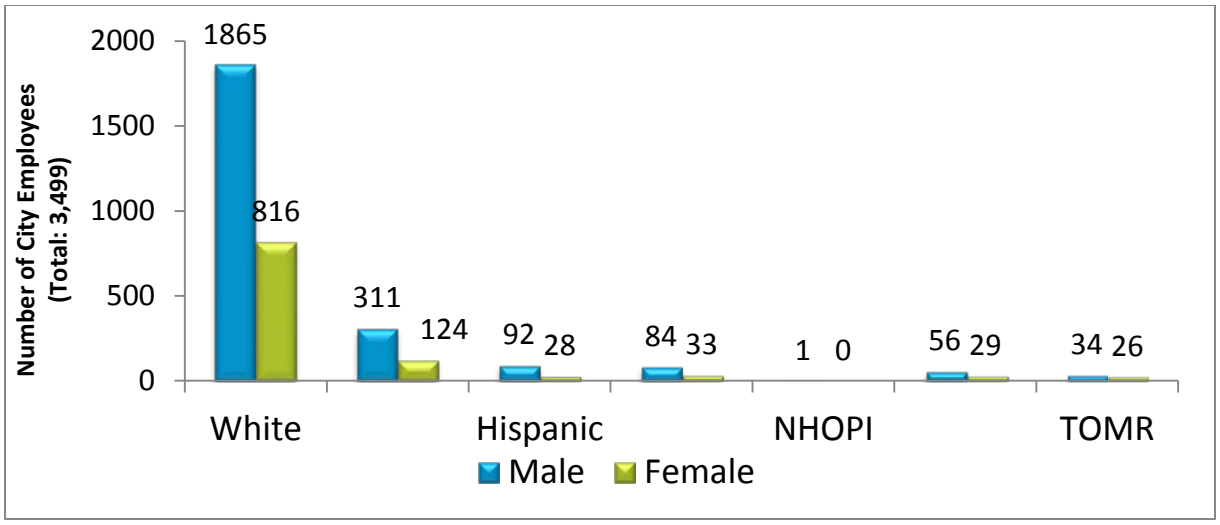




	Q1 2014	Q1 2013	City's Established Goals
Female	5.05%	5.47%	6.00%
Minority	18.65%	18.64%	32.00%







One Minneapolis

Complaint Investigations

General Fund: $543,812
Other Funds: $57,000

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 cases transferred from the EEOC.

Employment Equity

General Fund: $433,841

This program support and encourage efforts by all employers to hire, retain, and promote more people of color and continue to collaborate more intentionally with private, public, and nonprofit partners to close racial disparities in the metropolitan area.

A City that Works

Contract Compliance

General Fund: $1,599,558
Other Funds: $335,000

The Contract Compliance Division increases employment and economic vitality by increasing job opportunities for individuals and economic growth for businesses while reducing racial, gender and economic disparities prevalent in employment and construction contracting with the City of Minneapolis. Department is actively engaged in ensuring compliance with affirmative action and prevailing wage requirements as mandated by city ordinance and policy This division monitors and ensures compliance in four primary program areas that affect the general fund: Affirmative Action Plans (AAPs), the Small and Underutilized Business Program (SUBP), minority and female employment participation goals, and prevailing wage monitoring.

Living Well

Office of Police Conduct Review General Fund: $590,475

The Office of Police Conduct Review was created to fairly, objectively, and neutrally consider complaints of police misconduct; 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 Minneapolis Police Department and all populations of the city of Minneapolis. The program provides transparency, citizen engagement, and redress related to complaints against Minneapolis Police Department officers.

FINANCIAL ANALYSIS

Expenditure
The total Civil Rights Department's council adopted budget increases from $3.2 million to $3.6 million from 2014 to 2015. This is an increase of $372,578, or 11.7%. The Civil Rights Department's 2015 expenditure budget reflects the following changes from 2014:

- An increase of $100,000 to fund 1 FTE to assist with compliance monitoring due to citywide construction growth along with related administrative costs;
- An increase of $150,000 for a comprehensive disparity study to be conducted over the next two years.
- Inflationary increases in personnel costs as well as costs allocated to this department for internal services charges related to technology and business overhead.

Revenue
Revenues are projected to decline by 12.3% in this department due to a decrease in EEOC charge resolutions in the City's federal grant fund. The department's total revenues in 2015 are projected to be $57,000.

Fund Allocation
This department is funded primarily by the General Fund, with the remainder of the department's allocation funded by Community Development Block Grant (CDBG) funding and other federal grants.

Mayor's Recommended Budget
The Mayor recommended $100,000 in additional ongoing General Fund appropriation for a Contract Compliance Officer and $300,000 in additional one-time General Fund resources to be used for conducting a disparity study over the next two years, which is part of the City's process to comply with the small and underutilized business program.

Council Adopted Budget
The City Council amended the Mayor's recommendations by reducing $150,000 (50 percent) of the one-time funding for the Civil Rights Disparity Study in the Civil Rights Department.

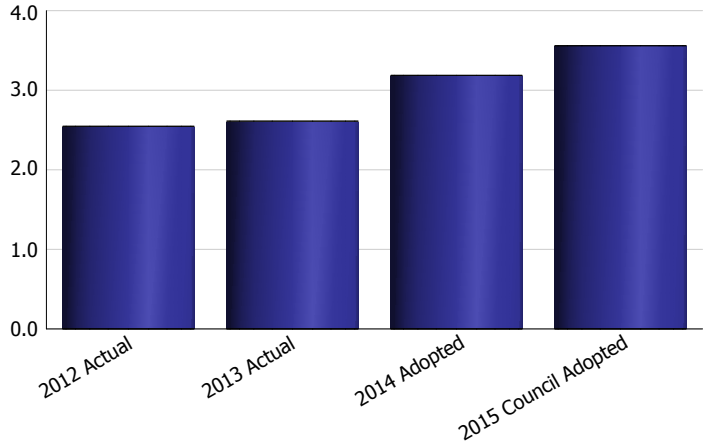
CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	965,572	1,030,580	1,208,547	1,316,156	8.9%	107,609
FRINGE BENEFITS	327,054	362,729	546,098	577,498	5.7%	31,400
CONTRACTUAL SERVICES	487,755	476,885	685,859	933,881	36.2%	248,022
OPERATING COSTS	371,340	419,348	416,082	340,150	-18.2%	(75,932)
CAPITAL			22,920		-100.0%	(22,920)
TOTAL GENERAL	**2,151,720**	**2,289,542**	**2,879,506**	**3,167,684**	**10.0%**	**288,178**
SPECIAL REVENUE						
SALARIES AND WAGES	268,228	197,472	203,206	224,633	10.5%	21,427
FRINGE BENEFITS	98,693	77,842	104,394	101,230	-3.0%	(3,164)
CONTRACTUAL SERVICES	8,181	31,608		66,137		66,137
OPERATING COSTS	20,112	14,956				0
TOTAL SPECIAL REVENUE	**395,214**	**321,877**	**307,600**	**392,000**	**27.4%**	**84,399**
TOTAL EXPENSE	**2,546,934**	**2,611,419**	**3,187,106**	**3,559,684**	**11.7%**	**372,578**

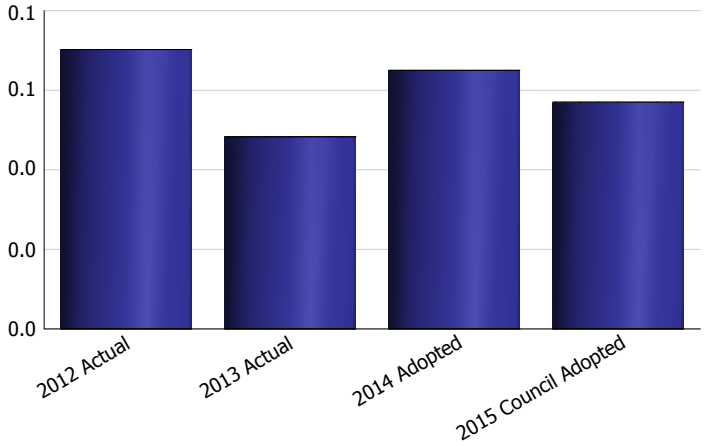
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	443	179			0.0%	0
CHARGES FOR SERVICES		34			0.0%	0
OTHER MISC REVENUES	40	8			0.0%	0
GENERAL	**483**	**221**				**0**
SPECIAL REVENUE						
CHARGES FOR SERVICES	5,015				0.0%	0
CONTRIBUTIONS	4,496	4,159			0.0%	0
FEDERAL GOVERNMENT	60,235	43,932	65,000	57,000	-12.3%	(8,000)
SPECIAL REVENUE	**69,745**	**48,091**	**65,000**	**57,000**	**-12.3%**	**(8,000)**
TOTAL REVENUE	**70,228**	**48,312**	**65,000**	**57,000**	**-12.3%**	**(8,000)**

CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION

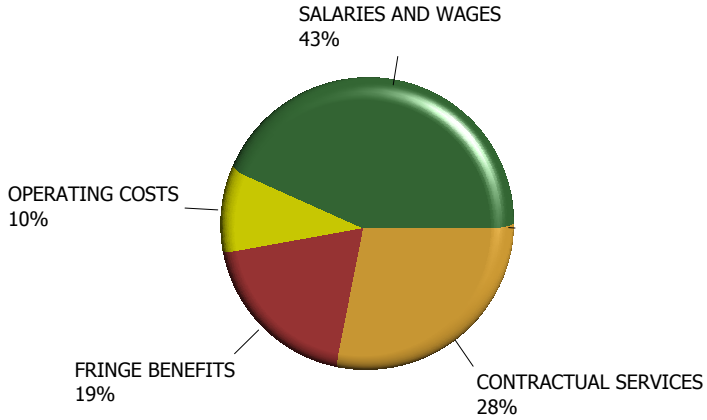
Expense 2012 - 2015
In Millions



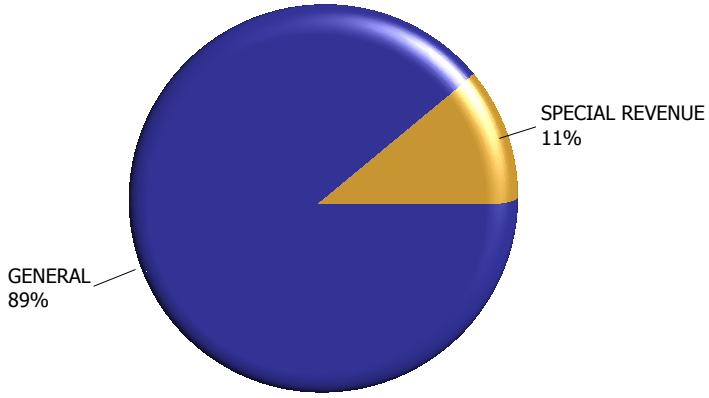
Revenue 2012 - 2015
In Millions



Expense by Category



Expense by Fund

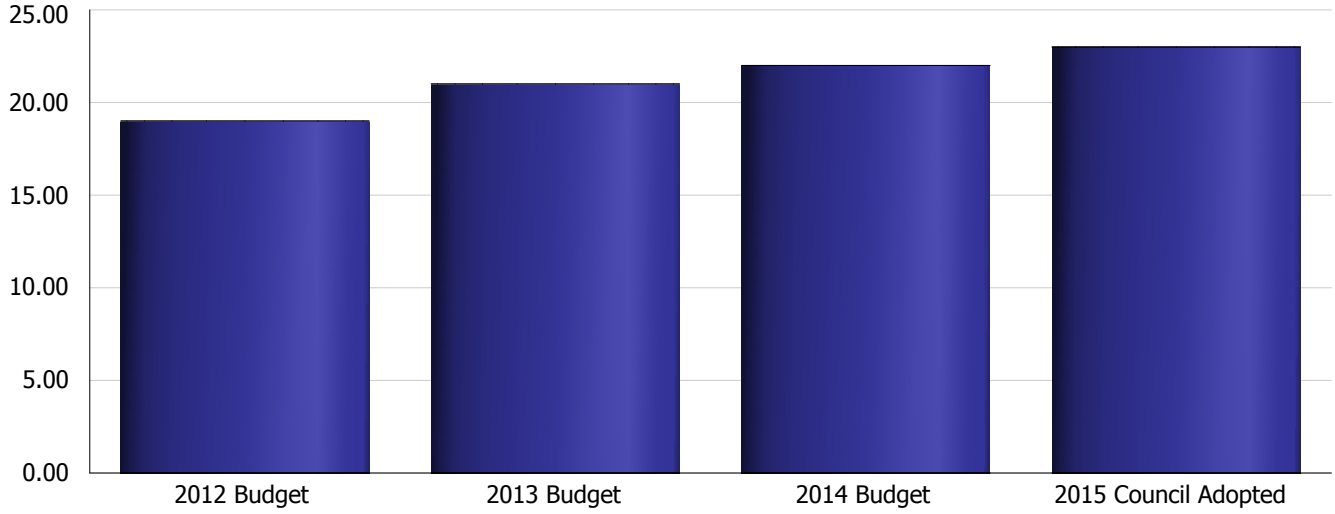


CIVIL RIGHTS

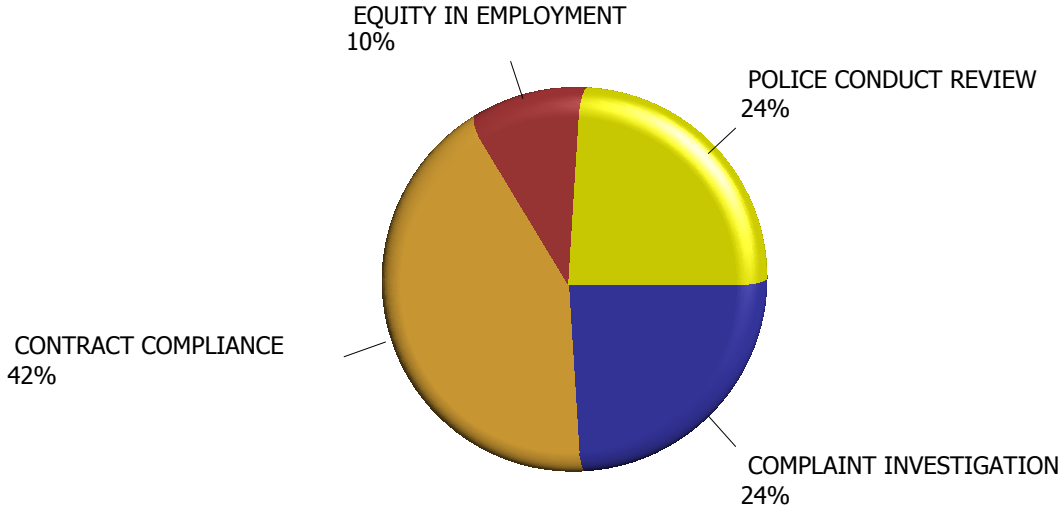
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
COMPLAINT INVESTIGATION	5.60	5.60	5.52	5.52	0.0%	0
CONTRACT COMPLIANCE	7.80	7.80	8.74	9.74	11.4%	1.00
EQUITY IN EMPLOYMENT		2.00	2.22	2.22	0.0%	0
POLICE CONDUCT REVIEW	5.60	5.60	5.52	5.52	0.0%	0
Overall	19.00	21.00	22.00	23.00	4.5%	1.00

Positions 2012-2015



Positions by Divison



COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

MISSION

The Department of Community Planning and Economic Development (CPED) works to equitably grow a sustainable city with more people and more jobs through thoughtful design and enhanced environment.

As we conduct our work, we strive to be:

- Effective public servants;
- Proactive, innovative, creative problem solvers;
- Responsible stewards of public resources;
- Results orientated;
- Strategic partners within the enterprise and with public and private entities;
- Respectful public administrators who are responsive to the diverse cultures and changing needs of our community and strive for equitable outcomes; and
- Respectful of our history while looking forward to the future.

BUSINESS LINES

The following broad service areas reflect the primary business lines of the department.

- **Long Range Planning** division prepares and maintains the City's comprehensive plan, small area plans, and strategic planning initiatives; conducts research; oversees the Public Art Program; guides public realm and urban design principles; guides development; manages historic preservation studies, and partners in implementation.

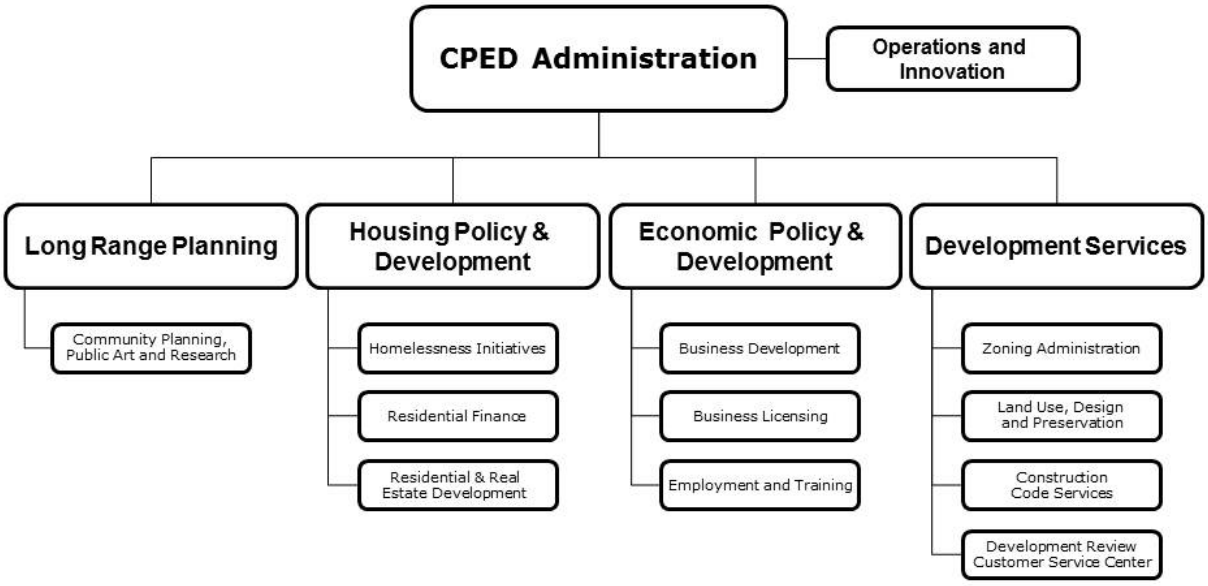
- **Economic Development & Policy** division supports business retention and expansion, creation and attraction in all neighborhoods, including downtown, by providing financing, programmatic and real estate development and expansion tools, and business licensing and compliance guidance.

- **Workforce Development** division manages a network of service provision that prepares Minneapolis residents, both adult and youth, for living-wage jobs and builds partnerships to improve career opportunities in the city.

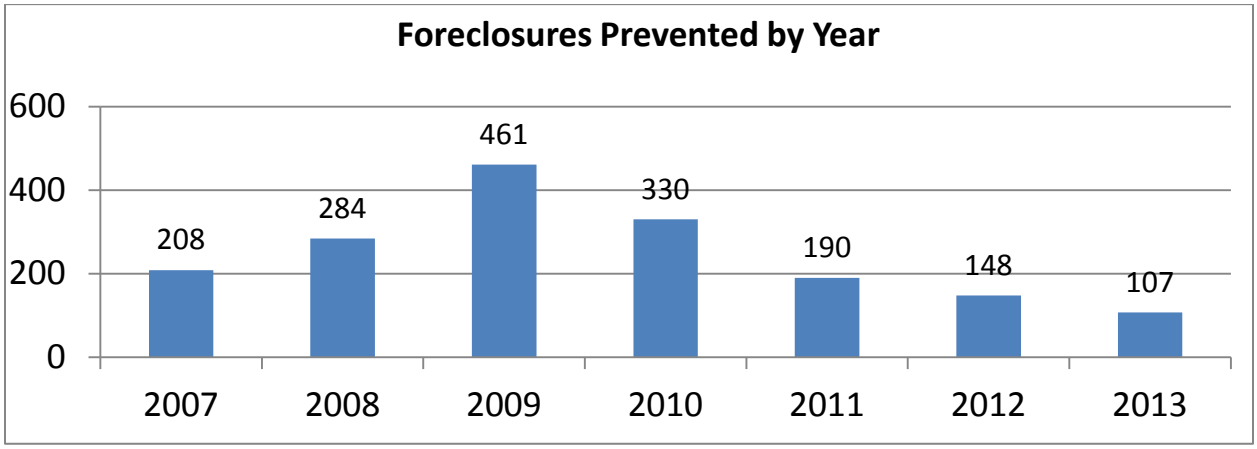
- **Housing Development & Policy** division establishes housing policy, finances and redevelops single and multifamily residential real estate to stimulate private investment, increase the tax base and sustain a healthy housing market.

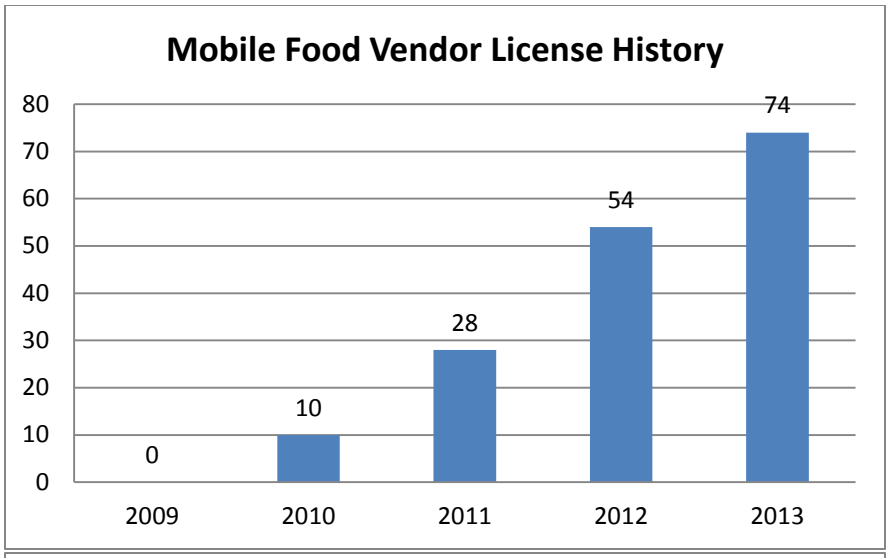
- **Development Services** division manages zoning administration, land use, design and preservation, the customer service center and construction code services and serves as the front door for the City’s consolidated development activities.

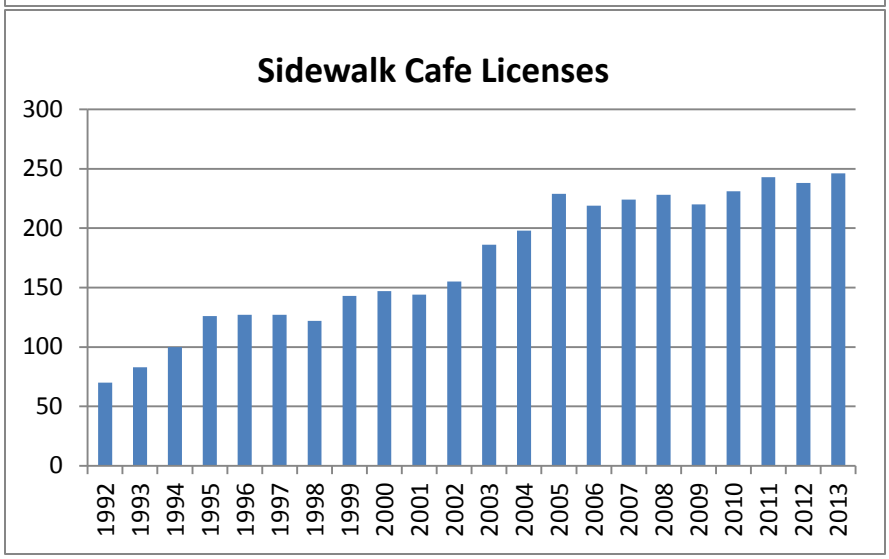
ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES




Mobile Food Vendor License History
80
70
60
50
40
30
20
10
0
0
10
28
54
74
2009
2010
2011
2012
2013


Sidewalk Cafe Licenses
300
250
200
150
100
50
0
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
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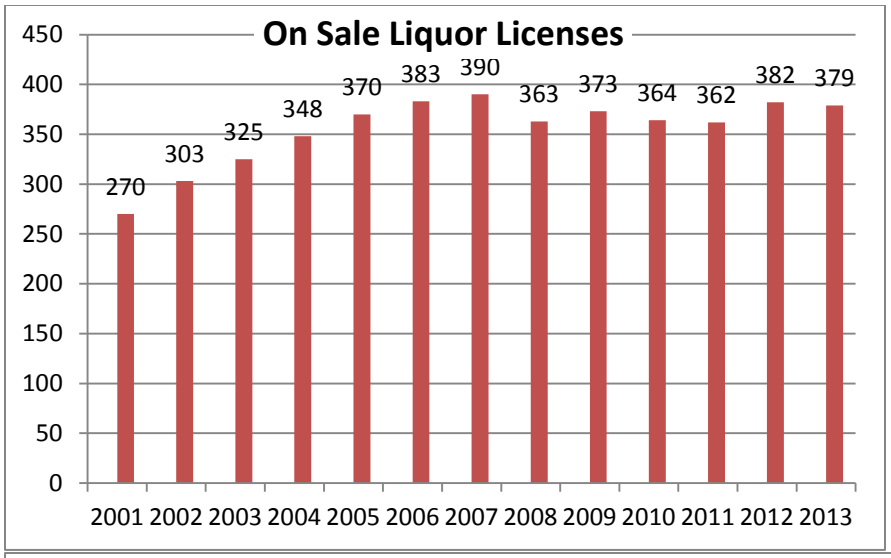
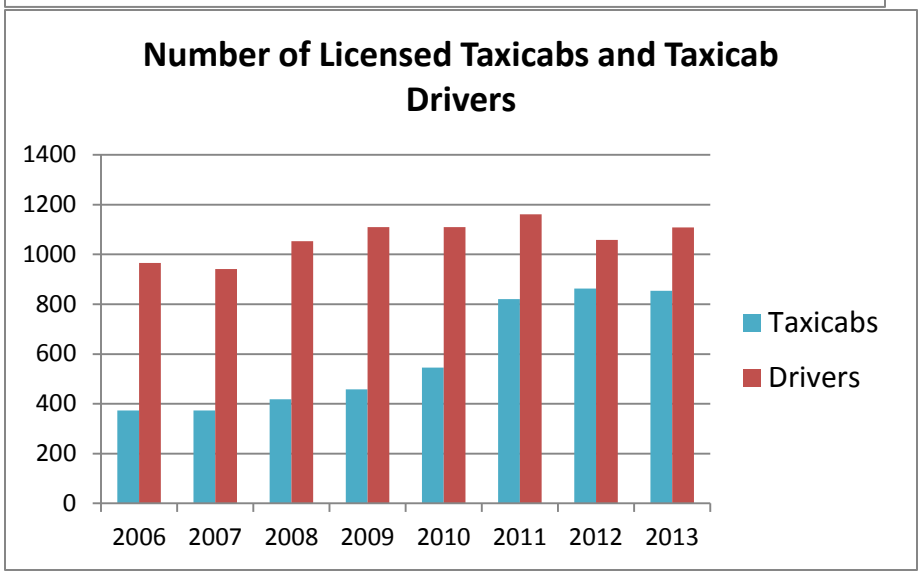
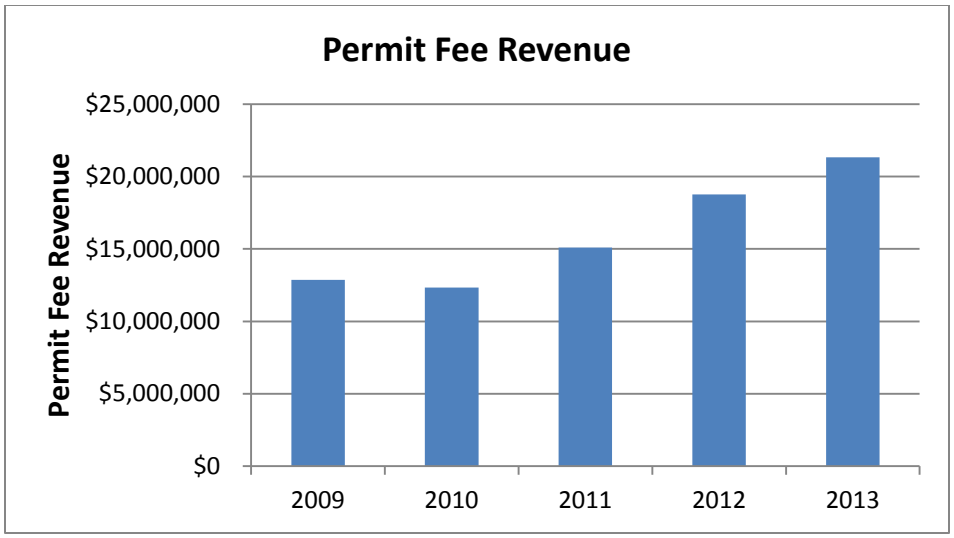
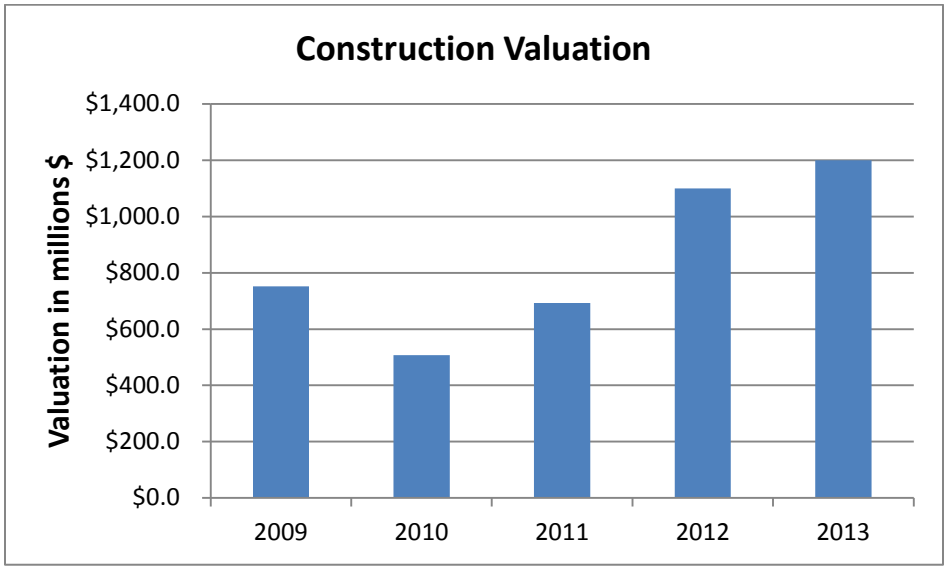
2012
2013





Customer Satisfaction 2013





A Hub of Economic Activity and Innovation

CPED Long Range Planning Division

General Funds: $1,941,182
Other Fund: $504,801

Long Range Planning Division has four key components:

(1) Comprehensive Planning actively aligns the City's planning, economic development, housing development, and transportation planning functions into a sustainable, regional framework for managed growth over the next generation.
(2) Research includes civic technology initiative, creative financing and applied research.
(3) Art in Public Places is comprised of six areas of regular work activity which include art in public places, conservation, technical assistance to other agencies, public art policy, proposals for art on city property, proposals for art on private property.

(4) Qualitative Urbanism focuses on creating a separated design review track for CPED owned properties, creating public realm strategic plan and guidelines, establishing consistent graphic standards for requests for proposals and requests for qualifications and establishing coordinated governmental framework for all public realm improvements.

Adult Workforce Development

General Fund: $728,455
Other Funds: $4,626,546

Adult Workforce Development supports Minneapolis residents in gaining employment through three programs; Minneapolis Works and RENEW Minneapolis, both serving low-income Minneapolis job seekers; and the Dislocated Worker Program, helping recently laid off adults return to the workforce. In partnership with fifteen community-based agencies the adult programs provide career counseling, job readiness training, job search assistance, and job placement.

Many of the clients served through the program have multiple barriers to employment, including ex-offender status, lack of consistent work history, unstable housing, low educational attainment, and/or chemical dependency.

In 2013, the Adult Workforce Development programs assisted over 2,000 Minneapolis residents through employment training, career navigation, and job counseling services; where nearly 1,000 gained employment. The remaining 1,000 continue to utilize employment services provided by these programs to secure permanent or temporary employment. The average cost per participant in the adult programs is $2,618, including tuition assistance for nearly 40% of all participants.

Youth Training and Development

General Fund: $803,024
Other Funds: $3,153,647

The City of Minneapolis Youth Programs aim to create a strong future workforce by reducing youth unemployment and racial employment disparities. The youth programs provide employment for low-income Minneapolis youth, ages 14-21, are comprised of two distinct but well linked programs; the STEP-UP Program and the Year Round WIA Youth Program. Both programs are designed to give Minneapolis youth from minority communities and low-income families the tools to find their place within the workforce.

STEP-UP, the most recognized Minneapolis youth program, serves close to 2,000 Minneapolis youth every summer, connecting them to real and valuable summer work experiences. STEP-UP interns receive critical work readiness training prior to being placed in a summer job. Through STEP-UP, youth learn good work habits, earn wages, and gain experience while providing valuable services to local businesses. Augmenting the summer job experience is the opportunity to attend camp, participate in workshops, and earn high school credit via classroom training.

The Year Round WIA Youth Program provides over 1,000 youth - all of whom have multiple barriers, including homelessness, high school dropouts, juvenile criminal records, etc. - with

year round stabilization programming, including employment placement services. This program increases youths' long-term employability by enhancing educational, occupational, and leadership skills.

Development Services - Customer Service Center

General Fund: $2,578,005
Other Funds: $283,675

The Customer Service Center serves as the front door and service center for the City's consolidated development activities and focuses on consistent, streamlined customer service. It ensures high-quality development while requiring that building construction and rehabilitation projects meet the City's standards in terms of safety, livability and health and environmental sensitivity. Business licenses, pet licensing and critical parking permits may also be obtained at this center.

Business Development

General Fund: $5,730,014
Other Funds: $2,688,353

CPED works with businesses to start, stay and grow in Minneapolis with the objectives of equitable job growth, tax base growth and community vitality. The toolbox includes business loans and façade grants, business consulting and technical assistance, site search assistance, and commercial real estate development.

Living Well

Homeownership Support & Development

General Fund: $1,137,038
Other Funds: $4,765,455

This program is designed to assist with the development and support of ownership housing. The portion of the strategy is critical to return the housing market to a more healthy condition. This program is used to support development through rehabilitation. The main focus of the program is to provide prevention, reinvention, repositioning and property management. The major sub programs include Green Homes North, Home Ownership Works, Minneapolis Advantage program, Senior Citizen Housing Initiative, Owner Occupied Rehab, Vacant and Boarded program and property management of vacant and boarded properties,

Affordable Housing Development

General Fund: $2,717,042
Other Funds: $9,147,002

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.

Land Use, Design and Preservation General Fund: $2,711,941
Other Funds: $860,283

The Land Use, Design, Preservation and Zoning department guides development as required by law, helping residents and property owners invest in the City in a way that aligns with the City's comprehensive plan and development regulations. The department is responsible for managing, reviewing, and enforcing land use, zoning, preservation, and environmental review applications. The department staffs and administers public processes, including public meetings of the City Planning Commission, Heritage Preservation Commission and Zoning Board of Adjustment. The department performs administrative reviews and preservation permits at the customer service center, as well as guiding ongoing regulatory reform affecting land use and development.

A Safe Place to Call Home

Business Licensing General Fund: $4,037,490
Other Funds: $235,998

This program regulates business licensing for liquor establishments and over 200 other types of businesses and annually licenses 11,000 businesses and individuals. The service includes assisting business owners through various regulatory processes, license application review, background checks, and on-site facility inspections, and the collection of license fees with an annual renewal billing system.

Construction Code Services General Fund: $10,097,799
Other Funds: $867,113

Construction Code Services (CCS) ensures the comprehensive application of the Minnesota State Building Code and applicable city ordinances. CCS consists of the three business lines of construction plan review, construction inspections, and programs. Construction plan review accepts all applications for building, elevator, mechanical, and plumbing work that require a plan review and a permit. Plans are reviewed and permits are issued for these projects. Construction inspections performs all required inspections for building, elevator, mechanical, and plumbing work covered by issued permits and respond to complaints regarding construction projects. Programs include elevator registration and annual inspections, code compliance, truth-in-sale-of-housing, certificate of occupancy, and fire escrow.

A City that Works

CPED Debt Service & Transfers Other Funds: $33,195,506

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.

FINANCIAL ANALYSIS

Expenditure
For 2015, Community Planning and Economic Development's (CPED) budget is $92.8 million, a decrease of 6.1% or $6.1 million from the 2014 budget. Most of the decrease is attributable to a decrease in the business development budget, which more than offsets routine inflationary operating increases and the Mayor's recommended additions. Prior year actual expenditures include funds rolled over from previous budgets.

Revenue
In 2015, the department anticipates $108.3 million in revenue, an increase of 15.4% from 2014. Revenues in the department exceed expenditures due to the nature of license and permit fees as general fund resources that are used to fund city-wide operations.

Fund Allocation
In 2015, 35% of the department's budget is funded from general fund resources, or $32.5 million. The remaining budget is funded from federal and state grants, tax increment property taxes and transfers as well as other resources.

Mayor's Recommended Budget
The Mayor recommended additional ongoing funding from the General Fund to support the following efforts: $200,000 for the Homelessness Initiative (with $150,000 for contractual services for homeless outreach services and the remaining $50,000 for the Office to End Homelessness), $250,000 in Homeownership Counseling and Outreach program, $100,000 in business technical assistance, $75,000 for youth training and development, $100,000 (1.0 FTE) for construction code services, and $94,000 (1.0 FTE) for a new business licensing position. The cost of the business licensing position is anticipated to be offset by the implementation of new license structures associated with taxi-cab and transportation services. Funding for staff in public art is shifted from the permanent improvement fund and debt financing to the general fund. The mayor also recommends one-time appropriations from the general fund for $1,000,000 in the Affordable Housing Trust Fund program, $125,000 in Homeownership Counseling and Outreach program, $100,000 for policy issues addressing land capacity, and $200,000 for construction code services (2.0 FTE). Additional one-time funding is recommended from the City's Consolidated TIF fund of $250,000 for planning activities associated with the closure of the Upper Harbor Terminal.

Council Adopted Budget
The City Council amended the Mayor's recommendations by directing $1.5 million in Community Development Block Grant (CDBG) funding currently earmarked for the Senior Housing Initiative ($1.0 million) and the Owner Occupied Rehab Program ($0.5 million) to the City's Affordable Housing Trust Fund, and to prioritize up to $2.5 million from the City's development accounts for qualified affordable housing projects. The City Council also amended funding for Homeownership Counseling and Outreach by decreasing ongoing funding by $200,000, and increasing one-time funding by $100,000. In addition, the Council amended the Mayor's recommendations by increasing revenue and expense by $870,000 for the Upper Harbor Terminal to reflect the contractual operating agreement, and shifting $250,000 of the Upper Harbor Terminal planning activities from TIF funding to General Fund.
.
The Council also added the following staff directions:
(1) Direct the Community Planning and Economic Development to report to the Community Development & Regulatory Services and the Ways and Means committees by July 1, 2015, with

the financial status of the Great Streets Façade Improvement and Business District Support programs for evaluation prior to issuance of the 2015 Request for Proposals.
(2) Direct the Community Planning & Economic Development Department to complete an analysis of existing housing stock and housing needs in Minneapolis to inform future policy decisions that support housing options for all levels of income including the Affordable Housing Trust Fund and Transit-Oriented Development program as well as potential policy changes that support housing affordability such as inclusionary zoning.
(3) Direct the Community Planning & Economic Development Department to develop a five-year Art in Public Places capital plan and report back to the Community Development & Regulatory Services and the Ways & Mean committees by March 31, 2015.
(4) Direct the Community Planning & Economic Development Department to collaborate with Summit Academy OIC to facilitate participation in the City's job training programs.

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,638,302	10,406,710	12,709,712	13,486,164	6.1%	776,452
FRINGE BENEFITS	622,798	3,763,011	4,863,089	5,118,623	5.3%	255,534
CONTRACTUAL SERVICES	810,066	3,884,190	7,379,489	8,041,412	9.0%	661,923
OPERATING COSTS	475,625	1,573,370	2,686,982	2,430,060	-9.6%	(256,922)
CAPITAL		17,451	2,472,170	3,405,730	37.8%	933,560
TRANSFERS	10,000					0
TOTAL GENERAL	**3,556,791**	**19,644,732**	**30,111,442**	**32,481,988**	**7.9%**	**2,370,547**
DEBT SERVICE						
DEBT SERVICE	2,493,426	2,523,532				0
TRANSFERS	675,075	638,075				0
TOTAL DEBT SERVICE	**3,168,500**	**3,161,606**				**0**
CAPITAL PROJECT						
SALARIES AND WAGES	72,359	68,681	74,447		-100.0%	(74,447)
FRINGE BENEFITS	29,785	28,546	27,965		-100.0%	(27,965)
CONTRACTUAL SERVICES	72,511	450,370	377,588		-100.0%	(377,588)
OPERATING COSTS		3,064				0
TOTAL CAPITAL PROJECT	**174,656**	**550,661**	**480,000**		**-100.0%**	**(480,000)**
ENTERPRISE						
SALARIES AND WAGES	193,066	313,541	172,225	111,368	-35.3%	(60,857)
FRINGE BENEFITS	61,150	108,393	59,637	38,332	-35.7%	(21,305)
CONTRACTUAL SERVICES	2,152,182	2,116,698	358,259	1,020,800	184.9%	662,541
OPERATING COSTS	6,960	8,480	6,000	6,000	0.0%	0
CAPITAL	909	57,458				0
DEBT SERVICE	15,194	6,538				0
TRANSFERS	1,381,411	155,605				0
TOTAL ENTERPRISE	**3,810,871**	**2,766,714**	**596,120**	**1,176,500**	**97.4%**	**580,380**
SPECIAL REVENUE						
SALARIES AND WAGES	7,562,315	5,912,156	3,870,836	3,739,330	-3.4%	(131,506)
FRINGE BENEFITS	2,208,992	1,744,316	1,437,158	1,404,247	-2.3%	(32,911)
CONTRACTUAL SERVICES	26,016,601	22,833,388	20,358,344	17,859,209	-12.3%	(2,499,135)
OPERATING COSTS	3,764,710	5,163,060	1,724,414	1,541,052	-10.6%	(183,362)
CAPITAL	52,069,073	42,691,578	20,639,182	17,807,720	-13.7%	(2,831,461)
DEBT SERVICE			107,311	105,372	-1.8%	(1,939)
TRANSFERS	23,566,042	17,176,513	19,562,608	16,694,950	-14.7%	(2,867,658)
TOTAL SPECIAL REVENUE	**115,187,733**	**95,521,012**	**67,699,852**	**59,151,879**	**-12.6%**	**(8,547,973)**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
TOTAL EXPENSE	**125,898,552**	**121,644,726**	**98,887,414**	**92,810,368**	**-6.1%**	**(6,077,047)**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES		382	37,000	1,000	-97.3%	(36,000)
CHARGES FOR SERVICES	558,801	813,616	3,446,000	4,196,000	21.8%	750,000
FINES AND FORFEITS		150,376	127,000	163,000	28.3%	36,000
LICENSE AND PERMITS	1,086,271	28,812,342	27,542,000	29,107,000	5.7%	1,565,000
OTHER MISC REVENUES	29	1,284	2,250,000	2,155,000	-4.2%	(95,000)
SPECIAL ASSESSMENTS	96,197	116,839	7,000	7,000	0.0%	0
GENERAL	**1,741,298**	**29,894,839**	**33,409,000**	**35,629,000**	**6.6%**	**2,220,000**
SPECIAL REVENUE						
CHARGES FOR SALES	1,830,120	11,658,645			0.0%	0
CHARGES FOR SERVICES	8,752,818	7,190,353		130,000	0.0%	130,000
CONTRIBUTIONS	104,562	256,364			0.0%	0
FEDERAL GOVERNMENT	13,798,261	15,558,487	4,826,773	5,134,392	6.4%	307,619
FINES AND FORFEITS		22,000	177,000		-100.0%	(177,000)
GAINS		12,980			0.0%	0
INTEREST	672,089	289,251	191,076	510,556	167.2%	319,480
LICENSE AND PERMITS		220,492	241,000		-100.0%	(241,000)
LOCAL GOVERNMENT	2,072,174	1,989,055			0.0%	0
LONG TERM LIABILITIES PROCEEDS				11,597,519	0.0%	11,597,519
OTHER MISC REVENUES	11,016,326	10,531,647	4,606,000	4,438,973	-3.6%	(167,027)
PROPERTY TAXES	50,833,890	37,247,205	41,699,902	42,649,683	2.3%	949,781
RENTS	4,171,800	3,948,531	2,802,220	2,587,500	-7.7%	(214,720)
SALES AND OTHER TAXES	293	73			0.0%	0
SPECIAL ASSESSMENTS		67,440	82,000	300,000	265.9%	218,000
STATE GOVERNMENT	17,149,107	18,262,392	2,100,000	1,821,500	-13.3%	(278,500)
TRANSFERS IN	9,942,971	7,033,225	2,885,705	2,243,379	-22.3%	(642,326)
SPECIAL REVENUE	**120,344,410**	**114,288,142**	**59,611,676**	**71,413,502**	**19.8%**	**11,801,826**
CAPITAL PROJECT						
LICENSE AND PERMITS		630			0.0%	0
OTHER MISC REVENUES			480,000		-100.0%	(480,000)
TRANSFERS IN	175,000	528,000			0.0%	0
CAPITAL PROJECT	**175,000**	**528,630**	**480,000**		**-100.0%**	**(480,000)**
DEBT SERVICE						
INTEREST	129	124			0.0%	0
TRANSFERS IN	3,090,044	3,112,346			0.0%	0
DEBT SERVICE	**3,090,173**	**3,112,470**				**0**

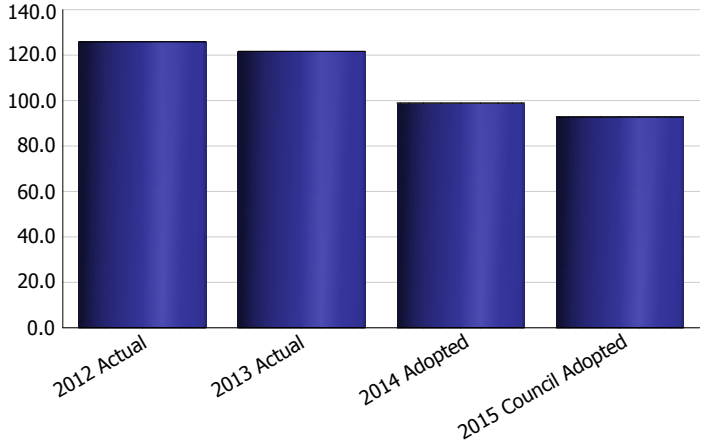
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SERVICES	3,458,875	2,100,136	400,000	1,270,000	217.5%	870,000
INTEREST	44,888	27,129			0.0%	0
LONG TERM LIABILITIES PROCEEDS				26,800	0.0%	26,800
RENTS	275,000	206,250			0.0%	0
TRANSFERS IN	400,000	555,605			0.0%	0
ENTERPRISE	**4,178,763**	**2,889,119**	**400,000**	**1,296,800**	**224.2%**	**896,800**
TOTAL REVENUE	**129,529,645**	**150,713,200**	**93,900,676**	**108,339,302**	**15.4%**	**14,438,626**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

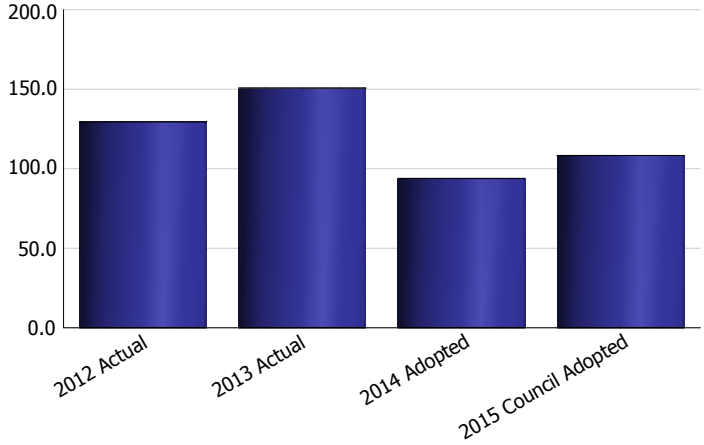
Expense 2012 - 2015

In Millions

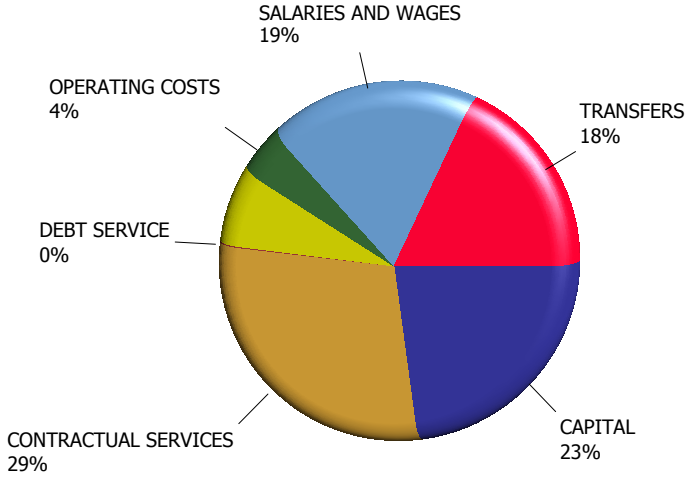


Revenue 2012 - 2015

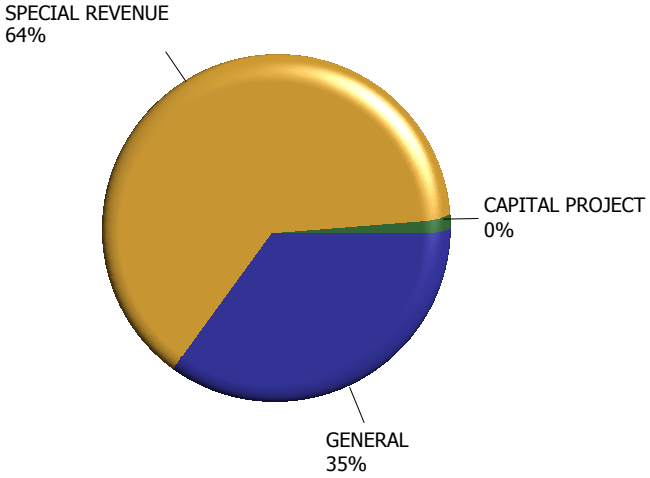
In Millions



Expense by Category



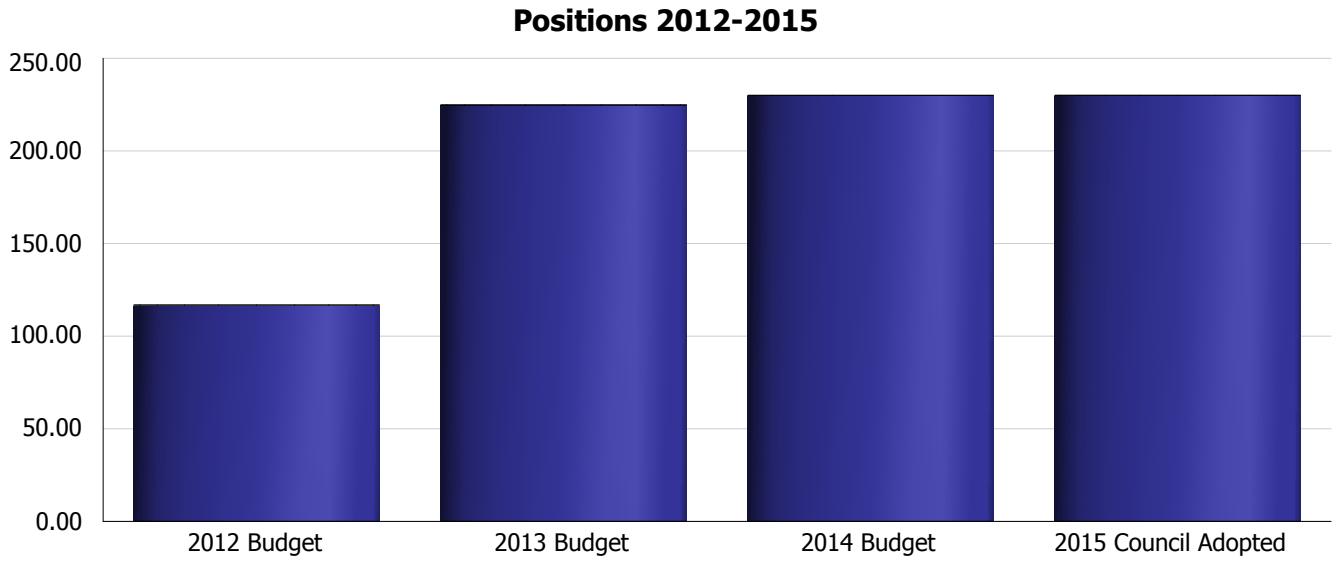
Expense by Fund



COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
TOTAL CPED	116.79	224.80	228.00	230.00	0.9%	2.00
Overall	116.79	224.80	228.00	230.00	0.9%	2.00



FIRE

MISSION

The Minneapolis Fire Department is thoroughly trained and ready to protect lives, property and the environment by rapidly responding to emergencies and hazardous situations. The department is committed to prevention 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. Respond to minimize loss of life or property and environmental impact

- Provide Emergency Medical Services (EMS), Fire suppression, Technical Rescue and Hazardous Material mitigation for anyone who lives in, works in or visits the City 24 hours per day, 7 days a week

- Provide Regional Emergency Service reciprocal support to others needing help, including deployment of the All Hazard Incident Management Team (AHIMT) 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 the department's mutual aid and automatic aid agreements.

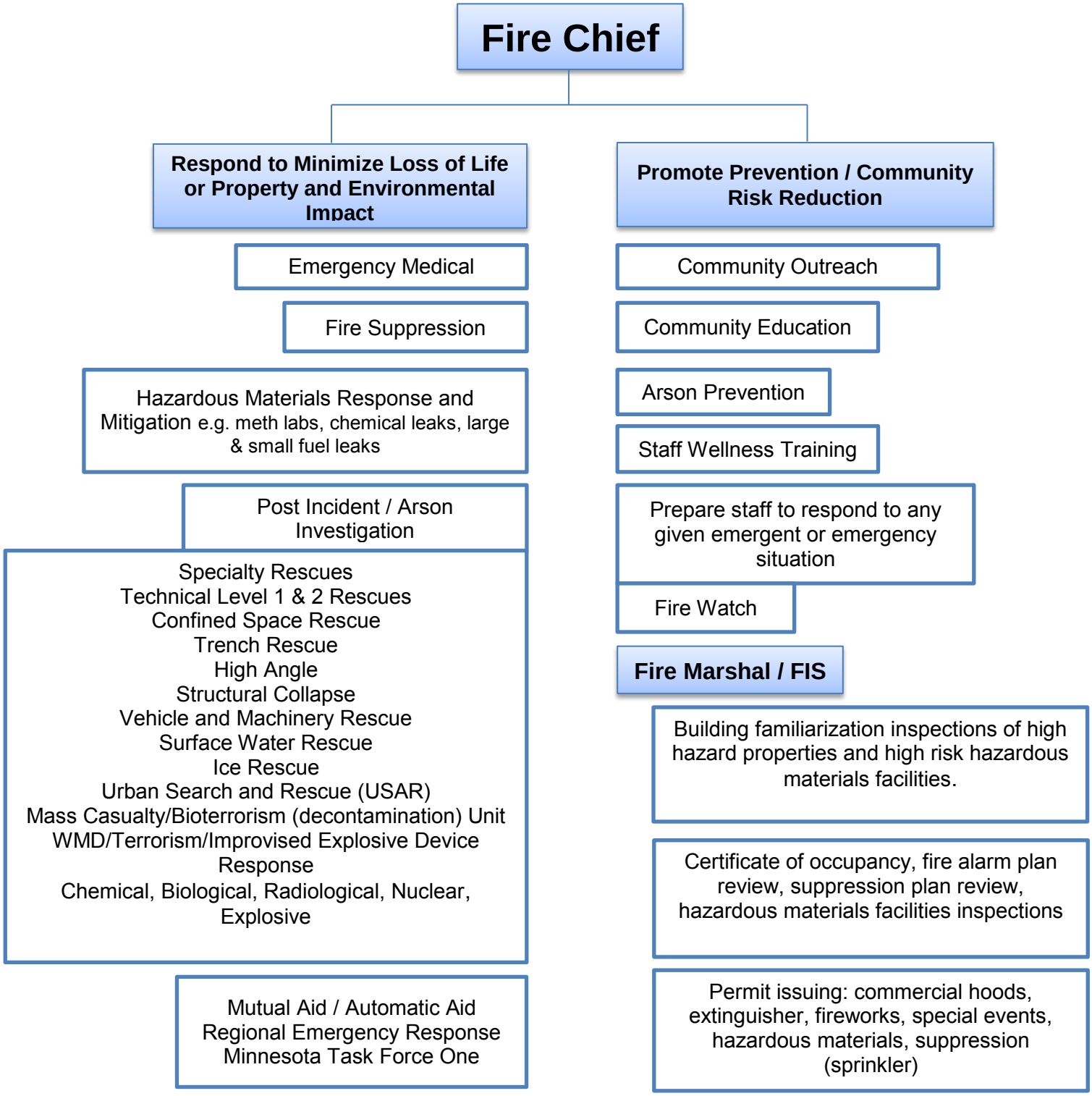
2. Promote prevention/community risk reduction by collaboratively working with and in the community to support changes to help preserve life, property and the environment

- Utilize the department's 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.)

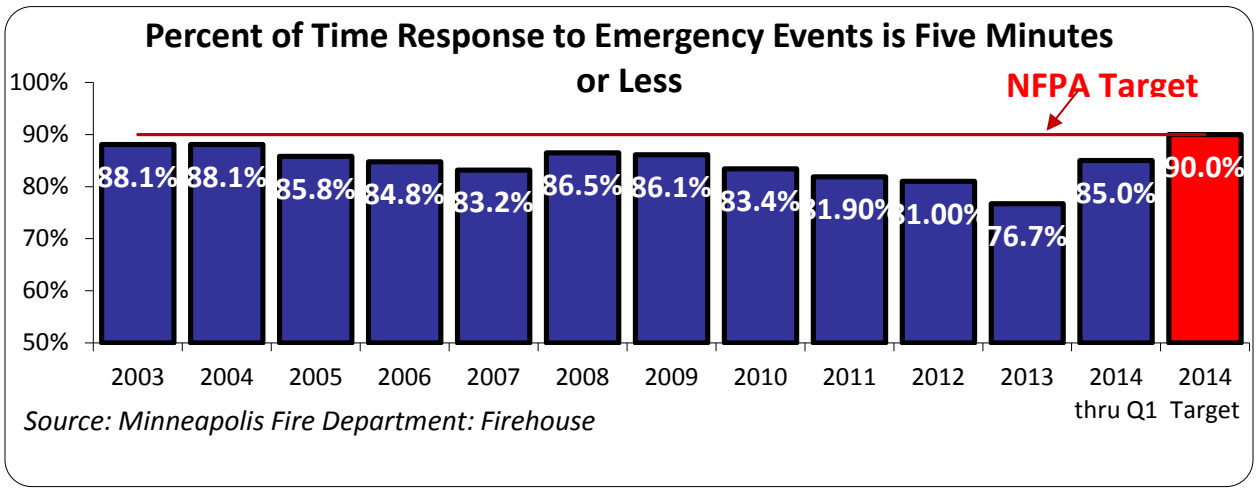
- Provide Fire Watch for Convention Center, sports facilities and other events as required

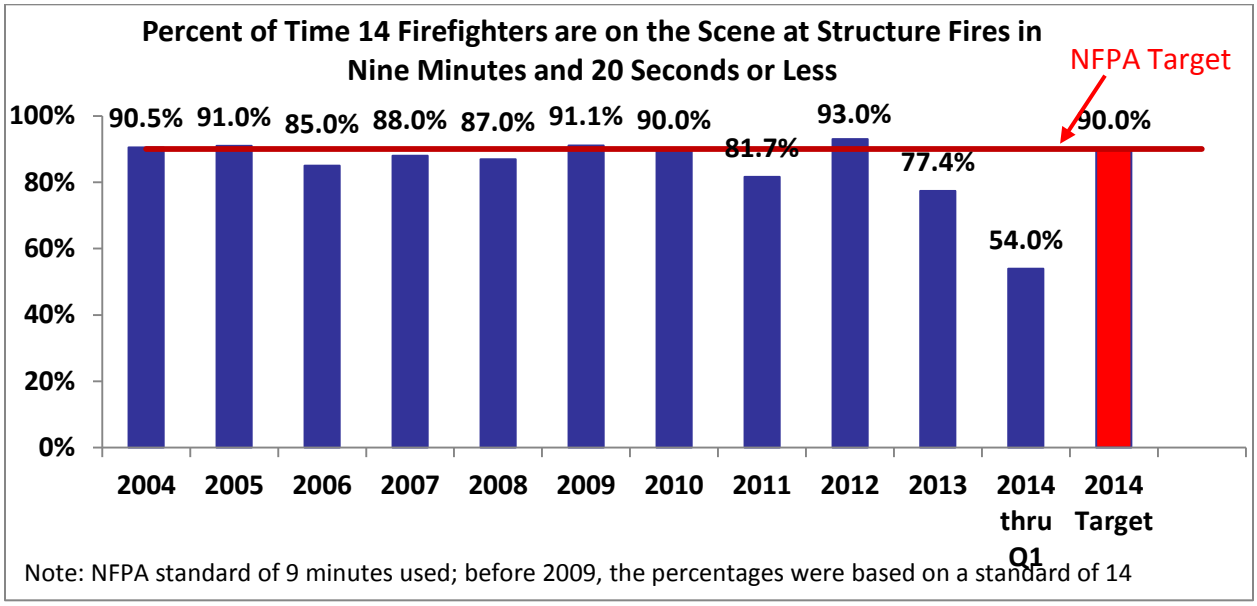
- Conduct building familiarization of high hazard properties and high risk hazardous materials facilities.

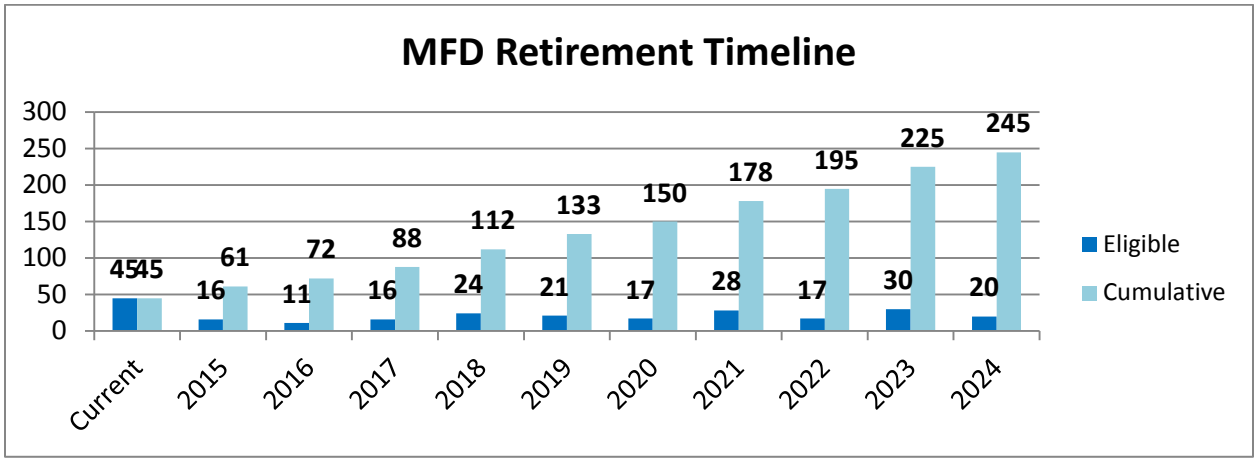
ORGANIZATION CHART

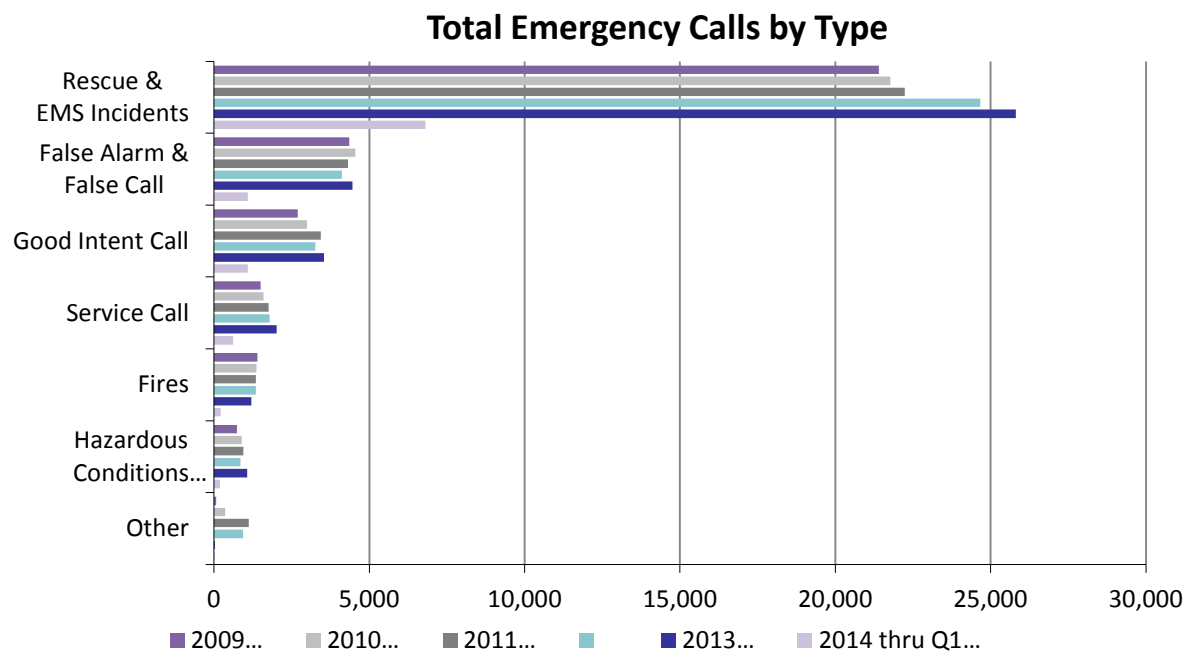


SELECTED RESULTS MINNEAPOLIS MEASURES

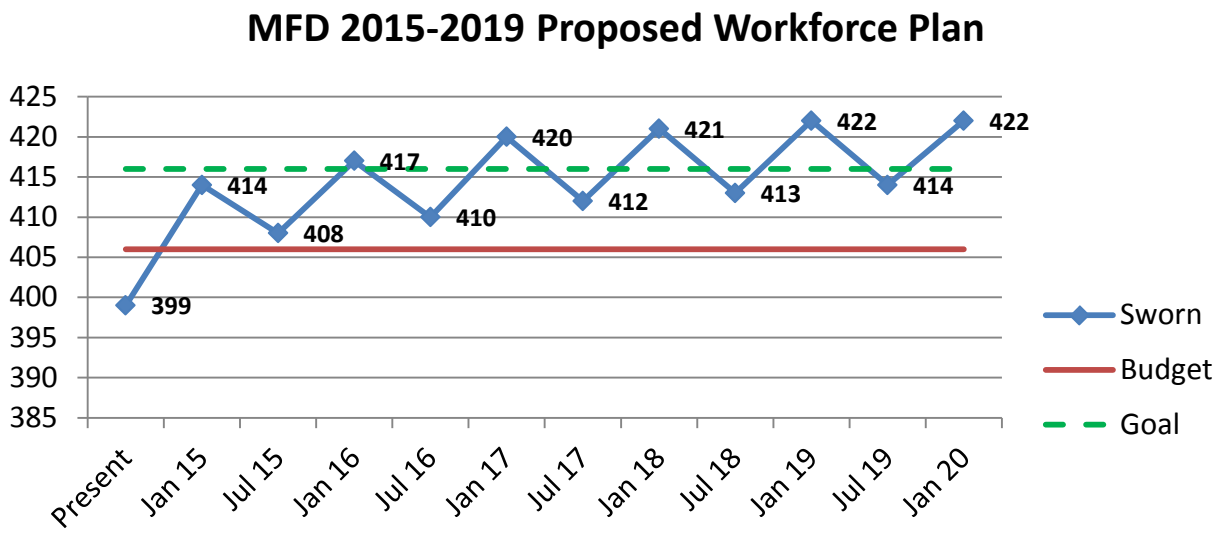






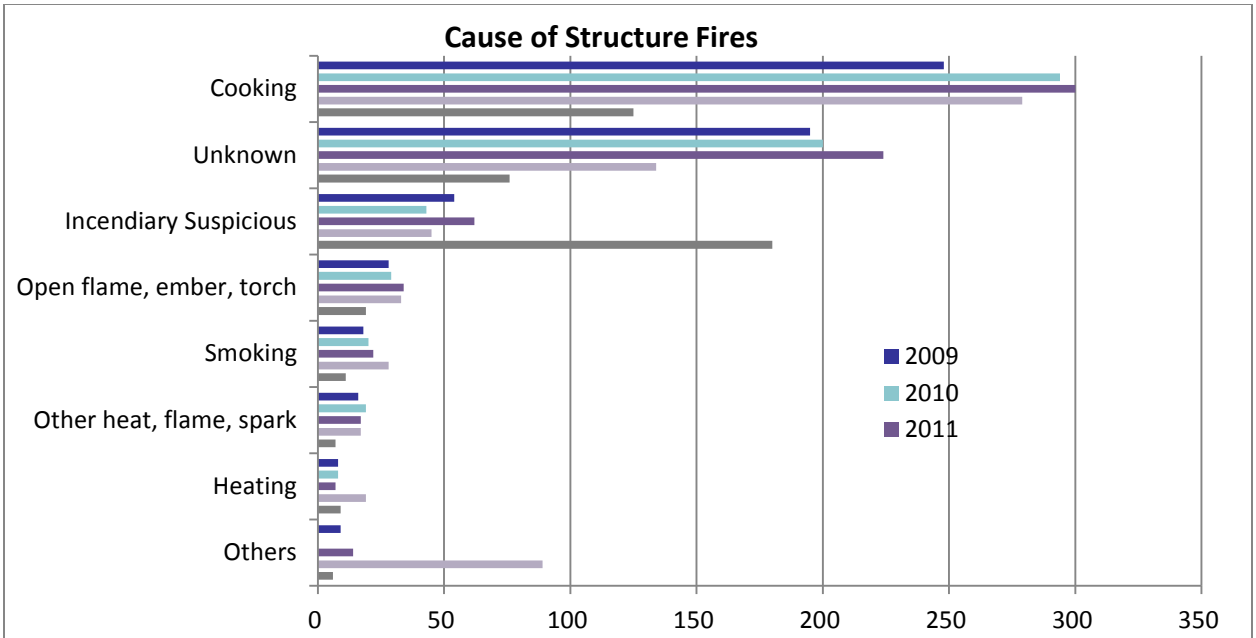


Source: Minneapolis Fire Department: Firehouse, MFD Incident Type

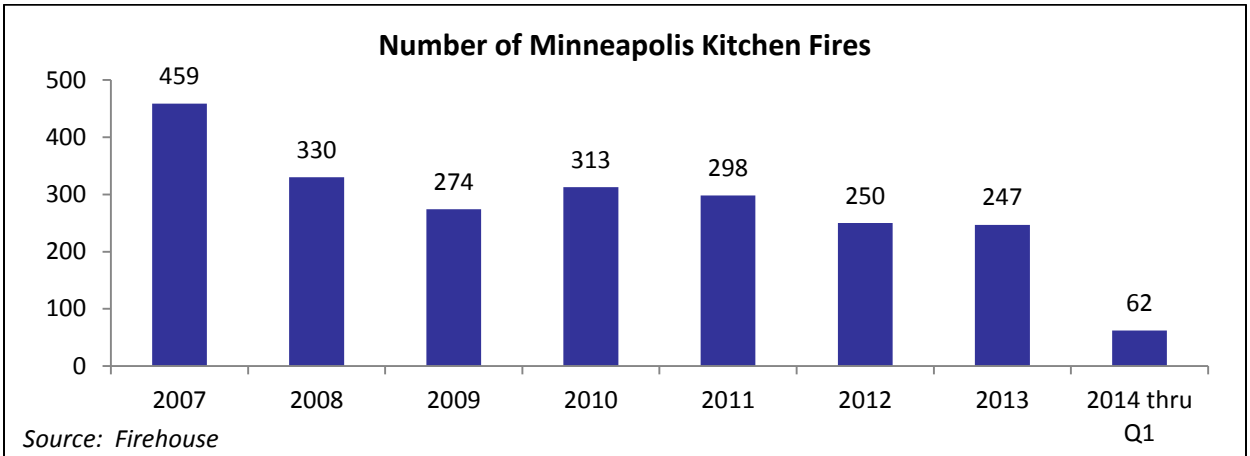


Hiring Assumptions:

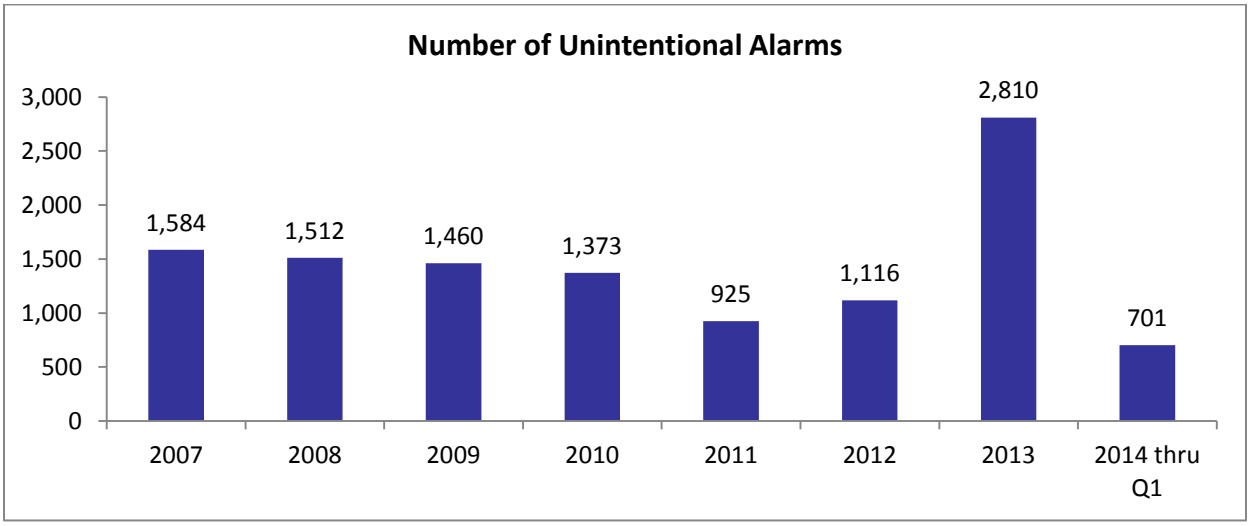
1. 20 hires in September 2014
2. 15 hires in July 2015
3. 17 hires every July 2016-19

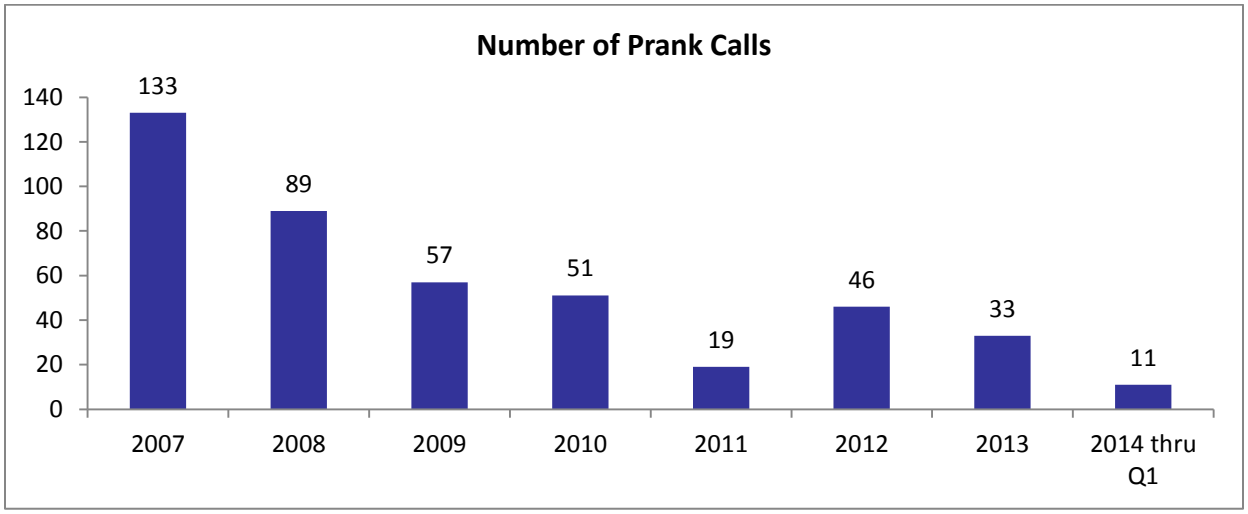


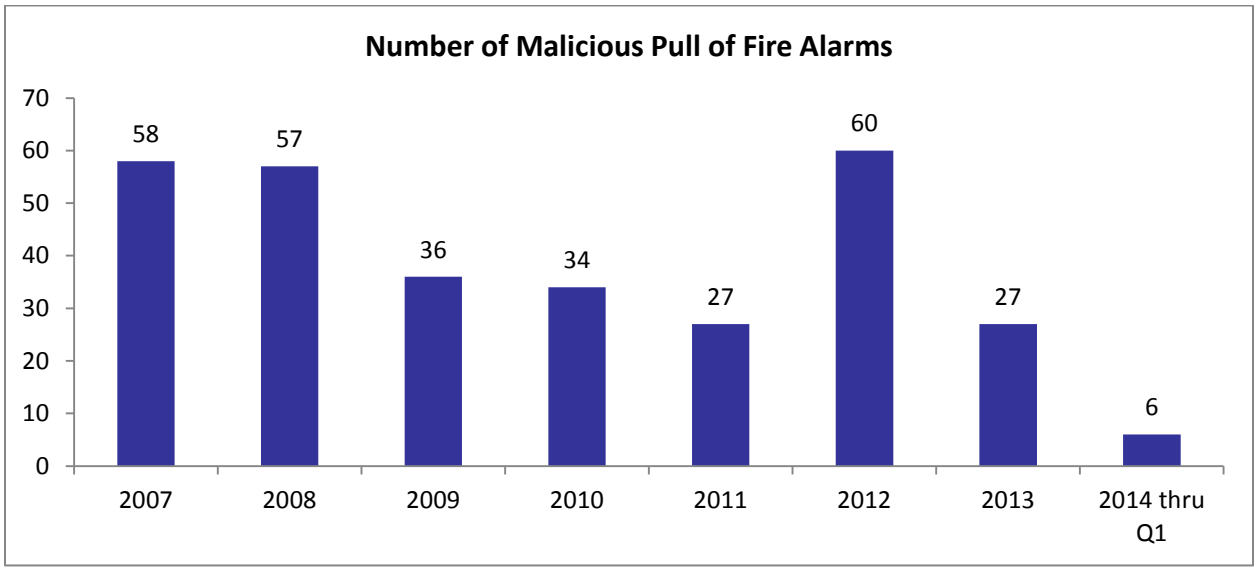
Source: Minnesota State Fire Marshall's Office



Source: Firehouse







A City That Works

Fire Suppression, Emergency Medical Service and Technical Rescue General Fund: $41,691,660

Fire Suppression, Emergency Medical Service and Technical Rescue describes the increased demand for services by cross-trained personnel who perform multiple functions in a growing range of services, such as Fire Response, Emergency & Medical Services, Hazardous Materials Response (Terrorism/WMD Response), Technical Rescue, and Prevention Education.

One Minneapolis

Training & Recruitment General Fund: $10,072,839

The Training program is fundamental in building and maintaining firefighter's skills. The program aims at and developing a high-performing diverse workforce where personal strengths are recognized and individual differences are respected. The aim is to create potential career opportunities both internal and external, and cross displinary.

Living Well

Community Risk Reduction and Community Outreach General Fund: $8,466,020

Prevention is the best form of suppression. The Community Risk Reduction and Community Outreach program promotes prevention/community risk reduction by proactively working with and in 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, non-English speaking residents, low income and our aging populations.

Financial Analysis

Expenditure
The total Fire Department's council adopted budget increases from $59.3 million to $60.2 million from 2014 to 2015. This is an increase of $0.9 million, or 1.5% primarily due to $0.8 million enhancement in the training and recruitment program to maintain staffing levels.

Revenue
Revenues are projected to decline by 12.0% in this department due to the reduction of $0.3 million in SAFER funding from the Federal Government. The department's total revenues in 2015 are projected to be $2.1 million.

Fund Allocation
This department is funded completely in the General Fund with the exception of $10,000 in private donations/contributions.

Mayor's Recommended Budget
The Mayor recommended $400,000 in ongoing and $400,000 one-time General Fund resources to enhance on-going training and recruitment activities. The $400,000 in ongoing funding provides for a class of trainees every year while the $400,000 in one-time funding will allow an additional class in 2015. An appropriation of $50,000 in one-time General Fund resources was also recommended for continuing development and implementation of outreach to high schools and an alternative hiring process focusing on inner-city youth.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed the Fire Department to commence with recruit classes as soon as feasible and report back to Ways and Means Committee with a plan to maintain staffing at the approved complement level by July 1, 2015,

for the purpose of reviewing and recommending mechanisms to provide for enhanced staffing levels in the future.

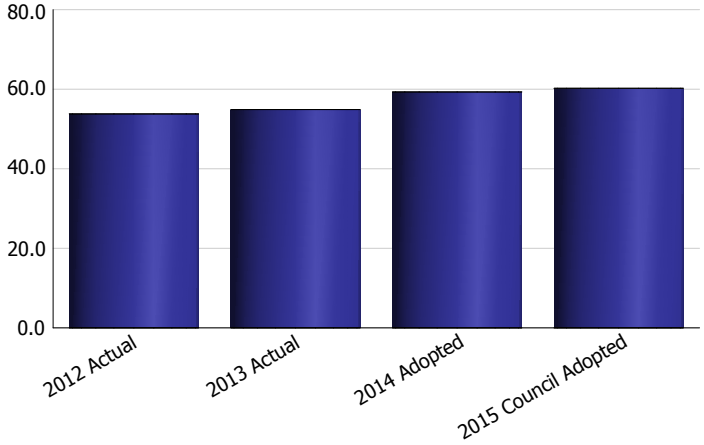
FIRE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	32,024,760	32,381,608	34,309,487	34,946,089	1.9%	636,602
FRINGE BENEFITS	12,751,565	13,385,447	14,910,964	15,051,707	0.9%	140,743
CONTRACTUAL SERVICES	5,791,607	6,032,232	6,630,212	7,234,001	9.1%	603,789
OPERATING COSTS	1,986,898	2,180,421	2,176,789	2,307,824	6.0%	131,035
CAPITAL	62,572	39,633	988,401	690,899	-30.1%	(297,502)
TOTAL GENERAL	**52,617,402**	**54,019,341**	**59,015,853**	**60,230,520**	**2.1%**	**1,214,667**
SPECIAL REVENUE						
SALARIES AND WAGES	175,025	402,226	204,045		-100.0%	(204,045)
FRINGE BENEFITS	49,917	168,619	85,418		-100.0%	(85,418)
CONTRACTUAL SERVICES	81,315	113,746	10,000		-100.0%	(10,000)
OPERATING COSTS	91,541	189,012				0
CAPITAL	776,786					0
TOTAL SPECIAL REVENUE	**1,174,584**	**873,603**	**299,463**		**-100.0%**	**(299,463)**
TOTAL EXPENSE	**53,791,986**	**54,892,945**	**59,315,316**	**60,230,520**	**1.5%**	**915,204**

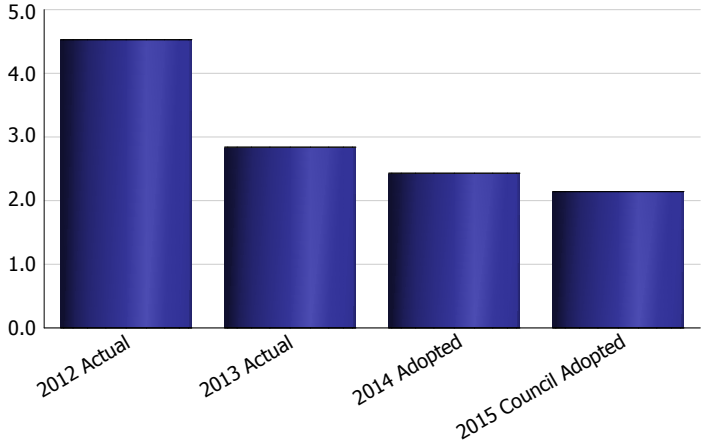
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	308	521	250	250	0.0%	0
CHARGES FOR SERVICES	624,343	315,817	201,000	201,000	0.0%	0
CONTRIBUTIONS				10,000	0.0%	10,000
LICENSE AND PERMITS	1,368,030	260			0.0%	0
OTHER MISC REVENUES	1,644	2,014			0.0%	0
STATE GOVERNMENT	1,908,004	1,720,274	1,930,000	1,930,000	0.0%	0
GENERAL	**3,902,328**	**2,038,885**	**2,131,250**	**2,141,250**	**0.5%**	**10,000**
SPECIAL REVENUE						
CONTRIBUTIONS	3,342	17,443	10,000		-100.0%	(10,000)
FEDERAL GOVERNMENT	538,888	625,393	289,463		-100.0%	(289,463)
STATE GOVERNMENT	83,475	157,788			0.0%	0
SPECIAL REVENUE	**625,705**	**800,625**	**299,463**		**-100.0%**	**(299,463)**
TOTAL REVENUE	**4,528,033**	**2,839,510**	**2,430,713**	**2,141,250**	**-11.9%**	**(289,463)**

FIRE
EXPENSE AND REVENUE INFORMATION

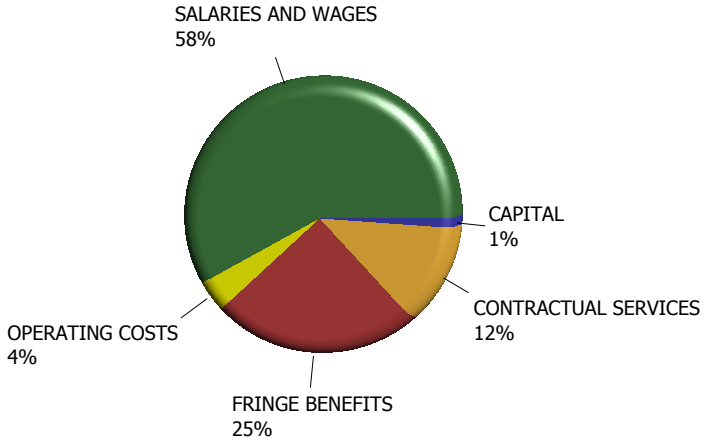
Expense 2012 - 2015
In Millions



Revenue 2012 - 2015
In Millions



Expense by Category

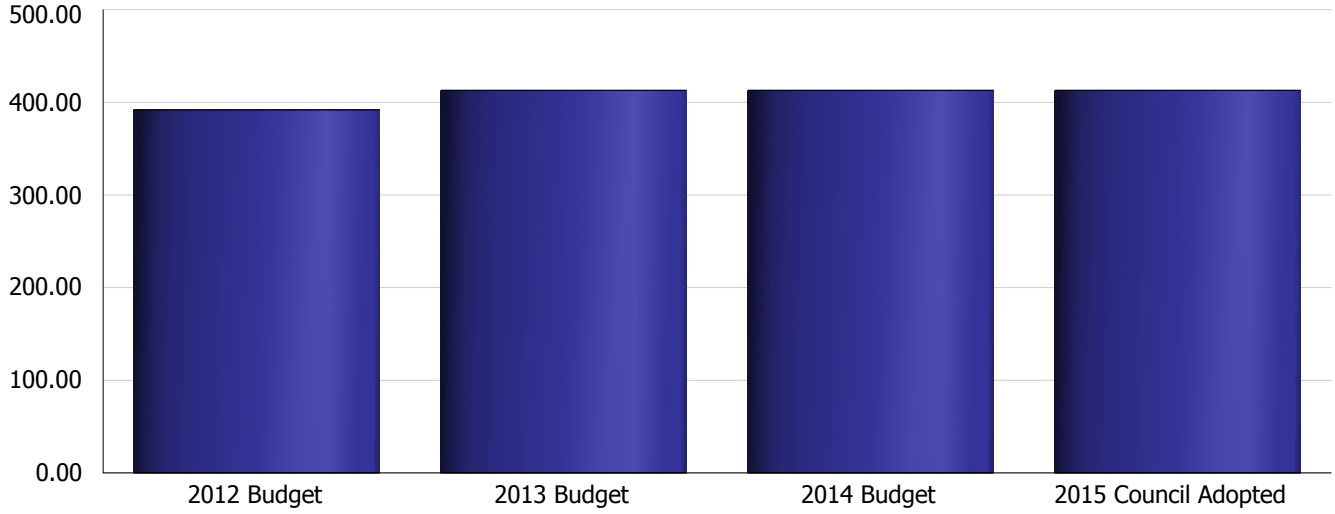


FIRE

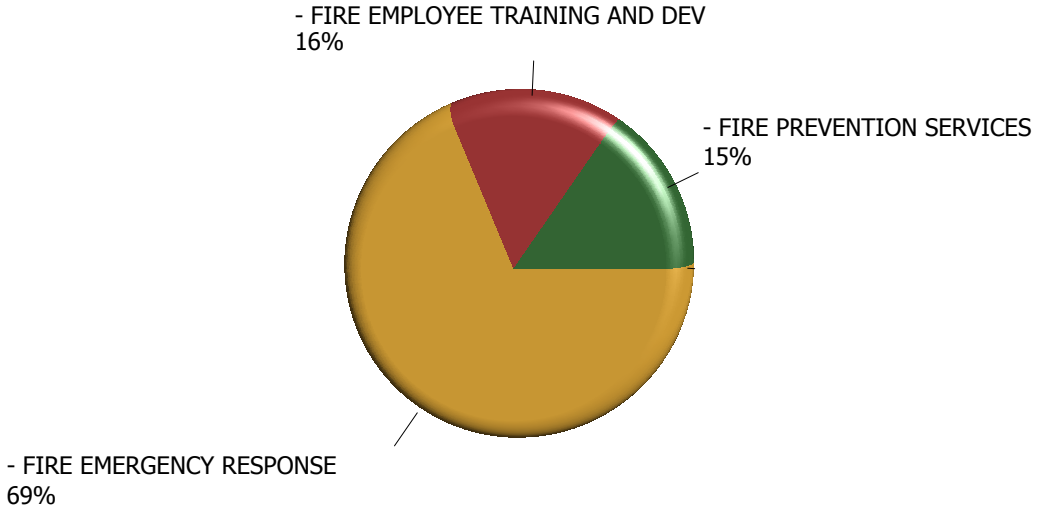
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
FIRE DEPARTMENT	0.00					0
FIRE EMERGENCY RESPONSE	268.15	283.15	281.25	283.85	0.9%	2.60
FIRE EMPLOYEE TRAINING AND DEV	45.30	45.15	47.05	65.67	39.6%	18.62
FIRE GRANTS AND DONATIONS		6.00	3.00		-100.0%	(3.00)
FIRE PREVENTION SERVICES	78.55	78.70	81.70	63.48	-22.3%	(18.22)
Overall	392.00	413.00	413.00	413.00	0.0%	0.00

Positions 2012-2015



Positions by Divison



HEALTH DEPARTMENT

MISSION

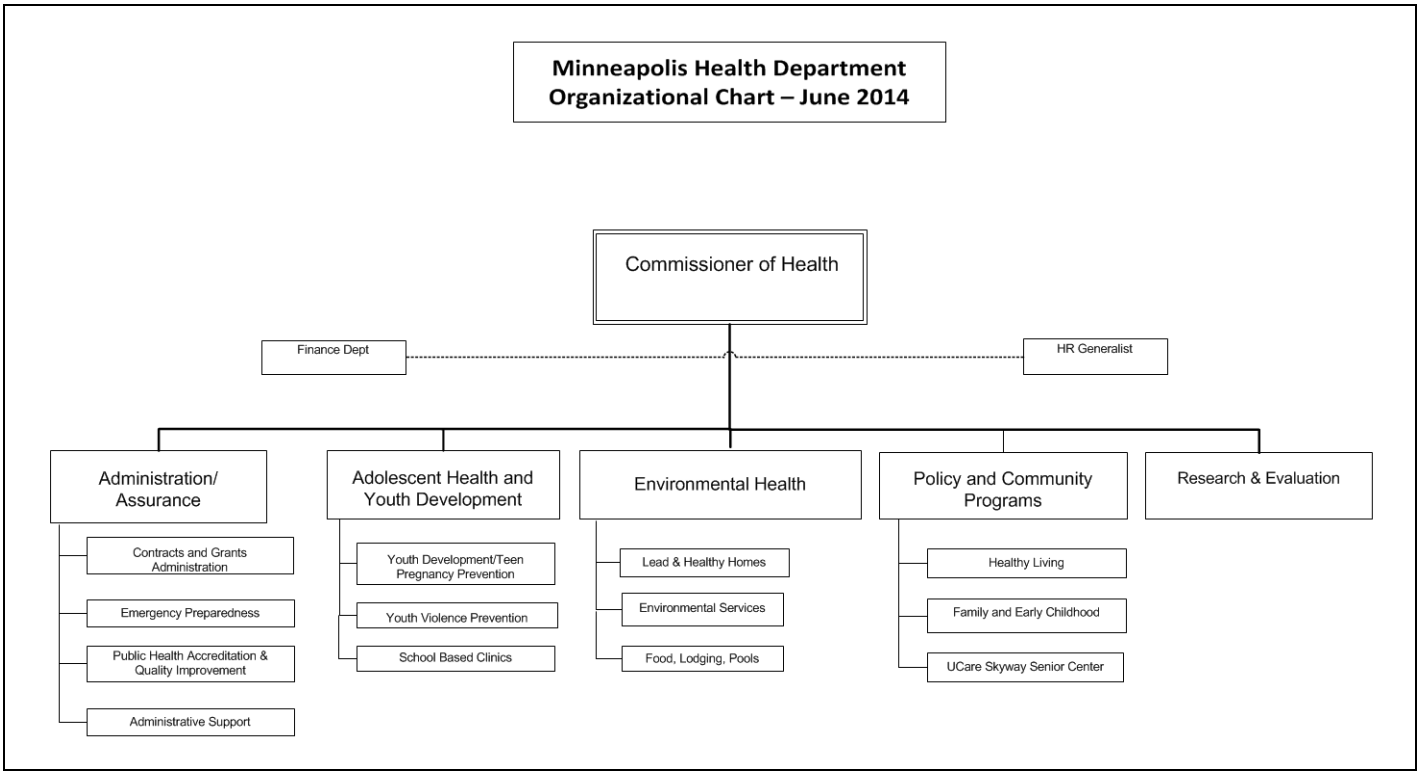
The Minneapolis Health Department improves the quality of life for all people in the city by protecting the environment, preventing disease and injury, promoting healthy behaviors, and creating a city that is a healthy place to live, work, and play.

BUSINESS LINES

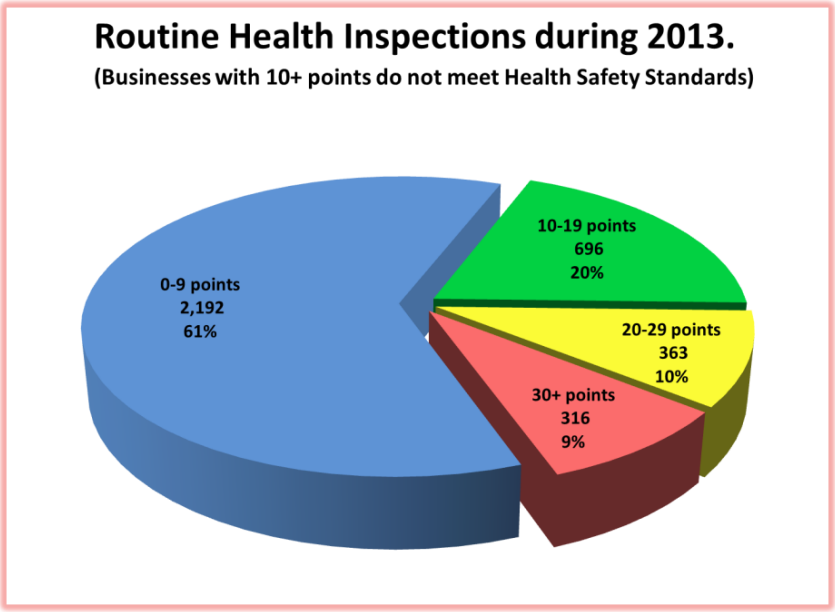
As a local public health entity operating under a Board of Health (City Council), the department is mandated by state statute 145A to provide directly or contract for essential public health services for Minneapolis residents. Per this statute, the department assures an adequate public health infrastructure and promotes healthy communities and healthy behaviors. It is tasked with preventing the spread of infectious disease and protecting against environmental health hazards. In addition, the statute requires the department to prepare for and respond to disasters, assist communities in recovery and, assure the quality and accessibility of health services. The department's major programs are:

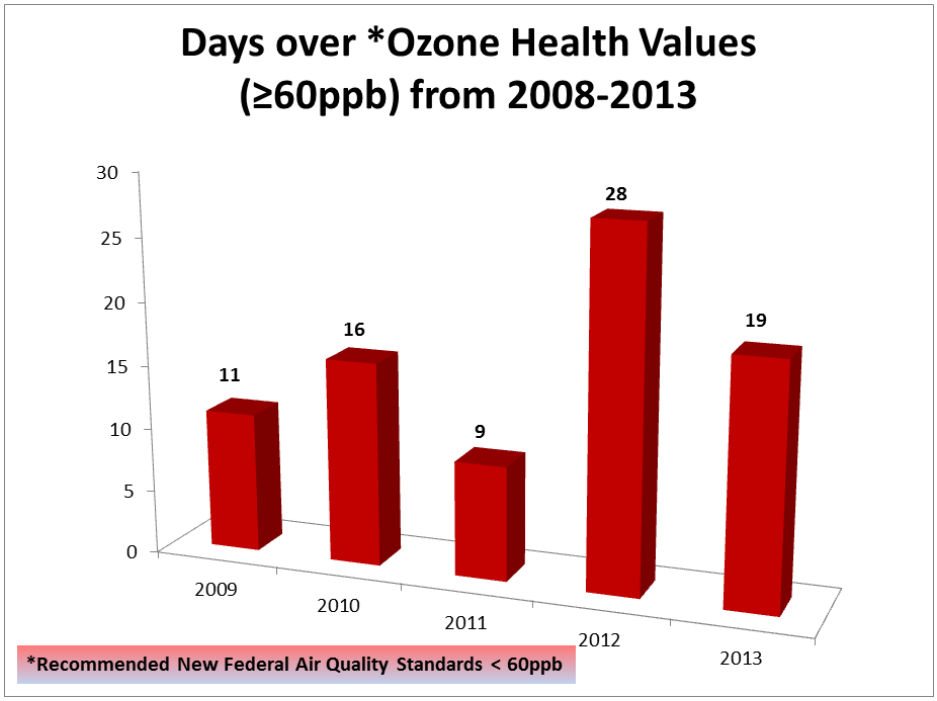
- Adolescent Health and Youth Development
    - School Based Clinics
    - Youth development and teen pregnancy prevention
    - Youth violence prevention
- Environmental Health
    - Food Lodging and Pools
    - Lead and Healthy Homes
    - Environmental Services
- Research and Evaluation
    - Data collection, analysis and dissemination
    - Research projects
- Policy and Community Programs
    - Local, state and federal policy initiatives
    - Maternal/paternal and child health, Healthy Start
    - Healthy Living
    - UCare Skyway Senior Center
- Administration and Assurance
    - Emergency Preparedness
    - Contract management, grants
    - Administrative support
    - Enterprise liaison
    - Accreditation

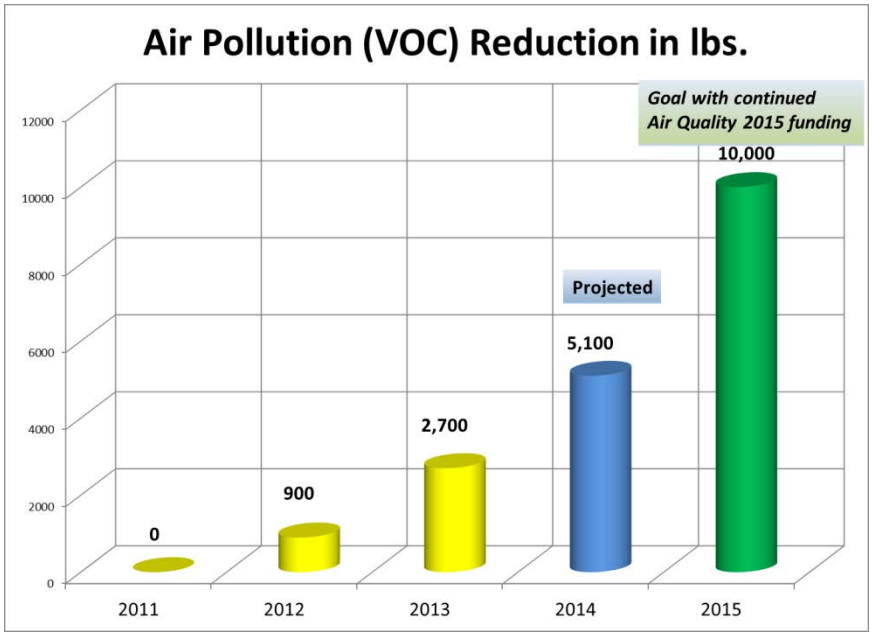
ORGANIZATION CHART

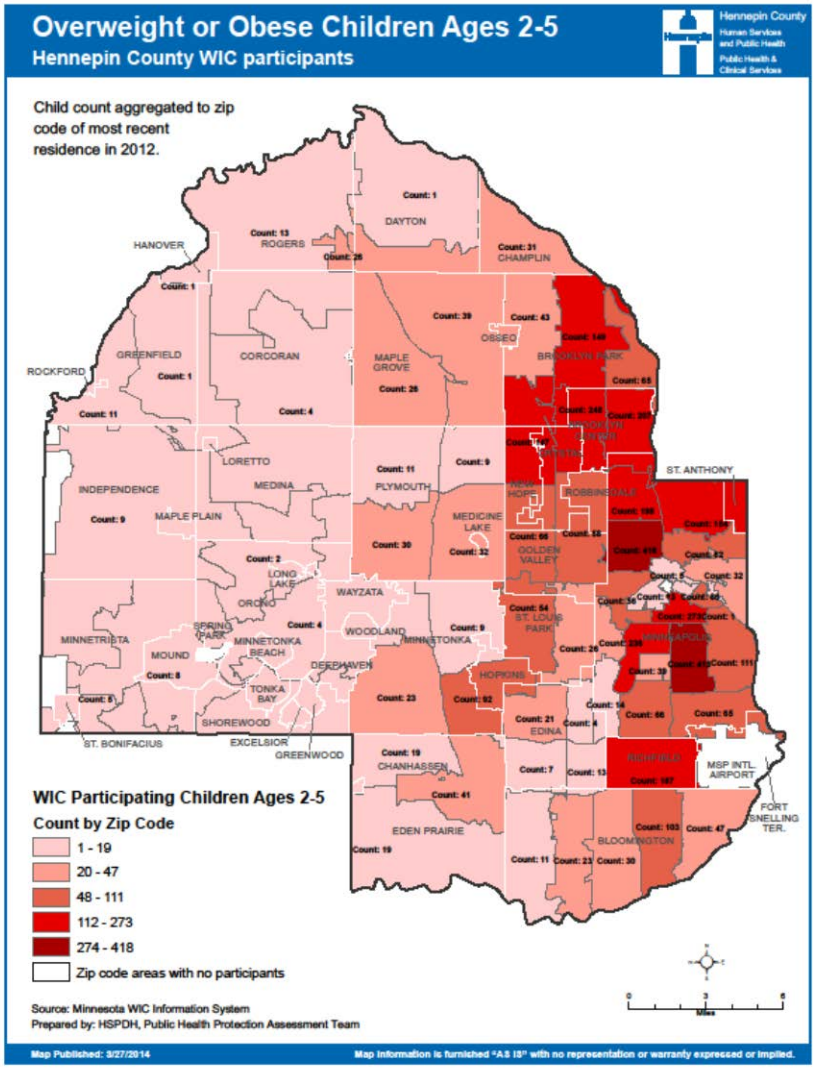


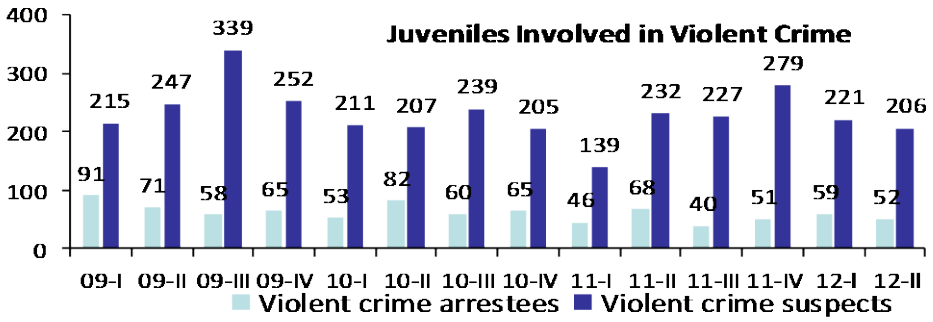
SELECTED RESULTS MINNEAPOLIS MEASURES

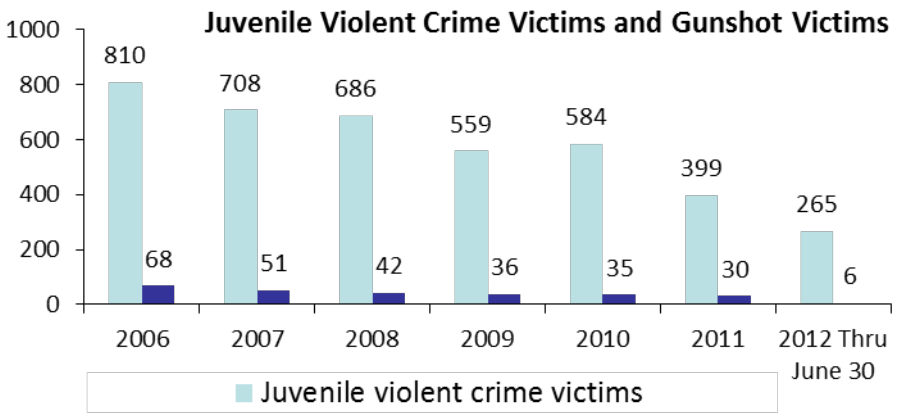



Days over *Ozone Health Values (≥60ppb) from 2008-2013
30
25
20
15
10
5
0
11
16
9
28
19
2009
2010
2011
2012
2013
*Recommended New Federal Air Quality Standards < 60ppb

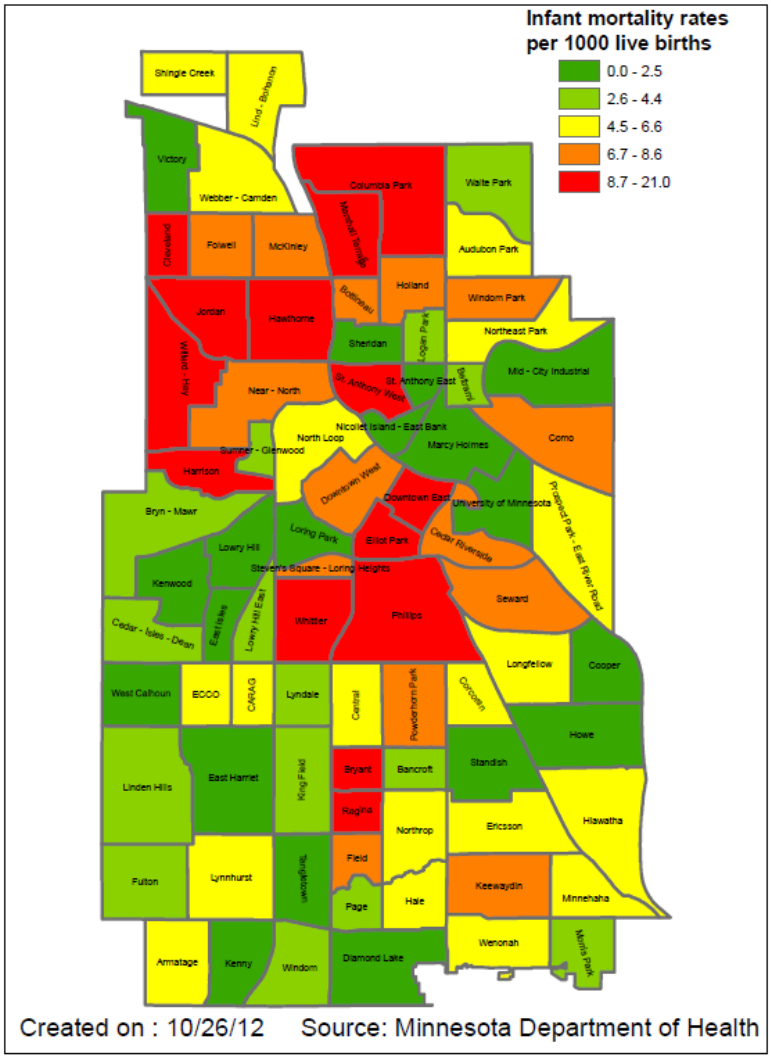

Air Pollution (VOC) Reduction in lbs.
Goal with continued Air Quality 2015 funding
Projected
12000
10000
8000
6000
4000
2000
0
0
900
2,700
5,100
10,000
2011
2012
2013
2014
2015


Overweight or Obese Children Ages 2-5
Hennepin County WIC participants
Hennepin County
Human Services and Public Health
Public Health & Clinical Services
Child count aggregated to zip code of most recent residence in 2012.
DAYTON
HANOVER
ROGERS
CHAMPLIN
GREENFIELD
CORCORAN
MAPLE GROVE
OSSEO
ROCKFORD
LORETTO
MEDINA
PLYMOUTH
ST. ANTHONY
INDEPENDENCE
MAPLE PLAIN
MEDICINE LAKE
GOLDEN VALLEY
LONG LAKE
ORONO
WAYZATA
MINNETRISTA
MOUND
MINNETONKA BEACH
WOODLAND
MINNETONKA
ST. LOUIS PARK
DEERWOOD
TONKA BAY
HOPKINS
SHOREWOOD
EDINA
ST. BONIFACIUS
EXCELSIOR
GREENWOOD
CHANHASSEN
MSP INTL. AIRPORT
FORT SNELLING TER.
EDEN PRAIRIE
BLOOMINGTON
WIC Participating Children Ages 2-5
Count by Zip Code
1 - 19
20 - 47
48 - 111
112 - 273
274 - 418
Zip code areas with no participants
Source: Minnesota WIC Information System
Prepared by: HSPDH, Public Health Protection Assessment Team
Map Published: 3/27/2014
Map information is furnished "AS IS" with no representation or warranty expressed or implied.


Juveniles Involved in Violent Crime
400
300
200
100
0
09-I 09-II 09-III 09-IV 10-I 10-II 10-III 10-IV 11-I 11-II 11-III 11-IV 12-I 12-II
91 71 58 65 53 82 60 65 46 68 40 51 59 52
215 247 339 252 211 207 239 205 139 232 227 279 221 206
Violent crime arrestees
Violent crime suspects



Infant Mortality rates by neighborhoods, 2001-2010



Many People, One Minneapolis

Family and Early Childhood

General Fund: $481,930
Other Funds: $2,781,492

Several programs and services promote healthy birth outcomes, positive parent-child interaction, child growth and development, family self sufficiency, nutrition education, family planning and connection to early childhood education. Additonal programs promote school ready children.

School Based Clinic Program

General Fund: $275,184
Other Funds: $2,596,985

The Department operates School Based Clinics (SBC) in seven Minneapolis public high schools. 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 counseling.

Youth Development and Sexual Health

General Fund: $425,914
Other Funds: $968,464

This program includes policy work and out-of-school time services for low income youth; collaborative partnerships with schools, county and community based agencies; technical assistance and training to youth workers, teachers and volunteers; culturally competent sexuality education; and coordination of the City's prevention response to the Safe Harbors Act.

Youth Violence Prevention

General Fund: $223,062
Other Funds: $434,666

The Health Department leads and coordinates citywide efforts to implement the Youth Violence Blueprint for Action through policy, planning, community support, and programming. Activities include: planning and service coordination with jurisdictional partners, technical assistance to community-based agencies, oversight of the Juvenile Supervision Center for curfew, truancy, and low-level offenders, and individualized case management and mentoring for youth at risk of involvement with violence.

Senior Services

General Fund: $70,000
Other Funds: $201,256

UCare Skyway Senior Center is a safe, friendly, and comfortable place for people age 50 and older to gather in downtown Minneapolis to participate in a variety of activities, such as physical fitness, health and wellness, learning opportunities and socialization events. The Center serves more thano15,500 seniors annually with an average daily visitor count of 73.

The Minnesota Visiting Nurse Agency provides home health care/therapeutic services for eligible high-risk and low-income seniors age 60 and older who lack medical reimbursement. Eligible seniors receive skilled nursing and therapy visits and home health aid/homemaker visits; a significant number require interpreter services.

Living Well

Lead Poisoning and Healthy Homes General Fund: $440,414
Other Funds: $882,434

The Lead Poisoning Prevention and Healthy Homes initiative assures residential homes are safe from lead hazards by conducting inspections for children with diagnosed lead poisoning. Repairs lead hazards to protect children from exposure to lead which interferes with brain development during a critical stage. Minneapolis currently inspects homes of children with a blood lead level of 10 ug/dl of blood. A Federal grant supports efforts to address other hazards such as mold, radon, and falls among the elderly.

Emergency Preparedness and Infectious Disease Prevention General Fund: $37,700
Other Funds: $465,268

The Minneapolis Health Department is required by Minnesota statute and City Charter 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 response includes routine prevention and intervention activities (provided through contract by Hennepin County); responses to small events, such as tuberculosis and food borne illness; support for residents affected by natural or other disasters, such as the Northside tornado, and responses to large public health emergencies such as a flu epidemic.

Food Lodging and Pools General Fund: $2,443,223

The Food Lodging and Pools program ensures commercial and institutional foods are safe and in compliance with state and local health codes by conducting more than 7,000 inspections a year of over 5,000 facilities including restaurants, schools, board and lodging facilities, hotels, pools, tanning and body arts establishments, day care centers, farmers markets, groceries, and food vendors.

Eco-Focused

Environmental Services General Fund: $1,530,627

Environmental Services protects environmental and public health from the adverse effects of pollution through two state delegated well programs, one federally mandated storm water program, nine local environmental permits, and immediate response to spills and citizen concern. The Health Department has become a progressive leader in local environmental work with the most comprehensive air quality study of any major city, managing the Midwest's first

energy disclosure policy, and the most aggressive partnership programs with local businesses to improve neighborhood environmental quality in the country.

Livable Communities, Healthy Lives

Minneapolis Healthy Living Initiative General Fund: $72,000
Other Funds: $843,209

The Healthy Living Initiative is a collection of 23 strategies implemented with community partners to increase opportunities for healthy eating, physical activity and tobacco-free living in public housing, schools, neighborhoods, clinics, food shelves, stores, restaurants, worksites and other settings. The goal of these strategies is to reduce the burden of tobacco- and obesity-related chronic diseases on individuals, communities, employers, and the health care system.

A City that Works

Core Public Health Infrastructure General Fund: $2,438,728
Other Funds: $923,857

As a local public health entity operating under a Board of Health (City Council), the department is mandated by Minnesota Statutes, chapter 145A, to provide directly or contract for essential public health services for Minneapolis residents. An adequate public health infrastructure includes a governance structure, assessing community health needs, setting health priorities, meeting state reporting requirements, engaging the community, advocating for policy changes, fostering healthy environments, and ensuring that staffing reflects the diversity of the Minneapolis community. In Minneapolis, grant writing to address priority needs is also an essential component of the Public health infrastructure.

Financial Analysis

Expenditure
For 2015, the Minneapolis Health Department recommended budget is $18.5 million, an increase of 4.4% over the 2014 budget of $17.8 million. The General Fund portion of the department's budget is increasing by 14.0%, or $1.0 million, reflecting routine inflationary operating increases and internal service charges, as well as additional staffing resources added as part of the Mayor's budget recommendation. Special revenue-funded expenditures remain relatively flat compared to 2014.

Revenue
Total direct revenue for the Minneapolis Department of Health is projected to decline by 3.7% to $11.9 million in 2015. The decline is primarily associated with a decrease in federal grants, while the funding from the general fund remains relatively stable.

Fund Allocation
This department is funded primarily by the General Fund, with the remainder of the department's funding found in State & Other Funds and Federal Funds.

Mayor's Recommended Budget
The Mayor recommended additional ongoing General Fund appropriation of $50,000 (0.5 FTE) for school based clinics, $70,000 for youth development and sexual health programming, $100,000 for youth violence prevention, and $350,000 (3.0 FTE) for the food, lodging and pools inspection program to keep pace with the increase in the number of establishments. An additional $110,000 in resources from the City's Storm Water fund provides for (1.0 FTE) for environmental services to keep pace with increased construction activity for erosion control. The Mayor recommended additional one-time General Fund allocations of $140,000 (1.0 FTE) for lead and healthy homes, $25,000 to finalize the 2007 Minneapolis Air Quality Study, and $72,000 (1.0 FTE) for tobacco prevention to pursue strategies to prevent exposure to second hand smoke.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

MINNEAPOLIS HEALTH DEPARTMENT
EXPENSE AND REVENUE INFORMATION

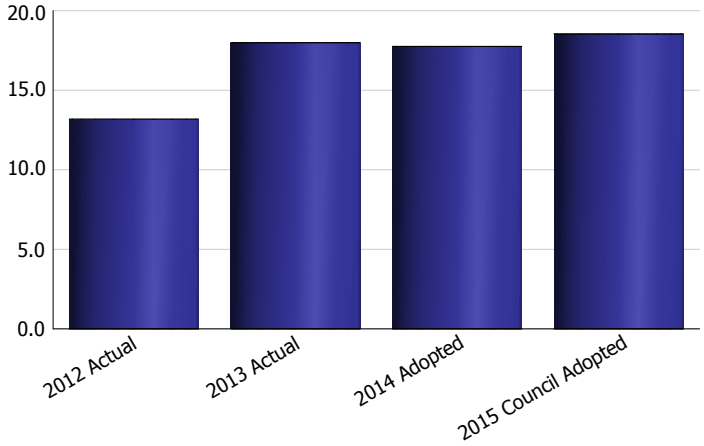
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	603,577	2,756,213	2,875,564	3,331,950	15.9%	456,387
FRINGE BENEFITS	208,795	871,932	1,217,563	1,380,419	13.4%	162,856
CONTRACTUAL SERVICES	1,420,968	2,746,452	2,838,493	3,371,101	18.8%	532,608
OPERATING COSTS	198,262	594,846	470,929	130,312	-72.3%	(340,617)
CAPITAL				225,000		225,000
TOTAL GENERAL	**2,431,602**	**6,969,443**	**7,402,549**	**8,438,782**	**14.0%**	**1,036,234**
SPECIAL REVENUE						
SALARIES AND WAGES	3,007,830	2,793,414	3,419,647	3,598,093	5.2%	178,447
FRINGE BENEFITS	1,139,586	1,065,990	1,376,679	1,485,584	7.9%	108,904
CONTRACTUAL SERVICES	6,104,434	6,784,734	5,488,665	4,949,260	-9.8%	(539,405)
OPERATING COSTS	401,509	340,371	64,618	64,696	0.1%	78
CAPITAL	93,595	33,994				0
TOTAL SPECIAL REVENUE	**10,746,953**	**11,018,502**	**10,349,609**	**10,097,633**	**-2.4%**	**(251,976)**
TOTAL EXPENSE	**13,178,555**	**17,987,945**	**17,752,158**	**18,536,415**	**4.4%**	**784,258**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES		30,100			0.0%	0
FINES AND FORFEITS		112,634	80,000	78,000	-2.5%	(2,000)
LICENSE AND PERMITS		2,185,265	2,178,558	2,272,226	4.3%	93,668
OTHER MISC REVENUES		103,822	222,000	83,000	-62.6%	(139,000)
SPECIAL ASSESSMENTS		15,400			0.0%	0
GENERAL		**2,447,222**	**2,480,558**	**2,433,226**	**-1.9%**	**(47,332)**
SPECIAL REVENUE						
CHARGES FOR SALES		117			0.0%	0
CHARGES FOR SERVICES	443,020	698,568	400,000	709,210	77.3%	309,210
CONTRIBUTIONS	299,032	222,775	172,000	186,000	8.1%	14,000
FEDERAL GOVERNMENT	4,659,751	222,440	5,109,837	4,269,008	-16.5%	(840,829)
INTEREST	687	226			0.0%	0
LOCAL GOVERNMENT	201,507	263,837	206,666	176,666	-14.5%	(30,000)
OTHER MISC REVENUES	72,067	51,898	2,800	2,500	-10.7%	(300)
SALES AND OTHER TAXES	1,964		7,000	7,000	0.0%	0
STATE GOVERNMENT	4,190,661	3,588,874	3,939,176	4,074,405	3.4%	135,229
SPECIAL REVENUE	**9,868,690**	**5,048,736**	**9,837,479**	**9,424,789**	**-4.2%**	**(412,690)**
TOTAL REVENUE	**9,868,690**	**7,495,957**	**12,318,037**	**11,858,015**	**-3.7%**	**(460,022)**

MINNEAPOLIS HEALTH DEPARTMENT
EXPENSE AND REVENUE INFORMATION

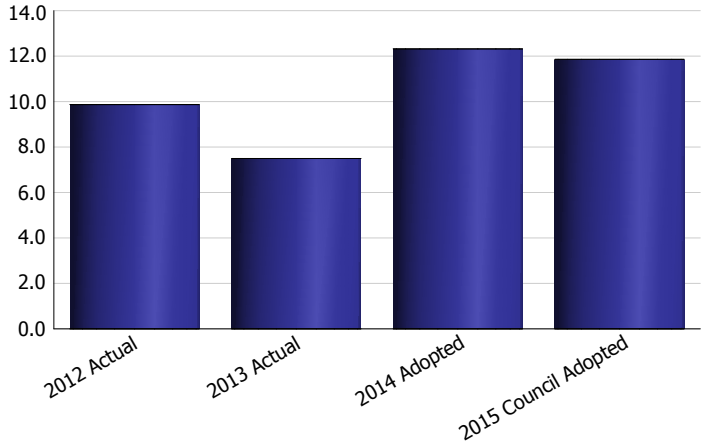
Expense 2012 - 2015

In Millions

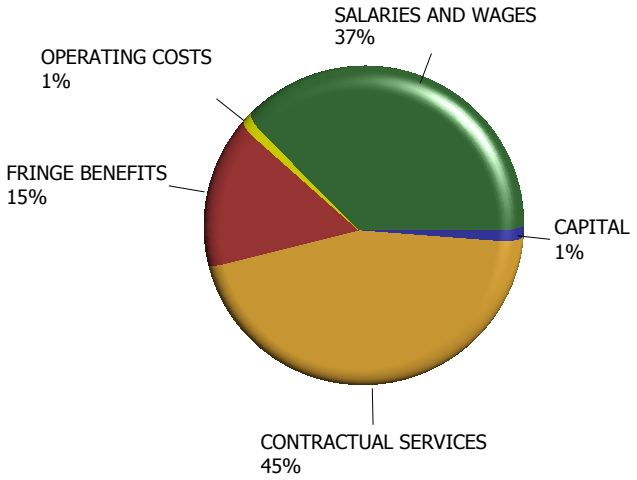


Revenue 2012 - 2015

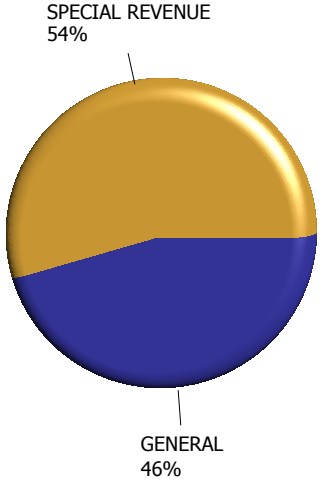
In Millions



Expense by Category



Expense by Fund

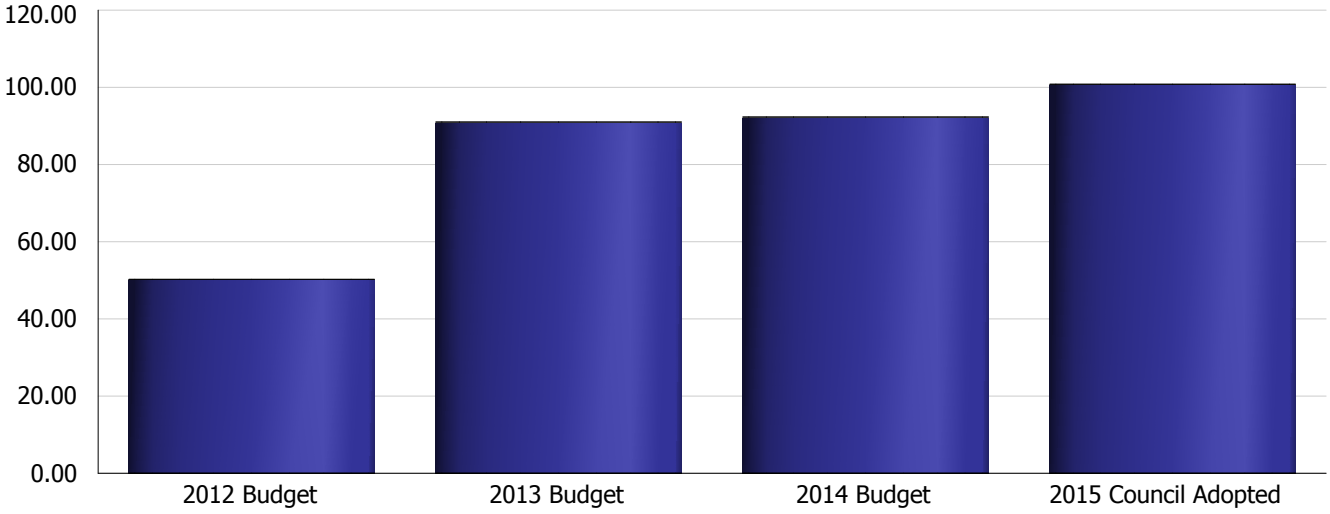


MINNEAPOLIS HEALTH DEPARTMENT

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
ADMIN/INTERNAL SERVICES CHARGE	4.95	1.00				0
Core Infrastructure	6.30	13.00	14.55	14.55		0
Emergency Prep & Infectious Disease	3.00	2.85	2.60	2.70	3.8%	0.10
Environmental Services		10.50	10.50	11.50	9.5%	1.00
Food Lodging and Pools		19.00	19.00	22.00	15.8%	3.00
Health Care Safety Net	0.20					0
Healthy Homes and Environment	0.80	1.00				0
Healthy Living	2.50	4.55	6.55	7.35	12.2%	0.80
Lead and Healthy Homes	2.60	9.00	9.30	9.00	-3.2%	(0.30)
MINNEAPOLIS HEALTH DEPARTMENT		0.00				0
not being used	0.30					0
Perinatal Early Childhood/Family	0.90	2.25	2.90	4.00	37.9%	1.10
Perinatal Inititatives	4.65					0
School Based Clinics	19.50	22.50	23.30	23.80	2.1%	0.50
Senior Services	1.10	1.00	1.00	1.10	10.0%	0.10
YOUTH DEVEL- TEEN PREG PREV	0.75	1.35	1.20	1.30	8.3%	0.10
Youth Violence Prevention	2.70	3.00	3.40	3.50	2.9%	0.10
Overall	50.25	91.00	94.30	100.80	6.9%	6.50

Positions 2012-2015



INTERNAL AUDIT

MISSION

Internal Audit 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:

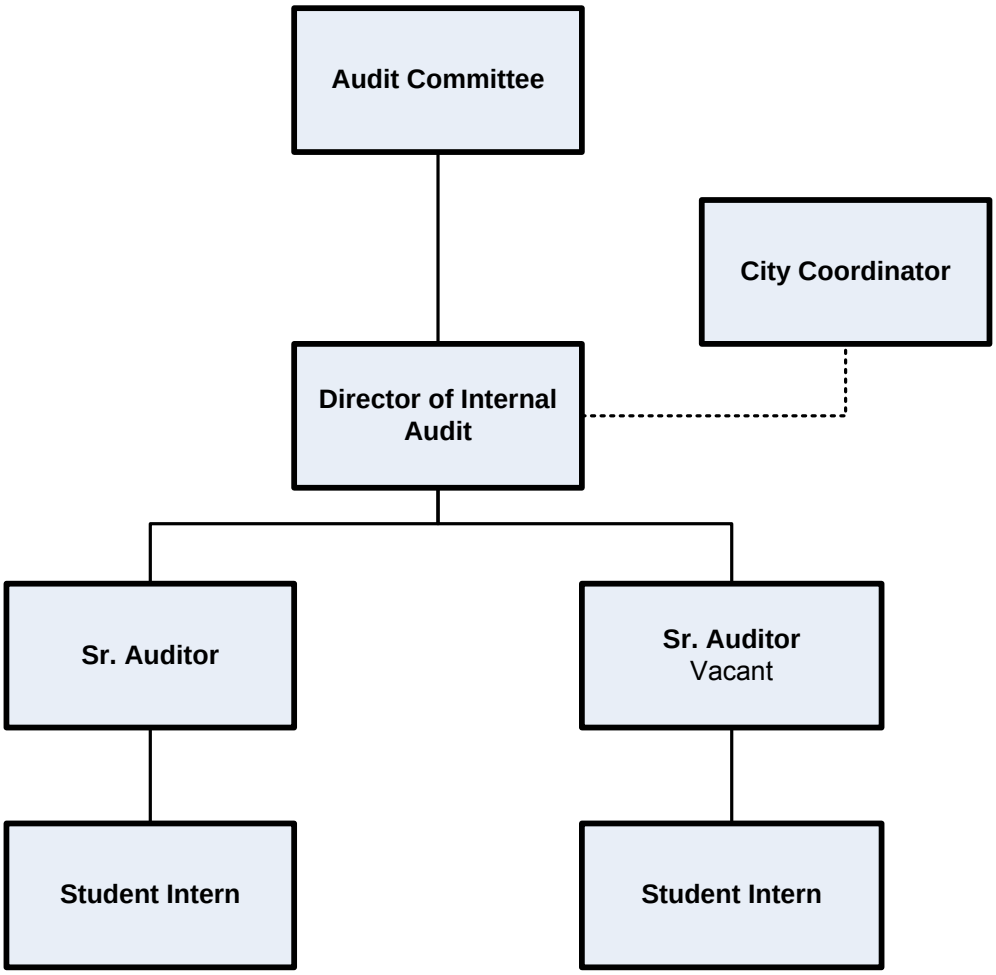
1) Establish guidelines, policies, and procedures for the conduct of periodic internal audits.
2) Develop an annual audit plan to be submitted to the Audit Committee for approval.
3) Conduct investigations of alleged or suspected impropriety, fraud, misappropriation, or other misuse of City funds, shall 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



A City that Works

Internal Audit General Fund: $507,236

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve City of Minneapolis (the City) operations. The Department helps 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 review, 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
The total Internal Audit Department's council adopted budget increases from $491,487 to $507,236 from 2014 to 2015. This is an increase of $ 15,749, or 3.2%.

Revenue
This Department does not produce revenue.

Fund Allocation
This department is funded completely in the General Fund.

Mayor's Recommended Budget
The Mayor recommended no changes to this department's base program proposal.

Council Adopted Budget:
The City Council approved the Mayor's recommendations and directed the department to work with the Neighborhood & Community Relations Department and other City Coordinator departments to create a scope of work and then oversee an evaluation of NCR Programs using existing budgeted resources, and to report back to the Committee of the Whole by August 2015.

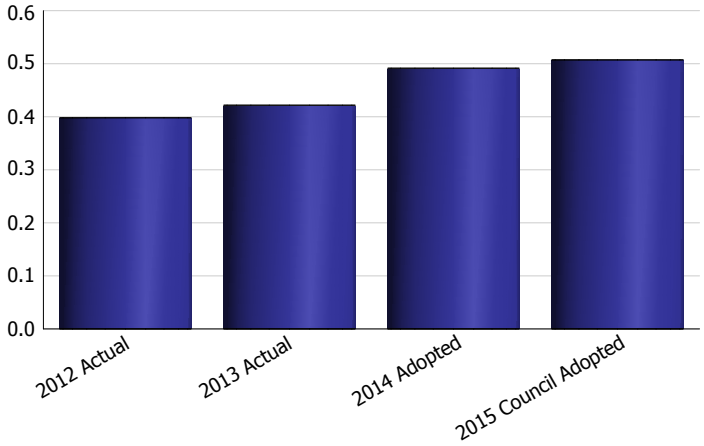
INTERNAL AUDIT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	189,379	173,806	270,752	262,126	-3.2%	(8,626)
FRINGE BENEFITS	66,376	49,484	100,004	100,774	0.8%	771
CONTRACTUAL SERVICES	113,084	166,376	110,300	133,905	21.4%	23,605
OPERATING COSTS	29,230	32,088	10,431	10,431	0.0%	0
TOTAL GENERAL	**398,070**	**421,754**	**491,487**	**507,236**	**3.2%**	**15,750**
TOTAL EXPENSE	**398,070**	**421,754**	**491,487**	**507,236**	**3.2%**	**15,750**

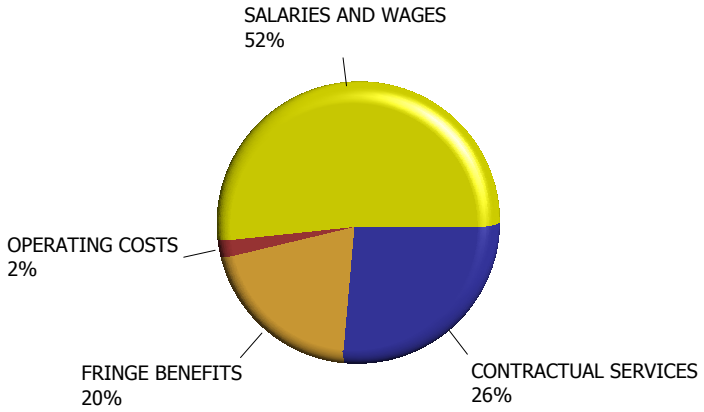
INTERNAL AUDIT
EXPENSE AND REVENUE INFORMATION

Expense 2012 - 2015

In Millions



Expense by Category

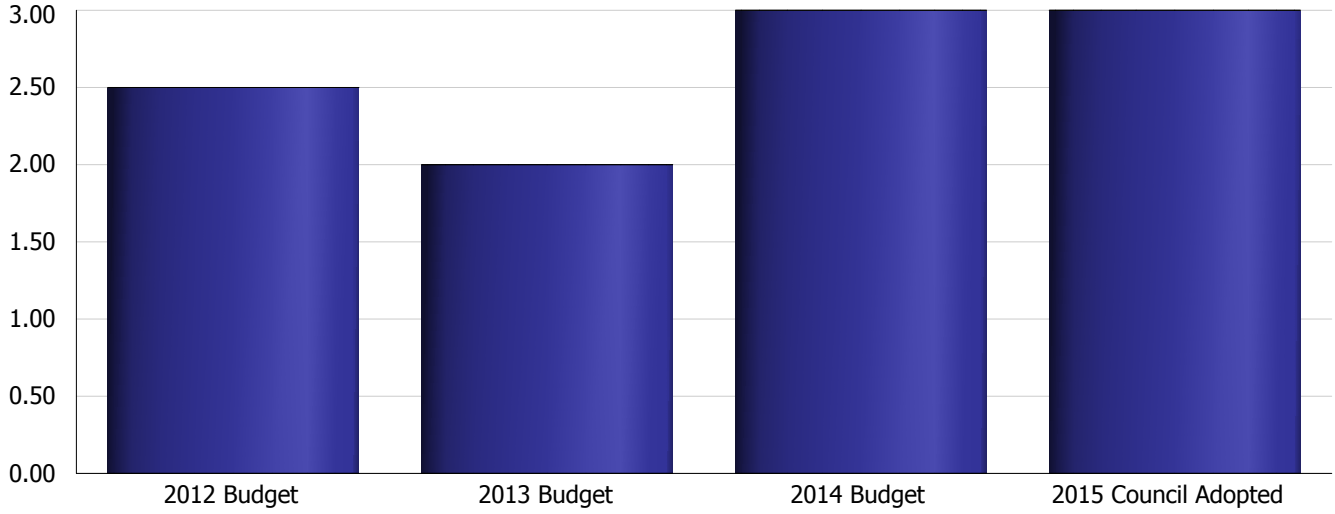


INTERNAL AUDIT

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
Internal Audit	2.50	2.00	3.00	3.00	0.0%	0
Overall	2.50	2.00	3.00	3.00	0.0%	0

Positions 2012-2015



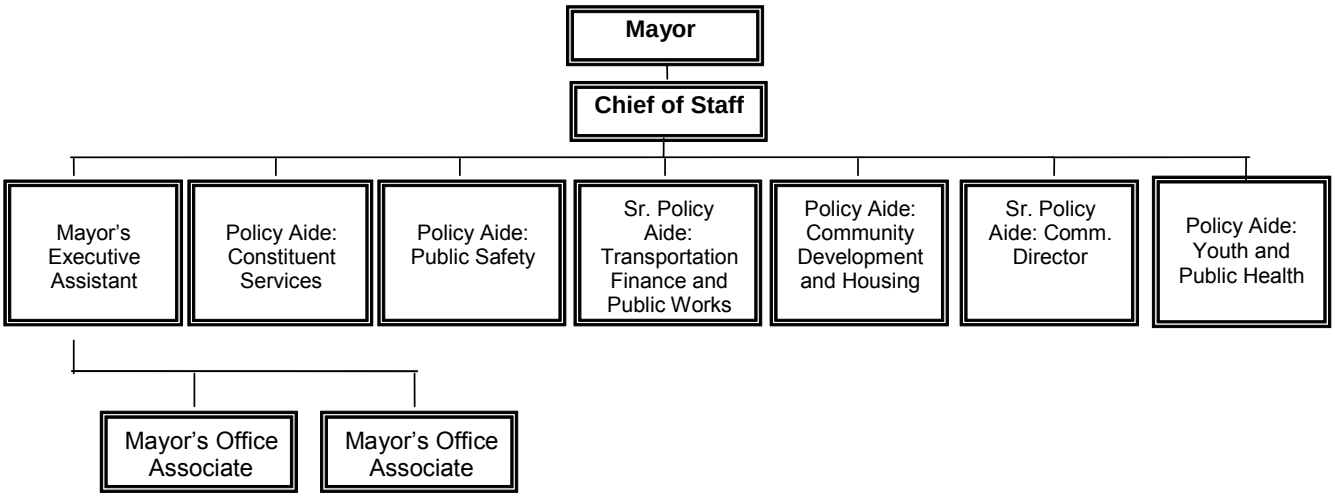
MAYOR

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 Policy & Operations General Fund: $1,917,292

This program leads strategic policy development and supports policy implementation based on the five City goals. This program assists in developing and leading the strategic direction for the city and support functions needed to do this. The program is also in charge of nominating and supporting strong department heads, overseeing the performance and accountability of the Police and Civil Rights department, and developing responsible fiscal policies and an annual budget that reflects the City's goals.

Financial Analysis

Expenditure
The total Mayor's Department's council adopted budget increases from $1.7 million to $1.9 million from 2014 to 2015. This is an increase of $0.2 million, or 13% due to an addition of a Senior Policy Aide position in 2015's budget.

Revenue
This Department does not produce revenue.

Fund Allocation
This department is funded completely in the General Fund.

Mayor's Recommended Budget
The Mayor's 2015 Recommended Budget includes $195,000 in ongoing General Fund allocation for additional policy resources.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

MAYOR
EXPENSE AND REVENUE INFORMATION

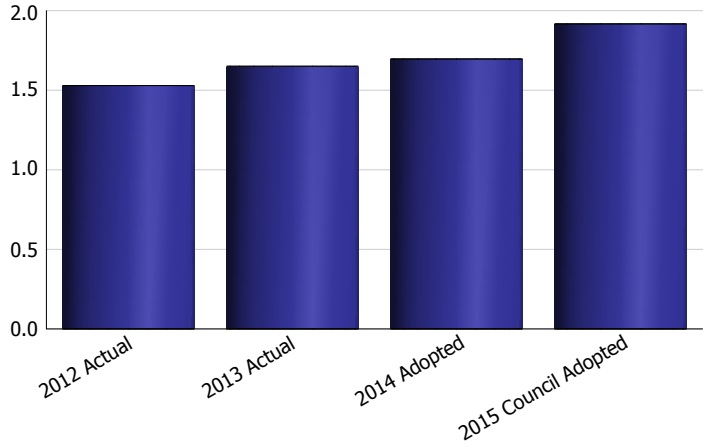
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	640,647	715,195	784,344	935,335	19.3%	150,991
FRINGE BENEFITS	215,639	229,342	297,322	345,930	16.3%	48,608
CONTRACTUAL SERVICES	225,843	276,506	260,856	315,664	21.0%	54,808
OPERATING COSTS	366,626	365,100	354,233	320,364	-9.6%	(33,869)
TOTAL GENERAL	**1,448,754**	**1,586,143**	**1,696,755**	**1,917,292**	**13.0%**	**220,538**
SPECIAL REVENUE						
SALARIES AND WAGES	66,728	52,458				0
FRINGE BENEFITS	14,075	7,524				0
OPERATING COSTS		4,600				0
TOTAL SPECIAL REVENUE	**80,803**	**64,583**				**0**
TOTAL EXPENSE	**1,529,558**	**1,650,726**	**1,696,755**	**1,917,292**	**13.0%**	**220,538**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	80,786	64,600			0.0%	0
SPECIAL REVENUE	**80,786**	**64,600**				**0**
TOTAL REVENUE	**80,786**	**64,600**				

MAYOR
EXPENSE AND REVENUE INFORMATION

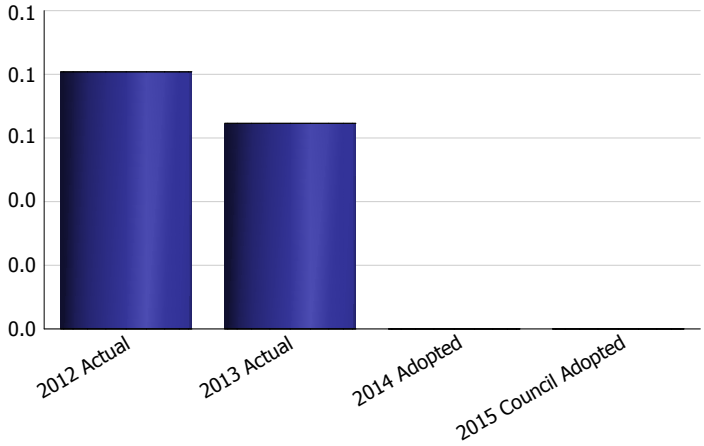
Expense 2012 - 2015

In Millions

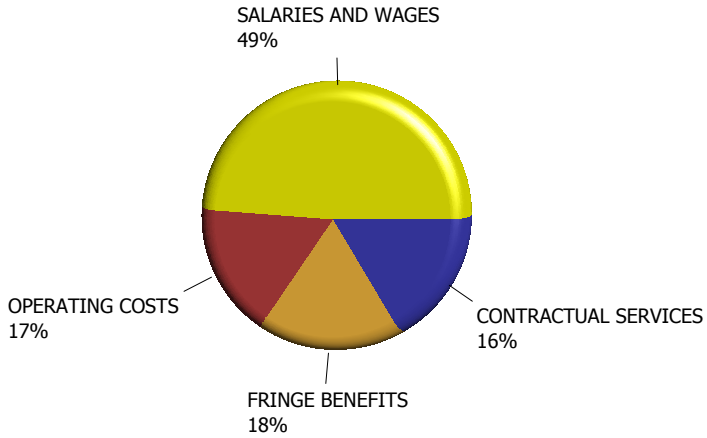


Revenue 2012 - 2015

In Millions



Expense by Category

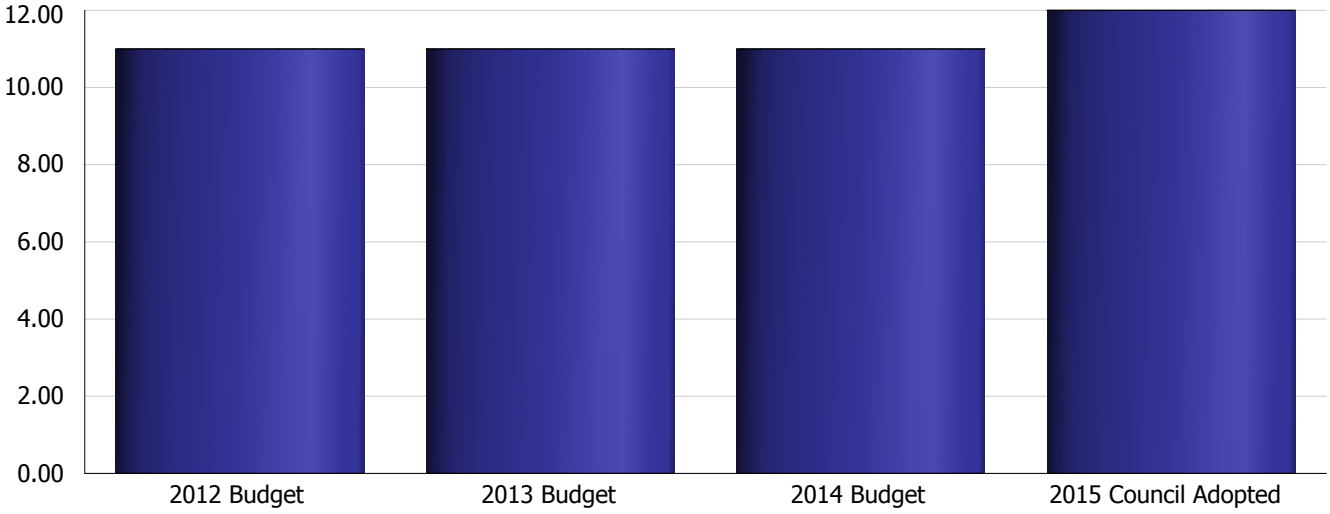


MAYOR

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
MAYOR - ADMINISTRATION	11.00	11.00	11.00	12.00	9.1%	1.00
Overall	11.00	11.00	11.00	12.00	9.1%	1.00

Positions 2012-2015



MINNEAPOLIS POLICE DEPARTMENT

MISSION

The members of the Minneapolis Police Department (MPD) are committed to providing quality and professional service in partnership with all communities to continue to advance the City's safety, growth and viability. MPD is committed to excellence through the development, accountability and support of its employees to achieve their full potential.

BUSINESS LINES

Patrol Bureau

- Precincts
  - Patrol (911 Response, Directed Patrol), Investigations, Community Response Teams (CRT), and Crime Prevention Specialists.
- Special Operations Division
  - Emergency Preparedness Unit – Canine, Community Engagement Team, Special Events, and Mounted Patrol
  - Emergency Services Unit – Bomb/Arson, Crisis Negotiations, Mobile Command, SWAT

Investigations Bureau

- Violent Crimes
  - Assault, Violent Chronic Offender, Homicide, Violent Criminal Apprehension Team, Joint Terrorism Task Force, Robbery, Safe Streets, Weapons Investigations
- Special Crimes Investigations Division
  - Juvenile Investigations, Crimes Against Children, Juvenile Trafficking, Juvenile Outreach and Diversion, PAL, and School Resource Officer Program, Licensing Investigations, Auto Theft Prevention, Financial Crimes Unit, Sex Crimes, Predatory Registration Section, Traffic Investigations

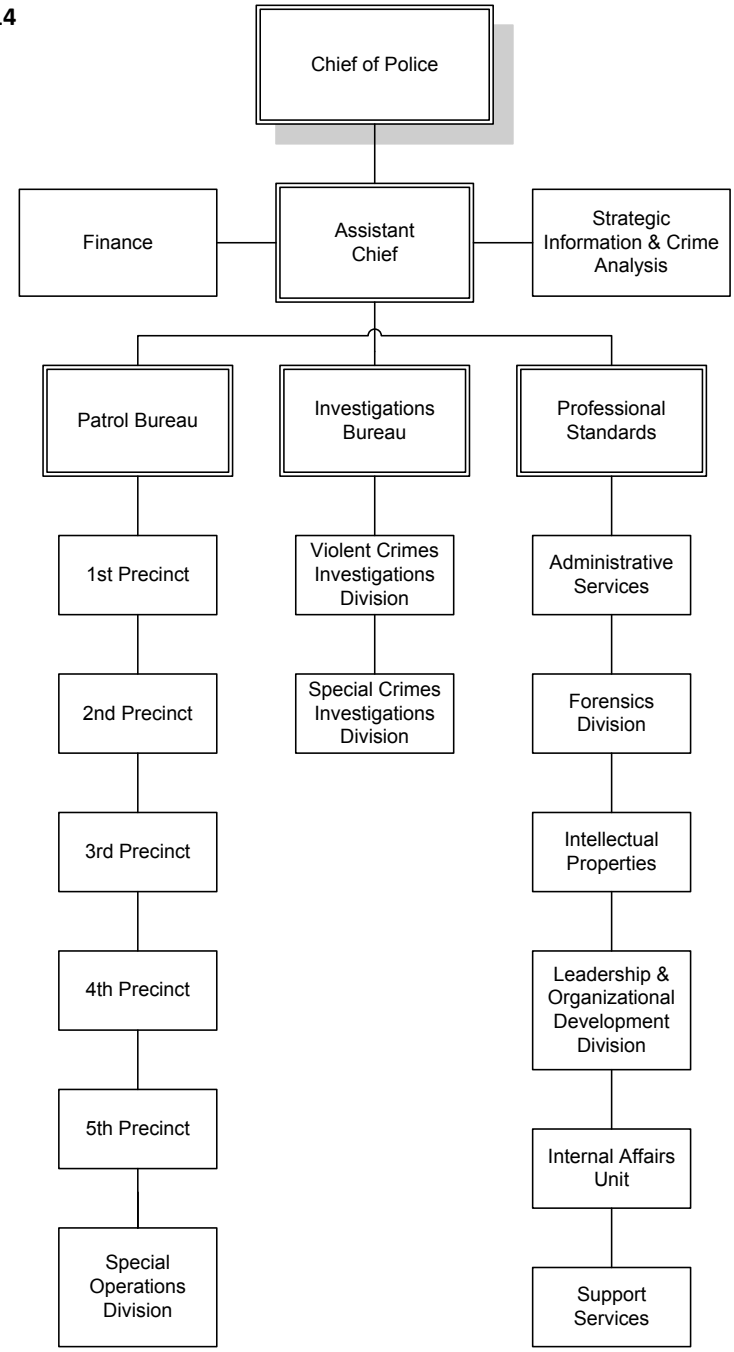
Strategic Information and Crime Analysis Division

- Strategic Information Center, Crime Analysis

Office of Professional Standards

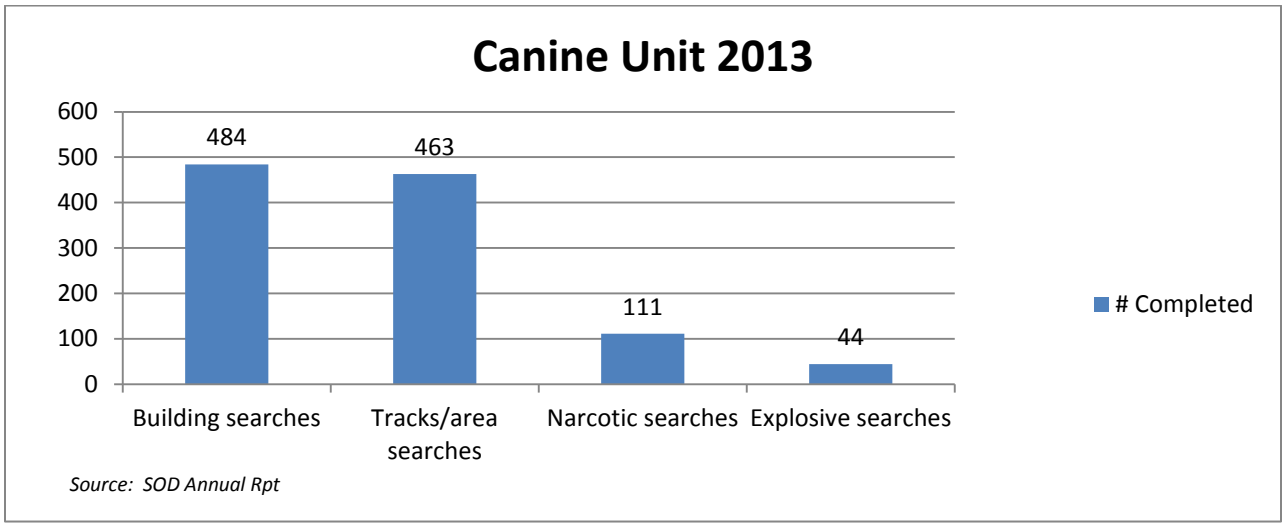
- Administrative Services
  - Fleet, Health & Wellness, Police Stores, Research & Policy Development
- Technology and Support Services
  - Business Technology and Support, Property & Evidence, Records Information, Transcription
- Forensics Division
  - Crime Lab, Field Operations, Firearms/Toolmark, Forensic Garage, Photo Lab, MAFIN
- Internal Affairs Unit
- Leadership and Organizational Development
  - Academy, Backgrounds, Community Service Officer Program, In-Service, Pre-Service, Recruitment

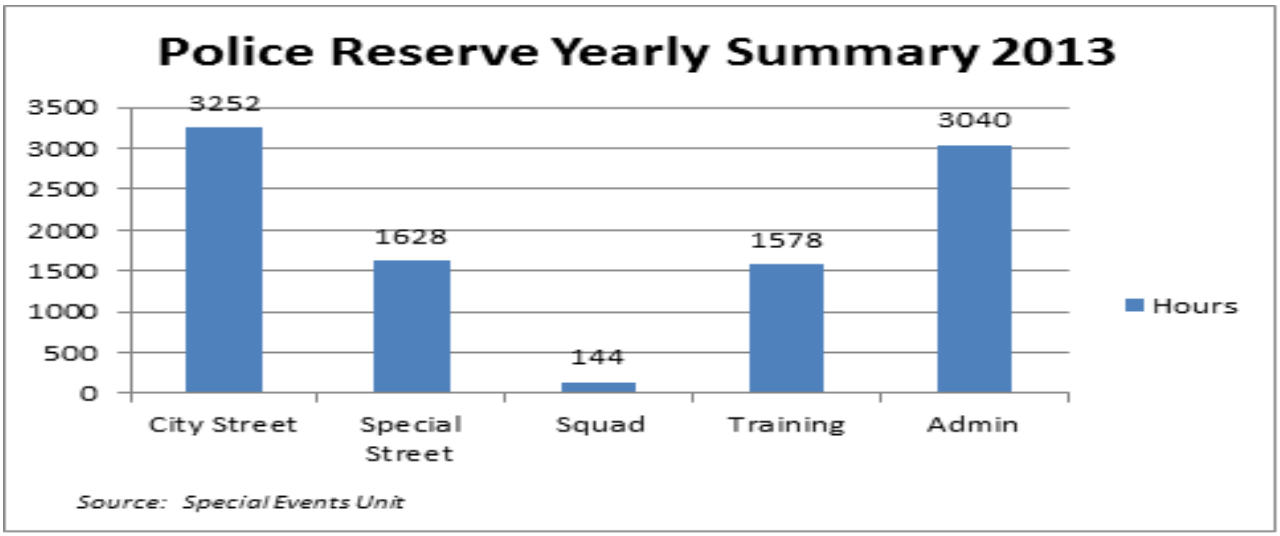
Minneapolis Police Department
Org Chart
2014



2014 MPD Org Chart (Condensed) 1.3.14

SELECTED RESULTS MINNEAPOLIS MEASURES





Emergency Response Units 2013
Arson Unit

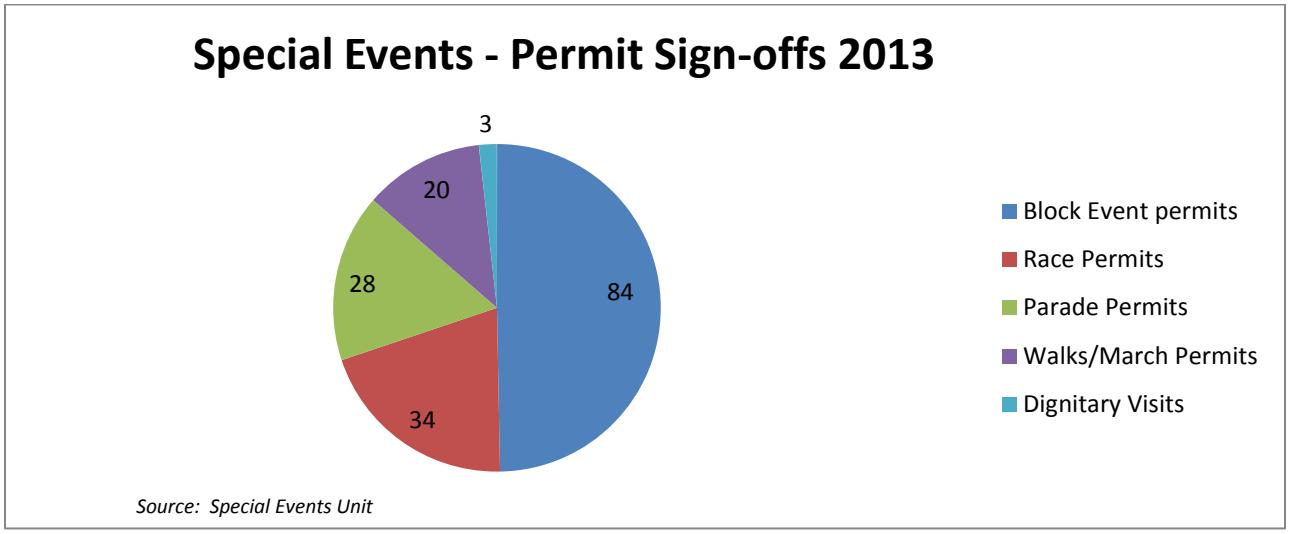
- ✓ 114 Cases Investigated
- ✓ 12 Suspects Charged

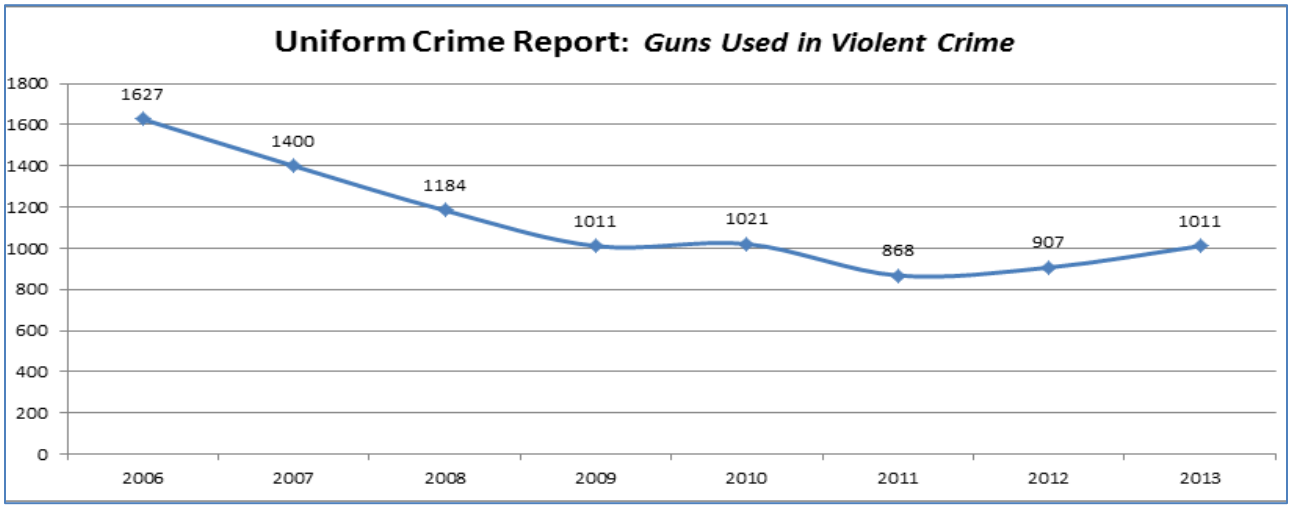
Bomb Squad

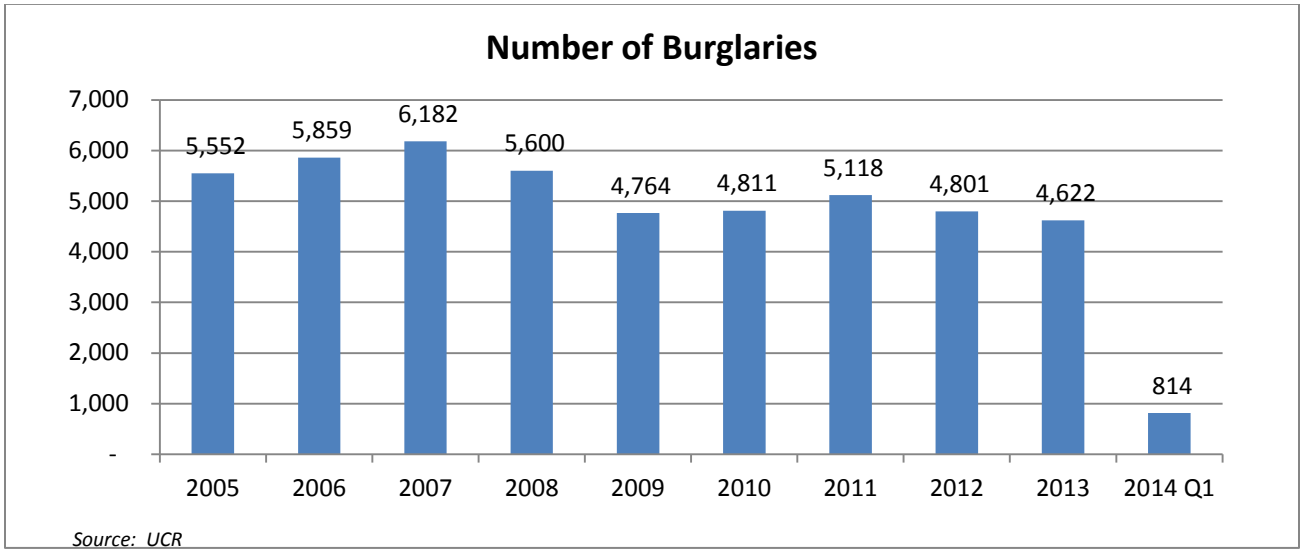
- ✓ 174 Calls for Service
- ✓ 32 Calls to Assist Other Agencies
- ✓ 24 Dignitary Protective Details/Venue Sweeps
- ✓ 3 Technical Assist to SWAT on Operation 100's

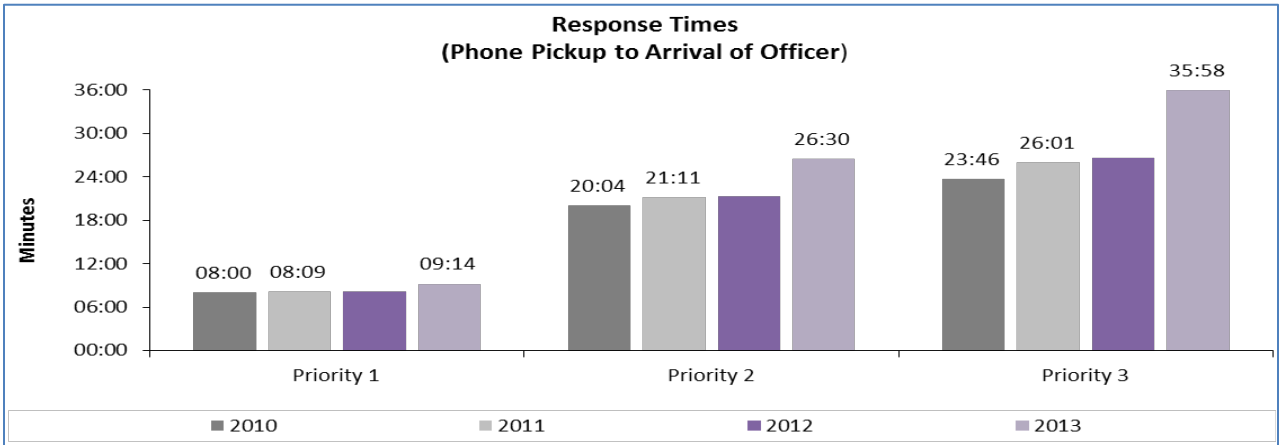
- ✓ **SWAT Response Unit**
- ✓ 228 Warrants Served
- ✓ 4 Operation 100's

Source: SOD Annual Rpt

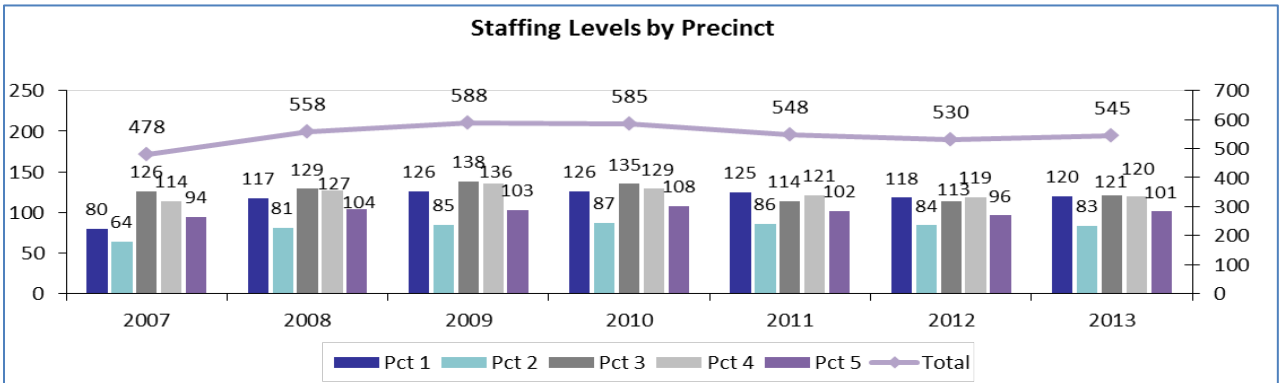

Special Events - Permit Sign-offs 2013
3
20
28
84
34
Block Event permits
Race Permits
Parade Permits
Walks/March Permits
Dignitary Visits
Source: Special Events Unit


Uniform Crime Report: Guns Used in Violent Crime
1800
1600
1400
1200
1000
800
600
400
200
0
1627
1400
1184
1011
1021
868
907
1011
2006
2007
2008
2009
2010
2011
2012
2013


Number of Burglaries
7,000
6,000
5,000
4,000
3,000
2,000
1,000
-
5,552
5,859
6,182
5,600
4,764
4,811
5,118
4,801
4,622
814
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014 Q1
Source: UCR

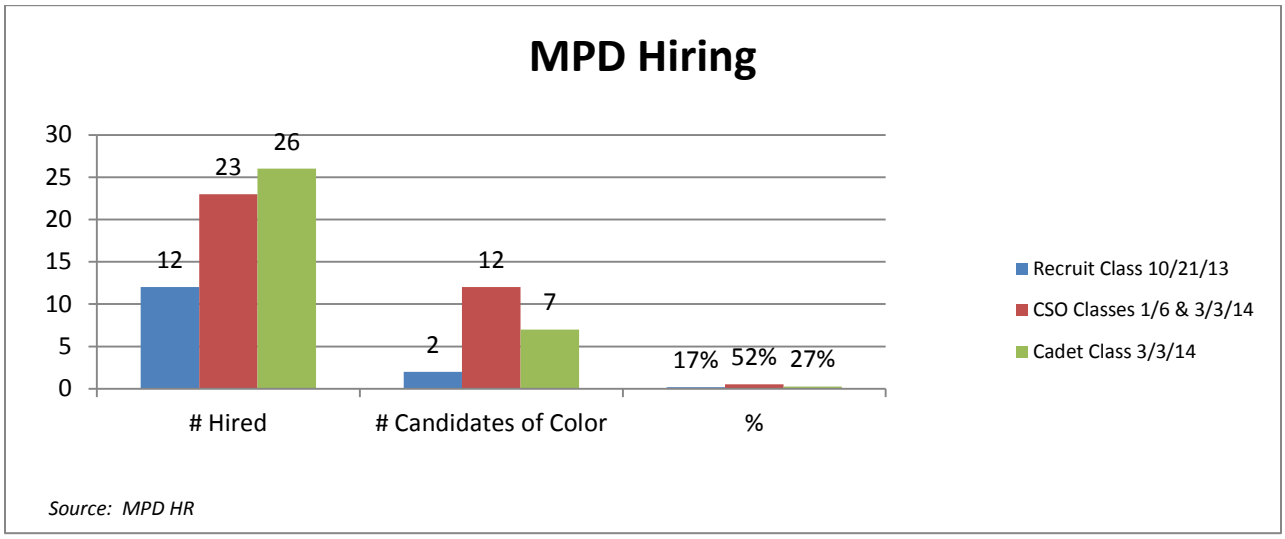


Source: 911 Police Response Times Report

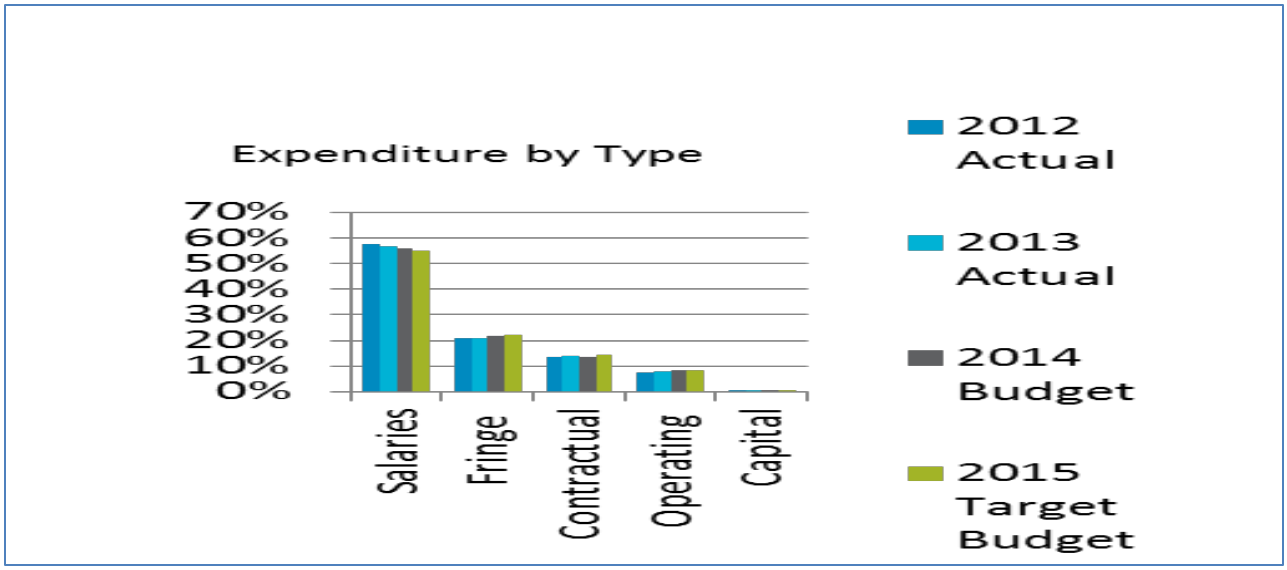


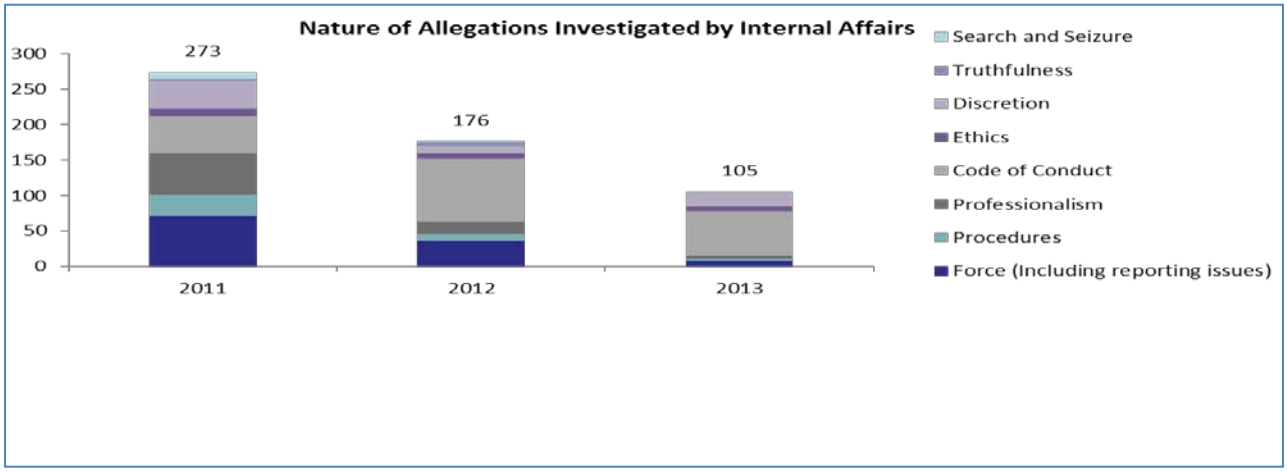
Note:
1. 1st precinct includes 11 from License Division.
2. 3rd precinct no longer includes the Gang Enforcement Team of 9 people. They now report to the Special Operations Division.

Source: Personnel Report (Workforce Director)



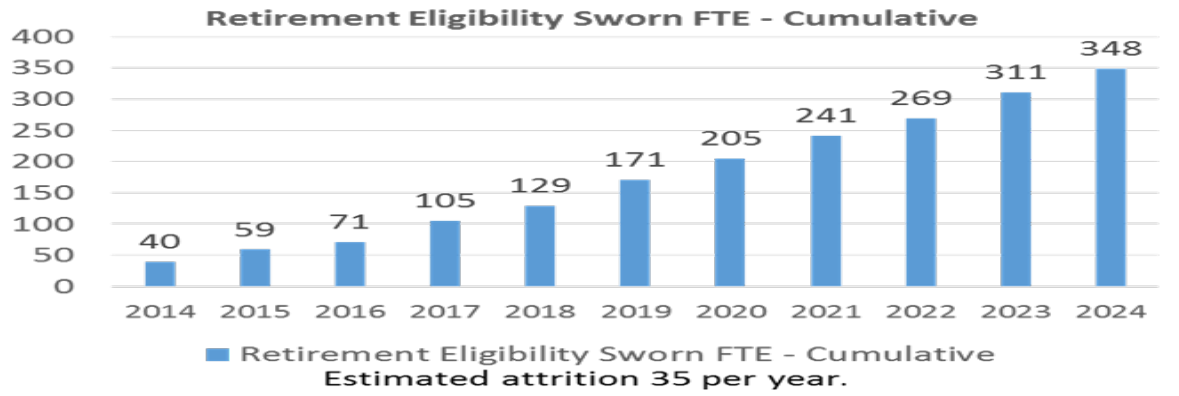
Source: MPD HR

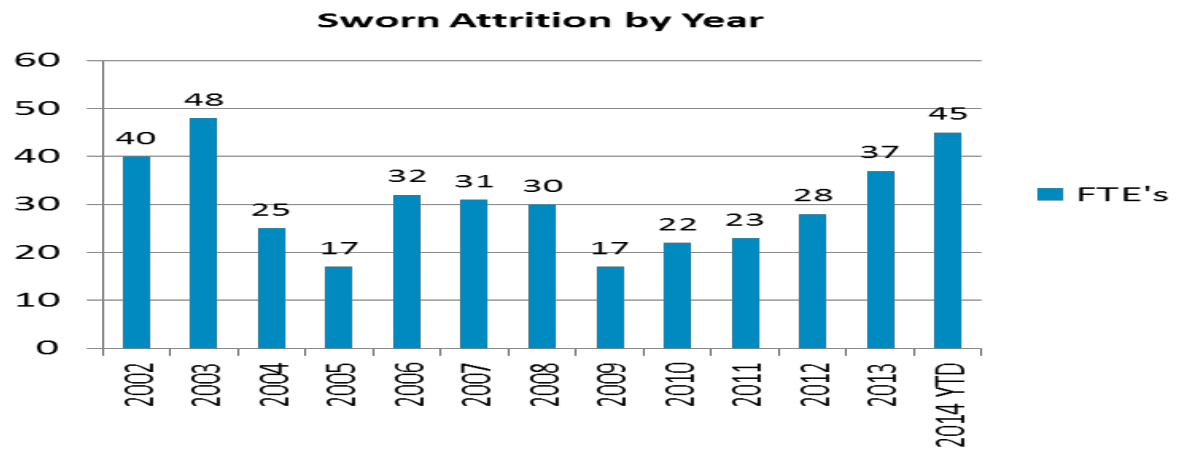


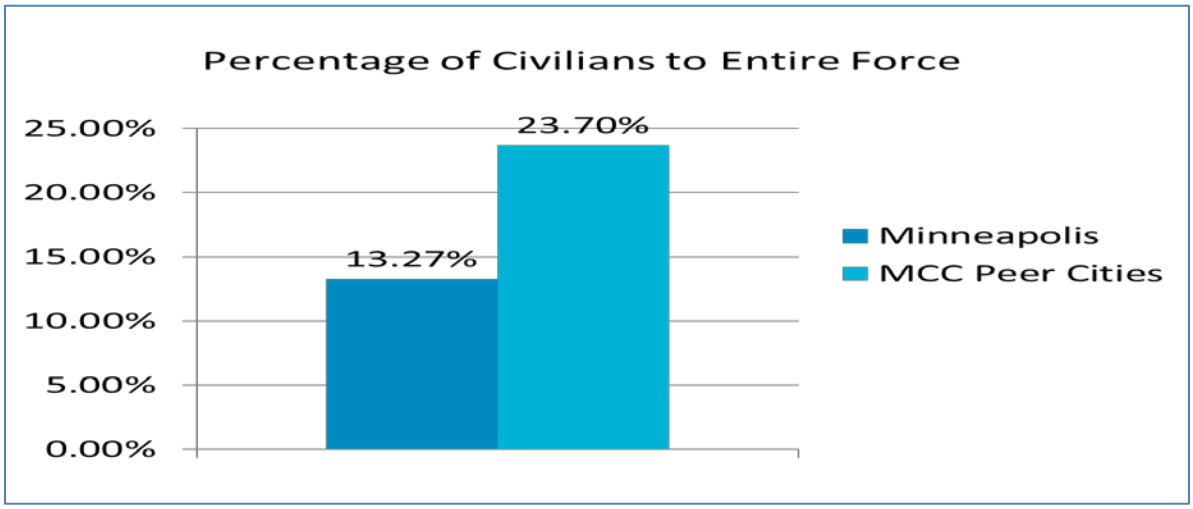


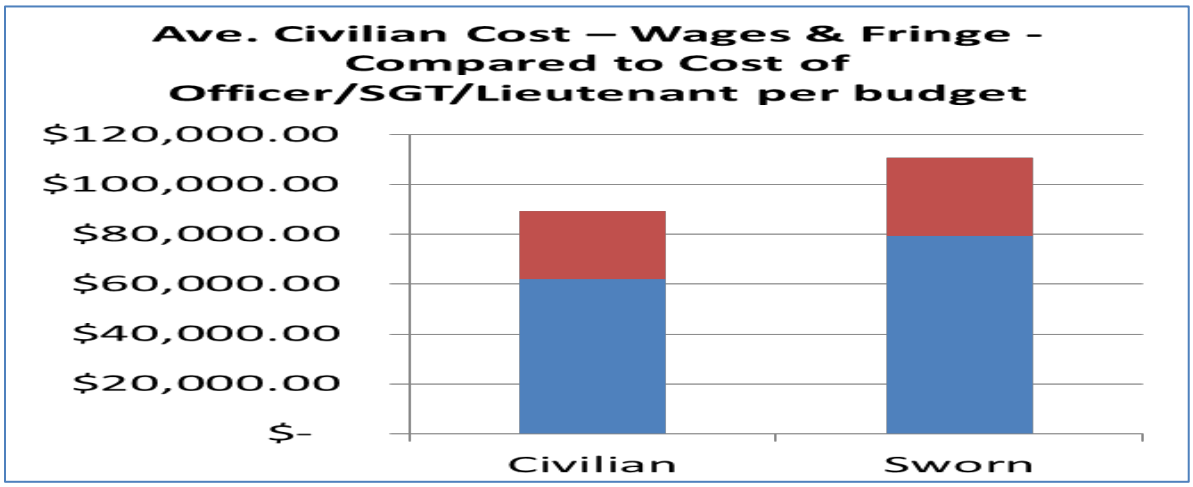
Efficiencies & Savings 2013 - Examples
Contract Savings ($120k in 2014) allows us to keep costs flat
Contract revenue increases on uncovered costs $60K in 2013 / anticipated $260k in 2014, increases General Fund revenue
Policy changes. Enhanced oversight of leaves and special duty hours resulting in cost savings and more hours on street
Work efficiencies – best practices OT, shift change, coaching,/ resource sharing / work delegation to improve quality & quantity / video uploads / parking changes / parking (avoided $40k increase due to work efficiency) / other
General revenue increases – sale of obsolete inventory / reimbursement of outside agencies for MPD training ($50k 2013)

Sworn Staffing - projected	FTE's
Current (6/1/2014)	784
Additional Attrition	-6
2014 Cadets - estimate	26
2014 Laterals - estimate	20
2014 Recruits - estimate	24
2014 CSO's to academy	12
Projected 12/31/2014 Sworn FTE's	860
2015 Attrition	-24
2015 Cadets - estimate	18
2015 Recruits - estimate	20
Projected Balance 12/31/2015	874
FTE of 860 in 2015 with enhancements	

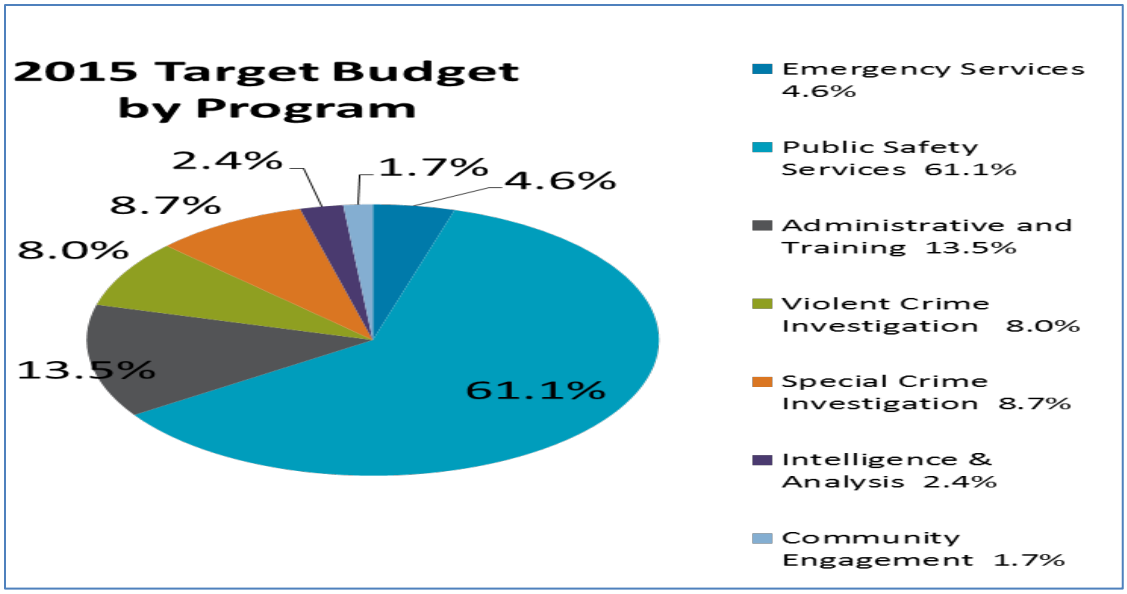


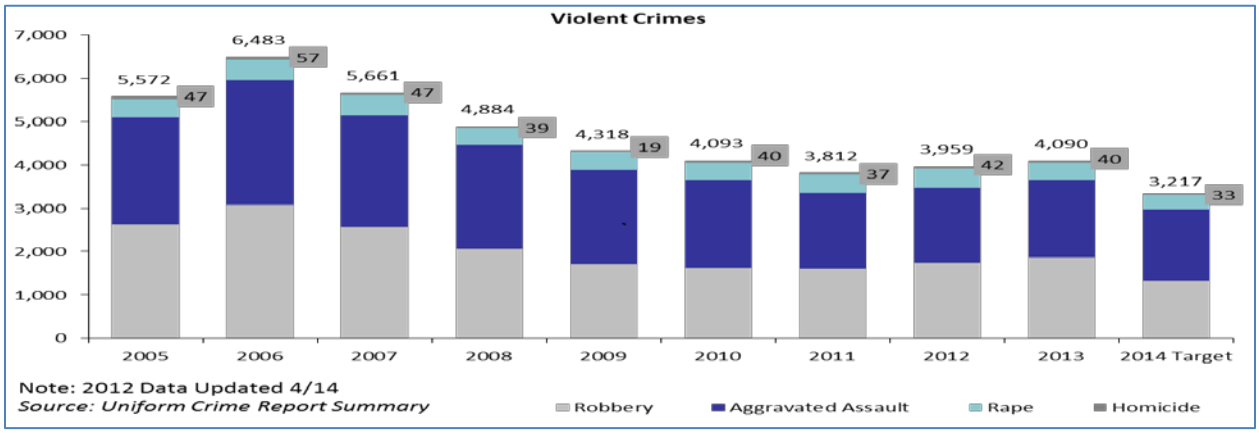



Percentage of Civilians to Entire Force
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
13.27%
23.70%
Minneapolis
MCC Peer Cities


Ave. Civilian Cost – Wages & Fringe - Compared to Cost of Officer/SGT/Lieutenant per budget
$120,000.00
$100,000.00
$80,000.00
$60,000.00
$40,000.00
$20,000.00
$-
Civilian
Sworn

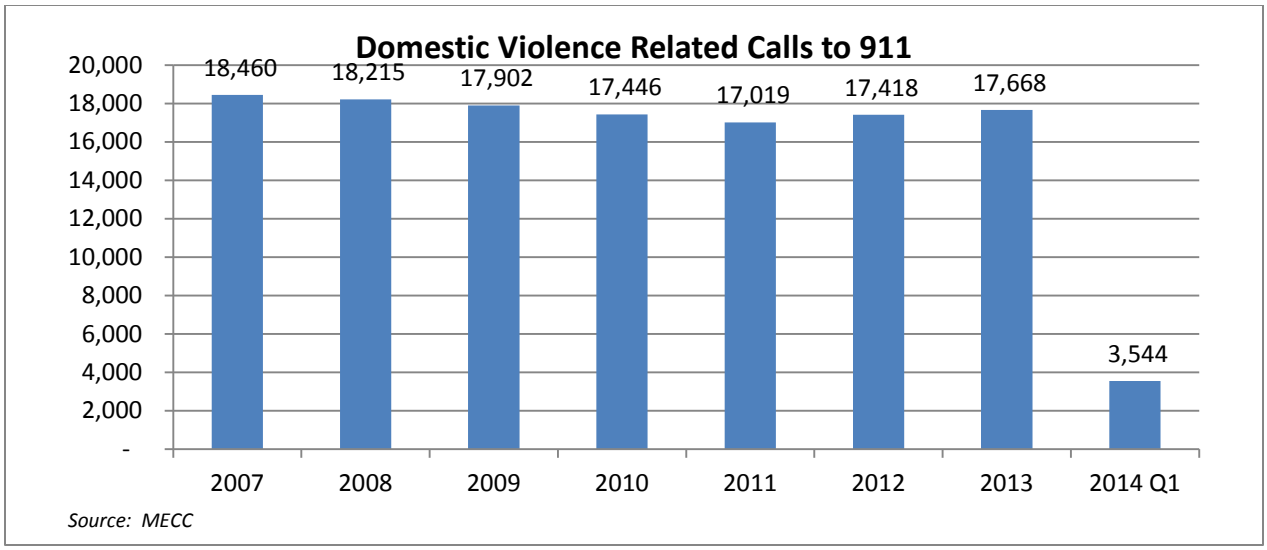
Civilian Staffing by Year
400
300
200
100
0
2000 2002 2004 2006 2008 2010 2012

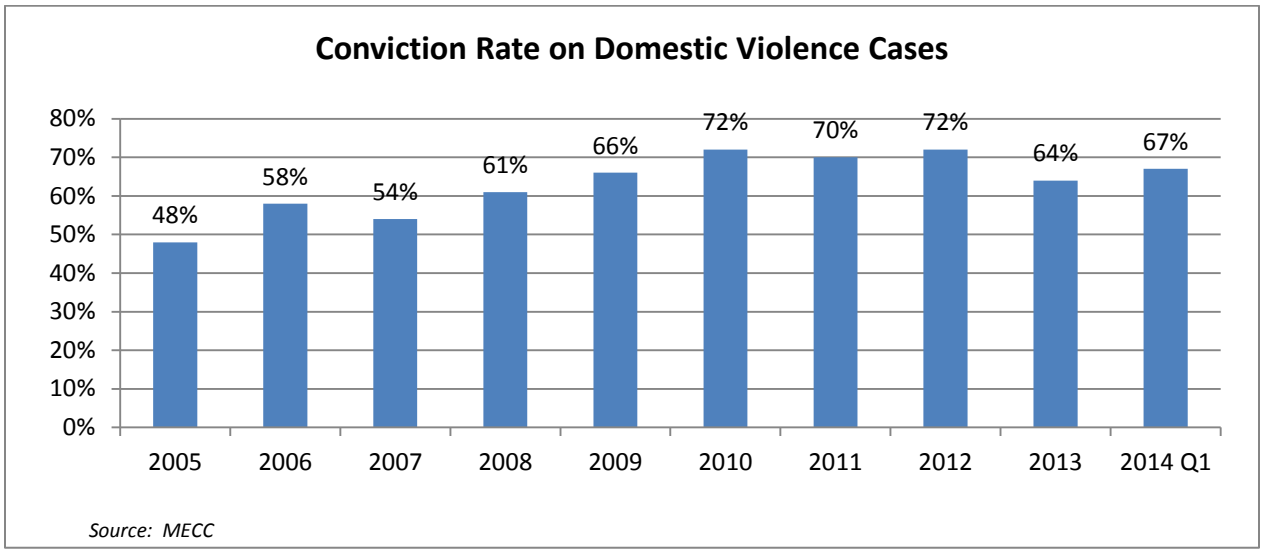


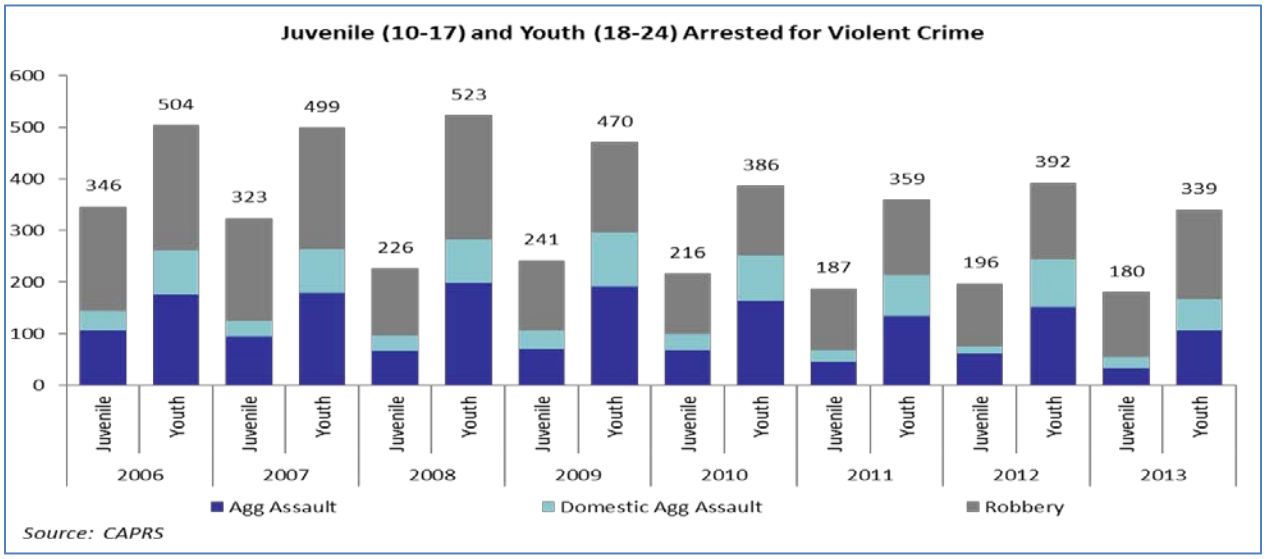


In 2013:

- 703 non-domestic aggravated assault cases assigned. Criminal charges filed in 395 (56%) of cases. Of the cases charged, approximately one quarter involved chronic violent offenders.
- Homicide investigators handled 40 homicide cases as well as all reported kidnappings, with a 55% Homicide closure rate in 2013.
- The Robbery Unit assigned 561 cases for further investigation and was able to bring charges in 240 (43%) of those cases.
- Investigations conducted by Safe Streets resulted in the removal of 47 guns from the streets, the arrest of 195 people with known gang affiliation, the seizure of 19 vehicles, and more than $130,000 cash.
- Weapons Unit assigned 429 cases for investigation and was able to bring charges in 225 (52%) of cases. They also took 50 guns off the streets and seized more than $300,000 in cash.
- VCAT made 285 arrests– all of which involved violent felony offenders who were either wanted on probable cause pickups our outstanding warrants for a variety of offenses including domestic assault, sexual assault, child abuse, aggravated assault, and murder.

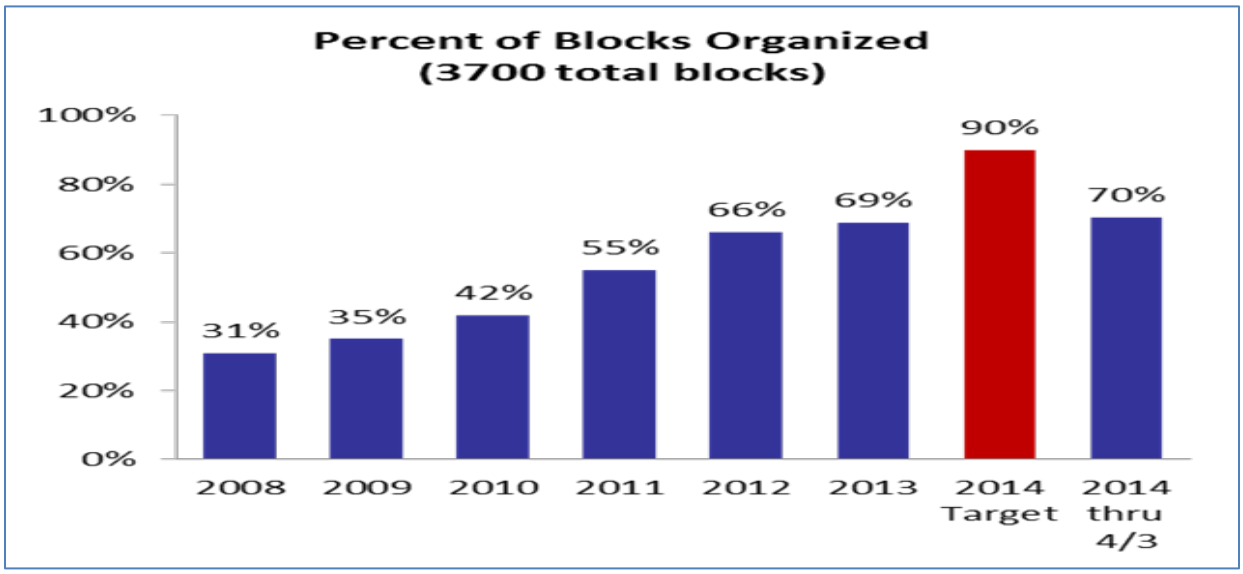

Domestic Violence Related Calls to 911
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
-
18,460
18,215
17,902
17,446
17,019
17,418
17,668
3,544
2007
2008
2009
2010
2011
2012
2013
2014 Q1
Source: MECC

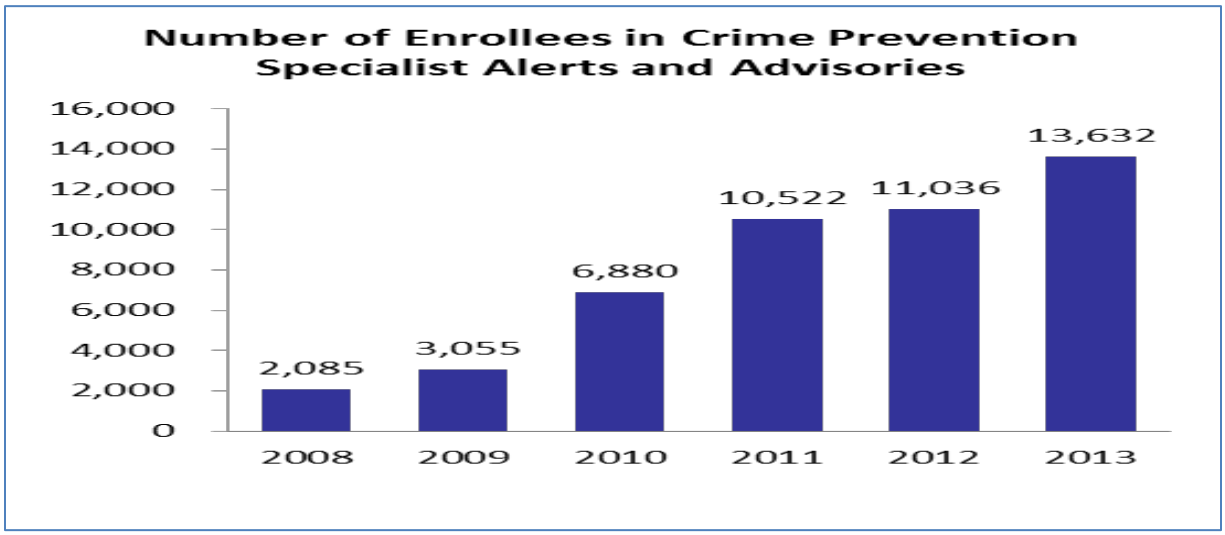

Conviction Rate on Domestic Violence Cases
80%
70%
60%
50%
40%
30%
20%
10%
0%
48%
58%
54%
61%
66%
72%
70%
72%
64%
67%
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014 Q1
Source: MECC


Juvenile (10-17) and Youth (18-24) Arrested for Violent Crime
600
500
400
300
200
100
0
346
504
323
499
226
523
241
470
216
386
187
359
196
392
180
339
Juvenile
Youth
2006
2007
2008
2009
2010
2011
2012
2013
Agg Assault
Domestic Agg Assault
Robbery
Source: CAPRS

Cross-Sector Partnerships (Partial list):

FBI - Safe Streets
ATF - Investigations firearms trafficking
ICE – immigration and customs
FBI – Joint Terrorism Task Force
CID – Human trafficking and sexual exploitation youth
DEA – Drug enforcement
Hennepin County Court Drug Court
Joint Powers Agreement
Domestic Violence Response with City Attorney's Office
Towards Zero Death Grant –fiscal agent for grant partnering with multiple police departments within Minnesota
Domestic Abuse Project
University of Minnesota (Sex Trafficking Research Collaboration)





A City That Works

MPD Emergency Response Services General Fund: $6,881,324

The Emergency Response Services Program is designed to deliver specialized response assets to support the patrol mission. Officers assigned to this program have 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. Emergency Response Services personnel are the first group to be called in the event of a large-scale disaster or event.

MPD Public Safety Services General Fund: $91,538,717
Other Funds: $1,744,866

The chief responsibility of MPD is maintaining law and order and restoring peace when public safety is threatened. 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. Services provided within this program are truly the "backbone" of the Minneapolis Police Department.

Living Well

MPD Administration, Training, and Crime Lab General Fund: $20,751,752
Other Funds: $1,469,380

The Administration and Training program is the managerial hub for the Minneapolis Police Department. This program includes the executive arm of the MPD, Finance, Internal Affairs, Leadership and Organizational Development Training, Crime Lab, Research & Policy Development, Property & Evidence, Business Technology, Fleet, and Departments other Support Services.

MPD Violent crimes investigations General Fund: $11,591,536
Other Funds: $350,500

The violent crimes investigations program is responsible for investigating violent crimes, narcotics, weapons and gang cases. The program includes: Homicide, Robbery, Assault, Weapons Unit, and the Task Forces (FBI Joint Terrorism, DEA, VCAT, and Safe Streets).

MPD Criminal Intelligence and Analysis General Fund: $3,650,636

The MPD Criminal Intelligence Program is comprised of the Strategic Information and Crime Analysis Division which includes the Crime Analysis Unit and the Strategic Information Center. The division gathers and analyzes data to enable MPD to maximize resources to effectively impact crime and public safety, collaborate between units to provide information and strategies so action can be taken in concert to address crime patterns and trends, and oversees homeland security function to leverage federal data and opportunities among other duties.

Special crimes investigations

General Fund: $12,357,979
Other Funds $609,370

The program is designed to work collaboratively with criminal justice partners and community stakeholders to hold those who commit crimes accountable. These crimes includes: Domestic Assault, Crimes Against Children (child abuse and juvenile sex trafficking, absent / missing children), Sex Crimes, Traffic Investigations, Licensing, Juvenile Investigations, Juvenile Outreach and Diversion (PAL, School Resource Officer, Juvenile Diversion).

One Minneapolis

MPD Community Engagement

General Fund: $1,568,988
Other Funds: $897,000

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. The Community Engagement Program is comprised of two components – Community Crime Prevention and a Community Engagement Team. The Crime Prevention Specialists (CPS) develop working relationships with neighborhoods to reduce the fear of crime, improve community and police cooperation and improve the quality of life in Minneapolis by recruiting and training block leaders, teaching crime identifcation and prevention techniques, presenting safety and educational materials, publishing and distributing crime alerts, promoting National Night Out, resolving complaints about problem properties, and responding to crime trends.

Financial Analysis

Expenditure

The total Minneapolis Police Department's council adopted budget increases from $147.7 million to $153.4 million from 2014 to 2015. This is an increase of $5.7 million, or 3.9%. The Minneapolis Police Department's 2015 expenditure budget reflects the following changes from 2014:

- $3.1 million increase due to additional funding for recruitment, training and salary/fringe costs for 20 part-time community service officers (30 hours per week), 1 civilian staff, 18 cadets (to be hired in March 2015 and sworn in August 2015), and 20 recruit officers (to be hired in October 2015), along with 10 officers with the funding shared between the General Fund and a Federal Grants.
- In 2014, reorganization in the MPD moved Licensing and Traffic Investigations units from Patrols Division to Investigations Division. Additionally, all cadets, recruits, CSO's and laterals are included in Professional Standards (Training) Division until they are sworn in, after which most of them are allocated to Patrol Division.
- Contractual services are increasing $1.9 million and operating costs by $0.2 million primarily due to increased internal service costs.

Revenue
The projected revenue of $14.6 million reflects an increase of $0.1 million or 0.9% from 2014. A decrease of $0.4 million in citation revenue due to elimination of the traffic department is offset by an increase of $0.6 million in federal grant funding.

Fund Allocation
This department is funded primarily in the General Fund, with the remainder of the department's funding found in the Special Revenue, Federal Grant, Other Grant funds and the CDBG fund.

Mayor's Recommended Budget
The Mayor recommended the following ongoing General Fund resources: $996,000 for hiring 20 part time Community Service Officers, $520,000 as a matching requirement for $520,000 in funding from the Federal COPS Hiring Grant – to provide for ten more officers to address violent crime, and $100,000 for a 1.0 FTE Data Request Specialist to meet growing records/compliance requests, including maintenance of the newly implemented body cameras. The Mayor also recommended $962,000 one-time General Fund appropriation for hiring 18 Cadets in 2015.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed the Minneapolis Police Department to (1) allocate up to $75,000 of its 2015 expense appropriation to partner with the City Attorney's Office and the Domestic Abuse Hotline and (2) utilize existing resources to facilitate up to eight Open Streets events in 2015.

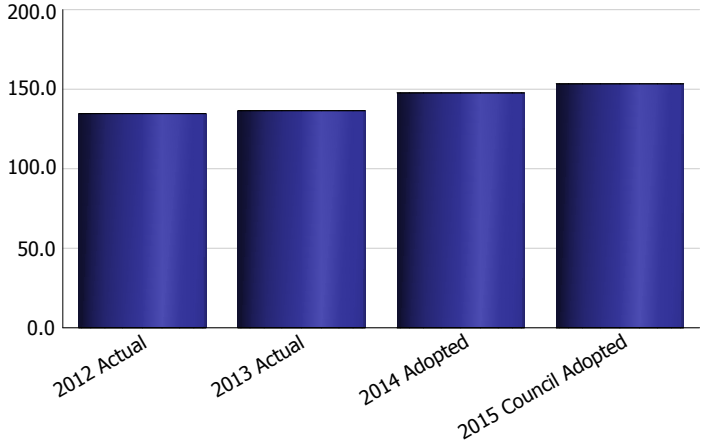
POLICE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	74,196,884	75,261,682	80,558,964	81,667,599	1.4%	1,108,635
FRINGE BENEFITS	27,328,428	28,108,848	31,383,046	33,032,438	5.3%	1,649,392
CONTRACTUAL SERVICES	17,322,634	18,215,847	18,923,661	20,794,378	9.9%	1,870,717
OPERATING COSTS	9,569,117	10,307,718	11,373,944	11,748,717	3.3%	374,773
CAPITAL	67,648	61,345	1,053,000	1,097,800	4.3%	44,800
TOTAL GENERAL	**128,484,712**	**131,955,439**	**143,292,615**	**148,340,932**	**3.5%**	**5,048,317**
SPECIAL REVENUE						
SALARIES AND WAGES	3,407,619	2,404,270	2,007,780	2,531,942	26.1%	524,162
FRINGE BENEFITS	898,240	582,637	499,464	711,238	42.4%	211,774
CONTRACTUAL SERVICES	1,159,328	1,007,303	1,164,013	1,217,552	4.6%	53,539
OPERATING COSTS	402,121	455,924	743,643	610,384	-17.9%	(133,259)
CAPITAL	313,075	112,072				0
TOTAL SPECIAL REVENUE	**6,180,384**	**4,562,207**	**4,414,900**	**5,071,116**	**14.9%**	**656,216**
TOTAL EXPENSE	**134,665,095**	**136,517,646**	**147,707,515**	**153,412,048**	**3.9%**	**5,704,533**

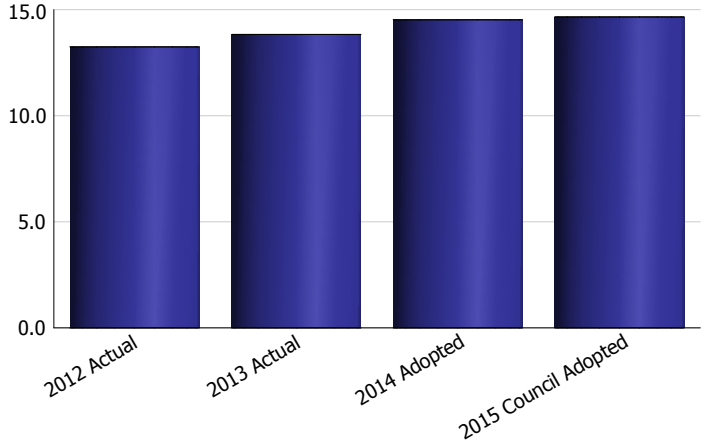
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,626	833			0.0%	0
CHARGES FOR SERVICES	1,131,505	1,172,556	1,098,238	1,098,238	0.0%	0
FINES AND FORFEITS	2,462,469	2,042,354	2,315,000	1,915,000	-17.3%	(400,000)
LICENSE AND PERMITS	46,136	23,463			0.0%	0
OTHER MISC REVENUES	5,903	2,409	3,270	3,270	0.0%	0
STATE GOVERNMENT	4,722,276	6,521,380	7,140,000	7,140,000	0.0%	0
GENERAL	**8,369,915**	**9,762,994**	**10,556,508**	**10,156,508**	**-3.8%**	**(400,000)**
SPECIAL REVENUE						
CHARGES FOR SERVICES	432,924	496,909	451,000	395,000	-12.4%	(56,000)
CONTRIBUTIONS	4,598	63,716			0.0%	0
FEDERAL GOVERNMENT	2,948,533	1,704,452	1,495,616	2,076,495	38.8%	580,879
FINES AND FORFEITS	338,219	362,011	400,000	400,000	0.0%	0
LICENSE AND PERMITS	832,906	984,665	1,154,223	1,160,000	0.5%	5,777
LOCAL GOVERNMENT	5,336				0.0%	0
OTHER MISC REVENUES	6,432				0.0%	0
SALES AND OTHER TAXES	149,274	156,686	176,157	177,438	0.7%	1,281
STATE GOVERNMENT	159,342	300,519	291,200	293,199	0.7%	1,999
SPECIAL REVENUE	**4,877,565**	**4,068,957**	**3,968,196**	**4,502,132**	**13.5%**	**533,936**
TOTAL REVENUE	**13,247,480**	**13,831,951**	**14,524,704**	**14,658,640**	**0.9%**	**133,936**

POLICE
EXPENSE AND REVENUE INFORMATION

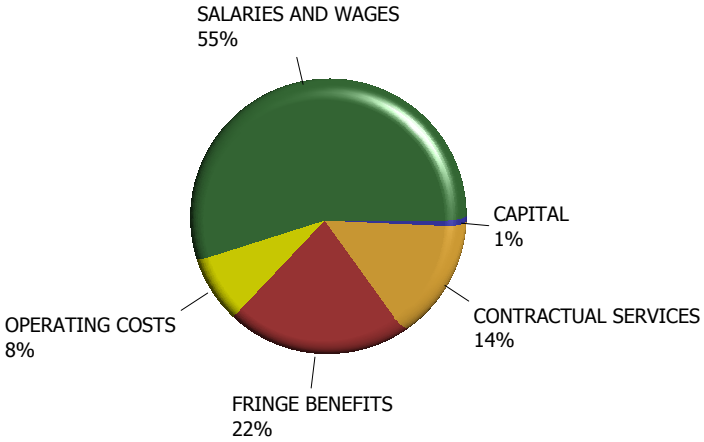
Expense 2012 - 2015
In Millions



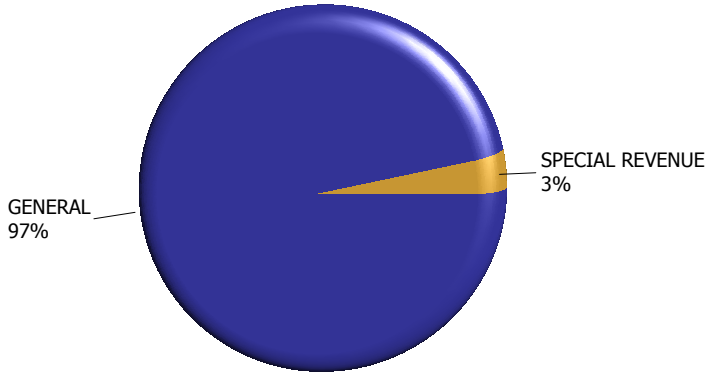
Revenue 2012 - 2015
In Millions



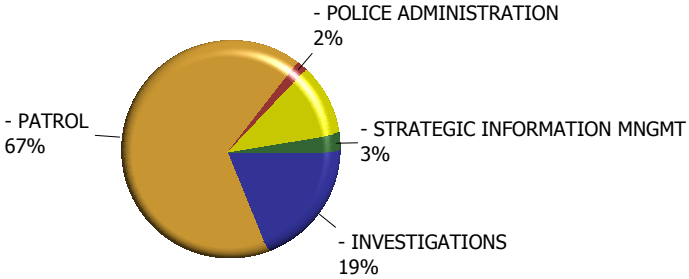
Expense by Category



Expense by Fund



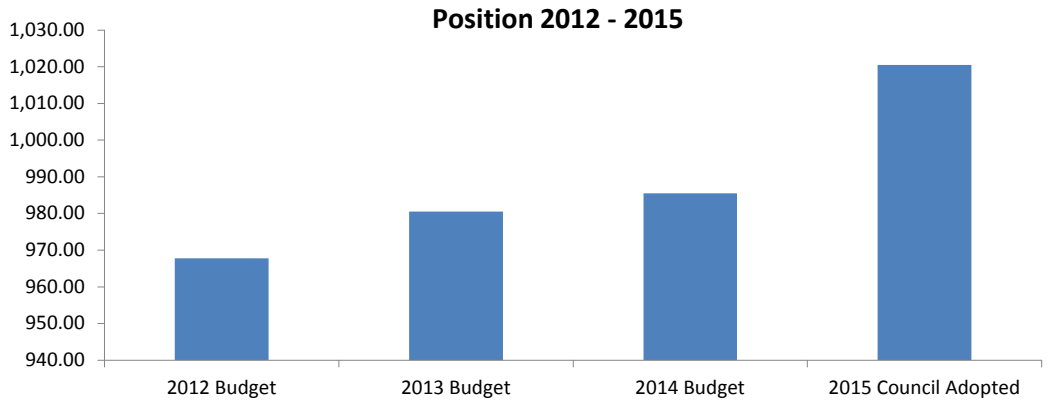
Expense by Division

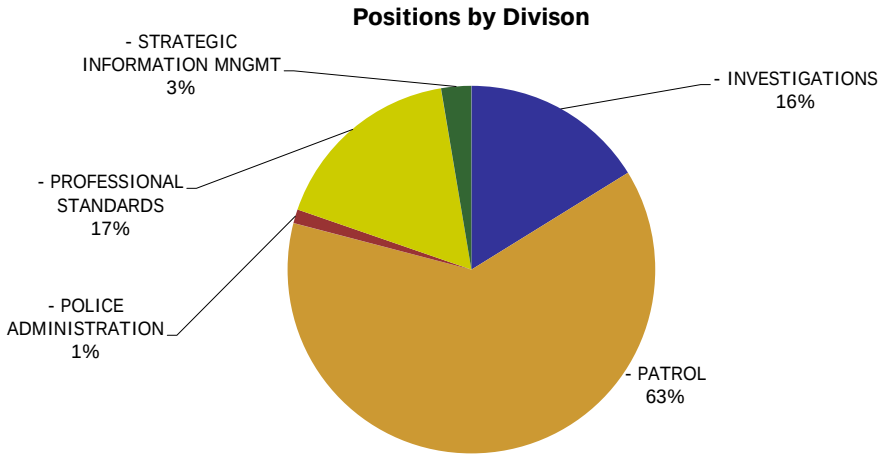


POLICE

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
INVESTIGATIONS	203.00	212.00	171.00	165.00	-3.5%	(6.00)
PATROL	666.30	667.50	630.00	642.00	1.9%	12.00
POLICE ADMINISTRATION	9.00	10.00	14.50	12.50	-13.8%	(2.00)
PROFESSIONAL STANDARDS	89.50	91.00	147.00	174.00	18.4%	27.00
STRATEGIC INFORMATION MNGMT			23.00	27.00	17.4%	4.00
Overall	967.80	980.50	985.50	1,020.50	3.6%	35.00





PUBLIC WORKS

MISSION

To be effective stewards of the public infrastructure and provide valued City services that contribute to public safety, economic vitality and neighborhood livability in Minneapolis.

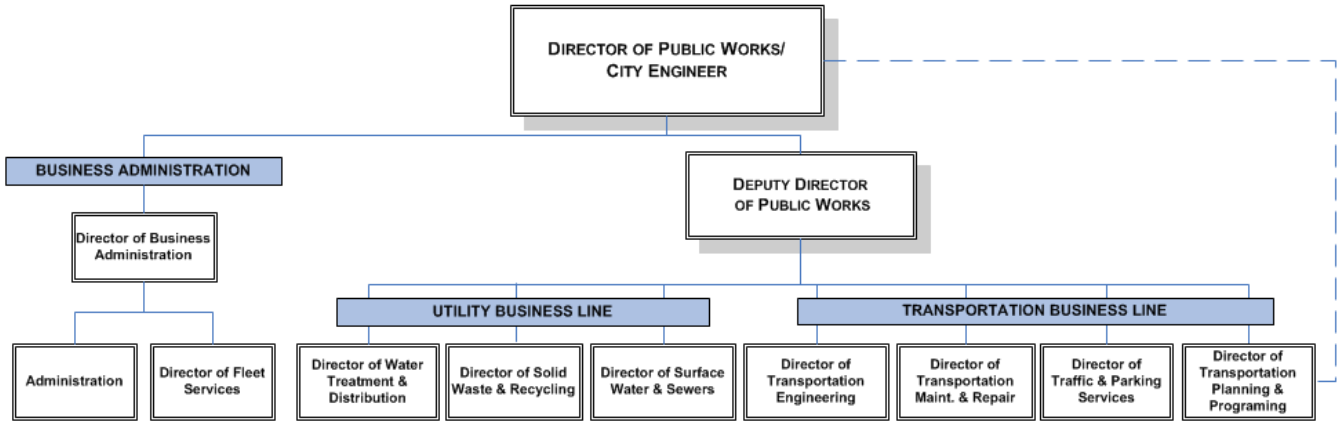
BUSINESS LINES

- Internal Services
  The Internal Services business line is comprised of services that are provided primarily to internal City departments and are funded mostly within formal Internal Service funds. Fees for these services are intended to recover the costs incurred for providing each service. Fleet Services is the only division in the Internal Services business line.

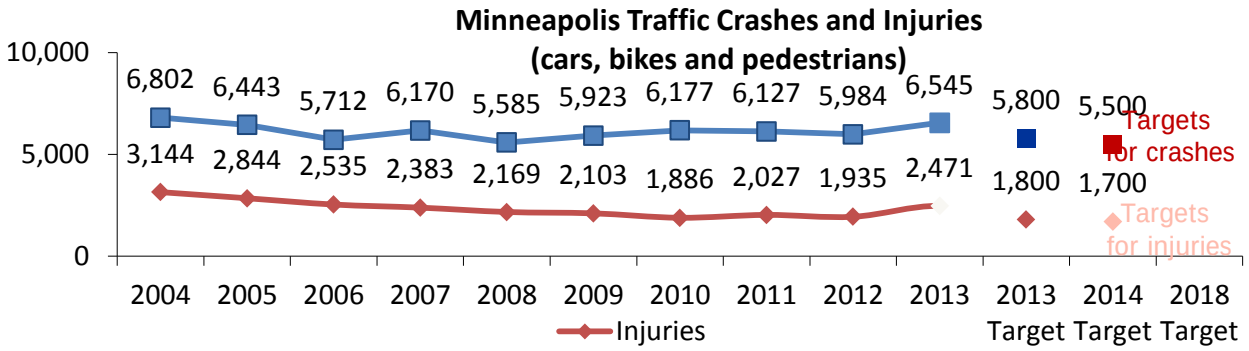
- Utilities
  This business line provides services that promote the health and safety of people and property by providing potable water, managing non-potable water, and maintaining a clean city through the collection and disposal of solid waste, recyclables, problem materials, yard waste, and coordination of Clean City activities. The three divisions of the Utilities business line are Surface Water and Sewers, Water Treatment and Distribution, and Solid Waste and Recycling Services.

- Transportation
  The Transportation business line provides people a variety of safe, convenient options for moving throughout the City and within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people and goods. The three divisions in the Transportation business line are Traffic and Parking Services, Transportation Planning and Engineering, and Transportation Maintenance and Repair.

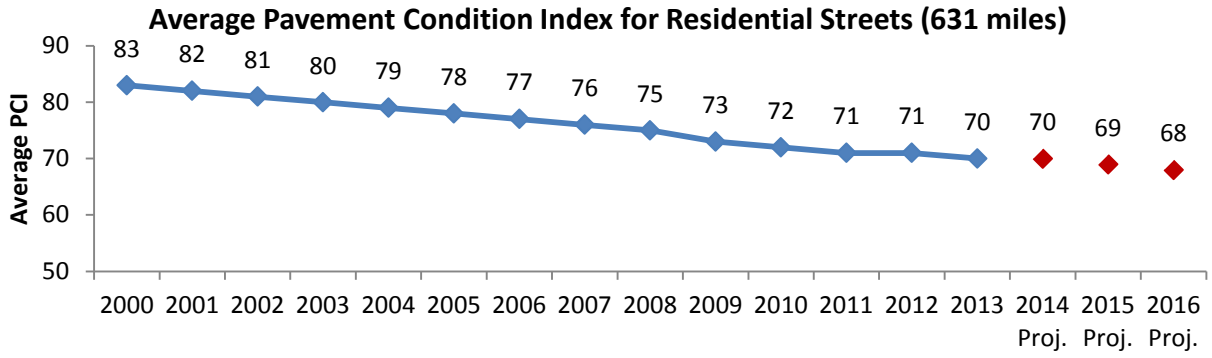
ORGANIZATION CHART

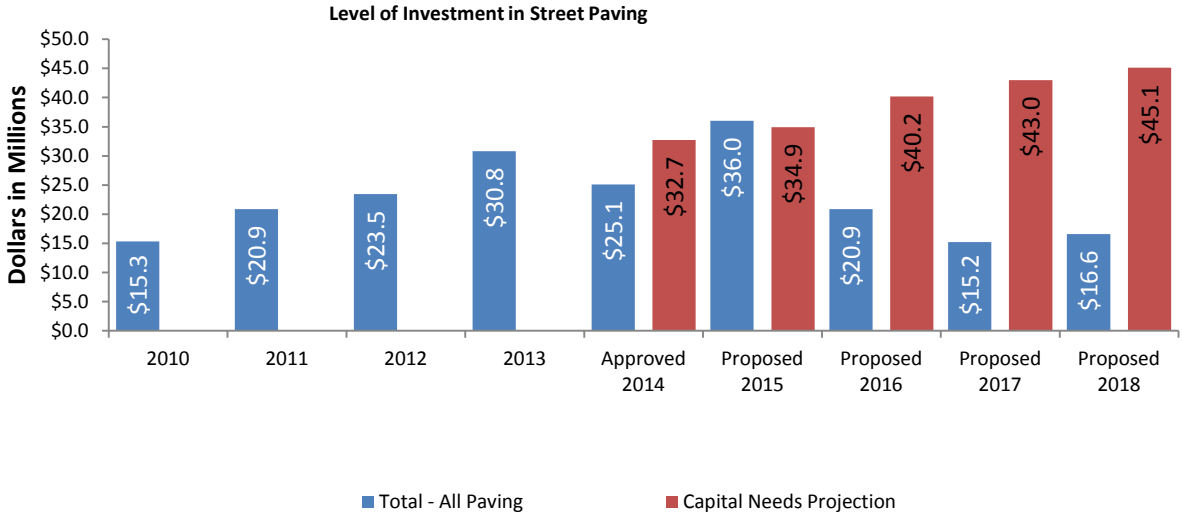


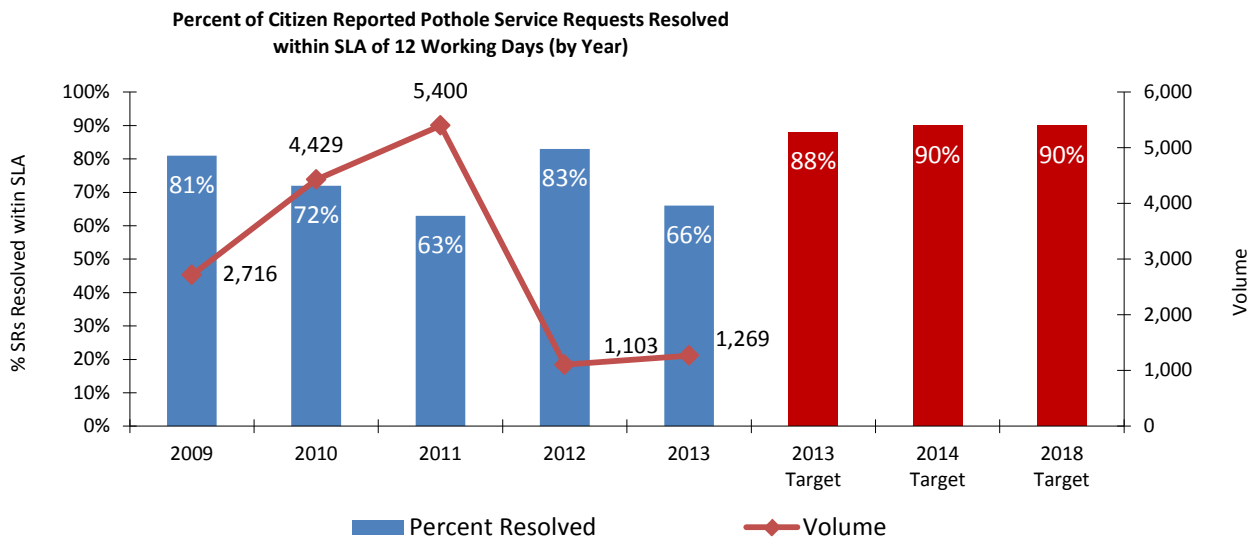
SELECTED RESULTS MINNEAPOLIS MEASURES

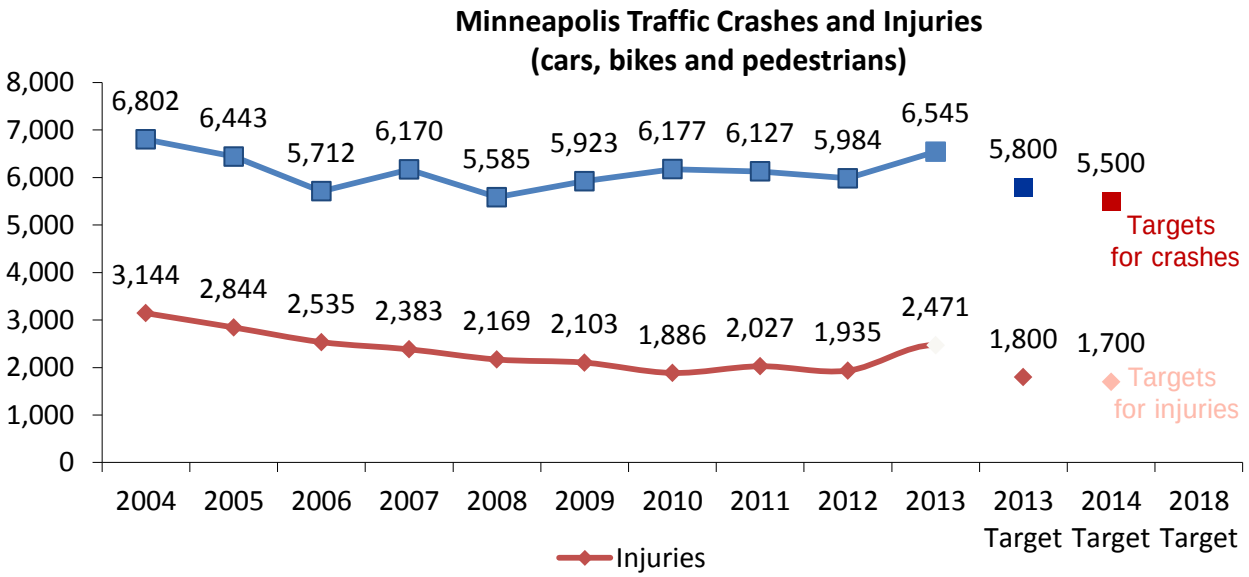


Source: Traffic Accident System

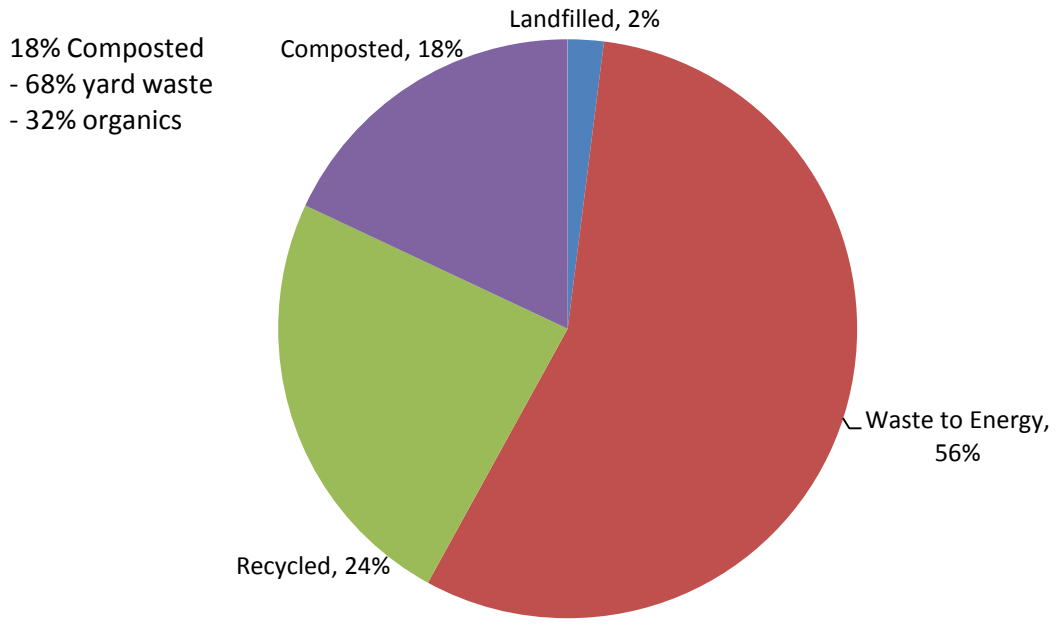




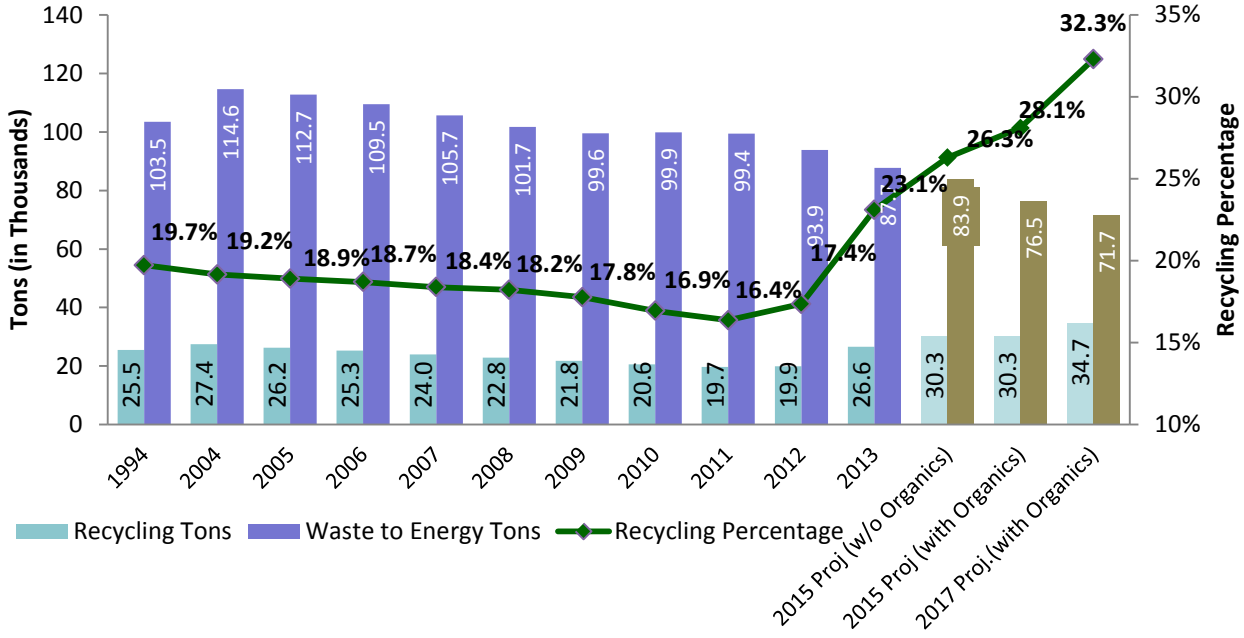

Percent of Citizen Reported Pothole Service Requests Resolved within SLA of 12 Working Days (by Year)
% SRs Resolved witin SLA
Volume
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
6,000
5,000
4,000
3,000
2,000
1,000
0
81%
72%
63%
83%
66%
88%
90%
90%
2,716
4,429
5,400
1,103
1,269
2009
2010
2011
2012
2013
2013 Target
2014 Target
2018 Target
Percent Resolved
Volume


Minneapolis Traffic Crashes and Injuries (cars, bikes and pedestrians)
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
6,802
6,443
5,712
6,170
5,585
5,923
6,177
6,127
5,984
6,545
5,800
5,500
Targets for crashes
3,144
2,844
2,535
2,383
2,169
2,103
1,886
2,027
1,935
2,471
1,800
1,700
Targets for injuries
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2013 Target
2014 Target
2018 Target
Injuries

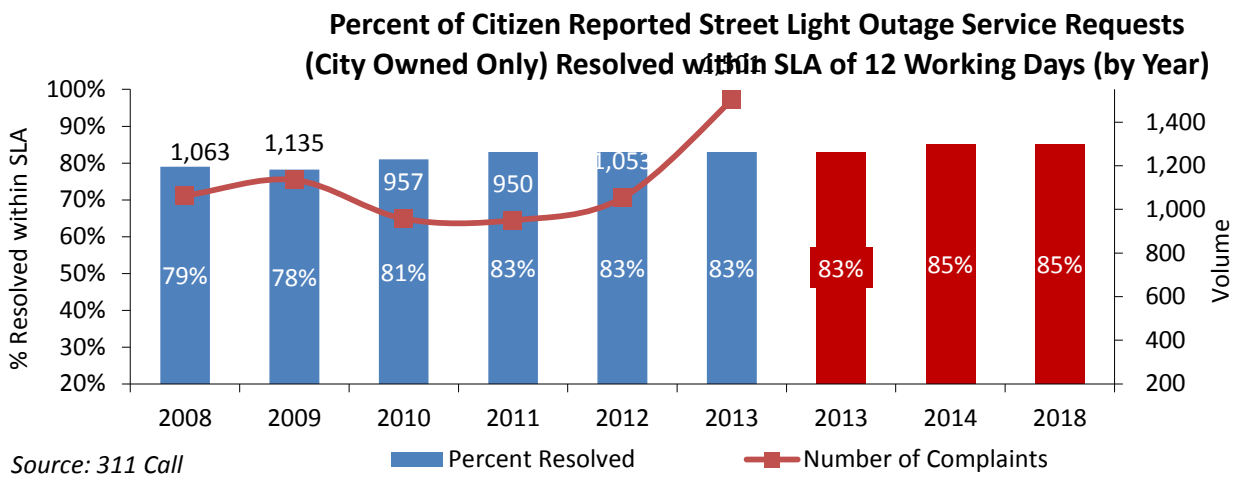
2015 Residential Waste after Implementation of Organics



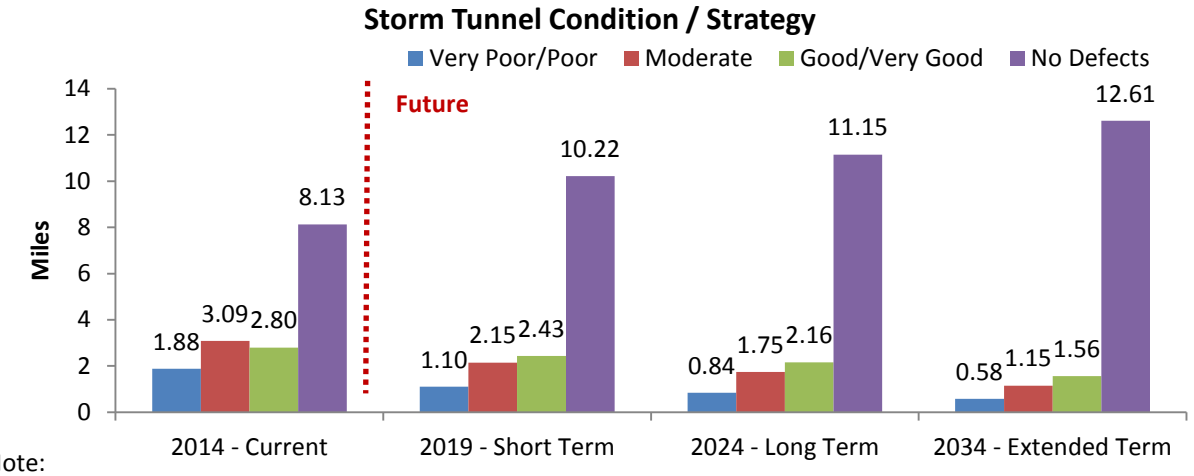
Historic Tons of Recycling and Waste to Energy



Source: Solid Waste Information System



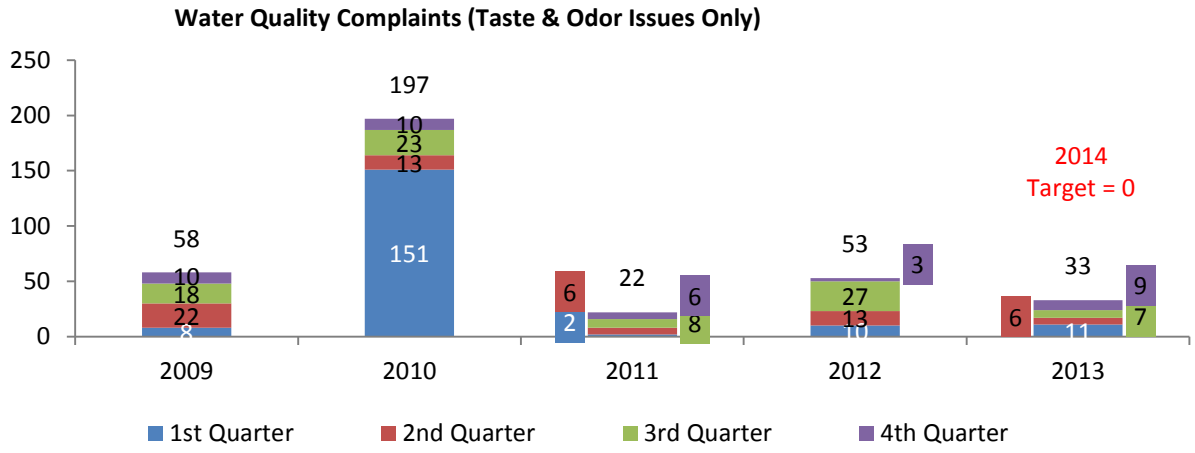
Source: 311 Call



Note:

1. Definition: PACP means "Pipe Assessment Certification Program" from National Assoc. of Sewer Service Companies (NASSCO)
2. Minneapolis has 15.9 miles of storm tunnels that are comprised of tunnels in very poor/poor, moderate, good/very good condition or has no defects.

Source: Sewer Inspection Data and Proposed Stormwater Tunnel Rehabilitation



Source: 311 Call Data

A City that Works

Fleet Management Other Funds: $13,110,717

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.

Public Works Administration General Fund: $3,120,420

Public Works 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. The program strives to improve and facilitate accountability and innovation throughout its divisions, providing analysis and long-range thinking that supports responsible decisionmaking.

Field Coordination Other Funds: $2,231,606

Field Coordination 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 street paving. Field Coordination exchanges information with Public Works divisions and other 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.

Maintenance Operations Other Funds: $19,009,676

Maintenance Operations is responsible for se-up, maintenance, repair, and decommissioning 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.

Traffic General Fund: $9,613,521
Other Funds: $328,691

This division operates and maintains 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 equipment. Key activities include maintenance of fixtures and poles, response to and repair of crash damages, the central traffic signal computer and its communication system, traffic crash databases, Gopher One-Call locating, traffic safety analyses and studies, monitoring the traffic flow and operations, and the managing traffic related to events. These efforts are accomplished for all modes of travel (pedestrian, bike, transit, rail, truck and automobile).

Construction Management Other Funds: $1,890,895

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, and is accomplished utilizing both internal and external resources. These activities include, but are not limited to, field surveying activities, geotechnical analysis, field inspection, material inspection and research, and overall quality control including a significant amount of the actual lab testing being performed 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 consultants.

Street Maintenance and Repair General Fund: $9,649,419

This program provides basic maintenance and repair services on over 1,000 miles of City streets and parkways as well as 400 miles of alleys. This program also includes general pothole patch and repair, preventative maintenance such as crack sealing and sealcoating, utility cut restoration, and other pavement-related repairs.

Snow and Ice Control General Fund: $12,679,463

This program provides snow and ice control as well as other winter maintenance services on City streets, alleys, bridges and public sidewalks.

Malls and Plazas Maintenance General Fund: $1,418,037

This program provides for basic maintenance and repair services on all greenspaces, minimalls and plazas, and bike trails in the public right-of-way throughout the City. It 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 encompasses180 acres of greenspace requiring various levels of service from high- end plazas to boulevards, medians and open areas along streets and highways.

Ramp Maintenance and Repair General Fund: $2,696,746

This program supports the operations of a group of State and City-owned parking ramps and lots including minor concrete patching, crack sealing, caulking, concrete surface sealing and other preventative mainteance. The program also provides for basic summer maintenance and and winter sidewalk snow and ice control on some City-owned properties managed by the Property Services Division.

Great Places

Garbage Collection Other Funds: $15,036,156

This program encompasses garbage collection services for all residential properties of four or less total dwelling units including all townhouse properties as described in Minneapolis Ordinance, and all commercial properties that request this service.

Recycling Collection Other Funds: $4,978,767

This program encompasses recyclables collection services for all residential properties of four or less dwelling units including all townhouse properties as described in Minneapolis Ordinance, and all commercial properties that request this service.

Yard Waste Collection Other Funds: $4,162,376

This program encompasses yard waste collection services for all residential properties of four or less dwelling units including all townhouse properties as described in Minneapolis Ordinance, and all commercial properties that request this service.

Problem Materials Collection Other Funds: $2,416,251

This program encompasses problem materials collection services for all residential properties of four or less dwelling units including all townhouse properties as described in Minneapolis Ordinance, and all commercial properties that request this service.

Clean City, Graffiti Removal Other Funds: $1,072,189

This program accounts for the documentation and removal of graffiti throughout the City.

Clean City, Non-Graffiti Activities Other Funds: $1,458,142

This program encompasses activities other than graffiti removal within the Clean City program. These activities include those that present a danger to public health and safety, maintaining litter containers, conducting Clean Sweeps and accellerated cleanup programs in addition to offering opportunities for volunteer participation in litter control 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 Paintover programs.

Street Cleaning Other Funds: $9,190,184

The Street Cleaning program mitigates surface water runoff pollution and addresses general cleanliness of streets and alleys and overall neighborhood livability. Street and alley sweeping helps to remove pollutants before they enter the City's water bodies, protecting these important natural resources. This program also supports storm response debris removal and cleaning from streets and alleys, parade and other event 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.

Source Separated Organics Collections Other Funds: $6,406,534

This program accounts for the collection of source separated organics from designated customers of Solid Waste and Recycling Services. The program is currently being done on a pilot basis with the full rollout anticipated this budget year.

Potable Water Supply Other Funds: $55,962,426

This program provides for the distribution of clean and reliable drinking water to every residential and non-residential City customer. The program also provides water for fire-fighting and maintains a system to bill and collect for the water used to provide sustainability of the water system.

Sanitary - Collection and Treatment Other Funds: $56,833,381

The sanitary program meets regulatory requirements while collecting sanitary flow data within the City of Minneapolis for Metropolitan Council Environmental Service (MCES) treatment and 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 and identifying sources of clear water. It also includes daily cleaning and operation of the system as well as emergency responses and payments to MCES for the treatment of the sanitary discharge.

Stormwater - Collection and Treatment Other Funds: $19,371,437

The stormwater program meets regulatory requirements while collecting stormwater and treating it prior to entering the lakes, creeks and rivers 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, as well as daily cleaning and ongoing operation of the system.

Living Well

Minneapolis Impound Lot Other Funds: $5,292,485

The Minneapolis Impound Lot, operated by 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.

Transfer Stations and Vouchers Other Funds: $843,357

This program ecompasses operation of 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).

Equipment Operations Other Funds: $4,153,719

This program encompasses the provision of all rolling equipment and various goods and services required to operate programs in Solid Waste and Recycling Services

Sidewalk Other Funds: $728,382

This program supports 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. The Sidewalk Section also manages the occasional installation of new sidewalk, orders temporary repairs on a complaint basis, and monitors the installation of sidewalk intersection pedestrian ramps for compliance with the Americans with Disabilities Act.

Street Lighting General Fund: $6,501,440

This program encompasses the operation and maintainance of the existing 40,000 streetlights including both city metal pole lights (15,000) and Xcel wood pole lights (25,000). Key components include electricity, replacing bulbs and ballasts, infrastructure maintenance of fixtures and poles, and responding to crash damages.

Transportation Planning and Programming General Fund: $3,275,806
Other Funds: $229,201

Transportation Planning and Programming 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.

Bridge Maintenance and Repair General Fund: $2,995,191

This program encompasses basic maintenance and repair services on over 600 City vehicular, pedestrian and other bridges and provides support for the bridge inspections and the construction unit of the Public Works Transportation Planning and Engineering Division. It also provides for water rescue support. This group is plays a key role as a first responder for bridge and storm-related emergency response.

Surface Transportation and Management Other Funds: $7,871,974

This program encompasses 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.

Bike System Maintenance Enhancement General Fund: $191,000

This program enhances the maintenance of the City's bike system by providing funding for additional all-season bike trail maintenance including sweeping and snow removal.

Pedestrian System Maintenance Enhancement General Fund: $200,000
Other Funds: $300,000

This program enhances the maintenance of the City's pedestrian system by increasing efforts to enforce snow removal policies and better clearing sidewalks and corners of snow.

A Hub of Economic Activity and Innovation

On-Street Parking Other Funds: $3,258,914

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.

Off-Street Parking Other Funds: $30,480,356

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.

Special Service Districts General Fund: $1,514,992
Other Funds: $6,100,000

This program provides for service delivery and administrative support for 16 Council-adopted Special Service Districts in Mineapolis. This includes the Downtown Improvement District Special Service District, commonly called the DID.

FINANCIAL ANALYSIS

Expenditure

The total expenditure budget for all Public Works divisions combined is $326.6 million for 2015. This is an increase of 5.6% over the 2014 appropriation. The largest appropriation increases are found in the enterprise funds, with a budgeted increase of 10.3% from 2014. The budget specifically adds 1 FTE in Stormwater (Environmental Health) for erosion control monitoring, 7.5 FTE in Transportation Planning and Engineering which includes 3.5 FTE to support transportation planning, right of way/public realm planning, and asset management and 4 engineering technicians charged to capital projects and Public Works lab customers.

Further, the Public Works department has moved several positions between divisions to better align staff with divisional needs and meet the City's overall capital needs. Details of year-over-year changes can be found in the Public Works divisional sections on the following pages of this document.

Revenue
Total revenue for all Public Works divisions combined is projected to be $355.4 million, a 7.8% increase over the 2014 budget.

Fund Allocation
The department is funded from a variety of sources including enterprise funds (68%), the General Fund (16%), internal service funds (11%), capital project funds (3%) and special revenue funds (2%).

Mayor's Recommended Budget
Please refer to the individual divisional sections for the Mayor's recommendations.

Council Adopted Budget
Please refer to the individual divisional sections for the Council's changes to the Mayor's recommendations.

EXPENSE AND REVENUE INFORMATION

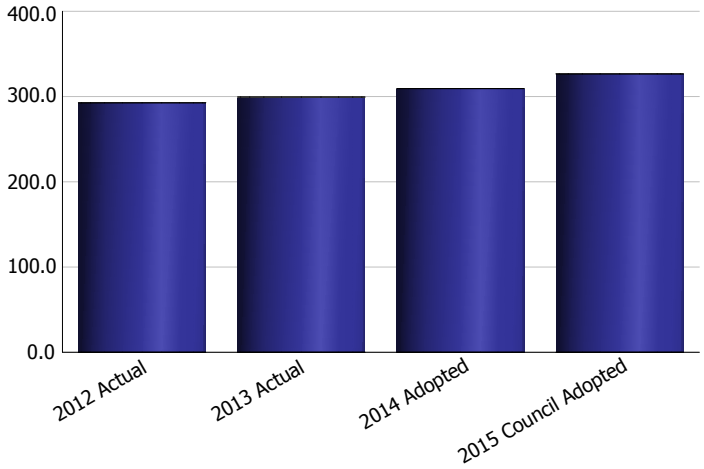
EXPENSE		2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	% Change	Change
CAPITAL PROJECT	CAPITAL			80,000	80,000	0.0%	
	CONTRACTUAL SERVICES	3,310,196	2,334,035	3,084,971	3,939,128	27.7%	854,157
	FRINGE BENEFITS	1,125,267	1,148,149	1,345,767	1,421,951	5.7%	76,184
	OPERATING COSTS	133,270	135,338	164,004	136,879	-16.5%	(27,125)
	SALARIES AND WAGES	3,234,067	3,056,014	3,721,554	3,551,600	-4.6%	(169,954)
CAPITAL PROJECT		**7,802,800**	**6,673,536**	**8,396,296**	**9,129,558**	**8.7%**	**733,261**
ENTERPRISE	CAPITAL	170,519	527,243	2,748,042	6,917,634	151.7%	4,169,592
	CONTRACTUAL SERVICES	95,019,292	95,329,874	95,605,686	104,455,825	9.3%	8,850,139
	FRINGE BENEFITS	14,559,209	14,633,601	16,132,446	16,859,288	4.5%	726,842
	OPERATING COSTS	55,313,580	58,322,728	53,939,622	58,465,018	8.4%	4,525,396
	SALARIES AND WAGES	30,620,531	29,446,452	31,931,283	34,218,910	7.2%	2,287,627
ENTERPRISE		**195,683,131**	**198,259,899**	**200,357,079**	**220,916,675**	**10.3%**	**20,559,596**
GENERAL	CAPITAL	428,183	268,932	162,054	160,554	-0.9%	(1,500)
	CONTRACTUAL SERVICES	19,665,391	22,348,555	21,704,852	19,622,788	-9.6%	(2,082,064)
	FRINGE BENEFITS	6,514,661	7,066,008	8,008,382	8,217,938	2.6%	209,557
	OPERATING COSTS	7,764,867	7,735,697	7,738,713	9,238,898	19.4%	1,500,185
	SALARIES AND WAGES	12,947,610	13,944,581	15,993,599	16,615,856	3.9%	622,257
GENERAL		**47,320,712**	**51,363,772**	**53,607,600**	**53,856,035**	**0.5%**	**248,435**
INTERNAL SERVICE	CAPITAL			11,175,000	11,619,226	4.0%	444,226
	CONTRACTUAL SERVICES	10,875,901	10,676,239	9,391,382	6,364,446	-32.2%	(3,026,936)
	FRINGE BENEFITS	5,140,096	5,015,242	3,192,678	3,140,117	-1.6%	(52,560)
	OPERATING COSTS	9,800,620	11,140,363	11,562,976	9,699,580	-16.1%	(1,863,396)
	SALARIES AND WAGES	10,049,884	9,453,439	5,839,112	5,748,216	-1.6%	(90,896)
INTERNAL SERVICE		**35,866,501**	**36,285,283**	**41,161,148**	**36,571,586**	**-11.2%**	**(4,589,562)**
SPECIAL REVENUE	CONTRACTUAL SERVICES	6,003,117	6,156,485	5,800,000	6,100,000	5.2%	300,000
	FRINGE BENEFITS	(128)					
	OPERATING COSTS	(92)	648,591				
	SALARIES AND WAGES	(614)	26,449				
SPECIAL REVENUE		**6,002,283**	**6,831,526**	**5,800,000**	**6,100,000**	**5.2%**	**300,000**
TOTAL EXPENSE		**292,675,427**	**299,414,016**	**309,322,122**	**326,573,853**	**5.6%**	**17,251,730**

REVENUE		2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	% Change	Change
CAPITAL PROJECT	CHARGES FOR SALES		6				
	CHARGES FOR SERVICES	5,151,603	6,078,034	4,000,000	6,100,000	52.5%	2,100,000
	FEDERAL GOVERNMENT		45,226				
	LICENSE AND PERMITS	283,084	324,947	260,000	260,000	0.0%	
	LOCAL GOVERNMENT	360	182,760				
	LONG TERM LIABILITIES PROCEEDS				2,709,557		2,709,557
	OTHER MISC REVENUES	212,057					
	SPECIAL ASSESSMENTS	58,547	50,918	60,000	60,000	0.0%	
	STATE GOVERNMENT	(236,348)	(509,431)				

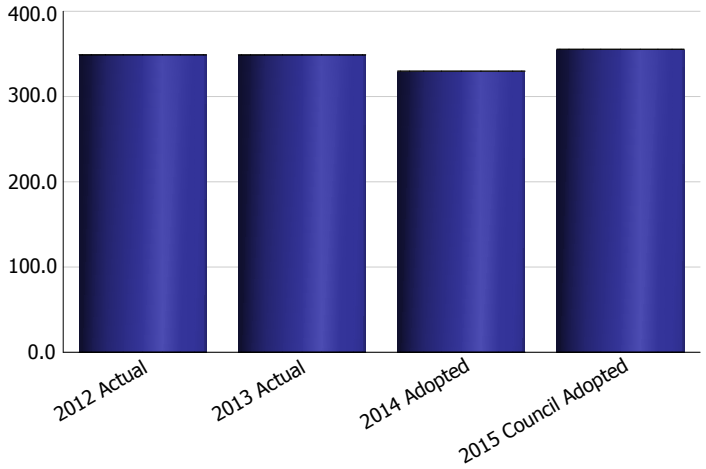
EXPENSE AND REVENUE INFORMATION

REVENUE		2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	% Change	Change
CAPITAL PROJECT		**5,469,303**	**6,172,459**	**4,320,000**	**9,129,557**	**111.3%**	**4,809,557**
ENTERPRISE	CHARGES FOR SALES	3,129,444	2,354,107	2,266,793	1,244,000	-45.1%	(1,022,793)
	CHARGES FOR SERVICES	260,642,155	258,071,564	255,950,362	274,962,013	7.4%	19,011,651
	FEDERAL GOVERNMENT	10,455	687,161				
	FINES AND FORFEITS	39,241	24,733	45,000	45,000	0.0%	
	GAINS	54,355	99,549				
	LICENSE AND PERMITS	549,347	433,928	439,000	495,000	12.8%	56,000
	LOCAL GOVERNMENT	1,653,239	1,155,765	1,379,559	1,191,663	-13.6%	(187,896)
	LONG TERM LIABILITIES PROCEEDS				3,810,328		3,810,328
	OTHER MISC REVENUES	24,272	244,802				
	RENTS	2,133	2,200				
	SPECIAL ASSESSMENTS	2,914,606	2,049,809	767,357	1,383,481	80.3%	616,124
	STATE GOVERNMENT	1,128,196	1,332,710	1,168,654	1,187,112	1.6%	18,458
ENTERPRISE		**270,147,442**	**266,456,326**	**262,016,725**	**284,318,597**	**8.5%**	**22,301,872**
GENERAL	CHARGES FOR SALES	121,476	100,048	30,000	60,000	100.0%	30,000
	CHARGES FOR SERVICES	12,855,103	11,796,224	8,728,273	9,249,420	6.0%	521,147
	CONTRIBUTIONS	90					
	FRANCHISE FEES	155,748	209,695				
	LICENSE AND PERMITS	1,554,629	2,224,118	1,085,000	1,485,000	36.9%	400,000
	LOCAL GOVERNMENT	568,813	713,640	538,244	698,860	29.8%	160,616
	OTHER MISC REVENUES	183,180	190,251	86,000	101,000	17.4%	15,000
	SPECIAL ASSESSMENTS	1,368,726	2,036,276	1,924,750	2,264,992	17.7%	340,242
	STATE GOVERNMENT	4,231,549	4,402,791	4,085,621	4,561,936	11.7%	476,315
	TRANSFERS IN	700,000	700,000				
GENERAL		**21,739,316**	**22,373,044**	**16,477,888**	**18,421,208**	**11.8%**	**1,943,320**
INTERNAL SERVICE	CHARGES FOR SALES	9,350,888	9,907,420	11,605,507	11,631,151	0.2%	25,644
	CHARGES FOR SERVICES	10,583,642	10,782,329	11,439,433	11,426,788	-0.1%	(12,645)
	GAINS	232,662	340,385	10,000	10,000	0.0%	
	LONG TERM LIABILITIES PROCEEDS		1,602,041	300,000	1,120,418	273.5%	820,418
	OTHER MISC REVENUES	927,404	869,302	421,849		-100.0%	(421,849)
	RENTS	24,584,312	24,417,951	17,394,046	13,287,144	-23.6%	(4,106,902)
INTERNAL SERVICE		**45,678,908**	**47,919,428**	**41,170,835**	**37,475,501**	**-9.0%**	**(3,695,334)**
SPECIAL REVENUE	FEDERAL GOVERNMENT	(122,917)	16				
	OTHER MISC REVENUES	2,587	2,577				
	SPECIAL ASSESSMENTS	6,013,682	5,935,871	5,800,000	6,100,000	5.2%	300,000
	STATE GOVERNMENT	1,188					
SPECIAL REVENUE		**5,894,541**	**5,938,464**	**5,800,000**	**6,100,000**	**5.2%**	**300,000**
TOTAL REVENUE		**348,929,510**	**348,859,720**	**329,785,448**	**355,444,863**	**7.8%**	**25,659,415**

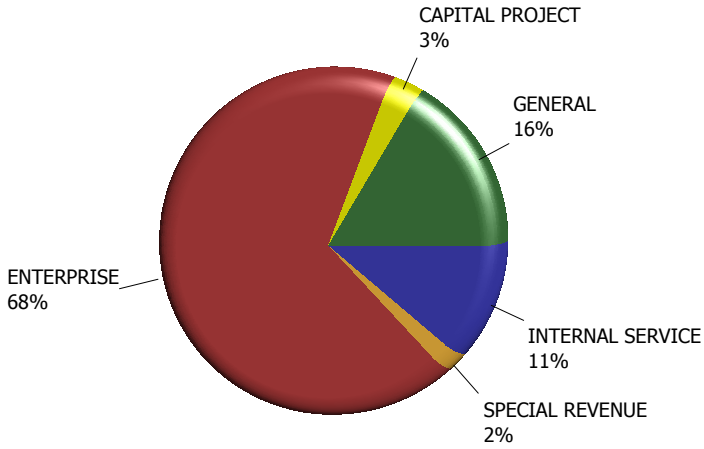
Expense 2012 - 2015



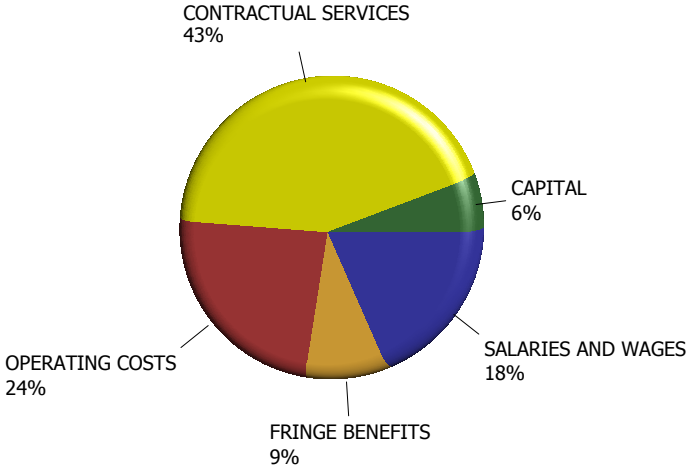
Revenue 2012 - 2015



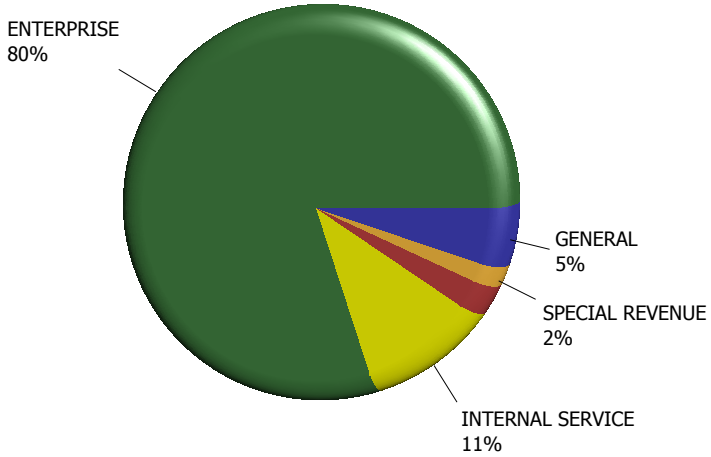
Expense by Fund



Expense by Type



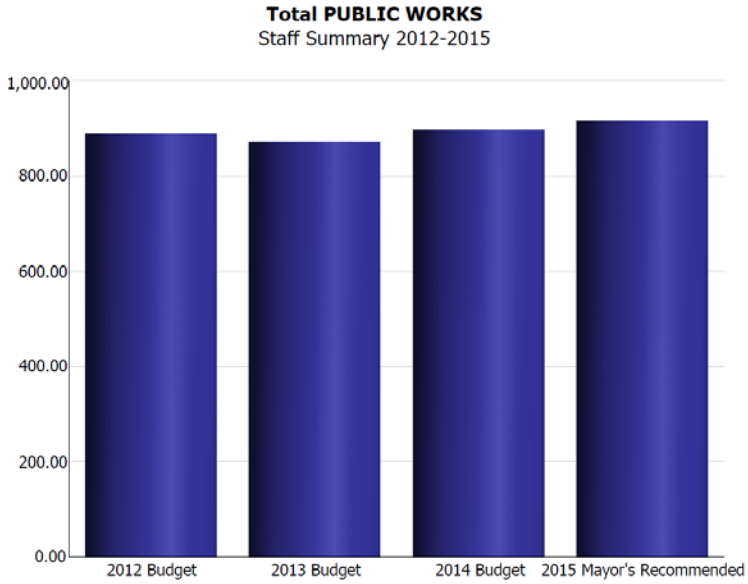
Revenue by Fund

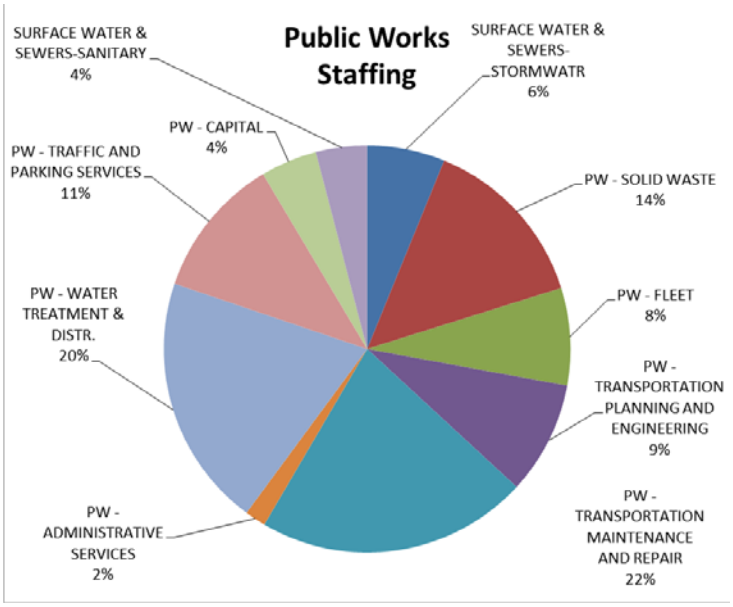


PUBLIC WORKS

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Budget	% Change	Change
SURFACE WATER & SEWERS-STORMWATR	53.15	52.40	48.50	59.25	22.2%	10.75
PW - SOLID WASTE	127.00	134.33	134.33	134.00	-0.2%	(0.33)
PW - FLEET	168.00	156.00	78.00	74.00	-5.1%	(4.00)
PW - TRANSPORTATION PLANNING AND ENGINEERING	77.00	73.00	78.50	86.00	9.6%	7.50
PW - TRANSPORTATION MAINTENANCE AND REPAIR	145.27	146.95	206.95	206.95	0.0%	(0.00)
PW - ADMINISTRATIVE SERVICES	16.00	16.00	16.00	16.00	0.0%	
PW - WATER TREATMENT & DISTR.	175.50	158.50	192.50	192.50	0.0%	
PW - CAPITAL	43.41	39.57	49.10	40.00	-18.5%	(9.10)
PW - TRAFFIC AND PARKING SERVICES	89.00	95.40	98.10	107.80	9.9%	9.70
SURFACE WATER & SEWERS-SANITARY	37.75	39.50	45.00	39.00	-13.3%	(6.00)
Total PUBLIC WORKS Depts	**932.08**	**911.65**	**946.98**	**955.50**	**0.9%**	**8.52**





Financial Analysis – Public Works Administration

Expenditure
The total Administration Division's budget increased from $3.0 million to $3.1 million from 2014 to 2015. This is an increase of $145,000, or 4.9%. This division's 2015 expenditure budget reflects increasing costs allocated to the division for rent and self-insurance charges as well as inflationary adjustments to salaries and wages. The budget for this division also reflects a funding shift of $100,000 from the Public Works Department to the City Coordinator Administration and Human Resources Departments to fund strategic workforce solutions and advising programming.

Revenue
Revenues are projected to increase by 9.7% in this division due to increases in the Public Works administrative overhead charges and plan exam fees. The division's total revenues in 2015 are projected to be $2.9 million.

Fund Allocation
This division is funded completely by the General Fund.

Mayor's Recommended Budget
The Mayor recommended no changes to this division's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed the Public Works Department to utilize existing resources to facilitate up to eight Open Streets events in 2015.
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PW - ADMINISTRATIVE SERVICES
EXPENSE AND REVENUE INFORMATION

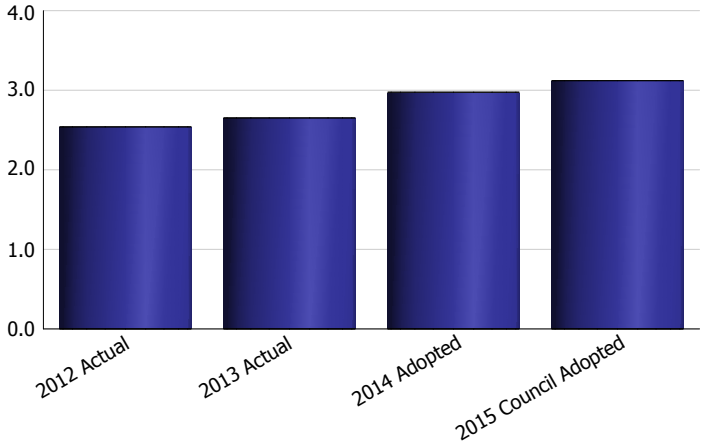
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,168,068	1,151,887	1,305,882	1,224,610	-6.2%	(81,272)
FRINGE BENEFITS	338,550	345,053	469,113	477,968	1.9%	8,855
CONTRACTUAL SERVICES	528,000	635,096	606,816	664,477	9.5%	57,661
OPERATING COSTS	503,345	519,886	591,235	751,313	27.1%	160,078
CAPITAL	1,725		2,052	2,052	0.0%	0
TOTAL GENERAL	**2,539,688**	**2,651,922**	**2,975,098**	**3,120,420**	**4.9%**	**145,322**
TOTAL EXPENSE	**2,539,688**	**2,651,922**	**2,975,098**	**3,120,420**	**4.9%**	**145,322**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	2,240,029	2,285,488	2,398,658	2,554,674	6.5%	156,016
CONTRIBUTIONS	90				0.0%	0
LICENSE AND PERMITS	522,543	564,626	250,000	350,000	40.0%	100,000
OTHER MISC REVENUES	271	357			0.0%	0
GENERAL	**2,762,933**	**2,850,471**	**2,648,658**	**2,904,674**	**9.7%**	**256,016**
TOTAL REVENUE	**2,762,933**	**2,850,471**	**2,648,658**	**2,904,674**	**9.7%**	**256,016**

PW - ADMINISTRATIVE SERVICES
EXPENSE AND REVENUE INFORMATION

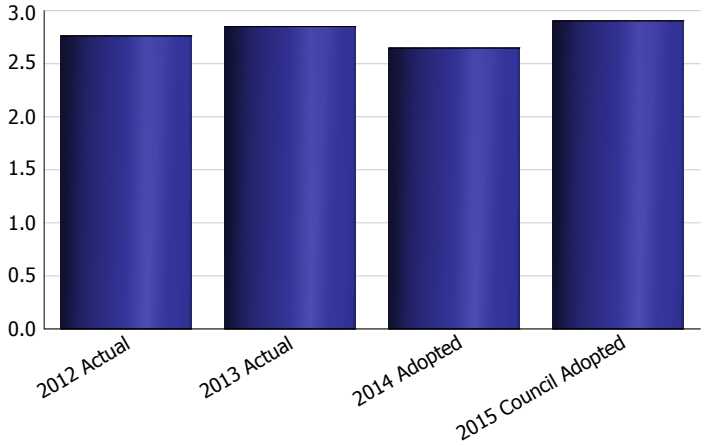
Expense 2012 - 2015

In Millions

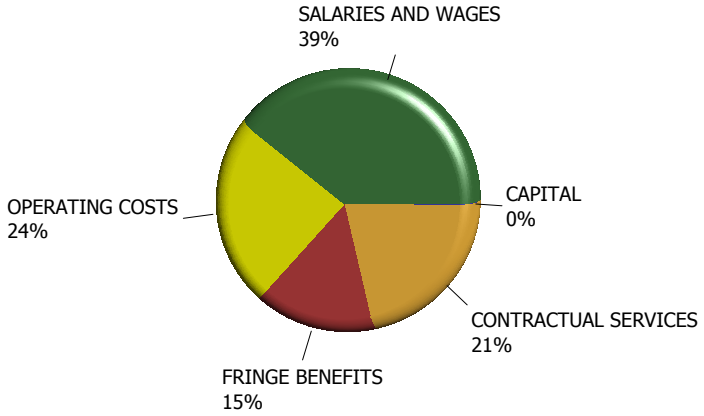


Revenue 2012 - 2015

In Millions



Expense by Category

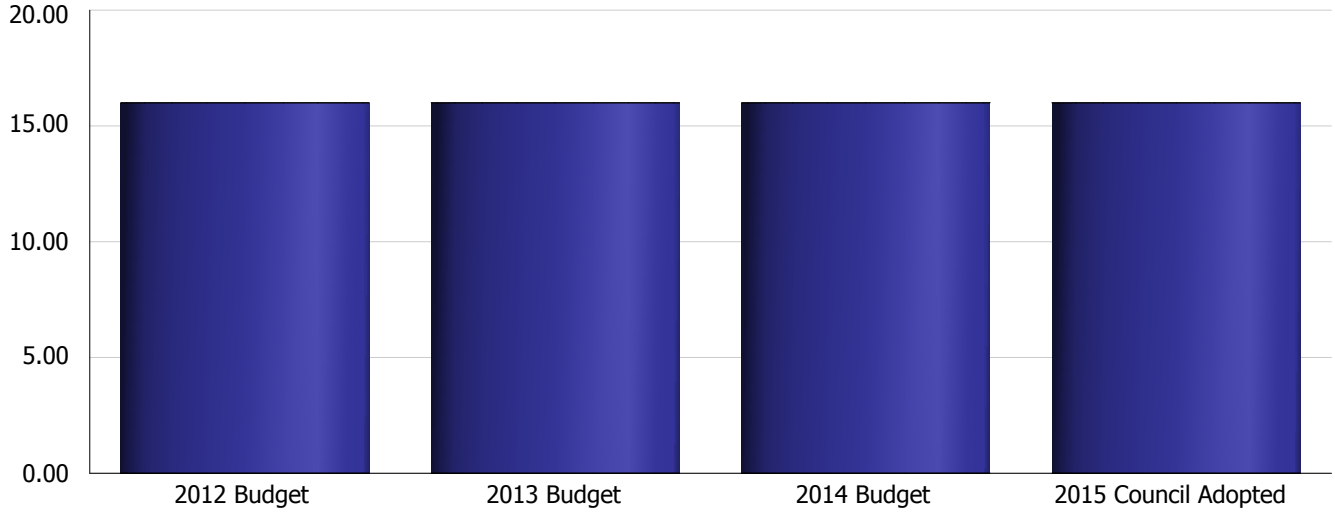


PW - ADMINISTRATIVE SERVICES

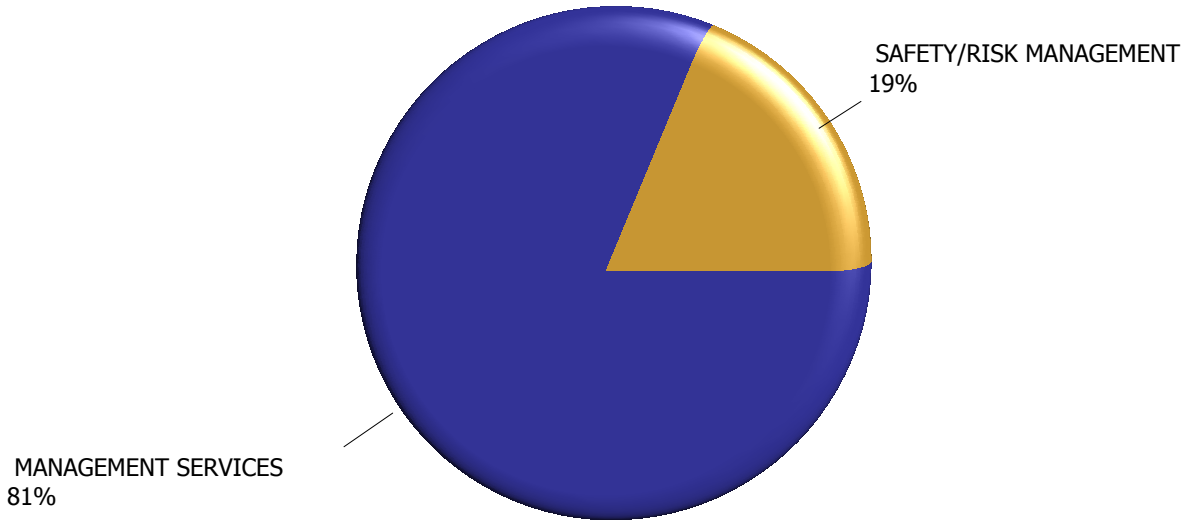
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
MANAGEMENT SERVICES	13.00	13.00	13.00	13.00	0.0%	0
SAFETY/RISK MANAGEMENT	3.00	3.00	3.00	3.00	0.0%	0
Overall	16.00	16.00	16.00	16.00	0.00	0

Positions 2012-2015



Positions by Divison



Financial Analysis – Public Works Fleet Services

Expenditure
The total Fleet Services Division's budget decreases from $39.0 million to $34.4 million from 2014 to 2015. This is a reduction of $4.7 million, or 11.8%. The Fleet Services Division's 2015 expenditure budget reflects a planned reduction in capital purchases based on the vehicle and equipment replacement schedule, as well as a reduction of 4 FTEs due to Public Works internal division restructuring and realignment.

Revenue
Revenues are projected to decline by 9.8% in this division due to changes in accounting for the revenue collection associated with equipment rental. Fleet Services will no longer provide equipment for short-term rental, but will assign units to divisions on a long-term basis. The division's total revenues in 2015 are projected to be $35.0 million.

Fund Allocation
This division is funded completely by the Fleet Services Fund, which consists of resources accumulated through charges to other departments.

Mayor's Recommended Budget
The Mayor recommended no changes to this division's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

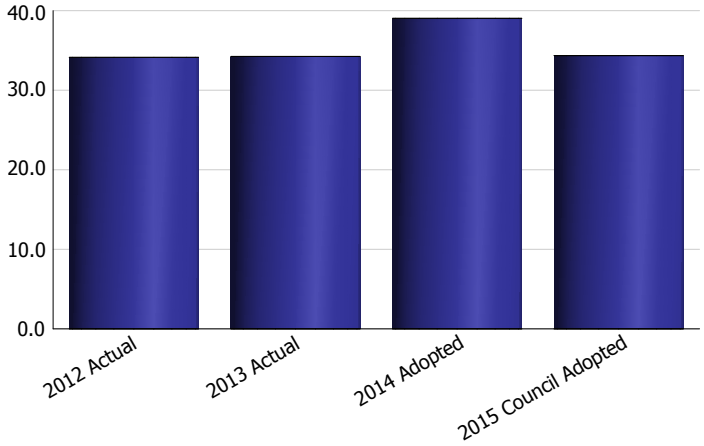
PW - FLEET
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
SALARIES AND WAGES	9,256,393	8,521,893	4,795,806	4,664,149	-2.7%	(131,657)
FRINGE BENEFITS	4,822,601	4,644,447	2,784,298	2,697,458	-3.1%	(86,840)
CONTRACTUAL SERVICES	10,321,979	10,181,560	8,827,608	5,833,282	-33.9%	(2,994,326)
OPERATING COSTS	9,728,826	10,897,899	11,451,788	9,586,884	-16.3%	(1,864,904)
CAPITAL			11,175,000	11,570,226	3.5%	395,226
TOTAL INTERNAL SERVICE	**34,129,799**	**34,245,799**	**39,034,500**	**34,351,999**	**-12.0%**	**(4,682,501)**
TOTAL EXPENSE	**34,129,799**	**34,245,799**	**39,034,500**	**34,351,999**	**-12.0%**	**(4,682,501)**

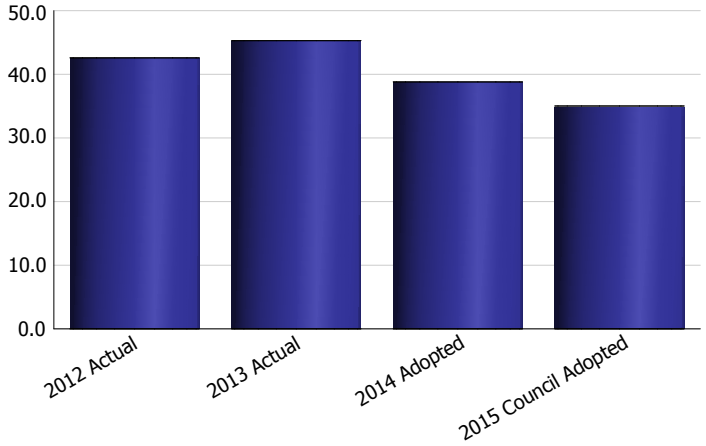
REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	8,775,605	9,419,080	11,195,507	11,221,151	0.2%	25,644
CHARGES FOR SERVICES	8,066,204	8,639,290	9,481,506	9,490,662	0.1%	9,156
GAINS	232,662	340,385	10,000	10,000	0.0%	0
LONG TERM LIABILITIES PROCEEDS		1,602,041	300,000	1,010,649	236.9%	710,649
OTHER MISC REVENUES	927,404	869,282	421,849		-100.0%	(421,849)
RENTS	24,584,396	24,417,951	17,394,046	13,287,144	-23.6%	(4,106,902)
INTERNAL SERVICE	**42,586,272**	**45,288,029**	**38,802,908**	**35,019,606**	**-9.8%**	**(3,783,302)**
TOTAL REVENUE	**42,586,272**	**45,288,029**	**38,802,908**	**35,019,606**	**-9.8%**	**(3,783,302)**

PW - FLEET
EXPENSE AND REVENUE INFORMATION

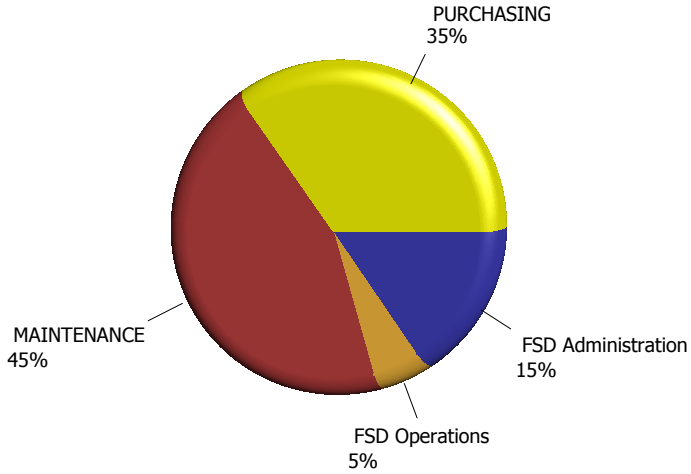
Expense 2012 - 2015
In Millions



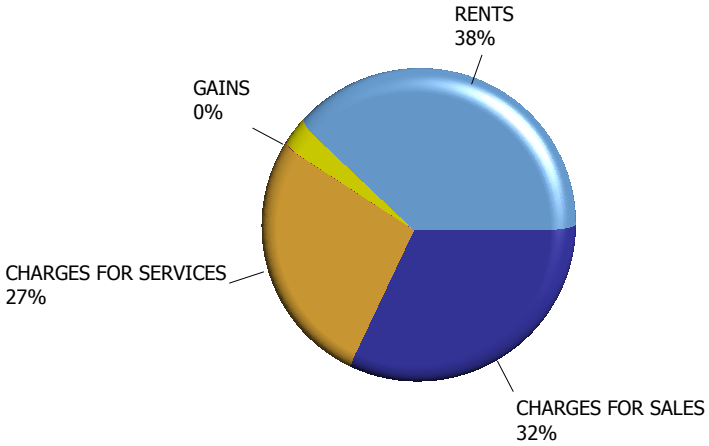
Revenue 2012 - 2015
In Millions



Expense by Division



Direct Revenue by Type

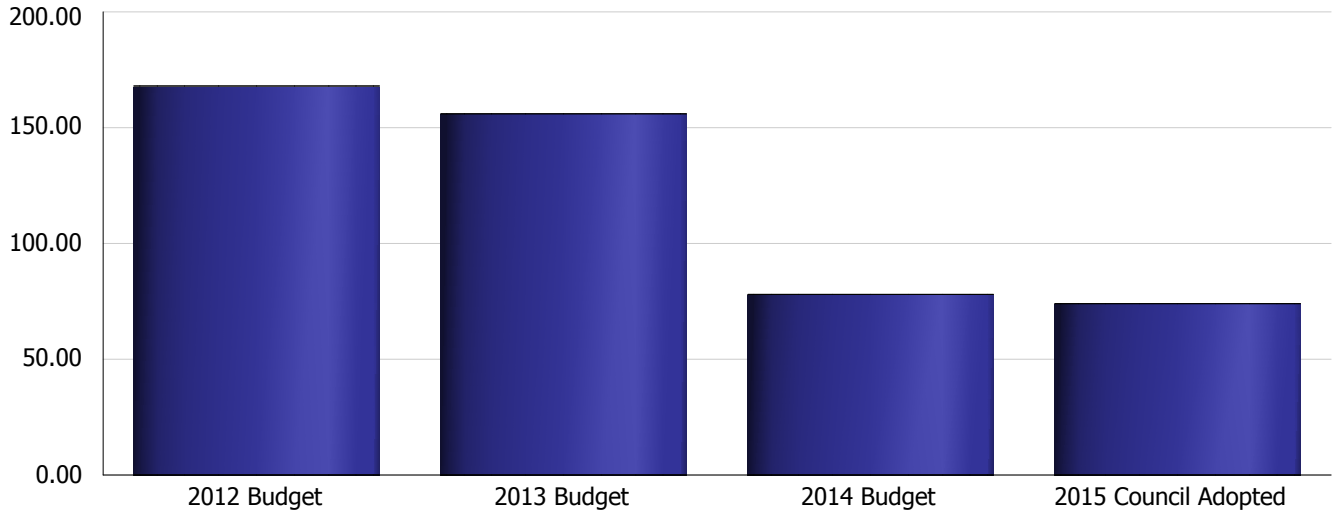


PW - FLEET

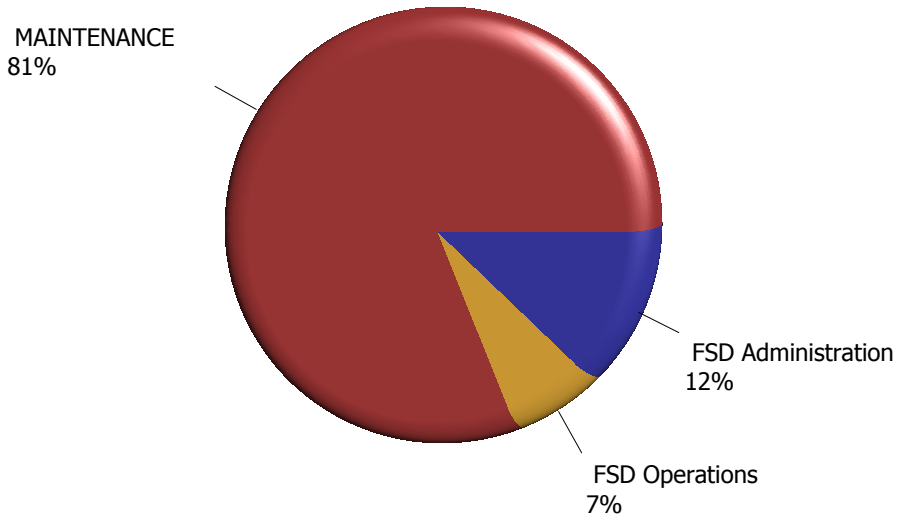
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
FSD Administration	6.00	10.00	10.00	9.00	-10.0%	(1.00)
FSD Operations	97.00	87.00	8.00	5.00	-37.5%	(3.00)
MAINTENANCE	64.00	59.00	60.00	60.00	0.0%	0
PURCHASING	1.00					0
Overall	168.00	156.00	78.00	74.00	(5.1%)	(4.00)

Positions 2012-2015



Positions by Divison



Financial Analysis – Public Works Solid Waste & Recycling

Expenditure
The total Solid Waste & Recycling Division's budget increased from $33.4 million to $40.5 million from 2014 to 2015. This is an increase of $7.1 million, or 21.3%. The Solid Waste & Recycling Division's 2015 expenditure budget reflects the following changes from 2014:

- The implementation of a citywide source-separated organics recycling program scheduled for 2015 estimated to cost $6.0 million in the first year, with $5.1 million of the costs being one-time in nature for program start-up;
- An estimated increase of $100,000 in time, labor, and contractual services due to an extended yard waste season;
- Planned replacement of 10,000 small garbage carts, trucks and vehicles costing $700,000;
- Graffiti abatement and SWIS Support technology upgrades amounting to $200,000.

Revenue
Revenues are projected to increase by $8.7 million, or 27.7% in this division due to a rate increase in the base solid waste and recycling fee from $17.60 to $21.60. Most of the increase in the rate is due to the implementation of the organics recycling program. The division's total revenues in 2015 are projected to be $40.1 million.

Fund Allocation
This division is funded completely by the Solid Waste & Recycling Fund, which is an enterprise activity.

Mayor's Recommended Budget
The Mayor's recommended budget includes appropriation in the Solid Waste and Recycling Fund to fund the beginning of a citywide source-separated organics recycling program estimated to cost $8.0 million in the first year. Of this total amount, approximately $5.1 million of the costs are considered one-time in nature related to the program's start-up.

The Mayor's recommended budget further proposes a reduction in the transfer of General Fund resources for alley plowing and graffiti removal initiatives which will continue to be funded from the Solid Waste and Recycling Fund.

Council Adopted Budget
The City Council amended the Mayor's recommendations by reducing the expense appropriation by $2,024,000 to reflect the partial-year organics rollout.

PW - SOLID WASTE
EXPENSE AND REVENUE INFORMATION

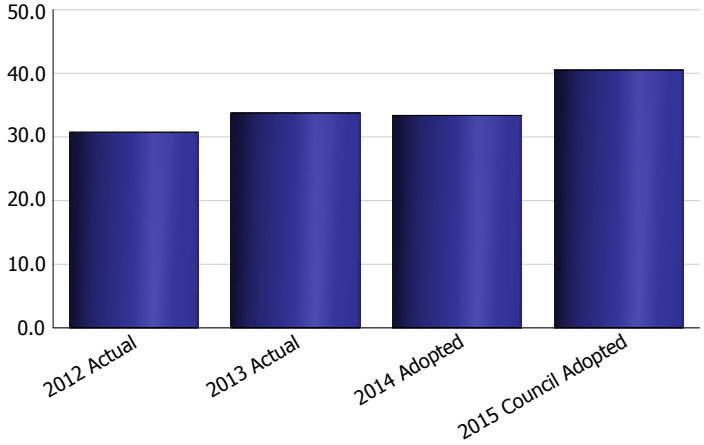
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	6,506,600	6,874,988	7,455,878	8,273,444	11.0%	817,566
FRINGE BENEFITS	3,588,071	3,862,967	4,286,873	4,601,461	7.3%	314,589
CONTRACTUAL SERVICES	18,958,851	16,879,575	18,715,125	20,868,595	11.5%	2,153,470
OPERATING COSTS	1,687,478	6,166,648	1,674,779	2,194,946	31.1%	520,167
CAPITAL			1,245,391	4,589,045	268.5%	3,343,654
TOTAL ENTERPRISE	**30,741,000**	**33,784,178**	**33,378,046**	**40,527,491**	**21.4%**	**7,149,446**
TOTAL EXPENSE	**30,741,000**	**33,784,178**	**33,378,046**	**40,527,491**	**21.4%**	**7,149,446**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	1,611,178	793,663	766,793	244,000	-68.2%	(522,793)
CHARGES FOR SERVICES	29,388,429	29,440,140	29,536,258	35,383,700	19.8%	5,847,442
FEDERAL GOVERNMENT		8,015			0.0%	0
GAINS	19,320	99,549			0.0%	0
LICENSE AND PERMITS	(369)				0.0%	0
LOCAL GOVERNMENT	864,448	864,545	880,000	880,000	0.0%	0
LONG TERM LIABILITIES PROCEEDS				3,339,491	0.0%	3,339,491
OTHER MISC REVENUES	381	1,233			0.0%	0
RENTS	15				0.0%	0
SPECIAL ASSESSMENTS	265,560	343,432	179,200	190,000	6.0%	10,800
STATE GOVERNMENT	10,350	17,488	10,500	19,300	83.8%	8,800
ENTERPRISE	**32,159,312**	**31,568,064**	**31,372,751**	**40,056,491**	**27.7%**	**8,683,740**
TOTAL REVENUE	**32,159,312**	**31,568,064**	**31,372,751**	**40,056,491**	**27.7%**	**8,683,740**

PW - SOLID WASTE
EXPENSE AND REVENUE INFORMATION

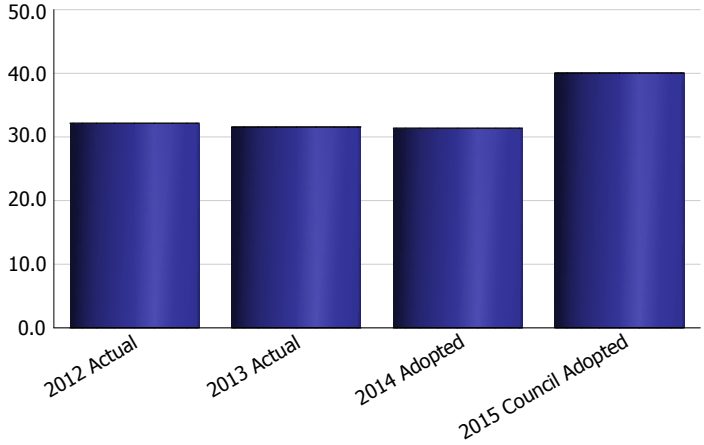
Expense 2012 - 2015

In Millions

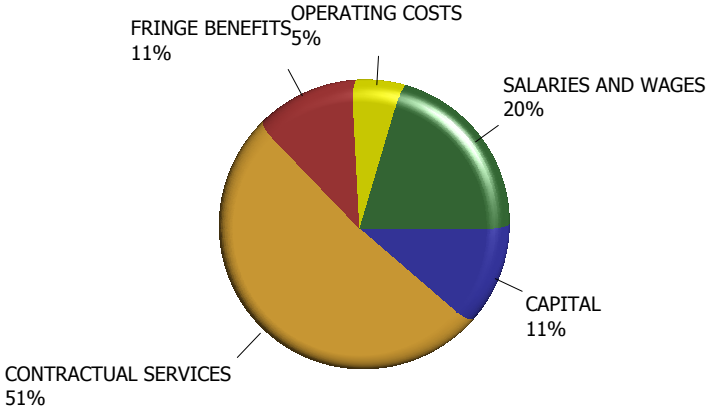


Revenue 2012 - 2015

In Millions



Expense by Category

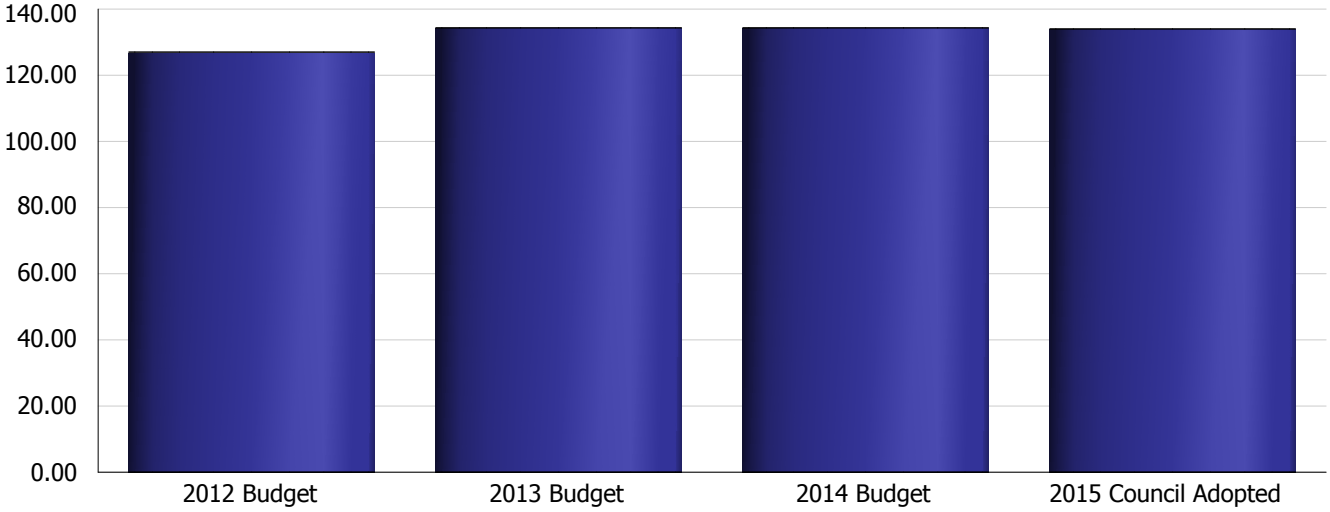


PW - SOLID WASTE

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
ADMINISTRATION	9.14	11.33	11.33	13.80	21.8%	2.47
CLEAN CITY	11.61	21.00	21.00	18.20	-13.3%	(2.80)
COLLECTION	42.00	38.00	38.00	38.00	0.0%	0
CUSTOMER SERVICE	8.00	8.00	8.00	8.00	0.0%	0
EQUIPMENT	10.00	10.00	10.00	10.00	0.0%	0
LARGE ITEM/PROBLEM MATERIAL	12.00	7.00	7.00	7.00	0.0%	0
ORGANICS	2.00	3.00	3.00	3.00	0.0%	0
RECYCLING	16.00	20.00	20.00	20.00	0.0%	0
TRANSFER STATIONS	1.00	1.00	1.00	1.00	0.0%	0
YARD WASTE PROGRAM	15.25	15.00	15.00	15.00	0.0%	0
Overall	127.00	134.33	134.33	134.00	(0.2%)	(0.33)

Positions 2012-2015



Financial Analysis – Public Works Sanitary Sewer

Expenditure
The total Sanitary Sewer Division's budget increased from $48.0 million to $56.8 million from 2014 to 2015. This is an increase of $8.8 million, or 18.4%. The Sanitary Sewer Division's 2015 expenditure budget reflects the following changes from 2014:

- An estimated rate increase of 6.9% in monthly Met Council fees for wastewater discharge totaling $35 million, inclusive of an increase of $2.3 million over 2014;
- An increase in Service Availability Charges (SAC) by $6 million over 2014 due to the overall increase in economic activities;
- Increases in the City's cost allocation charges paid by this division to other City departments in the amount of $400,000;
- A reallocation of staffing between Public Works divisions resulting in a decrease of 6 FTE in this division, which is offset by the aforementioned increases.

Revenue
Revenues are projected to increase by 16.3% in this division due to the additional $6 million in SAC revenues, and utility revenues increasing by $2.4 million due to the rate increase in monthly utility billings. The division's total revenues in 2015 are projected to be $63.1 million.

Fund Allocation
This division is funded completely in the Sanitary Sewer Fund, which is an enterprise activity.

Mayor's Recommended Budget
The Mayor recommended no changes to this division's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

SURFACE WATER & SEWERS-SANITARY
EXPENSE AND REVENUE INFORMATION

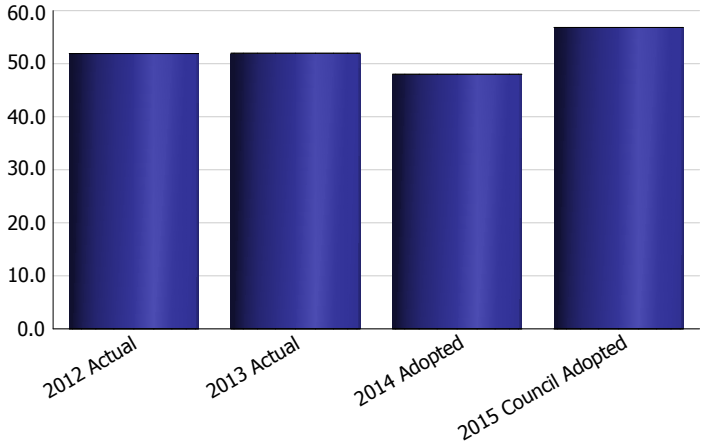
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	2,563,128	2,692,062	2,670,678	2,507,845	-6.1%	(162,833)
FRINGE BENEFITS	1,186,615	1,307,382	1,400,576	1,303,263	-6.9%	(97,312)
CONTRACTUAL SERVICES	15,821,906	13,522,941	9,374,599	15,174,381	61.9%	5,799,782
OPERATING COSTS	32,347,005	34,447,891	34,496,936	37,012,194	7.3%	2,515,258
CAPITAL			60,000	835,697	1,292.8%	775,697
TOTAL ENTERPRISE	**51,918,654**	**51,970,276**	**48,002,789**	**56,833,381**	**18.4%**	**8,830,592**
TOTAL EXPENSE	**51,918,654**	**51,970,276**	**48,002,789**	**56,833,381**	**18.4%**	**8,830,592**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES		6,776			0.0%	0
CHARGES FOR SERVICES	62,044,751	60,561,072	54,113,522	62,413,714	15.3%	8,300,192
GAINS	18,868				0.0%	0
LICENSE AND PERMITS	187,638	83,146	150,000	220,000	46.7%	70,000
LONG TERM LIABILITIES PROCEEDS				470,837	0.0%	470,837
OTHER MISC REVENUES		5			0.0%	0
SPECIAL ASSESSMENTS	74,709	96,986			0.0%	0
ENTERPRISE	**62,325,966**	**60,747,985**	**54,263,522**	**63,104,551**	**16.3%**	**8,841,029**
TOTAL REVENUE	**62,325,966**	**60,747,985**	**54,263,522**	**63,104,551**	**16.3%**	**8,841,029**

SURFACE WATER & SEWERS-SANITARY
EXPENSE AND REVENUE INFORMATION

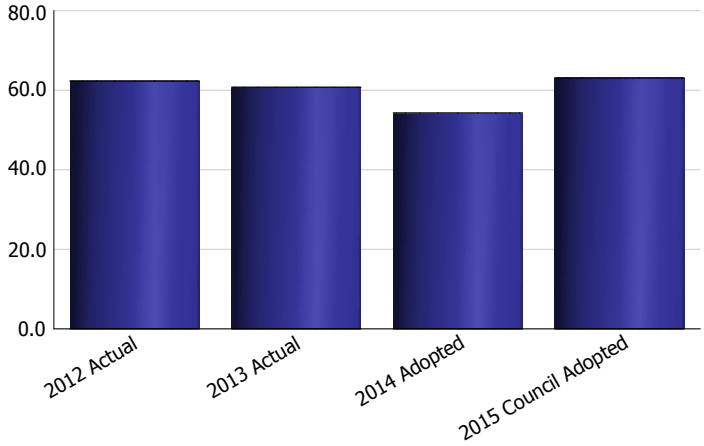
Expense 2012 - 2015

In Millions

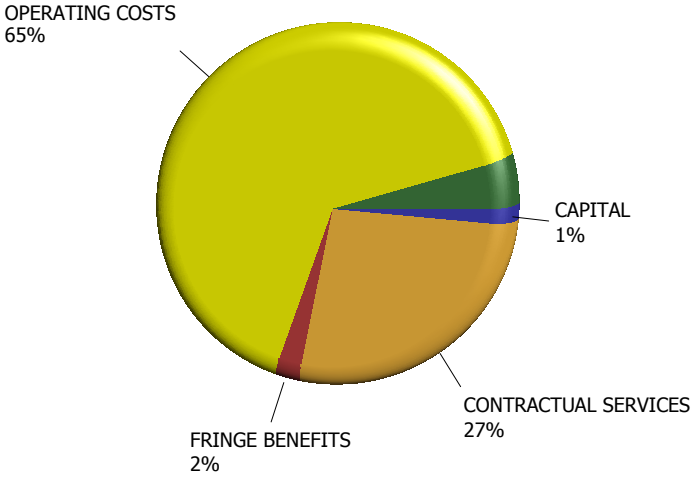


Revenue 2012 - 2015

In Millions



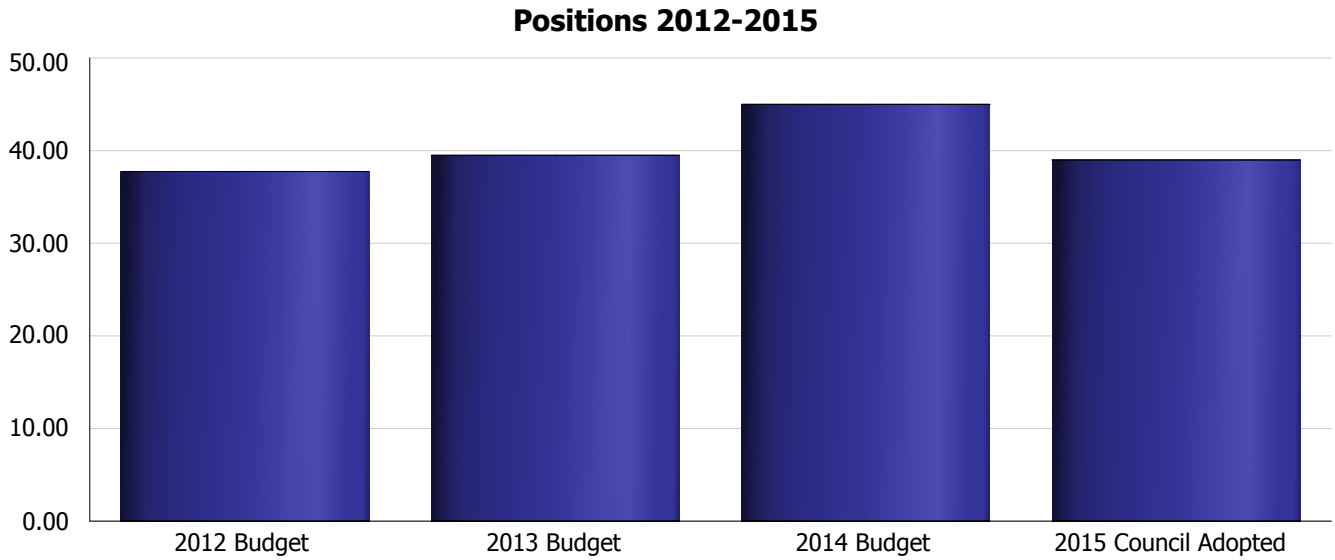
Expense by Category



SURFACE WATER & SEWERS-SANITARY

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
DESIGN	4.50	5.50	6.50	6.50	0.0%	0
SANITARY SEWER	33.25	34.00	38.50	29.75	-22.7%	(8.75)
SEWER ADMINISTRATION				2.75		2.75
Overall	37.75	39.50	45.00	39.00	(13.3%)	(6.00)



Financial Analysis – Public Works Stormwater

Expenditure
The total Stormwater Division's budget remains steady at $19.4 million from 2014 to 2015. The Stormwater Division's 2015 expenditure budget reflects the following changes from 2014, which in large part offset each other:

- An increase of 1 FTE in Environmental Health for erosion control monitoring, and an increase of 9.8 FTE as a result of Public Works internal division restructuring and realignment.
- An increase of $200,000 related to the Maximo software implementation project;
- Expansion work in the Hiawatha facility with an estimated cost of $750,000 resulting in an overall net increase of $100,000 in buildings and maintenance expenses;
- A decrease in contractual services and storm televising work by $600,000;
- An $800,000 decrease in payments for internal City services charged to this division.

Revenue
Revenues are projected to increase by $1.1 million, or 2.7%, in this division due to the increase in estimated design and maintenance activities for capital projects as well as other reimbursable and work-for-others projects. The division's total revenues in 2015 are projected to be $40.9 million.

Fund Allocation
This division is funded completely in the Stormwater Fund, which is an enterprise activity.

Mayor's Recommended Budget
The Mayor recommended no changes to this division's base program proposal, with the exception of providing funding to offset the cost associated with an additional 1.0 FTE in Environmental Health for erosion control monitoring.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

SURFACE WATER & SEWERS-STORMWATR
EXPENSE AND REVENUE INFORMATION

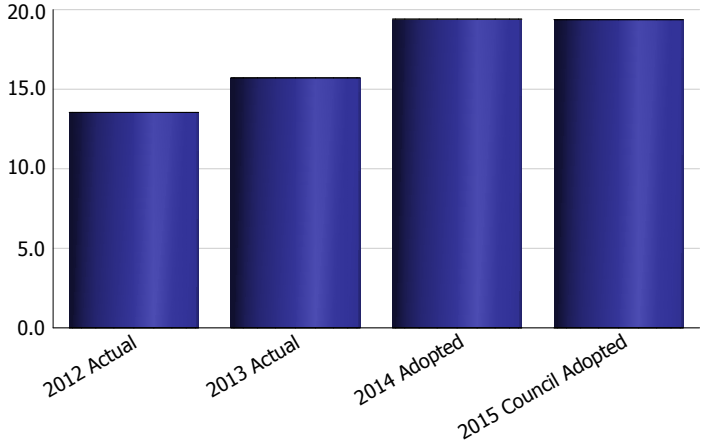
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	2,523,744	2,655,459	3,177,000	3,866,238	21.7%	689,238
FRINGE BENEFITS	1,249,672	1,334,479	1,617,002	1,860,406	15.1%	243,404
CONTRACTUAL SERVICES	7,182,405	8,946,948	11,025,340	9,693,045	-12.1%	(1,332,295)
OPERATING COSTS	2,585,124	2,778,779	2,876,264	3,150,856	9.5%	274,592
CAPITAL	0		708,951	800,892	13.0%	91,941
TOTAL ENTERPRISE	**13,540,946**	**15,715,665**	**19,404,557**	**19,371,437**	**-0.2%**	**(33,120)**
TOTAL EXPENSE	**13,540,946**	**15,715,665**	**19,404,557**	**19,371,437**	**-0.2%**	**(33,120)**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	1,694	49,206			0.0%	0
CHARGES FOR SERVICES	38,071,952	37,796,929	39,348,911	40,577,356	3.1%	1,228,445
FEDERAL GOVERNMENT		6,870			0.0%	0
FINES AND FORFEITS	39,241	24,733	45,000	45,000	0.0%	0
GAINS	16,168				0.0%	0
LICENSE AND PERMITS		75			0.0%	0
LOCAL GOVERNMENT	312,891	74,914	202,784	75,000	-63.0%	(127,784)
OTHER MISC REVENUES	66	500			0.0%	0
SPECIAL ASSESSMENTS	307,269	275,931	45,000		-100.0%	(45,000)
STATE GOVERNMENT	143,357	145,218	147,128	163,516	11.1%	16,388
ENTERPRISE	**38,892,637**	**38,374,376**	**39,788,823**	**40,860,872**	**2.7%**	**1,072,049**
TOTAL REVENUE	**38,892,637**	**38,374,376**	**39,788,823**	**40,860,872**	**2.7%**	**1,072,049**

SURFACE WATER & SEWERS-STORMWATR
EXPENSE AND REVENUE INFORMATION

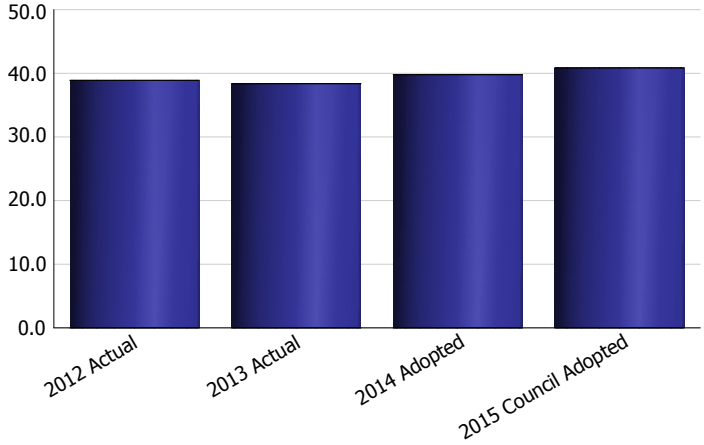
Expense 2012 - 2015

In Millions

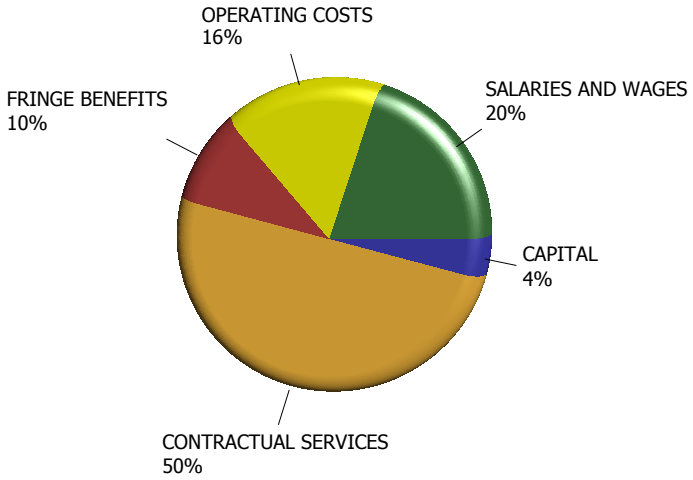


Revenue 2012 - 2015

In Millions



Expense by Category

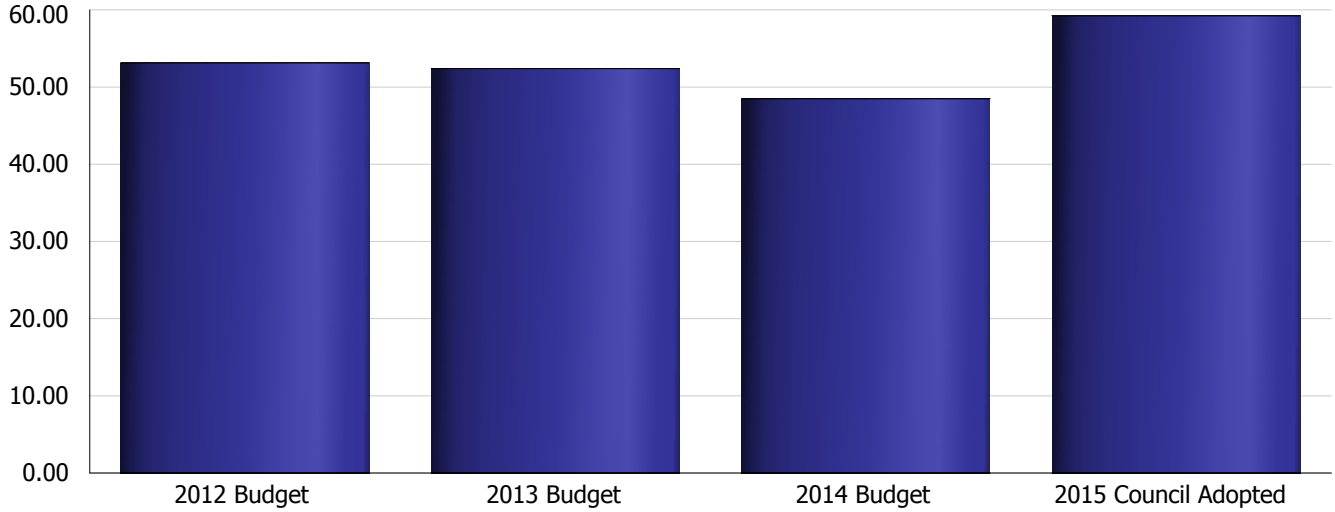


SURFACE WATER & SEWERS-STORMWATR

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
CSO PHASE II	6.00	6.00	6.00	3.00	-50.0%	(3.00)
SANITARY_STORMWATER DESIGN	23.50	21.00	20.00	22.00	10.0%	2.00
SEWER MAINTENANCE	23.65	25.40	22.50	31.50	40.0%	9.00
STORMWATER ADMINISTRATION				2.75		2.75
Overall	53.15	52.40	48.50	59.25	22.2%	10.75

Positions 2012-2015



Financial Analysis – Public Works Traffic & Parking

Expenditure
The total Traffic & Parking Division's budget increases from $53.7 million to $55.5 million from 2014 to 2015. This is an increase of $1.8 million, or 3.3%. The Traffic & Parking Division's 2015 expenditure budget includes inflationary adjustments for salaries and wages as well as $350,000 in General Fund funding for the Pedestrian Safety Initiative designed to reduce pedestrian and biking injuries and fatalities and a realignment of staffing between Public Works divisions resulting in an increase of 9.7 FTE in this division.

Revenue
Revenues are projected to increase by 4.4% in this division due to trends in parking and lane use fee revenue. The division's total revenues in 2015 are projected to be $65.0 million.

Fund Allocation
This division is funded primarily by the Parking Fund (70%), with the remainder of the division's funding found in the General Fund (29%) and Internal Services (Traffic Stores) fund (1%).

Mayor's Recommended Budget
The Mayor's recommended budget includes $350,000 in General Fund resources for the Pedestrian Safety Initiative designed to reduce pedestrian and biking injuries and fatalities by providing for improved access and right-of-way markings, including crosswalks and similar signage.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,894,408	3,384,165	3,788,027	4,047,436	6.8%	259,409
FRINGE BENEFITS	1,345,327	1,579,420	1,766,300	1,784,493	1.0%	18,193
CONTRACTUAL SERVICES	6,863,778	7,400,794	7,356,237	7,442,668	1.2%	86,431
OPERATING COSTS	2,205,103	1,360,115	2,537,621	2,840,365	11.9%	302,744
CAPITAL	206,875	125,575				0
TOTAL GENERAL	**13,515,492**	**13,850,069**	**15,448,184**	**16,114,961**	**4.3%**	**666,777**
SPECIAL REVENUE						
SALARIES AND WAGES		13,216				0
CONTRACTUAL SERVICES		1,939				0
OPERATING COSTS		648,591				0
TOTAL SPECIAL REVENUE		**663,746**				**0**
INTERNAL SERVICE						
SALARIES AND WAGES	184,902	207,082	167,307	175,286	4.8%	7,979
FRINGE BENEFITS	104,591	121,181	75,846	77,750	2.5%	1,904
CONTRACTUAL SERVICES	86,610	84,515	92,626	48,894	-47.2%	(43,732)
OPERATING COSTS	16,909	153,550	26,762	26,762	0.0%	0
TOTAL INTERNAL SERVICE	**393,012**	**566,327**	**362,541**	**328,691**	**-9.3%**	**(33,850)**
ENTERPRISE						
SALARIES AND WAGES	2,837,048	2,798,397	2,913,143	3,129,526	7.4%	216,383
FRINGE BENEFITS	1,048,258	1,060,194	1,207,389	1,310,852	8.6%	103,463
CONTRACTUAL SERVICES	29,634,498	31,214,780	31,098,659	31,860,300	2.4%	761,641
OPERATING COSTS	6,307,722	2,611,428	2,664,231	2,731,078	2.5%	66,847
CAPITAL	199	153,549				0
TOTAL ENTERPRISE	**39,827,725**	**37,838,348**	**37,883,422**	**39,031,755**	**3.0%**	**1,148,333**
TOTAL EXPENSE	**53,736,229**	**52,918,490**	**53,694,147**	**55,475,407**	**3.3%**	**1,781,261**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	111,209	83,418	20,000	50,000	150.0%	30,000
CHARGES FOR SERVICES	962,413	933,454	575,000	680,000	18.3%	105,000
LICENSE AND PERMITS	1,017,012	1,636,517	815,000	1,115,000	36.8%	300,000
LOCAL GOVERNMENT	455,569	567,424	425,000	554,963	30.6%	129,963
OTHER MISC REVENUES	182,910	189,807	85,000	100,000	17.6%	15,000
SPECIAL ASSESSMENTS	193,953	198,650	190,000	190,000	0.0%	0
STATE GOVERNMENT	1,252,633	1,156,525	990,000	1,298,039	31.1%	308,039
GENERAL	**4,175,698**	**4,765,795**	**3,100,000**	**3,988,002**	**28.6%**	**888,002**

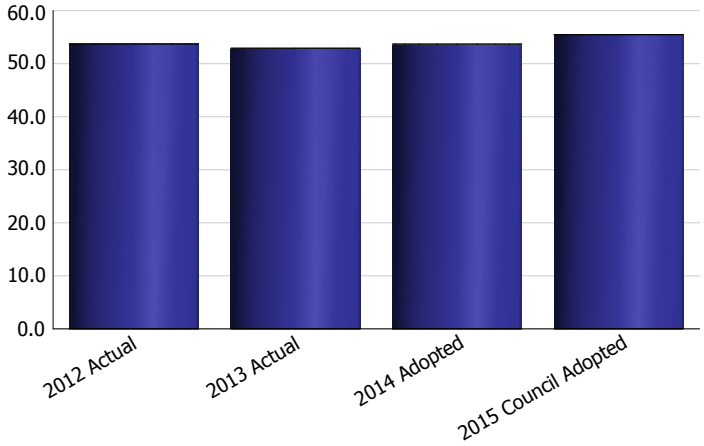
PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	54,429	4,254	10,000	10,000	0.0%	0
CHARGES FOR SERVICES	1,049,424	761,858	555,000	555,000	0.0%	0
INTERNAL SERVICE	**1,103,853**	**766,113**	**565,000**	**565,000**	**0**	**0**
ENTERPRISE						
CHARGES FOR SALES	1,411,253	1,289,693	1,500,000	1,000,000	-33.3%	(500,000)
CHARGES FOR SERVICES	52,280,848	56,347,736	56,256,900	58,606,500	4.2%	2,349,600
FEDERAL GOVERNMENT		137,771			0.0%	0
LICENSE AND PERMITS	318,412	330,919	275,000	275,000	0.0%	0
OTHER MISC REVENUES	9,664	11,990			0.0%	0
RENTS	2,118	2,200			0.0%	0
SPECIAL ASSESSMENTS	543,481	543,481	543,157	543,481	0.1%	324
ENTERPRISE	**54,565,777**	**58,663,789**	**58,575,057**	**60,424,981**	**3.2%**	**1,849,924**
TOTAL REVENUE	**59,845,327**	**64,195,697**	**62,240,057**	**64,977,983**	**4.4%**	**2,737,926**

PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

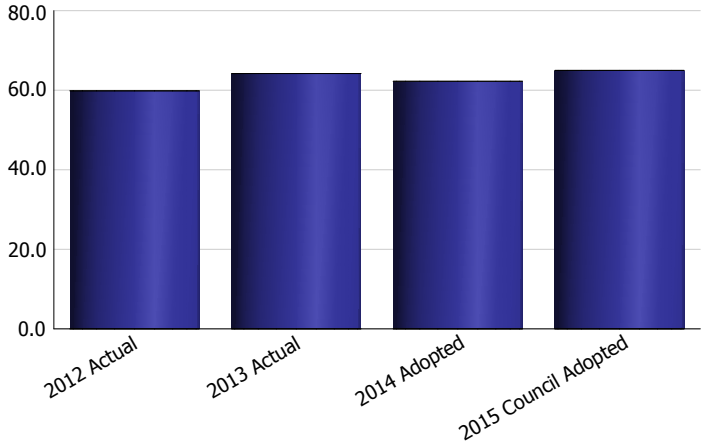
Expense 2012 - 2015

In Millions

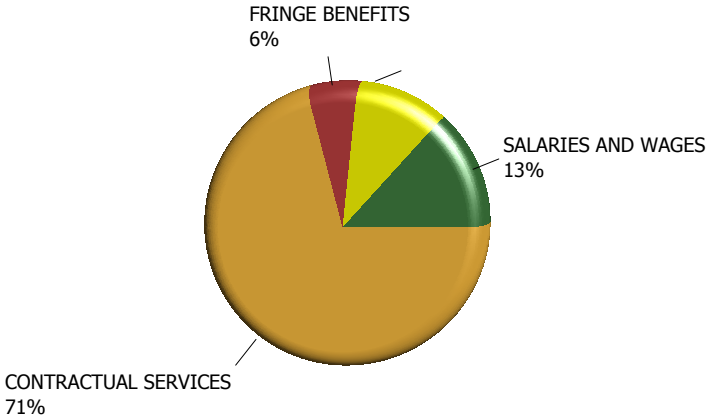


Revenue 2012 - 2015

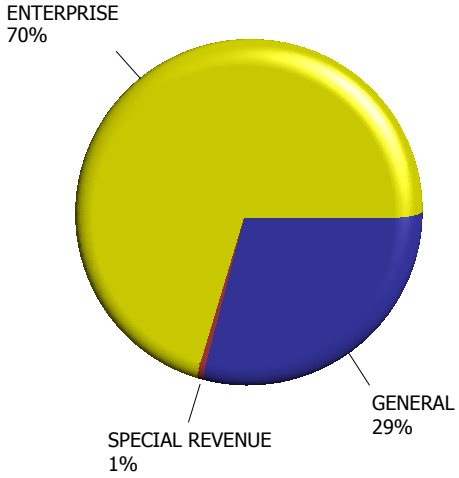
In Millions



Expense by Category



Expense by Fund

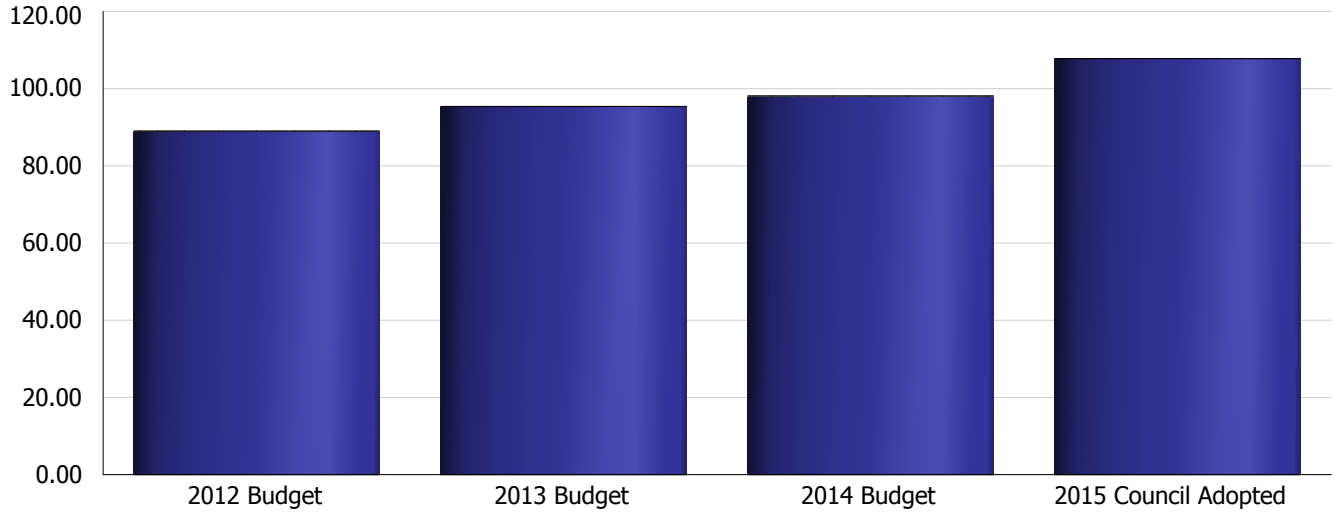


PW - TRAFFIC AND PARKING SERVICES

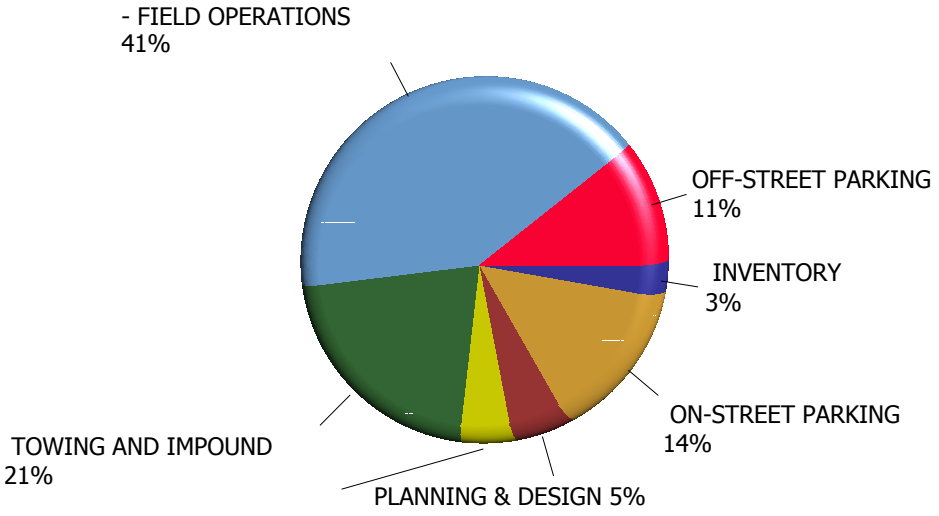
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
FIELD OPERATIONS	29.40	35.40	38.50	44.50	15.6%	6.00
INVENTORY	3.00	3.00	3.00	3.00	0.0%	0
OFF-STREET PARKING	11.10	11.10	11.10	11.50	3.6%	0.40
ON-STREET PARKING	13.95	14.35	13.95	15.05	7.9%	1.10
PLANNING & DESIGN	4.45	4.45	4.95	5.65	14.1%	0.70
STREET LIGHTING	5.65	5.65	5.65	5.20	-8.0%	(0.45)
TOWING AND IMPOUND	21.45	21.45	20.95	22.90	9.3%	1.95
Overall	89.00	95.40	98.10	107.80	9.9%	9.70

Positions 2012-2015



Positions by Divison



Financial Analysis – Public Works Transportation Maintenance & Repair

Expenditure
The total 2015 Transportation Maintenance and Repair Division's budget increases from $46.0 million to $47.7 million from 2014 to 2015. This is an increase of $1.7 million or 3.7%. The Transportation Maintenance and Repair Division's 2015 expenditure budget reflects the following changes from 2014:

- $365,000 in base adjustments to reflect increased revenue from parking ramps and special service districts to align revenues and expenditures in these self-supporting programs.
- $200,000 in General Fund appropriation to clear snow from all corners within five days after the end of a snow emergency.
- $150,000 in General Fund funding for snow removal from on-street bike lanes with an additional $30,000 on-street bike lane summer cleaning and winter maintenance, and $11,000 dedicated to off-street trail summer cleaning and winter maintenance.
- $300,000 in the Sidewalk Inspections Fund to cover the increasing costs of clearing snow and related enforcement.

Revenue
Revenues are projected to increase by 9.9% in this division due primarily to increases in state and county intergovernmental aids, as well as increasing revenues from Special Service Districts (SSDs) including the Downtown Improvement District's assessment revenue. The division's total revenue in 2015 is projected to be $19.3 million.

Fund Allocation

This division is funded primarily by the General Fund (66%), with the remainder of the division's funding found in the Special Revenue Funds (13%), Enterprise Funds (19%), and Capital Project Funds (2%).

Mayor's Recommended Budget
The Mayor's recommended budget includes $365,000 in base adjustments to reflect increased revenue from parking ramps and special service districts to align revenues and expenditures in these self-supporting programs. The recommended budget also includes $150,000 in one-time General Fund funding for snow removal from on-street bike lanes with an additional $30,000 for on-street bike lane summer cleaning and winter maintenance, and an additional $11,000 dedicated to off-street trail summer cleaning and winter maintenance. Further, the recommended budget includes $200,000 in ongoing General Fund appropriation for sidewalk snow removal and enforcement and $300,000 in ongoing capital sidewalk inspections funding to clear snow from street corners within five days after the end of a snow emergency.

Council Adopted Budget
The City Council amended the Mayor's recommendations by increasing revenue and expense appropriation by $118,667 in the General Fund to reflect the additional revenues and expenses associated with the Downtown Improvement District special assessment program, and amended the budget by reducing expenses by $300,000 to reflect technical adjustments.

The council also directed the Public Works Department to report to the Transportation & Public Works Committee by January 31, 2015, with proposed specific projects for the 2015 Capital Budget for the Paving Program.

PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	7,502,266	7,961,371	9,230,449	9,474,643	2.6%	244,194
FRINGE BENEFITS	4,304,256	4,591,402	5,130,922	5,197,643	1.3%	66,721
CONTRACTUAL SERVICES	11,830,754	14,050,755	11,219,246	10,984,633	-2.1%	(234,613)
OPERATING COSTS	4,969,707	5,801,622	4,521,767	5,539,426	22.5%	1,017,659
CAPITAL	219,583	143,356	151,002	148,502	-1.7%	(2,500)
TOTAL GENERAL	**28,826,567**	**32,548,506**	**30,253,386**	**31,344,848**	**3.6%**	**1,091,462**
SPECIAL REVENUE						
SALARIES AND WAGES		13,234				0
CONTRACTUAL SERVICES	6,001,187	6,154,546	5,800,000	6,100,000	5.2%	300,000
OPERATING COSTS	0					0
TOTAL SPECIAL REVENUE	**6,001,187**	**6,167,780**	**5,800,000**	**6,100,000**	**5.2%**	**300,000**
CAPITAL PROJECT						
SALARIES AND WAGES	288,785	273,059	334,025	342,551	2.6%	8,526
FRINGE BENEFITS	99,481	108,193	149,878	152,265	1.6%	2,387
CONTRACTUAL SERVICES	480,354	268,090	217,627	522,373	140.0%	304,746
OPERATING COSTS	7,263	8,957	11,423	11,193	-2.0%	(230)
TOTAL CAPITAL PROJECT	**875,884**	**658,299**	**712,953**	**1,028,382**	**44.2%**	**315,429**
ENTERPRISE						
SALARIES AND WAGES	1,169,401	1,392,821	2,564,267	2,668,465	4.1%	104,198
FRINGE BENEFITS	548,077	645,034	1,199,816	1,225,735	2.2%	25,920
CONTRACTUAL SERVICES	5,794,569	5,241,353	4,956,739	4,420,306	-10.8%	(536,433)
OPERATING COSTS	531,697	588,650	543,404	875,678	61.1%	332,274
TOTAL ENTERPRISE	**8,043,744**	**7,867,859**	**9,264,226**	**9,190,184**	**-0.8%**	**(74,042)**
TOTAL EXPENSE	**43,747,381**	**47,242,445**	**46,030,565**	**47,663,414**	**3.5%**	**1,632,849**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	10,268	16,630	10,000	10,000	0.0%	0
CHARGES FOR SERVICES	9,038,685	7,928,986	5,204,615	5,464,746	5.0%	260,131
FRANCHISE FEES	155,748	209,695			0.0%	0
LOCAL GOVERNMENT	113,244	146,216	113,244	143,897	27.1%	30,653
OTHER MISC REVENUES		87	1,000	1,000	0.0%	0
SPECIAL ASSESSMENTS	1,174,774	1,837,626	1,734,750	2,074,992	19.6%	340,242
STATE GOVERNMENT	2,978,916	3,246,266	3,095,621	3,263,897	5.4%	168,276
TRANSFERS IN	700,000	700,000			0.0%	0
GENERAL	**14,171,635**	**14,085,506**	**10,159,230**	**10,958,532**	**7.9%**	**799,302**

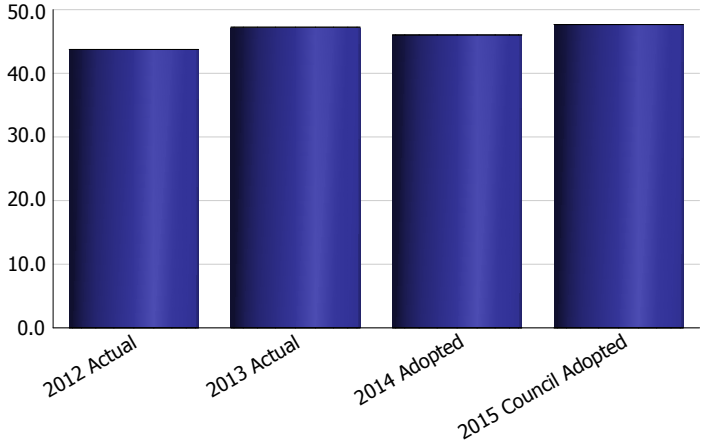
PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
OTHER MISC REVENUES	2,587	2,577			0.0%	0
SPECIAL ASSESSMENTS	6,013,682	5,935,871	5,800,000	6,100,000	5.2%	300,000
SPECIAL REVENUE	**6,016,269**	**5,938,448**	**5,800,000**	**6,100,000**	**5.2%**	**300,000**
CAPITAL PROJECT						
LICENSE AND PERMITS	283,084	324,947	260,000	260,000	0.0%	0
LONG TERM LIABILITIES PROCEEDS				708,382	0.0%	708,382
OTHER MISC REVENUES	212,057				0.0%	0
SPECIAL ASSESSMENTS	58,547	50,918	60,000	60,000	0.0%	0
CAPITAL PROJECT	**553,688**	**375,865**	**320,000**	**1,028,382**	**221.4%**	**708,382**
ENTERPRISE						
CHARGES FOR SALES		475			0.0%	0
CHARGES FOR SERVICES	5,170	9,256	10,000	10,000	0.0%	0
LOCAL GOVERNMENT	296,775	216,306	296,775	236,663	-20.3%	(60,112)
SPECIAL ASSESSMENTS	522,976				0.0%	0
STATE GOVERNMENT	971,352	997,577	1,011,026	1,004,296	-0.7%	(6,730)
ENTERPRISE	**1,796,273**	**1,223,614**	**1,317,801**	**1,250,959**	**-5.1%**	**(66,842)**
TOTAL REVENUE	**22,537,865**	**21,623,433**	**17,597,031**	**19,337,873**	**9.9%**	**1,740,842**

PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

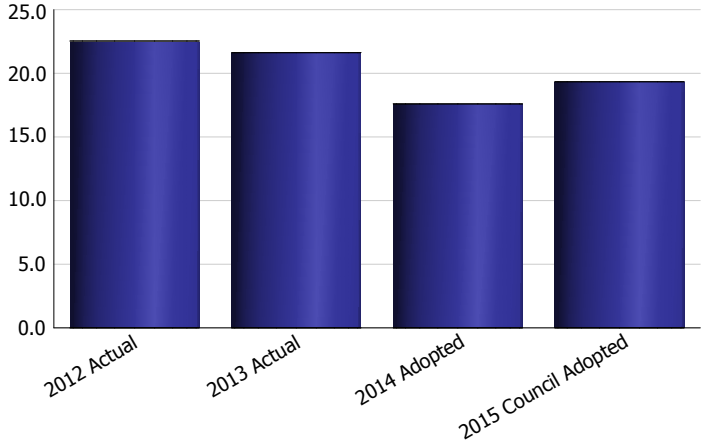
Expense 2012 - 2015

In Millions

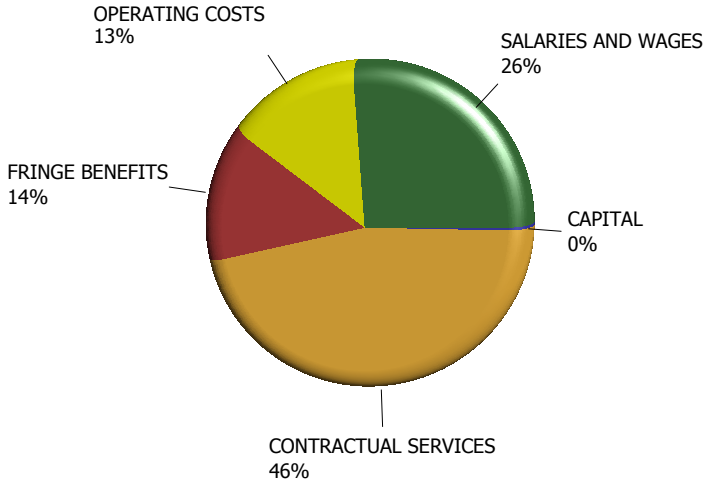


Revenue 2012 - 2015

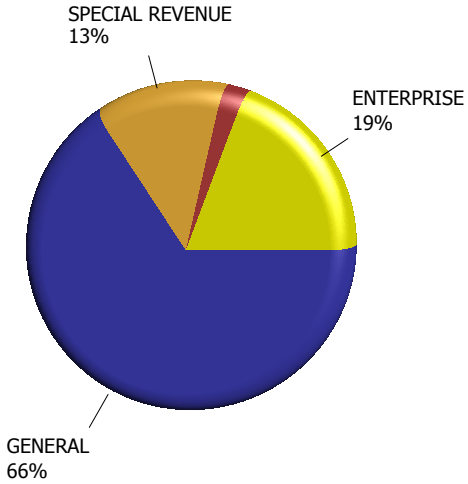
In Millions



Expense by Category



Expense by Fund

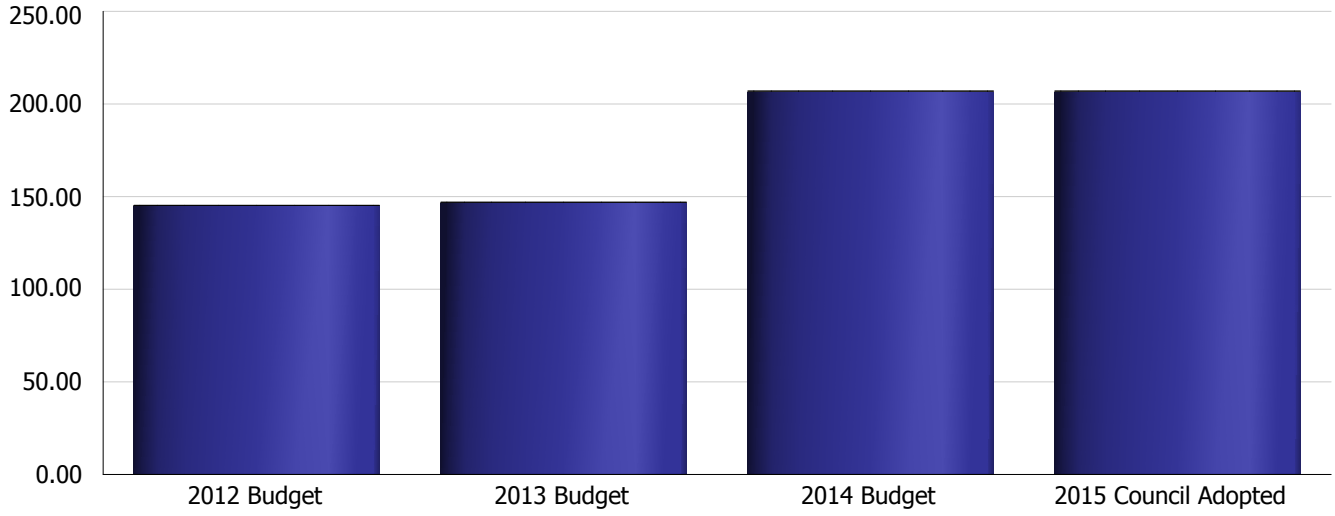


PW - TRANSPORTATION MAINTENANCE AND REPAIR

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
BRIDGE MAINTENANCE & REPAIR	12.00	12.00	17.00	17.00	0.0%	0
MALLS & PLAZAS - MAINTENANCE	10.40	10.40	10.40	10.20	-1.9%	(0.20)
Ramp Maintenance	17.00	17.00	17.00	17.00	0.0%	0
SIDEWALK INSPECTION	6.00	6.00	6.00	6.00	0.0%	0
SNOW & ICE CONTROL	26.00	26.00	50.00	49.40	-1.2%	(0.60)
STREET ADMINISTRATION	8.50	8.50	8.50	9.30	9.4%	0.80
STREET CLEANING	28.05	28.05	46.05	46.05	0.0%	0
STREET MAINTENANCE & REPAIR	37.32	39.00	52.00	52.00	0.0%	0
Overall	145.27	146.95	206.95	206.95	0.0%	0.00

Positions 2012-2015



Financial Analysis – Public Works Transportation Planning & Engineering

Expenditure
The total budget for the Transportation Planning & Engineering Division decreased from $14.4 million to $13.3 million from 2014 to 2015. This is a reduction of $1.1 million, or 7.6%. The Transportation Planning & Engineering Division's 2015 expenditure budget reflects a budget reduction from 2014 due to one-time appropriations of $2.1 million related to streetcar and other transportation development costs that are not reflected in 2015. This reduction is partially offset by a budgetary increase to cover the expenses associated with hiring an additional 3.5 FTE's to handle transportation planning, right of way/public realm planning, and asset management as well as a realignment of staffing between Public Works divisions that results in 4 additional FTE housed in this Division.

Revenue
Revenues are projected to increase by 65.7% in this division due to increased capital workload. The division's total revenues in 2015 are projected to be $10.6 million.

Fund Allocation
This division is funded primarily by the Capital Transportation Planning & Engineering Fund (61%), with the remainder of the division's funding found in the General Fund (25%) and internal service funds (14%).

Mayor's Recommended Budget
The Mayor's recommended budget includes $300,000 in ongoing General Fund appropriation to enhance transportation planning, right of way/public realm planning, and asset management which covers the costs associated with adding 3.5 FTE to support these services. The budget also includes $75,000 in one-time General Fund resources to study intersections identified by the Pedestrian Advisory Committee for pedestrian improvements. Further, the Mayor's recommended budget also includes capital transportation planning and engineering funding in the amount of $386,000 to fund four engineering technician positions charged to capital projects and Public Works lab customers at two each.

Council Adopted Budget
The City Council amended the Mayor's recommendations by reducing revenue by $85,019 in the General Fund to reflect technical adjustments.

PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,382,869	1,447,158	1,669,241	1,869,166	12.0%	199,925
FRINGE BENEFITS	526,527	550,133	642,047	757,835	18.0%	115,787
CONTRACTUAL SERVICES	442,859	261,910	2,522,553	531,010	-78.9%	(1,991,543)
OPERATING COSTS	86,711	54,074	88,090	107,794	22.4%	19,704
CAPITAL			9,000	10,000	11.1%	1,000
TOTAL GENERAL	**2,438,966**	**2,313,275**	**4,930,931**	**3,275,805**	**-33.6%**	**(1,655,126)**
CAPITAL PROJECT						
SALARIES AND WAGES	2,945,282	2,782,954	3,387,529	3,209,049	-5.3%	(178,480)
FRINGE BENEFITS	1,025,786	1,039,956	1,195,889	1,269,685	6.2%	73,796
CONTRACTUAL SERVICES	2,829,842	2,065,945	2,867,344	3,416,755	19.2%	549,411
OPERATING COSTS	126,007	126,381	152,581	125,686	-17.6%	(26,895)
CAPITAL			80,000	80,000	0.0%	0
TOTAL CAPITAL PROJECT	**6,926,916**	**6,015,237**	**7,683,343**	**8,101,175**	**5.4%**	**417,832**
INTERNAL SERVICE						
SALARIES AND WAGES	611,243	724,465	875,999	908,782	3.7%	32,783
FRINGE BENEFITS	214,011	249,613	332,534	364,909	9.7%	32,376
CONTRACTUAL SERVICES	453,768	410,164	471,148	482,270	2.4%	11,122
OPERATING COSTS	55,504	88,914	84,426	85,934	1.8%	1,508
CAPITAL				49,000		49,000
TOTAL INTERNAL SERVICE	**1,334,525**	**1,473,156**	**1,764,107**	**1,890,895**	**7.2%**	**126,789**
TOTAL EXPENSE	**10,700,407**	**9,801,668**	**14,378,381**	**13,267,876**	**-7.7%**	**(1,110,505)**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	613,976	648,297	550,000	550,000	0.0%	0
LICENSE AND PERMITS	15,075	22,975	20,000	20,000	0.0%	0
GENERAL	**629,051**	**671,272**	**570,000**	**570,000**	**0**	**0**
CAPITAL PROJECT						
CHARGES FOR SALES		6			0.0%	0
CHARGES FOR SERVICES	5,151,603	6,078,034	4,000,000	6,100,000	52.5%	2,100,000
FEDERAL GOVERNMENT		45,226			0.0%	0
LOCAL GOVERNMENT	360	182,760			0.0%	0
LONG TERM LIABILITIES PROCEEDS				2,001,175	0.0%	2,001,175
STATE GOVERNMENT	(236,348)	(509,431)			0.0%	0
CAPITAL PROJECT	**4,915,615**	**5,796,594**	**4,000,000**	**8,101,175**	**102.5%**	**4,101,175**

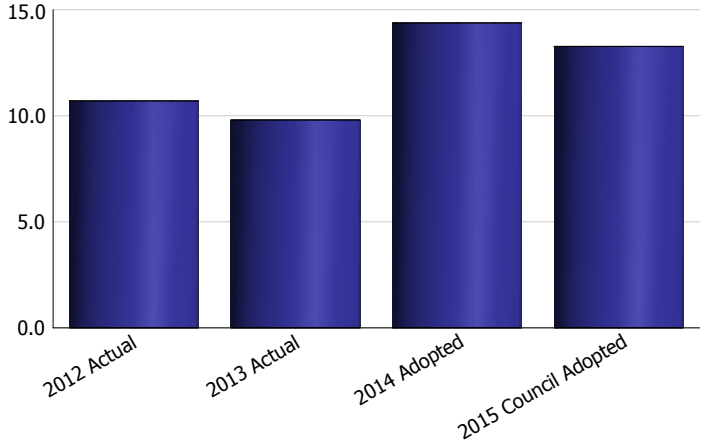
PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	520,854	484,086	400,000	400,000	0.0%	0
CHARGES FOR SERVICES	1,468,013	1,381,180	1,402,927	1,381,126	-1.6%	(21,801)
LONG TERM LIABILITIES PROCEEDS				109,769	0.0%	109,769
OTHER MISC REVENUES		20			0.0%	0
INTERNAL SERVICE	**1,988,867**	**1,865,286**	**1,802,927**	**1,890,895**	**4.9%**	**87,968**
TOTAL REVENUE	**7,533,534**	**8,333,152**	**6,372,927**	**10,562,070**	**65.7%**	**4,189,143**

PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION

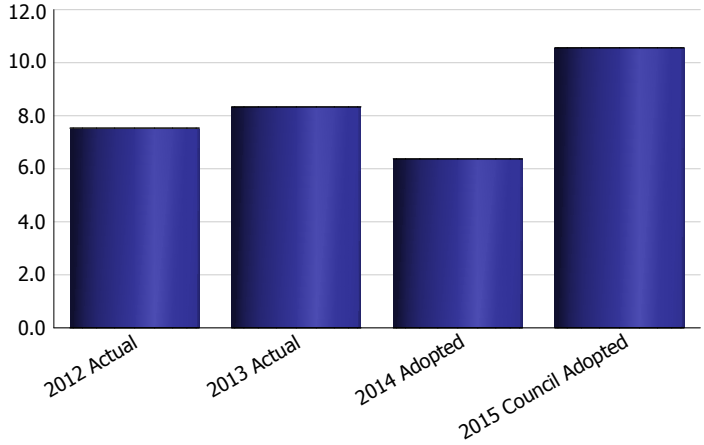
Expense 2012 - 2015

In Millions

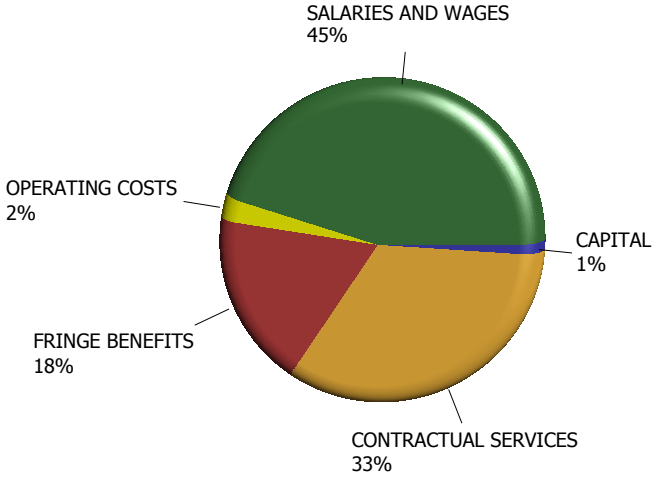


Revenue 2012 - 2015

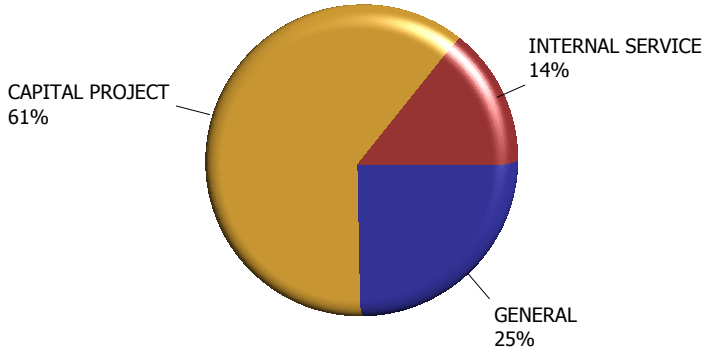
In Millions



Expense by Category



Expense by Fund

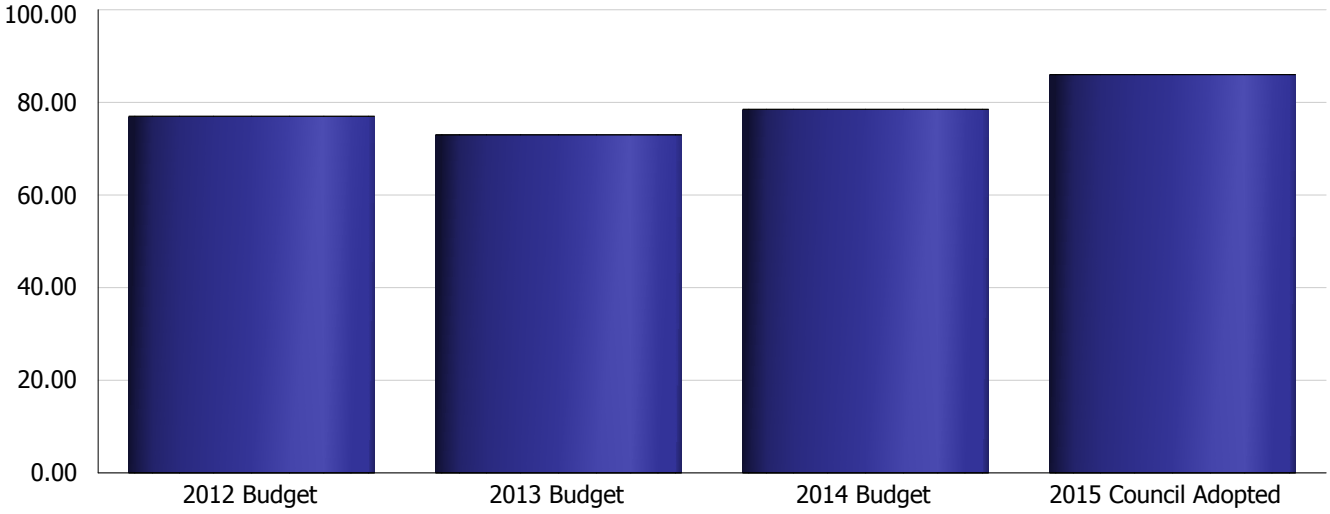


PW - TRANSPORTATION PLANNING AND ENGINEERING

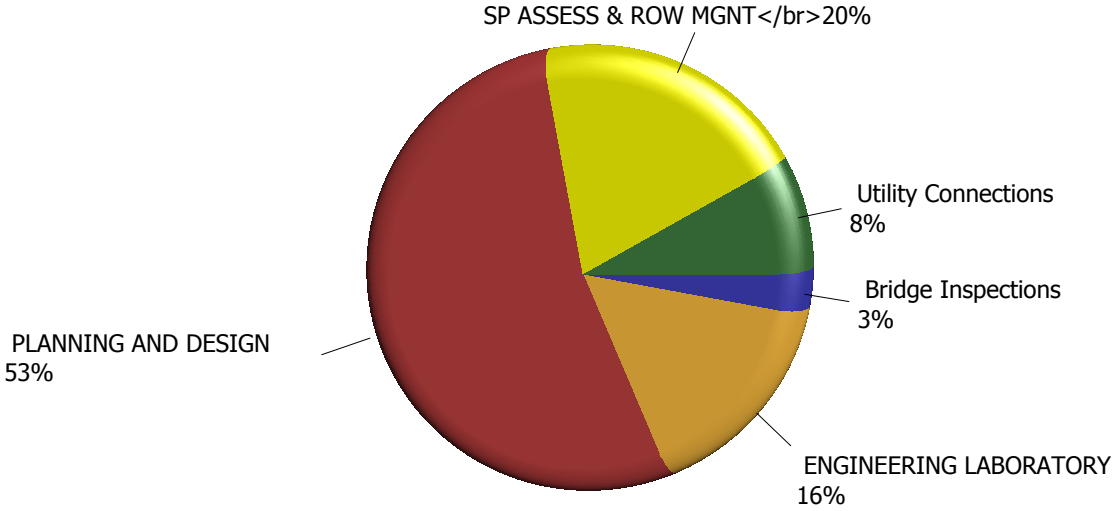
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
Bridge Inspections	2.50	2.50	2.50	2.50	0.0%	0
ENGINEERING LABORATORY	10.50	9.50	11.50	13.50	17.4%	2.00
PLANNING AND DESIGN	45.00	42.00	44.00	46.00	4.5%	2.00
SP ASSESS & ROW MGNT	12.00	12.00	13.50	17.00	25.9%	3.50
Utility Connections	7.00	7.00	7.00	7.00	0.0%	0
Overall	77.00	73.00	78.50	86.00	9.6%	7.50

Positions 2012-2015



Positions by Divison



Financial Analysis – Public Works Water Treatment & Distribution Services

Expense
The total Water Treatment and Distribution Services Division's budget increases from $52.4 million to $56.0 million from 2014 to 2015. This is an increase of $3.5 million, or 6.9%. The Water Treatment and Distribution Services Division's 2015 expense budget reflects the following changes from 2014, all funded by the Water Treatment and Distribution Services Fund:

- $525,000 to cover cost increases for treatment chemicals.
- $1,000,000 to conduct a condition assessment of water treatment facilities.
- $388,000 to cover cost increases for electricity.
- $400,000 to pay for increasing costs related to the Columbia Heights facility's maintenance.

Revenue
Revenues are projected to increase by 2.5% in this division due to a fixed charge rate increase of 50 cents per month and a volume charge rate increase of 5 cents per unit. The division's total revenues in 2015 are projected to be $78.6 million.

Fund Allocation
This division is funded completely in the Water Treatment and Distribution Services Fund, which is an enterprise activity.

Mayor's Recommended Budget
The Mayor recommended no changes to this division's base program proposal.

Council Adopted Budget
The City Council approved the Mayor's recommendations.

PW - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION

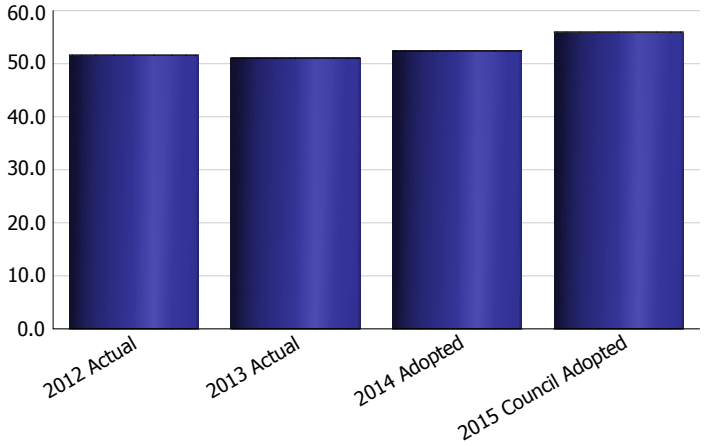
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRACTUAL SERVICES	1,930					0
TOTAL SPECIAL REVENUE	**1,930**					**0**
ENTERPRISE						
SALARIES AND WAGES	15,020,610	13,032,725	13,150,316	13,773,392	4.7%	623,075
FRINGE BENEFITS	6,938,515	6,423,545	6,420,791	6,557,570	2.1%	136,779
CONTRACTUAL SERVICES	17,627,062	19,524,277	20,435,224	22,439,198	9.8%	2,003,974
OPERATING COSTS	11,854,554	11,729,332	11,684,008	12,500,266	7.0%	816,258
CAPITAL	170,320	373,694	733,700	692,000	-5.7%	(41,700)
TOTAL ENTERPRISE	**51,611,062**	**51,083,573**	**52,424,040**	**55,962,426**	**6.7%**	**3,538,387**
TOTAL EXPENSE	**51,612,992**	**51,083,573**	**52,424,040**	**55,962,426**	**6.7%**	**3,538,387**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
STATE GOVERNMENT	1,930				0.0%	0
SPECIAL REVENUE	**1,930**					**0**
ENTERPRISE						
CHARGES FOR SALES	105,319	214,294			0.0%	0
CHARGES FOR SERVICES	78,851,005	73,916,431	76,684,771	77,970,743	1.7%	1,285,972
FEDERAL GOVERNMENT	10,455	534,505			0.0%	0
LICENSE AND PERMITS	43,666	19,788	14,000		-100.0%	(14,000)
LOCAL GOVERNMENT	179,125				0.0%	0
OTHER MISC REVENUES	14,162	231,074			0.0%	0
SPECIAL ASSESSMENTS	1,200,611	789,980		650,000	0.0%	650,000
STATE GOVERNMENT	3,136	172,426			0.0%	0
ENTERPRISE	**80,407,477**	**75,878,497**	**76,698,771**	**78,620,743**	**2.5%**	**1,921,972**
TOTAL REVENUE	**80,409,407**	**75,878,497**	**76,698,771**	**78,620,743**	**2.5%**	**1,921,972**

PW - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION

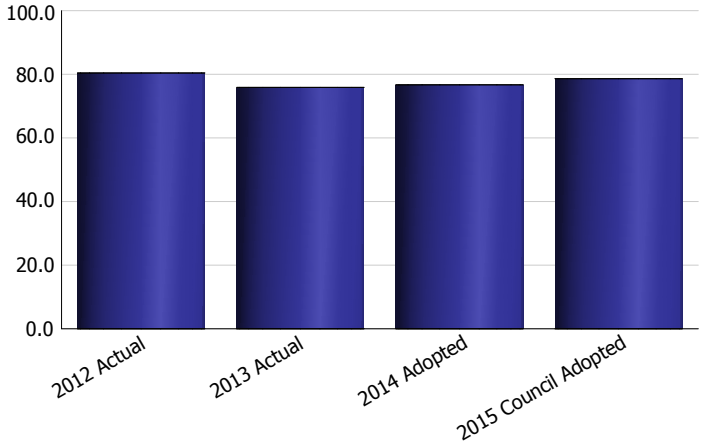
Expense 2012 - 2015

In Millions

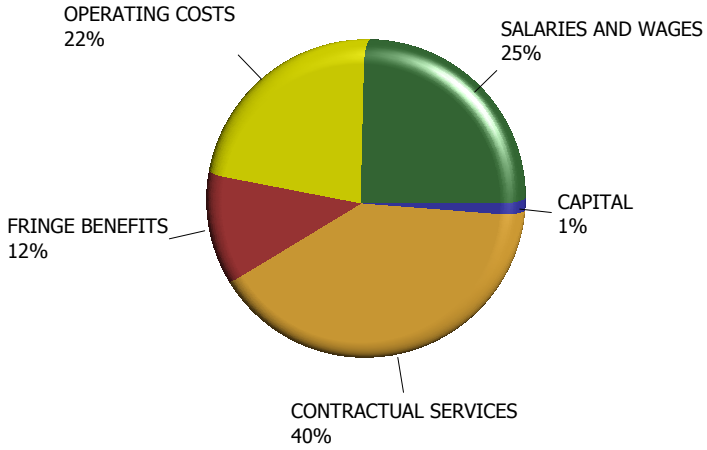


Revenue 2012 - 2015

In Millions



Expense by Category

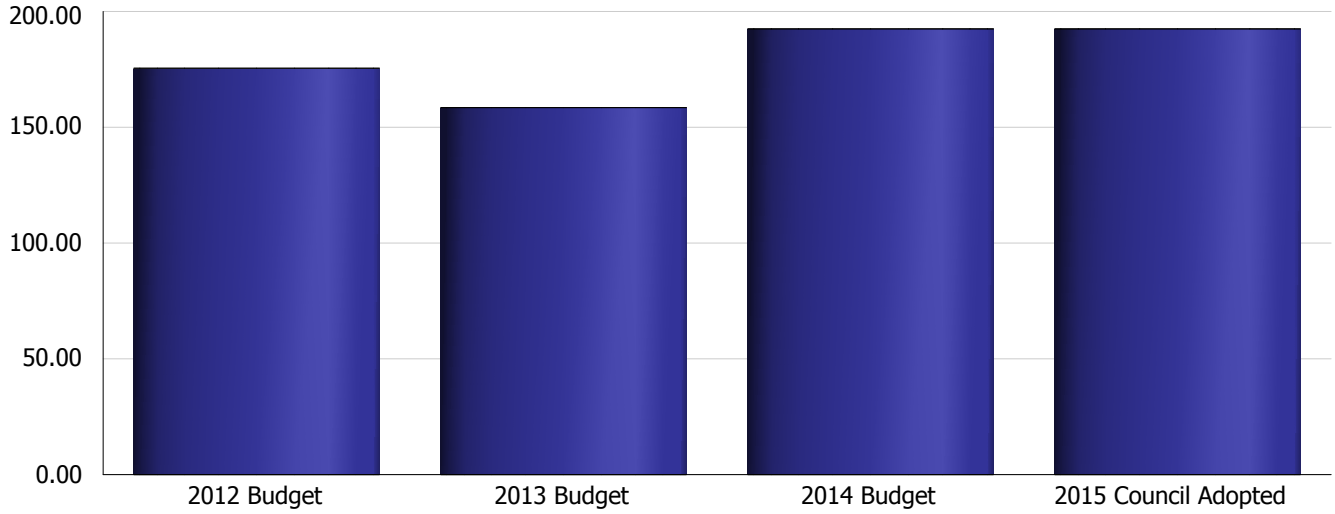


PW - WATER TREATMENT & DISTR.

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
DISTRIBUTION	74.00	68.00	67.00	58.00	-13.4%	(9.00)
Meter Shop	22.00	20.00	20.00	21.00	5.0%	1.00
OPERATIONS - WATER	31.00	20.00	85.00	89.00	4.7%	4.00
Reimbursable Alterations	3.00	3.00	3.00	9.00	200.0%	6.00
TREATMENT MAINTENANCE	28.50	29.50				0
WATER ADMINISTRATION & PERMITS	2.50	3.50	3.50	6.50	85.7%	3.00
WATER ENGINEERING	14.50	14.50	14.00	9.00	-35.7%	(5.00)
Overall	175.50	158.50	192.50	192.50	0.00	0

Positions 2012-2015



REGULATORY SERVICES

MISSION

The Minneapolis Regulatory Services Department strengthens communities by partnering with residents, neighborhoods and businesses to make the city safer, healthier and more inviting for all.

BUSINESS LINES

Housing Inspection Services

Housing Inspection Services provides quality and consistent enforcement of the Minneapolis Housing Maintenance and other applicable codes to maintain, improve, and preserve the city's existing housing stock and promote neighborhood stabilization. The services include the Problem Properties Unit which identifies and resolves problem properties, conducts emergency board ups, and manages condemned, boarded, and vacant buildings in a multi-departmental, multi-agency case management approach.

Fire Inspections Services

Fire Inspections Services delivers quality and consistent enforcement of the fire code, conducts life safety and housing inspections of residential buildings with greater than three units, and administers the Commercial Building Registration and Commercial Vacant Building Registration programs.

Traffic Control & Parking Enforcement Services

Traffic Control & Parking Enforcement Services maintains traffic flow management for events, emergencies and other traffic situations and city-wide parking enforcement, promoting safety and access in downtown and commercial corridors as well as removing residential hazards and nuisances.

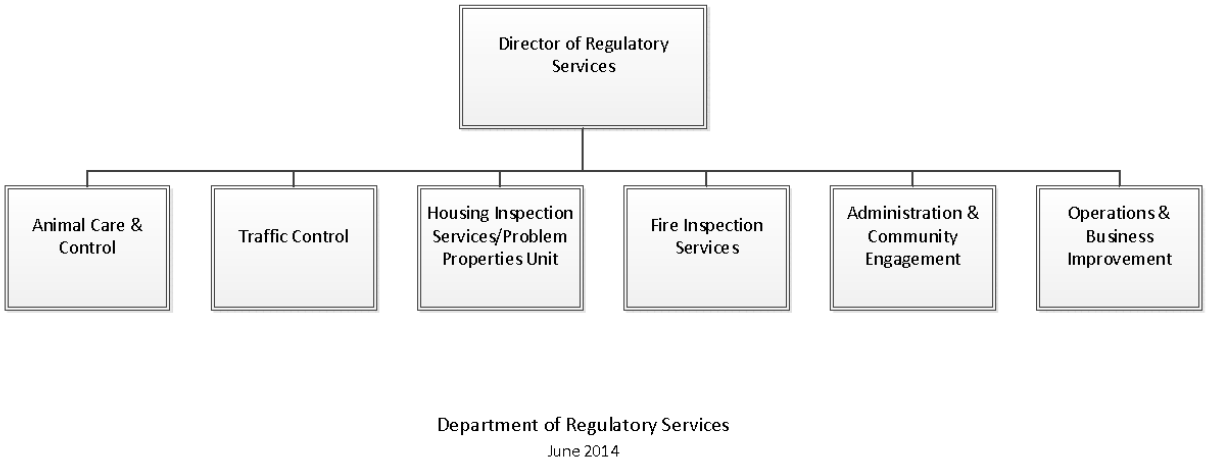
Animal Care and Control

Minneapolis Animal Care and control 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.

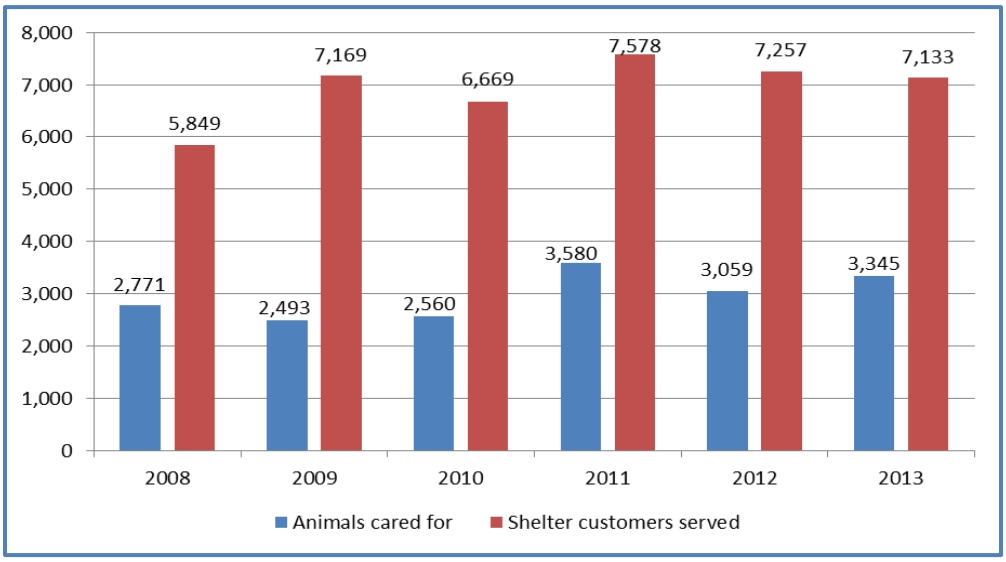
Administration

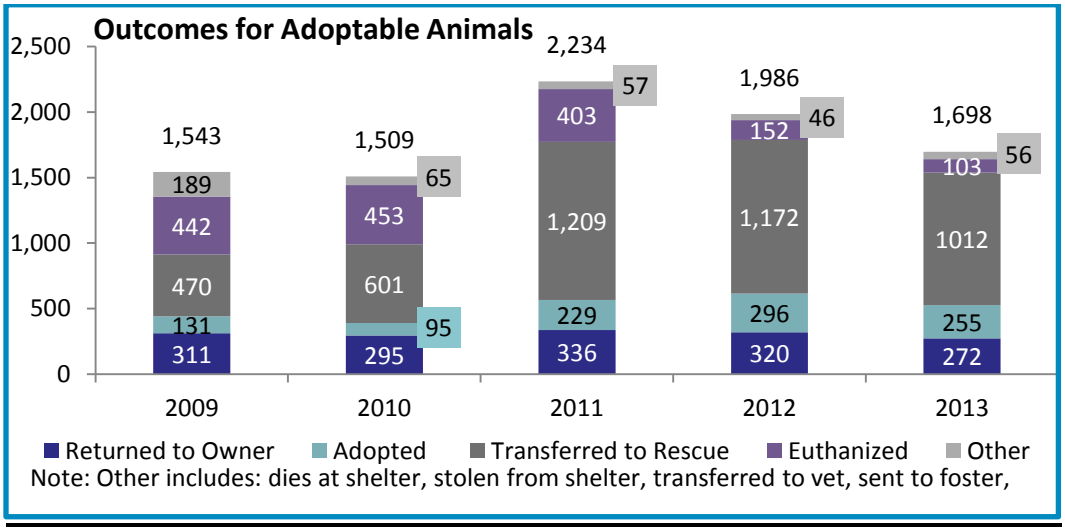
Regulatory Services administration includes both the Administration & Community Engagement division and Operations & Business Improvements division. These divisions manage general administrative and operational policies and functions including customer services, community engagement, enterprise initiatives and data analysis functions for the department.

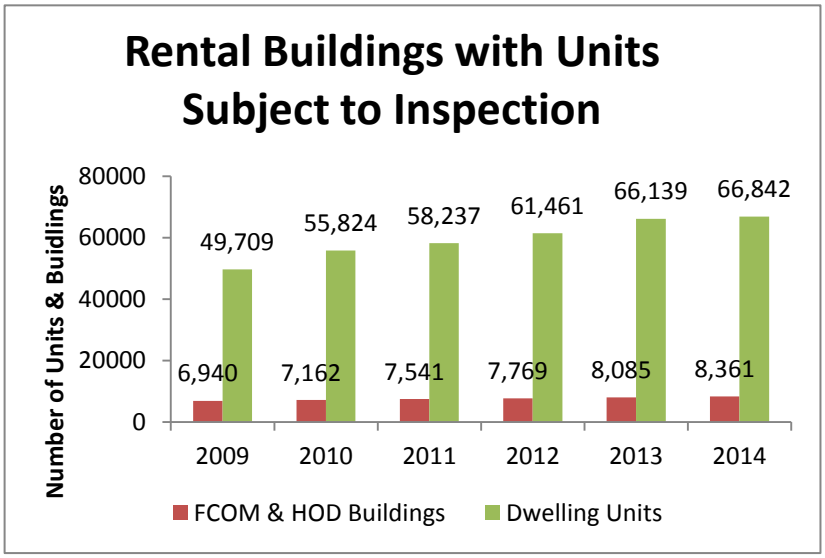
ORGANIZATION CHART

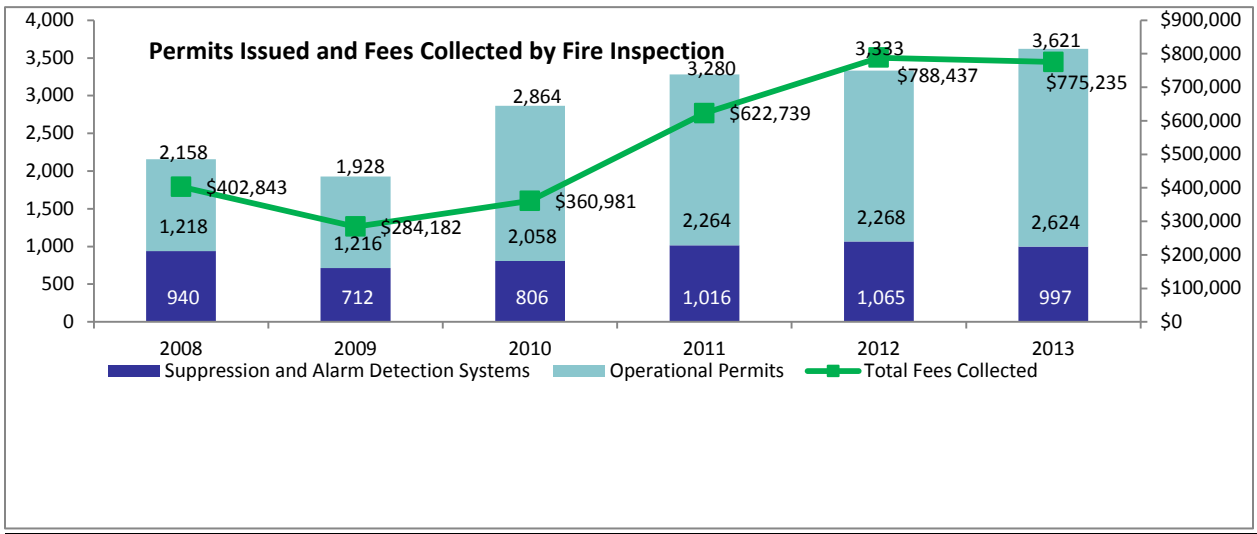


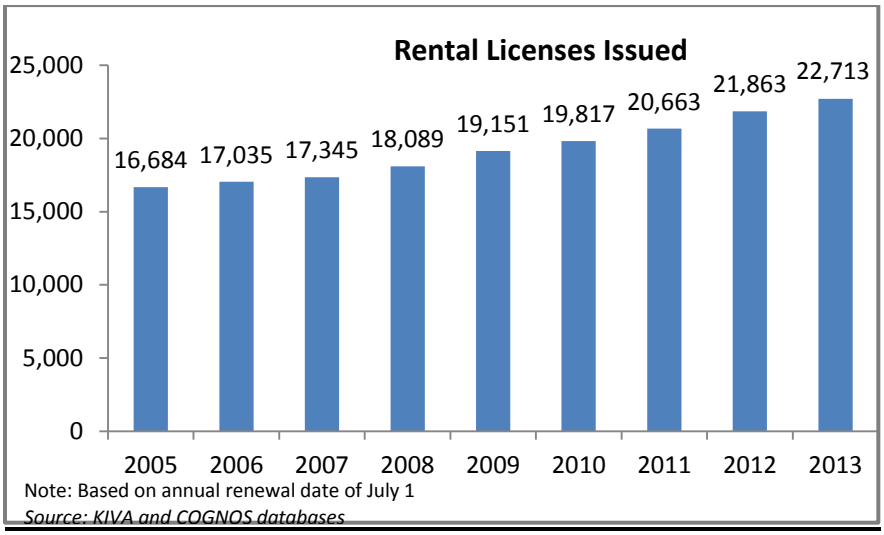
SELECTED RESULTS MINNEAPOLIS MEASURES

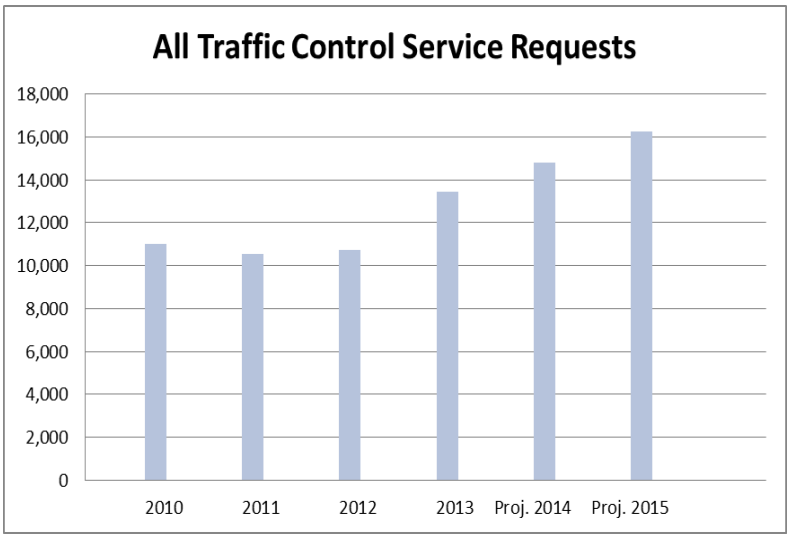


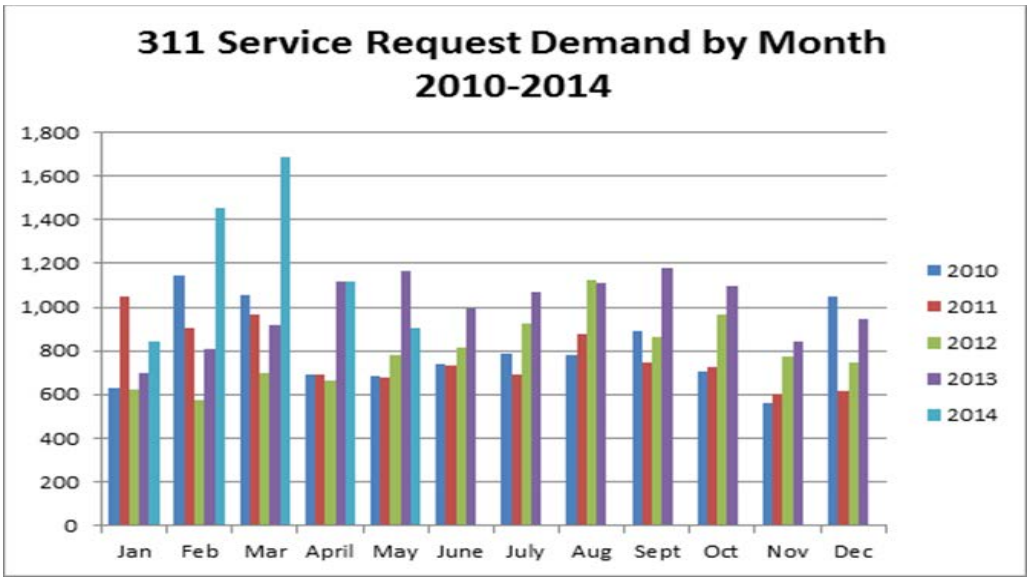

Outcomes for Adoptable Animals
2,500
2,000
1,500
1,000
500
0
1,543
189
442
470
131
311
1,509
65
453
601
95
295
2,234
57
403
1,209
229
336
1,986
46
152
1,172
296
320
1,698
56
103
1012
255
272
2009
2010
2011
2012
2013
Returned to Owner
Adopted
Transferred to Rescue
Euthanized
Other
Note: Other includes: dies at shelter, stolen from shelter, transferred to vet, sent to foster,


Rental Buildings with Units Subject to Inspection
Number of Units & Buidlings
80000
60000
40000
20000
0
49,709
55,824
58,237
61,461
66,139
66,842
6,940
7,162
7,541
7,769
8,085
8,361
2009
2010
2011
2012
2013
2014
FCOM & HOD Buildings
Dwelling Units


Permits Issued and Fees Collected by Fire Inspection
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
$900,000
$800,000
$700,000
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
2,158
1,928
2,864
3,280
3,333
3,621
$402,843
$284,182
$360,981
$622,739
$788,437
$775,235
1,218
1,216
2,058
2,264
2,268
2,624
940
712
806
1,016
1,065
997
2008
2009
2010
2011
2012
2013
Suppression and Alarm Detection Systems
Operational Permits
Total Fees Collected


Rental Licenses Issued
25,000
20,000
15,000
10,000
5,000
0
16,684
17,035
17,345
18,089
19,151
19,817
20,663
21,863
22,713
2005
2006
2007
2008
2009
2010
2011
2012
2013
Note: Based on annual renewal date of July 1
Source: KIVA and COGNOS databases


All Traffic Control Service Requests
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
2010
2011
2012
2013
Proj. 2014
Proj. 2015



Living Well

Minneapolis Animal Care & Control (MACC) General Fund: $2,957,560
Other Funds: $75,000

Minneapolis Animal Care & Control (MACC) has a dual focus on public safety and shelter care that allows for a holistic view of animal welfare. MACC works with MPD, City Attorney, and non-profit partners to address criminal conduct involving animals. MACC promotes sound animal welfare policies such as pet licenses and spay and neuter programs, impounding, kenneling and providing proper veterinary care for injured, stray or surrendered animals, and adopting out pets in search of forever homes. MACC also conducts rabies quarantines for all bites to humans involving animals.

Fire Inspection Services (FIS) General Fund: $2,440,021

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. The Fire Inspection Services Division also reviews and inspects thousands of fire suppression systems and supports and answers complex fire code questions. Fire Inspection Services inspect high-occupancy residential dwelling units and conducts hundreds of commercial inspections annually. This service was previously provided by the Minneapolis Fire Department

Housing Inspections Services General Fund: $4,907,881
Other Funds: $4,385,217

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 thorough restoration agreements. This division conducted approximately 100,000 inspections in 2012.

Traffic Control General Fund: $5,769,778

This program provides 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. It also coordinates with public works for street cleaning operations and snow emergencies. Traffic control also responds to 311 - reported parking violation and abandoned vehicle service requests both of which are always in the City's Top 10 in terms of volume.

Administration and Community Engagement General Fund: $760,490
Other Funds $477,546

This program is responsible for oversight and management of data quality, administrative enforcement, employee engagement and professional development, and effective and equitable community outreach/ engagement. This includes our Homeowner Navigation program (successfully piloted this year in partnership with Neighborhood and Community Relations) that works to identify the unique needs of our senior, disabled and low-income population as they work to meet compliance goals.

Operations and Business Improvement General Fund: $736,680
Other Funds $259,325

This program provides department-wide support for business planning, process improvement, performance measurement and workforce planning. It oversees data analysis program and administrative hearing program, and is responsible for coordination of projects, public policy process and implementation, committee actions and council process.

FINANCIAL ANALYSIS

Expenditure

For 2015, the Department of Regulatory Services budget is $22.8 million, an increase of 10.7% over the 2014 budget of $20.6 million. The General Fund portion of the department's budget is increasing by 11.3%, or $1.8 million, reflecting routine inflationary operating increases and internal service charges, as well as additional staffing resources. Special revenue funded expenditures are budgeted to increase by 9.0% for community engagement activities.

Revenue
General Fund revenues associated with Regulatory Services' activities are budgeted to increase by 3.8% or $500,000 over the 2014 level. Nearly all of this increase may be attributed to increased activity levels in housing and licensing-related activities associated with the need for additional housing inspection staff. The projected general fund revenue for 2015 is $13.5 million.

Fund Allocation
This department is funded primarily by the General Fund, with the remainder of the department's funding found in the special revenue funds.

Mayor's Recommended Budget
The Mayor recommended an additional ongoing General Fund appropriation of $135,000 for 2 animal care technicians to allow animal control officers to spend increased time in the field, and $185,000 (1.5 FTE) in funding from the special revenue fund for a homeowner navigator and community engagement program. In addition, the Mayor recommended $300,000 (3.0 FTE) in additional appropriations for fire inspection services which is comprised of $180,000 in ongoing appropriation and $120,000 in one-time funding. The Mayor also recommended a one-time general fund appropriation of $30,000 for translation services.

Council Adopted Budget
The City Council amended the Mayor's recommendations by including an additional $140,000 for Traffic Control to match revenue with expenditures, and to include funding for Homeline Services in the amount of $100,000 to be funded from internal reallocations from the Regulatory Services Fund. The Council also directed Regulatory Services staff to (1) provide a status update of the activities performed by Homeline to the Community Development & Regulatory Services committee by July 1, 2015 and (2) provide existing resources to facilitate up to eight Open Street events in 2015.

REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	16,161,910	6,571,676	7,483,670	8,124,962	8.6%	641,292
FRINGE BENEFITS	5,774,052	2,566,883	3,516,791	3,663,017	4.2%	146,226
CONTRACTUAL SERVICES	7,269,568	2,784,770	3,152,804	3,429,708	8.8%	276,904
OPERATING COSTS	2,083,949	1,378,512	1,516,540	2,179,723	43.7%	663,183
CAPITAL	43,551	18,131	114,000	175,000	53.5%	61,000
TOTAL GENERAL	**31,333,030**	**13,319,973**	**15,783,805**	**17,572,410**	**11.3%**	**1,788,605**
SPECIAL REVENUE						
SALARIES AND WAGES	2,279,282	1,705,053	1,802,686	2,340,025	29.8%	537,340
FRINGE BENEFITS	785,346	605,673	521,623	678,602	30.1%	156,979
CONTRACTUAL SERVICES	1,618,167	948,356	1,498,112	1,583,333	5.7%	85,221
OPERATING COSTS	282,901	168,886	37,730	103,383	174.0%	65,653
CAPITAL	599,638	148,369	907,269	491,745	-45.8%	(415,524)
TRANSFERS	5,477,991	168				0
TOTAL SPECIAL REVENUE	**11,043,326**	**3,576,505**	**4,767,419**	**5,197,088**	**9.0%**	**429,669**
TOTAL EXPENSE	**42,376,355**	**16,896,478**	**20,551,224**	**22,769,498**	**10.8%**	**2,218,274**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	3,692	10			0.0%	0
CHARGES FOR SERVICES	1,078,132	584,278	620,000	625,000	0.8%	5,000
CONTRIBUTIONS	823				0.0%	0
FINES AND FORFEITS	5,753,804	5,362,585	5,371,000	5,092,000	-5.2%	(279,000)
LICENSE AND PERMITS	32,030,404	5,977,334	5,544,000	6,180,000	11.5%	636,000
OTHER MISC REVENUES	264,786	135,447	125,000	285,000	128.0%	160,000
SPECIAL ASSESSMENTS	1,536,117	1,313,436	1,322,500	1,297,500	-1.9%	(25,000)
GENERAL	**40,667,758**	**13,373,090**	**12,982,500**	**13,479,500**	**3.8%**	**497,000**
SPECIAL REVENUE						
CHARGES FOR SERVICES	126,834	98,300	141,000	147,000	4.3%	6,000
CONTRIBUTIONS	31,073	38,698	40,000	25,000	-37.5%	(15,000)
FEDERAL GOVERNMENT	482,682	(23,147)			0.0%	0
FINES AND FORFEITS	46,288	6,948	14,000	5,000	-64.3%	(9,000)
LICENSE AND PERMITS	458,262				0.0%	0
LONG TERM LIABILITIES PROCEEDS				1,512,988	0.0%	1,512,988
OTHER MISC REVENUES	31,281	16,232			0.0%	0
SPECIAL ASSESSMENTS	3,992,332	3,513,368	3,615,000	3,419,000	-5.4%	(196,000)
STATE GOVERNMENT	8,734	3,151			0.0%	0
TRANSFERS IN	5,477,991	168			0.0%	0
SPECIAL REVENUE	**10,655,478**	**3,653,717**	**3,810,000**	**5,108,988**	**34.1%**	**1,298,988**

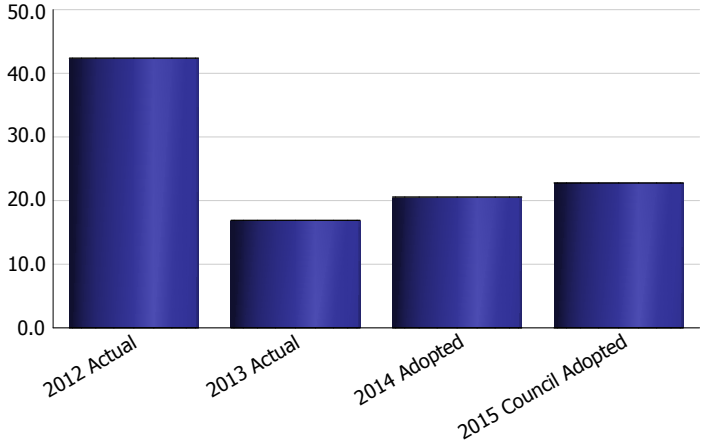
REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	Percent Change	Change
TOTAL REVENUE	**51,323,236**	**17,026,807**	**16,792,500**	**18,588,488**	**10.7%**	**1,795,988**

REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

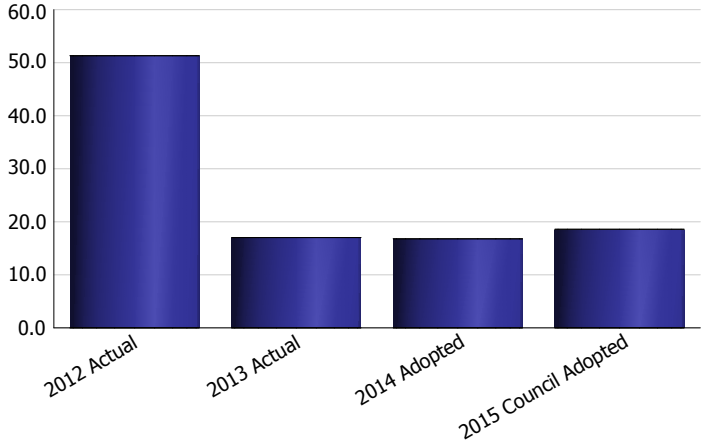
Expense 2012 - 2015

In Millions

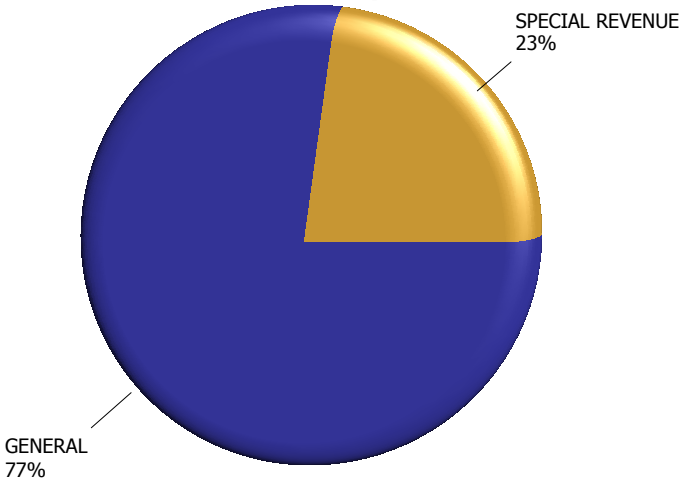


Revenue 2012 - 2015

In Millions



Expense by Fund

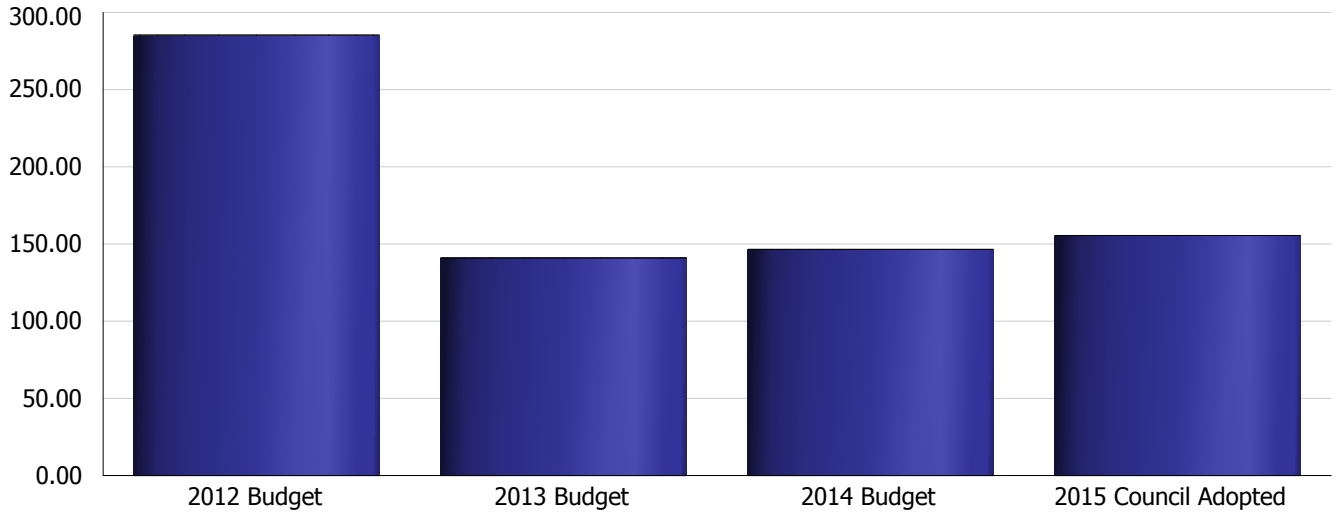


REGULATORY SERVICES

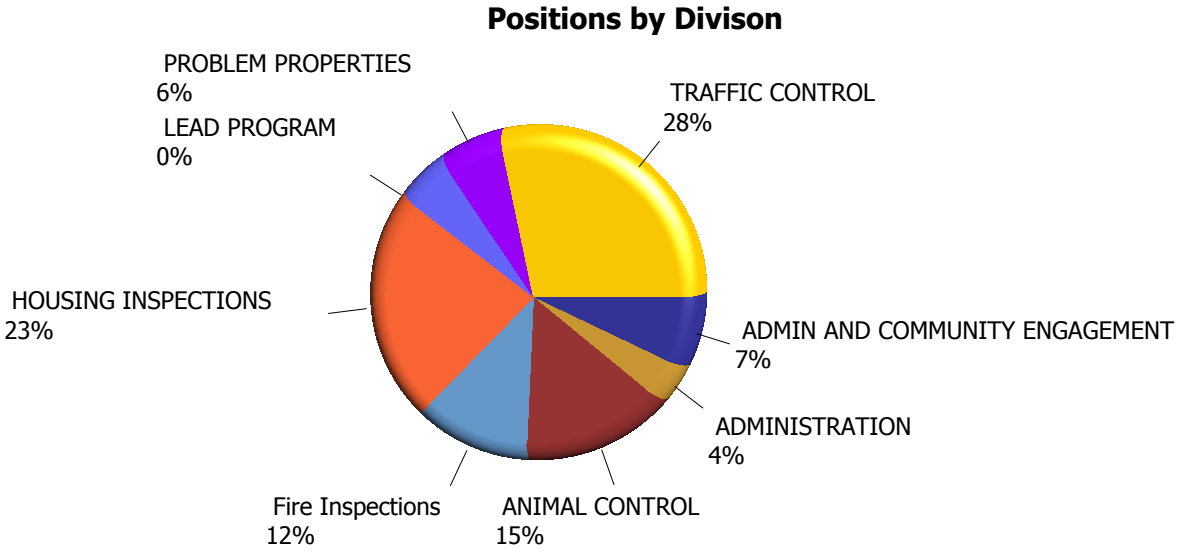
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
ADMIN AND COMMUNITY ENGAGEMENT				11.00		11.00
ADMINISTRATION	15.00	6.00	7.00	6.00	-14.3%	(1.00)
ANIMAL CONTROL	18.00	20.00	21.00	23.00	9.5%	2.00
CONSTRUCTION CODE SERVICES CCS	64.00					0
ENVIRONMENTAL SERVICES	7.66					0
Fire Inspections	12.80	13.00	15.00	18.00	20.0%	3.00
FOOD	13.00					0
HOUSING INSPECTIONS	55.50	58.00	49.00	36.00	-26.5%	(13.00)
LEAD PROGRAM	6.34					0
LICENSES & CONSUMER SVC	27.00					0
MINNEAPOLIS DEVELOPMENT REVIEW	21.00					0
OPS & BUSINESS PROCESS IMPROVEMENT				8.00		8.00
PROBLEM PROPERTIES			13.00	9.50	-26.9%	(3.50)
REGULATORY SERVICES	0.00					0
TRAFFIC CONTROL	45.00	44.00	44.00	44.00	0.0%	0
Overall	285.30	141.00	149.0	155.50	4.4%	6.50

Positions 2012-2015



REGULATORY SERVICES



City of Minneapolis
2015 Budget

Capital Program

Capital Budget Narrative Overview G2

Five-Year Capital Investment Allocation G13

Five-Year Capital Funding Summary G14

Five-Year Capital Funding Summary (Public Works) G15

2015 - 2019 Council Adopted Capital Resources G16

2015 Bond Redemption Levy for Capital Program G16

Net Debt Bond Allocation G17

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Capital Budget Detail for Funded Projects:

- Municipal Building Commission G21
- Park Board G21
- Public Works Department
  - Street Paving G21
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  - Bridges G25
  - Traffic Control & Street Lighting G25
  - Bike Trails G26
  - Sanitary Sewers G26
  - Storm Sewers G26
  - Water Infrastructure G27
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Operating Cost Implications for Approved 2015 Projects G38

Capital Budget Decision Summary G51

City of Minneapolis

2015 – 2019 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, "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 force members receive and review all CBRs for their program areas as submitted by the various City departments, independent boards and commissions.

Departments and boards formally present their requests to the task forces and offer explanations. Task force members then rate all proposals using specific criteria and create a numerical ranking for each project. Highest-ranking projects are then balanced against proposed available resources by year to arrive at a five-year capital improvement program recommendation to the Mayor and City Council.

CLIC's recommendations serve as the starting point 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, although appropriation is only adopted for the first year.

For the five-year plan covering years 2015 - 2019, there were 87 CBRs reviewed and rated. The total requested capital budget for the five years was $607.59 million.

HIGHLIGHTS OF THE 2015-2019 COUNCIL ADOPTED CAPITAL IMPROVEMENT PROGRAM

Five-Year Capital Program Totals: For 2015 – 2019, the five-year capital program for City departments, independent boards and commissions totals $572.78 million including all funding sources. The 2015 portion of this program is $132.84 million. This budget continues the commitment to fund accelerated improvements to the City's infrastructure by providing sufficient tax resources to support the expanded net debt bond program implemented in 2012 and further increased in 2014.

The table below provides a high level summary of the Council Adopted five-year capital program. The amounts in this table and all documents and reports in the capital section incorporate the final changes adopted by the Minneapolis Park Board. For 2015, the Park Board changes resulted in a net reduction of ($.041) million within the Neighborhood Parks and Public Works Parkway Paving and Parkway Street Lighting projects. For the five-year capital plan, the net reductions totaled ($3.136) million within these same project categories and resulted from a reduction of Park Capital Levy of ($4.136) million which was offset by an increase of $1.0 million of Met Council Regional funds for Parkway Paving. Total funding for individual projects can be found in the "Capital Budget Detail for Funded Projects" report later in this document.

Submitting Agency	Infrastructure Category	2014	2015	2016	2017	2018	Total	Percent of Total
					Budget in Thousands			
PARK BOARD	NEIGHBORHOOD PARKS	5,010	6,093	5,557	4,150	7,150	27,960	4.88%
PUBLIC WORKS	TRANSPORTATION INFRASTRUCTURE	73,869	43,645	41,583	45,941	49,241	254,279	44.39%
	UTILITY FEE BASED ENTERPRISES	39,165	48,428	47,980	53,900	41,100	230,573	40.26%
	Public Works Department Totals	**113,034**	**92,073**	**89,563**	**99,841**	**90,341**	**484,852**	**84.65%**
OTHER AGENCIES	CITY HALL, PUBLIC BLDGS, IT, MISC.	14,800	12,065	14,600	13,345	5,145	59,955	10.47%
COUNCIL ADOPTED FIVE-YEAR CAPITAL PROGRAM *		**132,844**	**110,231**	**109,720**	**117,336**	**102,636**	**572,767**	**100.00%**

* Including amendments adopted by the Minneapolis Park Board.

Property Tax Supported Net Debt Bond Program:
The Net Debt Bond (NDB) program is funded by property tax revenue. As a result of increasing the base NDB program for accelerated infrastructure improvements over the last few years, the bond redemption levy will continue to show increases for 2015 through 2020 to support the additional debt service to be incurred, with the most significant increase in 2015. These increases are possible due to significantly lower internal service fund subsidies in 2015 and lower overall debt service due to the retirement of all pension bonds in 2012. 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 presented later in this document.

NDB Resources for Capital Improvements: The base NDB funding levels were increased for the 2012 – 2016 capital program by $56.57 million from $93.43 to $150.00 million. The 2015 – 2019 capital program continues this higher base level of NDB funding to continue significant improvements to the City's infrastructure. This capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, pedestrian and bikeway connections, safety and lighting improvements, traffic safety and signage improvements and bridge improvements. These additional resources are combined with municipal state aid, special assessments and grant funds.

$ millions	2015	2016	2017	2018	2019	TOTAL
NDB funding totals	$ 36.46	$ 28.49	$ 29.11	$ 30.82	$ 30.62	$ 155.50

Public Works – NDB funding: The 2015 capital budget includes $22.86 million in NDB funding for Public Works projects. The five-year plan includes $1.55 million to implement a new program for constructing protected bikeways to improve safety for bike riders. Below is a summary of the 2015 - 2019 NDB allocation for Public Works infrastructure programs.

$ millions	2015	2016	2017	2018	2019	TOTAL
NDB – Public Works	$ 22.86	$ 15.72	$ 14.62	$ 19.13	$ 22.67	$ 95.00

Neighborhood Parks NDB and other funding sources: The 2015 capital budget includes $5.01 million for Park improvements including $2.5 million of net debt bonds, and $2.51 million of Park capital levy. Below is a summary of the total 2015 – 2019 funding for neighborhood parks capital improvements, excluding the Diseased Tree Program.

$ millions	2015	2016	2017	2018	2019	TOTAL
NDB – Park Board	$ 2.50	$ 2.50	$ 2.50	$ 1.50	$ 4.50	$ 13.50
Park Capital Levy	$ 2.51	$ 3.29	$ 2.76	$ 2.35	$ 2.35	$ 13.26
Total Neighborhood Parks	$ 5.01	$ 5.79	$ 5.26	$ 3.85	$ 6.85	$ 26.76

In addition to the neighborhood parks funding mentioned above, the Park Board also allocated additional Park Capital Levy funding for parkway street lighting of $.924 million and $2.0 million of Met Council Regional funds for Parkway Paving in this five-year capital plan. These projects will be managed by the Public Works Department and will also utilize additional funding sources including net debt bonds and special assessments.

NDB funding for Municipal Building Commission (MBC), Information Technology, Public Grounds & Facilities, and Miscellaneous Projects: The 2015 capital budget includes $11.10 million in NDB funding for these categories. Projects include technology related improvements and physical building, office space and security improvements for Police, Fire and other City buildings, including City Hall and Public Safety Radio System Replacement. These categories comprise 30.2% of the available NDB resources in the five-year plan. Below is a summary of the 2015 - 2019 NDB funding for MBC, Information Technology, Public Grounds & Facilities, and Miscellaneous projects, including Public Art.

$ millions	2015	2016	2017	2018	2019	TOTAL
NDB - Other	$ 11.10	$ 10.26	$ 12.00	$ 10.19	$ 3.45	$ 47.00

Utility Fee/Rate Supported Capital: The 2015 - 2019 capital budget includes funding for sanitary and storm sewers and water infrastructure improvements which are supported by utility revenues. Long-term financial plans are used to determine utility rates and fees required to support operations and infrastructure costs. The following table does not include utility fund contributions of $5.5 million over the five-year period for utility work performed as part of certain paving or bridge projects. Individual project funding details can be found in the “Capital Budget Detail for Funded Projects” report and proposed utility rates can be found in the “Council Adopted Utility Rates” sheet in this Capital Program section.

Below is a summary of the Council Adopted capital program for these enterprises:

Submitting Agency	Infrastructure Category	2015	2016	2017	2018	2019	Total	Percent of Total
					Budget in Thousands			
PUBLIC WORKS	UTILITY FEE/RATE BASED ENTERPRISES							
	SANITARY SEWERS	7,200	7,250	7,250	7,250	7,250	36,200	15.70%
	STORM SEWERS	9,765	18,378	17,830	14,250	13,250	73,473	31.87%
	WATER INFRASTRUCTURE	22,200	22,800	22,900	32,400	20,600	120,900	52.43%
	Public Works Utility Fee Based Totals	**39,165**	**48,428**	**47,980**	**53,900**	**41,100**	**230,573**	**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 $732 million at 12/31/2013 to $731 million at 12/31/2014.

2014 Bond Sales

In 2014, the City of Minneapolis issued bonds totaling $105.235 million. All bonds were new issuances for capital projects. Below are details of the 2014 debt issuances.

In February 2014, the City issued $61.905 million of Taxable General Obligation Bonds (Downtown East Project), Series 2014. The Downtown East Project is a mixed-use project which includes two office towers, a 1,610 stall public parking ramp, market rate multifamily housing, retail space, skyway connections and an urban green space park. The proceeds of the bonds will be used to finance a portion of the costs of constructing the parking ramp, the urban green space and certain other costs of the Downtown East Project. The bonds were issued in fixed rate mode and had interest rates ranging from .95% to 4.629% and a final maturity date of March 1, 2044.

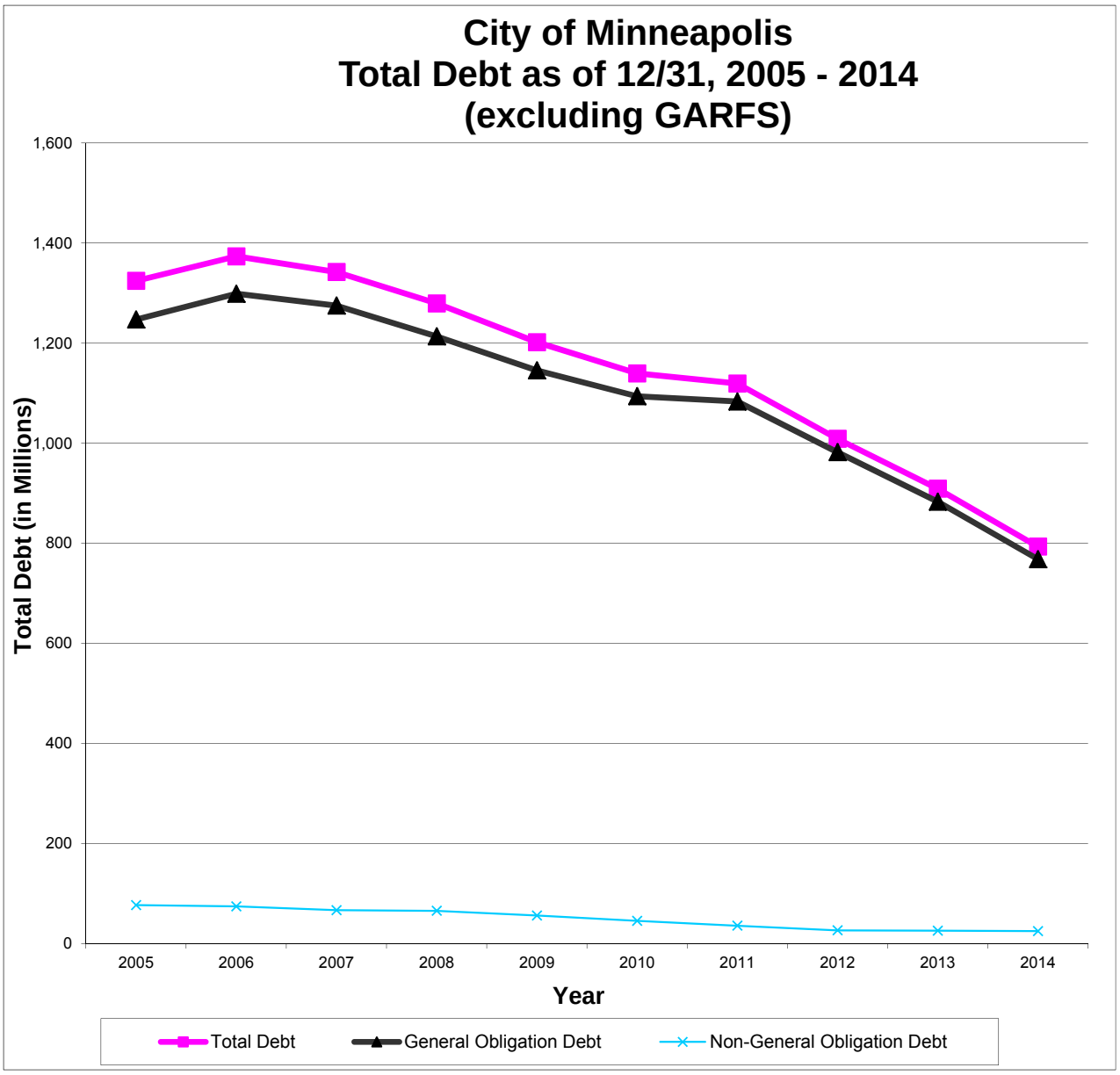
In November 2014, the City issued $37.4 million of General Obligation Various Purpose Bonds, Series 2014. The bonds were issued to fund a variety of capital infrastructure improvements for the public works department, parks system, municipal building commission and information technology department. 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, 2019.

In November 2014, the City also issued $5.93 million General Obligation Improvement Bonds, Series 2014. These bonds were issued for a variety of special assessment projects related to sidewalk modifications, alleys, and street reconstruction and resurfacing programs. The bonds were issued in fixed rate mode and had interest rates ranging from 2.00% to 3.50% and a final maturity date of December 1, 2034.

DEBT TRENDS

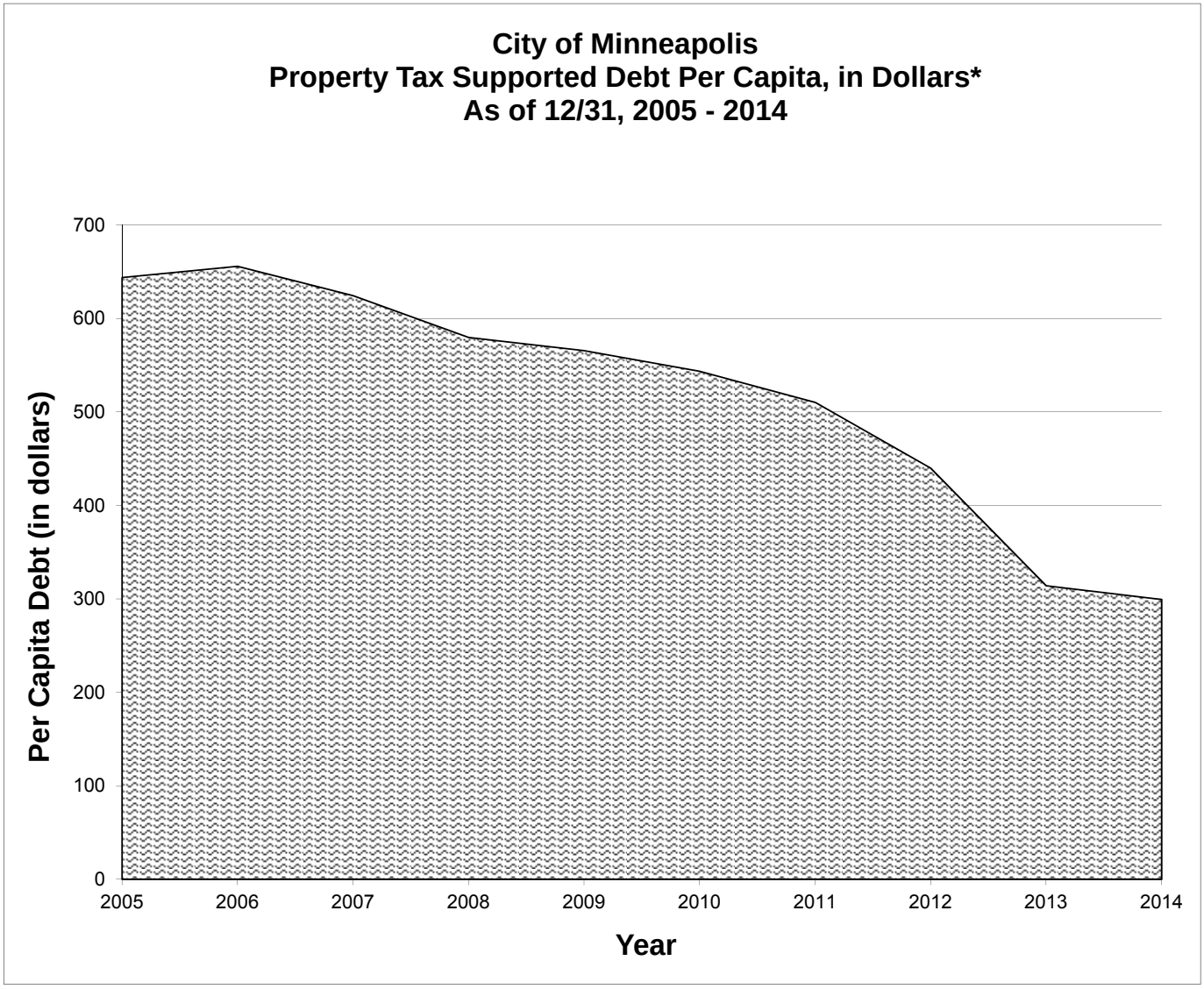
Management of the City's debt involves consideration not only of the absolute amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures. For purposes of the charts below, $90.1 million of General Agency Reserve Fund System (GARFS or common bond fund) bonds are not included as City Debt.

The accompanying chart shows a ten-year history of the total City debt level for years 2005 – 2014. 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.



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 2004 - 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 2014 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. All pension bonds were paid off in 2012.

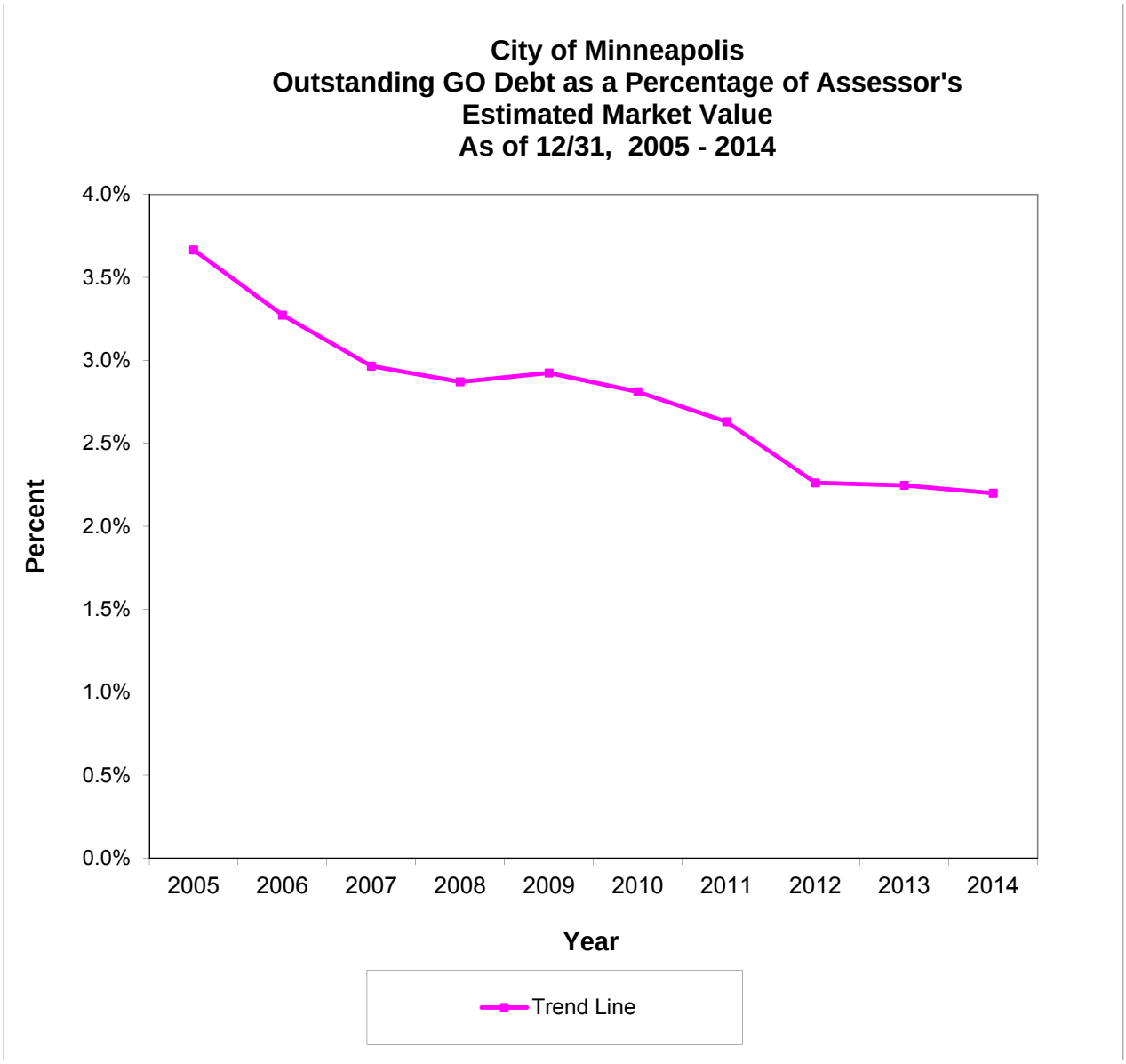


* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the City less that indebtedness supported by revenues other than general property taxes. Funding from self-supporting enterprises of the City offset a portion of the property tax supported pension 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 years after 2010.

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 2014. While property values experienced a decline of over $6 billion from 2007 – 2013, the trend line benefitted by a reduction of $415 million in Total Debt applicable to the calculation. Recent growth in estimated values has a favorable impact on this ratio for 2014.



COMPUTATION OF THE CITY'S LEGAL DEBT MARGIN

The following is the computation of the estimated legal debt margin as of December 31, 2014. 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 (2014 Market Value)	$	32,825,057
Personal Property (2014 Market Value)		411,808
Adjustment for Exempt Personal Property (1966 Market Value)		298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution		(23,502)
Total Assessed Value		33,511,393
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	$	1,117,046
General Obligation Bonds Subject to Debt Limit:		
Supported by Property Tax Levy		128,530
Supported by Special Assessments:		
Park Diseased Trees		280
Self-Supporting (Supported by Internal User Charges):		
Park Board - Land for athletic fields & energy efficiency		13,565
Public Works Fleet and Equipment		15,645
Property Fund		3,280
Information Technology		2,705
Total General Obligation Bonds Subject to Debt Limit		164,005
Less: Estimated Assets in Debt Service Fund at 12/31/14		(16,965)
Total Debt Applicable to Debt Limit		147,040
Legal Margin for New Bonds Subject to Debt Limit	$	970,006

SUMMARY OF OUTSTANDING CITY DEBT

Long-term liabilities (in thousands) at December 31, 2014 are detailed below.

	Balance 1/1/2014	Additions	Retirements	Balance 12/31/2014	Amounts Due Within One Year
Governmental activities:					
Bonds and Notes					
Property Tax Supported GO Bonds*	$ 136,530	$ 29,075	$ 37,075	$ 128,530	$ 38,365
Self-Supporting GO Bonds	164,620	61,905	14,755	211,770	20,995
GO Improvement Bonds	53,774	6,030	10,591	49,213	9,286
Tax Increment GO Bonds	97,545	-	13,365	84,180	6,675
Tax Increment GO Notes	4,450	-	390	4,060	410
Revenue Bonds	24,385	-	885	23,500	950
Revenue Notes	14,385	-	330	14,055	360
Internal Service Fund Related GO Bonds	23,805	2,225	4,400	21,630	5,625
Total Governmental Bonds and Notes	519,494	99,235	81,791	536,938	82,666
Business-type activities:					
Bonds and Notes					
Stormwater Fund GO Bonds	7,971	-	3,235	4,736	2,236
Sanitary Sewer Fund GO Bonds	14,450	-	5,150	9,300	3,500
Water Fund GO Bonds	22,070	6,000	2,301	25,769	4,294
Water Fund GO Note	84,075	-	3,845	80,230	4,360
Municipal Parking Fund GO Bonds	83,706	-	10,884	72,822	5,335
Municipal Parking Fund GO Notes	38,650	-	-	38,650	105
CPED Related Non GO Fund					
General Agency Reserve Fund System	94,100	-	4,000	90,100	3,770
Revenue Notes	41	-	41	0	0
Total Bonds and Notes	345,063	6,000	29,456	321,607	23,600
Grand Total Bonds & Notes	$ 864,557	$ 105,235	$ 111,247	$ 858,545	$ 106,266

* This category includes debt issued for the City's general infrastructure capital program and the library referendum.

AMORTIZATION OF OUTSTANDING GOVERNMENTAL CITY DEBT

As of December 31, 2014, annual debt service requirements for Governmental activities* (in thousands) to maturity follows:

Year Ending	Bonds		Notes	
Dec 31:	Principal	Interest	Principal	Interest
2015	$ 76,271	$ 15,803	$ 770	$ 444
2016	58,276	13,800	820	407
2017	49,236	12,557	870	365
2018	51,401	11,353	925	321
2019	61,170	9,839	985	274
2020 – 2024	108,575	30,370	4,545	588
2025 – 2029	39,674	15,392	-	-
2030 – 2044	52,590	20,009	9,200	-
	$ 497,193	$ 129,123	$ 18,115	$ 2,399

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
Dec 31:	Principal	Interest	Principal	Interest
2015	5,625	605	82,666	16,852
2016	3,035	474	62,131	14,681
2017	3,160	386	53,266	13,308
2018	9,810	294	62,136	11,968
2019	-	-	62,155	10,113
2020 – 2024	-	-	113,120	30,958
2025 – 2029	-	-	39,674	15,392
2030 – 2034	-	-	61,790	20,009
	$ 21,630	$ 1,759	$ 536,938	$ 133,281

* 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.

AMORTIZATION OF OUTSTANDING BUSINESS TYPE CITY DEBT

As of December 31, 2014, 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
2015	$ 19,135	$ 10,375	$ 4,465	$ 4,026	$ 23,600	$ 14,401
2016	18,249	8,046	5,725	3,915	23,974	11,961
2017	13,449	7,434	8,005	3,741	21,454	11,175
2018	12,224	6,918	9,550	3,504	21,774	10,422
2019	12,765	6,489	9,845	3,221	22,610	9,710
2020 – 2024	61,445	25,466	37,130	12,036	98,575	37,502
2025 – 2029	30,365	13,941	32,455	6,304	62,820	20,245
2030 – 2034	17,545	8,382	11,705	1,492	29,250	9,874
2035 – 2039	15,320	3,0060	-	-	15,320	3,060
2040	2,230	108	-	-	2,230	108
Totals	$ 202,727	$ 90,219	$ 118,880	$ 38,239	$ 321,607	$ 128,458

* Business-type activities include those City functions that operate similar to a private business such as Water, Stormwater and Sanitary Sewer Services, Solid Waste and Recycling 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.

Five-Year Capital Investment Allocation
Council Adopted Budget

	Budget in Thousands	2015	2016	2017	2018	2019	Total	Percent of Total
MUNICIPAL BUILDING COMMISSION		1,700	2,050	4,325	6,430	3,455	17,960	3.1%
PARK BOARD *		5,010	6,093	5,557	4,150	7,150	27,960	4.9%
PUBLIC WORKS DEPARTMENT	STREET PAVING *	48,889	29,325	29,776	30,160	31,705	169,855	29.7%
	SIDEWALKS	3,520	3,675	3,830	3,985	4,140	19,150	3.3%
	BRIDGES	11,000	2,915	3,050	6,850	6,895	30,710	5.4%
	TRAFFIC CONTROL & STREET LIGHTING *	9,670	6,970	4,927	4,946	6,501	33,014	5.8%
	BIKE TRAILS	790	760				1,550	0.3%
	SANITARY SEWERS	7,200	7,250	7,250	7,250	7,250	36,200	6.3%
	STORM SEWERS	9,765	18,378	17,830	14,250	13,250	73,473	12.8%
	WATER INFRASTRUCTURE	22,200	22,800	22,900	32,400	20,600	120,900	21.1%
	Public Works Department Total	**113,034**	**92,073**	**89,563**	**99,841**	**90,341**	**484,852**	**84.7%**
INFORMATION TECHNOLOGY		2,850	2,950	1,150	450	1,050	8,450	1.5%
PUBLIC GROUNDS & FACILITIES		8,415	6,660	8,700	0	0	23,775	4.1%
MISCELLANEOUS PROJECTS		1,835	405	425	6,465	640	9,770	1.7%
Grand Total		**132,844**	**110,231**	**109,720**	**117,336**	**102,636**	**572,767**	**100.0%**

* Totals reflect a net reduction in funding as part of the Park Board's final adopted capital budget.

Five-Year Capital Funding Summary

Council Adopted Budget

General Infrastructure Improvements Funding Summary by Year	2015	2016	2017	2018	2019	Total
Federal Government Grants	10,540	1,770				**12,310**
Hennepin County Grants	1,170	1,425	2,475	3,555	2,460	**11,085**
Municipal State Aid	9,710	8,900	8,800	8,425	8,395	**44,230**
Net Debt Bonds	36,460	28,490	29,115	30,815	30,615	**155,495**
Other Local Governments	879	1,000	2,121		1,000	**5,000**
Other Miscellaneous Revenues	3,500					**3,500**
Park Capital Levy	2,510	3,293	2,819	2,881	2,681	**14,184**
Reimbursements	4,100	4,100	4,100	4,100	4,100	**20,500**
Special Assessments	13,345	10,225	11,485	11,325	11,975	**58,355**
State Government Grants	6,790	1,120				**7,910**
Total General Infrastructure Improvements	**89,004**	**60,323**	**60,915**	**61,101**	**61,226**	**332,569**

Enterprise Fund Capital Funding Summary by Year	2015	2016	2017	2018	2019	Total
Other Local Governments	2,735	6,783	5,525			**15,043**
Reimbursements	5,000	5,000	5,000	5,000	5,000	**25,000**
Sanitary Bonds	5,200	5,250	5,250	5,250	5,250	**26,200**
Sanitary Revenue	1,225	1,000	1,000	1,000	1,000	**5,225**
Solid Waste Bonds	3,000	750	350			**4,100**
Stormwater Bonds		2,900		6,000	6,500	**15,400**
Stormwater Revenue	6,185	7,055	10,635	8,315	4,875	**37,065**
Water Bonds	9,000	9,000	9,000	8,000	5,000	**40,000**
Water Revenue	11,495	12,170	12,045	22,670	13,785	**72,165**
Total Enterprise Fund Capital	**43,840**	**49,908**	**48,805**	**56,235**	**41,410**	**240,198**

Consolidated City-Wide Capital Funding Summary by Year	2015	2016	2017	2018	2019	Total Budget	Overall Funding Breakdown
Enterprise Bonds	17,200	17,900	14,600	19,250	16,750	**85,700**	**14.96%**
Enterprise Revenue	18,905	20,225	23,680	31,985	19,660	**114,455**	**19.98%**
Municipal State Aid	9,710	8,900	8,800	8,425	8,395	**44,230**	**7.72%**
Net Debt Bonds	36,460	28,490	29,115	30,815	30,615	**155,495**	**27.15%**
Other	37,224	24,491	22,040	15,536	15,241	**114,532**	**20.00%**
Special Assesments	13,345	10,225	11,485	11,325	11,975	**58,355**	**10.19%**
Total City Wide Capital Program	**132,844**	**110,231**	**109,720**	**117,336**	**102,636**	**572,767**	**100.00%**

Minneapolis
City of Lakes

Five-Year Capital Funding Summary (Public Works)
Council Adopted Budget

General Infrastructure Improvements Funding Summary by Year	2015	2016	2017	2018	2019	Total
Federal Government Grants	10,540	1,770	0	0	0	**12,310**
Hennepin County Grants	470	375	225	395	760	**2,225**
Municipal State Aid	9,710	8,900	8,800	8,425	8,395	**44,230**
Net Debt Bonds	22,860	15,725	14,615	19,130	22,670	**95,000**
Other Local Governments	879	1,000	2,121	0	1,000	**5,000**
Other Miscellaneous Revenues	3,500					**3,500**
Park Capital Levy	0	0	62	531	331	**924**
Reimbursements	4,100	4,100	4,100	4,100	4,100	**20,500**
Special Assessments	13,345	9,925	11,185	11,025	11,675	**57,155**
State Government Grants	6,790	1,120	0	0	0	**7,910**
Total General Infrastructure Improvements	**72,194**	**42,915**	**41,108**	**43,606**	**48,931**	**248,754**

Enterprise Fund Capital Funding Improvements by Year	2015	2016	2017	2018	2019	Total
Other Local Governments	2,735	6,783	5,525	0	0	**15,043**
Reimbursements	5,000	5,000	5,000	5,000	5,000	**25,000**
Sanitary Bonds	5,200	5,250	5,250	5,250	5,250	**26,200**
Sanitary Revenue	1,225	1,000	1,000	1,000	1,000	**5,225**
Stormwater Bonds	0	2,900	0	6,000	6,500	**15,400**
Stormwater Revenue	6,185	7,055	10,635	8,315	4,875	**37,065**
Water Bonds	9,000	9,000	9,000	8,000	5,000	**40,000**
Water Revenue	11,495	12,170	12,045	22,670	13,785	**72,165**
Total Enterprise Fund Capital	**40,840**	**49,158**	**48,455**	**56,235**	**41,410**	**236,098**

Consolidated Public Works Capital Summary by Year	2015	2016	2017	2018	2019	Total Budget	Overall Funding Breakdown
Enterprise Bonds	14,200	17,150	14,250	19,250	16,750	**81,600**	**16.83%**
Enterprise Revenue	18,905	20,225	23,680	31,985	19,660	**114,455**	**23.61%**
Municipal State Aid	9,710	8,900	8,800	8,425	8,395	**44,230**	**9.12%**
Net Debt Bonds	22,860	15,725	14,615	19,130	22,670	**95,000**	**19.59%**
Other	34,014	20,148	17,033	10,026	11,191	**92,412**	**19.06%**
Special Assessments	13,345	9,925	11,185	11,025	11,675	**57,155**	**11.79%**
Total Public Works Department	**113,034**	**92,073**	**89,563**	**99,841**	**90,341**	**484,852**	**100.00%**

Represents the Five-Year Council Adopted Budget from City and Park Board funding sources for projects where the City is the lead agency.

2015 - 2019 Council Adopted Capital Resources
For Property Tax Supported (Net Debt) Bond Program

Recommended Resources by Category	2015	2016	2017	2018	2019	Totals (000's)
Available Resources:						
Adopted Net Debt Bond (NDB) Authorizations	36,575	26,895	28,105	30,815	32,000	154,390
Modifications to NDB Recommendation for Capital:						
NDB changes by year*	-115	1,595	1,010		-1,385	1,105
2015 - 2019 Council Adopted NDB Resources	**36,460**	**28,490**	**29,115**	**30,815**	**30,615**	**155,495**

* The net increase of $1,105 was able to be added by reallocating bonds previously authorized but not needed for a project.

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, other government grants, etc.

2015 Bond Redemption Levy for Capital Program

	Amount (000's)	
Tax Levy Certified for Bond Redemption in 2014	29,300	
Bond Redemption Levy Adjustment (resulting from previous NDB program increases)	6,600	Per Five-Year Financial Direction 2014 - 2018
Tax Levy Certified for Bond Redemption in 2015	**35,900**	For supporting ongoing Capital Programs

Net Debt Bond Allocation
Council Adopted Budget
Summarized by Major Type of Infrastructure

Description of Category		2015	2016	2017	2018	2019	Total
MUNICIPAL BUILDING COMMISSION		1,000	1,000	2,075	3,270	1,755	**9,100**
Percentage Allocated to MBC		*2.7%*	*3.5%*	*7.1%*	*10.6%*	*5.7%*	***5.9%***
Park Board Capital Program*		2,500	2,500	2,500	1,500	4,500	**13,500**
Percentage allocated to Park Board		*6.9%*	*8.8%*	*8.6%*	*4.9%*	*14.7%*	***8.7%***
PUBLIC WORKS DEPARTMENT	STREET PAVING	13,940	8,275	8,650	12,005	13,120	**55,990**
	SIDEWALKS	305	315	325	335	345	**1,625**
	BRIDGES	3,500	1,915	2,285	3,620	5,145	**16,465**
	TRAFFIC CONTROL & STREET LIGHTING	4,325	4,460	3,355	3,170	4,060	**19,370**
	BIKE TRAILS	790	760				**1,550**
Public Works Sub-Total		**22,860**	**15,725**	**14,615**	**19,130**	**22,670**	**95,000**
Percentage allocated to Public Works		*62.7%*	*55.2%*	*50.2%*	*62.1%*	*74.0%*	***61.1%***
INFORMATION TECHNOLOGY		2,850	2,950	1,150	450	1,050	**8,450**
Percentage allocated to Information Technology		*7.8%*	*10.4%*	*3.9%*	*1.5%*	*3.4%*	***5.4%***
PUBLIC GROUNDS & FACILITIES		5,415	5,910	8,350			**19,675**
Percentage allocated to Public Grounds & Facilities		14.9%	20.7%	28.7%			**12.7%**
MISCELLANEOUS PROJECTS		1,835	405	425	6,465	640	**9,770**
Percentage allocated to Miscellaneous Projects		*5.0%*	*1.4%*	*1.5%*	*21.0%*	*2.1%*	***6.3%***
Percentage Allocated to City Departments		*90.4%*	*87.7%*	*84.3%*			***85.5%***
Total Net Debt Bond Allocation (in thousands)		**36,460**	**28,490**	**29,115**	**30,815**	**30,615**	**155,495**

** This amount is only the net debt bond portion of Park Board Capital funding. They also dedicate a portion of their tax levy to capital projects.*

Minneapolis City of Lakes

Capital Budget Summary
Council Adopted Budget

		Budget in Thousands	2015	2016	2017	2018	2019	Total
MUNICIPAL BUILDING COMMISSION		MBC01 Life Safety Improvements	200	200	100	100	100	**700**
		MBC02 Mechanical Systems Upgrade	1,000	425	550	830	930	**3,735**
		MBC04 MBC Elevators	500	825	450	0	0	**1,775**
		MBC09 Critical Power Capital Project	0	400	2,000	1,800	0	**4,200**
		MBC10 Exterior Improvements	0	200	1,225	3,700	2,425	**7,550**
		Total	**1,700**	**2,050**	**4,325**	**6,430**	**3,455**	**17,960**
PARK BOARD		PRK02 Playground and Site Improvements Program	1,230	662	1,229	1,555	2,353	**7,029**
		PRK03 Shelter - Pool - Site Improvements Program	841	738	458	695	1,826	**4,559**
		PRK04 Athletic Fields and Site Improvements Program	600	0	700	0	0	**1,300**
		PRK30 Service Area Improvement Program	0	0	1,000	500	0	**1,500**
		PRK31 Bossen Park Field Improvements	640	2,912	450	0	0	**4,002**
		PRK33 Bryn Mawr Meadows Field Improvements	0	0	0	0	1,621	**1,621**
		PRKCP Neighborhood Parks Capital Infrastructure	1,699	1,481	1,419	1,100	1,050	**6,749**
		PRKDT Diseased Tree Removal	0	300	300	300	300	**1,200**
		Total	**5,010**	**6,093**	**5,557**	**4,150**	**7,150**	**27,960**
PUBLIC WORKS DEPARTMENT	STREET PAVING	PV001 Parkway Paving Program	1,629	750	871	750	1,750	**5,750**
		PV006 Alley Renovation Program	250	250	250	250	250	**1,250**
		PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	0	2,460	1,445	0	0	**3,905**
		PV027 Hennepin/Lyndale	11,295	3,290	0	0	0	**14,585**
		PV054 8th St S (Hennepin Ave to Chicago Ave)	0	0	0	0	8,800	**8,800**
		PV056 Asphalt Pavement Resurfacing Program	5,000	5,000	5,000	5,000	5,000	**25,000**
		PV059 Major Pavement Maintenance Program	250	250	250	250	250	**1,250**
		PV061 High Volume Corridor Reconditioning Program	2,920	1,500	1,500	1,500	1,500	**8,920**
		PV063 Unpaved Alley Construction	200	200	200	200	200	**1,000**
		PV068 LaSalle Ave (Grant to 8th)	805	0	0	0	0	**805**
		PV070 Riverside Extension - 4th St/15th Ave	500	0	0	0	0	**500**
		PV072 Pedestrian Improvement Project	0	1,465	340	0	0	**1,805**
		PV073 26th Ave N (W Broadway to Lyndale Ave N)	8,730	1,235	0	0	0	**9,965**
		PV074 CSAH & MnDOT Cooperative Projects	4,495	3,790	2,490	3,570	1,500	**15,845**
		PV076 38th St E (Hiawatha to Minnehaha)	0	2,050	0	0	0	**2,050**
		PV080 18th Ave NE (Monroe to Johnson St NE)	0	0	5,400	3,335	0	**8,735**
		PV083 Minnehaha Ave (24th to 26th St E)	2,920	0	0	0	0	**2,920**
		PV084 54th St W (Penn to Lyndale Ave S)	0	2,585	5,520	0	0	**8,105**
		PV085 Nicollet Mall Reconstruction Project	3,500	0	0	0	0	**3,500**
		PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	1,345	0	0	0	0	**1,345**
		PV087 34th Ave S (54th St E to Minnehaha Pkwy)	0	0	0	1,605	0	**1,605**
		PV094 4th St SE (25th to 29th Ave SE)	0	0	2,010	0	0	**2,010**
		PV095 4th St N & S (2nd Ave N to 4th Ave S)	0	0	0	3,230	0	**3,230**
		PV096 42nd Ave N (Xerxes to Lyndale Ave N)	0	0	0	5,170	7,455	**12,625**
		PV097 18th Ave NE Trail Gap	0	0	0	300	0	**300**
		PV098 Hiawatha Trail Gap (28th to 32nd St E)	0	0	0	500	0	**500**
		PV099 26th & 28th St Buffered Bike Lanes (Hia to 35W)	200	0	0	0	0	**200**
		PV101 29th St W Pedestrian Connection	350	0	0	0	0	**350**
		PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	0	0	0	0	500	**500**
		PV104 ADA Ramp Replacement Program	1,000	1,000	1,000	1,000	1,000	**5,000**
		PV99R Reimbursable Paving Projects	3,500	3,500	3,500	3,500	3,500	**17,500**
		Total for STREET PAVING	**48,889**	**29,325**	**29,776**	**30,160**	**31,705**	**169,855**
	SIDEWALKS	SWK01 Defective Hazardous Sidewalks	3,520	3,675	3,830	3,985	4,140	**19,150**
		Total for SIDEWALKS	**3,520**	**3,675**	**3,830**	**3,985**	**4,140**	**19,150**
	BRIDGES	BR101 Major Bridge Repair and Rehabilitation	500	400	400	400	400	**2,100**
		BR106 1st Ave S over HCRRA	0	0	0	4,535	0	**4,535**
		BR117 1st St N Bridge over Bassett's Creek	0	0	0	1,915	0	**1,915**
		BR123 28th Ave S over Minnehaha Creek	0	0	2,650	0	0	**2,650**

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Capital Budget Summary
Council Adopted Budget

		Budget in Thousands	2015	2016	2017	2018	2019	Total
PUBLIC WORKS DEPARTMENT	BRIDGES	BR126 40th St Pedestrian & Bicycle Bridge over 35W	0	2,515	0	0	0	2,515
		BR127 Nicollet Ave over Minnehaha Creek	0	0	0	0	6,495	6,495
		BR130 7th St Ramp Bridge over 35W	10,500	0	0	0	0	10,500
		Total for BRIDGES	11,000	2,915	3,050	6,850	6,895	30,710
	TRAFFIC CONTROL & STREET LIGHTING	TR008 Parkway Street Light Replacement	350	350	372	801	681	2,554
		TR010 Traffic Management Systems	3,410	1,050	435	350	1,300	6,545
		TR011 City Street Light Renovation	550	550	445	625	1,000	3,170
		TR021 Traffic Signals	1,925	1,975	1,570	1,575	1,750	8,795
		TR022 Traffic Safety Improvements	1,440	1,050	265	545	670	3,970
		TR024 Pedestrian Level Lighting Program	500	500	445	450	500	2,395
		TR025 Sign Replacement Program	895	895	795	0	0	2,585
		TR99R Reimbursable Transportation Projects	600	600	600	600	600	3,000
		Total for TRAFFIC CONTROL & STREET LIGHTING	9,670	6,970	4,927	4,946	6,501	33,014
	BIKE TRAILS	BIK28 Protected Bikeways Program	790	760	0	0	0	1,550
		Total for BIKE TRAILS	790	760	0	0	0	1,550
	SANITARY SEWERS	SA001 Sanitary Tunnel & Sewer Rehabilitation Program	4,200	3,750	3,750	3,750	3,750	19,200
		SA036 Infiltration & Inflow Removal Program	2,000	2,500	2,500	2,500	2,500	12,000
		SA99R Reimbursable Sanitary Sewer Projects	1,000	1,000	1,000	1,000	1,000	5,000
		Total for SANITARY SEWERS	7,200	7,250	7,250	7,250	7,250	36,200
	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	0	3,500	4,500	7,500	5,500	21,000
		SW018 Flood Area 29 & 30 - Fulton Neighborhood	0	3,288	6,580	0	0	9,868
		SW032 I-35W Storm Tunnel Reconstruction	0	0	0	0	1,000	1,000
		SW033 Flood Area 22 - Sibley Field	3,015	0	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	3,000	3,000	3,000	3,000	3,000	15,000
		SW99R Reimbursable Sewer & Storm Drain Projects	2,000	2,000	2,000	2,000	2,000	10,000
		Total for STORM SEWERS	9,765	18,378	17,830	14,250	13,250	73,473
	WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	6,200	6,300	6,400	6,500	6,600	32,000
		WTR18 Water Distribution Facility	0	0	0	0	0	0
		WTR23 Treatment Infrastructure Improvements	3,000	3,000	3,000	4,000	5,000	18,000
		WTR24 Fridley Filter Plant Rehabilitation	8,000	9,000	8,000	8,000	0	33,000
		WTR25 Ground Water Supply	500	1,000	1,500	1,500	2,000	6,500
		WTR26 Recarbonation System Replacement	2,500	1,500	2,000	0	0	6,000
		WTR27 Meter Replacement Program	0	0	0	100	5,000	5,100
		WTR28 Ultrafiltration Module Replacement	0	0	0	10,300	0	10,300
		WTR9R Reimbursable Watermain Projects	2,000	2,000	2,000	2,000	2,000	10,000
		Total for WATER INFRASTRUCTURE	22,200	22,800	22,900	32,400	20,600	120,900
Total Public Works			113,034	92,073	89,563	99,841	90,341	484,852
INFORMATION TECHNOLOGY		IT003 Enterprise Content Management	0	300	300	150	300	1,050
		IT004 Enterprise Infrastructure Modernization	850	750	750	300	750	3,400
		IT031 Geographical Information System (GIS)	0	0	0	0	0	0
		IT033 Police Report Management System Upgrade	2,000	1,900	100	0	0	4,000
		Total	2,850	2,950	1,150	450	1,050	8,450
PUBLIC GROUNDS & FACILITIES		FIR11 New Fire Station No. 11	465	1,910	3,350	0	0	5,725
		FIR12 Fire Station No. 1 Renovation & Expansion	500	3,000	3,000	0	0	6,500
		MPD03 Hamilton School Acquisition & Facility Improvement	2,000	1,000	0	0	0	3,000
		PSD01 Facilities - Repair and Improvements	1,200	0	0	0	0	1,200
		PSD03 Facilities - Space Improvements	750	0	0	0	0	750
		PSD11 Energy Conservation and Emission Reduction	500	0	0	0	0	500
		PSD15 Traffic Maintenance Facility Improvement	0	0	2,000	0	0	2,000
		PSD16 Farmer's Market Improvements	0	0	0	0	0	0
		PSD17 New Solid Waste & Recycling Facility	3,000	750	350	0	0	4,100

Minneapolis City of Lakes

Capital Budget Summary
Council Adopted Budget

	Budget in Thousands	2015	2016	2017	2018	2019	Total
PUBLIC GROUNDS & FACILITIES	**Total**	**8,415**	**6,660**	**8,700**	**0**	**0**	**23,775**
MISCELLANEOUS PROJECTS	**91101 911 Telephone System Replacement**	135	0	0	0	0	**135**
	ART01 Art in Public Places	0	405	425	465	640	**1,935**
	RAD01 Public Safety Radio System Replacement	1,700	0	0	6,000	0	**7,700**
	Total	**1,835**	**405**	**425**	**6,465**	**640**	**9,770**
Grand Total		**132,844**	**110,231**	**109,720**	**117,336**	**102,636**	**572,767**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2015	2016	2017	2018	2019	Total
MUNICIPAL BUILDING COMMISSION	**MBC01 Life Safety Improvements**	Net Debt Bonds	100	100	50	50	50	**350**
		Hennepin County Grants	100	100	50	50	50	**350**
		Total	**200**	**200**	**100**	**100**	**100**	**700**
	MBC02 Mechanical Systems Upgrade	Net Debt Bonds	600	200	200	420	480	**1,900**
		Hennepin County Grants	400	225	350	410	450	**1,835**
		Total	**1,000**	**425**	**550**	**830**	**930**	**3,735**
	MBC04 MBC Elevators	Net Debt Bonds	300	400	200	0	0	**900**
		Hennepin County Grants	200	425	250	0	0	**875**
		Total	**500**	**825**	**450**	**0**	**0**	**1,775**
	MBC09 Critical Power Capital Project	Net Debt Bonds	0	200	1,000	900	0	**2,100**
		Hennepin County Grants	0	200	1,000	900	0	**2,100**
		Total	**0**	**400**	**2,000**	**1,800**	**0**	**4,200**
	MBC10 Exterior Improvements	Net Debt Bonds	0	100	625	1,900	1,225	**3,850**
		Hennepin County Grants	0	100	600	1,800	1,200	**3,700**
		Total	**0**	**200**	**1,225**	**3,700**	**2,425**	**7,550**
	Total for Municipal Building Commission		**1,700**	**2,050**	**4,325**	**6,430**	**3,455**	**17,960**
PARK BOARD	**PRK02 Playground and Site Improvements Program**	Net Debt Bonds	960	0	350	305	1,477	**3,092**
		Park Capital Levy	270	662	879	1,250	876	**3,937**
		Total	**1,230**	**662**	**1,229**	**1,555**	**2,353**	**7,029**
	PRK03 Shelter - Pool - Site Improvements Program	Net Debt Bonds	600	0	0	695	1,826	**3,121**
		Park Capital Levy	241	738	458	0	0	**1,438**
		Total	**841**	**738**	**458**	**695**	**1,826**	**4,559**
	PRK04 Athletic Fields and Site Improvements Program	Net Debt Bonds	300	0	700	0	0	**1,000**
		Park Capital Levy	300	0	0	0	0	**300**
		Total	**600**	**0**	**700**	**0**	**0**	**1,300**
	PRK30 Service Area Improvement Program	Net Debt Bonds	0	0	1,000	500	0	**1,500**
		Total	**0**	**0**	**1,000**	**500**	**0**	**1,500**
	PRK31 Bossen Park Field Improvements	Net Debt Bonds	640	2,500	450	0	0	**3,590**
		Park Capital Levy	0	412	0	0	0	**412**
		Total	**640**	**2,912**	**450**	**0**	**0**	**4,002**
	PRK33 Bryn Mawr Meadows Field Improvements	Net Debt Bonds	0	0	0	0	1,197	**1,197**
		Park Capital Levy	0	0	0	0	424	**424**
		Total	**0**	**0**	**0**	**0**	**1,621**	**1,621**
	PRKCP Neighborhood Parks Capital Infrastructure	Park Capital Levy	1,699	1,481	1,419	1,100	1,050	**6,749**
		Total	**1,699**	**1,481**	**1,419**	**1,100**	**1,050**	**6,749**
	PRKDT Diseased Tree Removal	Special Assessments	0	300	300	300	300	**1,200**
		Total	**0**	**300**	**300**	**300**	**300**	**1,200**
	Total for Park Board		**5,010**	**6,093**	**5,557**	**4,150**	**7,150**	**27,960**
PUBLIC WORKS DEPARTMENT	**STREET PAVING**	**PV001 Parkway Paving Program**	Net Debt Bonds	700	700	700	700	700	**3,500**
			Special Assessments	50	50	50	50	50	**250**

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Capital Budget Detail for Funded Projects
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			Budget in Thousands	2015	2016	2017	2018	2019	Total
PUBLIC WORKS DEPARTMENT	**STREET PAVING**	**PV001 Parkway Paving Program**	Other Local Governments	879	0	121	0	1,000	**2,000**
			Total	**1,629**	**750**	**871**	**750**	**1,750**	**5,750**
		PV006 Alley Renovation Program	Net Debt Bonds	200	200	200	200	200	**1,000**
			Special Assessments	50	50	50	50	50	**250**
			Total	**250**	**250**	**250**	**250**	**250**	**1,250**
		PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Net Debt Bonds	0	150	150	0	0	**300**
			Municipal State Aid	0	945	940	0	0	**1,885**
			Special Assessments	0	165	270	0	0	**435**
			Stormwater Revenue	0	25	25	0	0	**50**
			Water Revenue	0	55	60	0	0	**115**
			State Government Grants	0	1,120	0	0	0	**1,120**
			Total	**0**	**2,460**	**1,445**	**0**	**0**	**3,905**
		PV027 Hennepin/Lyndale	Net Debt Bonds	1,085	625	0	0	0	**1,710**
			Municipal State Aid	2,470	2,470	0	0	0	**4,940**
			Special Assessments	195	195	0	0	0	**390**
			Stormwater Revenue	250	0	0	0	0	**250**
			Federal Government Grants	7,295	0	0	0	0	**7,295**
			Total	**11,295**	**3,290**	**0**	**0**	**0**	**14,585**
		PV054 8th St S (Hennepin Ave to Chicago Ave)	Net Debt Bonds	0	0	0	0	7,760	**7,760**
			Special Assessments	0	0	0	0	1,040	**1,040**
			Total	**0**	**0**	**0**	**0**	**8,800**	**8,800**
		PV056 Asphalt Pavement Resurfacing Program	Net Debt Bonds	500	500	500	500	500	**2,500**
			Municipal State Aid	500	500	500	500	500	**2,500**
			Special Assessments	4,000	4,000	4,000	4,000	4,000	**20,000**
			Total	**5,000**	**5,000**	**5,000**	**5,000**	**5,000**	**25,000**
		PV059 Major Pavement Maintenance Program	Net Debt Bonds	250	250	250	250	250	**1,250**
			Total	**250**	**250**	**250**	**250**	**250**	**1,250**
		PV061 High Volume Corridor Reconditioning Program	Net Debt Bonds	1,455	500	500	500	500	**3,455**
			Municipal State Aid	500	500	500	500	500	**2,500**
			Special Assessments	965	500	500	500	500	**2,965**
			Total	**2,920**	**1,500**	**1,500**	**1,500**	**1,500**	**8,920**
		PV063 Unpaved Alley Construction	Net Debt Bonds	150	150	150	150	150	**750**
			Special Assessments	50	50	50	50	50	**250**
			Total	**200**	**200**	**200**	**200**	**200**	**1,000**
		PV068 LaSalle Ave (Grant to 8th)	Net Debt Bonds	805	0	0	0	0	**805**
			Total	**805**	**0**	**0**	**0**	**0**	**805**
		PV070 Riverside Extension - 4th St/15th Ave	Net Debt Bonds	500	0	0	0	0	**500**
			Total	**500**	**0**	**0**	**0**	**0**	**500**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT

		Budget in Thousands	2015	2016	2017	2018	2019	Total
STREET PAVING	PV072 Pedestrian Improvement Project	Net Debt Bonds	0	175	170	0	0	**345**
		Municipal State Aid	0	170	170	0	0	**340**
		Federal Government Grants	0	1,120	0	0	0	**1,120**
		Total	**0**	**1,465**	**340**	**0**	**0**	**1,805**
	PV073 26th Ave N (W Broadway to Lyndale Ave N)	Net Debt Bonds	5,245	0	0	0	0	**5,245**
		Municipal State Aid	2,555	305	0	0	0	**2,860**
		Special Assessments	695	695	0	0	0	**1,390**
		Stormwater Revenue	35	35	0	0	0	**70**
		Water Revenue	200	200	0	0	0	**400**
		Total	**8,730**	**1,235**	**0**	**0**	**0**	**9,965**
	PV074 CSAH & MnDOT Cooperative Projects	Net Debt Bonds	350	3,040	2,490	3,570	750	**10,200**
		Special Assessments	3,170	750	0	0	750	**4,670**
		Sanitary Revenue	225	0	0	0	0	**225**
		Stormwater Revenue	750	0	0	0	0	**750**
		Total	**4,495**	**3,790**	**2,490**	**3,570**	**1,500**	**15,845**
	PV076 38th St E (Hiawatha to Minnehaha)	Net Debt Bonds	0	590	0	0	0	**590**
		Municipal State Aid	0	1,150	0	0	0	**1,150**
		Special Assessments	0	110	0	0	0	**110**
		Stormwater Revenue	0	100	0	0	0	**100**
		Water Revenue	0	100	0	0	0	**100**
		Total	**0**	**2,050**	**0**	**0**	**0**	**2,050**
	PV080 18th Ave NE (Monroe to Johnson St NE)	Net Debt Bonds	0	0	670	215	0	**885**
		Municipal State Aid	0	0	1,915	2,300	0	**4,215**
		Special Assessments	0	0	705	710	0	**1,415**
		Stormwater Revenue	0	0	25	25	0	**50**
		Water Revenue	0	0	85	85	0	**170**
		Other Local Governments	0	0	2,000	0	0	**2,000**
		Total	**0**	**0**	**5,400**	**3,335**	**0**	**8,735**
	PV083 Minnehaha Ave (24th to 26th St E)	Net Debt Bonds	335	0	0	0	0	**335**
		Municipal State Aid	1,415	0	0	0	0	**1,415**
		Special Assessments	955	0	0	0	0	**955**
		Stormwater Revenue	120	0	0	0	0	**120**
		Water Revenue	95	0	0	0	0	**95**
		Total	**2,920**	**0**	**0**	**0**	**0**	**2,920**
	PV084 54th St W (Penn to Lyndale Ave S)	Net Debt Bonds	0	395	475	0	0	**870**
		Municipal State Aid	0	1,975	3,325	0	0	**5,300**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT

		Budget in Thousands	2015	2016	2017	2018	2019	Total
STREET PAVING	**PV084 54th St W (Penn to Lyndale Ave S)**	Special Assessments	0	0	1,520	0	0	**1,520**
		Stormwater Revenue	0	200	200	0	0	**400**
		Water Revenue	0	15	0	0	0	**15**
		Total	**0**	**2,585**	**5,520**	**0**	**0**	**8,105**
	PV085 Nicollet Mall Reconstruction Project	Other Miscellaneous Revenues	3,500	0	0	0	0	**3,500**
		Total	**3,500**	**0**	**0**	**0**	**0**	**3,500**
	PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	Net Debt Bonds	815	0	0	0	0	**815**
		Municipal State Aid	530	0	0	0	0	**530**
		Total	**1,345**	**0**	**0**	**0**	**0**	**1,345**
	PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Net Debt Bonds	0	0	0	1,285	0	**1,285**
		Special Assessments	0	0	0	320	0	**320**
		Total	**0**	**0**	**0**	**1,605**	**0**	**1,605**
	PV094 4th St SE (25th to 29th Ave SE)	Net Debt Bonds	0	0	1,395	0	0	**1,395**
		Special Assessments	0	0	535	0	0	**535**
		Stormwater Revenue	0	0	80	0	0	**80**
		Total	**0**	**0**	**2,010**	**0**	**0**	**2,010**
	PV095 4th St N & S (2nd Ave N to 4th Ave S)	Net Debt Bonds	0	0	0	2,195	0	**2,195**
		Municipal State Aid	0	0	0	775	0	**775**
		Special Assessments	0	0	0	260	0	**260**
		Total	**0**	**0**	**0**	**3,230**	**0**	**3,230**
	PV096 42nd Ave N (Xerxes to Lyndale Ave N)	Net Debt Bonds	0	0	0	640	810	**1,450**
		Municipal State Aid	0	0	0	2,785	4,895	**7,680**
		Special Assessments	0	0	0	1,435	1,440	**2,875**
		Stormwater Revenue	0	0	0	125	125	**250**
		Water Revenue	0	0	0	185	185	**370**
		Total	**0**	**0**	**0**	**5,170**	**7,455**	**12,625**
	PV097 18th Ave NE Trail Gap	Net Debt Bonds	0	0	0	300	0	**300**
		Total	**0**	**0**	**0**	**300**	**0**	**300**
	PV098 Hiawatha Trail Gap (28th to 32nd St E)	Net Debt Bonds	0	0	0	500	0	**500**
		Total	**0**	**0**	**0**	**500**	**0**	**500**
	PV099 26th & 28th St Buffered Bike Lanes (Hia to 35W)	Net Debt Bonds	200	0	0	0	0	**200**
		Total	**200**	**0**	**0**	**0**	**0**	**200**
	PV101 29th St W Pedestrian Connection	Net Debt Bonds	350	0	0	0	0	**350**
		Total	**350**	**0**	**0**	**0**	**0**	**350**
	PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	Net Debt Bonds	0	0	0	0	500	**500**
		Total	**0**	**0**	**0**	**0**	**500**	**500**
	PV104 ADA Ramp Replacement Program	Net Debt Bonds	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**
	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**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT

		Budget in Thousands	2015	2016	2017	2018	2019	Total
STREET PAVING	**Total for STREET PAVING**		**48,889**	**29,325**	**29,776**	**30,160**	**31,705**	**169,855**
SIDEWALKS	**SWK01 Defective Hazardous Sidewalks**	Net Debt Bonds	305	315	325	335	345	**1,625**
		Special Assessments	3,215	3,360	3,505	3,650	3,795	**17,525**
		Total	**3,520**	**3,675**	**3,830**	**3,985**	**4,140**	**19,150**
	Total for SIDEWALKS		**3,520**	**3,675**	**3,830**	**3,985**	**4,140**	**19,150**
BRIDGES	**BR101 Major Bridge Repair and Rehabilitation**	Net Debt Bonds	500	400	400	400	400	**2,100**
		Total	**500**	**400**	**400**	**400**	**400**	**2,100**
	BR106 1st Ave S over HCRRA	Net Debt Bonds	0	0	0	3,220	0	**3,220**
		Municipal State Aid	0	0	0	1,315	0	**1,315**
		Total	**0**	**0**	**0**	**4,535**	**0**	**4,535**
	BR117 1st St N Bridge over Bassett's Creek	Stormwater Revenue	0	0	0	1,915	0	**1,915**
		Total	**0**	**0**	**0**	**1,915**	**0**	**1,915**
	BR123 28th Ave S over Minnehaha Creek	Net Debt Bonds	0	0	1,885	0	0	**1,885**
		Municipal State Aid	0	0	765	0	0	**765**
		Total	**0**	**0**	**2,650**	**0**	**0**	**2,650**
	BR126 40th St Pedestrian & Bicycle Bridge over 35W	Net Debt Bonds	0	1,515	0	0	0	**1,515**
		Other Local Governments	0	1,000	0	0	0	**1,000**
		Total	**0**	**2,515**	**0**	**0**	**0**	**2,515**
	BR127 Nicollet Ave over Minnehaha Creek	Net Debt Bonds	0	0	0	0	4,745	**4,745**
		Municipal State Aid	0	0	0	0	1,750	**1,750**
		Total	**0**	**0**	**0**	**0**	**6,495**	**6,495**
	BR130 7th St Ramp Bridge over 35W	Net Debt Bonds	3,000	0	0	0	0	**3,000**
		Municipal State Aid	710	0	0	0	0	**710**
		State Government Grants	6,790	0	0	0	0	**6,790**
		Total	**10,500**	**0**	**0**	**0**	**0**	**10,500**
	Total for BRIDGES		**11,000**	**2,915**	**3,050**	**6,850**	**6,895**	**30,710**
TRAFFIC CONTROL & STREET LIGHTING	**TR008 Parkway Street Light Replacement**	Net Debt Bonds	350	350	310	270	350	**1,630**
		Park Capital Levy	0	0	62	531	331	**924**
		Total	**350**	**350**	**372**	**801**	**681**	**2,554**
	TR010 Traffic Management Systems	Net Debt Bonds	400	400	30	35	165	**1,030**
		Municipal State Aid	400	400	305	110	500	**1,715**
		Federal Government Grants	2,360	0	0	0	0	**2,360**
		Hennepin County Grants	250	250	100	205	635	**1,440**
		Total	**3,410**	**1,050**	**435**	**350**	**1,300**	**6,545**
	TR011 City Street Light Renovation	Net Debt Bonds	550	550	445	625	1,000	**3,170**
		Total	**550**	**550**	**445**	**625**	**1,000**	**3,170**
	TR021 Traffic Signals	Net Debt Bonds	1,625	1,725	1,335	1,340	1,500	**7,525**
		Municipal State Aid	175	125	110	110	125	**645**
		Hennepin County Grants	125	125	125	125	125	**625**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

			Budget in Thousands	2015	2016	2017	2018	2019	Total
PUBLIC WORKS DEPARTMENT	**TRAFFIC CONTROL & STREET LIGHTING**	**TR021 Traffic Signals**	**Total**	**1,925**	**1,975**	**1,570**	**1,575**	**1,750**	**8,795**
		TR022 Traffic Safety Improvements	Net Debt Bonds	310	345	265	450	545	**1,915**
			Municipal State Aid	150	55	0	30	125	**360**
			Federal Government Grants	885	650	0	0	0	**1,535**
			Hennepin County Grants	95	0	0	65	0	**160**
			Total	**1,440**	**1,050**	**265**	**545**	**670**	**3,970**
		TR024 Pedestrian Level Lighting Program	Net Debt Bonds	500	500	445	450	500	**2,395**
			Total	**500**	**500**	**445**	**450**	**500**	**2,395**
		TR025 Sign Replacement Program	Net Debt Bonds	590	590	525	0	0	**1,705**
			Municipal State Aid	305	305	270	0	0	**880**
			Total	**895**	**895**	**795**	**0**	**0**	**2,585**
		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		**9,670**	**6,970**	**4,927**	**4,946**	**6,501**	**33,014**
	BIKE TRAILS	**BIK28 Protected Bikeways Program**	Net Debt Bonds	790	760	0	0	0	**1,550**
			Total	**790**	**760**	**0**	**0**	**0**	**1,550**
		Total for BIKE TRAILS		**790**	**760**	**0**	**0**	**0**	**1,550**
	SANITARY SEWERS	**SA001 Sanitary Tunnel & Sewer Rehabilitation Program**	Sanitary Bonds	4,200	3,750	3,750	3,750	3,750	**19,200**
			Total	**4,200**	**3,750**	**3,750**	**3,750**	**3,750**	**19,200**
		SA036 Infiltration & Inflow Removal Program	Sanitary Bonds	1,000	1,500	1,500	1,500	1,500	**7,000**
			Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	**5,000**
			Total	**2,000**	**2,500**	**2,500**	**2,500**	**2,500**	**12,000**
		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		**7,200**	**7,250**	**7,250**	**7,250**	**7,250**	**36,200**
	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	0	2,000	0	6,000	5,500	**13,500**
			Stormwater Revenue	0	1,500	4,500	1,500	0	**7,500**
			Total	**0**	**3,500**	**4,500**	**7,500**	**5,500**	**21,000**
		SW018 Flood Area 29 & 30 - Fulton Neighborhood	Stormwater Bonds	0	900	0	0	0	**900**
			Stormwater Revenue	0	0	1,055	0	0	**1,055**
			Other Local Governments	0	2,388	5,525	0	0	**7,913**
			Total	**0**	**3,288**	**6,580**	**0**	**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	280	0	0	0	0	**280**
			Other Local Governments	2,735	0	0	0	0	**2,735**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

			Budget in Thousands	2015	2016	2017	2018	2019	Total
PUBLIC WORKS DEPARTMENT	STORM SEWERS	SW033 Flood Area 22 - Sibley Field	Total	3,015	0	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	3,000	3,000	3,000	3,000	3,000	15,000
			Total	3,000	3,000	3,000	3,000	3,000	15,000
		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		9,765	18,378	17,830	14,250	13,250	73,473
	WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	Water Revenue	6,200	6,300	6,400	6,500	6,600	32,000
			Total	6,200	6,300	6,400	6,500	6,600	32,000
		WTR23 Treatment Infrastructure Improvements	Water Revenue	3,000	3,000	3,000	4,000	5,000	18,000
			Total	3,000	3,000	3,000	4,000	5,000	18,000
		WTR24 Fridley Filter Plant Rehabilitation	Water Bonds	8,000	9,000	8,000	8,000	0	33,000
			Total	8,000	9,000	8,000	8,000	0	33,000
		WTR25 Ground Water Supply	Water Revenue	500	1,000	1,500	1,500	2,000	6,500
			Total	500	1,000	1,500	1,500	2,000	6,500
		WTR26 Recarbonation System Replacement	Water Bonds	1,000	0	1,000	0	0	2,000
			Water Revenue	1,500	1,500	1,000	0	0	4,000
			Total	2,500	1,500	2,000	0	0	6,000
		WTR27 Meter Replacement Program	Water Bonds	0	0	0	0	5,000	5,000
			Water Revenue	0	0	0	100	0	100
			Total	0	0	0	100	5,000	5,100
		WTR28 Ultrafiltration Module Replacement	Water Revenue	0	0	0	10,300	0	10,300
			Total	0	0	0	10,300	0	10,300
		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		22,200	22,800	22,900	32,400	20,600	120,900
INFORMATION TECHNOLOGY		IT003 Enterprise Content Management	Net Debt Bonds	0	300	300	150	300	1,050
			Total	0	300	300	150	300	1,050
		IT004 Enterprise Infrastructure Modernization	Net Debt Bonds	850	750	750	300	750	3,400
			Total	850	750	750	300	750	3,400
		IT033 Police Report Management System Upgrade	Net Debt Bonds	2,000	1,900	100	0	0	4,000
			Total	2,000	1,900	100	0	0	4,000
		Total for Information Technology		2,850	2,950	1,150	450	1,050	8,450
PUBLIC GROUNDS & FACILITIES		FIR11 New Fire Station No. 11	Net Debt Bonds	465	1,910	3,350			5,725
			Total	465	1,910	3,350			5,725
		FIR12 Fire Station No. 1 Renovation & Expansion	Net Debt Bonds	500	3,000	3,000			6,500
			Total	500	3,000	3,000			6,500
		MPD03 Hamilton School Acquisition & Facility Improvement	Net Debt Bonds	2,000	1,000				3,000
			Total	2,000	1,000				3,000

Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2015	2016	2017	2018	2019	Total
PUBLIC GROUNDS & FACILITIES	**PSD01 Facilities - Repair and Improvements**	Net Debt Bonds	1,200					**1,200**
		Total	**1,200**					**1,200**
	PSD03 Facilities - Space Improvements	Net Debt Bonds	750					**750**
		Total	**750**					**750**
	PSD11 Energy Conservation and Emission Reduction	Net Debt Bonds	500					**500**
		Total	**500**					**500**
	PSD15 Traffic Maintenance Facility Improvement	Net Debt Bonds			2,000			**2,000**
		Total			**2,000**			**2,000**
	PSD17 New Solid Waste & Recycling Facility	Solid Waste Bonds	3,000	750	350			**4,100**
		Total	**3,000**	**750**	**350**			**4,100**
	Total for Public Grounds & Facilities		**8,415**	**6,660**	**8,700**			**23,775**
MISCELLANEOUS PROJECTS	**91101 911 Telephone System Replacement**	Net Debt Bonds	135	0	0	0	0	**135**
		Total	**135**	**0**	**0**	**0**	**0**	**135**
	ART01 Art in Public Places	Net Debt Bonds	0	405	425	465	640	**1,935**
		Total	**0**	**405**	**425**	**465**	**640**	**1,935**
	RAD01 Public Safety Radio System Replacement	Net Debt Bonds	1,700	0	0	6,000	0	**7,700**
		Total	**1,700**	**0**	**0**	**6,000**	**0**	**7,700**
	Total for Miscellaneous Projects		**1,835**	**405**	**425**	**6,465**	**640**	**9,770**
Grand Total			**132,844**	**110,231**	**109,720**	**117,336**	**102,636**	**572,767**

Council Adopted Utility Rates

Supporting 2015 - 2019 Enterprise Operations, Capital Programs & Debt Repayment

Stormwater Rates

2014 Council Adopted Stormwater Rates

Effective Date	Increase	Total Rate*	% Change
01/01/14	0.120	11.94	**1.0%**
01/01/15	0.120	12.06	**1.0%**
01/01/16	0.120	12.18	**1.0%**
01/01/17	0.120	12.30	**1.0%**
01/01/18	0.220	12.52	**1.8%**

2015 Council Adopted Stormwater Rates

Effective Date	Increase	Total Rate*	% Change
01/01/14		11.94	
01/01/15	0.000	11.94	**0.0%**
01/01/16	0.000	11.94	**0.0%**
01/01/17	0.000	11.94	**0.0%**
01/01/18	0.000	11.94	**0.0%**
01/01/19	0.000	11.94	**0.0%**

* Expressed in $/Equivalent Stormwater Unit (ESU) where 1 ESU = 1,530 square feet of impervious (hard surface) area.

Sanitary Sewer Rates

2014 Council Adopted Sanitary Sewer Rates

Effective Date	Increase	Total Rate**	% Change
01/01/14	0.000	3.14	**0.0%**
01/01/15	0.070	3.21	**2.2%**
01/01/16	0.070	3.28	**2.2%**
01/01/17	0.070	3.35	**2.1%**
01/01/18	0.070	3.42	**2.1%**

2015 Council Adopted Sanitary Sewer Rates

Effective Date	Increase	Total Rate**	% Change
01/01/14		3.14	
01/01/15	0.070	3.21	**2.2%**
01/01/16	0.050	3.26	**1.6%**
01/01/17	0.050	3.31	**1.5%**
01/01/18	0.070	3.38	**2.1%**
01/01/19	0.070	3.45	**2.1%**

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 2015 monthly fixed charge will increase from $3.40 to $3.80 for a 5/8 inch meter and from $1,122 to $1,254 for a 12 inch meter. Similar fixed charge increases are projected for 2016 - 2019 also. Beginning in 2019, the fixed charge will range from $5.40 for a 5/8 inch meter to $1,782 per month for a 12 inch meter.

Water Rates

2014 Council Adopted Water Rates

Effective Date	Increase	Total Rate**	% Change
01/01/14	0.030	3.32	**0.9%**
01/01/15	0.050	3.37	**1.5%**
01/01/16	0.050	3.42	**1.5%**
01/01/17	0.050	3.47	**1.5%**
01/01/18	0.050	3.52	**1.4%**

2015 Council Adopted Water Rates

Effective Date	Increase	Total Rate**	% Change
01/01/14		3.32	
01/01/15	0.050	3.37	**1.5%**
01/01/16	0.050	3.42	**1.5%**
01/01/17	0.050	3.47	**1.5%**
01/01/18	0.050	3.52	**1.4%**
01/01/19	0.050	3.57	**1.4%**

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 2015 monthly fixed charge will increase from $2.50 to $3.00 for a 5/8 inch meter and from $825 to $990 for a 12 inch meter. Similar fixed charge increases are projected for 2016 - 2019 also. Beginning in 2019, the fixed charge will range from $5.00 for a 5/8 inch meter to $1,650 per month for a 12 inch meter.

** Sanitary Sewer and Water Rates are expressed in $/100 Cubic Feet of Water Consumption

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 2015, at $3.37/100 cu ft, an 8 ounce glass of water costs roughly 1/36th of a cent/glass.
For 2015, at a combined $6.58/100 cu ft for sewer and water fees, it costs about 1.4 cents to flush a 1.6 gallon toilet.

2015 - 2019 Capital Program Descriptions

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.

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 locations around the building that have been in place for nearly 40 years. It also addresses masonry issues at various locations around the exterior perimeter and at the interior court and repairing or replacing exterior windows.

PARK BOARD

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 Service Area Improvement Program

Capital improvements to service areas throughout Minneapolis.

PRK31 Bossen Park Field Improvements

Renovation and possible redesign for ball diamonds and soccer fields at Bossen Park.

PRK33 Bryn Mawr Meadows Field Improvements

Renovation and possible redesign for athletic fields at Bryn Mawr Meadows.

PRKCP Neighborhood Parks Capital Infrastructure

ADA improvements, artificial turf, grant match, sidewalk replacement and Riverfront / Grand Rounds Missing Link development.

PRKDT Diseased Tree Removal

Removing diseased trees from private property.

2015 - 2019 Capital Program Descriptions

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 will renovate rather than totally reconstruct the roadways.

PV006 Alley Renovation Program

Repair and overlay existing alleys and repair or replace retaining walls that are currently in poor condition.

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.

PV054 8th St S (Hennepin Ave to Chicago Ave)

Reconstruction of existing roadway.

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.

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.

PV068 LaSalle Ave (Grant to 8th)

Reconstruction of existing roadway.

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 Streets.

PV073 26th Ave N (W Broadway to Lyndale Ave N)

This project will reconstruct the existing roadway with the addition of an 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.

2015 - 2019 Capital Program Descriptions

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.

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 Reconstruction Project

This project will replace all infrastructure elements from building face to building face along the one mile stretch of Nicollet Mall in the heart of downtown Minneapolis. Funding for the City's share of this project was made available from the closeout of several capital projects at the end of 2014. The appropriation of these excess resources is included in the 2015 budget.

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.

PV094 4th St SE (25th to 29th Ave SE)

Reconstruct existing concrete roadway.

PV095 4th St N & S (2nd Ave N to 4th Ave S)

Reconstruction of existing roadway.

PV096 42nd Ave N (Xerxes to Lyndale Ave N)

Reconstruction of existing roadway.

PV097 18th Ave NE Trail Gap

Complete existing facility from 6th St NE to Washington St NE.

PV098 Hiawatha Trail Gap (28th to 32nd St E)

Extend existing trail to fill gap along LRT/Hiawatha Corridor.

PV099 26th & 28th St Buffered Bike Lanes (Hia to 35W)

Add protected bike facilities in coordination with mill & overlay project.

PV101 29th St W Pedestrian Connection

Construct new pedestrian connection on the N side of 29th St W from Dupont Ave S to Lyndale Ave S.

2015 - 2019 Capital Program Descriptions

PV103 61st St W (Lyndale Ave S to Nicollet Ave S)

Reconstruct existing street.

PV104 ADA Ramp Replacement Program

Replace pedestrian ramps to meet new standards set by the Americans with Disabilities Act.

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.

BR117 1st St N Bridge over Bassett's Creek

Reconstruction of a structurally deficient bridge.

BR123 28th Ave S over Minnehaha Creek

Replace existing Bridge over Minnehaha Creek.

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.

BR130 7th St Ramp Bridge over 35W

Construct new ramp from I-94 to 7th St S into downtown.

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 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.

2015 - 2019 Capital Program Descriptions

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.

TR024 Pedestrian Level Lighting Program

Construct pedestrian level lighting on various pedestrian corridors throughout the City.

TR025 Sign Replacement Program

Replace deficient signs with new signs that meet current reflectivity standards.

TR99R Reimbursable Transportation Projects

Work for others funding to be reimbursed by department, business or individuals requesting the work.

BIK28 Protected Bikeways Program

This project will begin a program to create a network of bikeways which provide bikers with a physical means of protection from motor vehicles on roadways as recommended in the Bicycle Master Plan. For 2016, these funds may be a source of funding for the Northside Greenway, which is a project being considered to serve residents in North Minneapolis.

SA001 Sanitary Tunnel & Sewer Rehabilitation Program

This program will rehabilitate and repair sanitary sewer pipes, lift stations & tunnels.

SA036 Infiltration & Inflow Removal Program

The focus of this program is to remove inflow and infiltration of water 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.

2015 - 2019 Capital Program Descriptions

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 combined sewer overflow 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 Distribution 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.

WTR25 Ground Water Supply

Construction of alternative water source using wells.

WTR26 Recarbonation System Replacement

Replace carbon dioxide storage and feed system.

WTR27 Meter Replacement Program

Implementation of Advanced Metering Infrastructure.

WTR28 Ultrafiltration Module Replacement

Replace membrane modules in Ultrafiltration plant.

WTR9R Reimbursable Watermain Projects

This project provides working capital for watermain projects that are reimbursable by other City Departments or private businesses.

2015 - 2019 Capital Program Descriptions

INFORMATION TECHNOLOGY

IT003 Enterprise Content Management

This project is a continuation of the commitment to Enterprise Document Management started in 2007.

IT004 Enterprise Infrastructure Modernization

This project will refresh failing and end-of-life technology, while increasing capacity of resource-constrained technology.

IT031 Geographical Information System (GIS)

This project is a continuation of the City's commitment to GIS. The focus is on delivery of applications, data, and integration with City systems.

IT033 Police Report Management System Upgrade

The Minneapolis Police Department uses a custom built police report management system (RMS) called CAPRS (Computer Assisted Police Reporting System).

PUBLIC GROUNDS & FACILITIES

FIR11 New Fire Station No. 11

Planning, design, and construction of a new Fire Station #11 at an existing City-owned site.

FIR12 Fire Station No. 1 Renovation & Expansion

The project would plan, design, renovate and expand the current Fire Station #1 at its current location.

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 58 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.

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 and to bring the building into compliance for the American with Disabilities Act (ADA).

PSD16 Farmer's Market Improvements

This project will provide for the long term capital improvement plan for the Farmer's Market site and facilities.

PSD17 New Solid Waste & Recycling Facility

The project will design and construct a new facility (on a new site) for the long term operational needs of the Solid Waste and Recycling division of Public Works.

2015 - 2019 Capital Program Descriptions

MISCELLANEOUS PROJECTS

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.

RAD01 Public Safety Radio System Replacement

Replace hardware and update infrastructure of the ARMER interoperable radio system.

Operating Cost Implications for Approved 2015 Projects

91101 911 Telephone System Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

BIK28 Protected Bikeways Program

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 2,000

Year Increase/(Decrease)Takes effect: 2019

Describe Operating Cost Impacts and How Increases Will Be Funded:

BR101 Major Bridge Repair and Rehabilitation

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -20,000

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Cost impacts represent an analysis of "Routine Bridge Maintenance" expenses.

BR130 7th St Ramp Bridge over 35W

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:

This bridge will ultimately be owned and maintained by MnDOT.

FIR11 New Fire Station No. 11

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 20,000

Year Increase/(Decrease)Takes effect: 2018

Describe Operating Cost Impacts and How Increases Will Be Funded:

Newly constructed fire stations have more complex mechanical, electrical, and life-safety systems than the buildings they replace. The advantage is that the systems provide for a healthier and safer environment for the firefighters. Although the systems are more energy efficient (approximately 30%) the savings are offset by bringing more fresh air, exhausting harmful pollutants, and controlling temperature and humidity with more precision. Similarly, the maintenance savings of having new systems is offset by having more systems to maintain. The stations will be designed to be more efficient and effective to clean on a daily basis. The Firefighters self-perform the cleaning of the station therefore there will not be any financial offset.

The end result is there will not be any operational savings with the new building. It is anticipated that the costs may actually be $20,000 a year higher based on comparative stations. The average maintenance costs (3-year average)(2011- 2013) for the current Fire Station #11 was $52,468 and the average maintenance costs for the newly constructed FS #14 for the same period of time was $83,435. Energy costs in 2013 for FS#11 were $22,213 ($1.57 per square foot) and were $24,753 ($1.73 per square foot) for Fire Station #14.

Operating Cost Implications for Approved 2015 Projects

IT004 Enterprise Infrastructure Modernization

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 200,000

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating costs for software licensing and managed security services will be added for the new network security assets that will be implemented with 2015 funds. Network equipment refresh and telephony upgrades are not expected to increase operating costs. Increased operating costs generated by improved solutions will be added to the enterprise allocation model that supports IT services.

IT033 Police Report Management System Upgrade

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 300,000

Year Increase/(Decrease)Takes effect: 2017

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 and software expense is based on multiple vendor demonstrations with cost evaluations including licensing expenses and ongoing support based on a known number of users. Our expected first year of ongoing costs will start in 2016.

MBC01 Life Safety 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:

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: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -160,000

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Installation of four energy wheels have been completed or are in construction 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 the 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.

Operating Cost Implications for Approved 2015 Projects

MBC04 MBC Elevators

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 will be slightly reduced upon completion of the project. It is projected that elevator maintenance bids will be reduced slightly when elevator equipment is upgraded. There will be a slight reduction in energy consumption when the inefficient direct current equipment on the freight elevator is replaced. Please also note the discussion in Additional Supplemental Information.

MPD03 Hamilton School Acquisition & Facility Improvement

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -162,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Expenses will decrease annually through the reduction of rent in the amount of $156,000 and utilities in the amount of $12,000, for a total of $162,000 annual cost savings. The current electric and natural gas costs for the building were $79,423 for 2013. It is anticipated that with capital investment in new building systems that the costs will decrease by 15% per year.

For the most part, daily maintenance is addressed by City staff, as City expense. Break and fix maintenance is extremely high for the facility due to lack of capital investment, which is not in the best interest of City taxpayers (regardless of ownership) (City or Schools).
Current expenditures for maintenance have not kept pace with need. Therefore it is anticipated operating costs will increase significantly without capital investment in the near future.

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 mechanical systems. 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: 2017

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 field at Rev. Dr. Martin Luther King Jr Park. Costs are associated with irrigation, aeration and fertilization of the turf.

Operating Cost Implications for Approved 2015 Projects

PRK31 Bossen Park Field 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:

This is based on costs of maintaining other upgraded neighborhood park fields, such as the field at Rev. Dr. Martin Luther King Jr Park. Costs are associated with irrigation, aeration and fertilization of the turf.

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, operational facilities rehabilitation, synthetic turf rehabilitation, recreation center rehabilitation and neighborhood rehabilitation funds will be a direct replacement and will reduce the need for emergency 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.

ADA improvements will be applied to existing infrastructure and are not expected to increase operating costs.

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 because of annual investment in facilities, which prevent 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 through 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.

Operating Cost Implications for Approved 2015 Projects

PSD03 Facilities - Space Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -180,000

Year Increase/(Decrease)Takes effect: 2015

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 as spaces are renovated. Also by standardizing, the expenses for moves, reconfiguration and ergonomic adjustment have and will continue to decrease. The City has been able to reduce its annual real estate costs by reducing leased space. Previous investment produced annual savings that include: 1)In 2010, $1,000,000 in annual lease costs with the relocation of the City Attorney offices into City Hall, 2) in 2012,the Community Services Building was shuttered resulting in an annual cost savings of $120,000, 3)in January of 2013, an annual reduction of $58,000 in lease costs has been 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.

It is further planned that by the end of 2014, the lease in the Towle Building can been terminated with an additional annual savings of $180,000.

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: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

Energy conservation measures directly reduce operating costs. In some cases, upgrades to building systems will reduce maintenance costs for a period of time.

PV001 Parkway Paving Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -15,000

Year Increase/(Decrease)Takes effect: 2015

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 estimate is approximately $1,500 per mile saved annually on a Parkway/Local roadway.

PV006 Alley Renovation Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -1,380

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

The current street maintenance expenditure is estimated at approximately $1000 per mile for alleys in the City. This program averages 11 alleys renovated per year with an average length of 660 l.f. or approximately 1.38 miles, with an annual savings of $1,380.

Operating Cost Implications for Approved 2015 Projects

PV027 Hennepin/Lyndale

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -4,800

Year Increase/(Decrease)Takes effect: 2015

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 annual street maintenance expenditure is estimated at approximately $6,000 per mile for a commercial/MSA type of roadway.

PV056 Asphalt Pavement Resurfacing Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -50,000

Year Increase/(Decrease)Takes effect: 2015

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 estimate is approximately $2,500 per mile for residential streets. This program attempts to resurface approximately 20 miles per year.

PV059 Major Pavement Maintenance Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -6,000

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating cost impacts are based on historical data from the Transportation Repair and Maintenance Division for this type of work.

PV061 High Volume Corridor Reconditioning Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -22,000

Year Increase/(Decrease)Takes effect: 2015

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 annual street maintenance expenditure is estimated at approximately $6,000 per mile for a commercial/MSA type of roadway.

PV063 Unpaved Alley Construction

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -250

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

The current street maintenance expenditure is estimated at approximately $1000 per mile for alleys in the City. This program averages 2 alleys completed per year with an average length of 660 l.f. or approximately 0.25 miles, the annual savings would be $250 per year.

Operating Cost Implications for Approved 2015 Projects

PV068 LaSalle Ave (Grant to 8th)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -3,000

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 annual street maintenance expenditure is estimated at approximately $6,000 per mile 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: -925

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 annual street maintenance expenditure is estimated at approximately $6,000 per mile for a commercial/MSA type of roadway.

PV073 26th Ave N (W Broadway to Lyndale Ave N)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -7,200

Year Increase/(Decrease)Takes effect: 2015

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 annual street maintenance expenditure is estimated at approximately $6,000 per mile 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:

Describe Operating Cost Impacts and How Increases Will Be Funded:

There will be no relative increase or decrease. 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.

PV083 Minnehaha Ave (24th to 26th St E)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -1,500

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 annual street maintenance expenditure is estimated at approximately $6,000 per mile for a commercial/MSA type of roadway.

Operating Cost Implications for Approved 2015 Projects

PV085 Nicollet Mall Reconstruction Project

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -150,000

Year Increase/(Decrease)Takes effect: 2016

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.

PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -4,800

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 annual street maintenance expenditure is estimated at approximately $6,000 per mile for a commercial/MSA type of roadway.

PV099 26th & 28th St Buffered Bike Lanes (Hia to 35W)

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:

Maintenance costs for protected bikeways will depend on the type of facility installed. Design options are currently being researched as part of the 2014 Bike Plan Amendment.

PV101 29th St W Pedestrian Connection

Existing or New Infrastructure: New

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -650

Year Increase/(Decrease)Takes effect: 2015

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 $2,500 per mile for a local roadway.

PV104 ADA Ramp Replacement 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:

No increase in annual operating costs.

PV99R Reimbursable Paving Projects

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:

Operating Cost Implications for Approved 2015 Projects

RAD01 Public Safety Radio System Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2020

Describe Operating Cost Impacts and How Increases Will Be Funded:

The City purchased the existing system on a 20-year bond issue. The city currently has $4.045 million of debt remaining to retire on the current system. The system is stable and could operate past 2018 before infrastructure change would be necessary, but because of changes to the statewide requirements, a plan must be in place to comply with mandated changes or risk losing interoperability. The workstations must be replaced regardless of system changes since they will reach end of life and they are the first step in the upgrade process.

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: 2015

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 a change in operating costs.

SA99R Reimbursable Sanitary Sewer Projects

Existing or New Infrastructure:

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

SW004 Implementation of US EPA Storm Water Regulations

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:

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. Maintenance costs will be highly dependent on the BMP selected. Many of these BMPs do not have enough data to determine annual maintenance costs. The department is working towards tracking and identifying these costs.

Operating Cost Implications for Approved 2015 Projects

SW005 Combined Sewer Overflow 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:

Operating Costs were determined with past practices, and this work does not result in increased operating costs.

SW033 Flood Area 22 - Sibley Field

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:

Operating Costs have not been determined yet. This work may result in increased operating costs given the potential alternatives including green solutions that require regular maintenance. Until specific alternatives are selected, accurate estimates of the annual operating cost can not be determined.

SW039 Flood Mitigation with Alternative Stormwater Mgmt

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:

This project may increase annual operating and maintenance costs of the Surface Water & Sewers Division of Public Works for maintenance of the BMPs. However, any increase may be offset by a decrease in annual operating and maintenance costs of the same division for addressing localized flooding issues. Any net increase would be paid from the Stormwater Utility enterprise fund.

SW99R Reimbursable Sewer & Storm Drain Projects

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:

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 to use 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 maintenance of the public sidewalks is required by ordinance (City Charter, Chapter 8, Section 12 and 13) to be paid for by the adjacent property owner.

Operating Cost Implications for Approved 2015 Projects

TR008 Parkway Street Light Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -6,000

Year Increase/(Decrease)Takes effect: 2015

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. As LED lights are installed savings of $100 in maintenance and $25 in electricity per fixture can be anticipated.

TR010 Traffic Management Systems

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:

Not Applicable

TR011 City Street Light Renovation

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -7,500

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

What is the estimated annual operating cost increase or (decrease) for this project? ($7,500) plus ($100) per year savings per fixture converted to LED.

TR021 Traffic Signals

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -20,000

Year Increase/(Decrease)Takes effect:

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: 2015

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 55 overhead signal structures proposed for construction from 2015 to 2019. 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.

Operating Cost Implications for Approved 2015 Projects

TR024 Pedestrian Level Lighting Program

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

The electricity usage should be close to even as higher wattage Xcel pole lights are replaced with lower wattage and longer lasting LED lights. It is estimated one wrecked pole per year would need to be replaced at a cost of $3000 based on a 2% probability of a given pole being hit in a year.

TR025 Sign Replacement 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 maintenance costs will be paid through the existing maintenance budget for signage.

TR99R Reimbursable Transportation Projects

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:

WTR12 Water Distribution Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -10,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Reduced maintenance needed for rehabilitated pipes.

WTR23 Treatment Infrastructure 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:

The general plan is for a neutral change or decrease in operating costs. Attempts to improve efficiency are pursued wherever possible.

WTR24 Fridley Filter Plant Rehabilitation

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:

Generally plan for neutral change in operating cost. Attempt to improve efficiency wherever possible.

Operating Cost Implications for Approved 2015 Projects

WTR25 Ground Water Supply

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 50,000

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

There will be increased cost to pump from the ground water and through the piping to the treatment compared with pumping from the river. The pumping equipment, as does all equipment, will require some maintenance labor time. Operational plans have not yet been identified, so costs are not estimated.

WTR26 Recarbonation System Replacement

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 cost will be equal or less than the costs of operating the existing system. Investigations have begun to evaluate the potential for higher efficiency feed systems.

WTR9R Reimbursable Watermain Projects

Existing or New Infrastructure:

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Minneapolis City of Lakes 2015 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
91101 911 Telephone System Replacement	Other Departments	135	135	135	135
ART01 Art in Public Places	CPED	545	545		
BIK28 Protected Bikeways Program	Public Works			790	790
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	500	500	500
BR130 7th St Ramp Bridge over 35W	Public Works	9,790	9,790	10,500	10,500
FIR11 New Fire Station No. 11	Fire Department	465	465	465	465
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	500	500	500	500
IT004 Enterprise Infrastructure Modernization	IT Department	850	850	850	850
IT033 Police Report Management System Upgrade	IT Department	2,000	2,000	2,000	2,000
MBC01 Life Safety Improvements	MBC	200	200	200	200
MBC02 Mechanical Systems Upgrade	MBC	1,000	1,000	1,000	1,000
MBC04 MBC Elevators	MBC	500	500	500	500
MBC09 Critical Power Capital Project	MBC	132	132		
MPD03 Hamilton School Acquisition & Facility Improvement	Police Department	2,000	2,000	2,000	2,000
PRK02 Playground and Site Improvements Program	Park Board	1,550	1,550	1,550	1,230
PRK03 Shelter - Pool - Site Improvements Program	Park Board	500	500	500	841
PRK04 Athletic Fields and Site Improvements Program	Park Board	500	500	500	600
PRK31 Bossen Park Field Improvements	Park Board	950	950	950	640
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,650	1,650	1,650	1,699
PSD01 Facilities - Repair and Improvements	Other Departments			1,200	1,200
PSD03 Facilities - Space Improvements	Other Departments			750	750
PSD11 Energy Conservation and Emission Reduction	Other Departments			500	500
PSD16 Farmer's Market Improvements	Other Departments	50			
PSD17 New Solid Waste & Recycling Facility	Public Works	5,000	3,000	3,000	3,000
PV001 Parkway Paving Program	Public Works	750	750	750	1,629
PV006 Alley Renovation Program	Public Works	250	250	250	250
PV027 Hennepin/Lyndale	Public Works	11,295	11,295	11,295	11,295
PV056 Asphalt Pavement Resurfacing Program	Public Works	5,000	5,000	5,000	5,000
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV061 High Volume Corridor Reconditioning Program	Public Works	2,920	2,920	2,920	2,920
PV063 Unpaved Alley Construction	Public Works	200	200	200	200
PV068 LaSalle Ave (Grant to 8th)	Public Works	805	805	805	805
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	8,730	8,730	8,730	8,730
PV074 CSAH & MnDOT Cooperative Projects	Public Works	4,495	4,495	4,495	4,495
PV083 Minnehaha Ave (24th to 26th St E)	Public Works	2,920	2,920	2,920	2,920
PV085 Nicollet Mall Reconstruction Project	Public Works			3,500	3,500
PV086 26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	Public Works	1,345	1,345	1,345	1,345
PV099 26th & 28th St Buffered Bike Lanes (Hia to 35W)	Public Works	200	200	200	200
PV101 29th St W Pedestrian Connection	Public Works	350	350	350	350
PV104 ADA Ramp Replacement Program	Public Works	1,000	1,000	1,000	1,000
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RAD01 Public Safety Radio System Replacement	Other Departments	1,700	1,700	1,700	1,700
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	4,200	4,200	4,200	4,200
SA036 Infiltration & Inflow Removal Program	Public Works	2,000	2,000	2,000	2,000

2015 Capital Budget Decision Summary

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
SW033 Flood Area 22 - Sibley Field	Public Works	3,015	3,015	3,015	3,015
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	1,130	1,130	1,130	350
TR010 Traffic Management Systems	Public Works	3,410	3,410	3,410	3,410
TR011 City Street Light Renovation	Public Works	550	550	550	550
TR021 Traffic Signals	Public Works	1,925	1,925	1,925	1,925
TR022 Traffic Safety Improvements	Public Works	1,440	1,440	1,440	1,440
TR024 Pedestrian Level Lighting Program	Public Works	500	500	500	500
TR025 Sign Replacement Program	Public Works	895	895	895	895
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,200	6,200	6,200	6,200
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	3,000	3,000	3,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	8,000	8,000	8,000	8,000
WTR25 Ground Water Supply	Other Departments	500	500	500	500
WTR26 Recarbonation System Replacement	Public Works	2,500	2,500	2,500	2,500
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**128,062**	**126,112**	**132,885**	**132,844**

Minneapolis City of Lakes

2016 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	405	405	405	405
BIK28 Protected Bikeways Program	Public Works			760	760
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR126 40th St Pedestrian & Bicycle Bridge over 35W	Public Works	2,515	2,515	2,515	2,515
FIR11 New Fire Station No. 11	Fire Department	1,910	1,910	1,910	1,910
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	3,000	3,000	3,000	3,000
IT003 Enterprise Content Management	IT Department	300	300	300	300
IT004 Enterprise Infrastructure Modernization	IT Department	750	750	750	750
IT031 Geographical Information System (GIS)	IT Department	300			
IT033 Police Report Management System Upgrade	IT Department	1,900	1,900	1,900	1,900
MBC01 Life Safety Improvements	MBC	200	200	200	200
MBC02 Mechanical Systems Upgrade	MBC	425	425	425	425
MBC04 MBC Elevators	MBC	825	825	825	825
MBC09 Critical Power Capital Project	MBC	400	400	400	400
MBC10 Exterior Improvements	MBC	200	200	200	200
MPD03 Hamilton School Acquisition & Facility Improvement	Police Department	1,000	1,000	1,000	1,000
PRK02 Playground and Site Improvements Program	Park Board	300	300	300	662
PRK03 Shelter - Pool - Site Improvements Program	Park Board	500	500	500	738
PRK31 Bossen Park Field Improvements	Park Board	2,900	2,900	2,900	2,912
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,650	1,650	1,650	1,481
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD16 Farmer's Market Improvements	Other Departments	50			
PSD17 New Solid Waste & Recycling Facility	Public Works	20,000	750	750	750
PV001 Parkway Paving Program	Public Works	1,750	1,750	1,750	750
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	2,460	2,460	2,460	2,460
PV027 Hennepin/Lyndale	Public Works	3,290	3,290	3,290	3,290
PV056 Asphalt Pavement Resurfacing Program	Public Works	5,000	5,000	5,000	5,000
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV061 High Volume Corridor Reconditioning Program	Public Works	1,500	1,500	1,500	1,500
PV063 Unpaved Alley Construction	Public Works	200	200	200	200
PV072 Pedestrian Improvement Project	Public Works	1,465	1,465	1,465	1,465
PV073 26th Ave N (W Broadway to Lyndale Ave N)	Public Works	1,235	1,235	1,235	1,235
PV074 CSAH & MnDOT Cooperative Projects	Public Works	3,790	3,790	3,790	3,790
PV076 38th St E (Hiawatha to Minnehaha)	Public Works	2,050	2,050	2,050	2,050
PV084 54th St W (Penn to Lyndale Ave S)	Public Works	2,585	2,585	2,585	2,585
PV104 ADA Ramp Replacement Program	Public Works	1,000	1,000	1,000	1,000
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
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	3,500	3,500	3,500	3,500
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	3,288	3,288	3,288	3,288

Minneapolis
City of Lakes

2016 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
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	3,675	3,675	3,675	3,675
TR008 Parkway Street Light Replacement	Public Works	1,380	1,380	1,380	350
TR010 Traffic Management Systems	Public Works	1,050	1,050	1,050	1,050
TR011 City Street Light Renovation	Public Works	550	550	550	550
TR021 Traffic Signals	Public Works	1,975	1,140	1,975	1,975
TR022 Traffic Safety Improvements	Public Works	1,050	1,050	1,050	1,050
TR024 Pedestrian Level Lighting Program	Public Works	500	500	500	500
TR025 Sign Replacement Program	Public Works	895	895	895	895
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,300	6,300	6,300	6,300
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	3,000	3,000	3,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	9,000	9,000	9,000	9,000
WTR25 Ground Water Supply	Other Departments	1,000	1,000	1,000	1,000
WTR26 Recarbonation System Replacement	Public Works	1,500	1,500	1,500	1,500
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**130,658**	**110,223**	**111,818**	**110,231**

Minneapolis City of Lakes 2017 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	425	425	425	425
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR123 28th Ave S over Minnehaha Creek	Public Works	2,650	2,650	2,650	2,650
FIR11 New Fire Station No. 11	Fire Department	3,350	3,350	3,350	3,350
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	3,000	3,000	3,000	3,000
IT003 Enterprise Content Management	IT Department	300	300	300	300
IT004 Enterprise Infrastructure Modernization	IT Department	750	750	750	750
IT031 Geographical Information System (GIS)	IT Department	300			
IT033 Police Report Management System Upgrade	IT Department	100	100	100	100
MBC01 Life Safety Improvements	MBC	100	100	100	100
MBC02 Mechanical Systems Upgrade	MBC	550	550	550	550
MBC04 MBC Elevators	MBC	450	450	450	450
MBC09 Critical Power Capital Project	MBC	2,000	2,000	2,000	2,000
MBC10 Exterior Improvements	MBC	1,225	1,225	1,225	1,225
PRK02 Playground and Site Improvements Program	Park Board	1,400	1,400	1,400	1,229
PRK03 Shelter - Pool - Site Improvements Program	Park Board	1,000	1,000	1,000	458
PRK04 Athletic Fields and Site Improvements Program	Park Board				700
PRK30 Service Area Improvement Program	Park Board	1,000	1,000	1,000	1,000
PRK31 Bossen Park Field Improvements	Park Board				450
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,650	1,650	1,650	1,419
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD15 Traffic Maintenance Facility Improvement	Other Departments	500	2,000	2,000	2,000
PSD16 Farmer's Market Improvements	Other Departments	500			
PSD17 New Solid Waste & Recycling Facility	Public Works	10,000	350	350	350
PV001 Parkway Paving Program	Public Works	750	750	750	871
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	1,445	1,445	1,445	1,445
PV056 Asphalt Pavement Resurfacing Program	Public Works	5,000	5,000	5,000	5,000
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV061 High Volume Corridor Reconditioning Program	Public Works	1,500	1,500	1,500	1,500
PV063 Unpaved Alley Construction	Public Works	200	200	200	200
PV072 Pedestrian Improvement Project	Public Works	340	340	340	340
PV074 CSAH & MnDOT Cooperative Projects	Public Works	2,490	2,490	2,490	2,490
PV080 18th Ave NE (Monroe to Johnson St NE)	Public Works	5,400	5,400	5,400	5,400
PV084 54th St W (Penn to Lyndale Ave S)	Public Works	5,520	5,520	5,520	5,520
PV094 4th St SE (25th to 29th Ave SE)	Public Works			2,010	2,010
PV104 ADA Ramp Replacement Program	Public Works	1,000	1,000	1,000	1,000
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
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	4,500	4,500	4,500	4,500
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	6,580	6,580	6,580	6,580

2017 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
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	1,340	1,340	1,340	372
TR010 Traffic Management Systems	Public Works	435	435	435	435
TR011 City Street Light Renovation	Public Works	445	445	445	445
TR021 Traffic Signals	Public Works	1,570	1,570	1,570	1,570
TR022 Traffic Safety Improvements	Public Works	265	265	265	265
TR024 Pedestrian Level Lighting Program	Public Works	445	445	445	445
TR025 Sign Replacement Program	Public Works	795	795	795	795
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,400	6,400	6,400	6,400
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	3,000	3,000	3,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	8,000	8,000	8,000	8,000
WTR25 Ground Water Supply	Other Departments	1,500	1,500	1,500	1,500
WTR26 Recarbonation System Replacement	Public Works	2,000	2,000	2,000	2,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**117,300**	**108,350**	**110,360**	**109,720**

Minneapolis City of Lakes 2018 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	465	465	465	465
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR106 1st Ave S over HCRRA	Public Works	4,535	4,535	4,535	4,535
BR117 1st St N Bridge over Bassett's Creek	Public Works	1,915	1,915	1,915	1,915
IT003 Enterprise Content Management	IT Department	300	150	150	150
IT004 Enterprise Infrastructure Modernization	IT Department	850	300	300	300
IT031 Geographical Information System (GIS)	IT Department	200			
MBC01 Life Safety Improvements	MBC	100	100	100	100
MBC02 Mechanical Systems Upgrade	MBC	830	830	830	830
MBC09 Critical Power Capital Project	MBC	1,800	1,800	1,800	1,800
MBC10 Exterior Improvements	MBC	3,700	3,700	3,700	3,700
PRK02 Playground and Site Improvements Program	Park Board	1,100	1,100	1,100	1,555
PRK03 Shelter - Pool - Site Improvements Program	Park Board	500	500	500	695
PRK30 Service Area Improvement Program	Park Board	500	500	500	500
PRK33 Bryn Mawr Meadows Field Improvements	Park Board	2,000			
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,750	1,750	1,750	1,100
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD15 Traffic Maintenance Facility Improvement	Other Departments	2,500			
PSD16 Farmer's Market Improvements	Other Departments	500			
PV001 Parkway Paving Program	Public Works	1,750	1,750	1,750	750
PV006 Alley Renovation Program	Public Works	250	250	250	250
PV056 Asphalt Pavement Resurfacing Program	Public Works	5,000	5,000	5,000	5,000
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV061 High Volume Corridor Reconditioning Program	Public Works	1,500	1,500	1,500	1,500
PV063 Unpaved Alley Construction	Public Works	200	200	200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	3,570	3,570	3,570	3,570
PV080 18th Ave NE (Monroe to Johnson St NE)	Public Works	3,335	3,335	3,335	3,335
PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Public Works	1,605	1,605	1,605	1,605
PV095 4th St N & S (2nd Ave N to 4th Ave S)	Public Works	3,230	3,230	3,230	3,230
PV096 42nd Ave N (Xerxes to Lyndale Ave N)	Public Works	5,170	5,170	5,170	5,170
PV097 18th Ave NE Trail Gap	Public Works	300	300	300	300
PV098 Hiawatha Trail Gap (28th to 32nd St E)	Public Works	500	500	500	500
PV104 ADA Ramp Replacement Program	Public Works	1,000	1,000	1,000	1,000
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RAD01 Public Safety Radio System Replacement	Other Departments	6,000	6,000	6,000	6,000
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	7,500	7,500	7,500	7,500
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	3,985	3,985	3,985	3,985
TR008 Parkway Street Light Replacement	Public Works	1,300	1,300	1,300	801

2018 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
TR010 Traffic Management Systems	Public Works	350	350	350	350
TR011 City Street Light Renovation	Public Works	625	625	625	625
TR021 Traffic Signals	Public Works	1,575	1,575	1,575	1,575
TR022 Traffic Safety Improvements	Public Works	545	545	545	545
TR024 Pedestrian Level Lighting Program	Public Works	450	450	450	450
TR025 Sign Replacement Program	Public Works	805			
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,500	6,500	6,500	6,500
WTR23 Treatment Infrastructure Improvements	Public Works	4,000	4,000	4,000	4,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	8,000	8,000	8,000	8,000
WTR25 Ground Water Supply	Other Departments	1,500	1,500	1,500	1,500
WTR27 Meter Replacement Program	Public Works	100	100	100	100
WTR28 Ultrafiltration Module Replacement	Public Works	10,300	10,300	10,300	10,300
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**125,540**	**118,835**	**118,835**	**117,336**

Minneapolis City of Lakes 2019 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	640	640	640	640
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR127 Nicollet Ave over Minnehaha Creek	Public Works	6,495	6,495	6,495	6,495
IT003 Enterprise Content Management	IT Department	300	300	300	300
IT004 Enterprise Infrastructure Modernization	IT Department	750	750	750	750
IT031 Geographical Information System (GIS)	IT Department	150			
MBC01 Life Safety Improvements	MBC	100	100	100	100
MBC02 Mechanical Systems Upgrade	MBC	930	930	930	930
MBC10 Exterior Improvements	MBC	2,425	2,425	2,425	2,425
PRK02 Playground and Site Improvements Program	Park Board	2,400	2,400	2,400	2,353
PRK03 Shelter - Pool - Site Improvements Program	Park Board	350	350	350	1,826
PRK33 Bryn Mawr Meadows Field Improvements	Park Board	1,050	3,050	3,050	1,621
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,750	1,750	1,750	1,050
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD16 Farmer's Market Improvements	Other Departments	250			
PV001 Parkway Paving Program	Public Works	750	750	750	1,750
PV006 Alley Renovation Program	Public Works	250	250	250	250
PV054 8th St S (Hennepin Ave to Chicago Ave)	Public Works	8,800	8,800	8,800	8,800
PV056 Asphalt Pavement Resurfacing Program	Public Works	5,000	5,000	5,000	5,000
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV061 High Volume Corridor Reconditioning Program	Public Works	1,500	1,500	1,500	1,500
PV063 Unpaved Alley Construction	Public Works	200	200	200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,500	1,500	1,500	1,500
PV094 4th St SE (25th to 29th Ave SE)	Public Works	2,010	175		
PV096 42nd Ave N (Xerxes to Lyndale Ave N)	Public Works	7,455	7,455	7,455	7,455
PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	Public Works	3,220	500	500	500
PV104 ADA Ramp Replacement Program	Public Works	1,000	1,000	1,000	1,000
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
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	5,500	5,500	5,500	5,500
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	4,140	4,140	4,140	4,140
TR008 Parkway Street Light Replacement	Public Works	350	350	350	681
TR010 Traffic Management Systems	Public Works	1,300	1,300	1,300	1,300
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR021 Traffic Signals	Public Works	1,750	1,750	1,750	1,750
TR022 Traffic Safety Improvements	Public Works	670	670	670	670
TR024 Pedestrian Level Lighting Program	Public Works	500	500	500	500
TR025 Sign Replacement Program	Public Works	895			

2019 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,600	6,600	6,600	6,600
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR25 Ground Water Supply	Other Departments	2,000	2,000	2,000	2,000
WTR27 Meter Replacement Program	Public Works	5,000	5,000	5,000	5,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**106,030**	**102,180**	**102,005**	**102,636**

City of Minneapolis
2015 Budget

Independent Boards and Agencies

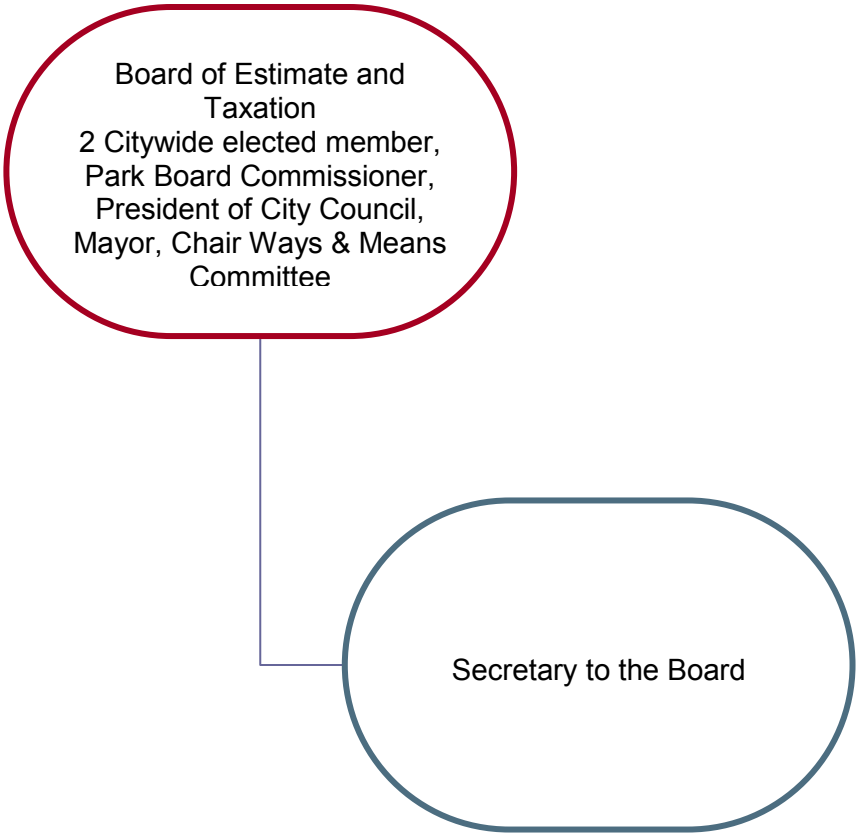
The following board and agency sections include these reports: mission, business line descriptions, performance information, expense information, revenue information, and staffing information.

Board of Estimate and Taxation H2
Municipal Building Commission H7
Minneapolis Public Housing Authority H13
Minneapolis Park and Recreation Board H17
Youth Coordinating Board H23

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 yeas issues General Obligation Bonds of the City of Minneapolis used to support the Capital Program, the exception is for Tax Increment Bonds which are issued by the City Council.



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

FINANCIAL ANALYSIS

Expenditure
The 2014 full expense budget for BET is $187,500, a 4.3 percent increase from 2014. Personnel related costs make up 85 percent of the budget, with contractual expenses and operating expense making up the remaining 15 percent.

Revenue
The revenue budget is $183,500, an increase of 10.1 percent from the 2014 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

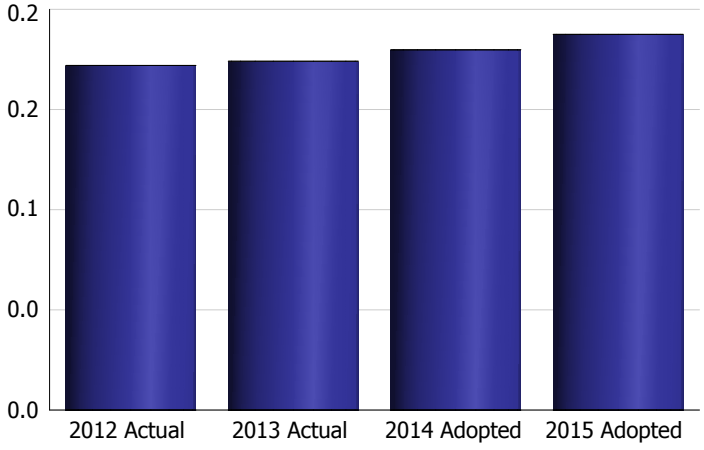
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	127,837	130,469	123,023	126,068	2.5%	3,045
FRINGE BENEFITS	19,645	20,002	31,851	34,038	6.9%	2,187
CONTRACTUAL SERVICES	14,326	15,066	21,316	20,760	-2.6%	(556)
OPERATING COSTS	10,179	8,543	3,610	6,634	83.8%	3,024
TOTAL SPECIAL REVENUE	**171,987**	**174,081**	**179,800**	**187,500**	**4.3%**	**7,700**
TOTAL EXPENSE	**171,987**	**174,081**	**179,800**	**187,500**	**4.3%**	**7,700**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SPECIAL REVENUE						
LONG TERM LIABILITIES PROCEEDS				26,700	0.0%	26,700
PROPERTY TAXES	173,871	177,507	166,600	156,800	-5.9%	(9,800)
SALES AND OTHER TAXES	22	9			0.0%	0
STATE GOVERNMENT	330	255			0.0%	0
SPECIAL REVENUE	**174,223**	**177,771**	**166,600**	**183,500**	**10.1%**	**16,900**
TOTAL REVENUE	**174,223**	**177,771**	**166,600**	**183,500**	**10.1%**	**16,900**

BOARD OF ESTIMATE & TAXATION
EXPENSE AND REVENUE INFORMATION

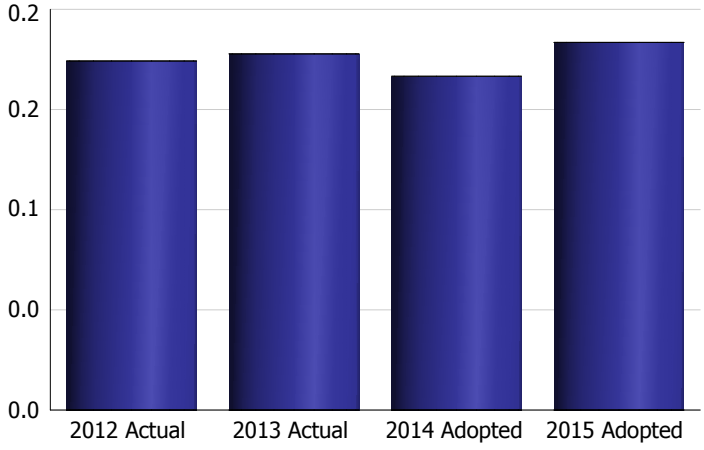
Expense 2012 - 2015

In Millions



Revenue 2012 - 2015

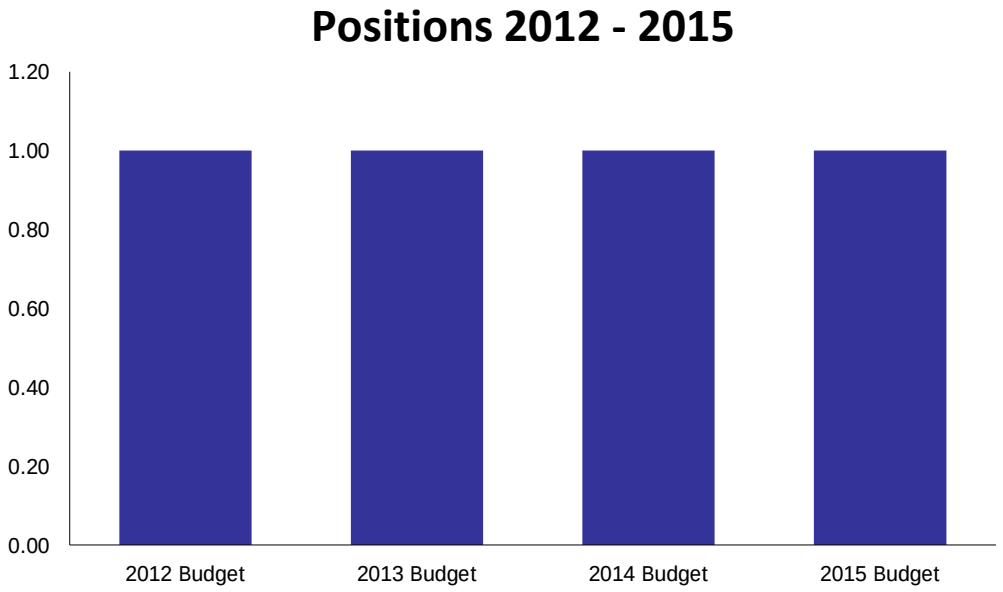
In Millions



BOARD OF ESTIMATE & TAXATION

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Budget	% Change	Change
BOARD STAFF & ADMIN	1.00	1.00	1.00	1.00	0.0%	0.00
INTERNAL AUDIT						0.00
TOTAL	**1.00**	**1.00**	**1.00**	**1.00**	**0.0%**	**0.00**



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.

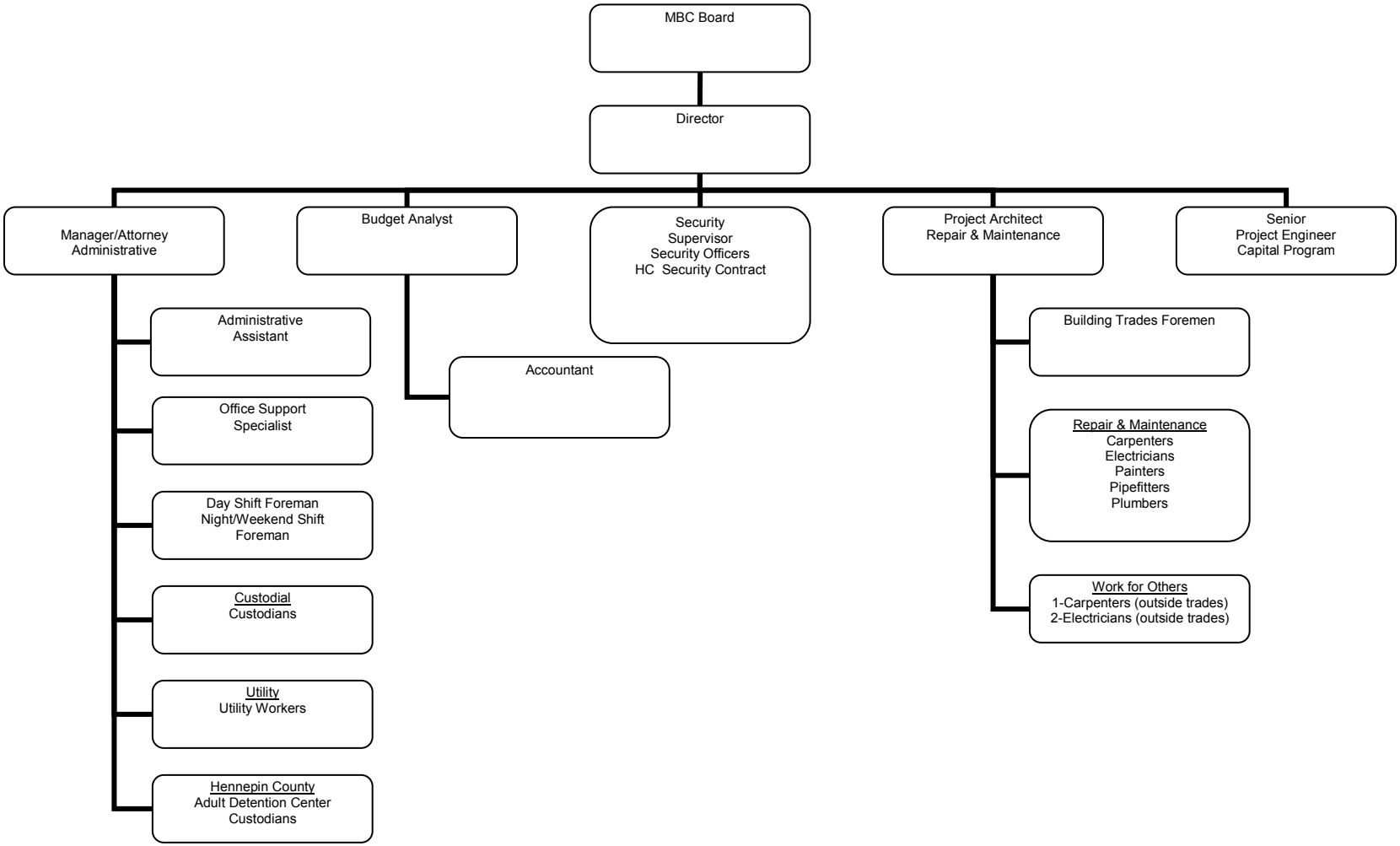
Significant Budget Changes

MBC Administrative, Custodial & Security, and Repair & Improvement program costs are divided between the City (60%) and County (40%). The County funds all of the Adult Detention Center costs. Significant operating budget changes are:

- A 2.5% increase in personnel salaries, which conforms to City and County budget guidelines. Insurance premiums reflect City of Minneapolis estimates, which remained flat from 2014.
- The Adult Detention Center's proposed budget increases 1.4% due to higher non-personnel expenses and an increased hourly wage premium (35 cents per hour) for MBC custodians working in the ADC.
- A $67,000 decrease in the General Fund Overhead charge as negotiated with the City of Minneapolis.
- Repair and Maintenance contractual services are budgeted 63% ($350,000) higher in 2015 to reflect work related to Life-Safety/Mechanical capital projects. The higher contracted costs are offset by lower utility costs.
- MBC project staff are projecting a $400,000 increase in the 2015 Work for Others budget due to more tenant requests and office remodeling as part of the Life-Safety/Mechanical project.

2014 MBC Organization Chart

55 FTEs



Expense
Minneapolis Building Commission's 2015 budget of $9.0 million is $0.3 million or 4.0 percent more than the 2014 budget. Personnel costs and contractual services represent 49 percent and 37 percent of the expenditure budget respectively.

Revenue
The revenue budget for MBC is $9.0 million, a 5.8 percent increase from 2014. The board will receive nearly all of its revenues from charges for services.

Mayor's Recommended Budget
The Mayor recommended a 1.76 percent (or $81,000) levy increase that is payable to MBC.

Adopted Budget
The Board approved the Mayor's recommendation.

MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION

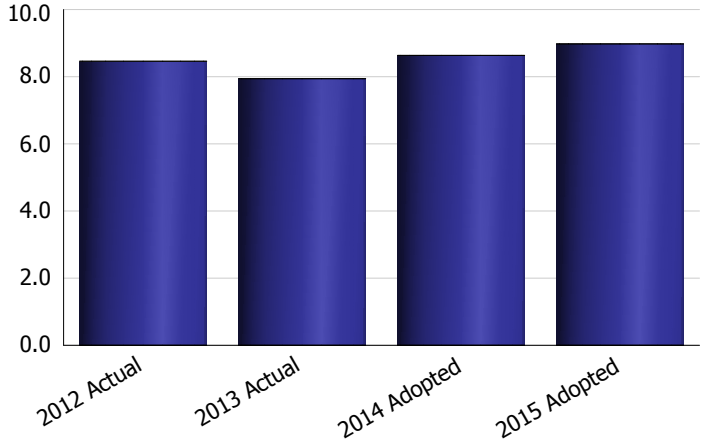
EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	2,621,716	2,455,937	3,445,767	3,462,736	0.5%	16,969
FRINGE BENEFITS	1,148,917	1,064,859	1,539,918	1,444,281	-6.2%	(95,637)
CONTRACTUAL SERVICES	3,461,991	3,606,144	2,888,550	3,280,352	13.6%	391,802
OPERATING COSTS	1,227,114	814,232	759,847	789,820	3.9%	29,973
TOTAL SPECIAL REVENUE	**8,459,739**	**7,941,172**	**8,634,082**	**8,977,189**	**4.0%**	**343,106**
TOTAL EXPENSE	**8,459,739**	**7,941,172**	**8,634,082**	**8,977,189**	**4.0%**	**343,106**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	2,923		6,000		-100.0%	(6,000)
CHARGES FOR SERVICES	8,040,314	8,044,491	8,254,100	8,744,251	5.9%	490,151
OTHER MISC REVENUES	36,860	13,081			0.0%	0
RENTS	91,493	115,819			0.0%	0
STATE GOVERNMENT	193,067	193,067	228,957	232,938	1.7%	3,981
SPECIAL REVENUE	**8,364,657**	**8,366,458**	**8,489,057**	**8,977,189**	**5.8%**	**488,132**
TOTAL REVENUE	**8,364,657**	**8,366,458**	**8,489,057**	**8,977,189**	**5.8%**	**488,132**

MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION

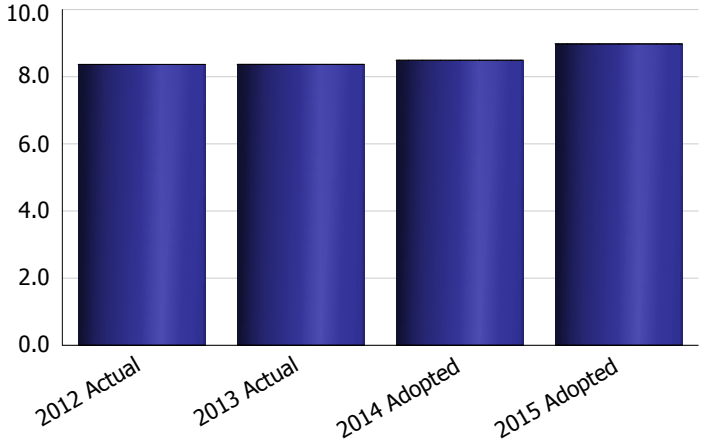
Expense 2012 - 2015

In Millions

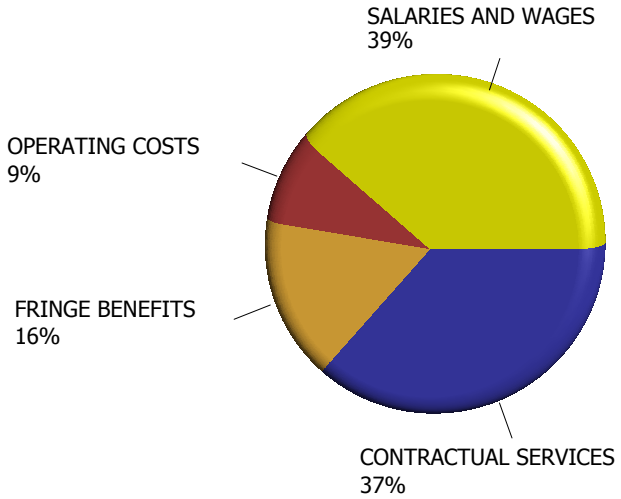


Revenue 2012 - 2015

In Millions



Expense by Category

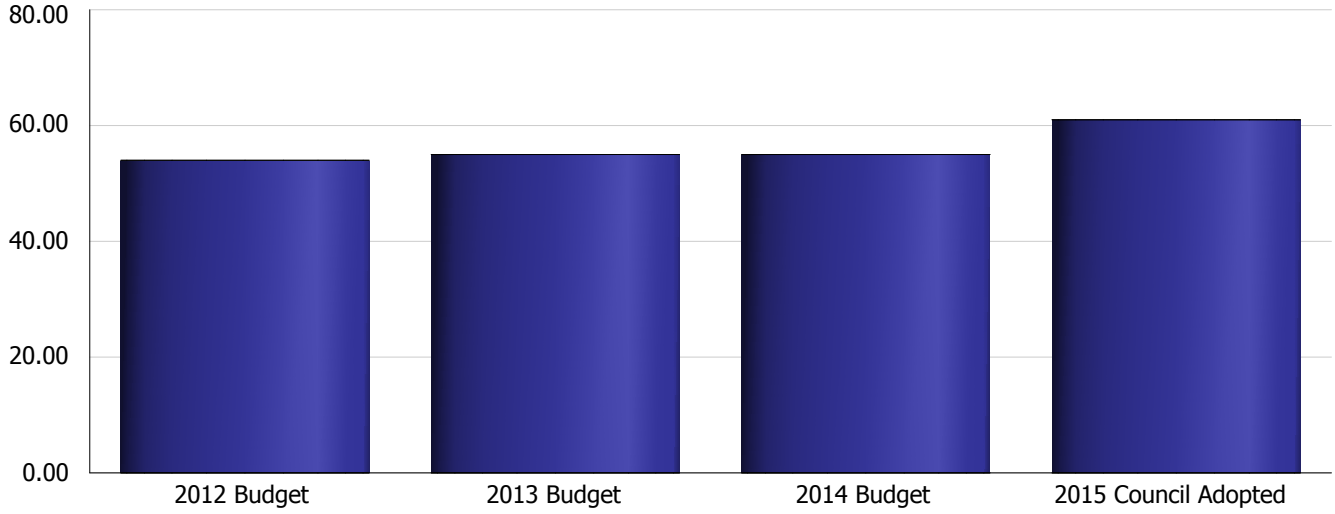


MUNICIPAL BUILDING COMMISSION

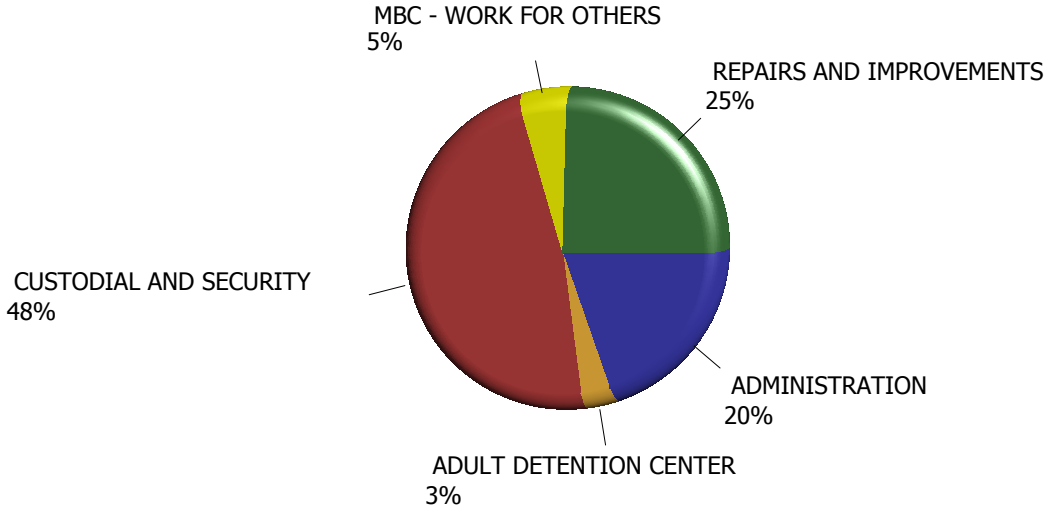
Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	% Change	Change
ADMINISTRATION	6.00	6.00	6.00	12.00	100.0%	6.00
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	0
CUSTODIAL AND SECURITY	28.00	29.00	29.00	29.00	0.0%	0
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	0
REPAIRS AND IMPROVEMENTS	15.00	15.00	15.00	15.00	0.0%	0
Overall	54.00	55.00	55.00	61.00	10.9%	6.00

Positions 2012-2015



Positions by Divison



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. The initial goal of rent reform was to control costs and eventually achieve savings that would allow MPHA to move families from the waitlist. However, with the advent of sequestration the focus shifted to maintaining assistance for all current families within a severely decreased budget. MPHA implemented its Rent Reform Initiative in 2014.

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. In 2013, MPHA executed amendments to the Energy Performance Contract with Honeywell International, Inc. to implement $3.36 million of additional energy conservation measures. The additional energy conservation measures to be installed include exterior LED lighting, variable frequency drives on heating pumps, and the replacement of pneumatic controls with DDC controls. The additional measures are financed by the refinancing of the original Bank of America loan.

Historical Funding Sources and Uses

MPHA is heavily financed from the federal government. In 2013, federal grants and subsidies made up 74 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 majority of uses were for housing assistance payments (HAP) to Section 8 landlords, which made up 45 percent of uses in 2013 compared to 46 percent in 2012.

2015Federal Funding Outlook

MPHA is predominantly funded by the federal government through federal grants and subsidies. Based on federal appropriations passed for 2015, MPHA anticipates that federal assistance will remain near the same levels received in 2014.

FINANCIAL ANALYSIS

Expenditure & Revenue

The City-sponsored portion of MPHA's expense and revenue budgets match at $300,000.

Mayor's Recommended Budget

The Mayor is recommending a PILOT reimbursement in 2015 of $250,000 to fund public housing costs. The Mayor also included a recommendation for assisting the MPHA with rising health insurance costs in the amount of $50,000.

Adopted Budget

Each year, MPHA is required to provide a payment in lieu of taxes (PILOT) of 5 percent of net shelter rent per Minn. Stat. 469.040, Subd. 3. Prior Cooperative Agreements between MPHA and the City incorporated 10 percent annual payments, which were subsequently reduced to the mandatory 5 percent reflected in the Statute. MPHA provides payment to Hennepin County which is then distributed to local taxing jurisdictions in the same manner as property taxes. Beginning in 2014, the Council amended the City's budget to include the refund of the City's portion of MPHA's PILOT payment. The Council approved of $50,000 to assist MPHA with the rising health insurance costs.

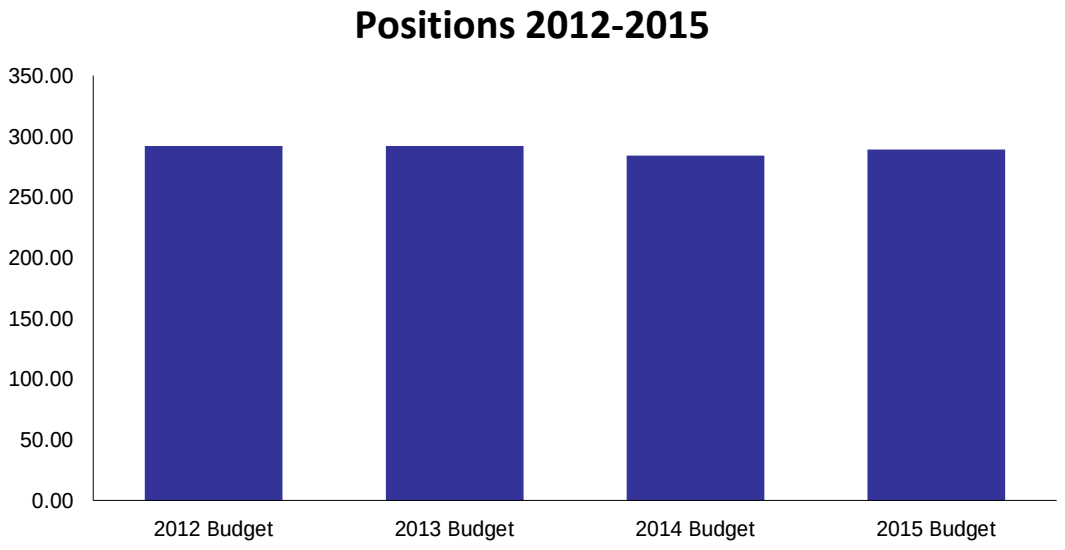
Total Budget Request	
Sources	
PILOT Refund[1]	**$250,000**
Medical Insurance Costs	**$50,000**
Uses	
Public Housing Costs	**$300,000**

[1]MPHA and the City have agreed that MPHA will pay PILOT at the reduced amount of 5 percent of net shelter rent, and the City will refund the portion of the MPHA payment received by the City. MPHA would use the savings to fund public housing costs.

MPHA

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Budget	% Change	Change
PUBLIC HOUSING	292.00	292.00	284.00	289.00	1.8%	5.00
TOTAL	**292.00**	**292.00**	**284.00**	**289.00**	**1.8%**	**5.00**



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
- Recreation

2014-2018 MPRB Strategic Direction

Strategic directions guide annual budget, budget goal and work plan development, and are meant to guide short-term implementation of the 2007 – 2020 Comprehensive Plan. In January and February of 2014, the Commissioners of the Minneapolis Park and Recreation Board shared and discussed vision, issues/challenges, strength/opportunities, organization effectiveness, and desired accomplishments. This information was used to guide the development of the strategic directions and implementation plan to be utilized over the term of this Board. The 2014-2018 Strategic Direction and Implementation Plan represents Board and Superintendent priorities that are aligned with comprehensive plan goals and objectives. The 2014-2018 Strategic Direction and Implementation Plan was adopted by the Board on June 4, 2014.

What we do

Strategic Direction A: Create and implement sustainable and equitable development and maintenance plans for the built infrastructure.

Strategic Direction B: Assess and deliver programs, services, and facilities that equitably meet the community's park and recreation needs, leveraging relationships with partners.

Strategic Direction C: Develop and implement a strategic, sustainable, and equitable approach to the management and protection of the system's land, air and water resources.

How we do our work

Strategic Direction 1: Address equity and access issues within the organization and across the park and recreation system.

Strategic Direction 2: Be measurable and accountable; ensure organization decisions are data driven and customer focused.

Strategic Direction 3: Engage all users. Communicate well and often. Listen and empower.

Strategic Direction 4: Build capacity – financial, staffing, partnerships, volunteers - to achieve MPRB's mission, vision, and goals.

The 2014-2018 MPRB Implementation Plan can be found in the Board's published budget book.

Minneapolis Park and Recreation Board 2015 Annual Budget

More information regarding the Minneapolis Park and Recreation Board (MPRB) 2015 Annual Budget, and the Board's published budget book can be found at www.minneapolisparks.org.

Expenditure
The Board's 2015 expense budget is $99.3 million, a 2.7% increase over 2014. 56% of the Board's expenses are for personnel, with the remainder for capital, operating costs, contractual services and transfers. The Park Board expenditure budget reflects additional 12.76 FTE's in 2015.

Revenue
The Board's 2015 revenue budget is $99.6 million, a 1.9% increase over 2014. Special revenues account for 82% of the MPRB revenues with internal service and enterprise fees accounting for 9% each.

Mayor's Recommended Budget
The Mayor recommended a 4.85% (or $2.4 million) levy increase that is payable to the Park Board.

Board Adopted Budget
The Board approved the Mayor's recommendations.

PARK BOARD
EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
INTERNAL SERVICE						
SALARIES AND WAGES	1,575,549	1,693,765	1,794,448	1,788,422	-0.3%	(6,026)
FRINGE BENEFITS	2,446,579	3,390,446	2,375,469	2,665,016	12.2%	289,547
CONTRACTUAL SERVICES	492,510	618,491	809,567	786,414	-2.9%	(23,153)
OPERATING COSTS	1,604,697	1,607,586	1,708,619	1,827,820	7.0%	119,201
CAPITAL	811,154	1,047,697	1,290,886	1,843,223	42.8%	552,337
TOTAL INTERNAL SERVICE	**6,930,489**	**8,357,985**	**7,978,989**	**8,910,895**	**11.7%**	**931,906**
SPECIAL REVENUE						
SALARIES AND WAGES	27,039,898	29,454,329	32,123,914	33,486,267	4.2%	1,362,353
FRINGE BENEFITS	11,102,296	11,582,004	12,914,098	13,544,602	4.9%	630,504
CONTRACTUAL SERVICES	12,362,908	15,610,064	13,861,130	15,360,160	10.8%	1,499,030
OPERATING COSTS	14,564,314	14,683,504	14,208,412	14,643,794	3.1%	435,382
CAPITAL	795,825	168,082	4,283,839	2,874,999	-32.9%	(1,408,840)
TRANSFERS	6,326,590	6,798,857	1,430,000	1,430,000	0.0%	0
TOTAL SPECIAL REVENUE	**72,191,830**	**78,296,839**	**78,821,392**	**81,339,822**	**3.2%**	**2,518,430**
ENTERPRISE						
SALARIES AND WAGES	5,554,570	3,166,972	3,367,520	3,065,776	-9.0%	(301,744)
FRINGE BENEFITS	1,575,083	1,260,574	1,296,956	1,196,751	-7.7%	(100,205)
CONTRACTUAL SERVICES	4,141,784	3,317,542	3,321,287	3,476,592	4.7%	155,305
OPERATING COSTS	2,442,563	1,577,397	1,475,635	1,156,565	-21.6%	(319,070)
CAPITAL	400,749	48,241	326,002	83,903	-74.3%	(242,099)
DEBT SERVICE	67,799	22,649	67,799	67,799	0.0%	0
TRANSFERS	946,629	745,528	100,000	25,000	-75.0%	(75,000)
TOTAL ENTERPRISE	**15,129,176**	**10,138,903**	**9,955,199**	**9,072,386**	**-8.9%**	**(882,813)**
TOTAL EXPENSE	**94,251,495**	**96,793,727**	**96,755,580**	**99,323,103**	**2.7%**	**2,567,523**

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	95,765	(7,645)			0.0%	0
CHARGES FOR SERVICES	1,369,535	5,764,060	5,813,836	6,388,637	9.9%	574,801
CONTRIBUTIONS	305,429	66,015	172,709	172,276	-0.3%	(433)
FEDERAL GOVERNMENT	87,000	1,563,156			0.0%	0
FINES AND FORFEITS	328,130	342,957	317,000	6,000	-98.1%	(311,000)
LICENSE AND PERMITS	250,974	444,172	315,000	315,000	0.0%	0
LOCAL GOVERNMENT	1,533,703	1,381,902	2,142,741	1,939,851	-9.5%	(202,890)
LONG TERM LIABILITIES PROCEEDS		60			0.0%	0
OTHER MISC REVENUES	39,400	66,241	28,000	37,470	33.8%	9,470
PROPERTY TAXES	58,261,528	59,465,286	58,882,322	61,317,015	4.1%	2,434,693
RENTS	541,667	1,119,448	1,258,696	1,191,444	-5.3%	(67,252)

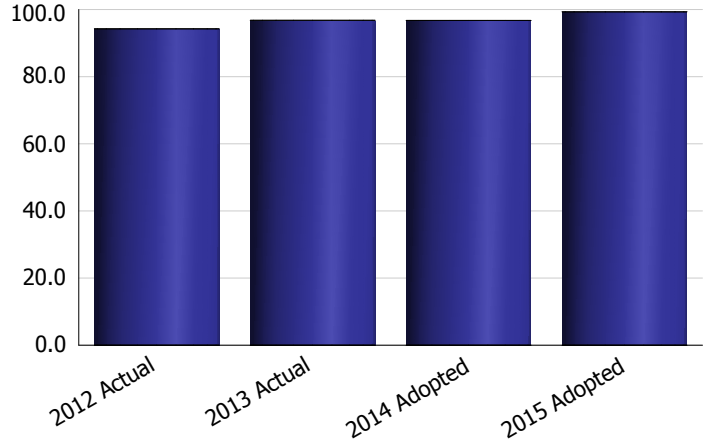
PARK BOARD
EXPENSE AND REVENUE INFORMATION

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SALES AND OTHER TAXES	5,930	2,462	3,000	3,000	0.0%	0
SPECIAL ASSESSMENTS	2,100				0.0%	0
STATE GOVERNMENT	8,989,248	8,803,662	9,788,088	9,944,129	1.6%	156,041
TRANSFERS IN	566,384	(15,513)	100,000	25,000	-75.0%	(75,000)
SPECIAL REVENUE	**72,376,793**	**78,996,265**	**78,821,392**	**81,339,822**	**3.2%**	**2,518,430**
INTERNAL SERVICE						
CHARGES FOR SALES	32,589	10,370	33,000	33,000	0.0%	0
CHARGES FOR SERVICES	1,025,334	1,160,025	1,532,685	1,551,080	1.2%	18,395
GAINS		153,575			0.0%	0
LONG TERM LIABILITIES PROCEEDS		127,172		253,780	0.0%	253,780
OTHER MISC REVENUES	2,220,726	2,084,679	2,015,656	2,087,802	3.6%	72,146
RENTS	3,925,238	4,074,668	4,444,497	4,985,233	12.2%	540,736
TRANSFERS IN	130,000				0.0%	0
INTERNAL SERVICE	**7,333,887**	**7,610,490**	**8,025,838**	**8,910,895**	**11.0%**	**885,057**
ENTERPRISE						
CHARGES FOR SALES	28	52		400	0.0%	400
CHARGES FOR SERVICES	12,021,577	8,688,359	9,677,908	8,463,380	-12.5%	(1,214,528)
CONTRIBUTIONS	210,821	53,054	25,000	30,000	20.0%	5,000
FEDERAL GOVERNMENT	230,893				0.0%	0
INTEREST	447				0.0%	0
LICENSE AND PERMITS	7,400	10,000			0.0%	0
LOCAL GOVERNMENT	373,971				0.0%	0
LONG TERM LIABILITIES PROCEEDS	1,245				0.0%	0
OTHER MISC REVENUES	40,475	18,906	16,000	16,000	0.0%	0
RENTS	2,609,180	2,136,361	1,144,931	795,175	-30.5%	(349,756)
STATE GOVERNMENT	83,340				0.0%	0
TRANSFERS IN		6,958,130			0.0%	0
ENTERPRISE	**15,579,378**	**17,864,862**	**10,863,839**	**9,304,955**	**-14.3%**	**(1,558,884)**
TOTAL REVENUE	**95,290,059**	**104,471,616**	**97,711,069**	**99,555,672**	**1.9%**	**1,844,603**

PARK BOARD
EXPENSE AND REVENUE INFORMATION

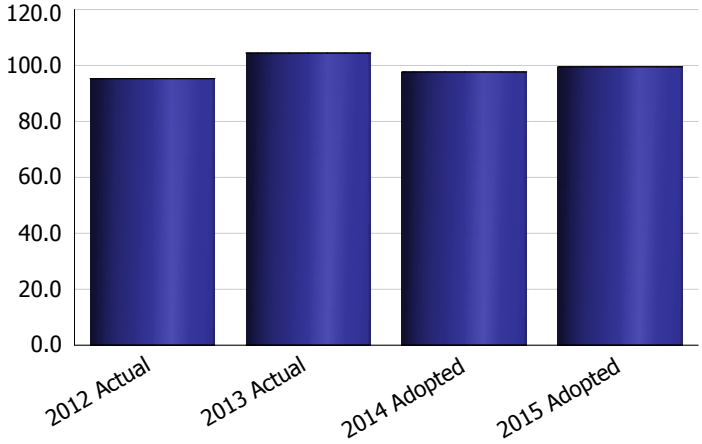
Expense 2012 - 2015

In Millions

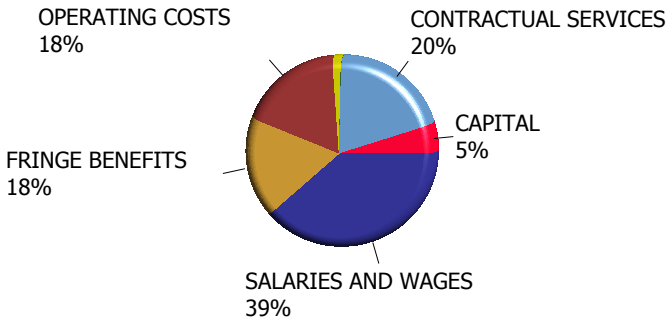


Revenue 2012 - 2015

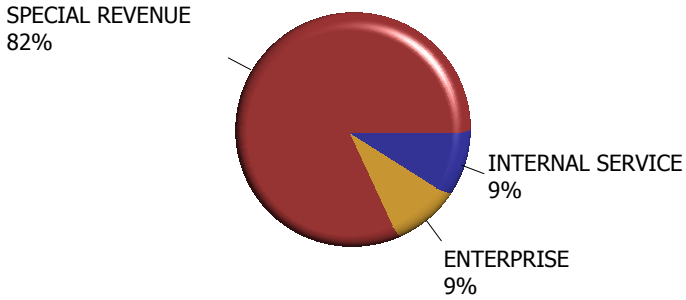
In Millions



Expense by Category



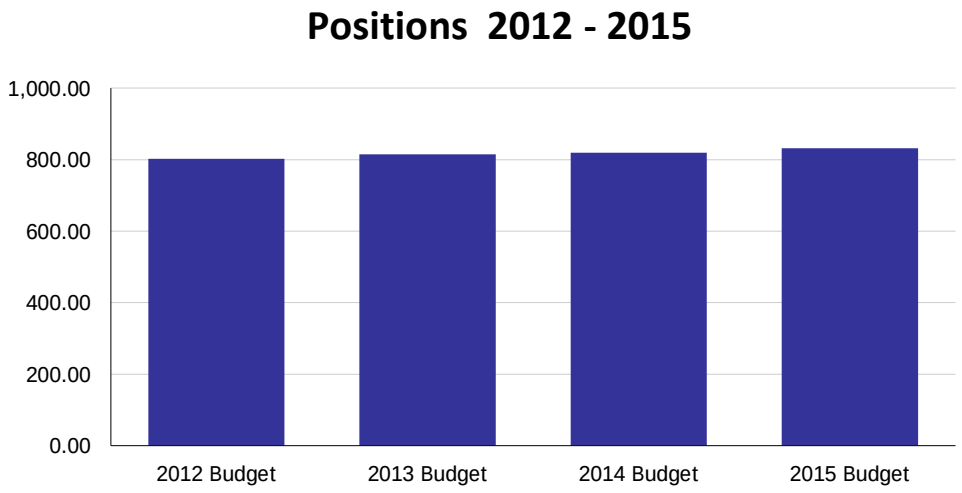
Expense by Fund



PARK BOARD

Staffing Information

	2012 Budget	2013 Budget	2014 Budget	2015 Budget	% Change	Change
TOTAL	**802.40**	**814.72**	**819.24**	**832.00**	**1.6%**	**12.76**



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 2015:

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 total Youth Coordinating Board's budget decreases from $1,573,824 million to $1,510,324 million from 2014 to 2015. This is a reduction of $63,500 million, or 4 percent. The Youth Coordinating Board's 2015 expenditure budget reflects 1.0 FTE less from 2014.

Revenue
Revenues are projected to decline by 4 percent in this department due to less private funding. The department's total revenues in 2015 are projected to be $1,510,324.
As in previous years, the City of Minneapolis pays its annual dues of $64,803 to the Youth Coordinating Board, since it is a partner in the Joint Powers Agreement, along with the Park Board, Hennepin County, and Minneapolis Public School Board. The amount of these annual dues remains unchanged in 2015.

Mayor's Recommended Budget
The Mayor recommended funding of $361,000 reflects an increase of $55,000 to support the Downtown Youth Outreach Initiative as well as $306,000 in funds for the Youth Development program in the City's Health department.

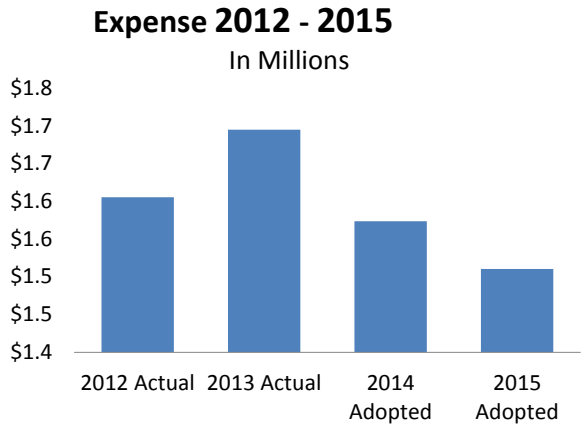
Adopted Budget
The Board approved the Mayor's recommendation.

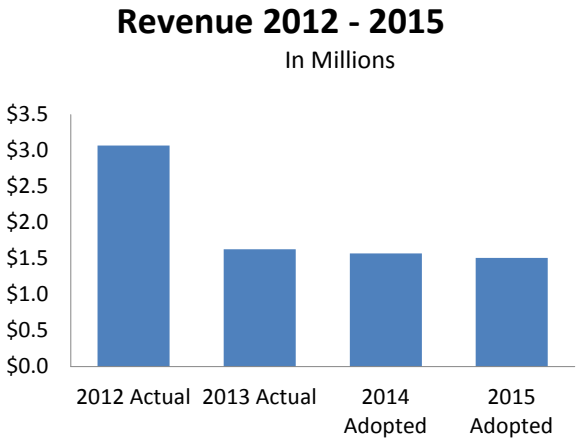
YOUTH COORDINATING BOARD

EXPENSE AND REVENUE INFORMATION

EXPENSE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	339,163	390,973	759,451	691,510	-8.9%	(67,941)
FRINGE BENEFITS	119,456	145,007				
CONTRACTUAL SERVICES	1,118,976	1,126,979	799,973	804,414	0.6%	4,441
OPERATING COSTS	28,112	32,197	14,400	14,400	0.0%	
CAPITAL	34	75				
TOTAL SPECIAL REVENUE	**1,605,742**	**1,695,231**	**1,573,824**	**1,510,324**	**-4.0%**	**(63,500)**
TOTAL EXPENSE	**1,605,742**	**1,695,231**	**1,573,824**	**1,510,324**	**-4.0%**	(63,500)

REVENUE	2012 Actual	2013 Actual	2014 Adopted	2015 Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	461,281	435,595	455,000	358,000	-21.3%	(97,000)
FEDERAL GOVERNMENT	64,803	64,803	64,803	64,803		
GAINS			10,000	5,000	-50.0%	(5,000)
LOCAL GOVERNMENT	2,528,712	1,113,082	1,044,021	1,082,521	3.7%	38,500
OTHER MISC REVENUES	273	507				
RENTS	12,000	12,000				
STATE GOVERNMENT		2,500				
SPECIAL REVENUE	**3,067,069**	**1,628,487**	**1,573,824**	**1,510,324**	**-4.0%**	(63,500)
TOTAL REVENUE	**3,067,069**	**1,628,487**	**1,573,824**	**1,510,324**	**-4.0%**	**(63,500)**

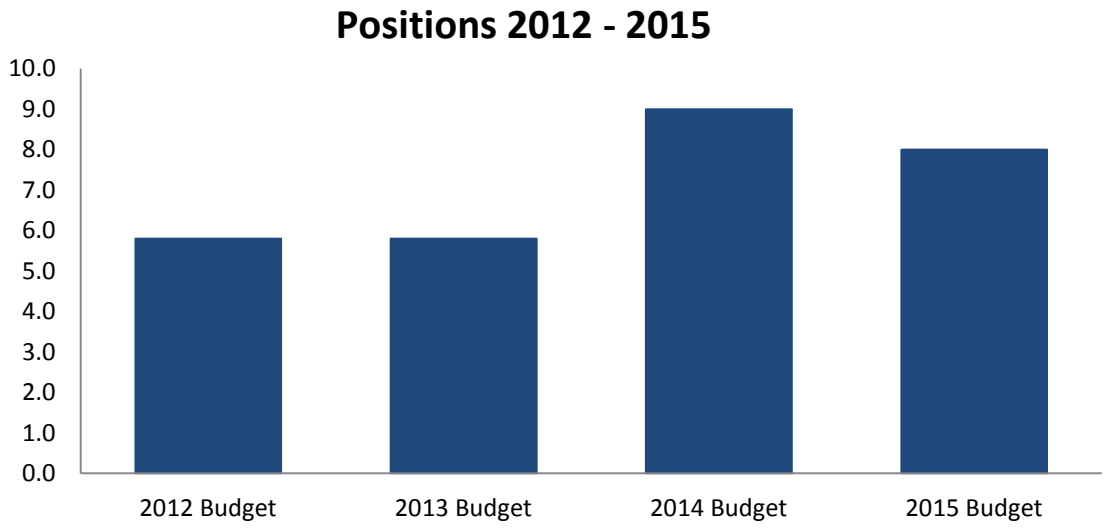




YOUTH COORDINATING BOARD

Staffing Information

Division	2012 Budget	2013 Budget	2014 Budget	2015 Budget	% Change	Change
YOUTH COORDINATING BOARD	1.00	5.80	9.00	8.00	-11.1%	(1.00)
YCB ADMINISTRATION	1.00					
NELC	3.80					
TOTAL	**5.80**	**5.80**	**9.00**	**8.00**	**-11.1%**	**(1.00)**



City of Minneapolis
2015 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 I2

Schedule 2 – Revenues by Fund and Type.....I4

Schedule 3 – Expenses by Fund and Department I6

Schedule 4 – Community Development Block Grant Program I8

Schedule 5 – Summary of Positions by Department and Agency (including footnotes) I13

Schedule 6 – CPED Program Allocations by Fund.....I16

Schedule 7 – Capital Asset Request System (CARS) I17

Schedule 8 – Interfund Transfers I28

Schedule 9 – Utility Fees Schedule.....I31

Schedule 10 – Financial Policies Scorecard ..…….....……... I35

SCHEDULE ONE

FUND SUMMARY - CHANGES TO FUND BALANCE

		Total Revenue	Total Expense	Change in Fund Balance
GENERAL	GENERAL FUND	449,960,444	463,481,791	(13,521,347)
	GENERAL FUND - FUND BALANCE USES	13,521,347		13,521,347
TOTAL GENERAL & USE OF FUND BALANCE		463,481,791	463,481,791	0
SPECIAL REVENUE	TAX INCREMENT ADMINISTRATION	95,000	95,000	0
	ECONOMIC DEVELOPMENT	63,458,110	53,905,847	9,552,263
	BOARD OF ESTIMATE AND TAXATION	187,500	187,500	0
	DOWNTOWN IMPROVEMENT DISTRICT	6,100,000	6,100,000	0
	POLICE DEPT - SPECIAL REVENUE	2,132,438	2,132,438	0
	ARENA - RESERVE	6,805,644	6,764,844	40,800
	GRANTS - FEDERAL	10,388,503	10,388,503	0
	CDBG & UDAG FUNDS	13,265,393	13,265,393	0
	HOME	2,248,392	2,248,392	0
	GRANTS - OTHER	8,060,960	8,055,962	4,998
	CONVENTION CENTER OPERATIONS	70,365,108	70,365,108	0
	NCR - SPECIAL REVENUE	6,225,384	6,225,384	0
	REGULATORY SERVICES SPECIAL REVENUE	5,333,988	5,333,988	0
	EMPLOYEE RETIREMENT	38,156,400	35,638,210	2,518,190
	PARK	81,376,822	81,376,822	0
	MUNICIPAL BUILDING COMMISSION	8,977,189	8,977,189	0
TOTAL SPECIAL REVENUE		323,176,831	311,060,579	12,116,252
CAPITAL PROJECT	CAPITAL IMPROVEMENTS	78,565,000	78,565,000	0
	CAPITAL TP & E	8,101,175	8,101,175	0
	CAPITAL SIDEWALK INSPECTIONS	1,028,382	1,028,382	0
	PARK - CAPITAL IMPROVEMENTS	11,480,371	11,462,000	18,371
	MBC - CAPITAL IMPROVEMENTS	1,700,000	1,700,000	0
TOTAL CAPITAL PROJECT		100,874,928	100,856,557	18,371
DEBT SERVICE	IMPROVEMENT BONDS	10,483,758	10,483,758	0
	DECEASED TREE ASSESSMENT D/S	208,396	208,396	0
	BOND REDEMPTION - DEBT SERVICE	35,202,430	35,202,430	0
	OTH SELF SUPPORTING DEBT SERVC	1,145,738	1,145,738	0
	MIDTOWN EXCH 108 LOAN ACCOUNT	600,638	600,638	0
	DOWNTOWN EAST	2,665,308	2,665,308	0
	LIBRARY REF DEBT SERVICE	9,114,000	8,325,100	788,900
	CONVENTION CENTER-DEBT SERVICE	24,502,125	24,502,125	0
	TARGET CENTER	4,492,233	4,492,233	0
	TAX INCREMENT - DEBT SERVICE	6,203,176	6,203,176	0
TOTAL DEBT SERVICE		94,617,802	93,828,902	788,900
INTERNAL SERVICE	MATERIALS & LAB-INTERNAL SVC	1,890,896	1,890,896	0
	EQUIPMENT - INTERNAL SERVICE	25,012,030	24,992,953	19,077
	EQUIPMENT ACQUISITION FUND	11,919,396	11,919,396	0
	PROPERTY SERVICES	19,401,841	19,401,841	0
	STORES - INTERNAL SERVICE	1,190,000	1,054,083	135,917
	INFO TECH - INTERNAL SERVICE	43,818,899	43,818,899	0
	SELF INSURANCE-INTERNAL SVC	31,257,811	30,989,417	268,394
	PARK - INTERNAL SERVICE	6,569,313	6,569,313	0
	PARK-SELF INSURE-INTERNAL SVC	2,341,581	2,341,581	0
TOTAL INTERNAL SERVICE		143,401,767	142,978,379	423,388

SCHEDULE ONE

FUND SUMMARY - CHANGES TO FUND BALANCE

		Total Revenue	Total Expense	Change in Fund Balance
ENTERPRISE	RIVER TERMINAL	896,800	896,800	0
	GARFS	400,000	279,700	120,300
	SURFACE WATER & SEWER-SANITARY	69,304,551	69,304,551	0
	SURFACE WATER & SEWER-STORMWATER	46,846,830	42,621,299	4,225,531
	WATER - ENTERPRISE	90,930,913	90,232,866	698,047
	MUNICIPAL PARKING-ENTERPRISE	60,848,567	59,176,694	1,671,873
	SOLID WASTE - ENTERPRISE	43,527,491	43,527,491	0
	PARK - OPERATIONS - ENTERPRISE	9,304,955	9,072,386	232,569
TOTAL ENTERPRISE		322,060,107	315,111,787	6,948,320
TOTAL ALL FUNDS		1,447,613,226	1,427,317,995	20,295,231

SHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

		2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	% Change
GENERAL	PROPERTY TAXES	181,476,358	175,485,461	159,526,000	156,478,620	-1.9%
	SALES AND OTHER TAXES	12,927,957	13,109,952	72,212,000	73,625,186	2.0%
	FRANCHISE FEES	26,119,558	29,619,985	26,900,000	28,977,500	7.7%
	LICENSE AND PERMITS	36,089,034	39,227,495	36,349,558	39,045,226	7.4%
	STATE GOVERNMENT	68,129,037	69,817,368	80,760,425	82,419,010	2.1%
	LOCAL GOVERNMENT	568,813	713,640	538,244	698,860	29.8%
	CHARGES FOR SERVICES	44,480,925	42,424,923	43,974,084	44,265,830	0.7%
	CHARGES FOR SALES	132,202	105,136	68,750	61,750	-10.2%
	FINES AND FORFEITS	8,242,551	7,667,948	7,893,000	7,248,000	-8.2%
	SPECIAL ASSESSMENTS	3,009,242	3,481,950	3,254,250	3,569,492	9.7%
	INTEREST	1,649,258	(607,375)	1,600,000	2,300,000	43.8%
	RENTS	1,559	759	-	-	-100.0%
	CONTRIBUTIONS	806,721	944,831	840,000	960,000	14.3%
	OTHER MISC REVENUES	518,340	551,195	5,487,770	5,628,770	2.6%
	LONG TERM LIABILITIES PROCEEDS	-	-	24,567,521	13,521,347	-45.0%
	TOTAL GENERAL FUND	384,151,555	382,543,267	463,971,602	458,799,591	-1.1%
SPECIAL REVENUE	PROPERTY TAXES	129,241,458	124,361,937	129,766,624	138,079,898	6.4%
	SALES AND OTHER TAXES	56,509,335	57,693,771	1,461,157	1,487,438	1.8%
	LICENSE AND PERMITS	1,542,143	1,649,328	1,710,223	1,487,000	-13.1%
	FEDERAL GOVERNMENT	55,309,537	38,207,327	23,683,514	25,297,788	6.8%
	STATE GOVERNMENT	36,984,803	35,868,791	20,862,901	21,081,651	1.0%
	LOCAL GOVERNMENT	6,506,432	4,922,384	3,478,428	2,341,517	-32.7%
	CHARGES FOR SERVICES	24,713,616	28,112,059	20,779,936	22,714,098	9.3%
	CHARGES FOR SALES	2,481,146	11,654,358	6,000	-	-100.0%
	FINES AND FORFEITS	712,637	733,916	908,000	411,000	-54.7%
	SPECIAL ASSESSMENTS	10,008,114	9,516,678	9,497,000	9,819,000	3.4%
	INTEREST	2,326,811	159,756	766,378	1,111,486	45.0%
	GAINS	-	12,980	10,000	-	-100.0%
	RENTS	11,822,107	12,434,168	11,040,916	12,725,944	15.3%
	CONTRIBUTIONS	1,435,708	1,463,478	849,709	383,276	-54.9%
	OTHER MISC REVENUES	18,162,647	18,774,315	7,936,800	8,128,943	2.4%
	LONG TERM LIABILITIES PROCEEDS	4,311,067	60	250,000	15,747,333	6198.9%
	TOTAL SPECIAL REVENUE	362,067,560	345,565,305	233,007,586	260,816,372	11.9%
CAPITAL PROJECT	PROPERTY TAXES	1,006,591	1,015,202	-	-	-100.0%
	SALES AND OTHER TAXES	126	51	-	-	-100.0%
	LICENSE AND PERMITS	283,084	325,764	260,000	260,000	0.0%
	FEDERAL GOVERNMENT	11,480,444	11,115,989	5,449,000	11,935,000	119.0%
	STATE GOVERNMENT	21,809,278	11,116,334	12,811,000	19,746,000	54.1%
	LOCAL GOVERNMENT	7,581,416	3,355,435	1,463,000	2,980,000	103.7%
	CHARGES FOR SERVICES	13,721,546	12,825,478	8,100,000	10,200,000	25.9%
	CHARGES FOR SALES	172,462	292,551	-	-	-100.0%
	SPECIAL ASSESSMENTS	1,382,722	1,443,711	10,345,000	13,405,000	29.6%
	INTEREST	99,835	(8,702)	-	-	-100.0%
	CONTRIBUTIONS	80,979	13,536	-	-	-100.0%
	OTHER MISC REVENUES	1,826,851	1,018,733	480,000	2,529,371	427.0%
	LONG TERM LIABILITIES PROCEEDS	-	13,358,096	28,485,000	39,819,557	39.8%
	TOTAL CAPITAL PROJECT	59,445,334	55,872,177	67,393,000	100,874,928	49.7%
DEBT SERVICE	PROPERTY TAXES	28,038,088	30,790,954	37,828,000	44,296,000	17.1%
	SALES AND OTHER TAXES	2,355	1,074	-	-	-100.0%
	STATE GOVERNMENT	30,896	30,154	-	-	-100.0%
	SPECIAL ASSESSMENTS	9,436,501	9,936,529	8,142,548	10,692,154	31.3%
	INTEREST	500,338	(158,475)	-	-	-100.0%
	RENTS	548,852	181,384	-	-	-100.0%
	OTHER MISC REVENUES	1,176,750	662,900	-	1,145,738	-100.0%
	LONG TERM LIABILITIES PROCEEDS	42,373,565	18,621,954	-	2,685,738	-100.0%
	TOTAL DEBT SERVICE	82,107,345	60,066,474	45,970,548	58,819,630	28.0%
INTERNAL SERVICE	FEDERAL GOVERNMENT	11,631	-	-	-	-100.0%
	CHARGES FOR SERVICES	74,136,044	78,391,222	74,137,446	77,267,450	4.2%
	CHARGES FOR SALES	9,853,315	10,508,352	11,962,800	11,988,444	0.2%
	FINES AND FORFEITS	-	53,151	-	-	-100.0%
	GAINS	232,662	493,960	10,000	10,000	0.0%
	RENTS	41,749,847	42,552,950	36,189,373	34,223,838	-5.4%
	OTHER MISC REVENUES	4,350,683	4,781,821	3,450,505	3,100,802	-10.1%
	LONG TERM LIABILITIES PROCEEDS	-	6,573,946	2,350,000	6,245,017	165.7%
	TOTAL INTERNAL SERVICE	130,334,182	143,355,402	128,100,124	132,835,551	3.7%

SHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

		2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	% Change
ENTERPRISE	LICENSE AND PERMITS	555,547	443,928	439,000	495,000	12.8%
	FEDERAL GOVERNMENT	241,348	1,090,517	-	-	-100.0%
	STATE GOVERNMENT	1,813,736	1,918,876	1,168,654	1,187,112	1.6%
	LOCAL GOVERNMENT	2,276,435	1,186,483	1,379,559	1,191,663	-13.6%
	CHARGES FOR SERVICES	276,522,440	268,941,829	271,028,270	289,695,393	6.9%
	CHARGES FOR SALES	3,129,660	2,366,808	2,266,793	1,244,400	-45.1%
	FINES AND FORFEITS	39,241	24,733	45,000	45,000	0.0%
	SPECIAL ASSESSMENTS	2,587,182	2,031,958	767,357	1,383,481	80.3%
	INTEREST	48,818	12,607	-	-	-100.0%
	GAINS	54,355	99,549	-	-	-100.0%
	RENTS	2,886,313	2,344,811	1,144,931	795,175	-30.5%
	CONTRIBUTIONS	210,821	53,054	25,000	30,000	20.0%
	OTHER MISC REVENUES	97,335	263,707	16,000	16,000	0.0%
	LONG TERM LIABILITIES PROCEEDS	1,245	-	21,700,000	23,772,128	9.5%
	TOTAL ENTERPRISE	290,464,474	280,778,858	299,980,564	319,855,352	6.6%
TOTAL ALL FUNDS		1,308,570,451	1,268,181,484	1,238,423,424	1,332,001,424	7.6%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

		2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	% Change
GENERAL	POLICE	128,484,712	131,955,439	143,292,615	148,340,932	3.5%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	3,546,791	19,644,732	30,111,442	32,481,988	7.9%
	GENERAL FUND CONTINGENCY	11,324	540	4,000,000	4,007,139	0.2%
	MINNEAPOLIS HEALTH DEPARTMENT	2,431,602	6,969,443	7,402,549	8,438,782	14.0%
	INTERNAL AUDIT	398,070	421,754	491,487	507,236	3.2%
	CITY COORDINATOR	1,558,558	2,655,672	2,191,677	3,249,011	48.2%
	HUMAN RESOURCES	5,187,960	6,649,341	6,986,224	7,230,994	3.5%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	28,826,567	32,548,507	30,253,386	31,344,848	3.6%
	CITY COUNCIL	4,176,850	4,351,516	4,729,509	4,893,499	3.5%
	FIRE	52,617,402	54,019,341	59,015,853	60,230,520	2.1%
	COMMUNICATIONS	2,103,836	2,170,614	2,189,887	2,211,514	1.0%
	FINANCE AND PROPERTY SERV	19,242,817	23,133,189	21,876,679	22,170,168	1.3%
	GENERAL REVENUES	-	-	200,000	-	-100.0%
	ASSESSOR	3,920,114	3,780,182	4,628,603	4,869,380	5.2%
	LIBRARY BOARD	-	-	3,238,000	2,363,000	-27.0%
	ATTORNEY	7,852,044	7,960,888	8,675,256	9,001,847	3.8%
	NEIGHBORHOOD & COMMUNITY RELATIONS	1,029,081	933,813	1,039,000	425,415	-59.1%
	CIVIL RIGHTS	2,151,720	2,289,542	2,879,506	3,167,684	10.0%
	MAYOR	1,448,755	1,586,143	1,696,755	1,917,292	13.0%
	PW - TRAFFIC AND PARKING SERVICES	13,515,492	13,850,069	15,448,184	16,114,961	4.3%
	CITY CLERK	3,415,885	3,827,179	3,811,659	4,337,929	13.8%
	311	3,110,674	3,048,027	3,540,223	3,683,465	4.0%
	911	7,282,423	7,711,272	8,131,838	9,052,193	11.3%
	INTERGOVERNMENTAL RELATIONS	1,341,172	1,302,479	1,633,658	1,512,574	-7.4%
	EMERGENCY MANAGEMENT	610,218	875,688	717,039	767,969	7.1%
	REGULATORY SERVICES	31,333,030	13,319,973	15,783,805	17,572,410	11.3%
	PW - ADMINISTRATIVE SERVICES	2,539,688	2,651,922	2,975,098	3,120,420	4.9%
	INFORMATION TECHNOLOGY	50,000	100,406	725,000	-	-100.0%
	PW - TRANSPORTATION PLANNING AND ENGINEERING	2,438,966	2,313,275	4,930,931	3,275,805	-33.6%
	TOTAL GENERAL FUND	330,625,749	350,070,944	392,595,862	406,288,979	3.5%
SPECIAL REVENUE	NON DEPARTMENTAL	98,257	64,803	66,000	64,803	-1.8%
	PW - WATER TREATMENT & DISTR.	1,930	-	-	-	-100.0%
	PARK BOARD	65,865,240	71,497,982	77,391,392	79,909,822	3.3%
	NON-CPED	9,995	19,758	-	-	-100.0%
	NEIGHBORHOOD & COMMUNITY RELATIONS	3,233,113	2,105,328	5,251,480	6,327,384	20.5%
	CITY COORDINATOR	64,209	129,832	-	-	-100.0%
	FIRE	1,174,584	873,603	299,463	-	-100.0%
	CIVIL RIGHTS	395,214	321,877	307,600	392,000	27.4%
	PW - TRAFFIC AND PARKING SERVICES	-	663,746	-	-	-100.0%
	311	1,232	-	-	-	-100.0%
	PW - PROPERTY SERVICES	(834)	-	-	-	-100.0%
	CAPITAL IMPROVEMENTS	6,340,836	3,245,246	-	-	-100.0%
	CONVENTION CENTER	39,975,866	45,434,138	51,491,158	52,627,827	2.2%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	6,001,187	6,167,780	5,800,000	6,100,000	5.2%
	MUNICIPAL BUILDING COMMISSION	8,459,739	7,941,172	8,634,082	8,977,189	4.0%
	YOUTH COORDINATING BOARD	1,605,742	1,695,231	1,573,824	-	-100.0%
	911	457,755	416,102	515,480	515,480	0.0%
	ATTORNEY	567,951	412,894	384,596	523,016	36.0%
	HUMAN RESOURCES	(580)	-	-	-	-100.0%
	INTERGOVERNMENTAL RELATIONS	1,226,332	1,356,349	1,192,000	1,276,017	7.0%
	REGULATORY SERVICES	5,565,335	3,576,337	4,767,419	5,197,088	9.0%
	MPLS EMPLOYEE RETIREMT FD	28,589,279	32,760,628	33,017,800	35,638,210	7.9%
	DEBT SERVICE	7,392	-	-	-	-100.0%
	BOARD OF ESTIMATE & TAXATION	171,987	174,081	179,800	187,500	4.3%
	NEIGH REVITALIZATN POL BD	646,261	-	-	-	-100.0%
	EMERGENCY MANAGEMENT	2,910,708	3,636,790	1,000,000	1,100,000	10.0%
	MAYOR	80,803	64,583	-	-	-100.0%
	FINANCE AND PROPERTY SERV	3,253,620	519,852	251,166	214,858	-14.5%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	91,621,692	78,344,499	48,137,244	42,456,929	-11.8%
	POLICE	6,180,384	4,562,207	4,414,900	5,071,116	14.9%
	PARK BD - CAP IMPROV	198,607	110,332	-	37,000	-100.0%
	MINNEAPOLIS HEALTH DEPARTMENT	10,746,953	11,018,502	10,349,609	10,097,633	-2.4%
	INFORMATION TECHNOLOGY	25,000	-	-	-	-100.0%
	MPHA	115,026	45,064	-	-	-100.0%
	TOTAL SPECIAL REVENUE FUND	285,590,814	277,158,715	255,025,015	256,713,872	0.7%

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

		2012 Actual	2013 Actual	2014 Adopted	2015 Council Adopted	% Change
CAPITAL PROJECT	PW - TRANSPORTATION PLANNING AND ENGINEERING	6,926,916	6,015,237	7,683,343	8,101,175	5.4%
	PARK BD - CAP IMPROV	15,102,835	14,186,386	6,011,000	11,462,000	90.7%
	DEBT SERVICE	-	96,618	-	-	-100.0%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	174,656	550,661	480,000	-	-100.0%
	CAPITAL IMPROVEMENTS	74,404,961	64,436,966	61,633,000	80,265,000	30.2%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	875,884	658,299	712,953	1,028,382	44.2%
	TOTAL CAPITAL PROJECT	97,485,252	85,944,167	76,520,296	100,856,558	31.8%
DEBT SERVICE	DEBT SERVICE	169,331,269	91,005,174	81,101,887	91,077,714	12.3%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,493,426	2,523,532	-	-	-100.0%
	TOTAL DEBT SERVICE	171,824,695	93,528,706	81,101,887	91,077,714	12.3%
INTERNAL SERVICE	PW - TRANSPORTATION PLANNING AND ENGINEERING	1,334,525	1,473,156	1,764,107	1,890,895	7.2%
	DEBT SERVICE	679,295	753,074	5,099,195	6,229,938	22.2%
	INFORMATION TECHNOLOGY	26,990,544	27,059,287	28,811,114	36,567,799	26.9%
	PW - FLEET	34,129,799	34,245,799	39,034,500	34,351,999	-12.0%
	WORKERS COMPENSATION	9,528,316	10,984,938	7,364,487	7,469,045	1.4%
	HEALTH AND WELFARE	784,178	1,097,227	2,468,400	2,530,110	2.5%
	FINANCE AND PROPERTY SERV	19,229,226	20,874,842	19,889,011	21,351,988	7.4%
	PARK BOARD	6,930,489	8,357,985	7,978,989	8,910,895	11.7%
	CITY CLERK	1,269,265	1,356,599	1,286,165	1,349,198	4.9%
	PW - TRAFFIC AND PARKING SERVICES	393,012	566,327	362,541	328,691	-9.3%
	PW - ENG. MATERIALS & TESTING	12,771	-	-	-	-100.0%
	CAPITAL IMPROVEMENTS	(5,894)	(7,330)	2,050,000	2,850,000	39.0%
	ATTORNEY	6,041,992	6,289,440	6,889,117	7,185,495	4.3%
	PW - PROPERTY SERVICES	(3,606)	-	-	-	-100.0%
	LIABILITY	3,907,739	7,076,070	8,574,185	8,789,677	2.5%
	HUMAN RESOURCES	1,666,095	2,817,179	1,711,834	1,856,432	8.4%
	TOTAL INTERNAL SERVICE	112,887,745	122,944,593	133,283,644	141,662,163	6.3%
ENTERPRISE	DEBT SERVICE	8,434,272	7,349,039	36,316,583	29,194,160	-19.6%
	PARK BOARD	14,182,547	9,393,375	9,855,199	9,047,386	-8.2%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,429,460	2,611,109	596,120	1,176,500	97.4%
	CAPITAL IMPROVEMENTS	31,540	176,921	51,805,000	45,540,000	-12.1%
	PW - WATER TREATMENT & DISTR.	51,611,062	51,083,573	52,424,040	55,962,426	6.7%
	SURFACE WATER & SEWERS-STORMWATR	13,540,946	15,715,665	19,404,557	19,371,437	-0.2%
	PW - TRAFFIC AND PARKING SERVICES	39,827,725	37,838,348	37,883,422	39,031,755	3.0%
	SURFACE WATER & SEWERS-SANITARY	51,918,654	51,970,276	48,002,789	56,833,381	18.4%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	8,043,744	7,867,859	9,264,226	9,190,184	-0.8%
	PW - SOLID WASTE	30,741,000	33,784,178	33,378,046	40,527,491	21.4%
	TOTAL ENTERPRISE	220,760,950	217,790,343	298,929,981	305,874,721	2.3%
TOTAL ALL FUNDS		1,219,175,205	1,147,437,467	1,237,456,686	1,302,474,006	5.3%

City of Minneapolis
2015 Budget
Community Development Block Grant (CDBG)

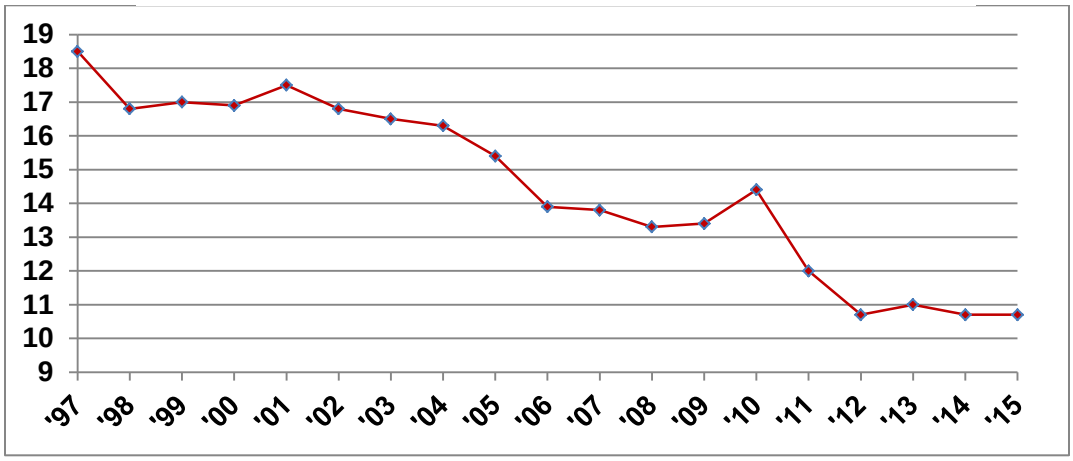
Background

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 18 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. From 2012 through 2014, the funding level has remained around $10 million. For 2015, the City is anticipating the funding to remain level with the 2014 funding amount of 10.7 million.

CDBG Entitlement 1997 – 2015



2015 Budget

Revenues

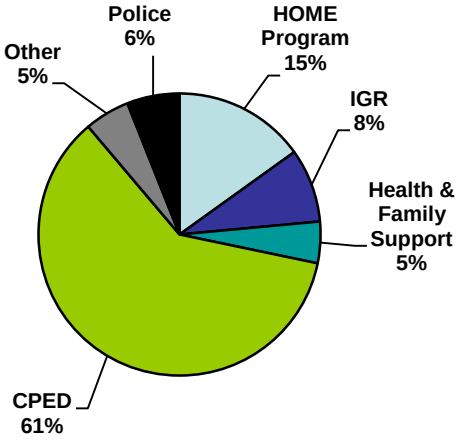
The entitlement funds drawn from HUD are budgeted based on the past relationship between national appropriations and local entitlement amounts. Amounts are based on the most recent actions of Congress.

The HOME program is expected to be close to the 2014 funding amount. The ESG and HOPWA awards are anticipated to remain unchanged from the 2014 levels. Final award numbers from Congress should be available in early 2015. 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.

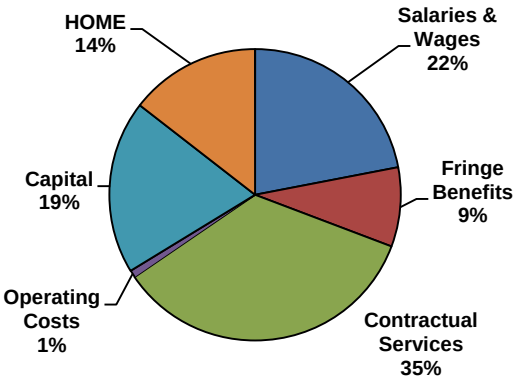
Expenditures

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.

Consolidated Plan
Use of Funds by Department
$15 million



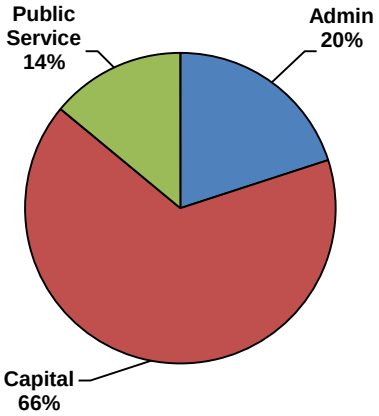
Consolidated Plan
Use of Funds by Cost Category
$15 million



CDBG Allocations

The graph below shows the distribution of the CDBG allocation in 2015. The public service and administration categories have a 15% and a 20% cap, respectively. In 2015 the funds were nearly allocated to the maximum for both of these categories.

Use CDBG
of Funds
$10.7 million



Debt Service
The CDBG entitlement is obligated over and above the current grant budgets by $4.2 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).

Mayor Recommended
The Mayor recommended the estimated funding level for 2015 be at the same level as the actual 2014 CDBG allocation. Other entitlement funding for the HOPWA, ESG, and HOME programs also remains at the actual HUD Consolidated Plan amount for 2014. Departments were also asked to plan for fifteen percent reduction options in the event that the actual HUD award is substantially reduced.

Council Adopted
The council approved the Mayor's recommendations.

SCHEDULE FOUR
Year 41 (2015) - Community Development Block Grant

Organization	Project	2013 Consolidated Plan	2014 Consolidated Plan	2015 Council Adopted
Capital /Other---CDBG				
Community Planning & Economic Development	Adult Training, Placement and Retention	$ 1,705,498	$ 1,247,500	$ 1,247,500
	High Density Corridor Initiative	578,769	579,000	579,000
	Multi-Family/Affordable Housing	2,966,776	3,277,540	3,277,540
	NEDF/CEDF (Great Streets)	10,726	123,000	123,000
	Commercial Property Investment	-	-	-
	Vacant and Boarded Building Progam	1,753,430	1,753,000	1,753,000
Subtotal CPED capital		7,015,199	6,980,040	6,980,040
Fire Department	Fire Protection Equipment	-		
Health Department	Lead Reduction	61,500	61,000	61,000
Regulatory Services	New Problem Properties Strategy	103,700		
Total Capital/Other (65%)		7,180,399	7,041,040	7,041,040
Public Service---CDBG				
Community Planning & Economic Development	Youth Employment	253,000	253,000	253,000
Neighborhood & Community Relations	Access & Outreach (Multicultural Affairs)	120,000	-	-
Police Department	Community Crime Prevention Specialists	897,015	897,000	897,000
Health Department	Way to Grow	212,000	212,000	212,000
	Juvenile Supervision Center (Curfew Truancy Program)	100,000	100,000	100,000
	Domestic Abuse Project	75,000	75,000	75,000
Total Public Service (15%)		1,657,015	1,537,000	1,537,000
Public Service - 15% Cap		1,657,015	1,608,383	1,608,383

SCHEDULE FOUR
Year 41 (2015) - Community Development Block Grant

Organization	Project	2013 Consolidated Plan	2014 Consolidated Plan	2015 Council Adopted
Administration---CDBG				
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance/Monitoring	365,000	335,000	335,000
Community Planning & Economic Development	Planning - Administration	1,037,353	899,807	899,807
Health Department	Mid-Minnesota Legal Aid	34,000	24,700	24,700
	Grant Administration	67,400	62,000	62,000
	Neighborhood Services	71,400	-	-
	Way to Grow Administration	17,500	15,000	15,000
	Youth Violence Prevention	110,700	158,000	158,000
Finance Department	Program Administration	196,000	180,000	180,000
Intergovernmental Relations	Grants & Special Projects	190,000	175,000	175,000
	Mid-Minnesota Legal Aid	54,000	40,100	40,100
Youth Coordinating Board	Administration	66,000	64,803	64,803
Neighborhood & Community Relations	Access & Outreach (Multicultural Affairs)	-	102,000	102,000
Regulatory Services	New Problem Properties Strategy	-	88,100	88,100
Total Administration (20%)		2,209,353	2,144,510	2,144,510
Administration 20% cap		2,209,353	2,144,510	2,144,510
CDBG Total of Requests (100%)		11,046,767	10,722,550	10,722,550
CDBG Revenue		11,046,767	10,722,550	10,722,550
Other Consolidated Plan Entitlement Funds				
HOME Investment Partnerships				
Community Planning & Economic Development	Affordable Housing Trust Fund (AHTF)	1,613,480	1,618,842	1,618,842
	Home Ownership Works (HOW)	402,916	404,711	404,711
	CPED Administration	209,044	209,839	209,839
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000	15,000
Emergency Solutions Grant (ESG)				
Community Planning & Economic Development	Emergency Solutions Grant Programs	623,222	680,119	680,119
	Street Outreach		150,000	150,000
	CPED Administration		62,306	62,306
Neighborhood & Community Relations	Street Outreach	150,000		
Intergovernmental Relations	Grants & Special Projects Administration	5,000	5,000	5,000
Housing Opportunities for Persons with AIDS (HOPWA)	Third Party Contractors/Subrecipients/Subgrantees	971,800	1,040,917	1,040,917
Grand Total Consolidated Plan		$ 15,037,229	$ 14,909,284	$ 14,909,284

SCHEDULE FIVE

STAFFING INFORMATION

	2012 Budget	2013 Budget	2014 Budget	2015 Council Adopted	Change	% change
CITY COORDINATOR						
311	28.00	28.00	31.00	31.00	0.00	0.0%
911	78.00	80.00	80.00	84.00	4.00	5.0%
CITY COORDINATOR	9.00	9.00	11.00	14.00	3.00	27.3%
COMMUNICATIONS	12.00	12.00	12.00	12.00	0.00	0.0%
CONVENTION CENTER	194.10	177.10	177.30	177.30	0.00	0.0%
EMERGENCY MANAGEMENT	6.00	4.00	6.50	6.50	0.00	0.0%
FINANCE AND PROPERTY SERV	239.00	240.50	250.00	251.00	1.00	0.4%
HUMAN RESOURCES	45.30	48.80	50.80	51.80	1.00	2.0%
INFORMATION TECHNOLOGY	57.00	54.00	60.00	60.00	0.00	0.0%
INTERGOVERNMENTAL RELATIONS	7.00	8.00	8.00	8.00	0.00	0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	16.00	16.00	16.00	16.00	0.00	0.0%
CITY COORDINATOR	**691.40**	**677.40**	**702.60**	**711.60**	**9.00**	**1.3%**
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT						
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	116.79	224.80	228.00	230.00	2.00	**0.9%**
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	**116.79**	**224.80**	**228.00**	**230.00**	**2.00**	**0.9%**
OTHER CHARTER DEPARTMENTS						
ASSESSOR	35.00	35.00	36.00	36.00	0.00	0.0%
ATTORNEY	101.00	102.00	108.00	110.00	2.00	1.9%
CITY CLERK	26.02	27.00	27.00	31.00	4.00	14.8%
CITY COUNCIL	39.00	39.00	39.00	39.00	0.00	0.0%
CIVIL RIGHTS	19.00	21.00	22.00	23.00	1.00	4.5%
FIRE	392.00	413.00	413.00	413.00	0.00	0.0%
INTERNAL AUDIT	2.50	2.00	3.00	3.00	0.00	0.0%
MAYOR	11.00	11.00	11.00	12.00	1.00	9.1%
MINNEAPOLIS HEALTH DEPARTMENT	50.25	91.00	94.30	100.80	6.50	6.9%
POLICE	967.80	980.50	985.50	1,020.50	35.00	3.6%
REGULATORY SERVICES	285.30	141.00	149.00	155.50	6.50	4.4%
OTHER CHARTER DEPARTMENTS	**1,928.87**	**1,862.50**	**1,887.80**	**1,943.80**	**56.00**	**3.0%**
PUBLIC WORKS						
PW - ADMINISTRATIVE SERVICES	16.00	16.00	16.00	16.00	0.00	0.0%
PW - FLEET	168.00	156.00	78.00	74.00	(4.00)	-5.1%
PW - SOLID WASTE	127.00	134.33	134.33	134.00	(0.33)	-0.2%
PW - TRAFFIC AND PARKING SERVICES	89.00	95.40	98.10	107.80	9.70	9.9%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	145.27	146.95	206.95	206.95	0.00	0.0%
PW - TRANSPORTATION PLANNING AND ENGINEERING	77.00	73.00	78.50	86.00	7.50	9.6%
PW - WATER TREATMENT & DISTR.	175.50	158.50	192.50	192.50	0.00	0.0%
PW - SURFACE WATER & SEWERS-SANITARY	37.75	39.50	45.00	39.00	(6.00)	-13.3%
PW - SURFACE WATER & SEWERS-STORMWATR	53.15	52.40	48.50	59.25	10.75	22.2%
PW - CAPITAL	43.41	39.57	49.10	40.00	(9.10)	-18.5%
PUBLIC WORKS	**932.08**	**911.65**	**946.98**	**955.50**	**8.52**	**0.9%**
CITY	**3,669.14**	**3,676.36**	**3,765.38**	**3,840.90**	**75.52**	**2.0%**
INDEPENDENT BOARDS						
PARK BOARD	802.4	814.72	819.24	832	12.76	1.6%
YOUTH COORDINATING BOARD	5.8	5.8	9	8	(1.00)	-11.1%
MINNEAPOLIS PUBLIC HOUSING AUTHORITY	292	292	284	289	5.00	1.8%
BOARD OF ESTIMATE & TAXATION	1	1	1	1	0.00	0.0%
MUNICIPAL BUILDING COMMISSION	54	55	55	55	0.00	0.0%
INDEPENDENT BOARDS	**1,155.20**	**1,168.52**	**1,168.24**	**1,185.00**	**16.76**	**1.4%**
TOTAL CITY	**4,824.34**	**4,844.88**	**4,933.62**	**5,025.90**	**92.28**	**1.9%**

SCHEDULE FIVE
2015 FOOTNOTES

Note: *The 2014 budgeted numbers reflected the 2014 Council Adopted Budget and do not include any changes that have occurred administratively during the fiscal year 2014.*

The following department's staffing level remains unchanged from 2014;

- ✓ Assessor
- ✓ 311
- ✓ Emergency Management
- ✓ City Council
- ✓ Convention Center
- ✓ Intergovernmental Relations
- ✓ Communications
- ✓ Internal Audit
- ✓ Information Technology
- ✓ Neighborhood and Community Relations

Attorney: The department's staffing levels increase by two FTEs from 2014.

City Clerk: The department's staffing levels increase by four FTEs from 2014. The department administratively reduced one position.

City Coordinator Administration: The department's staffing levels increase by three FTEs from 2014

911: The department's staffing levels increase by four FTEs from 2014.

Civil Rights: The department's staffing levels increase by one FTE from 2014.

Community Planning and Economic Development: The department's staffing levels increase by two FTE from 2014.

Finance and Property Services: The department's staffing levels increase by one FTE from 2014

Fire: The department's staffing levels remain level from 2014. The total FTE count for this department does not reflect cadet hiring as they are not considered in the FTE count until they become full-time staff.

Health: The department's staffing levels increase by 6.5 FTEs from 2014.

Human Resources: The department's staffing levels increase by one FTE from 2014. This position was created in partnership with Public Works and housed at the Hiawatha Facility.

Mayor: The department's staffing levels increase by one FTE from 2014.

Police: The department's staffing levels increase by thirty five FTEs from 2014. CSO's /Cadets/ Recruits are placed in Professional standards/training division of MPD until after they are sworn in, after which most of them are allocated to Patrol division. Reorganization in Police Department in 2014 moved the Licensing and Traffic Investigations Units form Patrols division to Investigations division.

Public Works

- ✓ **Fleet Services:** 2015 has four less FTEs due to reclassification of job titles and reorganization in the PW department in 2014.

- ✓ **Surface Water and Sewers-Stormwater:** 2015 budget has an increase of 10.8 FTE as a result of five new positions and the other positions result from reorganizations between Sanitary Sewer, Stormwater and Capital in 2014.

- ✓ **Surface Water and Sewers- Sanitary:** The division's decrease in employee count of 6 FTE results from a reorganizing of employees between the sanitary sewer, storm water, and capital divisions, as well as Fleet Services.

- ✓ **Traffic and Parking Services:** The division's staffing levels remain unchanged from 2014. 2015 budget shows 9.7 new positions from reclassification and reorganization of job titles in Public Works department in 2014.

- ✓ **Transportation Planning and Engineering:** The department's staffing levels increase by 7.5 FTEs from 2014.

- ✓ **Capital –** In the 2015 Mayor's Recommended Budget, the total FTE shown on Schedule 5 within the Public Works Department includes positions funded in Capital departments. This is a change from prior years in that positions funded in Capital departments were not previously included in the operating budget's presentation of this schedule. For informational purposes, this schedule now also provides historical Capital position counts.

The staffing levels of the following divisions of Public Works remain unchanged from 2014

- ✓ Administration
- ✓ Solid Waste and Recycling
- ✓ Water
- ✓ Transportation Maintenance and Repair

Regulatory Services: The department's staffing levels increase by 6.5 FTEs from 2014.

Independent Boards:

- ✓ **Minneapolis Parks and Recreation Board (MPRB)** – Staffing levels increase by 12.76 FTE's from 2014

- ✓ **Youth Coordinating Board (YCB)** - Staffing levels decrease by one FTE's from 2014

- ✓ **Minneapolis Public Housing Authority MPHA)** - Staffing levels increase by 5 FTE's from 2014

- ✓ **Minneapolis Building Commission (MBC)** – Staffing levels remain unchanged from 2014

- ✓ **Board of Estimate and Taxation (BET)** - Staffing levels remain unchanged from 2014

Schedule 6

2015 CPED PROGRAM ALLOCATION BY FUNDING SOURCE

	2013* Adopted Budget	2013 Revised Budget	2013 Actual Expenditure	2014 Adopted Budget	2014 Revised Budget (as of October)	2014 Expenditures (as of October)	2015 Adopted	Sources: General Fund**	01400 (CDBG), ESG & CDBG Prog Income	01500 (HOME)	State and Federal Grants	HRA Levy	Reg Services Special Rev Fund	Development Funds	GARFS	Restricted Dev & TIF Funds	Other Funds
LONG RANGE PLANNING	***1,922,577***	***2,776,570***	***1,878,863***	***3,150,118***	***4,223,053***	***1,970,341***	***2,445,982***	***1,941,181***	***393,500***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***111,301***
ADMINISTRATION AND OPERATIONS	1,317,577	1,488,053	1,328,202	2,670,118	3,005,198	1,736,134	2,420,982	1,916,181	393,500	-	-	-	-	-	-	-	111,301
ART IN PUBLIC PLACES	605,000	1,288,517	550,661	480,000	1,217,855	234,207	25,000	25,000	-	-	-	-	-	-	-	-	-
AFFORDABLE HOUSING	***9,194,389***	***25,473,246***	***15,800,012***	***12,039,522***	***28,605,199***	***11,989,436***	***11,864,045***	***2,717,042***	***4,748,965***	***1,786,714***	***-***	***271,100***	***-***	***-***	***-***	***2,216,200***	***124,024***
ADMINISTRATION AND OPERATIONS	1,305,454	2,608,835	1,827,980	1,814,031	3,096,544	1,787,104	1,978,366	1,367,042	-	-	-	271,100	-	-	-	216,200	124,024
STATE/LOCAL GRANT AWARDS	-	9,915,939	6,721,596	-	8,897,308	5,904,039	-	-	-	-	-	-	-	-	-	-	-
AFFORDABLE HSG TRUST FUND	6,561,800	10,519,179	5,525,623	8,462,591	14,041,058	3,185,434	8,064,254	1,000,000	3,277,540	1,786,714	-	-	-	-	-	2,000,000	-
EMERGENCY SOLUTIONS GRANT PROG	-	-	-	-	-	-	742,425	-	742,425	-	-	-	-	-	-	-	-
HIGH DENSITY CORRIDOR HOUSING	578,769	578,769	301,722	492,000	492,000	223,923	579,000	-	579,000	-	-	-	-	-	-	-	-
OWNER OCCUPIED REHAB	-	-	-	305,000	305,000	-	-	-	-	-	-	-	-	-	-	-	-
SENIOR CITIZEN HOUSING INITIATIVE	748,366	748,366	748,366	810,000	810,000	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNITY DEVELOPMENT LEVY	-	-	-	-	54,956	-	-	-	-	-	-	-	-	-	-	-	-
HOMELESSNESS INITIATIVE	-	-	-	155,900	155,900	-	500,000	350,000	150,000	-	-	-	-	-	-	-	-
TIF TORNADO	-	1,102,158	674,725	-	752,433	888,936	-	-	-	-	-	-	-	-	-	-	-
HOMEOWNERSHIP SUPPORT & DEV	***5,597,045***	***11,660,797***	***11,804,421***	***6,006,566***	***14,149,425***	***6,818,259***	***5,902,492***	***1,137,039***	***2,196,950***	***446,678***	***-***	***728,900***	***-***	***395,500***	***-***	***896,900***	***100,526***
ADMINISTRATION AND OPERATIONS	135,115	754,114	81,630	1,300,055	1,983,769	766,089	1,359,465	862,039	-	-	-	-	-	-	-	396,900	100,526
NSP GRANT	-	-	4,270,690	-	4,799,645	1,181,959	-	-	-	-	-	-	-	-	-	-	-
CRV GRANT	-	2,230,000	1,249,718	-	104,350	343,456	-	-	-	-	-	-	-	-	-	-	-
GREEN HOMES NORTH	607,378	607,377	245,368	603,000	965,009	378,040	728,900	-	-	-	-	728,900	-	-	-	-	-
VACANT & BOARDED HOUSING PROG	3,253,430	3,253,430	3,446,508	2,289,400	2,326,548	1,580,003	1,753,000	-	1,753,000	-	-	-	-	-	-	-	-
HOM (Homeownership Opportunity in Minneapolis)	-	-	-	-	-	-	839,450	-	443,950	-	-	-	-	395,500	-	-	-
HOMEOWNERSHIP COUNSELING AND OUTREACH	-	-	-	-	-	-	275,000	275,000	-	-	-	-	-	-	-	-	-
MORTGAGE FORECLOSURE PREVENTION PROG	360,000	360,000	109,349	250,000	503,090	234,578	-	-	-	-	-	-	-	-	-	-	-
HOW - HOME OWNERSHIP WORKS	930,592	1,861,271	1,585,156	1,065,592	1,564,042	1,678,993	946,678	-	-	446,678	-	-	-	-	-	500,000	-
AFFORDABLE OWNERSHIP COMBINED PROGRAM	-	925,668	43,299	-	882,368	221,101	-	-	-	-	-	-	-	-	-	-	-
HOME IMPROVEMENT PROGRAM	-	504,047	269,897	-	234,151	147,725	-	-	-	-	-	-	-	-	-	-	-
RESIDENTIAL FINANCE	310,530	1,164,890	502,805	498,519	786,453	286,315	-	-	-	-	-	-	-	-	-	-	-
BUSINESS DEVELOPMENT	***8,602,087***	***17,338,282***	***19,605,431***	***9,731,429***	***17,761,401***	***12,300,334***	***8,418,367***	***5,730,015***	***123,000***	***-***	***250,000***	***-***	***-***	***555,000***	***279,700***	***1,308,055***	***172,597***
ADMINISTRATION AND OPERATIONS	5,401,646	5,780,392	5,103,039	2,170,697	4,046,030	2,304,357	3,227,429	2,593,015	-	-	-	-	-	455,000	-	6,818	172,597
STATE/LOCAL GRANT AWARDS	-	4,700,590	10,066,313	-	4,669,272	4,731,013	-	-	-	-	-	-	-	-	-	-	-
SMALL BUSINESS REVOLVING LOAN PROG	-	-	-	2,492,794	2,492,794	1,522,699	2,212,000	2,212,000	-	-	-	-	-	-	-	-	-
GREATER MSP	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	-	-	-	-	-	-	-	-	-
INDUSTRIAL LAND SCARCITY ISSUES	-	-	-	-	-	-	100,000	100,000	-	-	-	-	-	-	-	-	-
UPPER HARBOR TERMINAL PLANNING	-	-	-	-	-	-	250,000	250,000	-	-	-	-	-	-	-	-	-
SMALL BUSINESS PARTNERSHIP	-	-	-	132,503	132,503	140,000	100,000	100,000	-	-	-	-	-	-	-	-	-
GREAT STREETS PROGRAM	399,826	2,857,661	919,463	948,100	2,980,810	1,186,386	123,000	-	123,000	-	-	-	-	-	-	-	-
TECHNICAL ASSISTANCE PROG	-	167,693	114,287	250,000	303,405	97,953	350,000	350,000	-	-	-	-	-	-	-	-	-
GROW NORTH	-	-	-	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-
ENERGY EFFECIENCY REVOLVING LOAN PROG	-	-	163,534	258,812	258,812	111,674	250,000	-	-	-	250,000	-	-	-	-	-	-
HOLLYWOOD THEATER	-	-	-	307,000	307,000	28,502	-	-	-	-	-	-	-	-	-	-	-
CEDAR RIVERSIDE PARKING LOTS	-	-	-	38,700	38,700	-	-	-	-	-	-	-	-	-	-	-	-
PEAVEY PLAZA	-	269,743	-	146,000	146,000	-	-	-	-	-	-	-	-	-	-	-	-
CAPITAL ACQUISATION REVOLVING FUND	-	500,000	2,413	-	500,000	-	-	-	-	-	-	-	-	-	-	-	-
COMMERCIAL PROPERTY MANAGEMENT	-	33,574	33,097	311,000	311,000	87,254	100,000	-	-	-	-	-	-	100,000	-	-	-
COMMON PROJECTS UNCERTIFIED	1,745,347	1,923,363	659,166	1,759,502	526,166	221,042	404,437	-	-	-	-	-	-	-	-	404,437	-
RIVER TERMINAL	236,296	286,294	1,813,512	320,968	370,968	1,484,798	896,800	-	-	-	-	-	-	-	-	896,800	-
GARFS	693,972	693,972	605,608	270,353	352,941	259,655	279,700	-	-	-	-	-	-	-	279,700	-	-
BUSINESS LICENSING	***2,957,110***	***2,957,110***	***2,798,178***	***4,154,170***	***4,154,170***	***3,155,163***	***4,273,488***	***4,037,490***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***235,999***
ADULT WORKFORCE DEVELOPMENT	***5,384,600***	***6,408,463***	***6,077,542***	***5,223,221***	***5,968,422***	***4,986,092***	***5,355,001***	***728,456***	***1,247,500***	***-***	***2,310,000***	***-***	***-***	***1,000,000***	***-***	***-***	***69,046***
YOUTH TRAINING & DEVELOPMENT	***3,383,900***	***3,500,285***	***3,420,138***	***3,909,570***	***3,956,150***	***3,165,694***	***3,956,672***	***803,024***	***253,000***	***-***	***2,147,501***	***-***	***-***	***700,000***	***-***	***-***	***53,148***
LAND USE, DESIGN & PRESERVATION	***2,441,583***	***2,317,188***	***2,226,984***	***3,517,792***	***3,517,792***	***2,811,160***	***3,572,223***	***2,711,940***	***666,857***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***193,426***
DEVELOPMENT SERVICES - CSC	***2,756,701***	***2,725,892***	***2,552,596***	***2,860,532***	***2,860,532***	***2,128,890***	***2,861,680***	***2,578,004***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***130,000***	***153,676***
CONSTRUCTION CODE SERVICES	***8,001,151***	***8,181,048***	***8,339,901***	***11,016,064***	***11,016,064***	***8,982,475***	***10,964,912***	***10,097,799***	***-***	***-***	***-***	***-***	***300,000***	***-***	***-***	***-***	***567,113***
CPED ADMINISTRATION AND OPERATIONS*	***7,496,642***	***6,196,438***	***6,122,296***	***879,141***	***879,141***	***156,162***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***
TOTAL CPED OPERATIONS	**57,737,784**	**89,535,318**	**80,626,361**	**62,488,125**	**97,091,348**	**58,464,005**	**59,614,862**	**32,481,989**	**9,629,772**	**2,233,392**	**4,707,501**	**1,000,000**	**300,000**	**2,650,500**	**279,700**	**4,551,155**	**1,780,853**
TRANSFER & DEBT SERVICES	***30,003,167***	***66,601,610***	***41,018,380***	***36,399,289***	***44,559,863***	***22,776,095***	***33,195,505***	***-***	***-***	***-***	***-***	***-***	***-***	***3,525,530***	***-***	***29,669,975***	***-***
TOTAL CPED BUDGET	**87,740,950**	**156,136,928**	**121,644,741**	**98,887,414**	**141,651,212**	**81,240,100**	**92,810,368**	**32,481,989**	**9,629,772**	**2,233,392**	**4,707,501**	**1,000,000**	**300,000**	**6,176,030**	**279,700**	**34,221,131**	**1,780,853**

** 2013 Budget Programs have been realigned to match 2015 Program Allocations.*
***Total budgeted General Fund revenue for 2015 is $35,629,000 and is largely associated with Construction Code Services activities and Business Licensing.*

SCHEDULE 7

2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2015 Section													
2015	Assessor's Department	Assessor-Tablets	Replacement	135,000	0	0	0	135,000	135,000	5 years	3,500	135,000	0	135,000
2015	Assessor's Department	Assessor-Cell Phones	Addition	12,000	0	0	0	12,000	60,000	3 Years	12,000	0	0	0
2015	311	311-Xaware	Replacement	150,000	0	0	0	150,000	150,000	15 years	0	0	0	0
2015	311	311-Cust Sat	Addition	55,000	0	0	0	55,000	55,000	6 years	3,000	0	0	0
2015	311	311-IVR	addition	60,000	0	0	0	60,000	60,000	8 years	2,500	0	0	0
2015	311	311-ASPECT	Addition	47,500	0	0	0	47,500	47,500	6 years	3,000	47,500	0	47,500
2015	MECC 911	911-FirstWatch	Addition	90,000	0	0	0	90,000	90,000	10 years	13,000	0	0	0
2015	MECC 911	911-Protocols	Addition	438,000	288,000	0	0	150,000	438,000	7 years	80,000	438,000	288,000	150,000
2015	MECC 911	911-Video IT	Replacement	75,000	0	0	0	75,000	100,000	8 years	0	0	0	0
2015	MECC 911	911-Logging Recorder	Replacement	400,000	0	0	0	400,000	400,000	10 years	65,000	0	0	0
2015	Office of the City Clerk	CityClerk-LIMS	Replacement	20,000	0	0	0	20,000	20,000	10 years	20,000	0	0	0
2015	Office of the City Clerk	CityClerk-CRM	Replacement	20,000	0	0	0	20,000	20,000	10 years	20,000	0	0	0
2015	Office of the City Clerk	CityClerk-EMS	Replacement	100,000	0	0	0	100,000	100,000	10 years	20,000	0	0	0
2015	Office of the City Clerk	CityClerk-Records	Replacement	100,000	0	0	0	100,000	100,000	10 years	20,000	0	0	0
2015	Office of the City Clerk	CityClerk-VotingBooths	Replacement	20,000	0	0	0	20,000	100,000	20 years	3,500	0	0	0
2015	Civil Rights	CivRights-Portal	Addition	50,000	0	0	0	50,000	100,000	8 years	3,000	0	0	0
2015	Civil Rights	CivRights-Smartboard	Addition	60,000	0	0	0	60,000	60,000	7 years	5,000	0	0	0
2015	Civil Rights	CivRights-TV	Addition	30,000	0	0	0	30,000	0	7 years	1,000	0	0	0
2015	Civil Rights	CivRights-CCD	Replacement	50,640	0	0	0	50,640	253,200	20 years	15,000	0	0	0
2015	Communications Department	Comm-ScreenCntrl	Replacement	28,000	0	0	0	28,000	28,000	10 years	0	28,000	0	28,000
2015	Communications Department	Comm-CameraRepl	Replacement	66,000	0	0	0	66,000	66,000	10-15 years	0	66,000	0	66,000
2015	Communications Department	Comm-EditingDesk	Addition	5,000	0	0	0	5,000	5,000	10 years	0	5,000	0	5,000
2015	Communications Department	Comm-SoundBooth	Addition	7,500	0	0	0	7,500	7,500	5 years	0	0	0	0
2015	CPED	CPED - IT TISH	Upgrade	100,000	0	0	0	100,000	100,000	10 years	0	0	0	0
2015	CPED	CPED - IT MINS	Replacement	200,000	0	0	0	200,000	1,200,000	5 years	0	0	0	0
2015	CPED	CPED - IT Sales Force CRM	Replacement	20,000	0	0	0	20,000	60,000	5 years	0	0	0	0
2015	CPED	CPED - IT ELMS Hardware	Replacement	168,500	0	0	0	168,500	337,000	5 years	0	150,000	0	150,000
2015	Finance & Property Svcs	FPS-Security Camera Replacement	Replacement	125,000	0	0	0	125,000	125,000	8 years	0	0	0	0
2015	Finance & Property Svcs	FPS-Security Camera Addition	Replacement	220,000	0	0	0	220,000	330,000	8 years	0	0	0	0
2015	Finance & Property Svcs	FPS-Key Management System	Addition	90,000	0	0		90,000	90,000	10 years	0	0	0	0
2015	Finance and Property Services	FPS-AccessControl	Replacement	15,000	0	0	0	15,000	15,000	10 years	0	15,000	0	15,000
2015	Finance - Treasury	FPS-Kiosks	Addition	42,000	0	0	0	42,000	42,000	5 years	12,000	42,000	0	42,000
2015	Finance- Treasury	FPS-Check Scanners	Addition	30,000	0	0	0	30,000	30,000	5 years	3,000	0	0	0
2015	Finance - Treasury	FPS-enQuesta GO - Mobile app	Addition	45,000	0	0	0	45,000	45,000	5 years	21,000	0	0	0
2015	Property Services - Radio	FPS-RadioComm	Replacement	350,000	0	0	0	350,000	1,050,000	12 years	0	350,000	0	350,000
2015	Property Services	FPS-CityFurniture	Replacement	1,688,000	0	0	0	1,688,000	8,598,500	5 years	0	0	0	0
2015	Property Services - Attorney's	FPS-Atty-PreTrialRooms	Addition	70,000	0	0	70,000	0	70,000	5 years	0	70,000	70,000	0
2015	Property Services - Regulatory	FPS-RS-FieldInspRelocate	Replacement	100,540	0	0	0	100,540	100,540	1 year	0	100,540	0	100,540
2015	Minneapolis Health Department	Health-SHHIP IT Request	Addition	50,000	0	0	0	50,000	75,000	5 years	0	0	0	0
2015	Minneapolis Health Department	Health-ELM IT Request Health	Addition	174,000	0	0	0	174,000	174,000	5 years	0	150,000	0	150,000
2015	Information Technology	IT-Historical Aerial Imagery	Addition	40,000	0	0	0	40,000	40,000	Indefinite	36,000	0	0	0
2015	Information Technology	IT-Innovation & Training Center	Replacement	150,000	0	0	0	150,000	400,000	5 years	0	0	0	0
2015	Information Technology (IT)	IT-IT Outsourcing Transition	Addition	2,700,000	0	0	0	2,700,000	3,100,000	5 years	210,000	2,700,000	2,700,000	0
2015	Information Technology	IT-Technology Tool Refresh	Replacement	10,000	0	0	0	10,000	50,000	5 years	0	10,000	10,000	0
2015	Information Technology	It-Web Infrastructure	Addition	100,000	0	0	0	100,000	100,000	5 years	20,000	100,000	100,000	0
2015	Office of Emergency Management	OEM-EOTF127	Replacement	8,000	0	0	0	8,000	49,000	7 Years	0	0	0	0
2015	Office of Emergency Management	OEM-EOTF 128	Replacement	8,000	0	0	0	8,000	39,000	7 Years	0	0	0	0
2015	Office of Emergency Management	OEM-IP PHONES	Addition	15,000	0	0	0	15,000	15,000	7 Years	3,600	15,000	0	15,000
2015	MPD Crime Lab Unit	Police-SATA drives	Addition	6,208	0	0	0	6,208	31,040	5 years	0	0	0	0
2015	MPD Crime Lab Unit	Police-LabAccred	Replacement	6,000	0	0	0	6,000	30,000	1 years	0	0	0	0

SCHEDULE 7

2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

Section I TOC

Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2015	MPD Crime Lab Unit (Field Ops.	Police-TracLaser	Replacement	55,000	0	0	0	55,000	55,000	12 years	0	0	0	0
2015	MPD Crime Lab Unit (Field Ops.	Police-PolilightFlare	Addition	32,000	0	0	0	32,000	32,000	5 years	0	0	0	0
2015	Crime Lab Unit (MAFIN Section)	Police-MAFINupgrade	Replacement	18,000	0	0	0	18,000	58,000	5 years	0	0	0	0
2015	MPD	Police-Taser	Replacement	124,800	0	0	0	124,800	364,000	7 Years	0	124,800	0	124,800
2015	MPD Crime Lab Unit (Firearms	Police-Microscope	Replacement	15,000	0	0	0	15,000	90,000	20 years	0	0	0	0
2015	MPD	Police-SquadVideo	Replacement	120,000	0	0	0	120,000	440,000	6 Years	0	120,000	0	120,000
2015	MPD	Police-PlateRecog	Replacement	15,000	0	0	0	15,000	57,000	6 Years	0	0	0	0
2015	MPD	Police-LabInfoSys	Replacement	30,000	0	0	0	30,000	150,000	5 Years	0	30,000	0	30,000
2015	MPD	Police-DigitalDictation	Replacement	75,000	0	0	0	75,000	185,000	4 Years	0	0	0	0
2015	MPD	Police-Cameras	Replacement	5,000	0	0	0	5,000	25,000	4 Years	0	0	0	0
2015	MPD	Police-APS-Pawn	Addition	50,000	0	0	0	50,000	250,000	5 years	0	0	0	0
2015	MPD	Police-BodyCameras	Addition	1,140,000	0	0	0	1,140,000	2,490,000	4 Years	400,000	570,000	0	570,000
2015	MPD	Police-MobilePrinters	Replacement	48,000	0	0	0	48,000	168,000	5 years	0	0	0	0
2015	MPD - Traffic Investigation	Police-CrashData	Addition	13,297	0	0	0	13,297	23,893	1 year	0	0	0	0
2015	MPD - Traffic Investigation	Police-TrimbleStation	Replacement	40,000	20,000	0	0	20,000	40,800	10 years	0	0	0	0
2015	MPD	Police-SIC	Replacement	23,000	0	0	0	23,000	672,000	Varies	0	0	0	0
2015	MPD	Police-CameraTrailers	Replacement	10,000	0	0	0	10,000	84,000	8 years	0	0	0	0
2015	MPD	Police-PSCameras	Replacement	225,000	0	0	0	225,000	1,012,500	5 years	0	225,000	0	225,000
2015	MPD	Police-ATAC-SW	Addition	15,000	0	0	0	15,000	75,000	Indefinite	0	0	0	0
2015	MPD	Police-HandgunProgram	Addition	100,000	0	0	0	100,000	450,000	8 Years	0	0	0	0
2015	MPD	Police-Rifles	Replacement	25,000	0	0	0	25,000	125,000	10 Years	0	0	0	0
2015	MPD Leadership	Police-HamiltonCompLab	Addition	52,000	0	0	0	52,000	52,000	5 years	0	0	0	0
2015	Fire	Fire-SCBA	Replacement	900,000	0	0	0	900,000	900,000	15 years	0	450,000	0	450,000
2015	Fire	Fire-PPE	Replacement	108,000	0	0	0	108,000	540,000	5-10 years	0	108,000	0	108,000
2015	Fire	Fire-Fire Hose	Replacement	21,000	0	0	0	21,000	105,000	10-20 years	0	0	0	0
2015	Fire	Fire-Furniture	Replacement	10,000	0	0	0	10,000	106,000	10 years	0	0	0	0
2015	Fire	Fire-Thermal Imagers	Replacement	30,000	0	0	0	30,000	150,000	3-7 years	0	0	0	0
2015	Fire	Fire-HazMat	Replacement	20,000	0	0	0	20,000	100,000	5 years	0	0	0	0
2015	Fire	Fire-EOTF	Replacement	36,500	0	0	0	36,500	156,500	5 years	0	0	0	0
2015	Fire	Fire-AED's	Replacement	162,500	0	0	0	162,500	162,500	5 years	0	0	0	0
2015	Regulatory Services	RegSvc-Tablets	Addition	175,000	0	0	0	175,000	375,000	5 years	0	175,000	0	175,000
2015	Regulatory Services	RegSvc-EDMS	Addition	20,000	0	0	0	20,000	20,000	5 years	0	20,000	0	20,000
2015	Regulatory Services	RegSvc-EChalk	Addition	60,000	0	0	0	60,000	235,000	5 years	0	0	0	0
2015	Regulatory Services	RegSvc-CitationWriter	Replacement	525,000	0	0	0	525,000	600,000	5 years	0	525,000	525,000	0
2015	PW Transportation Maintenance &	PW Dispatch	Addition	82,500	0	0	0	82,500	82,500	Unknown	0	0	0	0
2015	PW Fleet Services Division	PW M5 SQL Upgrade	Replacement	65,000	0	0	0	65,000	65,000	of the version.	0	0	0	0
2015	PW Fleet Services Division	PW M5 Interface wi HRIS	Addition	100,000	0	0	0	100,000	100,000	Unknown life	0	0	0	0
2015	PW Fleet Services Division	PW-AVL Initiative	Addition	100,000	0	0	0	100,000	150,000	Unknown life	0	0	0	0
2015	PW Fleet Services Division	PW-Fueling Station Hardware	Replacement	100,000	0	0	0	100,000	100,000	Unknown	0	100,000	100,000	0
2015	Solid Waste and Recycling	SW&R-Packer	Replacement	534,368	0	534,368	0	0	5,942,518	10-12 years	0	534,368	534,368	0
2015	Solid Waste and Recycling	SW&R-Mini-Packer	Replacement	95,000	0	95,000	0	0	95,000	10-12 years	0	95,000	95,000	0
2015	Solid Waste and Recycling	SW&R-Pickups	Replacement	159,125	0	159,125	0	0	159,125	12-14 years	0	159,125	159,125	0
2015	Solid Waste and Recycling	SW&R-Cart Service Truck	Replacement	110,000	0	110,000	0	0	1,768,000	15 years	0	110,000	110,000	0
2015	Solid Waste and Recycling	SW&R-PM Truck	Replacement	128,000	0	128,000	0	0	490,000	15 years	0	128,000	128,000	0
2015	Solid Waste and Recycling	SW&R-Dump Body 1 Ton	Replacement	55,000	0	55,000	0	0	55,000	10 years	0	55,000	55,000	0
2015	Solid Waste and Recycling	SW&R-1 Ton Pickup	Replacement	41,000	0	41,000	0	0	41,000	12-14 years	0	41,000	41,000	0
2015	Solid Waste and Recycling	SW&R-Skid Steer	Replacement	80,000	0	80,000	0	0	80,000	12-14 years	0	80,000	80,000	0
2015	CPED	Fleet-CPED_Additions	Addition	73,500	0	0	0	73,500	73,500	Varies	11,400	35,000	0	35,000
2015	Finance	Fleet-Finance	Replacement	59,628	0	0	53,187	6,441	234,164	Varies	0	59,328	59,328	0
2015	Fire	Fleet-Fire	Replacement	1,068,407	0	0	913,442	154,965	15,535,920	Varies	0	1,068,407	918,407	150,000
2015	Health	Fleet-Health_Additions	Addition	137,000	0	0	0	137,000	137,000	Varies	26,625	75,000	0	75,000

SCHEDULE 7

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2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2015	Police	Fleet-Police	Replacement	3,266,592	0	0	2,401,545	865,047	12,270,645	Varies	0	3,266,592	2,416,592	850,000
2015	PW- Fleet Services Division	Fleet-PW-FSD	Replacement	120,146	0	0	99,720	20,426	795,390	Varies	0	120,146	120,146	0
2015	PW-Fleet Svc Task Unit Equipment	Fleet-PW- FSD Task Unit	Replacement	2,073,675	0	0	1,083,730	989,945	10,170,481	Varies	0	2,073,675	2,073,675	0
2015	PW- Surface Water & Sewers	Fleet-PW-SW&S	Replacement	742,227	0	0	621,215	121,012	2,528,476	Varies	0	742,227	742,227	0
2015	PW-Transportation Maintenance &	Fleet-PW-TM&R_Additions	Addition	105,500	0	0	105,500	0	105,500	Varies	15,000	105,500	105,500	0
2015	PW-Transportation Maintenance &	Fleet-PW-TM&R	Replacement	2,037,369	0	0	1,748,282	289,087	9,342,472	Varies	0	2,037,369	1,762,369	275,000
2015	PW- Transportation Planning &	Fleet-PW-TP&E_Additions	Addition	49,000	0	0	49,000	0	49,000	Varies	10,000	49,000	49,000	0
2015	PW- Transportation Planning &	Fleet-PW-TP&E	Replacement	49,014	0	0	42,505	6,509	562,444	Varies	0	49,014	49,014	0
2015	PW-Traffic	Fleet-PW-Traffic	Replacement	532,543	0	0	414,279	118,264	2,832,886	Varies	0	532,543	414,279	118,264
2015	PW- Water	Fleet-PW-Water_Additions	Addition	300,000	0	300,000	0	0	300,000	Varies	0	300,000	300,000	0
2015	PW-Water	Fleet-PW-Water	Replacement	366,552	0	0	310,396	56,156	2,091,443	Varies	0	366,552	366,552	0
2015	Regulatory Services	Fleet-RegSvcs_Additions	Addition	329,000	0	0	106,250	222,750	329,000	Varies	62,770	0	0	0
2015	Regulatory Services	Fleet-Reg Services	Replacement	265,337	0	0	179,507	85,830	1,207,352	Varies	0	265,337	179,507	85,830
2015	PW_ Sanitary Sewer	SanSewerAnnualProg	Other	60,000	0	60,000	0	0	300,000	0	0	60,000	60,000	0
2015	PW_ Sanitary Storm	StormSewerAnnual Prog	Other	60,000	0	60,000	0	0	300,000	0	0	60,000	60,000	0
2015	Development Services-Customer	DevSvcs-TicketDispenser	Replacement	17,000	0	0	0	17,000	17,000	5 years	0	0	0	0
2015	PW-Traffic & Parking Services	TrafficPkgSvcs-ParkingRamps	Renovation	1,950,000	0	1,950,000	0	0	8,750,000	10-20 years	0	0	0	0
2015	PW-Traffic & Parking Services	TrafficePkgSvcs-Impound Lot	Renovation	2,000,000	0	2,000,000	0	0	4,000,000	15-20 years	0	0	0	0
2015	PW - Transportation Planning &	PW-TPE Move	Renovation	500,000	0	0	0	500,000	500,000	0	0	0	0	0
2015	PW_ Water	WaterAnnualProg	Other	950,000	0	950,000	0	0	4,750,000	0	0	950,000	950,000	0
2015	Human Resources	HR-Onboarding	Addition	50,000	0	0	0	50,000	265,457	5 years	0	0	0	0
2015	Human Resources	HR-Succession Planning	Addition	125,000	0	0	0	125,000	663,642	5 years	0	0	0	0
2015	Finance/HR/IT	IT_FPS_HR-ERP	Replacement	3,600,000	0	0	0	3,600,000	3,600,000	5 years	0	3,600,000	0	3,600,000
	2015 Total			35,387,468	308,000	6,522,493	8,198,557	20,358,418	125,157,462		1,130,895	23,888,023	15,622,089	8,265,934

Summary of 2015 Requests

By Type:	Replacement	22,441,463	20,000	1,202,493	7,867,807	13,351,163	Replacement	17,921,023	10,939,589	6,981,434
	Addition	7,326,005	288,000	300,000	330,750	6,407,255	Addition	4,897,000	3,612,500	1,284,500
	Upgrade	100,000	-	-	-	100,000	Upgrade	0	0	0
	Renovation	4,450,000	-	3,950,000	-	500,000	Renovation	0	0	0
	Other	1,070,000	-	1,070,000	-	-	Other	1,070,000	1,070,000	0
	Total	35,387,468	308,000	6,522,493	8,198,557	20,358,418	Total	23,888,023	15,622,089	8,265,934
By Priority	Must Do-Pending	210,500	-	-	-	210,500	Must Do-Pending	110,000	0	110,000
	High	7,938,430	20,000	1,502,493	281,750	6,134,187	High	2,794,993	1,677,993	1,117,000
	Must Do	21,801,830	288,000	1,070,000	7,867,807	12,576,023	Must Do	20,934,030	13,895,096	7,038,934
	Medium	5,436,708	-	3,950,000	49,000	1,437,708	Medium	49,000	49,000	0
	Total	35,387,468	308,000	6,522,493	8,198,557	20,358,418	Total	23,888,023	15,622,089	8,265,934

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2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

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Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2016 Section													
2016	Assessor's Department	Assessor-Cell Phones	Addition	12,000	0	0	0	12,000	60,000	3 Years	12,000			
2016	Office of the City Clerk	CityClerk-VotingBooths	Replacement	20,000	0	0	0	20,000	100,000	20 years	3,500			
2016	Civil Rights	CivRights-Portal	Addition	50,000	0	0	0	50,000	100,000	8 years	3,000			
2016	Civil Rights	CivRights-CCD	Replacement	50,640	0	0	0	50,640	253,200	20 years	15,000			
2016	Communications Department	Comm-ProdSwitch	Replacement	35,000	0	0	0	35,000	35,000	10 years	0			
2016	Communications Department	Comm-TV4Chambers	Replacement	7,000	0	0	0	7,000	7,000	5 years	0			
2016	CPED	CPED - IT Qmatic	Upgrade	50,000	0	0	0	50,000	50,000	10 years	0			
2016	CPED	CPED - IT Cry Wolf	Upgrade	50,000	0	0	0	50,000	50,000	10 years	0			
2016	CPED	CPED - IT MINS	Replacement	500,000	0	0	0	500,000	1,200,000	5 years	0			
2016	CPED	CPED - IT Sales Force CRM	Replacement	10,000	0	0	0	10,000	60,000	5 years	0			
2016	CPED	CPED - IT ELMS Hardware	Replacement	168,500	0	0	0	168,500	337,000	5 years	0			
2016	Finance & Property Svcs	FPS-Security Camera Addition	Replacement	125,000	0	0	0	125,000	330,000	8 years	0			
2016	Property Services - Radio	FPS-RadioComm	Replacement	350,000	0	0	0	350,000	1,050,000	12 years	0			
2016	Property Services	FPS-CityFurniture	Replacement	2,942,500	0	0	0	2,942,500	8,598,500	5 years	0			
2016	Minneapolis Health Department	Health-SHHIP IT Request	Addition	25,000	0	0	0	25,000	75,000	5 years	0			
2016	Information Technology	IT-Innovation & Training Center	Replacement	100,000	0	0	0	100,000	400,000	5 years	0			
2016	Information Technology (IT)	IT-IT Outsourcing Transition	Addition	250,000	0	0	0	250,000	3,100,000	5 years	210,000			
2016	Information Technology	IT-Technology Tool Refresh	Replacement	10,000	0	0	0	10,000	50,000	5 years	0			
2016	Office of Emergency Management	OEM-EOTF127	Replacement	4,000	0	0	0	4,000	49,000	7 Years	0			
2016	Office of Emergency Management	OEM-EOTF 128	Replacement	4,000	0	0	0	4,000	39,000	7 Years	0			
2016	MPD Crime Lab Unit	Police-SATA drives	Addition	6,208	0	0	0	6,208	31,040	5 years	0			
2016	MPD Crime Lab Unit	Police-ForensicComputer	Replacement	6,000	0	0	0	6,000	12,000	3 years	0			
2016	MPD Crime Lab Unit	Police-AvidVideo	Replacement	15,695	0	0	0	15,695	20,195	5 years	0			
2016	MPD Crime Lab Unit	Police-VideoProcessingComp	Replacement	12,500	0	0	0	12,500	12,500	3 years	0			
2016	MPD Crime Lab Unit	Police-LabAccred	Replacement	6,000	0	0	0	6,000	30,000	1 years	0			
2016	Crime Lab Unit (MAFIN Section)	Police-MAFINupgrade	Replacement	10,000	0	0	0	10,000	58,000	5 years	0			
2016	MPD	Police-Taser	Replacement	59,800	0	0	0	59,800	364,000	7 Years	0			
2016	MPD	Police-SquadVideo	Replacement	80,000	0	0	0	80,000	440,000	6 Years	0			
2016	MPD	Police-PlateRecog	Replacement	30,000	0	0	0	30,000	57,000	6 Years	0			
2016	MPD	Police-LabInfoSys	Replacement	30,000	0	0	0	30,000	150,000	5 Years	0			
2016	MPD	Police-DigitalDictation	Replacement	40,000	0	0	0	40,000	185,000	4 Years	0			
2016	MPD	Police-NetMotion	Replacement	30,000	0	0	0	30,000	30,000	3 Years	0			
2016	MPD	Police-CJIS	Replacement	35,000	0	0	0	35,000	60,000	3 Years	10,000			
2016	MPD	Police-MDC	Replacement	700,000	0	0	0	700,000	1,680,000	8 Years	0			
2016	MPD	Police-Cameras	Replacement	5,000	0	0	0	5,000	25,000	4 Years	0			
2016	MPD	Police-APS-Pawn	Addition	50,000	0	0	0	50,000	250,000	5 years	0			
2016	MPD	Police-BodyCameras	Addition	100,000	0	0	0	100,000	2,490,000	4 Years	400,000	570,000	see note	570,000
2016	MPD	Police-MobilePrinters	Replacement	48,000	0	0	0	48,000	168,000	5 years	0			
2016	MPD - Traffic Investigation	Police-CrashData	Addition	2,399	0	0	0	2,399	23,893	1 year	0			
2016	MPD - Traffic Investigation	Police-TrimbleStation	Replacement	200	0	0	0	200	40,800	10 years	0			
2016	MPD	Police-SIC	Replacement	197,000	0	0	0	197,000	672,000	Varies	0			
2016	MPD	Police-CameraTrailers	Replacement	14,000	0	0	0	14,000	84,000	8 years	0			
2016	MPD	Police-PSCameras	Replacement	225,000	0	0	0	225,000	1,012,500	5 years	0			
2016	MPD	Police-ATAC-SW	Addition	15,000	0	0	0	15,000	75,000	Indefinite	0			
2016	MPD	Police-HandgunProgram	Addition	100,000	0	0	0	100,000	450,000	8 Years	0			
2016	MPD	Police-Rifles	Replacement	25,000	0	0	0	25,000	125,000	10 Years	0			
2016	Fire	Fire-PPE	Replacement	108,000	0	0	0	108,000	540,000	5-10 years	0			
2016	Fire	Fire-Fire Hose	Replacement	21,000	0	0	0	21,000	105,000	10-20 years	0			
2016	Fire	Fire-Furniture	Replacement	24,000	0	0	0	24,000	106,000	10 years	0			
2016	Fire	Fire-Thermal Imagers	Replacement	30,000	0	0	0	30,000	150,000	3-7 years	0			

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YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2016	Fire	Fire-HazMat	Replacement	20,000	0	0	0	20,000	100,000	5 years	0			
2016	Fire	Fire-MDC's	Replacement	36,000	0	0	0	36,000	144,000	3-5 years	0			
2016	Fire	Fire-Winscribe	Replacement	15,000	0	0	0	15,000	15,000	5 years	0			
2016	Fire	Fire-FireHouse	Replacement	15,000	0	0		15,000	30,000	5 years	0			
2016	Fire	Fire-EOTF	Replacement	17,000	0	0	0	17,000	156,500	5 years	0			
2016	Regulatory Services	RegSvc-Tablets	Addition	200,000	0	0	0	200,000	375,000	5 years	0			
2016	Regulatory Services	RegSvc-EChalk	Addition	125,000	0	0	0	125,000	235,000	5 years	0			
2016	Regulatory Services	RegSvc-CitationWriter	Replacement	75,000	0	0	0	75,000	600,000	5 years	0			
2016	Regulatory Services	RegSvc-LicPlateRecog	Replacement	125,000	0	0	0	125,000	125,000	6 years	0			
2016	PW Transportation Maintenance &	PW Activity Based Costing	Addition	110,000	0	0	0	110,000	110,000	10 years	0			
2016	PW Transportation Maintenance &	PW Field Act TrackingnPerf Rptg	Addition	220,000	0	0	0	220,000	220,000	Unknown	0			
2016	PW Fleet Services Division	PW-AVL Initiative	Addition	50,000	0	0	0	50,000	150,000	Unknown life	0			
2016	Solid Waste and Recycling	SW&R-Sideloader	Replacement	375,000	0	375,000	0	0	375,000	10 years	0			
2016	Solid Waste and Recycling	SW&R-Packer	Replacement	1,316,000	0	1,316,000	0	0	5,942,518	10-12 years	0			
2016	CPED	Fleet-CPED	Replacement	32,494	0	0	28,224	4,270	817,664	Varies	0			
2016	Fire	Fleet-Fire	Replacement	1,657,137	0	0	1,360,214	296,923	15,535,920	Varies	0			
2016	Police	Fleet-Police	Replacement	2,312,481	0	0	1,799,502	512,979	12,270,645	Varies	0			
2016	PW- Fleet Services Division	Fleet-PW-FSD	Replacement	208,891	0	0	143,416	65,475	795,390	Varies	0			
2016	PW-Fleet Svc Task Unit Equipment	Fleet-PW- FSD Task Unit	Replacement	1,232,031	0	0	642,590	589,441	10,170,481	Varies	0			
2016	PW- Surface Water & Sewers	Fleet-PW-SW&S	Replacement	54,728	0	0	48,125	6,603	2,528,476	Varies	0			
2016	PW-Transportation Maintenance &	Fleet-PW-TM&R	Replacement	3,512,753	0	0	2,538,859	973,894	9,342,472	Varies	0			
2016	PW- Transportation Planning &	Fleet-PW-TP&E	Replacement	94,501	0	0	81,366	13,135	562,444	Varies	0			
2016	PW-Traffic	Fleet-PW-Traffic	Replacement	940,775	0	0	764,475	176,300	2,832,886	Varies	0			
2016	PW-Water	Fleet-PW-Water	Replacement	464,974	0	0	389,744	75,230	2,091,443	Varies	0			
2016	Regulatory Services	Fleet-Reg Services	Replacement	374,118	0	0	268,371	105,747	1,207,352	Varies	0			
2016	PW_ Sanitary Sewer	SanSewerAnnualProg	Other	60,000	0	60,000	0	0	300,000	0	0			
2016	PW_ Sanitary Storm	StormSewerAnnual Prog	Other	60,000	0	60,000	0	0	300,000	0	0			
2016	PW-Traffic & Parking Services	TrafficPkgSvcs-ParkingRamps	Renovation	1,700,000	0	1,700,000	0	0	8,750,000	10-20 years	0			
2016	PW-Traffic & Parking Services	TrafficePkgSvcs-Impound Lot	Renovation	2,000,000	0	2,000,000	0	0	4,000,000	15-20 years	0			
2016	PW_ Water	WaterAnnualProg	Other	950,000	0	950,000	0	0	4,750,000	0	0			
2016	Human Resources	HR-Onboarding	Addition	51,500	0	0	0	51,500	265,457	5 years	0			
2016	Human Resources	HR-Succession Planning	Addition	128,750	0	0	0	128,750	663,642	5 years	0			
	2016 Total			25,323,575	0	6,461,000	8,064,887	10,797,688	125,187,462	0	1,130,895	570,000	0	570,000

Note: While the 2015 budget does not officially provide funding for 2016 activities, the 2015 CARS budget was adopted with the intent to fund this item in 2016.

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	2017 Section													
2017	Assessor's Department	Assessor-Cell Phones	Addition	12,000	0	0	0	12,000	60,000	3 Years	12,000			
2017	Assessor's Department	Assessor-Photo Project	Replacement	150,000	0	0	0	150,000	300,000	8 Years	0			
2017	MECC 911	911-VisiCAD	Upgrade	125,000	0	0	0	125,000	125,000	15 years	0			
2017	MECC 911	911-Video IT	Replacement	25,000	0	0	0	25,000	100,000	8 years	0			
2017	Office of the City Clerk	CityClerk-VotingBooths	Replacement	20,000	0	0	0	20,000	100,000	20 years	3,500			
2017	Civil Rights	CivRights-CCD	Replacement	50,640	0	0	0	50,640	253,200	20 years	15,000			
2017	CPED	CPED - IT MINS	Replacement	500,000	0	0	0	500,000	1,200,000	5 years	0			
2017	CPED	CPED - IT Sales Force CRM	Replacement	10,000	0	0	0	10,000	60,000	5 years	0			
2017	Property Services - Radio	FPS-RadioComm	Replacement	350,000	0	0	0	350,000	1,050,000	12 years	0			
2017	Property Services	FPS-CityFurniture	Replacement	3,055,000	0	0	0	3,055,000	8,598,500	5 years	0			
2017	Information Technology	IT-Innovation & Training Center	Replacement	50,000	0	0	0	50,000	400,000	5 years	0			
2017	Information Technology (IT)	IT-IT Outsourcing Transition	Addition	50,000	0	0	0	50,000	3,100,000	5 years	210,000			
2017	Information Technology	IT-Technology Tool Refresh	Replacement	10,000	0	0	0	10,000	50,000	5 years	0			
2017	Office of Emergency Management	OEM-EOTF127	Replacement	28,000	0	0	0	28,000	49,000	7 Years	0			
2017	Office of Emergency Management	OEM-EOTF 128	Replacement	18,000	0	0	0	18,000	39,000	7 Years	0			
2017	MPD Crime Lab Unit	Police-SATA drives	Addition	6,208	0	0	0	6,208	31,040	5 years	0			
2017	MPD Crime Lab Unit	Police-AvidVideo	Replacement	1,500	0	0	0	1,500	20,195	5 years	0			
2017	MPD Crime Lab Unit	Police-LabAccred	Replacement	6,000	0	0	0	6,000	30,000	1 years	0			
2017	Crime Lab Unit (MAFIN Section)	Police-MAFINupgrade	Replacement	10,000	0	0	0	10,000	58,000	5 years	0			
2017	MPD	Police-Taser	Replacement	59,800	0	0	0	59,800	364,000	7 Years	0			
2017	MPD	Police-SquadVideo	Replacement	80,000	0	0	0	80,000	440,000	6 Years	0			
2017	MPD	Police-PlateRecog	Replacement	4,000	0	0	0	4,000	57,000	6 Years	0			
2017	MPD	Police-LabInfoSys	Replacement	30,000	0	0	0	30,000	150,000	5 Years	0			
2017	MPD	Police-DigitalDictation	Replacement	40,000	0	0	0	40,000	185,000	4 Years	0			
2017	MPD	Police-CJIS	Replacement	25,000	0	0	0	25,000	60,000	3 Years	10,000			
2017	MPD	Police-MDC	Replacement	350,000	0	0	0	350,000	1,680,000	8 Years	0			
2017	MPD	Police-Cameras	Replacement	5,000	0	0	0	5,000	25,000	4 Years	0			
2017	MPD	Police-APS-Pawn	Addition	50,000	0	0	0	50,000	250,000	5 years	0			
2017	MPD	Police-BodyCameras	Addition	100,000	0	0	0	100,000	2,490,000	4 Years	400,000			
2017	MPD	Police-MobilePrinters	Replacement	24,000	0	0	0	24,000	168,000	5 years	0			
2017	MPD - Traffic Investigation	Police-CrashData	Addition	2,899	0	0	0	2,899	23,893	1 year	0			
2017	MPD - Traffic Investigation	Police-TrimbleStation	Replacement	200	0	0	0	200	40,800	10 years	0			
2017	MPD	Police-SIC	Replacement	137,750	0	0	0	137,750	672,000	Varies	0			
2017	MPD	Police-CameraTrailers	Replacement	10,000	0	0	0	10,000	84,000	8 years	0			
2017	MPD	Police-PSCameras	Replacement	225,000	0	0	0	225,000	1,012,500	5 years	0			
2017	MPD	Police-ATAC-SW	Addition	15,000	0	0	0	15,000	75,000	Indefinite	0			
2017	MPD	Police-HandgunProgram	Addition	100,000	0	0	0	100,000	450,000	8 Years	0			
2017	MPD	Police-Rifles	Replacement	25,000	0	0	0	25,000	125,000	10 Years	0			
2017	Fire	Fire-PPE	Replacement	108,000	0	0	0	108,000	540,000	5-10 years	0			
2017	Fire	Fire-Fire Hose	Replacement	21,000	0	0	0	21,000	105,000	10-20 years	0			
2017	Fire	Fire-Furniture	Replacement	24,000	0	0	0	24,000	106,000	10 years	0			
2017	Fire	Fire-Thermal Imagers	Replacement	30,000	0	0	0	30,000	150,000	3-7 years	0			
2017	Fire	Fire-HazMat	Replacement	20,000	0	0	0	20,000	100,000	5 years	0			
2017	Fire	Fire-MDC's	Replacement	36,000	0	0	0	36,000	144,000	3-5 years	0			
2017	Fire	Fire-EOTF	Replacement	93,000	0	0	0	93,000	156,500	5 years	0			
2017	Regulatory Services	RegSvc-MACLaptops	Replacement	24,000	0	0	0	24,000	24,000	4 years	0			
2017	Regulatory Services	RegSvc-EChalk	Addition	50,000	0	0	0	50,000	235,000	5 years	0			
2017	PW Trans. Planning & Engineering	PW-Upgrade Bemtley	Replacement	200,000	0	0	0	200,000	200,000	5 years	0			
2017	Solid Waste and Recycling	SW&R-Packer	Replacement	1,400,000	0	1,400,000	0	0	5,942,518	10-12 years	0			
2017	CPED	Fleet-CPED	Replacement	404,103	0	0	358,490	45,613	817,664	Varies	0			

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2017	Emergency Management	Fleet-Emergency Management	Replacement	64,632	0	0	58,143	6,489	64,632	Varies	0			
2017	Finance	Fleet-Finance	Replacement	3,309	0	0	2,596	713	234,164	Varies	0			
2017	Fire	Fleet-Fire	Replacement	1,027,940	0	0	891,567	136,373	15,535,920	Varies	0			
2017	Health	Fleet-Health	Replacement	26,721	0	0	22,451	4,270	148,154	Varies	0			
2017	M.B.C. Building Commission	Fleet-MBC	Replacement	18,310	0	0	16,027	2,283	18,310	Varies	0			
2017	Police	Fleet-Police	Replacement	1,676,617	0	0	1,301,982	374,635	12,270,645	Varies	0			
2017	PW- Fleet Services Division	Fleet-PW-FSD	Replacement	200,000	0	0	201,062	(1,062)	795,390	Varies	0			
2017	PW-Fleet Svc Task Unit Equipment	Fleet-PW- FSD Task Unit	Replacement	1,668,296	0	0	1,296,057	372,239	10,170,481	Varies	0			
2017	PW- Surface Water & Sewers	Fleet-PW-SW&S	Replacement	150,357	0	0	125,531	24,826	2,528,476	Varies	0			
2017	PW-Transportation Maintenance &	Fleet-PW-TM&R	Replacement	1,404,885	0	0	1,221,104	183,781	9,342,472	Varies	0			
2017	PW- Transportation Planning &	Fleet-PW-TP&E	Replacement	75,000	0	0	59,758	15,242	562,444	Varies	0			
2017	PW-Traffic	Fleet-PW-Traffic	Replacement	438,530	0	0	402,643	35,887	2,832,886	Varies	0			
2017	PW-Water	Fleet-PW-Water	Replacement	524,514	0	0	435,574	88,940	2,091,443	Varies	0			
2017	Regulatory Services	Fleet-Reg Services	Replacement	165,494	0	0	127,248	38,246	1,207,352	Varies	0			
2017	PW_ Sanitary Sewer	SanSewerAnnualProg	Other	60,000	0	60,000	0	0	300,000	0	0			
2017	PW_ Sanitary Storm	StormSewerAnnual Prog	Other	60,000	0	60,000	0	0	300,000	0	0			
2017	PW-Traffic & Parking Services	TrafficPkgSvcs-ParkingRamps	Renovation	1,700,000	0	1,700,000	0	0	8,750,000	10-20 years	0			
2017	PW_ Water	WaterAnnualProg	Other	950,000	0	950,000	0	0	4,750,000	0	0			
2017	Human Resources	HR-Onboarding	Addition	53,045	0	0	0	53,045	265,457	5 years	0			
2017	Human Resources	HR-Succession Planning	Addition	132,613	0	0	0	132,613	663,642	5 years	0			
	2017 Total			18,571,363	0	4,170,000	6,520,232	7,881,131	125,187,462	0	1,130,895	0	0	0

SCHEDULE 7

Section I TOC

2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2018 Section													
2018	Assessor's Department	Assessor-Cell Phones	Addition	12,000	0	0	0	12,000	60,000	3 Years	12,000			
2018	Assessor's Department	Assessor-Photo Project	Replacement	150,000	0	0	0	150,000	300,000	8 Years	0			
2018	Office of the City Clerk	CityClerk-VotingBooths	Replacement	20,000	0	0	0	20,000	100,000	20 years	3,500			
2018	Civil Rights	CivRights-CCD	Replacement	50,640	0	0	0	50,640	253,200	20 years	15,000			
2018	CPED	CPED - IT Sales Force CRM	Replacement	10,000	0	0	0	10,000	60,000	5 years	0			
2018	Property Services	FPS-CityFurniture	Replacement	410,500	0	0	0	410,500	8,598,500	5 years	0			
2018	Information Technology	IT-Innovation & Training Center	Replacement	50,000	0	0	0	50,000	400,000	5 years	0			
2018	Information Technology (IT)	IT-IT Outsourcing Transition	Addition	50,000	0	0	0	50,000	3,100,000	5 years	210,000			
2018	Information Technology	IT-Technology Tool Refresh	Replacement	10,000	0	0	0	10,000	50,000	5 years	0			
2018	Office of Emergency Management	OEM-EOTF127	Replacement	1,000	0	0	0	1,000	49,000	7 Years	0			
2018	Office of Emergency Management	OEM-EOTF 128	Replacement	1,000	0	0	0	1,000	39,000	7 Years	0			
2018	MPD Crime Lab Unit	Police-SATA drives	Addition	6,208	0	0	0	6,208	31,040	5 years	0			
2018	MPD Crime Lab Unit	Police-ForensicComputer	Replacement	6,000	0	0	0	6,000	12,000	3 years	0			
2018	MPD Crime Lab Unit	Police-AvidVideo	Replacement	1,500	0	0	0	1,500	20,195	5 years	0			
2018	MPD Crime Lab Unit	Police-LabAccred	Replacement	6,000	0	0	0	6,000	30,000	1 years	0			
2018	MPD Crime Lab Unit (Photo Section)	Police-SilverHalidePhoto	Replacement	80,000	0	0	0	80,000	80,000	10 years	0			
2018	Crime Lab Unit (MAFIN Section)	Police-MAFINupgrade	Replacement	10,000	0	0	0	10,000	58,000	5 years	0			
2018	MPD	Police-Taser	Replacement	59,800	0	0	0	59,800	364,000	7 Years	0			
2018	MPD	Police-SquadVideo	Replacement	80,000	0	0	0	80,000	440,000	6 Years	0			
2018	MPD	Police-PlateRecog	Replacement	4,000	0	0	0	4,000	57,000	6 Years	0			
2018	MPD	Police-LabInfoSys	Replacement	30,000	0	0	0	30,000	150,000	5 Years	0			
2018	MPD	Police-DigitalDictation	Replacement	15,000	0	0	0	15,000	185,000	4 Years	0			
2018	MPD	Police-MDC	Replacement	350,000	0	0	0	350,000	1,680,000	8 Years	0			
2018	MPD	Police-DigitalImage	Replacement	40,000	0	0	0	40,000	40,000	4 Years	0			
2018	MPD	Police-Cameras	Replacement	5,000	0	0	0	5,000	25,000	4 Years	0			
2018	MPD	Police-APS-Pawn	Addition	50,000	0	0	0	50,000	250,000	5 years	0			
2018	MPD	Police-BodyCameras	Addition	100,000	0	0	0	100,000	2,490,000	4 Years	400,000			
2018	MPD	Police-MobilePrinters	Replacement	24,000	0	0	0	24,000	168,000	5 years	0			
2018	MPD - Traffic Investigation	Police-CrashData	Addition	2,399	0	0	0	2,399	23,893	1 year	0			
2018	MPD - Traffic Investigation	Police-TrimbleStation	Replacement	200	0	0	0	200	40,800	10 years	0			
2018	MPD	Police-SIC	Replacement	164,250	0	0	0	164,250	672,000	Varies	0			
2018	MPD	Police-CameraTrailers	Replacement	10,000	0	0	0	10,000	84,000	8 years	0			
2018	MPD	Police-PSCameras	Replacement	225,000	0	0	0	225,000	1,012,500	5 years	0			
2018	MPD	Police-ATAC-SW	Addition	15,000	0	0	0	15,000	75,000	Indefinite	0			
2018	MPD	Police-HandgunProgram	Addition	100,000	0	0	0	100,000	450,000	8 Years	0			
2018	MPD	Police-Rifles	Replacement	25,000	0	0	0	25,000	125,000	10 Years	0			
2018	Fire	Fire-PPE	Replacement	108,000	0	0	0	108,000	540,000	5-10 years	0			
2018	Fire	Fire-Fire Hose	Replacement	21,000	0	0	0	21,000	105,000	10-20 years	0			
2018	Fire	Fire-Furniture	Replacement	24,000	0	0	0	24,000	106,000	10 years	0			
2018	Fire	Fire-Thermal Imagers	Replacement	30,000	0	0	0	30,000	150,000	3-7 years	0			
2018	Fire	Fire-HazMat	Replacement	20,000	0	0	0	20,000	100,000	5 years	0			
2018	Fire	Fire-MDC's	Replacement	36,000	0	0	0	36,000	144,000	3-5 years	0			
2018	Fire	Fire-FireHouse	Replacement	15,000	0	0	0	15,000	30,000	5 years	0			
2018	Fire	Fire-EOTF	Replacement	5,000	0	0	0	5,000	156,500	5 years	0			
2018	Solid Waste and Recycling	SW&R-Packer	Replacement	1,116,150	0	1,116,150	0	0	5,942,518	10-12 years	0			
2018	Solid Waste and Recycling	SW&R-Cart Service Truck	Replacement	82,000	0	82,000	0	0	1,768,000	15 years	0			
2018	Solid Waste and Recycling	SW&R-PM Truck	Replacement	362,000	0	362,000	0	0	490,000	15 years	0			
2018	Solid Waste and Recycling	SW&R-Roll-off Truck	Replacement	170,000	0	170,000	0	0	170,000	12-14 years	0			
2018	Solid Waste and Recycling	SW&R-Graffiti Truck	Replacement	170,000	0	0	0	170,000	170,000	10-12 years	0			
2018	BIS	Fleet-BIS	Replacement	24,848	0	0	21,798	3,050	24,848	Varies	0			

SCHEDULE 7

2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

Section I TOC

Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2018	CPED	Fleet-CPED	Replacement	220,251	0	0	188,600	31,651	817,664	Varies	0			
2018	Finance	Fleet-Finance	Replacement	32,272	0	0	29,121	3,151	234,164	Varies	0			
2018	Fire	Fleet-Fire	Replacement	220,444	0	0	193,029	27,415	15,535,920	Varies	0			
2018	Police	Fleet-Police	Replacement	1,426,235	0	0	1,001,703	424,532	12,270,645	Varies	0			
2018	PW- Fleet Services Division	Fleet-PW-FSD	Replacement	114,731	0	0	95,717	19,014	795,390	Varies	0			
2018	PW-Fleet Svc Task Unit Equipment	Fleet-PW- FSD Task Unit	Replacement	4,481,350	0	0	2,990,876	1,490,474	10,170,481	Varies	0			
2018	PW- Surface Water & Sewers	Fleet-PW-SW&S	Replacement	1,069,790	0	0	748,629	321,161	2,528,476	Varies	0			
2018	PW-Transportation Maintenance &	Fleet-PW-TM&R	Replacement	1,119,897	0	0	984,982	134,915	9,342,472	Varies	0			
2018	PW- Transportation Planning &	Fleet-PW-TP&E	Replacement	274,000	0	0	244,638	29,362	562,444	Varies	0			
2018	PW-Traffic	Fleet-PW-Traffic	Replacement	646,210	0	0	581,097	65,113	2,832,886	Varies	0			
2018	PW-Water	Fleet-PW-Water	Replacement	144,724	0	0	119,142	25,582	2,091,443	Varies	0			
2018	Regulatory Services	Fleet-Reg Services	Replacement	277,377	0	0	251,540	25,837	1,207,352	Varies	0			
2018	PW_ Sanitary Sewer	SanSewerAnnualProg	Other	60,000	0	60,000	0	0	300,000	0	0			
2018	PW_ Sanitary Storm	StormSewerAnnual Prog	Other	60,000	0	60,000	0	0	300,000	0	0			
2018	PW-Traffic & Parking Services	TrafficPkgSvcs-ParkingRamps	Renovation	1,700,000	0	1,700,000	0	0	8,750,000	10-20 years	0			
2018	PW_ Water	WaterAnnualProg	Other	950,000	0	950,000	0	0	4,750,000	0	0			
2018	Human Resources	HR-Onboarding	Addition	54,636	0	0	0	54,636	265,457	5 years	0			
2018	Human Resources	HR-Succession Planning	Addition	136,591	0	0	0	136,591	663,642	5 years	0			
	2018 Total			17,347,003	0	4,500,150	7,450,870	5,395,984	125,187,462	0	1,130,895	0	0	0

SCHEDULE 7

2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

Section I TOC

Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2019 Section													
2019	Assessor's Department	Assessor-Cell Phones	Addition	12,000	0	0	0	12,000	60,000	3 Years	12,000			
2019	Office of the City Clerk	CityClerk-VotingBooths	Replacement	20,000	0	0	0	20,000	100,000	20 years	3,500			
2019	Civil Rights	CivRights-CCD	Replacement	50,640	0	0	0	50,640	253,200	20 years	15,000			
2019	CPED	CPED - IT Sales Force CRM	Replacement	10,000	0	0	0	10,000	60,000	5 years	0			
2019	Property Services	FPS-CityFurniture	Replacement	502,500	0	0	0	502,500	8,598,500	5 years	0			
2019	Information Technology	IT-Innovation & Training Center	Replacement	50,000	0	0	0	50,000	400,000	5 years	0			
2019	Information Technology (IT)	IT-IT Outsourcing Transition	Addition	50,000	0	0	0	50,000	3,100,000	5 years	210,000			
2019	Information Technology	IT-Technology Tool Refresh	Replacement	10,000	0	0	0	10,000	50,000	5 years	0			
2019	Office of Emergency Management	OEM-EOTF127	Replacement	8,000	0	0	0	8,000	49,000	7 Years	0			
2019	Office of Emergency Management	OEM-EOTF 128	Replacement	8,000	0	0	0	8,000	39,000	7 Years	0			
2019	MPD Crime Lab Unit	Police-SATA drives	Addition	6,208	0	0	0	6,208	31,040	5 years	0			
2019	MPD Crime Lab Unit	Police-AvidVideo	Replacement	1,500	0	0	0	1,500	20,195	5 years	0			
2019	MPD Crime Lab Unit	Police-LabAccred	Replacement	6,000	0	0	0	6,000	30,000	1 years	0			
2019	Crime Lab Unit (MAFIN Section)	Police-MAFINupgrade	Replacement	10,000	0	0	0	10,000	58,000	5 years	0			
2019	MPD	Police-Taser	Replacement	59,800	0	0	0	59,800	364,000	7 Years	0			
2019	MPD Crime Lab Unit (Firearms	Police-Microscope	Replacement	75,000	0	0	0	75,000	90,000	20 years	0			
2019	MPD	Police-APS	Replacement	60,000	0	0	0	60,000	60,000	4 Years	0			
2019	MPD	Police-SquadVideo	Replacement	80,000	0	0	0	80,000	440,000	6 Years	0			
2019	MPD	Police-PlateRecog	Replacement	4,000	0	0	0	4,000	57,000	6 Years	0			
2019	MPD	Police-LabInfoSys	Replacement	30,000	0	0	0	30,000	150,000	5 Years	0			
2019	MPD	Police-DigitalDictation	Replacement	15,000	0	0	0	15,000	185,000	4 Years	0			
2019	MPD	Police-MDC	Replacement	280,000	0	0	0	280,000	1,680,000	8 Years	0			
2019	MPD	Police-Cameras	Replacement	5,000	0	0	0	5,000	25,000	4 Years	0			
2019	MPD	Police-APS-Pawn	Addition	50,000	0	0	0	50,000	250,000	5 years	0			
2019	MPD	Police-BodyCameras	Addition	1,050,000	0	0	0	1,050,000	2,490,000	4 Years	400,000			
2019	MPD	Police-MobilePrinters	Replacement	24,000	0	0	0	24,000	168,000	5 years	0			
2019	MPD - Traffic Investigation	Police-CrashData	Addition	2,899	0	0	0	2,899	23,893	1 year	0			
2019	MPD - Traffic Investigation	Police-TrimbleStation	Replacement	200	0	0	0	200	40,800	10 years	0			
2019	MPD	Police-SIC	Replacement	150,000	0	0	0	150,000	672,000	Varies	0			
2019	MPD	Police-CameraTrailers	Replacement	40,000	0	0	0	40,000	84,000	8 years	0			
2019	MPD	Police-PSCameras	Replacement	112,500	0	0	0	112,500	1,012,500	5 years	0			
2019	MPD	Police-ATAC-SW	Addition	15,000	0	0	0	15,000	75,000	Indefinite	0			
2019	MPD	Police-HandgunProgram	Addition	50,000	0	0	0	50,000	450,000	8 Years	0			
2019	MPD	Police-Rifles	Replacement	25,000	0	0	0	25,000	125,000	10 Years	0			
2019	Fire	Fire-PPE	Replacement	108,000	0	0	0	108,000	540,000	5-10 years	0			
2019	Fire	Fire-Fire Hose	Replacement	21,000	0	0	0	21,000	105,000	10-20 years	0			
2019	Fire	Fire-Furniture	Replacement	24,000	0	0	0	24,000	106,000	10 years	0			
2019	Fire	Fire-Thermal Imagers	Replacement	30,000	0	0	0	30,000	150,000	3-7 years	0			
2019	Fire	Fire-Jaws	Replacement	35,000	0	0	0	35,000	35,000	10 years	0			
2019	Fire	Fire-HazMat	Replacement	20,000	0	0	0	20,000	100,000	5 years	0			
2019	Fire	Fire-MDC's	Replacement	36,000	0	0	0	36,000	144,000	3-5 years	0			
2019	Fire	Fire-EOTF	Replacement	5,000	0	0	0	5,000	156,500	5 years	0			
2019	Solid Waste and Recycling	SW&R-Packer	Replacement	1,576,000	0	1,576,000	0	0	5,942,518	10-12 years	0			
2019	Solid Waste and Recycling	SW&R-Cart Service Truck	Replacement	1,576,000	0	1,576,000	0	0	1,768,000	15 years	0			
2019	CPED	Fleet-CPED	Replacement	160,816	0	0	142,916	17,901	817,664	Varies	0			
2019	Finance	Fleet-Finance	Replacement	138,955	0	0	124,324	14,631	234,164	Varies	0			
2019	Fire	Fleet-Fire	Replacement	11,561,992	0	0	10,549,859	1,012,133	15,535,920	Varies	0			
2019	Health	Fleet-Health	Replacement	121,433	0	0	107,922	13,511	148,154	Varies	0			
2019	Police	Fleet-Police	Replacement	3,588,720	0	0	2,755,453	833,267	12,270,645	Varies	0			
2019	PW- Fleet Services Division	Fleet-PW-FSD	Replacement	151,622	0	0	122,074	29,548	795,390	Varies	0			

SCHEDULE 7

2015 - 2019 CAPITAL ASSET REQUEST SYSTEM (CARS)

Section I TOC

Requests and Recommendation by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2019	PW-Fleet Svc Task Unit Equipment	Fleet-PW- FSD Task Unit	Replacement	715,129	0	0	542,265	172,864	10,170,481	Varies	0			
2019	PW-Safety	Fleet-PW-Safety	Replacement	23,771	0	0	21,111	2,660	23,771	Varies	0			
2019	PW- Surface Water & Sewers	Fleet-PW-SW&S	Replacement	511,374	0	0	286,655	224,719	2,528,476	Varies	0			
2019	PW-Transportation Maintenance &	Fleet-PW-TM&R	Replacement	1,267,568	0	0	1,138,849	128,719	9,342,472	Varies	0			
2019	PW- Transportation Planning &	Fleet-PW-TP&E	Replacement	69,929	0	0	52,212	17,717	562,444	Varies	0			
2019	PW-Traffic	Fleet-PW-Traffic	Replacement	274,828	0	0	240,605	34,223	2,832,886	Varies	0			
2019	PW-Water	Fleet-PW-Water	Replacement	590,679	0	0	599,116	(8,437)	2,091,443	Varies	0			
2019	Regulatory Services	Fleet-Reg Services	Replacement	125,026	0	0	109,288	15,738	1,207,352	Varies	0			
2019	PW_ Sanitary Sewer	SanSewerAnnualProg	Other	60,000	0	60,000	0	0	300,000	0	0			
2019	PW_ Sanitary Storm	StormSewerAnnual Prog	Other	60,000	0	60,000	0	0	300,000	0	0			
2019	PW-Traffic & Parking Services	TrafficPkgSvcs-ParkingRamps	Renovation	1,700,000	0	1,700,000	0	0	8,750,000	10-20 years	0			
2019	PW_ Water	WaterAnnualProg	Other	950,000	0	950,000	0	0	4,750,000	0	0			
2019	Human Resources	HR-Onboarding	Addition	56,275	0	0	0	56,275	265,457	5 years	0			
2019	Human Resources	HR-Succession Planning	Addition	140,689	0	0	0	140,689	663,642	5 years	0			
	2019 Total			28,573,053	0	5,922,000	16,792,649	5,858,404	125,187,462	0	1,130,895	0	0	0

Grand Total Requests	125,202,462	308,000	27,575,643	47,027,195	50,291,624	

Requests by Year and Funding Source

Five-Year Program Summary

YEAR	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	REQUESTED FUNDING
2015	35,387,468	308,000	6,522,493	8,198,557	20,358,418	35,387,468
2016	25,323,575	0	6,461,000	8,064,887	10,797,688	25,323,575
2017	18,571,363	0	4,170,000	6,520,232	7,881,131	18,571,363
2018	17,347,003	0	4,500,150	7,450,870	5,395,984	17,347,003
2019	28,573,053	0	5,922,000	16,792,649	5,858,404	28,573,053
Grand Total	125,202,462	308,000	27,575,643	47,027,195	50,291,624	125,202,462

Requests by Year and Type

Year	Replacement	Addition	Upgrade	Renovation	Other	Total
2015	22,441,463	7,326,005	100,000	4,450,000	1,070,000	35,387,468
2016	18,957,718	1,495,857	100,000	3,700,000	1,070,000	25,323,575
2017	15,104,598	571,765	125,000	1,700,000	1,070,000	18,571,363
2018	14,050,169	526,834	-	1,700,000	1,070,000	17,347,003
2019	24,369,982	1,433,071	-	1,700,000	1,070,000	28,573,053
Grand Total	94,923,930	11,353,532	325,000	13,250,000	5,350,000	125,202,462

SCHEDULE EIGHT
Interfund Transfer Expense

	12 Actual	13 Actual	2014 Budget	2015 Council Adopted	Description (2015 transfers)
TRANSFER TO OTHER SPEC REV FDS	96,000	809,000	4,000	4,000	Transfer related to Centralized Leases Action ($4,000 to Board of Estimate and Taxation)
TRANSFER TO CONV CTR 01760			46,593,000	50,340,000	Local Taxes collected in the General Fund
TRANSFER TO EMPLOYEE RETIREMENT 01990			1,500,000		Pension Management Plan
TRANSFER TO CAPITAL 04100			500,000		Nicollet Mall Planning
TRANSFER TO OTHER DEBT SVC FDS	24,440,220				Property tax supported debt service budgeted in the general fund for pensions
TRANSFER TO EQUIPMENT 06100	1,926,000	8,315,000			Equipment services fund workout plan ($8,315,000)
TRANSFER TO EQUIPMENT 06100			1,288,580	1,595,603	CARS supplements for vehicles
TRANSFER TO PROP SVCS 06200	894,000	3,282,231	301,206	353,187	Transfer related to Centralized Leases Action
TRANSFER TO PROP SVCS 06200			345,000	465,540	CARS Supplement for Security
TRANSFER TO BUS INFO SVCS 06400	10,070,444	14,182,652	13,784,654	192,482	Includes transfers related to Centralized Leases Action
TRANSFER TO BUS INFO SVCS 06400			5,250,000	3,600,000	CARS supplement for ERP projects
TRANSFER TO CITY SELF INS 06900	4,071,500	3,855,500	3,085,500	292,000	Transfer related to Centralized Leases Action
TRANSFER TO WATER 07400		22,000	27,000	25,000	Centralized Leases Action
TRNSFR TO SOLID WASTE 07700	150,000	150,000	820,000	325,000	Graffiti remediation efforts
TRNSFR TO FORESTRY & TREE DIS CONTL 14370			200,000		Park Board trees
00100 - GENERAL FUND	**41,648,164**	**30,616,383**	**73,698,940**	**57,192,812**	
01279 - CONVENTION FACILITIES - RESERVE					
TRANSFER TO CONV CTR 01760	1,500,000				Funding convention center facility improvements
01279 - CONVENTION FACILITIES - RESERVE	**1,500,000**				
01300 - GRANTS - FEDERAL					
TRNSFR TO STORM SEWER 07300	150,550				
01300 - GRANTS - FEDERAL	**150,550**				
01760 - CONVENTION CENTER OPERATIONS					
TRANSFER TO CITY GENERAL 00100	250,000	5,250,000			Sales tax transfer to General Fund.
TRANSFER TO OTHER SPEC REV FDS	1,150,000				Convention Center related facilities reserve in financial plan.
TRNSFR TO GEN DEBT SVC 05250	103,675				
TRNSFR TO CNV CTR DBT SVC 05300	19,833,806	17,351,543	18,861,125	24,502,125	Convention center related debt
TRANSFER TO OTHER DEBT SVC FDS	400,000				Minneapolis Employee Retirement Fund debt for convention center retirees
TRANSFER TO PARKING 07500	5,580,100	4,729,200			Convention center related parking debt and operating costs
01760 - CONVENTION CENTER OPERATIONS	**27,317,581**	**27,330,743**	**18,861,125**	**24,502,125**	
019MO - MERF PENSION BONDS					
TRANSFER TO SPECIAL REVENUE	762,000				
TRANSFER TO OTHER DEBT SVC FDS	5,851,467				
019MO - MERF PENSION BONDS	**6,613,467**				
VARIOUS - TIF FUNDS					
TRNSFR TO TAX INC DBT SVC 05900	14,791,839	8,913,382	14,038,721	10,695,409	TIF debt service reimbursement
TRNSFR TO PARKING 07500	7,703,065	6,893,230	423,585	423,585	TIF debt service reimbursement
TRANSFER TO OTHER DEBT SVC FDS	4,211,589	5,611,235	590,228	600,638	TIF debt service reimbursement
VARIOUS - TIF FUNDS	**26,706,493**	**21,417,847**	**15,052,534**	**11,719,632**	
01SPH - COMMUNITY DEVELOPMENT					
TRANSFER TO CITY CAPITAL 04100			1,305,000		Expanded Capital from Hilton Trust Funds
TRANSFER TO PARK CAPITAL 01430			125,000		Expanded Capital from Hilton Trust Funds
01SPH - COMMUNITY DEVELOPMENT			**1,430,000**		
VARIOUS PURPOSE BOND FUNDS					
TRANSFER TO CITY CAPITAL 04100	7,879,695	3,047,687			
TRANSFER TO MBC CAPITAL 34200	604,519	257,723			
TRNSFR TO GEN DEBT SVC 14300	546,255				
TRNSFR TO GEN DEBT SVC 05250		540,388			
VARIOUS PURPOSE BOND FUNDS	**9,030,469**	**3,845,798**			

SCHEDULE EIGHT
Interfund Transfer Expense

	12 Actual	13 Actual	2014 Budget	2015 Council Adopted	Description (2015 transfers)
IMPROVEMENT BOND ARBITRAGE					
TRANSFER TO CITY CAPITAL 04100	14,952,190	12,341,315			
TRANSFER TO MBC CAPITAL 34200	388,218				
TRNSFR TO OTHER DEBT SVC FDS	192,679	4,622,810			
TRNSFR TO GEN DEBT SVC 05250	422,309	25,000			
TRANSFER TO PARK CAPITAL 14300					
TRNSFR TO SANITARY SEW 07100		97,742			
IMPROVEMENT BOND ARBITRAGE	**15,955,396**	**17,086,867**			
04H13 - NOV13 TAXABLE GO HOUSING IMP					
TRNSFR TO GEN DEBT SVC 05250					
04H13 - NOV13 TAXABLE GO HOUSING IMP					
05250 - BOND REDEMPTION - DEBT SERVICE					
TRANSFER TO BUS INFO SVCS 06400	1,115,000	2,069,330	736,000	2,751,188	IT new capital
05250 - BOND REDEMPTION - DEBT SERVICE	**1,115,000**	**2,069,330**	**736,000**	**2,751,188**	
05280 - Library Ref Debt Service					
TRNSFR TO GEN DEBT SVC 05250	44,500	35,000			
05280 - Library Ref Debt Service	**44,500**	**35,000**			
05450 - BOND REDEMPTION - ASSESSMENT					
TRANSFER TO OTHER DEBT SVC FDS		969,190			
05450 - BOND REDEMPTION - ASSESSMENT		**969,190**			
05900 - TAX INCREMENT - DEBT SERVICE					
TRNSFR TO GEN DEBT SVC 05250	5,000				
05900 - TAX INCREMENT - DEBT SERVICE	**5,000**				
06000 - MATERIALS & LAB-INTERNAL SVC					
TRANSFER TO OTHER DEBT SVC FDS	195,000				MERF debt service related to engineering materials and testing retirees
06000 - MATERIALS & LAB-INTERNAL SVC	**195,000**				
06100 - EQUIPMENT - INTERNAL SERVICE					
TRANSFER TO GEN DEBT SVC 05250	61,728				
TRANSFER TO OTHER DEBT SVC FDS	2,222,000				MERF debt service related equipment fund retirees
06100 - EQUIPMENT - INTERNAL SERVICE	**2,283,728**				
06200 - PROPERTY - INTERNAL SERVICE					
TRANSFER TO OTHER DEBT SVC FDS	598,000			316,216	Property Services debt paid by Fleet
06200 - PROPERTY - INTERNAL SERVICE	**598,000**			**316,216**	
06300 - STORES - INTERNAL SERVICE					
TRANSFER TO OTHER DEBT SVC FDS	117,000				MERF debt service related to stores retirees
06300 - STORES - INTERNAL SERVICE	**117,000**				
06400 - INFO TECH - INTERNAL SERVICE					
TRNSFR TO GEN DEBT SVC 05250	31,473	14,887			
TRANSFER TO OTHER DEBT SVC FDS	1,072,000				MERF debt service related to BIS/clerk retirees
06400 - INFO TECH - INTERNAL SERVICE	**1,103,473**	**14,887**			
06900 - SELF INSURANCE-INTERNAL SVC					
TRANSFER TO BUS INFO SVC 06400	1,000,000	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	485,000				MERF debt service related to self insurance fund retirees
06900 - SELF INSURANCE-INTERNAL SVC	**1,485,000**	**1,000,000**	**1,000,000**	**1,000,000**	
07100 - SANITARY SEWER FUND					
TRNSFR TO GEN DEBT SVC 05250	43,198	108,757			
TRANSFER TO WATER 07400		1,149,339	1,156,681	1,285,170	To fund Sanitary Sewer's obligation to support the Meter Shop operations
TRANSFER TO OTHER DEBT SVC FDS	1,112,000				MERF debt service sewer rate funded retirees
07100 - SANITARY SEWER FUND	**1,155,198**	**1,258,096**	**1,156,681**	**1,285,170**	
07300 - STORMWATER FUND					
TRANSFER TO CITY GENERAL 00100				110,000	Funds 2 Environmental Services FTEs
TRNSFR TO GEN DEBT SVC 05250	133,296				
TRNSFR TO Equipment 06100					
TRANSFER TO OTHER DEBT SVC FDS	1,112,000				MERF debt service sewer rate funded retirees
07300 - STORMWATER FUND	**1,245,296**			**110,000**	

SCHEDULE EIGHT
Interfund Transfer Expense

	12 Actual	13 Actual	2014 Budget	2015 Council Adopted	Description (2015 transfers)
07400 - WATER - ENTERPRISE					
TRNSFR TO Equipment 06100					
TRANSFER TO OTHER DEBT SVC FDS	4,992,000				MERF debt service water rate funded retirees
07400 - WATER - ENTERPRISE	**4,992,000**				
07500 - MUNICIPAL PARKING-ENTERPRISE					
TRANSFER TO CITY GENERAL 00100	7,818,000	7,918,024	2,323,200	4,148,200	Annual contribution from parking fund per the parking fund workout plan ($3,623,200) and CARS ($525,000)
TRANSFER TO OTHER SPEC REV FDS	2,940,905	3,129,132	3,323,006	3,522,696	Target center finance plan
TRNSFR TO GEN DEBT SVC 05250	46,901	40,957			
TRANSFER TO OTHER DEBT SVC FDS	477,000				MERF debt service related to parking rate funded retirees
TRNSFR TO SOLID WASTE 07700	146,000	146,000	146,000	146,000	Litter container collection (added in 2001)
07500 - MUNICIPAL PARKING-ENTERPRISE	**11,428,806**	**11,234,113**	**5,792,206**	**7,816,896**	
07700 - SOLID WASTE - ENTERPRISE					
TRANSFER TO CITY GENERAL 00100	700,000	700,024			Payment for snowplowing (began in 2003)
TRANSFER TO OTHER DEBT SVC FDS	571,000				MERF debt service related to solid waste rate funded retirees
07700 - SOLID WASTE - ENTERPRISE	**1,271,000**	**700,024**			
Summary	**155,961,121**	**117,578,278**	**117,727,486**	**106,694,039**	

SCHEDULE 9

UTILITY FEES SCHEDULE

The **Council Adopted Rates** 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 of the anticipated change in an average residential customer's utility bill from **2014 to 2015.**

Combined utility bill

monthly and annual cost for average customer

	2014	2015 monthly average*	2015 annual average	2015 monthly dollar change	2015 % change
Water	$25.74	$26.59	$319	$0.85	3.3%
Sanitary Sewer	$22.24	$23.06	$277	$0.82	3.7%
Stormwater	$11.94	$11.94	$143	$0.00	0.0%
Solid Waste/Recycling**	$22.60	$26.60	$319	$4.00	17.7%
Total	$82.52	$88.19	$1,058	$5.67	6.9%

*The average household rate for water is based on 7 units of consumption at $3.37 per unit plus a $3.00 fixed charge. Sanitary rates are based on 6 units of water consumption at $3.21 per unit plus a fixed charge of $3.80. Stormwater rates are based on 1 equivalent Stormwater unit of 1,530 square feet on impervious surface.

**The solid waste rate is based on a $21.60 monthly charge with a large recycling cart fee of $5.00. Customers can substitute a small cart with a $2.00 fee. The large increase in the monthly charge is due to incorporating organics recycling.

Water

The following rates are effective with utility billings for water meters read from and after **January 1, 2015**. Charges commence when the street valve is turned on for water service. The meter rates for water are hereby fixed and shall be collected as follows:

Customer	Rate
Customers not otherwise mentioned	$3.37 / 100 cubic feet
Municipalities, Municipal Corporations, Villages & customers outside the corporate limits of the city	$3.52 / 100 cubic feet
Contractual Customers*	$* / 100 cubic feet

*Rates for municipalities, municipal corporations and villages, which are established by contract, shall continue on the existing contract basis

In addition to the above rates a fixed charge based on meter size will be billed each billing period or fraction thereof as follows:

Meter Size (Inches)	Fixed Charge
5/8	$3.00
3/4	$4.50
1	$7.50
1 1/2	$15.00
2	$24.00
3	$48.00
4	$75.00
6	$150.00
8	$240.00
10	$345.00
12	$990.00

Sanitary Sewer

The sanitary sewer rates rate shall be applied to utility billings for water meters read from and after **January 1, 2015**.

Service	Rate
Sanitary Sewer (Inside City of Minneapolis)	$3.21 / 100 cubic feet
Sanitary Sewer (Outside City of Minneapolis)*	$3.21 / 100 cubic feet*
Sanitary Sewer only (Outside the City of Minneapolis)	$20.00 / Month

*When the City of Minneapolis also provides water. In addition, the fixed charge sanitary sewer rate shall be based on meter size as show below

In addition, a fixed charge based on water meter size will be billed each billing period or fraction thereof as follows:

Meter Size (Inches)	Fixed Charge
5/8	$3.80
3/4	$5.70
1	$9.50
1 1/2	$19.00
2	$30.40
3	$60.80
4	$95.00
6	$190.00
8	$304.00
10	$437.00
12	$1,254.00

Stormwater

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:

Single Family Residential Developed Property	Stormwater Rate
High (>1578 sq. ft.) *ESU=1.25	$14.93
Medium (≥1485 & ≤1578 sq. ft.) *ESU=1.00	$11.94
Low (<1485 sq. ft.) *ESU=0.75	$8.96

*The Equivalent Stormwater Unit (ESU) rate is **$11.94.** The ESU measurement is 1,530 square feet of impervious area.

Stormwater charges for **all other properties** will be based on the following calculation:

Monthly Fee = (Gross Lot Size in sq. ft. X Runoff Coefficient) ÷ 1,530 sq. ft. = # of ESU
# of ESU X **$ 11.94**

The runoff coefficient assumed for each land use category is shown below.

Land Use	Coefficient Applied
Bar-Rest. Entertainment	0.75
Car Sales Lot	0.95
Cemetery w/Monuments	0.20
Central Business District	1.00
Common Area	0.20
Garage or Misc. Res	0.55
Group Residence	0.75
Ind. Warehouse- Factory	0.90
Industrial Railway	0.85
Institution-Sch.- Church	0.90
Misc. Commercial	0.90
Mixed Comm. -Res -Apt	0.75
Multi-Family Apartment	0.75
Multi-Family Residential	0.40
Office	0.91
Parks &Playgrounds	0.20
Public Accommodations	0.91
Retail	0.91
Single Family Attached	0.75
Single Family Detached	ESU
Sport or Rec. Facility	0.60
Utility	0.90
Vacant Land Use	0.20
Vehicle Related Use	0.90

Solid Waste and Recycling

Solid waste and recycling variable rate charges associated with water meter read dates from and after **January 1, 2015**, the charges shall be as follows:

Type of Charge	**Rate (Dwelling Unit / Month)**
Base Charge	$21.60
Small Cart Disposal	$2.00
Large Cart Disposal	$5.00

Schedule 10 - General Fund - Fund Balance Policy

Cash Flow and Contingency. The City shall maintain a minimum unrestricted General Fund balance of 17% of the following year's General Fund budgeted expenditures 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 shortfalls. These funds are used to avoid cash flow interruptions, generate interest income, and to avoid the need for short-term borrowing.

General Fund*	2012	2013	2014
Fund Balance - Policy	$55.3	$79.3	$78.9
Fund Balance - Actual	$75.2	$97.0	$102.0

** in millions; 2014 amounts represent estimated year-end balances.*

Schedule 10 - 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*	2012	2013	2014
Sanitary Sewer Fund - Policy	$12.9	$13.0	$13.3
Sanitary Sewer Fund - Actual	$20.0	$25.3	$17.7
Stormwater Fund - Policy	$5.8	$5.9	$7.0
Stormwater Fund - Actual	$37.4	$36.4	$30.8
Solid Waste Fund - Policy	$8.1	$8.8	$8.2
Solid Waste Fund - Actual	$23.9	$17.8	$17.4
Water Fund - Policy	$15.3	$12.7	$13.1
Water Fund - Actual	$19.0	$21.1	$22.9
Parking Fund - Policy	$8.5	$7.5	$9.5
Parking Fund - Actual	***$7.7***	$13.3	$14.6

** in millions; 2014 amounts represent estimated year-end balances.*
Funds that are not meeting the Fund Policy are *highlighted and italicized*

Schedule 10 - 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 Position within the fund should not fall below zero.

o 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 Position shall not fall below two times the fund's annual depreciation amount.

o Stores and Engineering Materials & Testing Funds shall maintain cash and net Positions equal to 15% of the fund's annual operating budget.

Internal Service Fund Balance Requirements*	2012	2013	2014
Self Insurance Fund Cash Balance Policy	$54.0	$55.7	$57.9
Self Insurance Fund Cash Balance Actual	$56.4	$61.2	$68.7
Self Insurance Fund Net Position Policy	0.0	0.0	$0.0
Self Insurance Fund Net Position Actual	$1.7	$4.6	$11.8
Fleet Services Fund Cash Balance Policy	$3.6	$4.1	$4.1
Fleet Services Fund Cash Balance Actual	$10.2	$18.9	$14.6
Fleet Services Fund Net Position Policy	$13.0	$13.0	$13.0
Fleet Services Fund Net Position Actual	$37.2	$50.1	$45.8
Intergovernmental Services Fund Cash Balance Policy	$6.0	$4.7	$5.1
Intergovernmental Services Fund Cash Balance Actual	$15.8	$35.3	$46.0
Intergovernmental Services Fund Net Position Policy	$24.0	$23.7	$12.8
Intergovernmental Services Fund Net Position Actual	$27.4	$37.4	$51.6
Property Services Fund Cash Balance Policy	$1.9	$1.8	$2.0
Property Services Fund Cash Balance Actual	***$0.8***	$4.2	$4.4
Property Services Fund Net Position Policy	$2.3	$2.2	$2.7
Property Services Fund Net Position Actual	$25.6	$33.1	$33.1
Stores Fund Cash Balance Policy	$0.2	$0.2	$0.2
Stores Fund Cash Balance Actual	***-$0.2***	***-$0.2***	***$0.0***
Stores Fund Net Position Policy	$0.2	$0.2	$0.2
Stores Fund Net Position Actual	$3.7	$4.1	$4.4
Engineering Materials & Testing Fund Cash Balance Policy	$0.2	$0.2	$0.2
Engineering Materials & Testing Fund Cash Balance Actual	$1.7	$2.1	$2.1
Engineering Materials & Testing Fund Net Position Policy	$0.2	$0.2	$0.2
Engineering Materials & Testing Fund Net Position Actual	$1.6	$2.0	$1.9

** in millions; 2014 amounts represent estimated year-end balances.*

Funds that are not meeting the Fund Policy are *highlighted and italicized*

Schedule 10 - 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	2012	2013	2014
Total General Obligation Debt	5.7%	5.9%	5.8%
Parking Fund Debt	***29.2%***	***31.6%***	***34.7%***

Policy: No more than 25%; 2014 amounts represent year-end balances.
Rates that are not meeting the Rate Policy are *highlighted and italicized*

City of Minneapolis
2015 Budget

Glossary of Terms

ABA **–** American Bar Association.

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.

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.

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.

CAPER – Consolidated Annual Performance and Evaluation Report.

CARS – The City's Capital Asset Request System used for planning medium-sized capital needs including upgrades and replacements in the budget and out-year planning.

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.

CCS – Construction Code Services, a division / program within Community Planning and Economic Development department.

CCU/D – Contract Compliance Unit/Division.

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.

CID – Complaint Investigations Division

CIO – Chief Information Officer.

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.

COMET - In 2016, COMPASS is anticipated to change to COMET (City of Minneapolis Enterprise Technology) – an upgraded City software system for human resources, financials, and business information reporting and analysis.

COMPASS – The City's implementation of Oracle's PeopleSoft Financial Systems Enterprise Resource Planning, which replaced FISCOL. In 2016, COMET is anticipated to replace COMPASS.

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 uncertainly 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.

CPP - Community Participation Program.

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.

CRT – Community Response Team.

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 – Amount of resources required for payment of principal and interest on outstanding bonds and notes.

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.

ECM – Enterprise Case Management.

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.

enQuesta – an application database to provide operational and management reports for Utility Billing.

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.

FEPA – Fair Employment Practice 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 consists of the City Coordinator (Co-chair), City Engineer (Co-chair), and two department heads. Staff in attendance includes the Director of Management and Budget, Facility Manager/Staff, and 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.

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.

HCRRA – 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 Urban 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.

IT – Information Technology – Directed to deliver innovative high quality, cost effective civic enablement, decision support, infrastructure and workforce empowerment services to City departments and residents. Predecessors were BIS (Business Information Services) and Technology Infrastructure Services.

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.

ISF - 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.

kBTU – Thousand British Thermal Units.

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 Minneapolis Health Department.

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.

MAFIN – Midwest Automated Fingerprint Identification Network.

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.

MHD – Minneapolis Health Department.

Meet Minneapolis **(*MM)*** – 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.

MFRA – Minneapolis Firefighter's Relief Association, a retirement plan for firefighters that is closed to new members.

MHFA – 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.

MnDOT – Minnesota Department of Transportation.

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.

MVHC – Market Value Homestead Credit.

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.

NENA – National Emergency Number Association

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.

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.

OEM – Office of Emergency Management.

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.

OPCR – Office of Police Conduct Review.

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 of after retirement. Post-employment healthcare benefits are considered other post employment benefits, regardless of how they are provided.

Pension Cost – Accrual measure of the periodic cost of an employer's participation in a defined benefit pension plan.

Pension Obligation Bonds – Bonds issued by employers to finance one or more elements of their pension obligation to employees. Pension obligation bonds may be used, for example 1) to reduce or eliminate the employer's net pension obligation, 2) to pay the employer's annual required contribution for the year, or 3) to reduce or eliminate the plan's unfunded actuarial accrued liability.

Pension Plan – Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

PERA – Public Employees Retirement Association, state-wide pension plan, to which a majority of the City's employees belong.

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.

Program 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 assts (or cost recovery, financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

CD&RS – The Community Development & Regulatory Services Committee - oversees all matters related to housing, economic development, employment, and training of City residents. It also approves license applications for business, liquor, beer and wine, gambling, and rental dwellings.

PW – Public Works.

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 is a United States government agency that provides support to entrepreneurs and small businesses.

SBC – School Based Clinics.

SCADA – Supervisory Control and Data Acquisition: a control systems program that provides monitoring, control, historical logging, and reporting data for industrial systems - for water treatment and water pumping systems.

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 an 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.

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.

SW&R – Solid Waste and Recycling.

T&PW – The Transportation & Public Works Committee has oversight of infrastructure improvements, traffic and traffic-management issues, special service districts and related assessments, bicycle and pedestrian plans and initiatives, recycling and solid waste disposal issues, and is responsible for considering appeals relating to block events and encroachment permits.

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 of 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 form the redevelopment of an area.

TISH – Truth in the Sale of Housing, a business function of Construction Code Services division of CPED.

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.

US EPA – United States Environmental Protection Agency.

Variable-rate Investment – In the context of investment disclosure, and investment with terms that provide for the adjustment of its interest rate on set dates (such as the last day of a month or calendar quarter) and that, upon each adjustment until the final maturity of the instrument of the period remaining until the principal amount can be recovered through demand, can reasonably be expected to have a fair value that will be unaffected by interest rate changes.

VCAT – Violent Criminal Apprehension Team.

VPN – Virtual Private Network.

Wash Ave N – Washington Ave N.

Ways & Means Committee (W&MC) – City Council Sub-committee responsible for setting and overseeing enterprise financial policies and procedures and for reviewing and approving the expenditure of public funds.

WC – Worker Compensation.

WIA – Workforce Investment Act.

WiFi – Wireless fidelity.

YCB – Youth Coordinating Board, a joint power agreement of the City.

YTD – Year to date.

Z&P – The Zoning & Planning Committee is responsible for decisions relating to zoning and planning functions in the city, including text and map amendments to the zoning code, applications for property re-zonings, applications for vacations of streets or alleys, historic designations or variances and waivers from land use moratoria.

CITY OF MINNEAPOLIS
2015 COUNCIL ADOPTED BUDGET RESOLUTIONS

RESOLUTION 2014R-518
By Quincy

Approving the 2014 property tax levies, payable in 2015, 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 2014 for taxes payable in 2015 for the following funds:

FUND	CERTIFIED LEVY AMOUNT
General Fund	$153,929,000
Municipal Building Commission	$4,675,000
Permanent Improvement	$1,000,000
Bond Redemption	$35,900,000
Firefighters Relief Association (MFRA)	$2,745,000
Police Relief Association (MPRA)	$6,415,000
Minneapolis Employees Retirement (MERF)	$18,150,000
Total	**$222,814,000**

Be It Further Resolved that the difference between the amounts herein levied 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. 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 2014 for taxes payable in 2015 for debt service associated with the voter approved Library Referendum Bond authorization of 2000 for $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 0.246 be assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2014 for taxes payable in 2015 **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 **$77,388,236** shall be initially distributed as follows:

Municipal Building Commission	$232,938
Minneapolis Park & Recreation Board	$9,133,360
General Fund	$68,021,938
Total	**$77,388,236**

RESOLUTION 2014R-519
By Quincy

Fixing the maximum amounts to be expended by the various departments for 2015 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 2015 Adopted Budget Book.

Be It Further Resolved that the proper City officers be authorized to execute and/or carry out the intent of the 2015 Consolidated Plan program allocations (CDBG, HOME, ESG and HOPWA entitlement grants), as amended, including the 2015 Adopted Budget Schedule 4 CDBG Program, and Schedules 6 CPED Program Allocations by fund.

Be It Further Resolved 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 2015 Consolidated Plan funding.

2015 Operating Budget
Resolution Footnotes:

a) Financial Management Policies, as included in the Financial Policies Section of the 2015 Adopted Budget book, are hereby adopted as part of the 2015 budget.

b) That this resolution may be cited as the General Appropriation Resolution of 2015.

Changes to the Recommended Budget

c) Amend the Mayor's 2015 recommended budget to utilize $80,000 in anticipated savings from the reduction in the 2015 citywide health insurance premium to increase the 2015 recommended budget in the City Clerk's Office and add 1.0 Full-Time Equivalent (FTE) (Council Committee Coordinator).

d) Amend the Mayor's 2015 recommended budget to increase expense appropriation and staffing in the City Clerk's Office by $100,000 and 1.0 FTE, respectively, for the purposes of managing data practices request with on-going costs to be recouped through the City's internal cost allocation mechanism.

e) Amend the Mayor's 2015 recommended budget to reduce the property tax levy increase by:

1. Reducing 50 percent of the one-time funding for a Civil Rights Disparity Study in the Civil Rights Department by $150,000.

2. Reducing 50 percent of the one-time funding in the City Coordinator Department for the Clean Energy Initiative of $150,000 (reduction of $75,000).

3. Reducing the one-time funding in the Convention Center by $100,000.

4. Eliminating the tax increment financing (TIF) activities in the Neighborhood & Community Relations Department (NCR) by $150,000 for staff/program expenses and $150,000 recommended

for the One Minneapolis Fund and utilize the $300,000 of TIF to replace General resources in NCR.

5. Reduce ongoing funding for health insurance by $120,000 to reflect lower premiums.

6. Reduce ongoing funding in the Community Planning & Economic Development (CPED) Department for Homeownership Counseling and Outreach by $125,000 and shifting an additional $75,000 to one-time funding.

f) Amend the Mayor's 2015 recommended budget in the Communications, Community Planning & Economic Development, and Neighborhood & Community Relations Departments by shifting Upper Harbor Terminal ($250,000) and Communications ($174,000) positions from TIF funding to the General Fund and shifting Neighborhood & Community Relations General Fund allocation ($424,000) from the General Fund to TIF funding.

g) Amend the Mayor's 2015 recommended budget to reduce the transfer to the Convention Center Fund for the purpose of marketing, events, and community engagement programming by $10,000 and further reduce the Arts, Culture & Creative Economy budget by a total of $15,000, and increasing funding to Arts in Public Places by $25,000. Further direct that funding to Arts in Public Places for 2015 be dedicated to conservation of public art.

h) Amend the Mayor's 2015 recommended budget in the Regulatory Services Department to include funding for Homeline Services in the amount of $100,000 to be funded from the Regulatory Services Fund.

i) Amend the Mayor's 2015 recommended budget in the Community Planning & Economic Development Department to direct $1.5 million in Community Development Block Grant (CDBG) funding currently earmarked for the Senior Housing Initiative ($1.0 million) and the Owner Occupied Rehab Program ($0.5 million) to the City's Affordable Housing Trust Fund, and to prioritize up to $2.5 million from the City's development accounts for qualified affordable housing projects.

j) Reducing the appropriation in the Communications Department by $174,000 and 2.0 FTEs, and reducing the General Fund property tax revenues by $174,000.

k) Utilizing $150,000 in available one-time General Fund resources to reinstate the Neighborhood & Community Relations Department for the One Minneapolis Fund.

l) Utilizing $75,000 in available one-time General Fund resources to reinstate the City Coordinator Department for the Clean Energy Initiative.

m) Utilizing $25,000 in available one-time General Fund resources to reinstate a portion of the 2015 appropriation for the Community Planning & Economic Development Department homeownership counseling and outreach.

n) Reducing the Convention Center's marketing enhancement appropriation by $50,000 and increasing the Neighborhood & Community Relations Department appropriation by $50,000 for support services to help implement President Obama's executive order on immigration.

Directions to Staff

o) Direct the Finance and Property Services Department to amend all schedules and language according to amended budgets.

p) Direct the Finance and Property Services Department to update the five-year financial direction budgets and staff directions.

q) Direct the Public Works Department to report to the Transportation & Public Works Committee by January 31, 2015, with proposed specific projects for the 2015 Capital Budget for the Paving Program.

r) Direct the Community Planning & Economic Development Department to report to the Community Development & Regulatory Services and Ways and Means Committees by July 1, 2015, with the financial status of the Great Streets Façade Improvement and Business District Support Programs for evaluation prior to issuance of the 2015 Request for Proposals.

s) Direct the City Coordinator to include staff from multiple departments, including CPED, to solicit, evaluate, and recommend proposals for downtown activation activities that align with City goals and complement City initiatives.

t) Direct the Fire Department to commence with recruit classes as soon as feasible and report back to Ways and Means Committee with a plan to maintain staffing at the approved complement level by July 1, 2015, for the purpose of reviewing and recommending mechanisms to provide for enhanced staffing levels.

u) Direct the Community Planning & Economic Development Department to complete an analysis of existing housing stock and housing needs in Minneapolis to inform future policy decisions that support housing options for all levels of income including the Affordable Housing Trust Fund and Transit-Oriented Development program as well as potential policy changes that support housing affordability such as inclusionary zoning.

v) Direct the Intergovernmental Relations Department to lead a staff workgroup to identify opportunities for the City to support the Minneapolis implementation for the Presidential executive order on immigration and bring forward a proposal with a recommended resolution acknowledging the City's commitment.

w) Direct the Neighborhood & Community Relations Department to coordinate with the Communications Department and other City departments to provide planning, supportive services, and outreach for the implementation of President Obama's executive order on immigration policy.

x) Direct the City Coordinator Department to convene key department stakeholders to research how we are currently supporting the need and make recommendations on how to support and services of communications technology could be enhanced, including, but not limited to, the potential to move responsibility for the existing Radio Communications & electronics work unit from Finance and Property Services Department to the Information Technology Department.

y) Direct the Community Planning & Economic Development Department to develop a five-year Art in Public Places capital plan and report back to the Community Development & Regulatory Services and the Ways & Mean committees by March 31, 2015.

z) Direct the Regulatory Services Department to provide a status update of the activities performed by Homeline to the Community Development & Regulatory Services committee by July 1, 2015.

aa) Direct the Neighborhood & Community relations Department (NCR) for a one-time provision of $55,000 for the Minneapolis Highrise representative Council for Project Lookout utilizing $30,000 from the One Minneapolis Fund and the remainder to come from the department's year savings.

bb) Direct the Minneapolis Police Department to allocate up to $75,000 of its recommended 2015 expense appropriation to partner with the City Attorney's Office and the Domestic Abuse

Hotline.

cc) Direct the Finance & Property Services Department Procurement Division, in collaboration with affected City departments, to:

1. Compile historical information of the City's utilization of single source contracts and report back to the Committee of the Whole and Ways & Means Committees in the first quarter with recommendations for policy considerations to provide more opportunities for supplier diversity in procurement activities; and

2. Review existing standards for insurance and bonding for City contractors, including comparison of standards used by the State of Minnesota and other public bodies, and report back to the Committee of the Whole and Ways & Means Committees in the first quarter with recommendations for policy considerations to provide more opportunities for supplier diversity in procurement activities.

dd) Direct the Finance & Property Services Department to facilitate the hiring of 5 new FTE positions in the Community Planning & Economic Development Department, Development & Construction Code Services Division.

ee) Direct the Community Planning & Economic Development Department to collaborate with Summit Academy OIC to facilitate participation in the City's job training programs.

ff) Directing the Internal Audit Department to work with the Neighborhood & Community Relations Department and other City Coordinator departments to create a scope of work and then oversee an evaluation of NCR Programs using existing budgeted resources, and to report back to the Committee of the Whole by August 2015.

gg) Directing the Public Works, Regulatory Services, and Police departments to provide existing resources to facilitate up to eight (8) Open Streets events in 2015.

Technical Changes

hh) Amend the Mayor's recommended 2015 budget by $2,659,438, reducing fund 01CAZ revenue and fund 01CBY expense by $2,659,438 in the Community Planning & Economic Development department.

ii) Amend the Mayor's 2015 recommended budget by $300,000; reducing fund 07300 expense by $300,000 in the Public Works Department.

jj) Amend the Mayor's 2015 recommended budget by aligning recommended funding for the City's Capital Asset Request System (CARS) for all departments as needed.

kk) Amend the Mayor's 2015 recommended budget by $85,019; reducing fund 00100 revenue by $85,019 in the Public Works Department.

ll) Amend the Mayor's 2015 recommended budget by $118,667; by increasing revenue and expense appropriation for fund 00100 by $118,667 in the Public Works Department for special service district.

mm) Amend the Mayor's 2015 recommended budget by $2,024,000; by reducing expense appropriation for fund 07700 by $2,024,000 in the Public Works Department for organics rollout.

nn) Amend the Mayor's 2015 recommended budget by $140,000; by increasing expense appropriation for fund 00100 by $140,000 in the Regulatory Services Department for traffic

control to match revenue.

oo) Amend the Mayor's 2015 recommended budget by $870,000; by increasing revenue and expense appropriation for fund 07ERT by $870,000 in the Community Planning & Economic Development Department for the Upper Harbor Terminal.

RESOLUTION 2014R-520
By Quincy

Adopting the 2015 - 2019 Five Year Capital Program and fixing the maximum amounts for 2015 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 2015 - 2019 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 2015 as detailed in the Capital Section of the 2015 Adopted Budget:

Fund Department	Amount (thousands $)
34200 9010901 MBC CAPITAL IMPROVEMENTS	**1,700**
14300 101000 PARKS CAPITAL IMPROVEMENTS (c)	**4,621**
04100 9010937 PUBLIC WORKS STREET PAVING CAPITAL IMPROVEMENTS (a,b)	**42,835**
04100 9010938 PUBLIC WORKS BRIDGE CAPITAL IMPROVEMENTS	**11,000**
04100 9010939 PUBLIC WORKS SIDEWALK CAPITAL IMPROVEMENTS	**3,520**
04100 9010943 PUBLIC WORKS TRAFFIC CAPITAL IMPROVEMENTS (c)	**10,460**
TOTAL PUBLIC WORKS CAPITAL IMPROVEMENTS	***67,815***
04100 9010923 PROPERTY SERVICES CAPITAL IMPROVEMENTS	**5,415**
04100 9010970 NON-DEPARTMENTAL CAPITAL IMPROVEMENTS (911 and Public Safety)	**1,835**
TOTAL CITY FUND 04100 CAPITAL IMPROVEMENTS	***75,065***
06400 9010972 INFORMATION TECHNOLOGY INTERNAL SERVICE FUND CAPITAL	**2,850**
07100 9010932 SANITARYSEWER ENTERPRISE FUND CAPITAL	**7,425**
07300 9010932 STORM SEWER ENTERPRISE FUND CAPITAL	**10,920**
07400 9010950 WATER SEWER ENTERPRISE FUND CAPITAL	**22,495**
07700 9010923 SOLID WASTE FUND CAPITAL	**3,000**
GRAND TOTAL ALL FUNDS	***128,076***

Be It Further Resolved that the following 2015 Capital Budget footnotes are hereby incorporated into the 2015 Capital Resolution:

a) Per Technical Budget Amendment 1i.) Public Works: Reducing Fund 04100 appropriation request by $3,500,000 and reducing other miscellaneous revenues by $3,385,000 and net debt bonds by $115,000 for the PV085 Nicollet Mall Reconstruction Project. This project was fully funded as part of the Public Works Capital Project Closeout action adopted by the City Council on December 5, 2014.

b) Per Staff Directive 3c.) Public Works is directed to report to T&PW Committee by January 31, 2015, with proposed specific projects for the 2015 Capital Budget for paving program.

c) As a result of reallocations made by the Park Board to their Operating and Capital budgets, the total allocation of park capital levy has been reduced by ($1,309,000) for 2015 compared to the 2015 Mayor's Recommended Budget.

RESOLUTION 2014R-521
By Quincy

Requesting that the Board of Estimate and Taxation authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $10,130,000 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 authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $10,130,000, 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 (PV1501)	50,000
PV006	Alley Renovation Program (PV1506)	50,000
PV027	Hennepin/Lyndale	195,000
PV056	Asphalt Pavement Resurfacing Program (PV1556)	4,000,000
PV061	High Volume Corridor Reconditioning Program (PV1561)	965,000
PV063	Unpaved Alley Construction (PV1563)	50,000
PV073	26th Ave N (W Broadway to Lyndale Ave N)	695,000
PV074	CSAH & MnDOT Cooperative Projects (PV1574)	3,170,000
PV083	Minnehaha Ave (24th to 26th St E)	955,000
	Total	**$10,130,000**

RESOLUTION 2014R-522
By Quincy

Requesting that the Board of Estimate and Taxation authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $36,460,000 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 authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds, in the amount of $36,460,000, the proceeds of which are to be used as follows:

Municipal Building Commission, in the amount of $1,000,000

MBC01	Life Safety Improvements	100,000
MBC02	Mechanical Systems Upgrade	600,000
MBC04	MBC Elevators	300,000

Park & Recreation Board, in the amount of $2,500,000

PRK02	Playground and Site Improvements Program	960,000

PRK03	Shelter – Pool – Site Improvements Program	600,000
PRK04	Athletic Fields and Site Improvements Program	300,000
PRK31	Bossen Park Field Improvements	640,000

City Council, in the amount of $32,960,000

PV001	Parkway Paving Program (PV1501)	700,000
PV006	Alley Renovation Program (PV1506)	200,000
PV027	Hennepin/Lyndale	1,085,000
PV056	Asphalt Pavement Resurfacing Program (PV1556)	500,000
PV059	Major Pavement Maintenance Program (PV1559)	250,000
PV061	High Volume Corridor Reconditioning Program (PV1561)	1,455,000
PV063	Unpaved Alley Construction (PV1563)	150,000
PV068	LaSalle Ave (Grant to 8th)	805,000
PV070	Riverside Extension – 4th St/15th Ave	500,000
PV073	26th Ave N (W Broadway to Lyndale Ave N)	5,245,000
PV074	CSAH & MnDOT Cooperative Projects (PV1574)	350,000
PV083	Minnehaha Ave (24th to 26th St E)	335,000
PV086	26th Ave N (Wirth Pkwy to Brdwy/Lyndale to River)	815,000
PV099	26th & 28th St Buffered Bike Lanes (Hiawatha to 35W)	200,000
PV101	29th St W Pedestrian Connection	350,000
PV104	ADA Ramp Replacement Program (PV15104)	1,000,000
BR101	Major Bridge Repair and Rehabilitation (BR1501)	500,000
BR130	7th St Ramp Bridge over 35W	3,000,000
SWK01	Defective Hazardous Sidewalks (SWK15)	305,000
BIK28	Protected Bikeways Program (BIK1528)	790,000
TR008	Parkway Street Light Replacement (TR1508)	350,000
TR010	Traffic Management Systems (TR1510)	400,000
TR011	City Street Light Renovation (TR1511)	550,000
TR021	Traffic Signals (TR1521)	1,625,000
TR022	Traffic Safety Improvements (TR1522)	310,000
TR024	Pedestrian Level Lighting Program (TR1524)	500,000
TR025	Sign Replacement Program (TR1525)	590,000
FIR11	New Fire Station No.11	465,000
FIR12	Fire Station No. 1 Renovation & Expansion	500,000
MPD03	Hamilton School Acquisition & Facility Improvement	2,000,000
PSD01	Facilities – Repair & Improvements (PS1501)	1,200,000
PSD03	Facilities – Space Improvements (PS1503)	750,000
PSD11	Energy Conservation and Emission Reduction (PS15E11)	500,000
91101	911 Telephone System Replacement	135,000
RAD01	Public Safety Radio System Replacement	1,700,000
IT004	Enterprise Infrastructure Modernization (IT1504)	850,000
IT033	Police Report Management System Upgrade	2,000,000
	Total	**$36,460,000**

RESOLUTION 2014R-523
By Quincy

Requesting that the Board of Estimate and Taxation authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $14,200,000 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 authorize the City to incur

indebtedness and issue and sell City of Minneapolis bonds in the amount of $14,200,000, the proceeds of which are to be used for sanitary sewer projects and water projects as follows:

Sanitary Sewer Projects – Fund 07100:		
SA001 Sanitary Tunnel and Sewer Rehab Program (SA15401)		4,200,000
SA036 Infiltration & Inflow Removal Program (SA1536)		1,000,000
Water Projects – Fund 07400:		
WTR24	Fridley Filter Plant Rehabilitation	8,000,000
WTR26	Recarbonation System Replacement	1,000,000
	Total	**$14,200,000**

RESOLUTION 2014R-524
By Quincy

Designating the utility rates for water, sewer, stormwater, solid waste, and recycling service effective with water meters read on and after January 1, 2015.

Resolved by The City Council of The City of Minneapolis:

Effective with utility billings for water meters read from and after **January 1, 2015**, 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 thirty-seven cents ($3.37)** per one hundred (100) cubic feet for customers not otherwise mentioned.

(b) **Three dollars and fifty-two cents ($3.52)** 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:

Meter Size	Fixed Charge
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**

(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 a Public Works - Water Division representative. 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	Amount
1. Damaged, Lost or New Water Meters	
5/8”	$ 120
3/4”	$ 140
1”	$ 175
1 ½”	$ 405
2”	$ 490
3”	$ 1,040
4”	$ 1,350
6”	$ 2,120

2. Damaged or Lost Reader Water Meter Equipment		
ERT	$	130
Encoder 5/8” – 1”	$	80
Encoder 1 ½” or greater	$	125
3. Remove, Install or Drain a Water Meter		
5/8” – 1”	$	50
1 ½” – 2”	$	100
3” or greater	$	200
4. Water Meter Testing		
5/8” – 1”	$	100
1 ½” – 2”	$	200
3” or greater – on-site	$	300
3” or greater – Meter Shop test	$	500
5. Water Meter Reading, Missed Appointments, Posting	$	20
6. Private Meter Trip Fee	$	50
Equipment charged at cost		
All applicable taxes will be applied		
7. Water Turn-On or Turn-Off		
Base Charge	$	45
Winter Fee – Nov. 15 – Apr. 15	$	25
Delinquency Admin Fee	$	6
Shut Off Valve Flush Fee	$	20
8. Coupling Pricing for Water Meters	Charged at cost of inventory	
9. Water Service Tap Cutoff or Extension Permit	$	50
10. Water Hydrant Usage		
Permit	$	50
Installation of equipment for garden usage	$	100
Installation of equipment for construction, demolition and special event usage	$	200
Hydrant sanitation for portable water usage	$	160
Equipment deposit for residential demolition usage	$	1,200
Equipment deposit for commercial construction and demolition usage	$	3,200
Water usage charged at regular in city rate		
11. Temporary Water Meter for Construction Usage		
Permit	$	50
Temporary water meter usage fee	$	200
Equipment and water usage deposit	$	2,500
Water usage charged at regular in city rate subtracted from initial deposit until consumed		

12. Large Water Main Tap by Tap Size*

6x4”	$ 1,974
6x6”	$ 2,223
8x4”	$ 2,121
8x6”	$ 2,191
8x8”	$ 2,928
10x4”	$ 2,413
10x6”	$ 2,429
10x8”	$ 2,682
12x4”	$ 2,138
12x6	$ 2,288
12x8”	$ 3,101
12x12”	$ 5,174
16x4”	$ 2,742
16x6	$ 2,462
16x8”	$ 3,818
16x12”	$ 5,065
24x4”	$ 2,417
24x6	$ 3,000
24x8”	$ 4,074
24x12”	$ 5,788
30x4”	$ 3,505
30x6	$ 3,711
30x8”	$ 5,169
30x12”	$ 8,556
36x4”	$ 3,766
36x6	$ 3,879
36x8”	$ 4,901
36x12”	$ 7,935

13. Small Water Main Tap by Size*

3/4x3/4”	$ 213
1x1”	$ 223
1x1¼”	$ 238

14. Water Main Tap Discontinue by Size*

6x2”	$ 1,799
6x3”	$ 1,799
6x4”	$ 2,093
6x6”	$ 2,093
8x2”	$ 1,832
8x3”	$ 1,832
8x4”	$ 1,832

8x6”	$ 2,299
8x8”	$ 2,299
10x2”	$ 1,899
10x3”	$ 1,899
10x4”	$ 1,899
10x6”	$ 2,985
10x8”	$ 2,985
10x10”	$ 2,985
12x2”	$ 1,964
12x3”	$ 1,964
12x4”	$ 1,964
12x6”	$ 1,964
12x8”	$ 3,052
12x12”	$ 3,052
16x2”	$ 2,492
16x3”	$ 2,492
16x4”	$ 2,492
16x6”	$ 2,492
16x8”	$ 2,492
16x12”	$ 4,188
24x2”	$ 2,899
24x3”	$ 2,899
24x4”	$ 2,899
24x6”	$ 2,899
24x8”	$ 2,899
24x12”	$ 2,899

15. Mechanical Plug Pricing*

4” Plug	$ 1,799
6” Plug	$ 1,811
8” Plug	$ 1,852
12” Plug	$ 1,899

*When site specific circumstances preclude the use of standard methods, the fee will be based on the City’s estimate for time and materials. Standard fee includes installation and $50 permit fee but not excavation.

16. Water Main Shut Down for Contractor $ 646

17. Penalties

a) Water Meter Tampering Penalty/Administration Fee/Violation Fee	$ 200
b) Water Meter Bypass Valve Tampering Penalty	$ 500
c) Unauthorized Water Service Turn-on Penalty	$ 500
d) Water System Valve Tampering Penalty	$ 500
e) Violation of Water Emergency Declaration	$ 25

The sanitary sewer rates and stormwater service rate shall be applied to utility billings for water meters read from and after January 1, 2015.

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 twenty-one cents ($3.21)** 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:

Meter Size	Fixed Charge
5/8-inch	$ 3.80
3/4-inch	5.70
1-inch	9.50
1 1/2-inch	19.00
2-inch	30.40
3-inch	60.80
4-inch	95.00
6-inch	190.00
8-inch	304.00
10-inch	437.00
12-inch	1254.00

(c) The sanitary sewer rate applicable outside the City of Minneapolis for all sewage flow generated is **three dollars and twenty-one cents ($3.21)** 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 ninety-four cents ($11.94).** 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 ninety-three cents ($14.93).**

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 ninety-four cents ($11.94).**

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 ninety-six cents ($8.96).**

(c) Stormwater charges for all other properties will be based on the following calculation:

(Gross Lot Size in sq.ft. X Runoff Coefficient) ÷ 1,530 sq. ft.= # of ESU

# of ESU X **$ 11.94** = Monthly Fee

The runoff coefficient assumed for each land use category is shown below.

Land Use	Coefficient Applied
Bar-Rest.-Entertainment	.75
Car Sales Lot	.95
Cemetery w/Monuments	.20
Central Business District	1.00
Common Area	.20
Garage or Misc. Res.	.55
Group Residence	.75
Ind. Warehouse-Factory	.90
Industrial railway	.85
Institution-Sch.-Church	.90
Misc. Commercial	.90
Mixed Comm.-Res-Apt	.75
Multi-Family Apartment	.75
Multi-Family Residential	.40
Office	.91
Parks & Playgrounds	.20
Public Accommodations	.91
Retail	.91
Single Family Attached	.75
Single Family Detached	ESU

Sport or Rec. Facility	.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, 2015**, the charges shall be as follows:

(a) The base unit charge shall be **twenty-one dollars and sixty cents ($21.60)** 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.