

Request for City Council Committee Action

Date: December 13, 2005

To: Community Development Committee
Referral to: Ways & Means / Budget Committee

Prepared by: Carsten Slostad (Phone 673-5150)

Approved by: Robert D. Miller, Director _____

Subject: NRP 2006 Administrative Budget

Summary of the Request: This year's budget request is \$1,512,293 or 2% less than the 2005 budget request and 11.5% less than actual expenditures in 2004 due to continued reductions in the salary line item. Our staff complement is reduced to 10 FTE, one less than in 2005. The Professional Service line item detailed in Attachment B accounts for 34% of the 2006 budget proposal. Included in the salary line item is a 2% COLI beginning in January, which is consistent with the City of Minneapolis planned COLI for City employees.

Recommendation:

- (1) Approve the 2006 NRP Administrative Budget attached to this report in accordance with "Attachment A";
- (2) Amend the City of Minneapolis 2005 General Appropriation Resolution by increasing the Community Planning & Economic Development Department (CPED) agency Fund CNR—NRP Program Fund (CNR0-890-3550) appropriation by \$1,512,293 and request that CPED immediately transfer \$1,512,293 to the NRP's City of Minneapolis Fund 230;
- (3) Authorize the appropriate City officers to enter into any contracts or agreements needed to implement this request.

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The Honorable Lisa Goodman, Chair
Community Development Committee
Minneapolis City Council
315 City Hall
Minneapolis, Minnesota 55415

The Honorable Barbara Johnson, Chair
Ways and Means Committee
Minneapolis City Council
315 City Hall
Minneapolis, Minnesota 55415

Re: NRP 2006 Administrative Budget

Dear Chairpersons Goodman and Johnson:

At its meeting on November 21, 2005 the Neighborhood Revitalization Program Policy Board approved and authorized funding for the NRP 2006 Administrative Budget, which is attached to this report. "Attachment A" shows the actual expenditures for 2000 thru 2004 and expenditures as of October 12, 2005. The Professional Services line item detailed in "Attachment B" accounts for 34% of the 2006 Budget Proposal. Over all, this year's budget is 2% less than the 2005 budget request and 11.5% less than actual expenditures in 2004.

The staff salary line item request is for an authorized FTE of 10, which is one less than our 2005 complement. NRP. Management has worked diligently to reduce the staff complement without layoffs or terminations. Personnel expenditures include a 2% Cost of Living Increase adjustment consistent with the adopted guidance of the City Council.

Attached to this report is a detailed report of the activities of the past year, highlights of Phase I accomplishments, a statement of financial conditions and the 2006 budget request that I presented to the Policy Board at their meeting. I have attached it for your information as well.

On November 21, 2005 the Policy Board passed the following resolution:

RESOLVED: That the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board (Board) approves and adopts the Neighborhood Revitalization Program Administrative Budget for Fiscal Year 2006, in the amount of \$1,512,293 as detailed in "Attachment A" to the November 16 Administrative Budget Proposal memorandum which is incorporated herein by reference;

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RESOLVED FURTHER: That the Board authorizes the Director to spend up to \$1,512,293 in FY 2006 on administrative expenses generally in accordance with Attachment A, with total expenditures in the "Compensation" (4000-4900 and 7800-7860 account codes) and "Non-Compensation" categories to be limited to the amounts indicated in that budget, but with discretion to adjust amounts among the specific "Non-Compensation" line items as needed and between "Compensation" and the "Non-Compensation" category for "Professional Services" without further approval from this Board; and appropriates \$1,512,293 of NRP Program Moneys for administrative expenditures in 2006;

RESOLVED FURTHER, That the Director is hereby authorized and directed to request that the City Council, City of Minneapolis, appropriate \$ 1,512,293 to Fund CNR0-890-3550 for the purposes herein authorized, and to request that CPED immediately transfer \$1,512,293 to the NRP's City of Minneapolis Fund 230; and,

RESOLVED FURTHER, That the Director is hereby authorized to negotiate and sign any Professional Services Agreements or Memorandums of Understanding needed to secure the services in "Attachment B" to the November 16 Administrative Budget Proposal memorandum.

Pursuant to this resolution, I make the following recommendations for consideration by your committees:

RECOMMENDATION:

- (1) Approve the 2006 NRP Administrative Budget attached to this report in accordance with "Attachment A";
- (2) Amend the City of Minneapolis 2005 General Appropriation Resolution by increasing the Community Planning & Economic Development Department (CPED) agency Fund CNR—NRP Program Fund (CNR0-890-3550) appropriation by \$1,512,293 and request that CPED immediately transfer \$1,512,293 to the NRP's City of Minneapolis Fund 230;
- (3) Authorize the appropriate City officers to enter into any contracts or agreements needed to implement this request;

Sincerely,

Robert D. Miller
Director