



City of Minneapolis
Financial Status Report as of 2nd Quarter 2010
Prepared by the
City of Minneapolis Finance Department
August 16, 2010

City of Minneapolis

Interim Financial Report Index for the 2nd Quarter of 2010

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THE REPORT

The report consists of two sections. The first section of the report includes the Business line review. The second section includes detailed schedules and analysis of the results of individual funds through June 30, 2010.

This interim financial report has been prepared by the Minneapolis Finance Department. Financial information contained in this report is preliminary and has not been audited, nor is the information contained in this report a complete presentation of all financial activity within the City.

BUSINESS LINE REVIEW

The City's business activities are accounted for in funds and these funds are divided into two major groupings: Governmental funds and Proprietary funds.

Governmental Funds

Governmental Funds account for services and goods provided within the government and are primarily supported either directly or indirectly by taxes. These groupings include General fund, Special Revenue Funds, Capital Projects, Debt Services, and Agency funds. Governmental funds use the modified accrual basis of accounting to record transactions.

The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund began 2010 with a fund balance of \$68.3 million and an operating budget of \$333 million. Since the beginning of the year, the City Council has taken major steps to reflect State-level decisions and deal with ongoing financial challenges:

1. Fund Balance spending of \$11.7 million for one-time purposes;
2. A \$9.3 million permanent reduction to Local Government Aid (LGA) and Market Value Homestead Credit (MVHC) revenue.

Through second quarter of this year, the fund has spent 47% of its operating budget. Preliminary year-end results indicate the fund balance will be \$56 million, very close to the City's stated reserve policy. Currently the Civil Rights department is projected to exceed its budget by a relatively small amount. In regard to revenue, Fines and Forfeits are projected to fall short of budget by \$500,000. All other revenue categories are projected to end the year very close to budget.

The **Convention Center Fund** accounts for the operating activities of the Convention Center and for the City's sales tax and other related taxes. All of the tax revenue received by the Convention Center is used to support the Convention Center's capital and operating activities except the entertainment tax. The entertainment tax revenue is transferred to the City's General Fund and Arena Reserve Fund.

The Convention Center is projected to experience a loss of \$10.7 which is \$4.1 million more than budgeted. The primary reason is that sales tax revenues are expected to fall short of budget by \$4.6 million, despite showing an 18% increase over last year.

Other Special Revenue Funds are used to record grant related activities. Fund 01300 represents all of the federal grant activity. Fund 01400 captures the Housing and Urban Development grants for community development and housing related programs. This fund includes the Community Development Block Grant, Emergency Shelter Program, HOME Investment Partnership Program, and Housing Opportunities for People with Aids. Fund 01600 is used to record all of the non-federal sources of restricted revenue.

The CPED Special Revenue Funds, primarily the Preliminary Planning Fund and their Operating Fund are carrying negative cash and net assets. These deficits are being addressed by CPED and the Finance Department during 2010 and in the 2011 budget process.

Proprietary Funds

Proprietary funds operate, more or less, like a business and are assumed to be self-supporting. Proprietary funds are normally grouped into two subsets: Internal Service funds, which sell goods and services internally to other government units; and, Enterprise funds which sell goods and services to third parties. The rates charged by these businesses are supposed to cover the full cost of providing the good or service sold by the fund- including the cost of maintaining, replacing, and expanding the fund’s capital assets; Proprietary funds use full accrual accounting.

Enterprise Funds are City owned businesses that sell goods and services to third parties. A snapshot of these funds follows:

| Enterprise Funds | | | | | | |
|-------------------------|---|-----------------------|------------------------------|-----------------------|-----------------------|------------------------------|
| (In Thousands) | | | | | | |
| Fund | 2010 Budget to Actual through 6-30-10 (Incl. Depreciation) | | | | | |
| | Revenue Budget | Revenue Actual | % of Actual To Budget | Expense Budget | Expense Actual | % of Actual To Budget |
| Sanitary Sewer | 45,507 | 23,260 | 51% | 45,384 | 21,378 | 47% |
| Stormwater | 34,345 | 18,532 | 54% | 31,466 | 13,476 | 43% |
| Solid Waste | 29,178 | 15,224 | 52% | 35,203 | 14,816 | 42% |
| Water Utility | 65,828 | 30,049 | 46% | 59,697 | 29,219 | 49% |
| Parking | 69,055 | 39,392 | 57% | 66,253 | 34,457 | 52% |

Sewer Utility Funds account for sewage interceptor and treatment services and the storm management activities including the Combined Sewer Overflow program. The Sewer Fund was split into two funds in 2005: Stormwater and Sanitary; both funds are performing well in 2010 and are on track to meet or exceed their net income requirements. Additionally, their cash balances are within the reserve requirement.

Solid Waste Fund accounts for the City’s solid waste collection, disposal, and recycling operations. This fund is projected to meet or exceed its net income target. Its cash balance is in excess of the reserve requirement.

Water Utility Fund accounts for the operation and maintenance of a water delivery system for the City and several suburban city customers. The fund is on track to exceed its net income requirements and is also expected to begin restoring its cash balance to a positive level.

Parking Fund accounts for the operation and maintenance of parking ramps, lots, on street parking meters, and a municipal impound lot. Through second quarter the fund is performing well and is projected to meet its net income targets at year-end. Its cash balance is currently in excess of the stated requirement. This fund will be watched closely by Public Works and Finance as cash flow remains a concern because of the large debt service.

CPED operates five Enterprise Funds:

- *Housing Development* accounts for various home ownership and home improvement programs. This fund has positive cash and net assets.
- *General Agency Reserve* accounts for a program in which revenue bonds are issued to finance economic development. The debt service is financed by lease or loan agreements from developers. This fund has positive cash and net assets.
- *Theatres fund* accounted for the operations of the State, Orpheum and Pantages. The City no longer operates these theatres but has a residual fund balance and cash deficit of \$2 million.
- *River Terminal* fund accounts for the operation of the public terminal facility located on the Mississippi River; the fund is projected to lose money this year and has a small cash deficit.
- *Economic Development Program* accounts for the Capital Investment Fund Program with the Federal Home Loan Bank, which provides loans to businesses for economic development and the creation of jobs, as well as for certain defaulted properties. This program has positive cash but a small net asset deficit.

Internal Service Funds remain one of the largest financial challenges for the City of Minneapolis. An overview of the Internal Service Funds follows:

| Internal Service Funds (In Thousands) | | | | | | |
|---|-----------------------|-----------------------|------------------------------|-----------------------|-----------------------|------------------------------|
| 2010 Budget to Actual through 6-30-10 (Incl. Depreciation) | | | | | | |
| Fund | Revenue Budget | Revenue Actual | % of Actual to Budget | Expense Budget | Expense Actual | % of Actual to Budget |
| Engineering, Mat, and Testing | 1,460 | 526 | 36% | 1,470 | 625 | 43% |
| Fleet Services | 47,088 | 21,645 | 46% | 42,974 | 19,459 | 45% |
| Property Services | 21,778 | 9,872 | 45% | 22,191 | 10,367 | 47% |
| Public Works Stores | 1,153 | 313 | 27% | 1,181 | 573 | 49% |
| Intergovernmental Fund | 44,982 | 21,529 | 48% | 46,144 | 22,429 | 49% |
| Self Insurance | 41,000 | 20,186 | 49% | 29,765 | 13,091 | 44% |

The **Intergovernmental Service Fund** is projected to end the year with a net loss that is consistent with their financial plan; however, they are projected to overspend their operating budget by \$1.8 million this year. The main causes are the unfunded wireless obligation and enterprise software maintenance contracts whose year-to-year increases exceed budgetary growth. The reason why the fund is able to offset the overspending is because of timing differences related to the expenses and revenues for the Project Management Division. The BIS and Finance departments have begun to develop short and long-term strategies to address this problem.

The **Fleet Services Fund** is projected to have Net Income approximately \$1 million less than expected this year. This is due to a sharp decline in demand for hourly labor and associated equipment rental compared to 2009.

The **Self-Insurance Fund** is projected to end the year with net income \$3 million better than expected. The primary reason is that Tort Claims payouts are lower-than-expected so far. This is a volatile area however so it is difficult to make accurate, reliable year-end projections.

The **Property Services Fund** is projected to end the year with a small net income which is very close to what is budgeted for the year. It has positive Net Assets but its cash reserves are well below the stated requirement. This fund's financial performance is hindered by the mismatch between construction of capital assets which occurs in the Capital Projects fund and the depreciation expense from those assets which occurs in this fund. Similar to BIS, it is not recovering for depreciation in its rental rates and this will continue to adversely affect the fund.

The **Engineering Materials and Testing Fund** is on track to meet its financial targets for the year.

Respectfully Submitted,

Patrick P. Born
Finance Officer

Charles J. Elliott
Controller

Appendix

Detailed Fund Information

General Fund

Fund Description

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

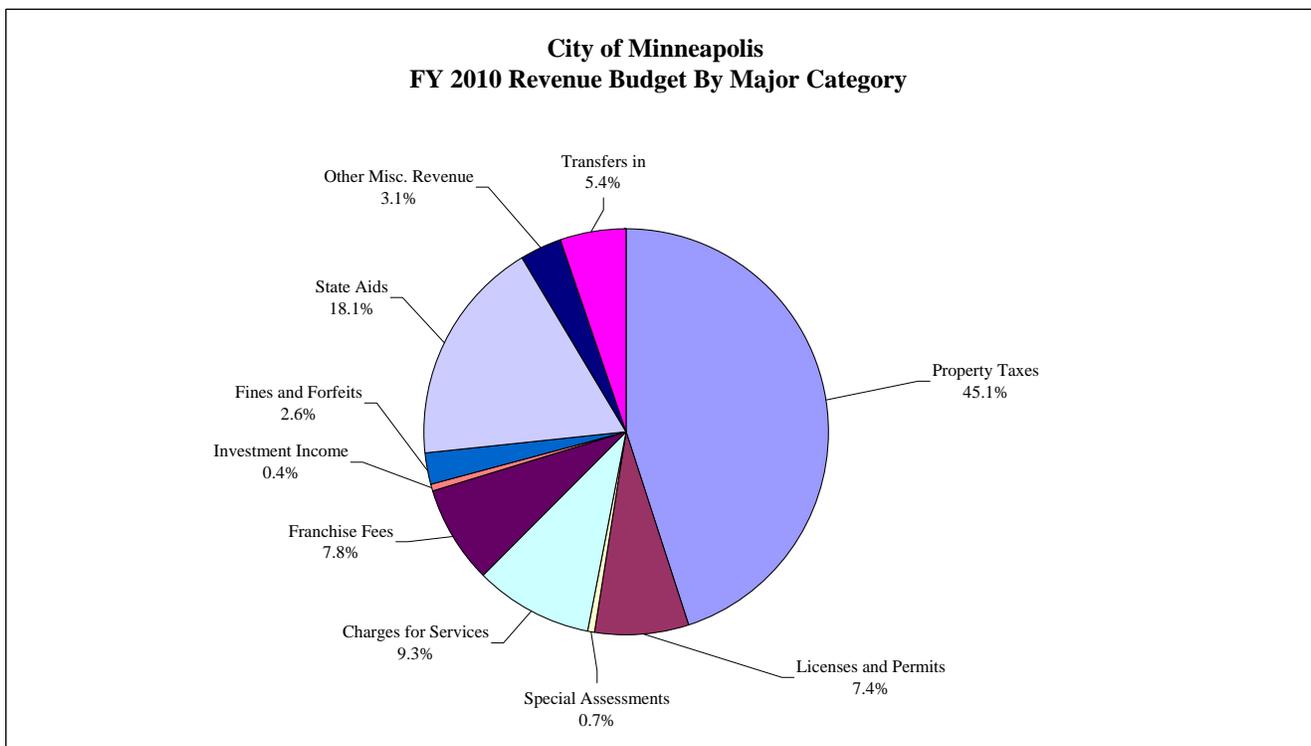
Financial Performance

The fund balance for the General Fund at fiscal year-end 2009 was \$ 68.3 million. Based on current revenue and expenditure results, we are expecting the fund balance at year-end to be \$ 56.0 million.

Preliminary 2010 Fund Balance

| | |
|---|------------------------|
| Fund Balance January 1, 2010 | \$ 68.3 million |
| Re-appropriation of Fund Balance | (11.7) million |
| 2010 Projected Decrease in Fund Balance | <u>(0.6) million</u> |
| Fund Balance, December 31, 2010 | <u>\$ 56.0 million</u> |

General Fund Revenues:



The six largest revenue sources account for 93.1% of total budgeted revenues: property taxes, state aids, charges for services, licenses and permits, franchise fees, and transfers in.

Property taxes, the major source of General Fund revenue are received from Hennepin County in July and December.

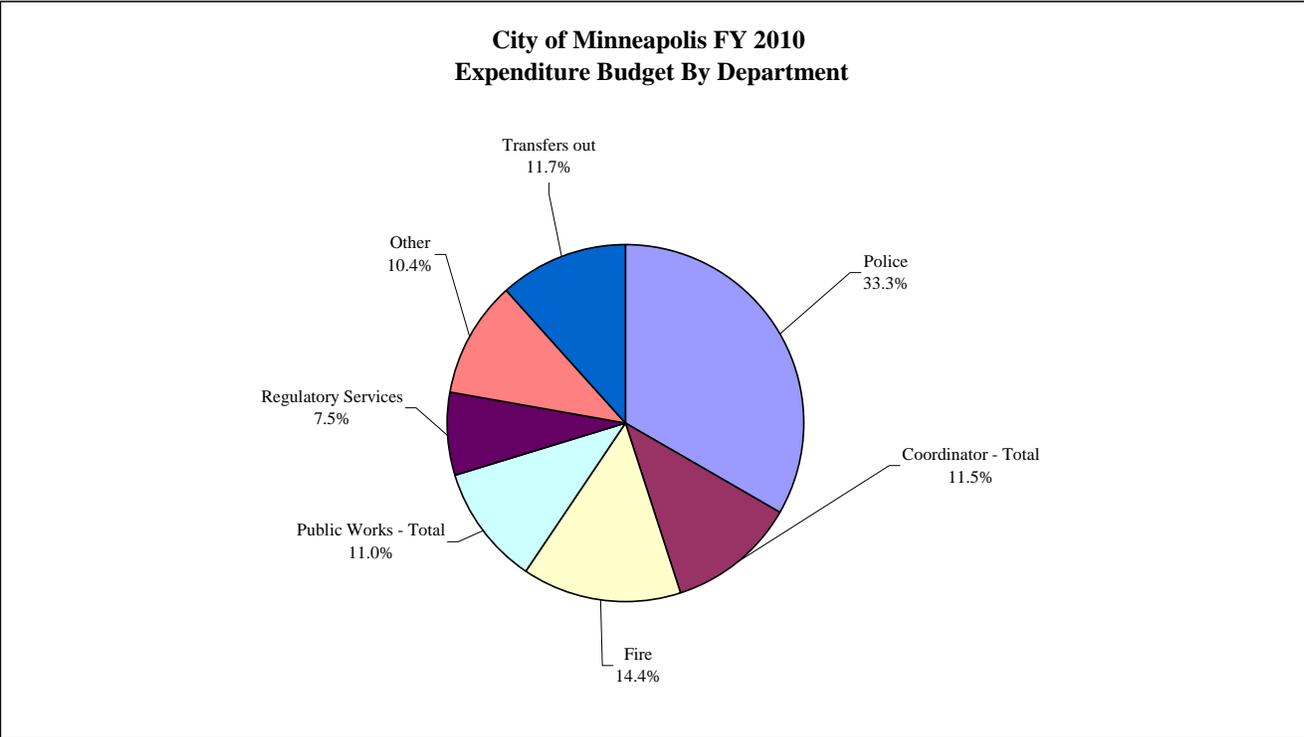
State aids, the second major source of fund revenue, are received in the second half of the year.

Charges for services, the third major source of fund revenue (9.3%), are expected to be within revenue estimates.

Franchise fees, the fourth major source of revenue (7.8%), are projected to be slightly below the expected level due to a continuing reduction in fees from natural gas.

License and permit fees (7.4% of fund revenue) are on track to meet budgeted amounts by year end

Fines and Forfeits collections are expected to be under budget by \$500,000, in despite an increase in the number of citations written in comparison to 2009.



General Fund Expenditures:

Four departments make up 70.2% of the total General Fund expenditures: Police, Coordinator, Fire, and Public Works. Small percentage variances in any of these large departments can have a significant effect on the amount of General Fund expenditures.

The Police Department is projected to meet their budget by year end.

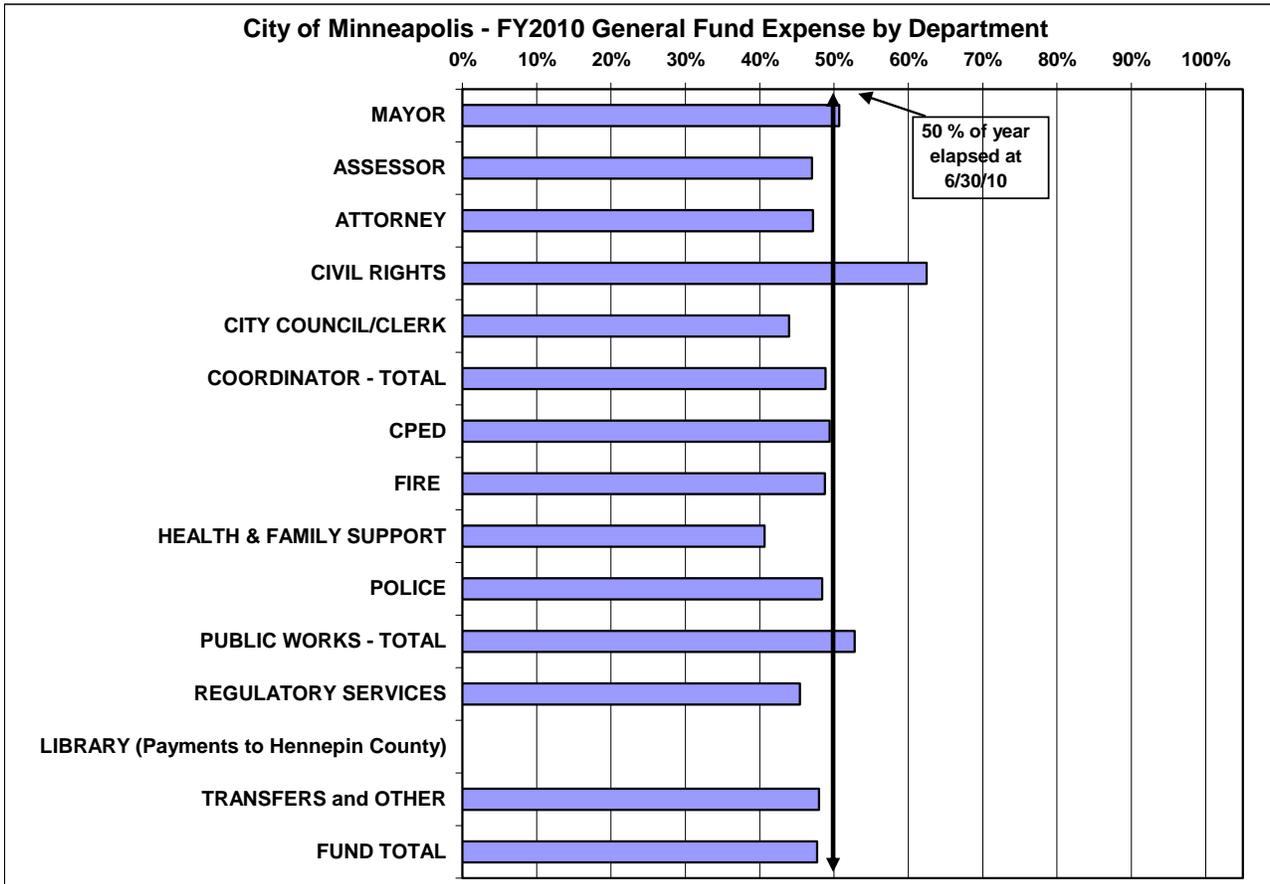
The Fire Department is projected to meet its budget by year end.

The expenditures of the City Coordinator are expected to be at or below budget by year end

The Public works department anticipates ending the year within budget, they have spent more than 50% of their budget, due to increased expense for snow plowing at the beginning of the year.

The Civil Rights department is projecting expenditures \$90,000 in excess of budget. This is due to the severance paid to the former director and a contract for a disparity study that was not in the budget.

Expenditures for the remaining departments are projected to be at or near the current budget.



A detailed financial schedule of the General Fund is shown below:

**City of Minneapolis
General Fund
June 30, 2010**

| Revenues: | Original Budget | Revised Budget | YTD Actual | Percent of Revised Budget Remaining | Projected YE Totals | Projected YE as Percent of Revised Budget |
|---|------------------------|-----------------------|--------------------|--|--------------------------------|--|
| Property Taxes | 172,921,479 | 167,660,550 | 20,591 | 100% | 167,660,550 | 100% |
| State Aids | 70,648,608 | 67,255,465 | 1,939,003 | 97% | 67,255,465 | 100% |
| Charges for Services | 34,713,426 | 35,344,676 | 17,032,334 | 52% | 35,344,676 | 100% |
| Franchise Fees | 29,110,000 | 29,110,000 | 15,431,756 | 47% | 29,110,000 | 100% |
| Licenses and Permits | 28,902,083 | 27,558,853 | 12,586,242 | 54% | 27,558,853 | 100% |
| Fines and Forfeits | 9,829,727 | 9,829,727 | 3,364,715 | 66% | 9,329,727 | 95% |
| Special Assessments | 2,544,804 | 2,484,804 | 12,590 | 99% | 2,484,804 | 100% |
| Investment Income | 1,500,000 | 1,500,000 | 584,756 | 61% | 1,500,000 | 100% |
| Other Shared Taxes | 733,318 | 733,318 | 224,783 | 69% | 733,318 | 100% |
| Other Miscellaneous | 923,587 | 995,696 | 282,414 | 72% | 995,696 | 100% |
| Contributions | 450,000 | 450,000 | 256,645 | 43% | 450,000 | 100% |
| Total Revenues | 352,277,032 | 342,923,089 | 51,735,829 | 85% | 342,423,089 | 100% |
| Transfers In | 19,926,000 | 19,926,000 | 9,963,000 | 50% | 19,926,000 | 100% |
| Revenues and Other Sources | 372,203,032 | 362,849,089 | 61,698,829 | 83% | 362,349,089 | 100% |
| Expenditures : | | | | | | |
| Police | 123,619,444 | 123,929,444 | 59,930,854 | 52% | 123,929,444 | 100% |
| Fire | 54,470,511 | 54,496,510 | 26,193,525 | 52% | 54,496,510 | 100% |
| Coordinator - Total | 42,431,233 | 43,409,140 | 20,923,807 | 52% | 43,409,140 | 100% |
| Public Works - Total | 39,904,527 | 40,904,527 | 21,584,273 | 47% | 40,904,527 | 100% |
| Regulatory Services | 29,671,269 | 27,999,289 | 12,719,354 | 55% | 27,999,289 | 100% |
| Attorney | 7,730,942 | 7,818,476 | 3,612,330 | 54% | 7,818,476 | 100% |
| City Council & City Clerk | 7,609,100 | 7,594,025 | 3,292,953 | 57% | 7,594,025 | 100% |
| Culture and Recreation -Library | 6,721,000 | 6,721,000 | 1,848 | 100% | 6,721,000 | 100% |
| Contingency | 6,573,980 | 2,573,980 | 354,834 | 86% | 2,573,980 | 100% |
| Assessor | 3,985,805 | 4,146,272 | 1,874,594 | 55% | 4,146,272 | 100% |
| CPED | 3,548,848 | 3,534,848 | 1,702,392 | 52% | 3,534,848 | 100% |
| Health & Family Support | 3,389,367 | 3,320,367 | 1,350,456 | 59% | 3,320,367 | 100% |
| Civil Rights | 2,029,235 | 2,034,546 | 1,267,308 | 38% | 2,124,546 | 104% |
| Mayor | 1,482,366 | 1,536,806 | 743,884 | 52% | 1,536,806 | 100% |
| Total Expenditures | 333,167,627 | 330,019,230 | 155,552,412 | 53% | 330,109,230 | 100% |
| Transfers Out | 39,737,631 | 44,479,379 | 22,239,690 | 50% | 44,479,379 | 100% |
| Expenditures and Other Uses | 372,905,258 | 374,498,609 | 177,792,102 | 53% | 374,588,609 | 100% |
| Change in Fund Balance | | | | | (12,239,520) | |
| Fund Balance - January 1, 2010 | | | | | 68,266,733 | |
| Fund Balance - December 31, 2010 | | | | | 56,027,213 | |

Convention Center Special Revenue Fund Report

The Convention Center Fund accounts for the operating activities of the Convention Center and for the City's sales and other related taxes.

Revenue

Tax Revenue

The Convention Center Special Revenue Fund activity is funded from local tax receipts and Convention Center operating revenue. Tax receipts are made up of a .5% citywide sales tax; a 3% food and liquor tax applied to core downtown establishments; a 3% citywide entertainment tax; and a 2.625% citywide lodging tax for motels and hotels with 50 units or more. With the new state tax of .375% effective July 1, 2009, the lodging tax was reduced from 3% to 2.625%. The law provides that when the general sales tax rate is combined with any other taxes on lodging within the city of Minneapolis, the total tax amount may not exceed 13%. Presently, 1% of all lodging tax proceeds received by the City are paid directly to Meet Minneapolis.

With the exception of entertainment tax, all of the other tax revenue received by the Convention Center are used to support the Convention Center's capital and operating activities. The entertainment tax, established in 1969, is a revenue source for the General Fund used to offset additional police and fire department costs associated with citywide entertainment activities. A portion of the tax is redirected to the (Target Center) Arena Reserve Fund to fully credit the fund for entertainment tax proceeds generated from Target Center activities, as required by the (Target Center) Arena finance plan. The entertainment tax is not deposited directly into the General Fund because it is pledged revenue on the outstanding Convention Center bonds in the event other revenue sources pledged to meet the Convention Center debt service are insufficient.

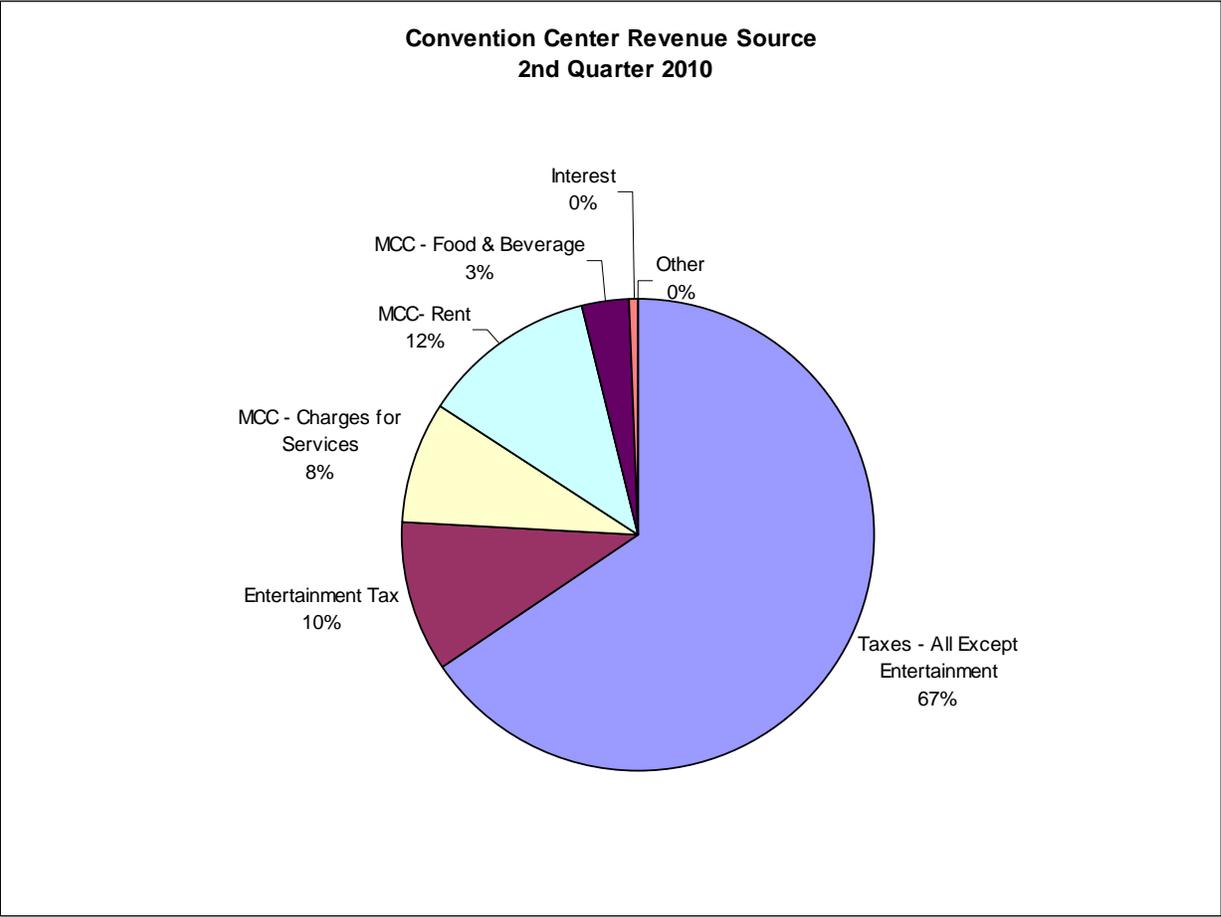
Through the 2nd quarter ending June 30, 2010 tax proceeds were above 2009 levels by 18% for the same period. The Twins Ballpark opened in 2010, and there is lot of interest concerning the impact of the Twins Ballpark on the tax revenue; particularly entertainment tax generated from the Ballpark. Tax revenue is receipted into the month it is received from the State of Minnesota and is variable from month to month. Tax revenue is consumer driven and based on consumer spending habits.

| Tax | June 2009 | June 2010 | Variance | % Change |
|---------------|---------------------|---------------------|------------------|-----------------|
| Sales | 12,778,589 | 14,849,773 | 2,071,184 | 16.2% |
| Entertainment | 2,770,072 | 3,489,205 | 719,133 | 26.0% |
| Food | 3,141,114 | 3,843,313 | 702,199 | 22.4% |
| Liquor | 1,247,138 | 1,473,209 | 226,071 | 18.1% |
| Lodging | 1,687,009 | 1,946,757 | 259,748 | 15.4% |
| Total | \$21,623,922 | \$25,602,257 | 3,978,335 | 18.4% |

Operating Revenue

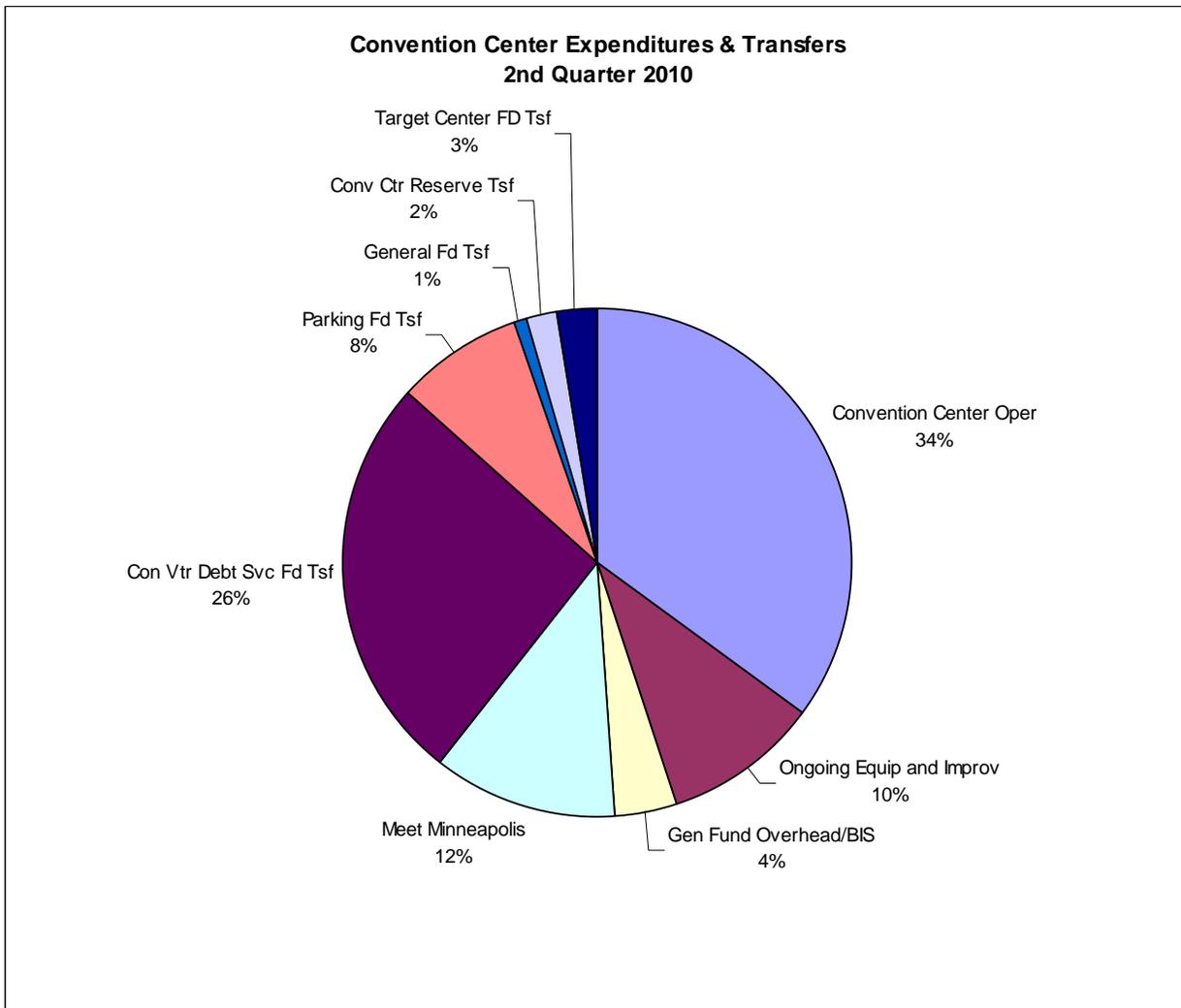
Through the 2nd quarter of 2010, operating revenue has achieved 54% of the 2010 budget, but is expected to finish the year approximately \$1.3 million below budget. Charges for Service were well below average this year due to downsized public shows and client's frugal spending. National conventions this summer and fall will bring attendance and large labor needs, so there is optimism that labor and equipment will see an increase. These events are also not traditionally big spending events with high utility needs, so there is an expectation that the utility areas will lag behind. The Convention Center's largest event of the year IHG cancelled and the Convention Center hasn't received full payment for rent and won't realize the ancillary revenues for this show that could have exceeded six figures. Rents and Commissions have shown to be less volatile in the past, but the Convention Center's revenue declined this

year by downsized shows that rented less space. The Convention Center is discounting rent more than ever in order to attract events due to intense competition on a national and local basis. Work is being done to cultivate non-traditional and new events for the Convention Center, especially in the Auditorium. The Convention Center has seen success in these areas with the Golf Show, a new Auditorium event – comedian Mr. Brown, a Baby and Kids Show, and other new events. The Auditorium has still not produced events as desired, but several events are in the works which could lead to a more positive outlook for Rents. Catering commissions were extremely low in the first quarter, but there were several large concessions events this spring and summer. The second quarter has shown improvement from the second quarter of 2009, which has brought the Convention Center in line with the 2009 numbers, but still below the Convention Center’s budget goals. The third and fourth quarters are projected to be weaker than the historical 5-year average. Concessions’ events bring a higher commission rate, but the Convention Center traditionally does not produce the volume of sale that makes them more lucrative than catering sales. Changes to the concession stands and the continued success of the Dunn Brothers Coffee shop could help realize more volume from concession sales.



Operating Expenditures

Through the 2nd quarter of 2010, Convention Center operating expenses not including ongoing equipment and improvement, BIS, and General Fund Overhead were at \$10.5 million or 39% of budget. Operating expenses are expected to increase in 2010 compared to 2009 as the Convention Center anticipates unexpected repairs to the building’s fire proofing. Energy efficiency practices put in place in 2009 will be continued. Personnel expenses should be reduced, and the Convention Center should see the financial benefits of layoffs and restructuring that happened in late 4th quarter of 2009. Efficiencies from the restructuring in 2009 should help lessen labor costs. Two executive positions are currently open and will most likely be refilled in the second half of the year. Tight staffing practices that work to have the “right amount” of staff on site showed promise of savings in 2009 and will be continued.



Transfers

The Convention Center Fund annually transfers a share of its tax revenue to several other funds. In 2010, transfers are budgeted for the General Fund, the Convention Center Facilities Reserve Fund, the Arena Reserve Fund, the Parking Fund, and debt service. Budgeted 2010 transfers include \$1.5 million to the Target Center, \$10.7 million to the General Fund, a \$150,000 net transfer to the Convention Center Facility Reserve Fund, \$20.2 million to debt service, and \$8.9 million to parking.

Meet Minneapolis

In 2004, Meet Minneapolis entered into a \$2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). Meet Minneapolis requested that the Council advance an additional \$2.5 million for the project in 2005. In August 2005, the loans were rolled together and a promissory note was issued for \$5 million. The City entered into a 3rd loan agreement for \$5 million for additional iDSS start up capital in April 2006. The three loans were consolidated for a total of \$10 million. The loan draws were capped in May 2007. The 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 appropriations from the City funding, and profit from the iDSS. The total of the loan is nearly \$9.1 million. Quarterly interest payments began on 03/31/08, and annual principal payments began on 12/31/08. Interest and principal payments coincide with Meet Minneapolis’s quarterly Sales and Marketing payments from the City. Meet Minneapolis’s quarterly Sales and Marketing payment from the City of Minneapolis is being reduced by the amount of the interest and principal payments due for that particular period. The principle is

accounted for on the balance sheet as a loan receivable while the interest received is classified as revenues of the period in which it is due.

Fund Balance

Based on current revenue and expenditure trends, the 2010 fund balance is expected to be about \$37.8 million, which is approximately a \$4.2 million under the 2010 budget. The decrease can be attributed to an increase in operating expenses, ongoing equipment and improvement, and transfers over 2009.

**CONVENTION CENTER SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the fiscal quarter ending June 30, 2010**

CITY OF MINNEAPOLIS, MINNESOTA

| | 2010 | | | | |
|---|---------------------|---------------------|------------------|---------------------|---------------------|
| | Budget | Actual | Percent of Total | Year End Projection | 2009 Actual |
| REVENUE | | | | | |
| Operating Revenue: | | | | | |
| Charges for Services and Sales | 5,585,000 | 2,789,520 | 50% | 4,990,000 | 4,583,253 |
| Rents and Commissions | 6,432,411 | 4,010,459 | 62% | 6,214,000 | 6,410,144 |
| Catering Commissions | 2,750,000 | 1,147,695 | 42% | 2,250,000 | 2,367,179 |
| Total Operating Revenue | 14,767,411 | 7,947,674 | 54% | 13,454,000 | 13,360,576 |
| Tax Revenue: | | | | | |
| Sales and Use Tax | 30,237,500 | 14,849,773 | 49% | 27,025,584 | 26,469,720 |
| Entertainment Tax | 11,752,620 | 3,489,205 | 30% | 11,066,382 | 9,071,654 |
| Food Tax | 10,300,000 | 3,843,313 | 37% | 10,094,419 | 9,886,796 |
| Liquor Tax | 3,965,500 | 1,473,209 | 37% | 3,848,614 | 3,769,455 |
| Lodging Tax | 6,180,000 | 1,946,757 | 32% | 5,789,684 | 5,670,601 |
| Total Tax Revenue | 62,435,620 | 25,602,257 | 41% | 57,824,682 | 54,868,226 |
| Other Non Operating Revenue: | | | | | |
| Investment Management Services Interest | 730,000 | 136,359 | 19% | 445,000 | 400,675 |
| Investment Income | 20,000 | - | 0% | - | - |
| Meet Minneapolis Private Donations | - | - | 0% | - | 75,000 |
| Meet Minneapolis (iDSS) Loan Interest | 402,611 | 205,705 | 51% | 402,611 | 435,261 |
| Revenue from Trusts | - | - | 0% | - | 159,573 |
| Damage Claims | - | 282,028 | - | - | - |
| Other | 20,000 | 13,575 | 68% | 30,000 | 31,804 |
| Total Other Non Operating Revenue | 1,172,611 | 637,667 | 54% | 877,611 | 1,102,313 |
| Total Non Operating Revenue | 63,608,231 | 26,239,924 | 41% | 58,702,293 | 55,970,539 |
| Total Revenue | 78,375,642 | 34,187,598 | 44% | 72,156,293 | 69,331,115 |
| EXPENDITURES | | | | | |
| Convention Center Operations | 26,890,301 | 10,488,928 | 39% | 26,890,301 | 22,476,668 |
| Ongoing Equipment and Improvement | 7,291,577 | 2,988,498 | 41% | 6,197,000 | 2,449,811 |
| General Fund Overhead/BIS Operating | 2,240,319 | 1,120,159 | 50% | 2,240,319 | 2,140,000 |
| Meet Minneapolis | 7,300,000 | 5,052,223 | 69% | 7,300,000 | 7,507,236 |
| Total Expenditures | 43,722,197 | 19,649,808 | 45% | 42,627,620 | 34,573,715 |
| Excess of Revenues Over (Under) Expenditures | 34,653,445 | 14,537,790 | 42% | 29,528,673 | 34,757,400 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| General Fund Transfer | (10,503,000) | (250,000) | 2% | (9,966,382) | (8,033,963) |
| Arena Reserve Fund Transfer | (1,500,000) | (750,000) | 50% | (1,100,000) | (1,037,691) |
| Facility Reserve Fund Transfer | 1,000,000 | 500,000 | 50% | 1,000,000 | 1,000,000 |
| Convention Center Reserve Fund Transfer | (1,150,000) | (575,000) | 50% | (1,150,000) | (1,150,000) |
| Convention Ctr Debt Service Transfer | (20,151,000) | (7,748,616) | 38% | (20,151,000) | (15,174,216) |
| Other Debt Service Transfer | (73,000) | - | 0% | (73,000) | (75,000) |
| Municipal Parking Enterprise Fund Transfer | (8,886,000) | (2,431,004) | 27% | (8,886,000) | (9,969,000) |
| Total Other Financing Sources (Uses) | (41,263,000) | (11,254,620) | 27% | (40,326,382) | (34,439,870) |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses | (6,609,555) | 3,283,170 | | (10,797,709) | 317,530 |
| Fund Balance - January 1 | 48,624,358 | 48,624,358 | | 48,624,358 | 48,306,828 |
| Ending Fund Balance | 42,014,803 | 51,907,528 | | 37,826,649 | 48,624,358 |
| Ending Cash Balance | | 34,065,949 | | NA | 27,776,550 |

SPECIAL REVENUE FUNDS
Federal, CDBG, and Other State and Local Grants
Quarter Ending June 30, 2010

The City receives a number of state and federal grants that are recorded in the Federal (01300), Community Development Block Grant (CDBG) (01400), HOME (01500) and Grants Other (01600) funds. These grants have varying grant periods and are used for a range of purposes.

Since the City records its financial information on a modified accrual basis the timing of cash receipts can result in grant funds reflecting a deficit cash balance.

Federal Grants Fund (01300)

The City accounts for its federal grant activity in fund 01300. As of June 30, expenditures were \$17,025,109 as compared to the same period last year expenditures of \$7,170,963. There are significant increases in spending in Police, Regulatory Services, and Community Planning and Economic Development as compared to the same period last year due in part to recovery grant expenditures.

Empowerment Zone program loans receivable totaled \$4,765,423 on June 30, 2010 compared to \$4,885,265 in 2009. These amounts are offset by a corresponding amount of deferred revenue. The loans and related deferred revenue are adjusted annually as part of the year end reporting.

American Recovery and Reinvestment Act (ARRA)

On February 17, 2009, the President signed the American Recovery and Reinvestment Act into law. The City has to date applied for or partnered with other organizations for recovery funding opportunities in excess of \$146.3 million. The City has received recovery funding from the Departments of Labor, Health and Human Services, and Housing and Urban Development totaling approximately \$63.4 million to be used for employment and training, prenatal services, community development, homelessness prevention and housing, public safety, energy, and environment projects. Through June 30, \$14.8 million has been expended including 2009 expenditures. The majority of the activity will be recorded in fund 01300, however some related to the HUD Consolidated Plan will be recorded in fund 01400. In addition, Public Works has been awarded \$10 million Federal Highway Administration funds to refurbish the Camden Bridge.

CDBG Fund (01400)

The Community Development Block Grant (CDBG) is the City's largest single grant and is accounted for in fund 01400 along with three other Housing and Urban Development (HUD) Programs. The programs are the Emergency Shelter Grant Program (ESG), HOME Investment Partnerships Program and Housing Opportunities for Persons with AIDS (HOPWA). The HOME program is accounted for in fund 01500 and the combined amounts are presented in the schedule. HUD grant expenditures as of June 30, 2010 were \$12,545,450 as compared to \$7,003,947 for 2009. In 2009 there were three amendments to an existing 2008 HUD Consolidated Plan. The first amendment awarded \$5.6 million of Neighborhood Stabilization Program (NSP) funds to address the effects of abandoned and foreclosed homes in our communities. The second amendment added \$5,520,902 of ARRA funding for the Homelessness Prevention and Rapid Re-Housing Program. The final amendment was for \$3.6 million of CDBG Recovery funds that was awarded to nine capital projects including \$2 million to the Shubert Theater. The increase in expenditures is primarily attributable to these new programs.

In 1990, the Council committed \$7,791,856 of CDBG funds for the redevelopment of Block E. As this commitment was not offset with reductions in other CDBG funded projects, the City over-committed its CDBG Allocation. The City has been able to remain within its cumulative allocation because it continues to receive additional CDBG funding each year. However, should the CDBG funding ever cease, the over commitment of funds will become apparent and other sources will be required to cover the funding shortfall. The City's intent is to reprogram unspent CDBG projects balances to offset the Block E deficit. Since November 2001, the City Council approved the reprogramming of \$1,624,299. In 2008 in accordance with the reprogramming policy an additional approximate \$950,000 was reprogrammed resulting in a new deficit balance of \$5,171,444.

Grants Other Fund (01600)

The fund is used to account for non-federal grants and other restricted revenue sources. There were year to date expenditures of \$9,638,490 and \$7,319,877 on June 30, 2010 and 2009, respectively. The year to date revenue in the fund as of June 30, 2010 and 2009 is \$12,885,875 and \$8,768,263, respectively. This increase is primarily due to new local grants in Health and Family Support, Community Planning and Economic Development, and Revolving Fund revenues.

Regulatory Services Revolving Fund

In 2008, Regulatory Services established a revolving fund and began accounting for the activities in fund 01600. Thus far in 2010, the following non-grant revenue has been recognized in fund 01600:

| | |
|--------------------------|--------------------|
| Special Assessments | \$ 943,555 |
| Parking Lot License | \$ 2,104 |
| Fees | \$ 342,450 |
| False Burglar Alarm Fees | \$ 208,135 |
| Re Inspection Fees | \$ 30,550 |
| Truth-in-Housing Fees | \$ 85,775 |
| Water Shut Off | \$ 41,600 |
| Forfeited Deposits | \$ 48,478 |
| Penalties | \$ 79,702 |
| Citations | <u>\$ 15,800</u> |
| | <u>\$1,798,149</u> |

The excess revenue over expenditures for this program from inception in 2008 is approximately \$6,626,432 as of June 30, 2010.

Capital Grants

In addition to the grants that are recorded in the funds reflected above, the City's Department of Public Works receives various grants through the Minnesota Department of Transportation, Metropolitan Council, and Housing and Urban Development. These grants are generally recorded in the Capital Projects fund, 04100.

Special Revenue Funds
Grant Funds
Quarter Ending June 30, 2010

| | Federal Grants 01300 | HUD Grants 01400&01500 | Grants Other 01600 | Total |
|---|-------------------------------------|---|-----------------------------------|-----------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ (4,701,128) | \$ (6,443,377) | \$ 12,112,582 | \$ 968,077 |
| Accounts - net | 327,062 | 28,598 | | 355,660 |
| Special Assessments Receivable | | | | - |
| Intergovernmental Receivables | 1,283 | | (2,862) | (1,579) |
| Loans receivable-net | 4,765,423 | | | 4,765,423 |
| Deposits with Fiscal Agents | | | 341,716 | 341,716 |
| Properties held for resale | 304,291 | 6,049,846 | 1,147,000 | 7,501,137 |
| Total Assets | <u>\$ 696,931</u> | <u>\$ (364,933)</u> | <u>\$ 13,598,436</u> | <u>\$ 13,930,434</u> |
| Liabilities | | | | |
| Salaries payable | \$ 151,983 | \$ 141,894 | \$ 273,792 | \$ 567,669 |
| Accounts payable | 178,402 | 78,756 | 62,941 | 320,099 |
| Use Taxes Payable | 10,628 | 76 | | 10,704 |
| Inter Governmental Payables | | | 28,279 | 28,279 |
| Deposits held for others | | | 500 | 500 |
| Deferred revenue & Contracts | 4,771,302 | | 1,399,000 | 6,170,302 |
| Deferred Special Assessments | - | - | | 0 |
| Total Liabilities | <u>\$ 5,112,315</u> | <u>\$ 220,726</u> | <u>\$ 1,764,512</u> | <u>\$ 7,097,553</u> |
| Fund Balance | <u>\$ (4,412,384)</u> | <u>\$ (585,659)</u> | <u>\$ 11,833,924</u> | <u>\$ 6,835,881</u> |
| Total Liabilities and Fund Balance | <u>\$ 699,931</u> | <u>\$ (364,933)</u> | <u>\$ 13,598,436</u> | <u>\$ 13,933,434</u> |
| Revenue | | | | |
| Taxes-Charitable Gambling | | | \$ 60,556 | \$ 60,556 |
| Grants and Shared Revenues | \$ 12,257,371 | \$ 5,421,899 | 10,346,865 | 28,026,135 |
| Special Assessments | | | 943,555 | 943,555 |
| Private Contributions | | | 384,567 | 384,567 |
| Charges for Services | | 188,077 | 285,148 | 473,225 |
| Parking Lot License | | | 2,104 | |
| Fees | | | 342,450 | 342,450 |
| False Burglar Alarm Fees | | | 208,135 | |
| Penalties | | | 79,702 | 79,702 |
| Citations | | | 15,800 | 15,800 |
| Reinspection Fees | | | 30,550 | 30,550 |
| Truth-in-Housing Fees | | | 85,775 | 85,775 |
| Water Shut Off Inspection | | | 41,600 | 41,600 |
| Forfeited deposits | | | 48,478 | 48,478 |
| Interest | 2,599 | 19,401 | | 22,000 |
| Rent & Commissions | | 1,948 | | 1,948 |
| Loan Recapture | 48,466 | 101,224 | | 149,690 |
| Sale of Equipment | | | | 0 |
| Lands & Buildings | | 178,635 | | 178,635 |
| Miscellaneous Revenue | | (1,240) | 10,778 | 9,538 |
| Transfer within Special Revenue Fund | - | | (188) | (188) |
| Total Revenue | <u>\$ 12,308,436</u> | <u>\$ 5,909,944</u> | <u>\$ 12,885,875</u> | <u>\$ 30,894,016</u> |
| Expenditures | <u>\$ 17,025,109</u> | <u>\$ 12,545,450</u> | <u>\$ 9,638,490</u> | <u>\$ 39,209,049</u> |
| Revenues Over (Under) Expenditures | <u>\$ (4,716,673)</u> | <u>\$ (6,635,506)</u> | <u>\$ 3,247,385</u> | <u>\$ (8,315,033)</u> |

**CDBG Program Year 36
Beginning June 1, 2010
June 30, 2010**

| Department | Project | Adopted Budget 2009R-586 | Adjustment Amount | Program Income | Department Actions | Revised Budget | 2010 | | 0 |
|----------------------------------|---|--------------------------------|----------------------|-------------------|-----------------------|----------------------|-------------------------|-------------------------------|---------------------------|
| | | | | | | | Current Expenditures | Grant to Date Expenditures | Remaining Grant Budget |
| Capital Grants: | | | | | | | | | |
| City Attorney | Problem Properties Attorneys | \$ 38,000 | \$ - | \$ - | \$ - | \$ 38,000 | \$ - | \$ - | \$ 38,000 |
| Fire | Personal Protective Equipment | 694,000 | - | - | - | 694,000 | 3,991 | 3,991 | 690,009 |
| Police | Problem Properties Police | 53,000 | - | - | - | 53,000 | - | - | 53,000 |
| Regulatory Services | Lead Reduction | 125,000 | - | - | - | 125,000 | - | - | 125,000 |
| Regulatory Services | Problem Properties Board Bldg | 348,000 | - | - | - | 348,000 | - | - | 348,000 |
| CPED | Adult Training, Placement and Retention | 982,000 | - | - | - | 982,000 | - | - | 982,000 |
| CPED | High density corridor housing | 730,000 | - | - | - | 730,000 | - | - | 730,000 |
| CPED | NonProfit MF Rental Development Assist: | 166,000 | - | - | - | 166,000 | - | - | 166,000 |
| CPED | Homeownership Program (GMMHC) | 334,000 | - | - | - | 334,000 | - | - | 334,000 |
| CPED | Multi-Family/Affordable Housing | 3,703,000 | 308,189 | - | - | 4,011,189 | - | - | 4,011,189 |
| CPED | NEDF/CEDF | 1,500,000 | - | - | - | 1,500,000 | - | - | 1,500,000 |
| CPED | Vacant & Boarded Housing | 782,000 | - | - | - | 782,000 | - | - | 782,000 |
| | Subtotal Capital Grants | <u>\$ 9,455,000</u> | <u>\$ 308,189</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 9,763,189</u> | <u>\$ 3,991</u> | <u>\$ 3,991</u> | <u>\$ 9,759,198</u> |
| Public Service Grants: | | | | | | | | | |
| City Attorney | Restorative Justice Programs | \$ 20,000 | \$ - | \$ - | \$ - | \$ 20,000 | \$ - | \$ - | \$ 20,000 |
| Police | Community Crime Prevention Specialists | 934,386 | - | - | - | 934,386 | - | - | 934,386.00 |
| Neighborhood & Community Relatic | Access & Outreach (Multicultural Affairs) | 121,000 | - | - | - | 121,000 | - | - | 121,000.00 |
| Health & Family Support | Living at Home Block Nurse Program | 49,000 | - | - | - | 49,000 | - | - | 49,000.00 |
| Health & Family Support | Catholic Charities | 49,000 | - | - | - | 49,000 | - | - | 49,000.00 |
| Health & Family Support | Centro Cultural Chicano Inc | 33,000 | - | - | - | 33,000 | - | - | 33,000.00 |
| Health & Family Support | Curfew/Truancy Center | 100,000 | - | - | - | 100,000 | 1,163 | 1,163 | 98,837.00 |
| Health & Family Support | Greater Minneapolis Council of Churches | 26,000 | - | - | - | 26,000 | - | - | 26,000.00 |
| Health & Family Support | Lao Assistance Center of MN | 49,000 | - | - | - | 49,000 | - | - | 49,000.00 |
| Health & Family Support | Minnesota International Health Voluntee | 49,000 | - | - | - | 49,000 | - | - | 49,000.00 |
| Health & Family Support | MPS Teenage Parenting & Pregnancy Prc | 49,000 | - | - | - | 49,000 | - | - | 49,000.00 |
| Health & Family Support | Minneapolis Urban League | 49,000 | - | - | - | 49,000 | - | - | 49,000.00 |
| Health & Family Support | Southside Community Health Ser | 47,000 | - | - | - | 47,000 | - | - | 47,000.00 |
| Health & Family Support | Way to Grow | 262,000 | - | - | - | 262,000 | - | - | 262,000.00 |
| CPED | Youth Employment & Training | 328,000 | - | - | - | 328,000 | - | - | 328,000.00 |
| | Subtotal Public Service Gr | <u>\$ 2,165,386</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,165,386</u> | <u>\$ 1,163</u> | <u>\$ 1,163</u> | <u>\$ 2,164,223</u> |
| Administrative Grants: | | | | | | | | | |
| Non-Departmental | YCB Administration | \$ 66,000 | \$ - | \$ - | \$ - | \$ 66,000 | \$ - | \$ - | \$ 66,000 |
| Civil Rights | Civil Rights Dept Fair Housing | 365,000 | - | - | - | 365,000 | - | - | 365,000.00 |
| Finance | Finance Administration | 196,000 | - | - | - | 196,000 | - | - | 196,000.00 |
| Intergovernmental Relations | MPH Citizen Participation | 68,000 | - | - | - | 68,000 | - | - | 68,000.00 |
| Intergovernmental Relations | Grants & Special Projects | 190,000 | - | - | - | 190,000 | - | - | 190,000.00 |
| Intergovernmental Relations | Housing Discrimination Law Project-Lega | 54,000 | - | - | - | 54,000 | - | - | 54,000.00 |
| Neighborhood & Community Relatic | Homeless Initiative | 77,000 | - | - | - | 77,000 | - | - | 77,000.00 |
| Health & Family Support | Grant Administration | 68,000 | - | - | - | 68,000 | - | - | 68,000.00 |
| Health & Family Support | Neighborhood Services | 72,000 | - | - | - | 72,000 | - | - | 72,000.00 |
| Health & Family Support | Way to Grow Administration | 26,000 | - | - | - | 26,000 | - | - | 26,000.00 |
| Health & Family Support | YCB Youth Violence Prevention | 121,000 | - | - | - | 121,000 | 3,742 | 3,742 | 117,258.00 |
| CPED | Citizen Participation | 233,000 | - | - | - | 233,000 | - | - | 233,000.00 |
| CPED | Legal Aid Society | 34,000 | - | - | - | 34,000 | - | - | 34,000.00 |
| CPED | Planning - Administration | 941,000 | - | - | - | 941,000 | 35,583 | 35,583 | 905,417.00 |
| | Subtotal Administrative Gr | <u>\$ 2,511,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,511,000</u> | <u>\$ 39,325</u> | <u>\$ 39,325</u> | <u>\$ 2,471,675</u> |
| | Block E Deficit Reduction | - | - | - | - | - | - | - | - |
| | GRAND TC | <u>\$ 14,131,386</u> | <u>\$ 308,189</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,439,575</u> | <u>\$ 44,479</u> | <u>\$ 44,479</u> | <u>\$ 14,395,096</u> |

CDBG Program Year 35
Beginning June 1, 2009
June 30, 2010

| Department | Agy | Project | Budget | Program Income | Department Actions | Revised Budget | 2010 | | Remaining Grant Budget |
|-------------------------------|-----|--|----------------------|---------------------|--------------------|----------------------|----------------------|----------------------------|------------------------|
| | | | | | | | Current Expenditures | Grant to Date Expenditures | |
| Capital Grants: | | | | | | | | | |
| Non-Departmental | 123 | General Housing Rehabilitation-MPHA | \$ 219,000 | \$ - | \$ - | \$ 219,000 | \$ - | \$ - | \$ 219,000 |
| City Attorney | 140 | Problem Properties Attorneys | 38,000 | - | - | 38,000 | 3,240 | 15,913 | 22,087 |
| Police | 400 | Problem Properties Police | 53,000 | - | - | 53,000 | - | - | 53,000 |
| Regulatory Services | 835 | Lead Reduction | 125,000 | - | - | 125,000 | - | - | 125,000 |
| Regulatory Services | 835 | Problem Properties Board Bldg | 348,000 | - | - | 348,000 | 274,429 | 346,759 | 1,241 |
| Health & Family Support | 860 | Childcare Facilities Loan/Grant | 225,000 | - | - | 225,000 | - | - | 225,000 |
| CPED | 890 | Adult Training, Placement and Retention | 511,000 | - | - | 511,000 | 83,532 | 206,332 | 304,668 |
| CPED | 890 | High density corridor housing | 730,000 | - | - | 730,000 | 369,354 | 369,354 | 360,646 |
| CPED | 890 | NonProfit MF Rental Development Assistance | 166,000 | - | - | 166,000 | 59,917 | 59,917 | 106,083 |
| CPED | 890 | Homeownership Program (GMMHC) | 334,000 | 1,472,000 | - | 1,806,000 | - | - | 1,806,000 |
| CPED | 890 | Multi-Family/Affordable Housing | 5,715,000 | 2,014,000 | - | 7,729,000 | 723,661 | 723,661 | 7,005,339 |
| CPED | 890 | Vacant & Boarded Housing | 569,000 | 500,000 | - | 1,069,000 | 560,347 | 1,127,291 | (58,291) |
| | | Subtotal Capital Grants | <u>\$ 9,033,000</u> | <u>\$ 3,986,000</u> | <u>\$ -</u> | <u>\$ 13,019,000</u> | <u>\$ 2,074,480</u> | <u>\$ 2,849,227</u> | <u>\$ 10,169,773</u> |
| Public Service Grants: | | | | | | | | | |
| Civil Rights | 300 | Multi Cultural & Native American Indian | \$ 121,000 | \$ - | \$ - | \$ 121,000 | \$ - | \$ 7,823 | \$ 113,177 |
| Public Works | 607 | Graffiti Removal on Public Property | 86,000 | - | - | 86,000 | - | - | 86,000 |
| Health & Family Support | 860 | Catholic Charities | 69,000 | - | - | 69,000 | 21,873 | 21,873 | 47,127 |
| Health & Family Support | 860 | Centro Cultural Chicano Inc | 47,000 | - | - | 47,000 | 32,017 | 45,331 | 1,669 |
| Health & Family Support | 860 | Greater Minneapolis Council of Churches | 36,000 | - | (36,000.00) | - | (9,121) | - | - |
| Health & Family Support | 860 | Juvenile Supervision Center | 100,000 | - | - | 100,000 | 77,469 | 107,825 | (7,825) |
| Health & Family Support | 860 | Lao Family Community | 69,000 | - | - | 69,000 | 35,054 | 42,188 | 26,812 |
| Health & Family Support | 860 | Living at Home Block Nurse Program | 69,000 | - | 20,000.00 | 89,000 | 41,334 | 58,373 | 30,627 |
| Health & Family Support | 860 | Minneapolis Urban League | 69,000 | - | - | 69,000 | 43,757 | 51,210 | 17,790 |
| Health & Family Support | 860 | Minnesota International Health Volunteers | 69,000 | - | - | 69,000 | 24,282 | 32,341 | 36,659 |
| Health & Family Support | 860 | MPS Teenage Parenting & Pregnancy Program | 69,000 | - | 16,000.00 | 85,000 | 37,236 | 37,236 | 47,764 |
| Health & Family Support | 860 | Southside Community Health Services | 66,000 | - | - | 66,000 | 9,467 | 9,467 | 56,533 |
| Health & Family Support | 860 | Youth are Here Busses | 51,000 | - | - | 51,000 | - | - | 51,000 |
| Health & Family Support | 860 | Way to Grow | 262,000 | - | - | 262,000 | 153,643 | 239,266 | 22,734 |
| CPED | 890 | Advocacy (Housing) | 82,000 | - | - | 82,000 | 16,409 | 81,999 | 1 |
| CPED | 890 | Mortgage Foreclosure Prevention Program | 140,000 | - | - | 140,000 | - | 137,000 | 3,000 |
| CPED | 890 | Youth Employment & Training | 458,000 | - | - | 458,000 | 71,932 | 199,788 | 258,212 |
| | | Subtotal Public Service Grants | <u>\$ 1,863,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,863,000</u> | <u>\$ 555,352</u> | <u>\$ 1,071,720</u> | <u>\$ 791,280</u> |
| Administrative Grants: | | | | | | | | | |
| Non-Departmental | 123 | MPH Citizen Participation | \$ 68,000 | \$ - | \$ - | \$ 68,000 | \$ 3,000 | \$ 23,261 | \$ 44,739 |
| Non-Departmental | 123 | YCB Administration | 66,000 | - | - | 66,000 | - | 64,803 | 1,197 |
| Civil Rights | 300 | Civil Rights Dept Fair Housing | 365,000 | - | - | 365,000 | 97,523 | 105,964 | 259,036 |
| Grants & Special Projects | 800 | Grants & Special Projects | 189,710 | - | - | 189,710 | 134,436 | 180,764 | 8,946 |
| Grants & Special Projects | 800 | Homeless Initiative | 77,000 | - | - | 77,000 | - | 27,177 | 49,823 |
| Grants & Special Projects | 800 | Housing Discrimination Law Project-Legal Aid | 54,000 | - | - | 54,000 | 13,500 | 45,000 | 9,000 |
| Finance | 820 | Finance Administration | 196,000 | - | - | 196,000 | - | - | 196,000 |
| Health & Family Support | 860 | Grant Administration | 68,000 | - | - | 68,000 | 43,412 | 55,525 | 12,475 |
| Health & Family Support | 860 | Neighborhood Services | 72,000 | - | - | 72,000 | 4,896 | 57,268 | 14,732 |
| Health & Family Support | 860 | Way to Grow Administration | 26,000 | - | - | 26,000 | 15,169 | 23,837 | 2,163 |
| Health & Family Support | 860 | YCB Youth Violence Prevention | 121,000 | - | - | 121,000 | 51,035 | 104,929 | 16,071 |
| CPED | 890 | Citizen Participation | 233,000 | - | - | 233,000 | 123,442 | 123,442 | 109,558 |
| Health & Family Support | 890 | Legal Aid Society | 34,000 | - | - | 34,000 | - | - | 34,000 |
| CPED | 890 | Program Admin | 62,000 | - | - | 62,000 | - | - | 62,000 |
| CPED | 890 | Planning - Administration | 879,000 | - | - | 879,000 | 477,510 | 910,765 | (31,765) |
| | | Subtotal Administrative Grants | <u>\$ 2,510,710</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,510,710</u> | <u>\$ 963,923</u> | <u>\$ 1,722,735</u> | <u>\$ 787,975</u> |
| | 123 | Block E Deficit Reduction | | | | | | | |
| | | GRAND TOTAL | <u>\$ 13,406,710</u> | <u>\$ 3,986,000</u> | <u>\$ -</u> | <u>\$ 17,392,710</u> | <u>\$ 3,593,755</u> | <u>\$ 5,643,682</u> | <u>\$ 11,749,028</u> |

**CDBG Program Year 34
Beginning June 1, 2008
June 30, 2010**

| Department | Agy | Project | Budget | Reduction Amount | Program Income | Department Actions | Revised Budget | 2010 | | Remaining Grant Budget |
|-------------------------------|-----|--|----------------------|-----------------------|---------------------|-----------------------|----------------------|-------------------------|-------------------------------|---------------------------|
| | | | | | | | | Current Expenditures | Grant to Date Expenditures | |
| Capital Grants: | | | | | | | | | | |
| Non-Departmental | 123 | General Housing Rehabilitation-MPHA | \$ 218,000 | \$ - | \$ - | \$ - | \$ 218,000 | \$ 51,297 | \$ 192,320 | \$ 25,680 |
| City Attorney | 140 | Problem Properties Attorneys | 38,300 | - | - | - | 38,300 | 1,410 | 38,300 | - |
| Police | 400 | Problem Properties Police | 52,700 | - | - | - | 52,700 | - | - | 52,700 |
| Regulatory Services | 835 | Lead Reduction | 125,000 | - | - | - | 125,000 | 46,760 | 162,180 | (37,180) |
| Regulatory Services | 835 | Problem Properties Board Bldg | 348,000 | - | - | - | 348,000 | 19,102 | 367,102 | (19,102) |
| Health & Family Support | 860 | Childcare Facilities Loan/Grant | 224,000 | - | - | - | 224,000 | - | - | 224,000 |
| CPED | 890 | Adult Training, Placement and Retention | 1,380,000 | - | - | - | 1,380,000 | 119,803 | 1,381,068 | (1,068) |
| CPED | 890 | High density corridor housing | 729,000 | - | - | - | 729,000 | 27,358 | 672,771 | 56,229 |
| CPED | 890 | NonProfit MF Rental Development Assistance | 165,000 | - | - | - | 165,000 | - | - | 165,000 |
| CPED | 890 | Homeownership Program (GMMHC) | 319,000 | - | - | - | 319,000 | - | - | 319,000 |
| CPED | 890 | Industry Cluster Program (Living Wage Jobs) | 65,100 | - | - | - | 65,100 | 21,293 | 65,100 | - |
| CPED | 890 | Multi-Family/Affordable Housing | 4,270,000 | - | - | - | 4,270,000 | 2,118,533 | 2,749,458 | 1,520,542 |
| CPED | 890 | NEDF/CEDF | 518,000 | - | 1,150,000 | - | 1,668,000 | 216,416 | 311,816 | 1,356,184 |
| CPED | 890 | Vacant & Boarded Housing | 569,000 | - | - | - | 569,000 | - | 569,000 | - |
| | | Subtotal Capital Grants | <u>\$ 9,021,100</u> | <u>\$ -</u> | <u>\$ 1,150,000</u> | <u>\$ -</u> | <u>\$ 10,171,100</u> | <u>\$ 2,621,972</u> | <u>\$ 6,509,115</u> | <u>\$ 3,661,985</u> |
| Public Service Grants: | | | | | | | | | | |
| Civil Rights | 300 | Multi Cultural & Native American Indian | \$ 119,000 | \$ - | \$ - | \$ - | \$ 119,000 | \$ - | \$ 119,000 | \$ - |
| Public Works | 607 | Graffiti Removal on Public Property | 86,200 | - | - | - | 86,200 | 2,236 | 61,934 | 24,266 |
| Health & Family Support | 860 | Advocacy (Housing) | 82,300 | - | - | - | 82,300 | - | 82,195 | 105 |
| Health & Family Support | 860 | Curfew/Truancy Center | 98,000 | - | - | - | 98,000 | 38,650 | 98,000 | - |
| Health & Family Support | 860 | Way to Grow | 261,000 | - | - | - | 261,000 | - | 260,999 | 1 |
| Health & Family Support | 860 | Asian Media Access | 26,800 | - | - | - | 26,800 | 8,774 | 26,800 | - |
| Health & Family Support | 860 | Living at Home Block Nurse Program | 64,100 | - | - | - | 64,100 | - | 64,100 | - |
| Health & Family Support | 860 | Child Dental Services | 10,500 | - | - | - | 10,500 | - | 10,500 | - |
| Health & Family Support | 860 | Domestic Abuse Project | 34,500 | - | - | (34,500) | - | - | - | - |
| Health & Family Support | 860 | Resource Inc, Employment Action Center | 44,000 | - | - | - | 44,000 | - | 38,000 | 6,000 |
| Health & Family Support | 860 | Fremont Community Health Services | 44,000 | - | - | - | 44,000 | - | 44,000 | - |
| Health & Family Support | 860 | Greater Minneapolis Council of Churches | 44,000 | (44,000) | - | - | - | - | 43,994 | (43,994) |
| Health & Family Support | 860 | Lao Assistance Center of MN | 48,800 | - | - | - | 48,800 | - | 48,800 | - |
| Health & Family Support | 860 | MIGZI Communications | 42,100 | - | - | - | 42,100 | - | 42,098 | 2 |
| Health & Family Support | 860 | MPS Teenage Parenting & Pregnancy Program | 65,100 | - | - | - | 65,100 | - | 65,100 | - |
| Health & Family Support | 860 | Minneapolis Urban League | 64,100 | - | - | - | 64,100 | - | 63,918 | 182 |
| Health & Family Support | 860 | St Marys Health Clinics | 18,200 | - | - | - | 18,200 | - | 18,200 | - |
| Health & Family Support | 860 | St Stephens Human Services | 44,000 | - | - | - | 44,000 | - | 44,000 | - |
| Health & Family Support | 860 | Southside Family Nurturing Center | 44,000 | - | - | - | 44,000 | - | 23,273 | 20,727 |
| Health & Family Support | 860 | 348TOTS | - | - | - | 34,500 | 34,500 | - | - | 34,500 |
| Public Works | 860 | Youth are Here Busses | 71,800 | - | - | - | 71,800 | - | - | 71,800 |
| CPED | 890 | Mortgage Foreclosure Prevention Program | 196,000 | - | - | - | 196,000 | - | 196,000 | - |
| CPED | 890 | Youth Employment & Training | 457,000 | - | - | - | 457,000 | - | 457,000 | - |
| | | Subtotal Public Service Grants | <u>\$ 1,965,500</u> | <u>\$ (44,000)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,921,500</u> | <u>\$ 49,660</u> | <u>\$ 1,807,911</u> | <u>\$ 113,589</u> |
| Administrative Grants: | | | | | | | | | | |
| Non-Departmental | 123 | MPH Citizen Participation | \$ 68,000 | \$ - | \$ - | \$ - | \$ 68,000 | \$ 58,000 | \$ 68,000 | \$ - |
| Non-Departmental | 123 | YCB Administration | 65,000 | - | - | - | 65,000 | - | 64,803 | 197 |
| Civil Rights | 300 | Civil Rights Dept Fair Housing | 196,000 | - | - | - | 196,000 | - | 196,000 | - |
| Grants & Special Projects | 800 | Homeless Initiative | - | - | - | - | - | - | - | - |
| Grants & Special Projects | 800 | Grants & Special Projects | 235,000 | - | - | - | 235,000 | 575 | 235,575 | (575) |
| Grants & Special Projects | 800 | Housing Discrimination Law Project-Legal Aid | 54,600 | - | - | - | 54,600 | - | 54,600 | - |
| Finance | 820 | Finance Administration | 196,000 | - | - | - | 196,000 | 95,619 | 143,864 | 52,136 |
| Health & Family Support | 860 | Grant Administration | 67,972 | - | - | - | 67,972 | - | 67,972 | - |
| Health & Family Support | 860 | Legal Aid Society | 33,500 | - | - | - | 33,500 | - | 33,500 | - |
| Health & Family Support | 860 | Neighborhood Services | 71,800 | - | - | - | 71,800 | - | 71,800 | - |
| Health & Family Support | 860 | Way to Grow Administration | 25,800 | - | - | - | 25,800 | - | 25,800 | - |
| Health & Family Support | 860 | YCB Youth Violence Prevention | 120,000 | - | - | - | 120,000 | - | 120,000 | - |
| CPED | 890 | Citizen Participation | 233,000 | - | - | - | 233,000 | 17,076 | 233,000 | - |
| CPED | 890 | Program Admin | 62,000 | - | - | - | 62,000 | - | 62,000 | - |
| CPED | 890 | Planning - Administration | 878,000 | - | - | - | 878,000 | - | 878,000 | - |
| | | Subtotal Administrative Grants | <u>\$ 2,306,672</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,306,672</u> | <u>\$ 171,270</u> | <u>\$ 2,254,914</u> | <u>\$ 51,758</u> |
| | 123 | Block E Deficit Reduction | | | | | | | | |
| | | GRAND TOTAL | <u>\$ 13,293,272</u> | <u>\$ (44,000.00)</u> | <u>\$ 1,150,000</u> | <u>\$ -</u> | <u>\$ 14,399,272</u> | <u>\$ 2,842,902</u> | <u>\$ 10,571,940</u> | <u>\$ 3,827,332</u> |

Source : GP01, GP06, & GP13 Compass Report 12/31/07 - 06/30/2010 run date 7/13/2010

**CDBG Program Year 33
Beginning June 1, 2007
June 30, 2010**

| Department | Agy | Project | Budget | Reduction | | Program Income | Council Actions | Department Reallocation | Revised Budget | 2010 | | Remaining Grant Budget |
|-------------------------------|-----|--|---------------|-------------------|--------------|----------------|-----------------|-------------------------|----------------|----------------------|----------------------------|------------------------|
| | | | | Amount PHAC Recom | | | | | | Current Expenditures | Grant to Date Expenditures | |
| Capital Grants: | | | | | | | | | | | | |
| Non-Departmental | 123 | General Housing Rehabilitation-MPHA | \$ 227,700 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 227,700 | \$ 9,118 | \$ 124,605 | \$ 103,095 |
| City Attorney | 140 | Problem Properties Attorneys | 38,915 | - | - | - | - | - | 38,915 | - | 38,915 | - |
| Fire | 280 | Problem Properties Fire ⁴ | 15,965 | - | - | - | (15,965) | - | - | - | - | - |
| Police | 400 | Problem Properties Police | 53,880 | - | - | - | - | - | 53,880 | - | 1,012 | 52,868 |
| Regulatory Services | 835 | Lead Reduction | 130,800 | - | - | - | - | - | 130,800 | - | 91,789 | 39,011 |
| Regulatory Services | 835 | Problem Properties Board Bldg ^{1,4} | 346,240 | - | 376,329 | 15,965 | 4 | - | 738,534 | 1,928 | 740,462 | (1,928) |
| Health & Family Support | 860 | Childcare Facilities Loan/Grant | 233,700 | - | - | - | - | - | 233,700 | - | - | 233,700 |
| CPED | 890 | Adult Training, Placement and Retention | 844,000 | - | - | - | - | - | 844,000 | - | 844,000 | - |
| CPED | 890 | High density corridor housing | 801,000 | - | - | - | - | - | 801,000 | 13,827 | 806,433 | (5,433) |
| CPED | 890 | Homeownership Program (GMMHC) ⁶ | 350,500 | - | - | - | - | (348,426) | 2,074 | - | - | 2,074 |
| CPED | 890 | Industry Cluster Program (Living Wage Jobs) | 71,900 | - | - | - | - | - | 71,900 | - | 71,900 | - |
| CPED | 890 | Multi-Family/Affordable Housing | 4,388,000 | - | 104,267 | - | - | - | 4,492,267 | 1,227,361 | 4,495,229 | (2,962) |
| CPED | 890 | NEDF/CEDF | 1,167,000 | - | - | - | - | - | 1,167,000 | 236,667 | 1,167,000 | - |
| CPED | 890 | NonProfit MF Rental Development Assistance | 180,700 | - | - | - | - | - | 180,700 | (55,200) | 48,427 | 132,273 |
| CPED | 890 | Vacant & Boarded Housing ⁶ | 625,000 | - | 470,733 | - | - | 348,426 | 1,444,159 | 84,902 | 1,641,427 | (197,268) |
| | | Subtotal Capital Grants | \$ 9,475,300 | \$ - | \$ 951,329 | \$ - | \$ - | \$ - | \$ 10,426,629 | \$ 1,518,603 | \$ 10,071,199 | \$ 355,430 |
| Public Service Grants: | | | | | | | | | | | | |
| Civil Rights | 300 | Multi Cultural & Native American Indian | \$ 132,800 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 132,800 | \$ - | \$ 132,800 | \$ - |
| Public Works | 607 | Graffiti Removal on Public Property | 91,400 | - | - | - | - | - | 91,400 | - | 91,400 | - |
| Health & Family Support | 860 | Advocacy (Housing) | 94,300 | (1,700) | - | - | - | - | 92,600 | - | 92,600 | - |
| Health & Family Support | 860 | Asian Media Access | 29,900 | 100 | - | - | - | - | 30,000 | - | 30,000 | - |
| Health & Family Support | 860 | Child Dental Services | 11,000 | - | - | - | - | - | 11,000 | - | 11,000 | - |
| Health & Family Support | 860 | Curfew/Truancy Center | 97,900 | 100 | - | - | - | - | 98,000 | - | 98,000 | - |
| Health & Family Support | 860 | Domestic Abuse Project | 39,900 | 100 | - | - | - | - | 40,000 | - | 40,000 | - |
| Health & Family Support | 860 | Fremont Community Health Services | 49,900 | 100 | - | - | - | - | 50,000 | - | 50,000 | - |
| Health & Family Support | 860 | Greater Minneapolis Council of Churches | 49,900 | 100 | - | - | - | - | 50,000 | - | 50,000 | - |
| Health & Family Support | 860 | Lao Assistance Center of MN | 54,900 | 100 | - | - | - | - | 55,000 | - | 55,000 | - |
| Health & Family Support | 860 | Living at Home Block Nurse Program | 74,900 | 100 | - | - | - | - | 75,000 | - | 74,960 | 40 |
| Health & Family Support | 860 | MIGIZI Communications | 47,900 | 100 | - | - | - | - | 48,000 | - | 48,000 | - |
| Health & Family Support | 860 | MPS Teenage Parenting & Pregnancy Program | 75,900 | 100 | - | - | - | - | 76,000 | - | 76,000 | - |
| Health & Family Support | 860 | Minneapolis Urban League | 74,900 | 100 | - | - | - | - | 75,000 | - | 75,000 | - |
| Health & Family Support | 860 | Resource Inc, Employment Action Center | 49,900 | 100 | - | - | - | - | 50,000 | - | 49,999 | 1 |
| Health & Family Support | 860 | St. Mary's Health Clinics/Cardondelet Life Care | 21,000 | - | - | - | - | - | 21,000 | - | 21,000 | - |
| Health & Family Support | 860 | St Stephens Human Services | 49,900 | 100 | - | - | - | - | 50,000 | - | 50,000 | - |
| Health & Family Support | 860 | Southside Family Nurturing Center | 49,900 | 100 | - | - | - | - | 50,000 | - | 50,000 | - |
| Health & Family Support | 860 | Way to Grow | 295,600 | 400 | - | - | - | - | 296,000 | - | 296,000 | - |
| CPED | 890 | Mortgage Foreclosure Prevention Program ^{2,3} | 204,700 | - | 100,000 | 95,300 | 3 | - | 400,000 | - | 400,000 | - |
| CPED | 890 | Youth Employment & Training | 476,133 | - | - | - | - | - | 476,133 | - | 476,133 | - |
| | | Subtotal Public Service Grants | \$ 2,072,633 | \$ - | \$ 100,000 | \$ 95,300 | \$ - | \$ - | \$ 2,267,933 | \$ - | \$ 2,267,892 | \$ 41 |
| Administrative Grants: | | | | | | | | | | | | |
| Non-Departmental | 123 | MPH Citizen Participation | \$ 70,900 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 70,900 | \$ 40,900 | \$ 50,900 | \$ 20,000 |
| Non-Departmental | 123 | YCB Administration | 64,900 | - | - | - | - | - | 64,900 | - | 64,803 | 97 |
| Civil Rights | 300 | Civil Rights Dept Fair Housing | 205,000 | - | - | - | - | - | 205,000 | - | 205,000 | - |
| Grants & Special Projects | 800 | Homeless Initiative | - | - | - | - | - | - | - | - | - | - |
| Grants & Special Projects | 800 | Grants & Special Projects | 244,900 | - | - | - | - | - | 244,900 | - | 244,900 | - |
| Grants & Special Projects | 800 | Housing Discrimination Law Project-Legal Aid | 56,900 | - | - | - | - | - | 56,900 | - | 56,900 | - |
| Finance | 820 | Finance Administration | 205,000 | - | - | - | - | - | 205,000 | - | 205,000 | - |
| Health & Family Support | 860 | Grant Administration | 71,900 | - | - | - | - | - | 71,900 | - | 70,354 | 1,546 |
| Health & Family Support | 860 | Neighborhood Services | 74,900 | - | - | - | - | - | 74,900 | - | 74,900 | - |
| Health & Family Support | 860 | Way to Grow Administration | 27,000 | - | - | - | - | - | 27,000 | - | 27,000 | - |
| Health & Family Support | 860 | YCB Youth Violence Prevention | - | - | - | - | - | - | - | - | - | - |
| Health & Family Support | 860 | Legal Aid Society | 35,000 | - | - | - | - | - | 35,000 | - | 35,000 | - |
| CPED | 890 | Citizen Participation | 242,700 | - | - | - | - | - | 242,700 | 13,380 | 236,893 | 5,807 |
| CPED | 890 | Planning - Administration | 878,000 | - | - | - | - | - | 878,000 | - | 878,000 | - |
| CPED | 890 | Program Admin | 103,000 | - | - | - | - | - | 103,000 | - | 103,000 | - |
| | | Subtotal Administrative Grants | \$ 2,280,100 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,280,100 | \$ 54,280 | \$ 2,252,650 | \$ 27,450 |
| | 123 | Block E Deficit Reduction | - | - | - | - | - | - | - | - | - | - |
| | | GRAND TOTAL | \$ 13,828,033 | \$ - | \$ 1,051,329 | \$ 95,300 | \$ - | \$ - | \$ 14,974,662 | \$ 1,572,883 | \$ 14,591,741 | \$ 382,921 |

¹ Council Action 2007R-529 Increase budget up to \$376,329 based on actual program income received.

As of September 30, 2009 \$271,500 has been recorded as program income.

² Approved by Finance Officer

³ Council adopted addendum to 2007 Consolidated Plan reallocating \$95,300 from Yr28 to Yr33 12/21/2007

⁴ Council Action 2008R-060.

⁵ Vacant & Boarded for Yr 33 is \$4,428,970 over budget on September 30, 2009, CPED mgmt needs to address this issue as it continues to expend funds on this overspent grant

⁶ Department Reallocation Request 2/5/2010

Source : GP01, GP06, & GP13 Compass Report 12/31/07 - 06/30/2010 run date 7/13/2010

**CDBG Program Year 32
Beginning June 1, 2006
June 30, 2010**

| Department | Agy | Project | Adopted Budget | Reduction Amount 2006R-093 | Council Action 2006R-093 | Program Income | Council Action | Department Reallocation | Reprogrammed Amounts | Revised Budget | 2010 | | Remaining Grant Budget |
|-------------------------------|-----|--|-----------------|----------------------------|--------------------------|------------------------|-----------------------|-------------------------|----------------------|----------------|----------------------|----------------------------|------------------------|
| | | | | | | | | | | | Current Expenditures | Grant to Date Expenditures | |
| Capital Grants: | | | | | | | | | | | | | |
| Non-Departmental | 123 | General Housing Rehabilitation-MPHA | \$ 282,000 | \$ (15,820) | \$ 266,180 | \$ - | \$ - | \$ - | \$ - | \$ 266,180 | \$ - | \$ 266,180 | \$ - |
| City Attorney | 140 | Problem Properties Attorneys | 45,750 | - | 45,750 | - | - | - | - | 45,750 | - | 45,750 | - |
| Fire | 280 | Problem Properties Fire | 18,300 | - | 18,300 | - | (18,300) ³ | - | - | - | - | - | - |
| Police | 400 | Problem Properties Police | 64,050 | - | 64,050 | - | - | - | - | 64,050 | - | - | 64,050 |
| Regulatory Services | 835 | Lead Reduction | 163,000 | (9,144) | 153,856 | - | - | - | - | 153,856 | - | 153,856 | - |
| Regulatory Services | 835 | Problem Properties Board Bldg | 54,900 | - | 54,900 | - | 18,300 ³ | - | - | 73,200 | - | 54,900 | 18,300 |
| Regulatory Services | 835 | Vacant & Boarded Housing-249 List ¹ | - | - | - | - | - | - | - | - | - | - | - |
| Health & Family Support | 860 | Childcare Facilities Loan/Grant | 292,000 | (16,381) | 275,619 | - | - | - | - | 275,619 | 9,508 | 21,887 | 253,732 |
| CPED | 890 | Adult Training, Placement and Retention | 580,000 | (32,500) | 547,500 | - | - | - | - | 547,500 | - | 547,500 | - |
| CPED | 890 | High density corridor housing | 1,000,000 | (56,100) | 943,900 | - | - | - | - | 943,900 | - | 943,900 | - |
| CPED | 890 | Homeownership Program (GMMHC) | 437,000 | (24,600) | 412,400 | - | - | (412,400) ⁴ | - | - | - | - | - |
| CPED | 890 | Industry Cluster Program (Living Wage Jobs) | 90,000 | (5,050) | 84,950 | - | - | - | - | 84,950 | - | 84,950 | - |
| CPED | 890 | Multi-Family/Affordable Housing | 4,999,000 | (299,000) | 4,700,000 | - | - | - | - | 4,700,000 | 301,766 | 4,700,000 | - |
| CPED | 890 | NEDF/CEDF | 136,000 | (7,630) | 128,370 | - | - | - | - | 128,370 | - | 128,370 | - |
| CPED | 890 | NonProfit MF Rental Development Assistance | 226,000 | (12,679) | 213,321 | - | - | - | - | 213,321 | 122,600 | 213,321 | - |
| CPED | 890 | Residential Loan/Grant ¹ | - | - | - | - | - | 206,026 | - | 206,026 | - | - | 206,026 |
| CPED | 890 | Vacant & Boarded Housing ³ | 1,154,000 | (64,725) | 1,089,275 | 2,000,000 ¹ | - | 206,374 ⁴ | - | 3,295,649 | - | 3,295,681 | (32) |
| | | Subtotal Capital Grants | \$ 9,542,000.00 | \$ (543,629) | \$ 8,998,371 | \$ 2,000,000 | \$ - | \$ - | \$ - | \$ 10,998,371 | \$ 433,874 | \$ 10,456,295 | \$ 542,076 |
| Public Service Grants: | | | | | | | | | | | | | |
| Civil Rights | 300 | Multi Cultural & Native American Indian | \$ 165,300.00 | \$ (9,320) | \$ 155,980 | \$ - | \$ - | \$ - | \$ (67) | \$ 155,913 | \$ - | \$ 155,914 | \$ (1) |
| Public Works | 607 | Graffiti Removal on Public Property | 97,000 | (5,500) | 91,500 | - | - | - | - | 91,500 | - | 91,500 | - |
| Health & Family Support | 860 | Advocacy (Housing) | 100,000 | (5,610) | 94,390 | - | - | 20,422 | - | 114,812 | - | 114,812 | - |
| Health & Family Support | 860 | Block Nurse Program | 62,000 | (3,478) | 58,522 | - | - | (2,315) | - | 56,207 | - | 56,207 | - |
| Health & Family Support | 860 | Cardondelet Life Care | 71,000 | (3,983) | 67,017 | - | - | - | - | 67,017 | - | 67,017 | - |
| Health & Family Support | 860 | Cardondelet Life Care yr33 | - | - | - | - | - | 2,800 | - | 2,800 | - | 2,800 | - |
| Health & Family Support | 860 | Child Dental Services | 10,000 | (561) | 9,439 | - | - | - | - | 9,439 | - | 9,439 | - |
| Health & Family Support | 860 | Child Dental Services yr33 | - | - | - | - | - | 500 | - | 500 | - | 500 | - |
| Health & Family Support | 860 | Curfew/Traucancy Center | 98,000 | - | 98,000 | - | - | - | - | 98,000 | - | 98,000 | - |
| Health & Family Support | 860 | Early Childhood School Rediness | 19,000 | (1,066) | 17,934 | - | - | - | - | 17,934 | - | 17,934 | - |
| Health & Family Support | 860 | Fremont CHS yr33 | - | - | - | - | - | 6,000 | - | 6,000 | - | 6,000 | - |
| Health & Family Support | 860 | GMCC Division of Indian Works yr33 | - | - | - | - | - | 6,000 | - | 6,000 | - | 6,000 | - |
| Health & Family Support | 860 | GMDCA Child Care | 135,000 | (7,573) | 127,427 | - | - | (127,427) | - | - | - | - | - |
| Health & Family Support | 860 | Lao Advancement Organization of America | 47,000 | (2,637) | 44,363 | - | - | - | - | 44,363 | - | 44,363 | - |
| Health & Family Support | 860 | Little Earth Residents Association | 33,000 | (1,851) | 31,149 | - | - | - | - | 31,149 | - | 31,149 | - |
| Health & Family Support | 860 | MELD | 38,000 | (2,132) | 35,868 | - | - | (6,276) | - | 29,592 | - | 29,592 | - |
| Health & Family Support | 860 | Migizi Communications yr33 | - | - | - | - | - | 5,900 | - | 5,900 | - | 5,900 | - |
| Health & Family Support | 860 | Minneapolis Medical Research Foundation | 43,000 | (2,412) | 40,588 | - | - | (9,987) | - | 30,601 | - | 30,601 | - |
| Health & Family Support | 860 | MPS Teenage Parenting & Pregnancy Program | 80,000 | (4,488) | 75,512 | - | - | - | - | 75,512 | - | 75,512 | - |
| Health & Family Support | 860 | Minneapolis Teenage Pregnancy yr33 | - | - | - | - | - | 10,900 | - | 10,900 | - | 10,900 | - |
| Health & Family Support | 860 | Minneapolis Urban League | 24,000 | (1,346) | 22,654 | - | - | (336) | - | 22,318 | - | 22,318 | - |
| Health & Family Support | 860 | Minneapolis Urban League yr33 | - | - | - | - | - | 10,900 | - | 10,900 | - | 10,900 | - |
| Health & Family Support | 860 | Native American Community Clinic | 26,000 | (1,459) | 24,541 | - | - | (1) | - | 24,540 | - | 24,540 | - |
| Health & Family Support | 860 | Neighborhood Healthcare Services | - | - | - | - | - | 63,012 | - | 63,012 | - | 63,012 | - |
| Health & Family Support | 860 | Neighborhood Healthcare Services | 135,000 | (7,573) | 127,427 | - | - | - | - | 127,427 | - | 127,427 | - |
| Health & Family Support | 860 | New American Community Services | 47,000 | (2,637) | 44,363 | - | - | (64) | - | 44,299 | - | 44,298 | 1 |
| Health & Family Support | 860 | Resource Inc yr33 | - | - | - | - | - | 6,000 | - | 6,000 | - | 6,000 | - |
| Health & Family Support | 860 | Senior Block Nurse yr33 | - | - | - | - | - | 10,900 | - | 10,900 | - | 10,900 | - |
| Health & Family Support | 860 | St. Stephens Yr33 | - | - | - | - | - | 6,000 | - | 6,000 | - | 6,000 | - |
| Health & Family Support | 860 | Southside Community Health Services | 47,000 | (2,637) | 44,363 | - | - | - | - | 44,363 | - | 44,363 | - |
| Health & Family Support | 860 | Way to Grow | 296,000 | - | 296,000 | - | - | - | - | 296,000 | - | 296,000 | - |
| Health & Family Support | 860 | Westside Community Health Services | 38,000 | (2,132) | 35,868 | - | - | (2,928) | - | 32,940 | - | 32,940 | - |
| Health & Family Support | 860 | YWCA Day Care Scholarships | 28,000 | (1,571) | 26,429 | - | - | - | - | 26,429 | - | 26,429 | - |
| CPED | 890 | Mortgage Foreclosure Prevention Program | 218,000 | (13,000) | 205,000 | 44,224 ² | - | - | - | 249,224 | - | 249,224 | - |
| CPED | 890 | Youth Employment & Training | 506,000 | (29,000) | 477,000 | - | - | - | - | 477,000 | - | 477,000 | - |
| | | Subtotal Public Service Grants | \$ 2,363,300.00 | \$ (111,966) | \$ 2,251,334 | \$ 44,224 | \$ - | \$ - | \$ (67) | \$ 2,295,491 | \$ - | \$ 2,295,491 | \$ - |
| Administrative Grants: | | | | | | | | | | | | | |
| Non-Departmental | 123 | Citizen Participation MPHA | \$ 88,000.00 | \$ (4,895) | \$ 83,105 | \$ - | \$ - | \$ - | \$ - | \$ 83,105 | \$ 20,310 | \$ 64,210 | \$ 18,895 |
| Non-Departmental | 123 | Administration YCB | 57,000 | - | 57,000 | - | - | - | - | 57,000 | - | 57,000 | - |
| Civil Rights | 300 | Civil Rights Dept Fair Housing | 255,000 | (14,025) | 240,975 | - | - | - | - | 240,975 | - | 240,975 | - |
| Grants & Special Projects | 800 | Grants & Special Projects | 206,000 | (17,335) | 188,665 | - | - | - | - | 188,665 | - | 188,665 | - |
| Grants & Special Projects | 800 | Housing Discrimination Law Project-Legal Aid | 71,000 | (3,751) | 67,249 | - | - | - | - | 67,249 | - | 67,249 | - |
| Grants & Special Projects | 800 | Homeless Initiative | 100,000 | - | 100,000 | - | - | - | - | 100,000 | - | 100,000 | - |
| Grants & Special Projects | 800 | Metro Fair Housing-Multi Jurisdictional | 16,000 | (16,000) | - | - | - | - | - | - | - | - | - |
| Finance | 820 | Finance Administration | 255,000 | (14,025) | 240,975 | - | - | - | - | 240,975 | - | 240,975 | - |
| Health & Family Support | 860 | Grant Administration | 90,000 | (5,005) | 84,995 | - | - | - | - | 84,995 | - | 84,995 | - |
| Health & Family Support | 860 | Legal Aid Society | 44,000 | (2,903) | 41,097 | - | - | - | - | 41,097 | - | 41,097 | - |
| Health & Family Support | 860 | Neighborhood Services | 94,000 | (5,269) | 88,731 | - | - | - | - | 88,731 | - | 88,731 | - |
| Health & Family Support | 860 | Way to Grow Administration | 34,000 | (2,244) | 31,756 | - | - | - | - | 31,756 | - | 31,756 | - |
| CPED | 890 | Citizen Participation | 303,000 | (17,000) | 286,000 | - | - | - | - | 286,000 | (1,240) | 284,760 | 1,240 |
| CPED | 890 | Program Admin | 8,900 | 41,100 | 50,000 | - | - | - | - | 50,000 | - | 50,000 | - |
| CPED | 890 | Planning - Administration | 1,146,800 | (105,907) | 1,040,893 | - | - | - | - | 1,040,893 | - | 1,040,893 | - |
| | | Subtotal Administrative Grants | \$ 2,768,700 | \$ (167,259) | \$ 2,601,441 | \$ - | \$ - | \$ - | \$ - | \$ 2,601,441 | \$ 19,070 | \$ 2,581,306 | \$ 20,135 |
| | 123 | Block E Deficit Reduction | - | - | - | - | - | - | 67 | 67 | - | - | 67 |
| | | GRAND TOTAL | \$ 14,674,000 | \$ (822,854) | \$ 13,851,146 | \$ 2,044,224 | \$ - | \$ - | \$ - | \$ 15,895,370 | \$ 452,944 | \$ 15,333,092 | \$ 562,278 |

¹ Council Action 2007R-195

² Council Action 2006R-145

³ Council Action 2008R-060

⁴ Department Reallocation Request 2/5/2010

Source : GP01, GP06, & GP13 Compass Report 12/31/07 - 06/30/2010 run date 7/13/2010

CDBG Program Year 31
Beginning June 1, 2005
June 30, 2010

| Department | Agy | Project | Adopted Budget | Reduction Amount | Council Actions | Department Reallocation | Revised Budget | 2010 | | Remaining Grant Budget |
|-------------------------------|-----|--|----------------------|-----------------------|----------------------|-------------------------|----------------------|----------------------|----------------------------|------------------------|
| | | | | | | | | Current Expenditures | Grant to Date Expenditures | |
| Capital Grants: | | | | | | | | | | |
| Non-Departmental | 123 | General Housing Rehabilitation-MPHA | \$ 297,338 | \$ - | \$ 297,338 | \$ - | \$ 297,338 | \$ - | \$ 297,338 | \$ - |
| City Attorney | 140 | Problem Properties Attorneys | 47,650 | - | 47,650 | - | 47,650 | - | 47,650 | - |
| Fire | 280 | Problem Properties Fire | 23,825 | (23,825) ¹ | - | - | - | - | - | - |
| Police | 400 | Problem Properties Police | 71,476 | - | 71,476 | - | 71,476 | - | 36,863 | 34,613 |
| Regulatory Services | 835 | Lead Reduction | 171,541 | - | 171,541 | - | 171,541 | - | 171,541 | - |
| Regulatory Services | 835 | Problem Properties Board Bldg | 49,557 | 23,825 ¹ | 73,382 | - | 73,382 | - | 44,966 | 28,416 |
| Health & Family Support | 860 | Childcare Facilities Loan/Grant | 306,869 | - | 306,869 | - | 306,869 | 64,829 | 180,369 | 126,500 |
| CPED | 890 | Adult Training, Placement and Retention | 610,878 | - | 610,878 | - | 610,878 | - | 610,878 | - |
| CPED | 890 | High density corridor housing | 953,008 | - | 953,008 | - | 953,008 | (88) | 953,008 | - |
| CPED | 890 | Homeownership Program (GMMHC) | 495,564 | (56,390) | 439,174 | (439,174) ⁴ | - | - | - | - |
| CPED | 890 | Industry Cluster Program (Living Wage Jobs) | 94,348 | - | 94,348 | - | 94,348 | - | 94,348 | - |
| CPED | 890 | Multi-Family/Affordable Housing | 4,898,461 | - | 4,898,461 | - | 4,898,461 | - | 4,898,461 | - |
| CPED | 890 | NEDF/CEDF | 142,951 | - | 142,951 | - | 142,951 | - | 142,951 | - |
| CPED | 890 | NonProfit MF Rental Development Assistance | 238,252 | - | 238,252 | - | 238,252 | 2,600 | 238,252 | - |
| CPED | 890 | Residential Loan/Grant | 571,805 | - | 571,805 | 239,174 ⁴ | 810,979 | - | 571,805 | 239,174 |
| CPED | 890 | Vacant & Boarded Housing | 1,143,610 | 56,390 | 1,200,000 | 200,000 ⁴ | 1,400,000 | - | 1,400,000 | - |
| | | Subtotal Capital Grants | <u>\$ 10,117,133</u> | <u>\$ -</u> | <u>\$ 10,117,133</u> | <u>\$ -</u> | <u>\$ 10,117,133</u> | <u>\$ 67,341</u> | <u>\$ 9,688,430</u> | <u>\$ 428,703</u> |
| Public Service Grants: | | | | | | | | | | |
| Civil Rights | 300 | Multi Cultural & Native American Indian | \$ 166,776 | \$ - | \$ 166,776 | \$ - | \$ 166,776 | \$ - | \$ 166,776 | \$ - |
| Public Works | 607 | Graffiti Removal on Public Property | 101,972 | - | 101,972 | - | 101,972 | - | 101,972 | - |
| Health & Family Support | 860 | Advocacy (Housing) | 104,831 | - | 104,831 | - | 104,831 | - | 104,831 | - |
| Health & Family Support | 860 | Block Nurse Program | 66,000 | - | 66,000 | - | 66,000 | - | 66,000 | - |
| Health & Family Support | 860 | Child Dental Services | 11,000 | - | 11,000 | - | 11,000 | - | 11,000 | - |
| Health & Family Support | 860 | Curfew/Truancy Center | 99,113 | - | 99,113 | - | 99,113 | - | 99,113 | - |
| Health & Family Support | 860 | Early Childhood School Rediness | 90,412 | (15,247) ² | 75,165 | - | 75,165 | - | 75,165 | - |
| Health & Family Support | 860 | GMDCA Child Care | 142,500 | 14,568 ² | 157,068 | - | 157,068 | - | 157,068 | - |
| Health & Family Support | 860 | HIV/AIDS | 45,000 | (1,939) ² | 43,061 | - | 43,061 | - | 43,061 | - |
| Health & Family Support | 860 | Lao Advancement Organization of America | 50,000 | (41) ² | 49,959 | - | 49,959 | - | 49,959 | - |
| Health & Family Support | 860 | Minneapolis Community Clinics | 335,561 | 5,455 ² | 341,016 | - | 341,016 | - | 341,016 | - |
| Health & Family Support | 860 | MPS Teenage Parenting & Pregnancy Program | 85,000 | - | 85,000 | - | 85,000 | - | 85,000 | - |
| Health & Family Support | 860 | MUL-Mental Health | 25,000 | (2,623) ² | 22,377 | - | 22,377 | - | 22,377 | - |
| Health & Family Support | 860 | New American Community Services | 50,000 | (173) ² | 49,827 | - | 49,827 | - | 49,827 | - |
| Health & Family Support | 860 | School Success Programs | 35,000 | - | 35,000 | - | 35,000 | - | 35,000 | - |
| Health & Family Support | 860 | Way to Grow | 295,432 | - | 295,432 | - | 295,432 | - | 295,432 | - |
| CPED | 890 | Mortgage Foreclosure Prevention Program | 238,252 | - | 238,252 | - | 238,252 | - | 238,252 | - |
| CPED | 890 | Youth Employment & Training | 541,309 | - | 541,309 | - | 541,309 | - | 541,309 | - |
| | | Subtotal Public Service Grants | <u>\$ 2,483,158</u> | <u>\$ -</u> | <u>\$ 2,483,158</u> | <u>\$ -</u> | <u>\$ 2,483,158</u> | <u>\$ -</u> | <u>\$ 2,483,158</u> | <u>\$ -</u> |
| Administrative Grants: | | | | | | | | | | |
| Non-Departmental | 123 | Administration YCB | \$ 56,227 | \$ - | \$ 56,227 | \$ - | \$ 56,227 | \$ - | \$ 56,227 | \$ - |
| Non-Departmental | 123 | Citizen Participation MPHA | 93,395 | - | 93,395 | - | 93,395 | 23,918 | 77,313 | 16,082 |
| Civil Rights | 300 | Fair Housing Initiative/Davis Bacon Compliance | 257,312 | - | 257,312 | - | 257,312 | - | 257,312 | - |
| Grants & Special Projects | 800 | Grants & Special Projects | 219,192 | (46,005) ³ | 173,187 | - | 173,187 | - | 173,187 | - |
| Grants & Special Projects | 800 | Homeless Initiative | - | - | - | - | - | - | - | - |
| Grants & Special Projects | 800 | Housing Discrimination Law Project-Legal Aid | 76,241 | - | 76,241 | - | 76,241 | - | 76,241 | - |
| Grants & Special Projects | 800 | Metro Fair Housing-Multi Jurisdictional | 17,154 | - | 17,154 | - | 17,154 | - | 16,154 | 1,000 |
| Finance | 820 | Finance Administration | 271,607 | (22,193) ³ | 249,414 | - | 249,414 | - | 249,414 | - |
| Health & Family Support | 860 | Grant Administration | 95,301 | - | 95,301 | - | 95,301 | - | 95,301 | - |
| Health & Family Support | 860 | Legal Aid Society | 46,697 | - | 46,697 | - | 46,697 | - | 46,697 | - |
| Health & Family Support | 860 | Neighborhood Services | 101,972 | (54,989) ³ | 46,983 | - | 46,983 | - | 46,983 | - |
| Health & Family Support | 860 | Way to Grow Administration | 34,308 | - | 34,308 | - | 34,308 | - | 34,308 | - |
| Health & Family Support | 860 | YCB Youth Violence Prevention | - | - | - | - | - | - | - | - |
| CPED | 890 | Citizen Participation | 328,788 | - | 328,788 | - | 328,788 | - | 328,788 | - |
| CPED | 890 | Planning - Administration | 1,230,400 | - | 1,230,400 | - | 1,230,400 | - | 963,913 | 266,487 |
| CPED | 890 | Program Admin | 13,657 | - | 13,657 | - | 13,657 | - | 13,657 | - |
| | | Subtotal Administrative Grants | <u>\$ 2,842,251</u> | <u>\$(123,187)</u> | <u>\$ 2,719,064</u> | <u>\$ -</u> | <u>\$ 2,719,064</u> | <u>\$ 23,918</u> | <u>\$ 2,435,495</u> | <u>\$ 283,569</u> |
| | 123 | Block E Deficit Reduction | - | 123,187 | 123,187 | - | 123,187 | - | - | 123,187 |
| | | GRAND TOTAL | <u>\$ 15,442,542</u> | <u>\$ (0)</u> | <u>\$ 15,442,542</u> | <u>\$ -</u> | <u>\$ 15,442,542</u> | <u>\$ 91,259</u> | <u>\$ 14,607,083</u> | <u>\$ 835,459</u> |

¹ Council Action 2007R-266

² Department Change in CDBG Program Funding

³ Council Action 2005R-618 Reprogramming CDBG funds for Block E Reduction

⁴ Department Reallocation Request 2/5/2010

Source : GP01, GP06, & GP13 Compass Report 12/31/07 - 06/30/2010 run date 7/13/2010

**CPED Special Revenue Fund Component Programs
Budget and Actual Expenditures
Cash and Fund Balance
2nd Quarter 2010**

| | Original Budget | Current Budget | Expended | Remaining Budget | Cash | Fund Balance |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| Tax Increment Financing Program | 46,646,230 | 47,447,091 | 20,591,811 | 26,855,280 | 60,654,136 | 91,372,158 |
| Housing & Economic Development | 9,990,899 | 10,159,452 | 4,730,443 | 5,429,009 | 19,918,558 | 24,387,971 |
| Development Accounts | 16,638,863 | 16,370,487 | 6,257,913 | 10,112,574 | 23,705,885 | 44,908,122 |
| Neighborhood Revitalization Program | - | 3,602,358 | 2,907,603 | 694,755 | 53,443,211 | 54,119,207 |
| Preliminary Planning | 2,987,340 | 2,987,340 | 448,537 | 2,538,803 | (3,458,056) | (3,264,094) |
| CPED Operating | 7,958,557 | 7,957,477 | 3,595,410 | 4,362,067 | (5,077,085) | (6,908,380) |
| Total | 84,221,889 | 88,524,205 | 38,531,717 | 49,992,488 | 149,186,649 | 204,614,984 |

Fund Balance. The fund balance of the CPED Special Revenue Fund is reserved for land held for development (\$37,570,782,) for encumbrances (\$8,675,145,) for prepaid items, loans and advances (\$6,296,207,) and for special development projects (\$116,112,506.) **The remaining \$35,960,344 of fund balance is unreserved but restricted to the legal purposes of the special revenue.**

Tax Increment Financing. This program accounts for financial resources to be used for the acquisition and betterment of land and facilities in designated areas of the City. A major financing tool and the primary source of revenue for this program is property tax increment. Generally used to pay outstanding bonds and notes, **tax increment revenues are restricted revenues under State law.**

Housing and Economic Development. Small business loans, housing rehabilitation, and mortgage assistance are the major activities in this program. This program also accounts for the collection of administration fees and the related expenditures for the issuance of housing and economic revenue bonds.

Development Account. This program provides interim loans to CPED projects. The program may also provide loans and grants to organizations within the City. Program assistance is directed to commercial, job-creation, and housing activities. The Program includes activities of the Legacy Fund, the Neighborhood Development Account and the Development Account. **The fund balance includes reserves for prior commitments made by Council action, including \$5 million for the Planetarium and \$21.3 million in 2010 through 2013 for the Accelerated Infrastructure Program.**

Neighborhood Revitalization Program. This program focuses on the delivery of City services, including housing and commercial development, to individual neighborhoods based on the priorities set by the people who live and work in those neighborhoods. **Revenues held in this Program are restricted in their use by State law.**

Preliminary Planning. The Preliminary Planning program was established to account for the early costs of planning and assessing the feasibility of development activities. Preliminary Planning allocations and appropriations lapse at year end. **Additional resources eligible to capitalize this program will be identified in 2010.**

CPED Operating. This program provides the working capital to finance CPED's administrative costs. The program also provides financing for projects not eligible for CPED's restrictive revenue sources. The program has experienced the pressure from the combination of dwindling development resources and increasing charges from various City rate models in recent years. **A plan to address the deficit in this fund will be developed as part of the 2011 budget.**

**City of Minneapolis
Engineering, Materials, and Testing
For the Second Quarter ending June 30, 2010**

| Fund 6000 | 2010 Budget | 2010 Actual | Remaining Budget | % of Actual To Budget |
|--------------------------------------|-------------|-------------|------------------|-----------------------|
| Revenue including transfers | 1,460,000 | 525,757 | 934,243 | 36.0% |
| Expenses including transfers | 1,470,143 | 624,321 | 845,822 | 42.5% |
| Revenue Over (Under) Expenses | (10,143) | (98,564) | | |

Program Description:

The Engineering, Materials and Testing Fund records transactions related to City purchases of Hot-Mix Asphalt and Ready-Mix Concrete. This fund monitors quality control for the placement of these materials and assures compliance with State and Federal standards and specifications. The Engineering Laboratory is a component of this fund and provides inspection and testing services along with maintaining a laboratory for testing construction materials, performing geotechnical evaluations, and coordinating related environmental field services.

Revenue:

The revenue sources for this fund include the sale of procured Hot-Mix Asphalt and Ready-Mix Concrete materials and inspection and testing services. Paving construction is the fund's primary customer. The demand for products is seasonal beginning in April and concluding in late November. Revenue for asphalt and concrete is recorded as the overhead charged on the products, or the difference between the cost of the product and the sale price charged to the customer.

The revenue through second quarter 2010 is \$525,757 and consists of inspection fees of \$405,459 and mark up to the cost of asphalt and concrete of \$120,298. The overhead charged on engineering laboratory services, asphalt and concrete is calculated to cover the cost of the divisions' expenses.

Expenses:

Total expense through the second quarter is \$624,321 or 42.5% of the budgeted amount of \$1,470,143. Included in total operating expense for 2010 is a payment of \$57,023 for asphalt received in 2009. Had the \$57,023 been included in 2009 expense, the 2010 operating expense would be \$538,798, the operating margin a loss of (\$13,041), and the net income(loss) adjusted to (\$41,541).

The spending levels fluctuate due to the customers' seasonal requirements for products and services. In 2008, a portion of the cost of goods sold was recorded as an expense in materials, supplies, and services causing an elevated expense for that year. A corresponding amount was recorded in sales of asphalt and concrete increasing sales for that period. The recording of a portion of the cost of goods sold did not change the operating margin in 2008.

Transfers:

The fund has a transfer out of \$57,000 related to debt service for the Minneapolis Employees Retirement Funds' unfunded pension liability.

Net Assets and Cash Balance:

Changes in demand for products and services affect the net asset balance. The 2009 year-end net asset balance is \$490,398 which represents an increase of \$462,640 from the 2008 ending balance of \$27,758. With the exception of 2009, the net asset balance has declined each year since 2003 when the balance was \$780,000.

The year-end cash balance for 2009 is \$560,148 and increase of \$687,868 from the 2008 ending balance of a deficit of \$127,720. With the exception of 2008, the fund has maintained a positive cash balance.

City of Minneapolis, Minnesota
Engineering, Materials and Testing Fund
Statement of Revenues and Expenses
For Second Quarter/Years Ending 2010, 2009, and 2008

| | Budget Year 2010 | Projected Year Ending 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|--|------------------------|----------------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Asphalt / Concrete ¹ | 350,000 | 300,000 | 120,298 | 625,109 | 146,891 | 343,287 | 699,935 |
| Inspection revenue | 1,110,000 | 900,000 | 405,459 | 830,165 | 299,785 | 1,069,484 | 438,305 |
| Total Operating Revenues | 1,460,000 | 1,200,000 | 525,757 | 1,455,274 | 446,676 | 1,412,771 | 1,138,240 |
| Operating Expenses: | | | | | | | |
| Personnel | 779,059 | 700,000 | 346,139 | 747,388 | 348,252 | 730,746 | 337,796 |
| Contractual | 485,993 | 345,000 | 172,918 | 211,541 | 118,668 | 498,215 | 202,466 |
| Materials, Supplies, Services, Other ² | 129,044 | 75,000 | 67,240 | 36,188 | 20,775 | 67,190 | 623,631 |
| Rent | 6,276 | 6,276 | 3,138 | 61,273 | 30,636 | 61,002 | 23,004 |
| Depreciation | 12,772 | 12,772 | 6,386 | 13,283 | 6,642 | 36,385 | 18,193 |
| Total Operating Expenses | 1,413,143 | 1,139,048 | 595,821 | 1,069,673 | 524,973 | 1,393,538 | 1,205,090 |
| Operating Margin | 46,857 | 60,952 | (70,064) | 385,601 | (78,297) | 19,234 | (66,850) |
| Non-Operating Revenues/(Expenses): | | | | | | | |
| Other revenue | - | - | - | 373 | - | - | - |
| Total Non-Operating Revenues(Expenses) | - | - | - | 373 | - | - | - |
| Operating Transfers in(out) | | | | | | | |
| Transfer from other fund | - | - | - | - | - | - | - |
| Transfers to other fund | (57,000) | (57,000) | (28,500) | (58,000) | (29,000) | (53,000) | (26,500) |
| Total Non-Operating Revenues (Expenses) and Transfers | (57,000) | (57,000) | (28,500) | (58,000) | (29,000) | (53,000) | (26,500) |
| Net Income³ | (10,143) | 3,952 | (98,564) | 327,974 | (107,297) | (33,766) | (93,350) |
| Significant Balance Sheet Items | | | | | | | |
| Cash Balance | | | 1,183,065 | 560,148 | (526,985) | (127,720) | N/A |
| Net assets | | | 490,398 | 490,398 | 27,758 | 27,758 | 196,191 |

¹ Asphalt/Concrete revenue for 2008 was increased by \$134,666 for a year-end adjustment to revenue. This adjustment was included in the 2009 CAFR.

² Expenses for Material, Supplies, and Services for 2008 include some cost of good sold, increasing the total expense.

³ Net Income is understated due to timing differences in recording a payment in 2010 of \$57,023 for asphalt received in 2009. Had the payment been recorded in 2009, operating expense would be \$538,798, operating margin (\$13,041), and net income (\$41,541).

**City of Minneapolis
Fleet Services Division
For the Second Quarter Ending June 30, 2010**

| Fund 6100 | 2010 Budget | 2010 Actual | Remaining Budget | % of Actual To Budget |
|--------------------------------------|-------------|-------------|------------------|-----------------------|
| Revenue including transfers | 47,087,525 | 21,644,539 | 25,442,986 | 46.0% |
| Expenses including transfers | 42,974,013 | 19,459,845 | 23,514,168 | 45.3% |
| Revenue Over (Under) Expenses | 4,113,512 | 2,184,694 | | |

Program Description:

The Fleet Services Fund manages the acquisition, maintenance and disposal of 1300 units of equipment; primarily the City's fleet of vehicles, including police cars, fire trucks, snow plows, sedans and pickup trucks along with off road equipment. This fund provides technicians to maintain the equipment as well as the drivers and operators for the equipment that is used in construction and snow removal. In addition, the fund manages the dispatch of City-owned and contractual equipment.

Revenue:

The revenue for this fund is earned from charges to City departments for rental of equipment and drivers, maintenance of equipment, and the sale of fuel. The rental rates are calculated through an activity based rate model and are adjusted at the beginning of the current year to account for any changes in fuel prices or expected utilization of equipment. In 2010, revenue through second quarter is \$21,644,538 which represents 46.0% of the budgeted amount. Operating revenue earned through second quarter of 2010 has decreased by 1.2% from the revenue earned through the same period in 2009. The decrease in revenue is primarily due to a 15.2% decrease in the demand for labor and equipment rental services compared to the amount earned in 2009. The revenue earned from the sale of fuel increased 13.8% from the amount earned through second quarter 2009.

Expenses:

Expenses through second quarter 2010 are \$19,459,845 and represent 45.3% of the annual budgeted amount of \$42,974,013. Personnel expenses represent 37.0% of the total second quarter operating expense, decreasing 6.0% from the amount expended in 2009. The decrease is primarily due to a decline in demand for labor services resulting in decrease in labor supplied by permit workers. For the period ending second quarter 2010, expenditures for contractual services and materials experienced minimal variance from the amount expended through the same period in 2009. The cost of contractual services decreased 5.6% and the amount expended for materials increased 3.6%. Although the total increase to materials and supplies is 3.6%, the amount expended for fuel increased by 28.9% due to an increase in the contract price for fuel.

Transfers:

This fund receives an annual transfer of \$4.18 million from the general fund in accordance with the accepted long-term financial plan to assist with debt payments related to fleet upgrades and a new maintenance facility. The fund has a transfer out of \$581,000 to cover debt service related to the Minneapolis Employees Retirement Fund's unfunded pension liability.

Net Assets and Cash Balance:

The net asset balance for year ending 2009 is \$26,547,685, an increase of \$2,763,589 or 11.6% over the 2008 ending balance of \$23,784,096. The net asset balance is tracking close to the amount calculated in the updated long term financial plan. The fund has consistently increased net assets since the long term financial plan was implemented in 2001. Beginning 2007, the financial plan eliminated the sale of bonds to finance equipment purchases. Refunding bonds totaling \$22,230,000 were issued in 2010 lowering variable interest rates ranging from 3.0% to 5.0% to a fixed rate of 3.0%.

The fund maintains a positive cash balance with a 2009 ending balance of \$1.4 million and a 2010 second quarter balance of \$2.5 million. Reserve policies for internal service funds have determined that the minimum cash balance

should be 15% of the fund's operating budget or \$4.3 million for Fleet Services Division. The reserve policy allows the fund to attain the minimum cash reserve balance by 2013.

City of Minneapolis
Fleet Services Division Fund
Statement of Revenue and Expenses
For Second Quarter Years, 2010, 2009, and 2008

| | Budget Current Year 2010 | Projected Year Ending 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Charges for Services and Sales | 17,970,257 | 16,600,000 | 7,645,215 | 14,476,005 | 6,666,216 | 17,181,991 | 7,070,333 |
| Rent Public Works and Other | 24,726,768 | 22,900,000 | 11,895,459 | 23,977,769 | 13,114,556 | 24,478,068 | 11,600,587 |
| Total Operating Revenue | 42,697,025 | 39,500,000 | 19,540,674 | 38,453,774 | 19,780,772 | 41,660,059 | 18,670,920 |
| Operating Expenses: | | | | | | | |
| Personnel Services | 14,759,992 | 13,800,000 | 6,886,152 | 14,644,932 | 7,327,809 | 14,438,819 | 6,887,112 |
| Contractual Services | 9,421,544 | 9,200,000 | 4,040,185 | 8,824,734 | 4,278,919 | 10,001,880 | 4,259,265 |
| Materials, supplies, services and other | 9,666,854 | 8,750,000 | 3,970,696 | 7,560,878 | 3,831,397 | 10,234,140 | 4,209,645 |
| Rent | 1,103,052 | 1,103,052 | 551,526 | 1,072,367 | 536,184 | 997,955 | 498,978 |
| Cost of Stores Issuance ¹ | | | | | - | | - |
| Depreciation | 6,368,828 | 6,368,828 | 3,184,414 | 6,164,506 | 3,082,253 | 5,424,788 | 2,334,726 |
| Total Operating Expenses | 41,320,270 | 39,221,880 | 18,632,973 | 38,267,417 | 19,056,562 | 41,097,582 | 18,189,726 |
| Operating Margin | 1,376,755 | 278,120 | 907,701 | 186,357 | 724,210 | 562,477 | 481,194 |
| Non-Operating Revenues/(Expenses): | | | | | | | |
| Interest Revenue | 500 | - | - | 22 | 22 | - | - |
| Interest on Bonds | (1,072,743) | (1,072,743) | (536,372) | (1,311,648) | (703,450) | (1,416,391) | (708,195) |
| Gains/Losses on disposal of fixed assets | 200,000 | 125,000 | - | 59,322 | - | 164,042 | - |
| Damages/Losses recovered | - | 210 | 210 | 12,270 | 8,221 | 453 | - |
| Other Revenue | 10,000 | 30,000 | 13,655 | 226,444 | 86,286 | 29,647 | - |
| Total Non-Operating Revenues(Expenses) | (862,243) | (917,533) | (522,507) | (1,013,590) | (608,921) | (1,222,249) | (708,195) |
| Operating Transfers in (out) | | | | | | | |
| Transfers from other fund | 4,180,000 | 4,180,000 | 2,090,000 | 4,180,000 | 2,090,000 | 4,180,000 | 2,090,000 |
| Transfers to other fund | (581,000) | (581,000) | (290,500) | (502,000) | (251,000) | (453,000) | (226,500) |
| Total Operating Transfers | 3,599,000 | 3,599,000 | 1,799,500 | 3,678,000 | 1,839,000 | 3,727,000 | 1,863,500 |
| Net Income | 4,113,512 | 2,959,587 | 2,184,694 | 2,850,766 | 1,954,289 | 3,067,228 | 1,636,498 |
| Significant Balance Sheet Items | | | | | | | |
| Cash Balance | | | 2,503,220 | 1,377,330 | 664,847 | (48,707) | N/A |
| Fleet Purchases | 7,938,640 | 4,000,000 | 1,323,356 | 5,454,374 | 2,817,523 | 6,996,372 | 3,481,339 |
| Net Building Value | | | 24,027,837 | 24,027,837 | 24,630,247 | 24,630,247 | 25,221,580 |
| Net Fleet Value | | | 28,068,642 | 27,893,454 | 28,818,735 | 28,818,735 | 27,721,241 |
| Bonds Payable | | | 27,780,000 | 28,859,014 | 30,914,014 | 30,914,014 | 33,415,028 |
| Net Assets | | | 26,547,685 | 26,547,685 | 23,784,096 | 23,784,096 | 21,715,113 |
| Significant Cash Flow Items | | | | | | | |
| Principal on Equipment Bonds | (2,090,000) | (2,090,000) | (1,045,000) | (1,525,000) | (762,500) | (1,885,000) | (942,500) |
| Principal on Facilities Bonds | - | - | - | (530,000) | (265,000) | (525,000) | (262,500) |

**City of Minneapolis
Property Services Division
For the Second Quarter ending June 30, 2010**

| Fund 6200 | 2010 Budget | 2010 Actual | Remaining Budget | % of Actual To Budget |
|--------------------------------------|-------------|-------------|------------------|-----------------------|
| Revenue including transfers | 21,777,719 | 9,872,381 | 11,905,338 | 45.3% |
| Expenses including transfers | 22,190,983 | 10,367,498 | 11,823,485 | 46.7% |
| Revenue Over (Under) Expenses | (413,264) | (495,117) | | |

Program Description:

The Property Services Fund is responsible for the maintenance and upkeep of City owned buildings including police precinct structures, fire stations, public works buildings and parking structures. The fund does not include City Hall, the Convention Center, Parking Facilities, or Water and Park Board buildings. The fund is also responsible for the Radio Shop which maintains the City's emergency communications network. Beginning in 2009, the Council approved a City-wide charge for City Hall rent. The Property Service fund collects the rental charge and remits to the Municipal Building Commission. The revenue and expenditure budgets for the fund are increased by \$4,423,321 to account for this flow through rental charge. The City departments located in City Hall receive an appropriation increase to fund the charge for the rent.

Revenue:

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 rate structure is configured to enable the fund to charge the amount required to recover the cost of the goods and services provided to City departments and includes the cost of the fund's overhead. Revenue recorded through second quarter 2010 is \$9,872,381 or 45.3% of the budgeted amount of \$21,777,719. Operating revenue earned through second quarter 2009 and 2010 is significantly increased over the amount recorded for the same period in 2008 due to the addition of the City Hall rent collected by Property Services. In 2009 and 2010, revenue earned from elective reimbursable services provided to other City departments is approximately 65.0% of the amount earned through the same period in 2008. The fund expects the demand for elective services to decline due to budget constraints of other City departments. The fund does expect an increase in maintenance services in 2010 and 2011.

Expenses:

The expenditures through the second quarter are \$10,367,498 or 46.7% of the total budgeted amount of \$21,190,983. Personnel expenses of \$3,785,736 accounted for 37.1% of total operating costs. The increase in operating expense for contractual services is increased in 2009 and 2010 primarily due to the payments to MBC for maintenance services provided to City Hall. The amount charged to the fund for general fund overhead in 2010 increases 23.8% from the amount paid in 2010 due to the internal service funds historically receiving lower payments to assist with increasing the combined net asset balance. The fund will receive a similar increase in 2011. The rate model for 2010 does not recover the entire cost of general fund overhead and MERF unfunded pension liability charges resulting in a decrease to the operating margin. Refunding bonds totaling \$6,825,000 were issued in 2010 lowering variable interest rates ranging from 3.0% to 5.0% to a fixed rate of 3.0%.

Transfers:

Property Services is responsible for paying \$350,000 per year in debt service. In 2010, the debt service consists of \$655,000 in principal payment and \$230,775 of interest. Each year, the general fund transfers an amount to cover the difference between the \$350,000 and the total debt payment for the year. In 2010, the transfer amount for debt service is \$588,000 with an additional amount of \$377,875 for City Hall rent. There is also a transfer out of \$118,000 related to the debt service for the Minneapolis Employees Retirement Fund's unfunded pension liability.

Net Assets and Cash Balance:

The audited net asset balance for the year ending 2009 is \$27,210,179 a decrease of \$225,894 from the net asset balance of \$27,436,073 for year ending 2008. In 2002 the City began capitalizing all of its assets, including

buildings that are included in this fund. The rate model for this fund does not recover the depreciation costs related to these assets. The depreciation of capital assets will continue to decrease the net asset position.

The fund maintains a positive cash balance with a 2009 ending balance of \$352,982 and a 2010 second quarter balance of \$283,322. Reserve policies for the internal service funds determine that the minimum cash balance should be 15.0% of the fund's operating budget or \$2.5 million for the Property Services fund. The reserve policy determined that the target date to attain this balance is year-end 2013.

City of Minneapolis, Minnesota
Property Services Fund
Statement of Revenues and Expenses
For Second Quarter / Years Ending 2010, 2009, and 2008

| | Budget Current Year 2010 | Projected Year 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|---|--------------------------------|---------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Charges for Services And Sales | 7,379,499 | 7,324,141 | 2,850,044 | 8,280,795 | 2,894,164 | 10,331,776 | 4,429,823 |
| Rents Public Works and Other | 13,429,345 | 13,430,000 | 6,534,604 | 13,032,606 | 6,442,058 | 8,310,079 | 3,870,264 |
| Total Operating Revenue | 20,808,844 | 20,754,141 | 9,384,648 | 21,313,401 | 9,336,222 | 18,641,855 | 8,300,087 |
| Operating Expenses: | | | | | | | |
| Personnel Services | 7,376,276 | 7,600,000 | 3,785,736 | 8,053,178 | 3,896,657 | 8,425,687 | 3,995,000 |
| Contractual Services | 10,588,632 | 10,400,000 | 4,979,363 | 10,866,099 | 4,716,922 | 7,884,805 | 3,804,438 |
| Materials, Supplies, Services and Other | 2,008,193 | 1,400,000 | 493,456 | 1,510,368 | 575,871 | 1,659,998 | 529,052 |
| Rent | 728,125 | 728,125 | 364,063 | 358,312 | 179,156 | 221,430 | 110,715 |
| Depreciation | 1,140,982 | 1,140,982 | 570,491 | 1,155,886 | 577,943 | 1,221,061 | 610,531 |
| Total Operating Expenses | 21,842,208 | 21,269,107 | 10,193,110 | 21,943,843 | 9,946,550 | 19,412,981 | 9,049,736 |
| Operating Margin | (1,033,364) | (514,966) | (808,461) | (630,442) | (610,328) | (771,126) | (749,649) |
| Non-Operating Revenues/(Expenses): | | | | | | | |
| Interest Revenue | - | - | - | 11 | 11 | 8 | (30) |
| Interest on Bonds | (230,775) | (230,775) | (115,388) | (286,912) | (153,281) | (312,896) | (166,381) |
| Misc Revenues | 3,000 | 10,000 | 4,795 | 85,181 | - | - | - |
| Total Non-Operating Revenues(Expenses) | (227,775) | (220,775) | (110,593) | (201,731) | (153,281) | (312,888) | (166,381) |
| Operating Transfers in(out) | | | | | | | |
| Transfers from other fund | 965,875 | 965,875 | 482,938 | 654,750 | 327,375 | 668,000 | 334,000 |
| Transfers to other fund | (118,000) | (118,000) | (59,000) | (97,000) | (48,500) | (88,000) | (44,000) |
| Total Operating Transfers | 847,875 | 847,875 | 423,938 | 557,750 | 278,875 | 580,000 | 290,000 |
| Net Income | (413,264) | 112,134 | (495,116) | (274,423) | (484,734) | (504,014) | (626,030) |
| Significant Balance Sheet Items | | | | | | | |
| Cash Balance | | | 283,322 | 352,982 | (385,513) | 652,014 | N/A |
| Bonds Payable | (6,825,000) | (6,825,000) | (3,412,500) | (6,825,000) | (3,117,500) | (6,235,000) | (4,035,000) |
| Net Assets | | | 27,210,179 | 27,210,179 | 27,436,073 | 27,436,073 | 27,908,327 |
| Significant Cash Flow Items | | | | | | | |
| Principal Payments on Debt | (655,000) | (655,000) | (327,500) | (590,000) | (295,000) | (655,000) | (327,500) |

**City of Minneapolis
Public Works Stores
For the Second Quarter ending June 30, 2010**

| Fund 6000 | 2010 | 2010 2nd Quarter | Remaining Budget | % Actual To Budget |
|-------------------------------------|-----------|---------------------|---------------------|-----------------------|
| Revenue including Transfers | 1,152,500 | 312,953 | 839,547 | 27.2% |
| Expenses including Transfers | 1,181,186 | 572,570 | 608,616 | 48.5% |
| Revenue over(under) Expenses | (28,686) | (259,617) | | |

Program Description:

The Public Works Stores fund, established in 1965, accounts for the centralized procurement, receiving, warehousing and distribution of stocked inventory items and the purchase of special goods and services. The fund's mission is to provide goods in a cost effective manner to City departments through the Central Stores and Traffic Stores.

Revenue:

With the implementation of the new financial system in 2008, the recording of revenue changed. Previously, goods were priced for sale at cost plus calculated overheads to cover the cost of the fund's expenses for personnel, contractual services, materials and rent. The current system records only the overheads charged. The revenue earned through second quarter 2010 is \$312,953. The revenue recorded through second quarter 2010 is 27.2% of the budgeted amount of \$1,152,500. Revenues have decreased 27.0% from the amount earned through the same period 2009 due to a decrease in processing orders for other City departments for goods that do not pass through Central Stores inventory. Sales of inventory items have increased in 2010 due to Public Works departments moving into the new Hiawatha facility where Central Stores is located.

Expenses:

The total of expenses for the first quarter is \$572,570. This total does not include the cost of stores issuance as the inventory system does not record a cost of goods sold and offsets (decreases) the cost of materials as it adds goods to inventory. The expense recorded through second quarter 2010 represents 48.5% of the budgeted amount of \$1,181,186. Operating expense through second quarter of 2010 decreased 14.4% from expense recorded through the same period in 2009 primarily due to a decrease in personnel cost and adjustments to the cost of recording inventory purchases.

Transfers:

The 2009 transfer out of \$33,000 is payment for debt related to the Minneapolis Employees Retirement Fund's unfunded pension liability.

Net Assets and Cash Balance:

The fund continues to maintain positive net asset balance with a 2009 ending balance of \$3,203,361, an increase of 11.0% from the 2008 ending balance of \$2,885,267. The 2009 ending cash balance is a deficit of \$1,566,085, an increase of \$718,033 from the 2008 deficit balance of \$2,284,118. The fund has not had a positive cash balance since 2005 when the ending balance was \$91,610.

City of Minneapolis, Minnesota
Public Works Stores
Statement of Revenues and Expenses
For the Second Quarter/Years Ending 2010, 2009, and 2008

| | Current Budget Year 2010 | Projected Year Ending 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Central Stores | 767,500 | 370,000 | 166,976 | 934,156 | 236,252 | 748,427 | 374,214 |
| Traffic Stores | 385,000 | 500,000 | 145,977 | 626,041 | 192,934 | 312,570 | 156,285 |
| Total Operating Revenues | 1,152,500 | 870,000 | 312,953 | 1,560,197 | 429,186 | 1,060,997 | 530,499 |
| Operating Expenses: | | | | | | | |
| Personnel | 736,108 | 727,760 | 363,880 | 802,289 | 403,669 | 800,858 | 400,429 |
| Contractual | 334,452 | 320,000 | 163,446 | 308,301 | 150,492 | 238,801 | 119,401 |
| Materials/Other | 34,203 | 14,067 | 7,033 | 54,630 | 81,055 | 591,101 | 295,551 |
| Rent | 43,423 | 43,423 | 21,711 | 34,054 | 17,027 | 28,527 | 14,264 |
| Depreciation | - | - | - | - | - | 16,254 | 8,127 |
| Total Operating Expenses | 1,148,186 | 1,105,249 | 556,070 | 1,199,274 | 652,243 | 1,675,541 | 837,771 |
| Operating Margin | 4,314 | (235,249) | (243,117) | 360,923 | (223,057) | (614,544) | (307,271) |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| Interest Income (Expense) | - | - | - | 44 | 44 | - | - |
| Other revenue | - | - | - | - | - | - | - |
| Total Non-Operating Revenues (Expense) | - | - | - | 44 | 44 | - | - |
| Operating Transfer In (Out) | | | | | | | |
| Transfers from other fund | - | - | - | - | - | - | - |
| Transfers to other fund | (33,000) | (33,000) | (16,500) | (34,000) | (17,000) | (31,000) | (15,500) |
| Total Operating Transfers | (33,000) | (33,000) | (16,500) | (34,000) | (17,000) | (31,000) | (15,500) |
| Net Income | (28,686) | (268,249) | (259,617) | 326,967 | (240,013) | (645,544) | (322,771) |
| Significant Balance Sheet Items | | | | | | | |
| Cash Balance | | | (1,851,550) | (1,566,085) | (2,767,671) | (2,284,118) | N/A |
| Accounts Receivable | | | 13,814 | 30,954 | 35,016 | 12,261 | 12,261 |
| Inventories | | | 5,003,367 | 4,845,852 | 5,485,826 | 5,421,516 | N/A |
| Net Assets | | | 3,203,361 | 3,203,361 | 2,885,268 | 2,885,268 | 3,530,810 |

**City of Minneapolis
Intergovernmental Service Fund
For the Second Quarter ending June 30, 2010**

| Fund 6400 | 2010 Budget | 2010 Actual | Remaining Budget | % of Actual To Budget |
|---|------------------------|------------------------|-----------------------------|----------------------------------|
| Operating Revenue including Transfers | 44,982,040 | 21,528,936 | 23,453,107 | 47.9% |
| Operating Expenses including Transfers | 34,488,445 | 16,601,325 | 17,887,120 | 48.1% |
| Operating Revenue Over (Under) Expenses | 10,493,595 | 4,927,611 | | |

Program Description:

The Intergovernmental Service Fund accounts for operations of Business Information Services (BIS); the City Clerk's printing and central mailing services; and a small portion of Human Resources internal services. BIS is comprised of telecommunications services, network services, application support, internet and intranet services, convenience copier function, broadband wireless, and deployment of software and hardware.

Revenue:

Operating revenue through the second quarter of 2010 is \$21,528,936 or 47.9% of the annual budgeted amount of \$44,982,040. Revenue sources include mailing and copying services, telecom charges, Project Management Operations (PMO) projects, and BIS charges based on the allocation model. The revenue for BIS is driven by rates charged for services and customers' technology needs. The BIS allocation model uses the expense budget, depreciation, and overhead to determine technology rates

Expenses:

Operating expenses through the second quarter are \$16,601,325, or 48.1% of the annual budget. Actual expenses are expected to exceed budget in BIS operations due to maintenance contracts and the Unisys contract increasing at a rate greater than allowed in the financial direction and the annual wireless service commitment. Second quarter expenses include \$404,224 paid on the annual service commitment of \$911,700 for wireless services and an additional \$197,293 for implementation and on-going support related to wireless. Expenses typically exceed revenue in the PMO area in the project idea phase until a proposal is signed by the customer department and funding has been identified. As projects are added to the BIS-PMO cost center, the revenue and expenditure budgets increase as funding for projects is provided by the customer. Expenditures are recorded throughout the duration of the project.

Debt:

In 2009, \$16.8 million of refunding bonds were issued for outstanding debt with maturities from 2010 to 2012. Debt principal payments total \$8,567,000 in 2010. Interest payments on bonded debt will total \$938,092 for the fiscal year.

Transfers:

The fund receives an annual transfer from the general fund of \$9.4 million in accordance with the long term financial plan to increase net asset balance and reduce debt. In addition, the fund receives a quarterly debt service transfer \$415,000 related to the deficit reduction plan. A payment of \$218,000 is transferred out of the fund for debt service related to the Minneapolis Employees Retirement Fund's unfunded pension liability.

Net Assets and Cash Balance:

The Intergovernmental Services Fund is tracking positively to increase its net asset position. The net asset balance for 2009 is \$13,678,110 which is an increase of \$8,810,430 from the net asset position of \$4,867,681 in 2008. Net assets have increased due to use of an allocation model to determine charges for service, a transfer from the general fund that is provided through the long-term financial plan.

The ending cash balance for year 2009 is a deficit of \$914,522, a decrease of \$1,008,387 from the ending cash balance of \$93,785 at year end 2008.

City of Minneapolis, Minnesota
Intergovernmental Services Fund
Statement of Revenues and Expenses
For Second Quarter/Years Ending 2010, 2009 and 2008

| | Budget Current Year 2010 | Projected Year 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|--|--------------------------------|---------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Charges for Service: | | | | | | | |
| BIS - PMO | 9,886,688 | 8,153,821 | 3,553,692 | 8,621,649 | 3,880,511 | 13,110,193 | 5,526,914 |
| BIS-Telecom | 3,050,319 | 2,935,618 | 1,467,809 | 2,928,582 | 1,466,406 | 3,014,661 | 1,541,669 |
| BIS - Operating-other | 19,852,504 | 20,821,558 | 10,410,779 | 21,548,278 | 10,857,008 | 19,895,809 | 9,565,885 |
| CC-Mailing Services | 435,500 | 433,716 | 216,858 | 529,749 | 131,118 | 573,987 | 93,752 |
| CC-Copy Services | 500,000 | 497,816 | 248,908 | 490,657 | 229,290 | 504,543 | 216,499 |
| Human resources | 4,750 | 4,750 | 4,750 | - | - | 150 | 150 |
| Total Operating Revenues | 33,729,761 | 32,847,279 | 15,902,796 | 34,118,915 | 16,564,333 | 37,099,343 | 16,944,870 |
| Operating Expenses: | | | | | | | |
| BIS - PMO | 9,886,688 | 7,853,821 | 3,407,747 | 8,902,881 | 3,991,118 | 13,351,795 | 7,110,874 |
| BIS - Telecom | 1,657,962 | 1,518,396 | 759,198 | 1,787,581 | 908,486 | 2,153,173 | 900,961 |
| BIS - Operating-other | 21,221,714 | 23,048,497 | 11,524,249 | 23,496,912 | 10,640,160 | 24,691,613 | 9,475,509 |
| CC-Mailing Services/Data Center | 600,680 | 610,766 | 305,383 | 578,052 | 231,712 | 627,318 | 295,015 |
| CC-Copy Services | 585,452 | 748,706 | 374,353 | 615,446 | 315,509 | 547,795 | 262,851 |
| Human resources | 317,949 | 242,790 | 121,395 | 230,073 | 73,504 | 190,173 | 60,358 |
| Total Operating Expenses | 34,270,445 | 34,022,976 | 16,492,325 | 35,610,945 | 16,160,489 | 41,561,867 | 18,105,568 |
| Operating Margin | (540,684) | (1,175,697) | (589,529) | (1,492,030) | 403,845 | (4,462,524) | (1,160,698) |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| Gains (Losses) | - | - | - | - | - | - | - |
| Depreciation | (10,717,592) | (10,717,592) | (5,358,796) | (8,380,433) | (1,206,392) | (2,412,783) | (1,196,580) |
| Interest on Bonded Debt | (938,092) | (938,092) | (469,046) | (1,526,507) | (823,326) | (1,593,997) | (812,382) |
| Other Non Operating Income (Expense) | - | - | - | - | - | - | - |
| Total Non-Operating Revenues (Expenses) | (11,655,684) | (11,655,684) | (5,827,842) | (9,906,940) | (2,029,717) | (4,006,780) | (2,008,962) |
| Operating Transfer In (Out) | | | | | | | |
| Transfers from other fund | 11,252,279 | 11,252,279 | 5,626,140 | 16,114,693 | 7,709,601 | 11,762,368 | 5,885,500 |
| Transfers to other fund | (218,000) | (218,000) | (109,000) | (276,594) | (106,000) | (295,624) | (96,000) |
| Total Operating Transfers | 11,034,279 | 11,034,279 | 5,517,140 | 15,838,099 | 7,603,601 | 11,466,744 | 5,789,500 |
| Net Income | (1,162,089) | (1,797,102) | (900,231) | 4,439,129 | 5,977,728 | 2,997,440 | 2,619,840 |
| Significant Balance Sheet Items | | | | | | | |
| Cash balance | | | (3,383,288) | (914,522) | (6,839,019) | 93,865 | N/A |
| Work-in-progress | | | 7,115,554 | 7,115,554 | 21,070,901 | 21,070,901 | 25,825,698 |
| Due from other funds | | | 1,187,000 | 1,697,588 | 1,080,622 | 1,080,622 | 2,594,531 |
| Interfund Loans | | | (10,114,051) | (10,114,051) | (10,114,051) | (10,114,051) | (10,114,051) |
| Bonds Payable | | | (26,240,000) | (26,240,000) | (34,415,000) | (34,574,725) | (34,660,000) |
| Deferred Income | | | (5,712,832) | (5,696,858) | (4,358,018) | (4,608,536) | (3,601,739) |
| Net Assets | | | 13,678,110 | 13,678,110 | 4,867,680 | 4,867,680 | (13,612,281) |
| Significant Cash Flow Items | | | | | | | |
| Principal on Bonds | | | (8,267,000) | (9,290,000) | (4,345,000) | (1,805,000) | (902,500) |

**City of Minneapolis
Self-Insurance Fund
For the Second Quarter Ending June 30, 2010**

| Fund 6900 | 2010 Budget | 2010 Actual | Remaining Budget | % of Actual To Budget |
|---|------------------------|------------------------|-----------------------------|--------------------------------------|
| Revenue including transfers | 41,000,440 | 20,186,734 | 20,813,706 | 49.2% |
| Expenditures including transfers | 29,765,098 | 13,090,633 | 16,674,465 | 44.0% |
| Revenue Over (Under) Expenses | 11,235,342 | 7,096,101 | | |

Program Description:

The Self-Insurance Fund records employee benefit transactions, workers compensation and tort liability payments, and the administrative support transactions for these activities.

Revenue:

Revenues vary by activity. Employee benefits collect revenue from payroll withholding and employee contribution enabling revenues to match expenditures. Workers Compensation, with related administrative services in Risk Management, recognizes revenues from direct billing of users. Tort Liability including administrative services of the City Attorney's Civil Division earns revenue by billing City departments for tort settlements and the cost of providing legal services.

For second quarter 2010, total revenues, including a transfer from the general fund of \$5.4 million, are \$20,186,734 or 49.2% of the budgeted amount of \$41,000,440. Revenue earned through the second quarter of 2010 cannot be compared to the actual revenue earned through second quarter 2008 or 2009 due to dental, metropass, and flex spending accounts for health and dependent care are paid directly to the providers in 2010, bypassing the self insurance fund. A loss of revenue to the fund with a corresponding decrease in expense for employee health benefits, did not impact the operating margin.

An activity based rate model determines the rates charged to City departments to provide self insurance for liability and workers compensation costs and to assign a charge for employee benefit administration. The rate model uses data determined by an actuarial study to assign charges for liability and workers compensation self insurance based on a department's responsibility for tort settlements and workers compensation claims. A new actuarial study was completed in 2009. Revenues from attorney office services decreased in 2010 due to a decrease in law clerk services. The Finance-Employment Services cost center receives revenue from City departments as reimbursement for services related to employment screenings.

Expenses:

Health and Welfare payments, primarily accrued sick leave and COBRA medical and life insurance, account for 22.9% of the fund's 2010 budget. In 2009, the payment for employee health and life insurance occurred directly from payroll and did not pass through the self insurance fund. In 2010, payments for Metropass, Minneflex, and dental insurance also do not pass through the self insurance fund. Total operating expenditures for second quarter 2010 including transfers to other debt service funds are \$13,090,633, a decrease of 27.8% from the second quarter expenditures in 2009 primarily due to metropass, dental premiums, and Minneflex paid directly from payroll transactions.

Workers Compensation and Tort Liability expenditures include the payments for settlements related to tort litigation and workers compensation claims. The costs of administering the plans are funded through the City Attorney and Risk Management cost centers. The expenditures related to liability settlements through second quarter 2010 are \$2,340,807 or 37.3% of the budgeted amount of \$6,270,435. Payments for workers compensation are \$3,689,230 or 58.7% of the budgeted amount. The cost of workers compensation reinsurance and special assessments due to the State of Minnesota increased in 2010 and partially account for the rise in expense. In addition, the fund is required to set aside resources annually to cover the future cost of compensated absences based on benefit accrual.

Transfers:

In 2010, this fund will receive an interfund transfer of \$10.8 million from the general fund as determined in the long term financial plan. The 2010 budget includes a transfer out of \$140,000 for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

Net Assets and Cash Balance:

The ending net asset balance for year ending 2009 is a deficit of \$15.4 million, an increase of \$60,344 from the 2008 deficit balance of \$15.5 million. The deficit is primarily due to the liability for unpaid claims for tort settlements and workers compensation. The unpaid claims liability is \$42.5 million at year-end 2009, an increase of \$10.7 million from the claims liability of \$31.8 million at year-end 2008. The cash balance December 31, 2009 is \$28.9 million, an increase of \$10.2 million from the ending balance of \$18.8 in 2008.

City of Minneapolis, Minnesota
Self Insurance Fund
Statement of Revenues and Expenses
For Second Quarter/Years Ending 2010, 2009 and 2008

| | Budget Current Year 2010 | Projection Year 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|--|--------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Health & Welfare (employee benefits) | 6,769,920 | 6,615,588 | 3,307,794 | 12,745,507 | 6,544,281 | 33,356,887 | 16,678,444 |
| Workers Compensation | 8,615,009 | 8,357,938 | 4,178,969 | 8,565,960 | 4,116,058 | 9,524,961 | 4,174,198 |
| Liability - Subrogation | 13,185,568 | 13,173,060 | 6,586,530 | 12,914,035 | 6,494,627 | 11,353,987 | 5,665,132 |
| Attorney Office Services | 30,000 | - | - | 13,875 | 1,702 | 30,089 | 5,280 |
| Human Resources Services | 1,389,943 | 1,389,943 | 656,672 | 1,221,745 | 627,072 | 1,037,375 | 438,008 |
| Finance-Employment Services | 200,000 | 103,538 | 51,769 | 205,711 | 69,760 | 293,549 | 166,388 |
| Total Operating Revenues | 30,190,440 | 29,640,067 | 14,781,734 | 35,666,833 | 17,853,500 | 55,596,848 | 27,127,450 |
| Operating Expenses: | | | | | | | |
| Health & Welfare (employee benefits) | 6,769,920 | 5,076,740 | 2,538,370 | 9,924,021 | 5,982,259 | 33,175,852 | 16,587,926 |
| Workers Compensation | 6,290,140 | 7,378,460 | 3,689,230 | 6,919,286 | 3,559,426 | 7,844,078 | 4,093,084 |
| Liability & Settlements | 6,270,435 | 4,681,614 | 2,340,807 | 6,223,035 | 4,287,642 | 2,526,225 | 936,659 |
| City Attorney/Civil Division-Litigation | 6,135,033 | 5,684,086 | 2,842,043 | 5,541,319 | 2,767,875 | 5,123,884 | 2,496,288 |
| Risk Management - WC/Risk | 2,458,764 | 2,063,656 | 1,031,828 | 2,222,448 | 925,095 | 2,183,613 | 848,344 |
| Human Resource - Employee Benefits | 1,700,806 | 1,156,710 | 578,355 | 1,133,176 | 492,678 | 1,069,738 | 473,415 |
| Total Operating Expenses | 29,625,098 | 26,041,266 | 13,020,633 | 31,963,285 | 18,014,975 | 51,923,390 | 25,435,716 |
| Operating Margin | 565,342 | 3,598,801 | 1,761,101 | 3,703,548 | (161,475) | 3,673,458 | 1,691,734 |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| Interest on Bonded Debt | | | | - | - | (21,178) | (26,500) |
| Other Non Operating Income (Exp) | | | | - | - | - | - |
| Total Non-Operating Revenues (Expenses) | - | - | - | - | - | (21,178) | (26,500) |
| Operating Transfer In (Out) | | | | | | | |
| Transfers from other fund | 10,810,000 | 10,810,000 | 5,405,000 | 6,915,000 | 3,457,500 | 5,642,689 | 2,821,345 |
| Transfers to other fund | (140,000) | (140,000) | (70,000) | (145,000) | (72,500) | (131,000) | (65,500) |
| Total Operating Transfers | 10,670,000 | 10,670,000 | 5,335,000 | 6,770,000 | 3,385,000 | 5,511,689 | 2,755,845 |
| Net Income | 11,235,342 | 14,268,801 | 7,096,101 | (266,137) | 3,223,525 | 9,163,969 | 4,421,079 |
| Significant Balance Sheet Items | | | | | | | |
| Cash Balance | | | 28,392,314 | 28,995,366 | 13,651,639 | 18,766,917 | N/A |
| Intergovernmental receivable | | | 223,378 | 223,378 | 181,930 | 181,930 | 181,930 |
| Bonds Payable | | | - | - | - | - | (1,060,000) |
| Unpaid Claims | | | (42,512,749) | (42,512,749) | (31,773,064) | (31,773,064) | (33,467,000) |
| Net Assets | | | (15,432,743) | (15,432,743) | (15,493,087) | (15,493,087) | (26,370,500) |
| Significant Cash Flow Items | | | | | | | |
| Principal paid on debt | | | | - | - | (1,060,000) | (530,000) |

**City Of Minneapolis
Sanitary Sewer Fund
For the Second Quarter Ending June 30, 2010**

| Fund 07100 | 2010 Budget | 06-30-2010 Actual | Remaining Budget | % of Actual To Budget |
|------------------------|--------------------|--------------------------|-------------------------|------------------------------|
| Operating Revenue | 45,506,940 | 23,260,734 | 22,246,206 | 51% |
| Operating Expenditures | 41,813,821 | 19,591,864 | 22,221,957 | 47% |
| Operating Margin | 3,693,119 | 3,668,870 | | |
| Net Income | 122,781 | 1,883,796 | | |

Program Description:

The Sanitary Sewer Fund accounts for 95% of the contractual payments to Metropolitan Council Environmental Services (MCES) for waste water collection and treatment services. The Fund also accounts for sanitary sewer maintenance and design work along with capital programs and debt services.

Revenue:

With sewer revenue of \$23.3 million through the end of the second quarter, 51% of the budgeted revenue has been realized. This is a increase of \$2.4 million, or 11.5%, compared to \$20.8 million in the second quarter of 2009.

Expenses:

The Sanitary Sewer Fund's operating expenditures of \$19.6 million through the second quarter equates to 47% of 2010 budget. This is a decrease of \$2.2 million, or 10%, compared to \$21.8 million through the second quarter of 2009.

Transfers:

The transfer from this Fund goes to the pension fund to cover MERF unfunded liability. The transfer budget for the year is \$305,000, and through this quarter \$153,000 has been recognized.

Debt Service:

For 2010, the debt service budget totals \$4.1 million. For the quarter, \$1.3 million in principal and \$692,000 in interest on its outstanding debts generated from past bond sales have been recognized.

Other Financial Items:

The current operating cash balance is \$10.2 million. The City's policy is to have cash equal to or greater than three months of operating expenses. Therefore, the target cash balance is \$10.5 million. The cash position is \$300,000 below its target.

City of Minneapolis, Minnesota
Sanitary Sewer Fund
Statement of Revenues and Expenses
For Second Quarter/Years Ending 2010, 2009, 2008

| | Budget Year 2010 | Projected Year 2010 | For Period Ending 06/31/2010 | Year Ending 2009 | For Period Ending 06/30/2009 | Year Ending 2008 | For Period Ending 6/30/2008 |
|--|------------------------|---------------------------|------------------------------------|------------------------|------------------------------------|------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Sewage Disposal | 42,931,700 | 44,781,255 | 22,230,027 | 40,230,065 | 19,792,127 | 39,123,470 | 18,541,002 |
| Other Services Provided | 915,484 | 930,172 | 249,807 | 1,418,181 | 219,897 | 826,484 | 5,383 |
| Inspection Services | 1,659,756 | 1,659,756 | 780,900 | 2,305,130 | 846,430 | 1,659,756 | 589,646 |
| Interest | | | | | | | |
| Total Operating Revenues | 45,506,940 | 47,371,183 | 23,260,734 | 43,953,376 | 20,858,454 | 41,609,710 | 19,136,031 |
| Operating Expenses: | | | | | | | |
| Sewer Design | 409,015 | 307,002 | 107,691 | 230,253 | 121,364 | 312,433 | 241,402 |
| Sewer Maintenance | 6,564,080 | 6,363,934 | 2,584,041 | 5,922,731 | 3,177,838 | 5,091,261 | 2,391,955 |
| Met Council Env. Svcs. | 34,840,726 | 33,726,487 | 16,900,132 | 32,234,678 | 18,478,931 | 32,532,857 | 17,798,215 |
| Total Operating Expenses | 41,813,821 | 40,397,423 | 19,591,864 | 38,387,662 | 21,778,133 | 37,936,551 | 20,431,572 |
| Operating Margin | 3,693,119 | 6,973,760 | 3,668,870 | 5,565,714 | (919,679) | 3,673,159 | (1,295,540) |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| Net Transfers (out) | (305,000) | (305,000) | (152,500) | (1,791,003) | (488,503) | (629,341) | (152,500) |
| Non-Oper Expenses | | | | | | | |
| Depreciation | (1,882,193) | (1,882,193) | (941,002) | (1,159,640) | (579,820) | (1,913,189) | (597,013) |
| Special Assessments | | | | 9,691 | | 5,774 | 15,711 |
| Net Interest Income (Exp) | (1,383,145) | (1,383,145) | (691,573) | (500,094) | (691,573) | (388,135) | (691,573) |
| Total Non-Operating Revenues (Expenses) | (3,570,338) | (3,570,338) | (1,785,075) | (3,441,046) | (1,759,896) | (2,924,891) | (1,425,375) |
| Net Income | 122,781 | 3,403,422 | 1,883,796 | 2,124,668 | (2,679,575) | 748,268 | (2,720,915) |
| Significant Balance Sheet Items | | | | | | | |
| Operating Cash | - | | 10,213,924 | 9,639,595 | 6,118,286 | 10,622,178 | 10,032,756 |
| Accounts Receivable | - | | 3,720,076 | 3,312,601 | 3,322,027 | 3,103,489 | 2,654,557 |
| Significant Cash Flow Items | | | | | | | |
| Capital Outlay | 9,425,000 | 9,425,000 | 1,590,522 | 7,904,063 | 2,620,376 | 4,817,586 | 410,629 |
| Bond Principle payments | 2,683,000 | 2,683,000 | 1,341,500 | 2,436,000 | 1,341,500 | 1,200,000 | 1,341,500 |

**City Of Minneapolis
Stormwater Fund
For the Second Quarter Ending June 30, 2010**

| Fund 07300 | 2010 Budget | 06/30/2010 Actual | Remaining Budget | % of Actual To Budget |
|------------------------|------------------------|------------------------------|-----------------------------|----------------------------------|
| Operating Revenue | 34,230,324 | 18,525,141 | 19,317,944 | 54% |
| Operating Expenditures | 22,021,183 | 8,722,535 | 14,646,850 | 40% |
| Operating Margin | 12,209,141 | 9,802,606 | | |
| Net Income | 2,879,039 | 5,057,616 | | |

Program Description:

The Storm Water Fund covers 5% of the expenditures related to Met Council Environmental Services (MCES). Combined Sewer Overflow (CSO) program, Street Cleaning, Storm Design and Storm Water Maintenance are other activities covered by this Fund.

Revenue:

The Storm Water revenue of \$18.5 million through the second quarter equates to 54% of the operating revenue budget. It is a decrease of \$1.2 million or 6%, compared to \$19.7 million, over the second quarter of 2009. Design revenues in 2009 were higher at this time last year by \$1.7 million because of the more than forty capital project close outs in 2009.

Expenses:

Through second quarter, 2010, Storm Water Fund's operating expenses ended at 40% of the budget. Expenses through the quarter totaled \$8.7 million just slightly under the \$8.9 million for 2009. This is a decrease in expenditures of \$200,000 or 3% lower than 2009. Decreases are due to lower expenditures in Street Cleaning and Sewer Maintenance cost centers. Street Cleaning expenses are down mostly due to reduced contractual services related to hauling of the spring sweep debris. These costs will occur in the second half of the year, and that is taken into consideration in the year end projection for this cost center.

Transfers:

Transfer out of the Storm Water Fund includes a transfer to MERF pension fund. For 2nd quarter ending 6/30, \$402,500 in transfer has been recognized.

Debt Service:

The debt service payments amounting to \$1.5 million have been made through the second quarter, with the remainder of the payments due later in the year. These payments are primarily for bonds sold to finance the Combined Sewer Overflow and Flood Mitigation programs. The \$1 million principle reduction netted against the \$2.4 million of new debt accounts for the increase in the Bonds payable balance.

Other Financial Items:

The operating cash balance for the quarter was \$22.2 million. The City's policy is to have cash equal to or greater than three months of operating expenses. Therefore, the target cash balance is \$5.5 million, which results in a surplus of \$16.7 million in unrestricted reserve.

City of Minneapolis, Minnesota
Stormwater Fund
Statement of Revenues and Expenses
For Second Quarter/Years Ending 2010, 2009 and 2008

| | Budget Year 2010 | Projected Year 2010 | For Period Ending 6/30/2010 | For Year Ending 12/31/2009 | For Period Ending 06/30/2009 | For Year Ending 12/31/2008 | For Period Ending 06/30/2008 |
|--|------------------------|---------------------------|-----------------------------------|----------------------------------|------------------------------------|----------------------------------|------------------------------------|
| Operating Revenues: | | | | | | | |
| State Grants | 761,138 | 761,138 | 491,990 | 730,788 | 394,568 | 886,787 | 306,179 |
| County Grants | 285,072 | 285,072 | 98,836 | 296,509 | 142,536 | 344,680 | 166,460 |
| Sewage Disposal | 31,714,778 | 32,947,953 | 17,322,661 | 33,032,352 | 16,901,778 | 30,944,907 | 15,345,781 |
| Other Services Provided | 1,469,336 | 1,469,336 | 611,654 | 3,775,313 | 2,279,629 | 1,313,241 | 329,138 |
| Total Operating Revenues | 34,230,324 | 35,463,499 | 18,525,141 | 37,834,962 | 19,718,511 | 33,489,615 | 16,147,558 |
| Operating Expenses: | | | | | | | |
| Sewer Design | 3,309,449 | 3,010,572 | 1,363,030 | 2,815,491 | 1,349,273 | 3,072,685 | 1,332,659 |
| Stormwater Management CSO | 1,695,300 | 1,267,757 | 471,754 | 1,058,277 | 485,009 | 982,357 | 458,208 |
| Street Cleaning | 7,887,440 | 7,462,917 | 2,923,911 | 7,244,448 | 3,624,674 | 7,366,166 | 3,323,564 |
| Sewer Maintenance | 3,712,630 | 2,730,964 | 1,364,527 | 2,263,404 | 1,010,811 | 2,121,236 | 886,586 |
| Met Council Env. Svcs. | 5,416,364 | 5,125,188 | 2,599,313 | 4,576,971 | 2,514,379 | 4,491,102 | 2,390,770 |
| Total Operating Expenses | 22,021,183 | 19,597,398 | 8,722,535 | 17,958,591 | 8,984,146 | 18,033,546 | 8,391,787 |
| Operating Margin | 12,209,141 | 15,866,101 | 9,802,606 | 19,876,371 | 10,734,365 | 15,456,069 | 7,755,771 |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| Net Transfers in (out) | (805,000) | (805,000) | (402,500) | (1,087,777) | (691,137) | (512,767) | (132,000) |
| Depreciation | (6,174,420) | (6,174,420) | (2,572,675) | (3,894,930) | (3,087,210) | (4,721,782) | (1,614,011) |
| Special Assessments | 115,000 | 115,000 | 7,031 | 497,879 | 57,500 | 714,324 | 57,500 |
| Net Interest Income (Exp) | (2,465,683) | (2,465,683) | (1,232,842) | (1,752,825) | (1,232,842) | (1,563,549) | (1,157,077) |
| Other Non Operating Income (Exp) | | | (544,004) | (272,200) | (497,763) | 1,640,047 | (441,274) |
| Total Non-Operating Revenues (Expenses) | (9,330,103) | (9,330,103) | (4,744,990) | (6,509,853) | (5,451,451) | (4,443,727) | (3,286,862) |
| Net Income | 2,879,038 | 6,535,998 | 5,057,616 | 13,366,518 | 5,282,914 | 11,012,342 | 4,468,909 |
| Significant Balance Sheet Items | | | | | | | |
| Operating Cash | | | 22,259,671 | 14,445,473 | 11,976,544 | 3,850,076 | 3,979,732 |
| Accounts Receivable | | | 4,553,838 | 4,375,813 | 4,482,461 | 4,217,773 | 3,735,664 |
| Bonds Payable | | | 22,616,910 | 21,175,910 | 35,730,910 | 28,634,910 | 11,583,044 |
| Significant Cash Flow Items | | | | | | | |
| Capital Outlay | 10,820,000 | 10,820,000 | 2,285,736 | 4,915,306 | 1,807,786 | 5,545,209 | 1,205,120 |
| Bond principle payments | 5,322,000 | 5,322,000 | 1,000,000 | 9,959,000 | - | 8,620,000 | 4,634,446 |

**City of Minneapolis
Water Fund
For the Second Quarter Ending June 30, 2010**

| Fund 7400 | 2010 Budget | 30-June-10 Actual | Remaining Budget | % of Actual To Budget |
|------------------------|------------------------|------------------------------|-----------------------------|----------------------------------|
| Operating Revenue | 63,828,363 | 30,010,597 | 33,817,766 | 47% |
| Operating Expenditures | 48,446,307 | 21,981,402 | 26,464,905 | 45% |
| Operating Margin | 15,382,056 | 8,029,195 | | |
| Net Income (Loss) | 6,130,726 | 829,128 | | |

Program Description:

This Fund accounts for operation, maintenance and capital investments of the water treatment and delivery system for the City and several suburban city customers. The City sells water directly to seven cities including Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal, and Edina.

In 2010 the Water Fund received appropriations for water distribution improvements in the amount of \$500,000, treatment infrastructure improvements in the amount of \$1 million. In addition, this fund received capital funding of \$2 million for water reimbursable capital projects.

Revenue:

The 2010 operating revenue of \$30,010,591 represents a 1.3 % increase over the same period in 2009 which was \$29,631,483. With a rate increase of 3.05% in 2010 we would expect higher revenues, but the weather in 2010 has been very wet this year leading to reduced consumption.

Expenditures:

Through the 2nd quarter of 2010 operating expenditures totaled \$22 million which is 2% less than the same period in 2009. The biggest reduction is in the area of contributions to other funds. The General Fund overhead was reduced by \$944,600, half of which would be reflected in the numbers through June, along with an additional \$392,000 of General Fund overhead was allocated to Capital projects through June in 2010, where the related allocation for 2009 was not done until December 2009.

Transfers:

For 2010 the transfers are expected to be of \$1,258,000, which is the MERF (Minneapolis Employee Retirement Fund) pension debt service payment. Half of this amount has been included in the figures reported.

Debt Services:

The debt service payments are primarily for bonds sold to finance the Water Works capital improvement program. Current capital projects include SCADA, the membrane ultrafiltration programs, the Minneapolis Water Works facilities security improvement, the rehabilitation of Pump Station #4, and the new Filter Presses.

Other Financial Items:

The Ultrafiltration Membrane Project is financed through loans from the Drinking Water State Revolving Fund managed by the Minnesota Public Facilities Authority. Beginning December 2002, the City has borrowed a total of \$78.4 million at interest rates of 2.82%, 2.80% and 2.53%. The ending cash balance as of 6/30/2010 is \$2,459,824 compared to (\$1,672,528) at 6/30/2009. The objective is to have a cash balance equal to or greater than 3 months of operating expenses. Based on the current budget this would be \$12.1 million in cash.

City of Minneapolis, Minnesota
Water Fund
Statement of Revenues and Expenses
For Second Quarter/Years Ending 2010, 2009, 2008

| | Budget Current Year 2010 | Projected Ending 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|--|--------------------------------|-----------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Licenses & Permits | 1,000 | 1,384 | 590 | 1,966 | 481 | 1,219 | 406 |
| Charges For Services | 61,759,939 | 67,195,939 | 29,251,612 | 64,237,365 | 28,902,790 | 63,202,724 | 26,672,699 |
| Charges For Sales | 1,336,924 | 1,497,445 | 638,154 | 2,293,169 | 724,690 | 4,991 | 2,988 |
| Rents | - | - | - | - | - | - | 72,171 |
| Interest | - | - | - | 1,746 | 1,746 | - | 4,798 |
| Other Misc Revenues | 730,500 | 282,149 | 120,241 | 33,709 | 1,776 | 332 | 16,829 |
| Total Operating Revenues | 63,828,363 | 68,976,917 | 30,010,597 | 66,567,955 | 29,631,483 | 63,209,266 | 26,769,891 |
| Operating Expenses: | | | | | | | |
| Water Design | 1,617,584 | 1,325,952 | 621,751 | 1,062,591 | 486,169 | 618,400 | 222,802 |
| Contribution To Other Funds | 8,796,586 | 8,208,818 | 3,761,728 | 8,255,969 | 4,749,125 | 8,487,693 | 3,600,205 |
| Administration & Permits | 1,529,947 | 1,829,537 | 1,261,051 | 1,734,359 | 677,827 | 1,871,679 | 517,502 |
| Operations Treatment | 18,074,889 | 17,700,000 | 7,564,649 | 18,270,976 | 7,965,373 | 15,853,766 | 7,005,719 |
| Plant Maintenance | 7,019,178 | 6,463,319 | 3,030,710 | 6,396,083 | 3,060,753 | 6,197,802 | 3,365,017 |
| Distribution | 8,180,603 | 7,936,000 | 3,627,692 | 7,076,581 | 3,454,423 | 8,181,366 | 3,008,390 |
| Major Repairs & Replacement | 728,794 | 1,232,070 | 701,643 | 1,341,420 | 807,650 | 4,061,783 | 1,171,883 |
| Meter Shop | 2,498,726 | 2,498,726 | 1,412,178 | 2,113,849 | 1,229,785 | 1,629,450 | 1,019,602 |
| Total Operating Expenses | 48,446,307 | 47,194,423 | 21,981,402 | 46,251,828 | 22,431,105 | 46,901,939 | 19,911,120 |
| Operating Margin | 15,382,056 | 21,782,494 | 8,029,195 | 20,316,127 | 7,200,378 | 16,307,327 | 6,858,771 |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| Net Transfers in (out) | (1,258,000) | (1,258,000) | (629,000) | (1,071,000) | (962,534) | (1,648,864) | (680,864) |
| Federal ARRA Grant | - | - | - | 1,825,606 | - | - | - |
| Depreciation | (7,993,330) | (7,993,330) | (3,996,665) | (7,567,604) | (4,771,288) | (7,139,000) | (3,598,222) |
| Special Assessments | - | - | (841,366) | 766,299 | (975,187) | 1,234,068 | 20,363 |
| Net Interest Income (Exp) | - | - | (1,571,959) | (3,655,735) | (1,582,297) | (3,405,967) | (1,369,554) |
| Other Non-Operating Income | 2,000,000 | 2,000,000 | 38,386 | 239,913 | 53,875 | 344,653 | - |
| Other Non Operating (Expense) | (2,000,000) | (2,000,000) | (199,463) | (760,842) | (308,490) | (919,308) | (199,727) |
| Total Non-Operating Revenues (Expenses) | (9,251,330) | (9,251,330) | (7,200,067) | (10,223,363) | (8,545,921) | (11,534,418) | (5,828,005) |
| Net Income | 6,130,726 | 12,531,164 | 829,128 | 10,092,764 | (1,345,543) | 4,772,909 | 1,030,766 |
| Significant Balance Sheet Items | | | | | | | |
| Operating Cash | | | 2,459,824 | (2,007,396) | (1,672,528) | 473,025 | 1,009,506 |
| Construction Cash 011261 | | | 5,719,970 | 2,105,169 | 16,615,000 | 8,118,608 | - |
| Accounts Receivable | | | 5,597,771 | 5,140,449 | 4,983,606 | 3,668,667 | 7,993,634 |
| Bonds & Notes Payable | | | 108,781,332 | 100,371,398 | 89,777,732 | 97,701,909 | 78,970,048 |
| | | | | | | | - |
| Significant Cash Flow Items | | | | | | | |
| Capital Outlay | 1,500,000 | 12,000,000 | 8,102,631 | 25,148,297 | 10,444,889 | 15,087,425 | 2,688,239 |
| Bond & Note Principle payments | - | - | 1,000,000 | 6,075,868 | 1,582,297 | 6,926,791 | - |
| Refunding Principal Payments | - | - | - | - | 12,615,000 | - | - |
| Total Cash Flow Items | 1,500,000 | 12,000,000 | 9,102,631 | 31,224,165 | 24,642,186 | 22,014,216 | 2,688,239 |

**City of Minneapolis
Municipal Parking Fund
For the Six Months Ended June 30, 2010**

| Fund 7500* | 2010 Current Budget | June 30,2010 Qtr End Actual | Remaining Budget | % of Actual To Budget |
|----------------------|------------------------------------|--|-----------------------------|--|
| Revenue | 42,434,031 | 20,781,483 | 21,652,548 | 49% |
| Expenditures | 32,806,188 | 12,365,210 | 20,440,978 | 38% |
| Operating Margin | 9,627,843 | 8,416,273 | | |
| Net Income (Loss) | 665,214 | 3,851,700 | | |

* Figures in the table do not include State-owned ABC parking facilities.

Net Income (Loss) includes all non-operating expenditures & revenues such as depreciation expense, bond interest expense and transfers between funds

Program Description:

This fund primarily accounts for operation and maintenance of parking ramps, lots, on-street parking meters, and the municipal impound lot. Major parking-related capital construction and development activities occur in this fund. In addition, this fund accounts for transfers in and out as noted below.

Revenues:

The 2010 2nd quarter revenues are down in comparison to the 2010 budget by 1%.

Impound Lot revenues are down 3% compared to budget.

On-street meters are down 1% compared to budget.

Off-street ramps and lots are down 1% compared to budget.

Expenditures:

The 2010 2nd quarter expenses are below the 2010 budget by 12 %.

Impound Lot expenses are down 12% compared to budget.

On-street meters are up 10% compared to budget.

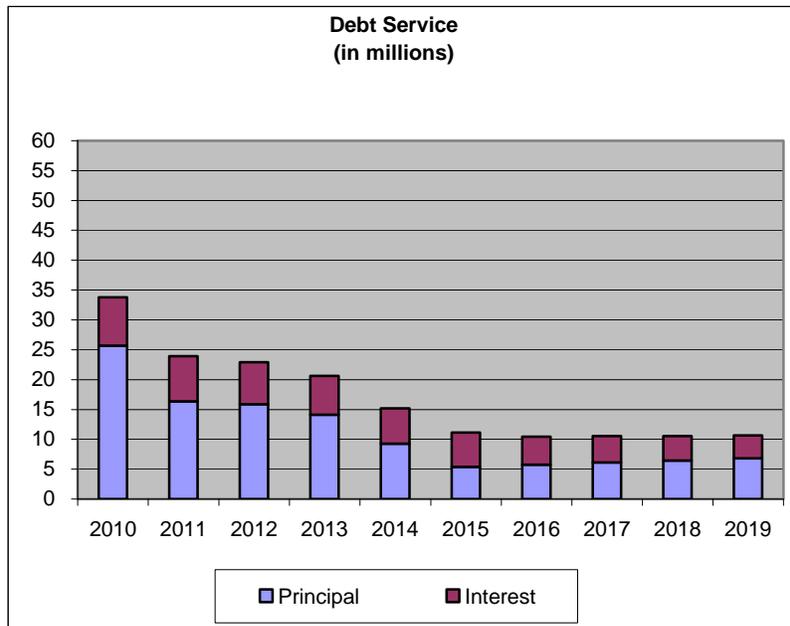
Off-street ramps and lots are down 12% compared to budget.

Transfers to and from other funds:

The 2010 transfers into and out of the Parking Fund are programmed and planned according to the 2010 budget. During 2010 \$16.3 million of funds will be transferred in and \$10.3 million of funds will be transferred out to cover debt service bonds..

Debt Service:

There is currently \$172 million in outstanding bonds. Through the second quarter of 2010 \$3.6 million of bonds were paid. There was a refunding bond sale and recall of \$13 million in Parking System.



The Parking System has an annual \$1.7 million capital program. Thus, the total amount of outstanding bonds in the Parking Fund has increased by \$1.7 million in 2010 with the sale of additional bonds to fund facilities repairs and improvements.

Other Financial Items:

The current operating cash balance is \$18.1 million. The City's policy is to have cash equal to or greater than three months of operating expenses. Therefore, the target cash balance is \$6.2 million, which results in \$11.9 million remaining. The \$11.9 million is reserved for future debt service payments.

Parking Fund Workout Plan:

A financial workout plan, as adopted in 2004 by the City Council, approved Parking Fund initiatives to cut costs and increase revenues. The financial plan is in the process of being revised due to the successful parking initiatives and financial efforts that include the sale of 6 ramps in 2007 and 1 in February of 2008, the refinancing of debt at better rates, and the parking system initiatives geared to increase revenues and decrease expenses. An updated financial plan and projections should be available in later 2010.

The efforts related to the 2004 Workout Plan and specific performance includes:

Revenues:

- **Off-Street Parking and Enhanced Parking Ramp Marketing Activities:** Figures for 2010 indicate that revenue was negatively impacted by office vacancy rates and the economic downturn. The offering of credit payment and on-line payments for monthly customers in our newly automated facilities plus ongoing initiatives are contributing factors to attracting more daily customers.

- **On-Street Parking and Parking Meter Management Plan:** The vendors were approved by City Council, contracts are being negotiated and new meter equipment will begin implementation in 2010. New meter equipment features include offering multiple payment options, adjustable rate technology, improved enforcement capabilities, and electronic monitoring and reporting using the City's WiFi network. Also, Public Works continues to examine opportunities for deploying meters in new locations.
- On-Street meter revenues are down due to a combination of the economy, street construction, ballpark meter hooding, and old meter equipment failures.
- **Impound Lot and Collection of Unpaid Tow and Storage Fees:** The impound lot revenue is below target for 2010 due to reduced towing (less snow emergency tows, spring sweep tows, and white tag police tows).

Expenditures:

- Off-street parking expenses are below budget. Budget savings are primarily a result of reduced costs due to added automation, centralization, and executing new janitorial contracts.
- **Enhance Wayfinding Program:** Twenty one (21) additional Dynamic Display Signs were added to our existing Wayfinding Program as part of the Marquette and 2nd Avenue Projects. Additional changeable message signs were implemented on 1st Avenue North, outlining arterial inbound streets for the new ballpark and congestion areas for the Downtown Traffic Management efforts.
- **Repair & Maintenance Program:** Major 2010 projects include ongoing automation of the revenue control equipment and systems upgrades at 11th and Marquette and the Leamington Ramps, and the refurbishing elevator equipment at the 11th and Marquette Ramp and the Federal Courts Ramp.
- Impound Lot expenditures are under budget approximately \$730,000 primarily due to reduced towing.
- On-Street Parking meter expenditures were less than budgeted by \$154,000 due to reduced equipment costs pending new meter installs.

Based on the 2010 2nd quarter information, the following table presents a summary of each business line actual 2010 budget figures, a 2010 year end actuals, and the variances between them.

| Revenue* And Expense Categories | 2010 Current Budget | 2010 Year End Projection based on Actual to date | Variance Budget Vs Actual |
|--|------------------------------------|---|--|
| Off-Street Parking | 28,869,251 | 30,317,546 | 1,448,295 |
| On-Street Parking | 6,798,643 | 6,907,253 | 108,610 |
| Impound Lot | 6,766,137 | 6,333,617 | (432,520) |
| Total Revenue | 42,434,031 | 43,558,417 | 1,124,386 |
| Off-Street Parking | 25,347,203 | 24,494,260 | (852,943) |
| On-Street Parking | 1,560,098 | 1,373,768 | (186,330) |
| Impound Lot | 5,898,887 | 5,303,958 | (594,929) |
| Total Expenditures | 32,806,188 | 31,171,986 | (1,634,202) |
| Operating Margin | 9,627,843 | 12,386,431 | 2,758,588 |

*Figures in the table do not include State-owned ABC parking facilities.

Summary:

Based on the 2010 data and past historical trends, the expected year end:

Projected revenues would exceed the amount budgeted by 2.7%

Projected expenditures would be under budget by 5.0%

Thereby resulting in an overall increase in the operating margin of \$2,758,588 or 28.7% more than the annual budget.

City of Minneapolis, Minnesota
Municipal Parking Fund
Statement of Revenues and Expenditures
For Second Quarter/Years Ending 2010, 2009, and 2008

| | Current Budget Year 2010 | Projected Year Ending 2010 | For Period Ending 30-Jun-10 | For Year Ending 2009 | For Period Ending 30-Jun-09 | For Year Ending 2008 | For Period Ending 30-Jun-08 |
|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| Off-Street Parking: City Owned | 28,869,251 | 30,317,546 | 14,325,375 | 27,169,976 | 13,689,725 | 28,485,621 | 14,215,359 |
| Off-Street Parking: State Owned | 10,302,002 | 16,346,518 | 10,448,006 | 12,206,025 | 3,278,944 | 9,695,494 | 4,361,081 |
| Towing | 6,766,137 | 6,333,617 | 3,150,056 | 6,600,080 | 3,512,803 | 7,326,364 | 4,241,663 |
| On-Street Meters | 6,798,643 | 6,907,253 | 3,306,052 | 6,971,681 | 3,382,366 | 6,976,669 | 3,608,171 |
| Total Operating Revenues | 52,736,033 | 59,904,934 | 31,229,489 | 52,947,762 | 23,863,838 | 52,484,148 | 26,426,274 |
| Operating Expenses: | | | | | | | |
| Off-Street Parking: City Owned-Direct Expenses | 17,804,959 | 17,168,132 | 7,885,939 | 16,375,153 | 8,363,543 | 15,889,943 | 7,064,165 |
| Off-Street Parking: State Owned-Direct Expenses | 8,165,008 | 14,265,950 | 9,364,343 | 11,118,635 | 4,146,846 | 7,859,934 | 3,425,418 |
| Towing | 5,898,887 | 5,303,958 | 2,219,180 | 4,948,492 | 2,395,278 | 4,906,788 | 2,470,794 |
| On-Street Meters | 1,560,098 | 1,373,768 | 626,218 | 1,067,909 | 539,492 | 857,476 | 393,270 |
| Other Operating Expenses | 7,542,244 | 7,326,128 | 1,633,873 | 3,998,690 | 1,890,087 | 3,726,078 | 1,065,705 |
| Total Operating Expenses | 40,971,196 | 45,437,936 | 21,729,553 | 37,508,879 | 17,335,246 | 33,240,219 | 14,419,352 |
| Operating Margin | 11,764,837 | 14,466,998 | 9,499,936 | 15,438,883 | 6,528,592 | 19,243,929 | 12,006,922 |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| General Fund Transfer Out | (7,818,000) | (7,818,000) | (3,909,000) | (7,818,000) | (3,909,000) | (8,618,000) | (4,309,000) |
| Arena Reserve Transfer Out | (2,241,000) | (2,241,000) | (1,120,500) | (2,241,000) | (1,120,500) | (2,241,000) | (1,120,500) |
| Debt Service Transfer Out | (111,000) | (111,000) | (55,500) | (115,000) | (57,500) | (104,000) | (52,000) |
| Internal Service Fund Transfer Out | - | - | - | - | - | 0 | - |
| Sanitation Transfer Out | (146,000) | (146,000) | (73,000) | (146,000) | (73,000) | (146,000) | (73,000) |
| Total Transfers Out | (10,316,000) | (10,316,000) | (5,158,000) | (10,320,000) | (5,160,000) | (11,109,000) | (5,554,500) |
| Convention Center related facility Transfer | 8,886,000 | 8,886,000 | 4,443,000 | 9,968,998 | 4,984,499 | 9,832,000 | 4,916,000 |
| TI and MCDA Transfers In | 7,433,308 | 7,433,308 | 3,716,654 | 12,992,865 | 6,496,433 | 7,386,506 | 3,693,253 |
| Arbitrage Fund and Other Transfers In | - | - | - | - | - | - | - |
| Total Transfers In | 16,319,308 | 16,319,308 | 8,159,654 | 22,961,863 | 11,480,932 | 17,218,506 | 8,609,253 |
| Depreciation | (6,703,980) | (6,703,980) | (3,438,169) | (6,703,978) | (3,351,989) | (6,392,796) | (3,196,398) |
| Special Assessments | 0 | 0 | - | 0 | - | 113,846 | - |
| Interest | (8,261,957) | (8,261,957) | (4,130,979) | (8,869,503) | (4,434,752) | (10,047,006) | (5,023,503) |
| Other Non Operating Expenses | 0 | 0 | - | 0 | 0 | 0 | 0 |
| Other Non-Operating Income * | 0 | - | 2,921 | 5,798 | 1,975 | 2,469,626 | 2,462,437 |
| Total Non-Operating Revenues (Expenses) | (8,962,629) | (8,962,629) | (4,564,573) | (2,925,820) | (1,463,834) | (7,746,824) | (2,702,711) |
| Net Income+/(=) | 2,802,208 | 5,504,369 | 4,935,364 | 12,513,063 | 5,064,758 | 11,497,105 | 9,304,211 |

* - In 2008 1 ramp was sold with a gain on sale of \$2,458,363.

Significant Balance Sheet Items

| | | | | | |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| Operating Cash | 18,106,886 | 13,211,301 | 22,092,013 | 25,294,458 | 44,136,778 |
| Bonds Payable | 171,770,042 | 175,360,042 | 192,100,042 | 202,125,042 | 231,180,542 |
| Total Balance Sheet Items | - | 189,876,928 | 188,571,343 | 214,192,055 | 275,317,320 |

Significant Cash Flow Items

| | | | | | | |
|--|------------|-----------|------------|------------|------------|-----------|
| Principal on debt (net of Refunding Bonds) | 12,280,000 | 3,590,000 | 84,760,000 | 13,425,000 | 36,025,500 | 6,960,000 |
| Capital Outlay | 1,700,000 | 1,700,000 | 569,102 | 1,675,135 | 113,771 | 2,270,434 |
| Total Cash Flow Items | | 4,159,102 | 86,435,135 | 13,538,771 | 38,295,934 | 7,103,785 |

**City Of Minneapolis
Solid Waste and Recycling Fund
For the Second Quarter Ending June 30, 2010**

| Fund 07700 | 2010 Budget | 06/30/10 Actual | Remaining Budget | % of Actual To Budget |
|------------------------|------------------------|----------------------------|-----------------------------|----------------------------------|
| Operating Revenue | 28,982,210 | 15,126,126 | 13,856,084 | 52% |
| Operating Expenditures | 33,546,645 | 13,827,163 | 19,719,482 | 41% |
| Operating Margin | (4,564,435) | 1,298,963 | | |
| Net Income/(Loss) | (6,066,104) | 408,347 | | |

Program Description:

The Solid Waste Fund accounts for City's solid waste collection, disposal, recycling, and graffiti removal operations. The division provides pick up services for trash, yard wastes, and recyclables on a weekly and a biweekly basis. The Fund is responsible for the operations of a solid waste transfer station which serves over 100,000 households. The division also provides "clean city" activities such as neighborhood clean sweeps, litter-graffiti controls and removals city-wide. It has initiated "organics" pilot program in selected school districts and neighborhoods. City crews provide approximately one-half of the solid waste collection services and the other half of the services are provided through a consortium of companies specializing in waste collection.

Revenue:

The operating revenues for the Fund through the quarter totaled \$15.1 million compared to \$14.9 million through the second quarter of 2009. This is an increase of \$.2 million or 1.3%. The grant revenue from Hennepin County has not yet been received but is recognized in this report.

Expenses:

The operating expenses through the second quarter ended at \$13.8 million compared to \$12.7 million in 2009. The increase in expenditures of \$1.1 million or 8.7%, over the same period in 2009, are primarily in the area of collection and yard waste departments.

Transfers:

Estimated transfers into the Solid Waste and Recycling fund include \$146,000 from the Parking fund for litter containers and \$50,000 from the General fund for graffiti removal. Half of these transfers have been recognized through second quarter. Transfers out of the Fund include \$700,000 for alley plowing and \$151,000 for MERF Unfunded Liability. These are transferred out to General Fund when payments for these activities occur. For the quarter ending June 30th, \$525,000 in alley plowing has been transferred, and \$76,000 in MERF transfer has been recognized.

Debt Service: This fund has no debt service.

Other Financial Items:

The fund's cash balance for the second quarter ended at \$21 million. The accounts receivable balance is \$2.7 million. The City's policy is to have cash equal to or greater than three months of operating expenses. Therefore, the target cash balance is \$7 million, which results in an excess of \$14 million. The excess cash has been built up in this fund mainly for purchase/construction of a new Transfer station scheduled to occur in 2010 and 2011.

City of Minneapolis, Minnesota
Solid Waste and Recycling Fund
Statement of Revenues and Expenses
For Second Quarter/Years Ending 2010, 2009, 2008

| | Budget Year 2010 | Projection Year 2010 | For Period Ending 6/30/2010 | For Year Ending 12/31/2009 | For Period Ending 6/30/2009 | For Year Ending 12/31/2008 | For Period Ending 6/30/2008 |
|--|------------------------|----------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| Operating Revenues: | | | | | | | |
| County Grants | 800,000 | 800,000 | 400,000 | 861,090 | 400,000 | 871,639 | 400,000 |
| Solid Waste Fees | 27,582,210 | 27,373,988 | 13,959,897 | 27,740,005 | 13,995,154 | 26,385,324 | 13,414,775 |
| Recyclable Sales | 600,000 | 754,046 | 544,286 | 1,095,426 | 494,231 | 2,284,278 | 1,163,878 |
| Charges for Other Services | - | 451,000 | 221,943 | 493,513 | 8,798 | 85,338 | 14,563 |
| Total Operating Revenues | 28,982,210 | 29,379,032 | 15,126,126 | 30,190,034 | 14,898,183 | 29,626,579 | 14,993,216 |
| Operating Expenses: | | | | | | | |
| Collection | 7,880,888 | 7,195,000 | 3,753,703 | 6,539,878 | 3,114,983 | 6,894,417 | 3,448,056 |
| Recycling | 3,436,202 | 3,161,512 | 1,693,214 | 3,170,643 | 1,564,731 | 3,063,915 | 1,512,057 |
| Disposal | 6,550,527 | 5,568,314 | 2,378,168 | 5,201,125 | 2,263,737 | 4,892,029 | 1,699,837 |
| Yard Waste | 2,637,776 | 1,511,037 | 711,065 | 1,260,484 | 496,531 | 1,607,817 | 850,648 |
| Large Item/Problem Material | 1,597,502 | 1,200,916 | 563,067 | 1,085,656 | 525,329 | 1,027,048 | 503,839 |
| Transfer Stations | 316,185 | 360,000 | 213,936 | 285,917 | 92,413 | 206,433 | 240,302 |
| Administration | 4,212,492 | 3,928,000 | 1,979,091 | 4,757,839 | 2,318,953 | 4,205,374 | 1,421,287 |
| Customer Service | 711,839 | 604,006 | 284,435 | 452,765 | 226,237 | 580,176 | 213,233 |
| Clean City | 2,205,529 | 1,858,293 | 868,513 | 1,806,533 | 927,347 | 1,855,486 | 746,070 |
| Equipment | 3,459,705 | 3,346,937 | 1,288,405 | 3,460,215 | 1,194,617 | 2,352,836 | 1,212,199 |
| Organics | 538,000 | 484,200 | 93,566 | | | | |
| Total Operating Expenses | 33,546,645 | 29,218,213 | 13,827,163 | 28,021,055 | 12,724,878 | 26,685,531 | 11,847,528 |
| Operating Margin | (4,564,435) | 160,819 | 1,298,963 | 2,168,979 | 2,173,304 | 2,941,048 | 3,145,688 |
| Non-Operating Revenues/(Expenses) | | | | | | | |
| Net Transfers In | 196,000 | 196,000 | 98,000 | 196,000 | 98,000 | 346,000 | 98,000 |
| Net Transfers Out | (851,000) | (851,000) | (601,000) | (821,000) | (425,500) | (809,000) | (425,500) |
| Gains (Losses) | | | | | | | |
| Depreciation | (804,741) | (804,741) | (387,616) | (804,741) | (423,335) | (846,669) | (402,371) |
| Special Assessments | - | | - | 221,307 | | 572,827 | 64,335 |
| Total Non-Operating Revenues (Expenses) | (1,459,741) | (1,459,741) | (890,616) | (1,208,434) | (750,835) | (736,842) | (665,535) |
| Net Income | (6,024,176) | (1,298,922) | 408,347 | 960,545 | 1,422,470 | 2,204,206 | 2,480,153 |
| Significant Balance Sheet Items | | | | | | | |
| Operating Cash | | | 21,134,210 | 20,560,355 | 20,347,798 | 20,667,205 | 22,815,153 |
| Accounts Receivable | | | 2,659,546 | 2,783,698 | 2,907,087 | 2,882,587 | 3,174,964 |

CPED Enterprise Fund Component Programs
Statement of Net Assets
12/31/09 and 6/30/10

| | Housing Development Fund 12/31/2009 | Housing Development Fund 6/30/2010 | General Agency Reserve Fund System 12/31/2009 | General Agency Reserve Fund System 6/30/2010 | Theatres 12/31/2009 | Theatres 6/30/2010 | River Terminal 12/31/2009 | River Terminal 6/30/2010 | Economic Development Program 12/31/2009 | Economic Development Program 6/30/2010 |
|---|--|---|--|---|------------------------|-----------------------|---------------------------------|--------------------------------|--|---|
| ASSETS | | | | | | | | | | |
| Current assets: | | | | | | | | | | |
| Cash and cash equivalents | \$ 537,228 | \$ 539,474 | \$ 1,209,519 | \$ 1,459,028 | \$ (2,067,175) | \$ (2,075,817) | \$ (367,894) | \$ (361,927) | \$ 711,935 | \$ 555,914 |
| Deposits with fiscal agents | - | - | 37,899,894 | - | - | - | - | - | (150,990) | (990) |
| Loans and notes receivable | 70,000 | 70,000 | 780,000 | - | - | - | - | - | - | - |
| Capital leases | - | - | 2,590,000 | - | - | - | - | - | - | - |
| Other current assets | 14,361 | 14,361 | 108,513 | 5,504 | (7,356) | (7,356) | 37,478 | 20,484 | 2,332 | 2,332 |
| Total current assets | 621,589 | 623,835 | 42,587,926 | 1,464,532 | (2,074,531) | (2,083,173) | (330,416) | (341,443) | 563,277 | 557,256 |
| Noncurrent assets: | | | | | | | | | | |
| Loans and notes receivable | 838,038 | 838,038 | 405,000 | - | - | - | - | - | - | - |
| Capital leases | - | - | 53,585,085 | - | - | - | - | - | - | - |
| Capital assets (net of accumulated depreciation) | - | - | - | - | - | - | 6,830,542 | 6,656,779 | - | - |
| Total noncurrent assets | 838,038 | 838,038 | 53,990,085 | - | - | - | 6,830,542 | 6,656,779 | - | - |
| Total assets | \$ 1,459,627 | \$ 1,461,873 | \$ 96,578,011 | \$ 1,464,532 | \$ (2,074,531) | \$ (2,083,173) | \$ 6,500,126 | \$ 6,315,336 | \$ 563,277 | \$ 557,256 |
| LIABILITIES | | | | | | | | | | |
| Current liabilities: | | | | | | | | | | |
| Due to other funds | - | - | - | - | - | - | - | - | 80,000 | - |
| Deposits held for others | - | - | 3,704,823 | - | - | - | - | - | - | - |
| Unearned revenue | - | - | 760,839 | - | - | - | - | - | - | - |
| Bonds payable - current portion | - | - | 3,370,000 | - | - | - | - | - | - | - |
| Notes payable - current portion | - | - | - | - | - | - | - | - | 135,571 | 135,571 |
| Other current liabilities | - | - | 277,978 | 8,386 | (4) | (4) | 12,905 | 318 | 10,996 | 17,203 |
| Total current liabilities | - | - | 8,113,640 | 8,386 | (4) | (4) | 12,905 | 318 | 226,567 | 152,774 |
| Noncurrent liabilities: | | | | | | | | | | |
| Bonds payable | - | - | 53,995,000 | - | - | - | - | - | - | - |
| Notes payable | - | - | - | - | - | - | - | - | 454,866 | 454,866 |
| Compensated absences payable | - | - | 5,453 | 5,453 | - | - | 778 | 778 | 157 | 157 |
| Total noncurrent liabilities | - | - | 54,000,453 | 5,453 | - | - | 778 | 778 | 455,023 | 455,023 |
| Total liabilities | - | - | 62,114,093 | 13,839 | (4) | (4) | 13,683 | 1,096 | 681,590 | 607,797 |
| NET ASSETS | | | | | | | | | | |
| Invested in capital assets, net of related debt | - | - | - | - | - | - | 6,830,542 | 6,656,779 | - | - |
| Restricted | - | - | 34,463,918 | 1,450,693 | - | - | - | - | - | - |
| Unrestricted | 1,459,627 | 1,461,873 | - | - | (2,074,527) | (2,083,169) | (344,099) | (342,539) | (118,313) | (50,541) |
| Total net assets | 1,459,627 | 1,461,873 | 34,463,918 | 1,450,693 | (2,074,527) | (2,083,169) | 6,486,443 | 6,314,240 | (118,313) | (50,541) |
| Total liabilities & net assets | \$ 1,459,627 | \$ 1,461,873 | \$ 96,578,011 | \$ 1,464,532 | \$ (2,074,531) | \$ (2,083,173) | \$ 6,500,126 | \$ 6,315,336 | \$ 563,277 | \$ 557,256 |

CPED Enterprise Fund Component Programs
Statement of Revenues, Expenses, and Changes in Program Net Assets
For the Year Ended 12/31/09, and the Six Months Ended 6/30/10

| | Housing Development Fund 1/1-12/31/09 | Housing Development Fund 1/1-6/30/10 | General Agency Reserve Fund System 1/1-12/31/09 | General Agency Reserve Fund System Operations 1/1-6/30/10 | Theatres 1/1-12/31/09 | Theatres 1/1-6/30/10 | River Terminal 1/1-12/31/09 | River Terminal 1/1-6/30/10 | Economic Development Program 1/1-12/31/09 | Economic Development Program 1/1-6/30/10 |
|--|--|---|--|--|--------------------------|-------------------------|-----------------------------------|----------------------------------|--|---|
| Operating revenues | | | | | | | | | | |
| Charges for sales and services | \$ - | \$ - | \$ 270,318 | \$ 217,031 | \$ - | \$ - | \$ 1,810,975 | \$ 734,863 | \$ 29,732,592 | \$ 102,290 |
| Interest on program activities | 58,350 | - | 3,394,208 | - | - | - | - | - | - | - |
| Other | - | - | 6,591 | 129,768 | - | - | - | - | - | - |
| Total operating revenues | 58,350 | - | 3,671,117 | 346,799 | - | - | 1,810,975 | 734,863 | 29,732,592 | 102,290 |
| Operating expenses: | | | | | | | | | | |
| Personal services | - | - | - | 58,288 | 3,077 | - | 20,838 | 151 | 4,050 | 7,383 |
| Contractual services | 183,776 | - | 285,468 | 44,369 | 2,754 | - | 1,549,943 | 730,858 | 19,210 | 29,633 |
| Other | - | - | - | 1,575 | - | - | - | 500 | 985,710 | - |
| Depreciation expense | - | - | - | - | - | - | 359,718 | 173,763 | - | - |
| Total operating expenses | 183,776 | - | 285,468 | 104,232 | 5,831 | - | 1,930,499 | 905,272 | 1,008,970 | 37,016 |
| Operating income | (125,426) | - | 3,385,649 | 242,567 | (5,831) | - | (119,524) | (170,409) | 28,723,622 | 65,274 |
| Nonoperating revenues (expenses) | | | | | | | | | | |
| Interest on investments | 7,975 | 2,246 | 704,141 | 5,847 | (30,662) | (8,642) | (6,474) | (1,794) | (2,360) | 2,498 |
| Interest expense | - | - | (3,401,627) | - | - | - | - | - | (41,609) | - |
| Total nonoperating revenue (expenses) | 7,975 | 2,246 | (2,697,486) | 5,847 | (30,662) | (8,642) | (6,474) | (1,794) | (43,969) | 2,498 |
| Income (loss) before transfers | (117,451) | 2,246 | 688,163 | 248,414 | (36,493) | (8,642) | (125,998) | (172,203) | 28,679,653 | 67,772 |
| Net transfers from (to) other funds | - | - | (680,042) | - | - | - | - | - | (29,070,500) | - |
| Change in net assets | (117,451) | 2,246 | 8,121 | 248,414 | (36,493) | (8,642) | (125,998) | (172,203) | (390,847) | 67,772 |
| Total net assets - January 1 | 1,577,078 | 1,459,627 | 34,455,797 | 1,202,279 | (2,038,034) | (2,074,527) | 6,612,441 | 6,486,443 | 272,534 | (118,313) |
| Total net assets - December 31 | \$ 1,459,627 | \$ 1,461,873 | \$ 34,463,918 | \$ 1,450,693 | \$ (2,074,527) | \$ (2,083,169) | \$ 6,486,443 | \$ 6,314,240 | \$ (118,313) | \$ (50,541) |

Housing Development - This fund accounts for various home ownership and home improvement programs. These are mature programs. The residual balances are committed to the operations of the Minneapolis-St Paul Housing Finance Board.

General Agency Reserve Fund System - This fund accounts for a program in which revenue bonds are issued to finance economic development. The program obtains lease or loan agreements from developers to meet the debt service requirements of the financing. The funds are restricted by bond covenants and the need of the City to minimize risk in its support of the GARFS. The funds are critical to maintaining the "A+" rating of the fund. Only the administrative operations portion of the fund is presented at 6/30/10. Other information for the fund is maintained by a trustee and not available for inclusion at 6/30.

Theatres - This fund accounted for the operations of the State, Orpheum and the Pantages theatres. The City no longer operates these theatres. The fund accounts for residual balances and activity.

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

Economic Development Program - This fund accounts for the Capital Investment Fund Program with the Federal Home Loan Bank, which provides loans to businesses for economic development and the creation of jobs, as well as for certain defaulted properties.

CPED Enterprise Fund Component Programs
Summary Statement of Revenues, Expenses, and Changes in Fund Net assets
2004-2009

Housing Development fund

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Operating revenues | \$ 290,496 | \$ 202,748 | \$ 99,025 | \$ 119,577 | \$ 80,377 | \$ 58,350 |
| Operating expenses | 77,185 | 365,925 | 1,075,410 | 581,374 | 561,164 | 183,776 |
| Nonoperating revenues (expenses) | (148,383) | (28,336) | 71,276 | 27,819 | 11,312 | 7,975 |
| Net transfers | (193,829) | - | - | - | - | - |
| Change in net assets | (128,901) | (191,513) | (905,109) | (433,978) | (469,475) | (117,451) |
| Total net assets - January 1 | 3,706,055 | 3,577,154 | 3,385,641 | 2,480,532 | 2,046,554 | 1,577,078 |
| Total net assets - December 31 | \$ 3,577,154 | \$ 3,385,641 | \$ 2,480,532 | \$ 2,046,554 | \$ 1,577,079 | \$ 1,459,627 |

General Agency Reserve Fund System

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Operating revenues | \$ 2,620,110 | \$ 4,637,245 | \$ 3,969,837 | \$ 4,126,258 | \$ 3,792,555 | \$ 3,671,117 |
| Operating expenses | 356,297 | 349,531 | 226,041 | 229,858 | 222,198 | 285,468 |
| Nonoperating revenues (expenses) | (3,681,327) | (3,620,167) | (2,441,034) | (2,010,722) | (2,128,986) | (2,697,486) |
| Net transfers | 1,724,376 | - | (2,097,097) | (2,093,092) | - | (680,042) |
| Change in net assets | 306,862 | 667,547 | (794,335) | (207,414) | 1,441,371 | 8,121 |
| Total net assets - January 1 | 33,041,766 | 33,348,628 | 34,016,175 | 33,221,840 | 33,014,426 | 33,455,797 |
| Total net assets - December 31 | \$ 33,348,628 | \$ 34,016,175 | \$ 33,221,840 | \$ 33,014,426 | \$ 34,455,797 | \$ 33,463,918 |

Theatres

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------------------------|--------------|----------------|----------------|----------------|----------------|----------------|
| Operating revenues | \$ 3,365,051 | \$ 3,903,921 | \$ - | \$ 513,816 | \$ - | \$ - |
| Operating expenses | 3,815,458 | 5,403,144 | 819,960 | (208) | 5,630 | 5,831 |
| Nonoperating revenues (expenses) | 67,456 | (9,449,573) | (1,334,996) | (113,243) | (41,072) | (30,662) |
| Net transfers | (1,651,016) | - | 1,497,097 | - | - | - |
| Change in net assets | (2,033,967) | (10,948,796) | (657,859) | 400,781 | (46,702) | (36,493) |
| Total net assets - January 1 | 11,248,509 | 9,214,542 | (1,734,254) | (2,392,113) | (1,991,332) | (2,038,034) |
| Total net assets - December 31 | \$ 9,214,542 | \$ (1,734,254) | \$ (2,392,113) | \$ (1,991,332) | \$ (2,038,034) | \$ (2,074,527) |

River Terminal

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Operating revenues | \$ 1,862,869 | \$ 1,942,017 | \$ 1,889,902 | \$ 1,286,819 | \$ 1,672,284 | \$ 1,810,975 |
| Operating expenses | 2,458,440 | 2,230,736 | 2,092,052 | 1,904,881 | 1,946,555 | 1,930,499 |
| Nonoperating revenues (expenses) | (3,101) | (12,799) | (12,471) | (27,769) | (14,080) | (6,474) |
| Net transfers | - | - | - | - | - | - |
| Change in net assets | (598,672) | (301,518) | (214,621) | (645,831) | (288,351) | (125,998) |
| Total net assets - January 1 | 8,661,434 | 8,062,762 | 7,761,244 | 7,546,623 | 6,900,792 | 6,612,441 |
| Total net assets - December 31 | \$ 8,062,762 | \$ 7,761,244 | \$ 7,546,623 | \$ 6,900,792 | \$ 6,612,441 | \$ 6,486,443 |

Economic Development Program

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Operating revenues | \$ 5,782,934 | \$ 2,870,438 | \$ 1,848,080 | \$ 1,870,294 | \$ 2,152,926 | \$ 29,732,592 |
| Operating expenses | 7,215,900 | 3,573,883 | 54,549 | 27,246 | 12,498 | 1,008,970 |
| Nonoperating revenues (expenses) | (36,670) | 66,627 | 61,474 | 130,400 | (7,812) | (43,969) |
| Net transfers | (179,999) | (2,151,739) | - | (3,643,039) | (4,009,509) | (29,070,500) |
| Change in net assets | (1,649,635) | (2,788,557) | 1,855,005 | (1,669,591) | (1,876,893) | (390,847) |
| Total net assets - January 1 | 6,402,205 | 4,752,570 | 1,964,013 | 3,819,018 | 2,149,427 | 272,534 |
| Total net assets - December 31 | \$ 4,752,570 | \$ 1,964,013 | \$ 3,819,018 | \$ 2,149,427 | \$ 272,534 | \$ (118,313) |

2010 Second Quarter Investment Report

In accordance with the City's investment policy, revenue not immediately required for payment of obligations shall be placed in authorized investments. The objectives of the City's investment strategy, in order of priority, are safety of principal, liquidity and yield.

As of June 30, 2010, the City's current investment portfolio was valued at \$473 million. The sector holdings and fund distributions are shown below. For the twelve months ended June 30, 2010, the portfolio has outperformed its benchmark.

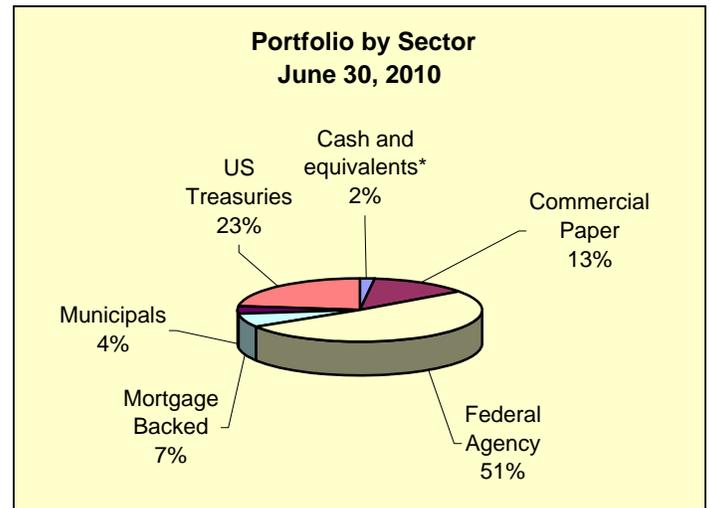
| Investment Performance period ended June 30, 2010 | City Portfolio | Custom Benchmark* |
|--|----------------|-------------------|
| 3 month Total Return | 0.6% | 0.6% |
| 12 months Total Return | 1.6% | 1.1% |
| 3 year Total Return | 2.8% | 2.5% |
| Credit Quality | AGY | TSY |

* Custom Benchmark is a combination of the Merrill Lynch 1-3 year Treasury Index, the Merrill Lynch 3 month US T-Bill Index and the Citigroup 1 month T-Bill Index. The custom benchmark more appropriately aligns with the City's current investment strategy.

Portfolio Holdings By Sector

| Sector Market Value in millions | June 30 2010 | % of port. | June 30 2009 | % of port. |
|------------------------------------|-----------------|---------------|-----------------|---------------|
| Cash and equivalents* | \$ 9.5 | 2% | \$ 52.6 | 13% |
| Commercial Paper | 61.5 | 13% | 53.8 | 13% |
| Federal Agency | 241.2 | 51% | 207.0 | 51% |
| Mortgage Backed | 33.1 | 7% | 41.4 | 10% |
| Municipals | 18.9 | 4% | 33.1 | 8% |
| US Treasuries | 108.8 | 23% | 16.6 | 4% |
| Total Market Value | \$ 473.0 | 100% | \$ 404.5 | 100% |

*Net of checks outstanding



| Funds Book Value in millions | June 30 2010 | % of funds | June 30 2009 | % of funds |
|---------------------------------|-----------------|---------------|-----------------|---------------|
| Debt Service | \$ 42.4 | 9% | \$ 50.2 | 13% |
| Development | 32.4 | 7% | 34.5 | 9% |
| Enterprise Fund | 75.1 | 16% | 56.7 | 14% |
| General | 72.2 | 15% | 35.7 | 9% |
| Internal Service | 27.8 | 6% | 3.8 | 1% |
| Hilton Trust | 21.9 | 5% | 26.0 | 6% |
| NRP | 53.3 | 11% | 27.1 | 7% |
| Park Board | (5.5) | -1% | (8.0) | -2% |
| TIF | 56.8 | 12% | 51.8 | 13% |
| Convention Center | 30.5 | 6% | 34.1 | 8% |
| Other | (0.9) | 0% | 13.6 | 3% |
| Sub Total City Op. Port. | \$ 406.0 | 86% | \$ 325.5 | 81% |
| Bond Proceeds/Const. | 63.7 | 14% | 76.0 | 19% |
| TOTAL Book Value | 469.7 | 100% | 401.5 | 100% |
| Unrealized G/L & Acc int | 3.3 | | 3.0 | |
| All Funds Mkt Value | \$ 473.0 | | \$ 404.5 | |

