

**City of Minneapolis
2012 Budget**

Independent Boards and Agencies

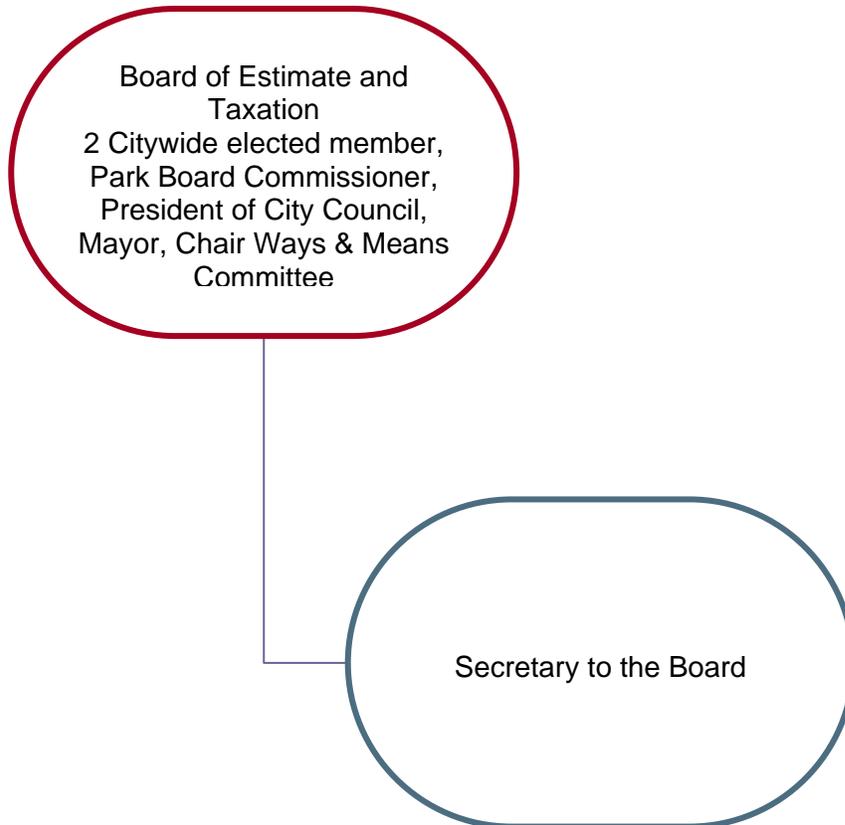
The following board and agency sections include these reports: mission, business line descriptions, performance information, an organizational chart, expense information, revenue information, and staffing information.

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- Park and Recreation Board 493
- Public Housing Authority 499
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BOARD OF ESTIMATE AND TAXATION

MISSION

The mission of the Board of Estimate & Taxation (“BET”) is to obtain citizen input relating to setting the maximum tax levies of the City for compliance with the City Charter and The Truth In Taxation State Statute. The Board, after receiving recommendations from the Mayor and City Council and the Public, sets the maximum tax levies by individual levy for the following: General Fund, Permanent Improvement Fund, Bond Redemption Fund, Minneapolis Fire Relief Association, Minneapolis Police Relief Association, Minneapolis Employees Retirement Fund, Minneapolis Public Housing Authority, Economic Development Chapter 595 levy, Teacher’s retirement Association levies Mn Stat Chap 357 Sec 4 and Laws of Mn 1996 Chap 438 Art 4 Sec 9. Municipal Building Commission, Board of Estimate & Taxation, Lake Pollution Control, Tree Preservation & Reforestation, Shade Tree Diseased Control, Park Rehabilitation & Parkway Maintenance, Park and Recreation. The Board on a vote of a minimum of 5 years issues General Obligation Bonds of the City of Minneapolis used to support the Capital Program, the exception is for Tax Increment Bonds which are issued by the City Council.



Upon request by the City Council and the Park and Recreation Board the BET may vote to incur indebtedness by issuing and selling bonds, and by doing so, pledges full faith and credit of the City for payment of principal and interest. The BET establishes the maximum property tax levies for funds of the City under the State’s Truth-in-Taxation requirements and the City Charter.

FINANCIAL ANALYSIS

EXPENDITURE

The 2012 full expense budget for BET is \$175,500, a 5.1% decrease from 2011. Personnel related costs make up 86% of the budget, with contractual expenses and operating expense making up the remaining 14%. Three of the largest non-personnel expenditures are: General Fund Overhead (\$1,854), BIS charges (\$6,397) and rent (\$4,000). These total \$12,250.

REVENUE

The revenue budget is \$166,600, the same as the 2011 revised budget. The Board receives all its revenue from property tax.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no changes to BET's budget.

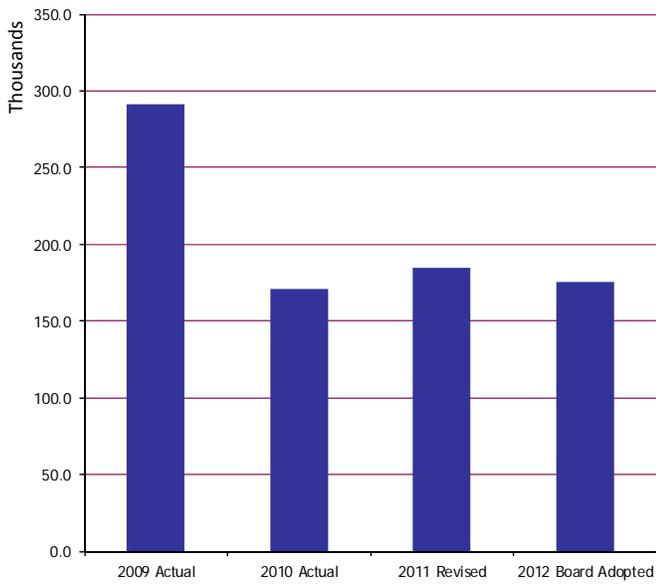
ADOPTED BUDGET

The Board approved the Mayor's recommendation.

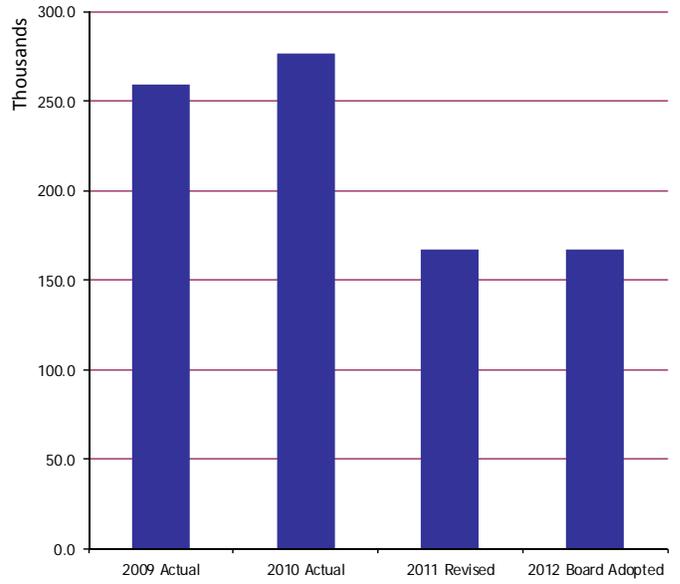
BOARD OF ESTIMATE & TAXATION EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRACTUAL SERVICES	27,747	22,817	16,815	14,588	-13.2%	(2,227)
FRINGE BENEFITS	35,045	18,565	38,452	33,238	-13.6%	(5,214)
OPERATING COSTS	9,175	7,030	12,480	10,503	-15.8%	(1,977)
SALARIES AND WAGES	218,876	122,290	117,117	117,171	0.0%	54
TOTAL SPECIAL REVENUE	290,842	170,701	184,865	175,500	-5.1%	(9,365)
TOTAL EXPENSE	290,842	170,701	184,865	175,500	-5.1%	(9,365)
REVENUE						
SPECIAL REVENUE						
OTHER MISC REVENUES		6,477			0.0%	0
PROPERTY TAXES	252,419	269,793	166,600	166,600	0.0%	0
SALES AND OTHER TAXES	(9)	28			0.0%	0
STATE GOVERNMENT	6,949	370			0.0%	0
TOTAL SPECIAL REVENUE	259,359	276,667	166,600	166,600	0.0%	0
TOTAL REVENUE	259,359	276,667	166,600	166,600	0.0%	0

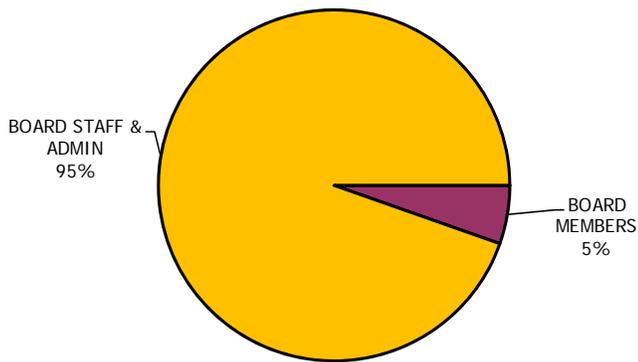
Expense 2009-2012



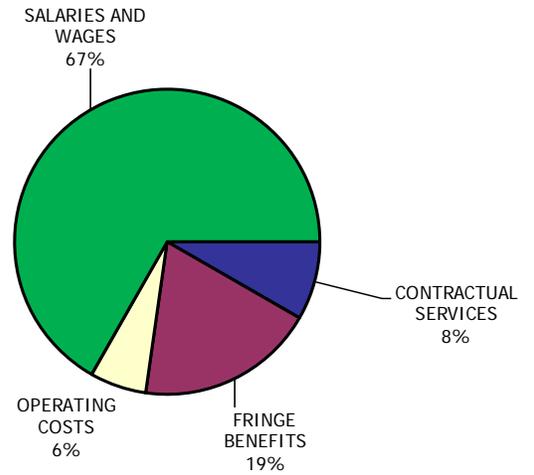
Revenue 2009 - 2012



Expense by Division



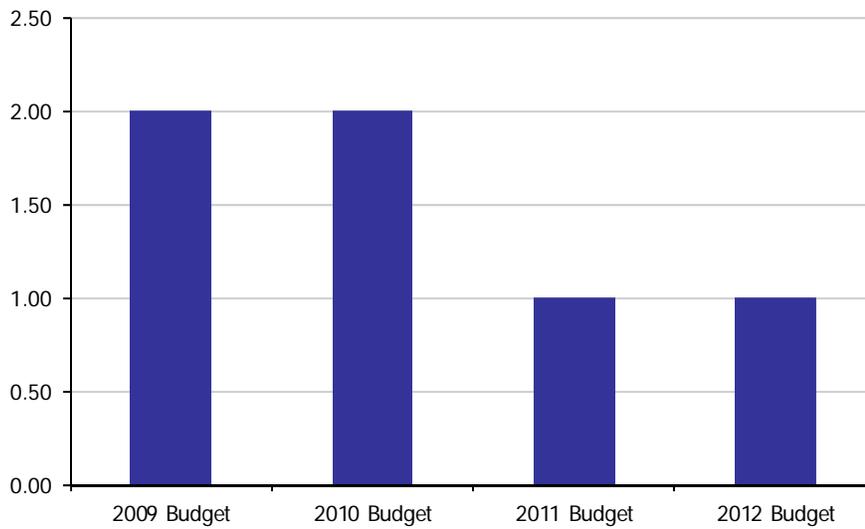
Expense by Category



BOARD OF ESTIMATE & TAXATION Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
BOARD STAFF & ADMIN	1.00	1.00	1.00	1.00	0.0%	0.00
INTERNAL AUDIT	1.00	1.00				0.00
TOTAL	2.00	2.00	1.00	1.00	0.0%	0.00

Positions 2009-2012



MUNICIPAL BUILDING COMMISSION

MISSION

The Municipal Building Commission was created by state statute in 1904 and given exclusive care and control of the Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain, and preserve this historic landmark building and ensure a safe and functional environment for City and County government employees, citizens, and elected officials.

BUSINESS LINES

Care for Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for maintaining the building operating systems including mechanical, electrical and elevators. In addition, the MBC is responsible for providing custodial, utility, repair and maintenance services.

Control of Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for administrative functions including serving as staff to the MBC Board, implementing Board directives, space assignment and coordinating City and County tenant needs as well as planning, emergency preparedness, communications, human resources, labor relations, contract services, information technology, finance, accounting, payroll and operating and capital budgeting activities.

Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse Building:

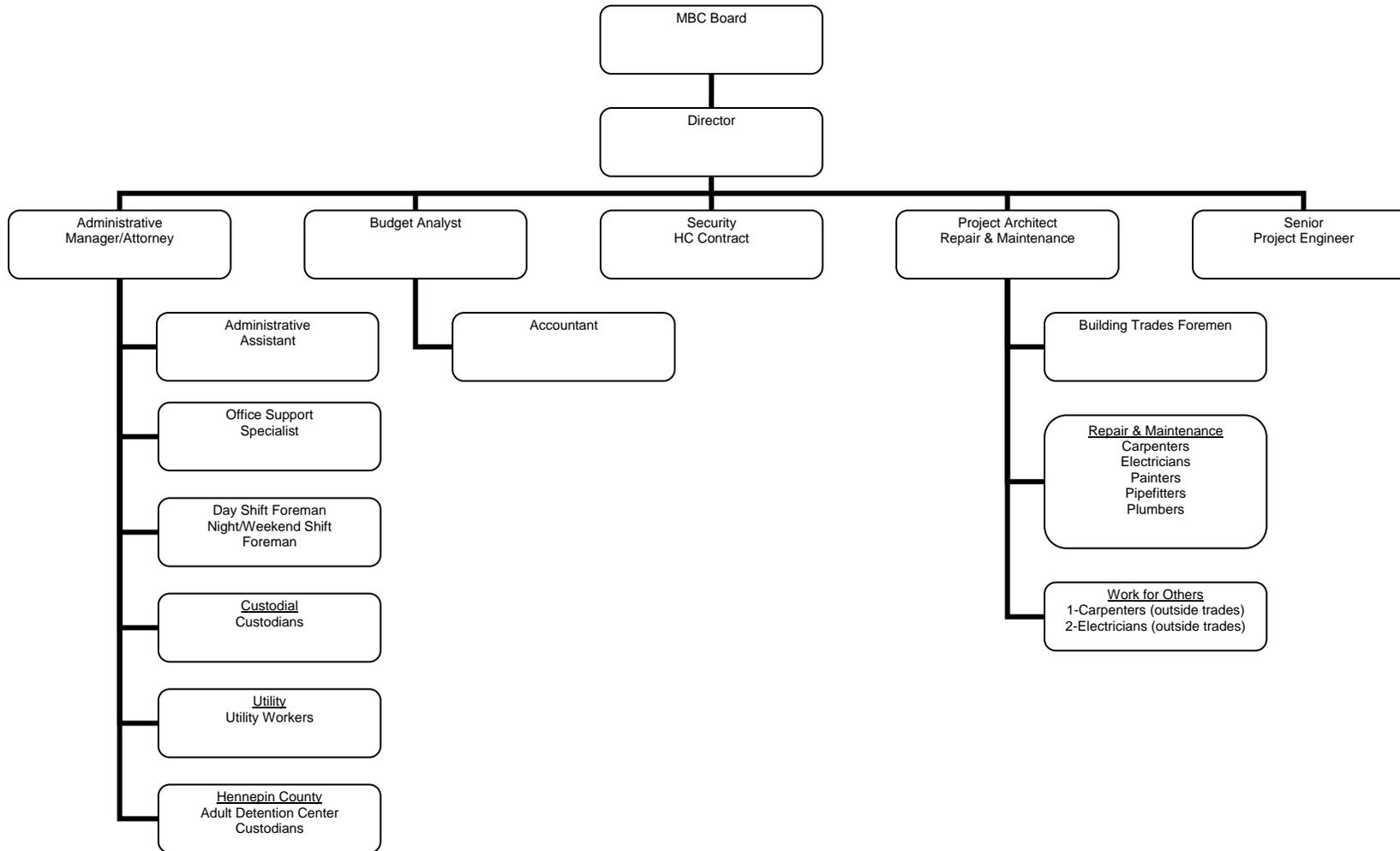
The MBC is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activity both operating and capital in keeping with the agency's mission to provide effective and efficient services to operate, maintain, and preserve the historic landmark City Hall and Courthouse Building and ensure a safe and functional environment for City and County government employees, citizens and elected officials.

Significant Budget Changes

The 2012 budget is essentially flat compared to the 2011 budget. There are major changes however within the details of this budget. MBC security was eliminated and security services are being contracted with Hennepin County in 2011. Some of those MBC security officers have since been reinstated. The 2012 budget will reflect a reduction in personnel costs and an increase in contractual services due to this change. There is no cost savings projected through these contracted security services. A reduction of 6.0 FTEs corresponds with this change. Another significant change is the addition of a supplemental payment to replenish the MERF pension fund. This multi-year payment plan commences in 2012 at an amount of \$292,000 to MBC and will continue at similar amounts over the next 20 years. There is also a \$480,000 payoff of MERF bonds that will be paid out of MBC fund balance (60%) and from Hennepin County (40%).

The inclusion of the MERF supplemental payment in 2012 results in the MBC reducing its operating budget which will be saved through utility savings and other miscellaneous reductions in spending.

2011 MBC Organization Chart



EXPENSE

The full expense budget for MBC is \$8.0 million, a 2.4% increase from 2011. The \$292,000 supplemental payment to replenish MERF comes directly out of the operating budget. Without that, MBC would show a 1.3% reduction in expenses. Personnel make up 52% of the budget, with contractual expenses and operating expense making up the remaining 48%.

REVENUE

The revenue budget of \$8.2 million is a 2.4% increase from the 2011 Adopted Budget. The entire increase (\$192,000) comes from a one-time property tax increase from Hennepin County earmarked to pay their portion of the MERF debt service payoff. The Board will receive nearly all revenue from charges for service.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended that MBC use fund balance to pay MERF debt service.

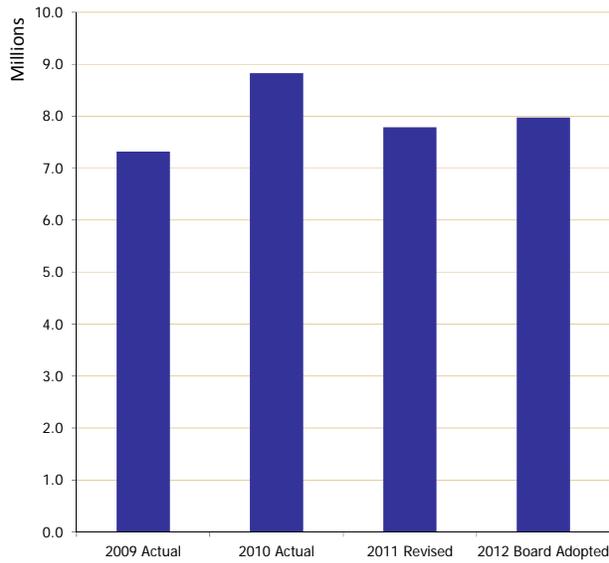
COUNCIL ADOPTED BUDGET

Council approved the Mayor's recommendation.

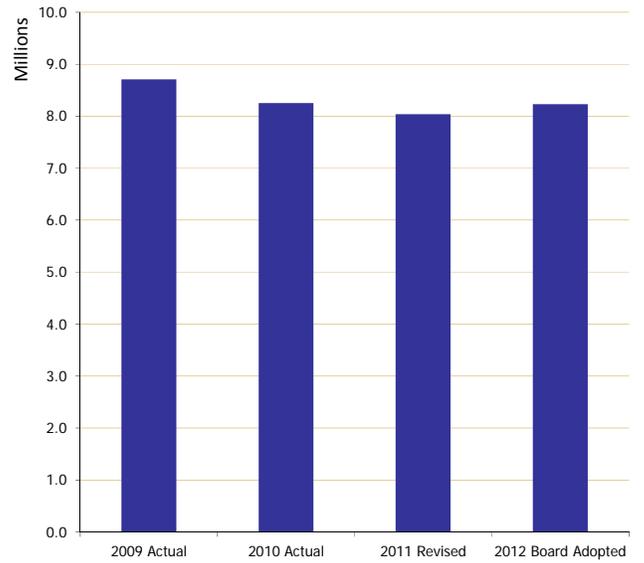
MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
AGENCY						
OPERATING COSTS	(1,282,391)	676,549			0.0%	0
TOTAL AGENCY	(1,282,391)	676,549			0.0%	0
SPECIAL REVENUE						
CAPITAL	13,717				0.0%	0
CONTRACTUAL SERVICES	3,666,826	3,413,060	2,426,959	3,063,674	26.2%	636,715
FRINGE BENEFITS	1,164,586	1,302,359	1,422,121	1,253,772	-11.8%	(168,349)
OPERATING COSTS	789,800	528,120	451,738	742,638	64.4%	290,900
SALARIES AND WAGES	2,968,113	2,906,530	3,486,771	2,914,704	-16.4%	(572,067)
TOTAL SPECIAL REVENUE	8,603,042	8,150,070	7,787,589	7,974,789	2.4%	187,200
TOTAL EXPENSE	7,320,651	8,826,618	7,787,589	7,974,789	2.4%	187,200
REVENUE						
SPECIAL REVENUE						
CHARGES FOR SALES	1,489		6,000	6,000	0.0%	0
CHARGES FOR SERVICES	8,268,308	7,997,198	3,640,597	8,224,959	125.9%	4,584,362
OTHER MISC REVENUES	335	758			0.0%	0
PROPERTY TAXES			4,199,300		-100.0%	(4,199,300)
RENTS	89,019	109,501			0.0%	0
STATE GOVERNMENT	352,533	145,889	192,755		-100.0%	(192,755)
TOTAL SPECIAL REVENUE	8,711,683	8,253,346	8,038,652	8,230,959	2.4%	192,307
TOTAL REVENUE	8,711,683	8,253,346	8,038,652	8,230,959	2.4%	192,307

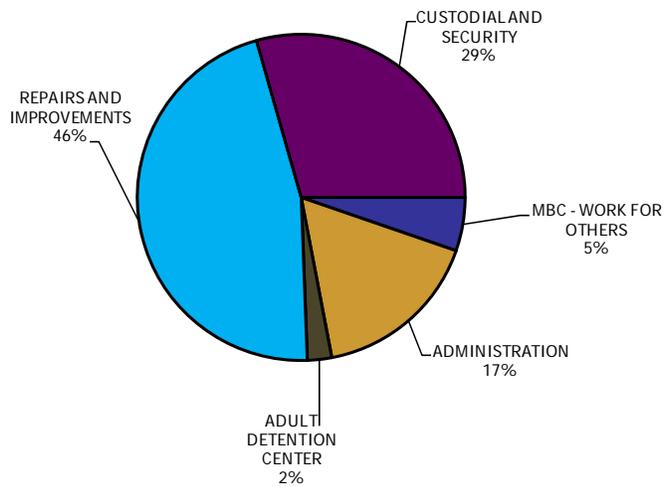
Expense 2009-2012



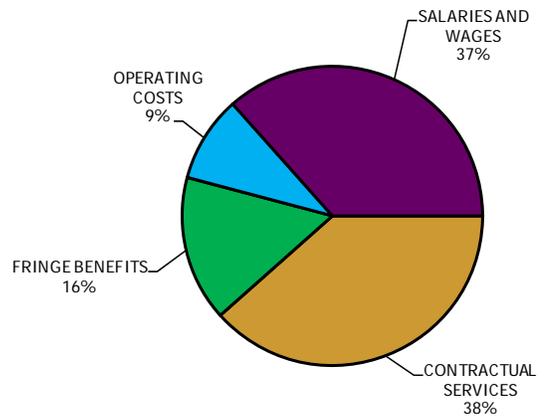
Revenue 2009 - 2012



Expense by Division



Expense by Category

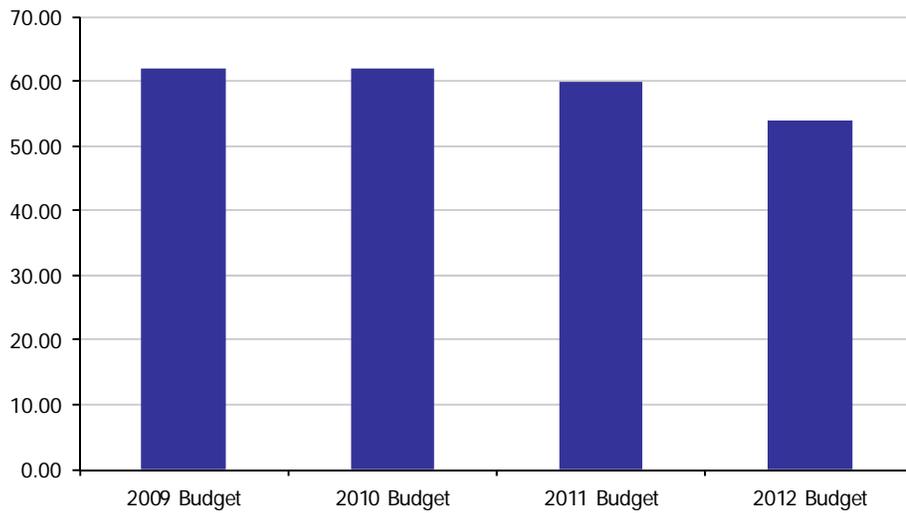


MUNICIPAL BUILDING COMMISSION

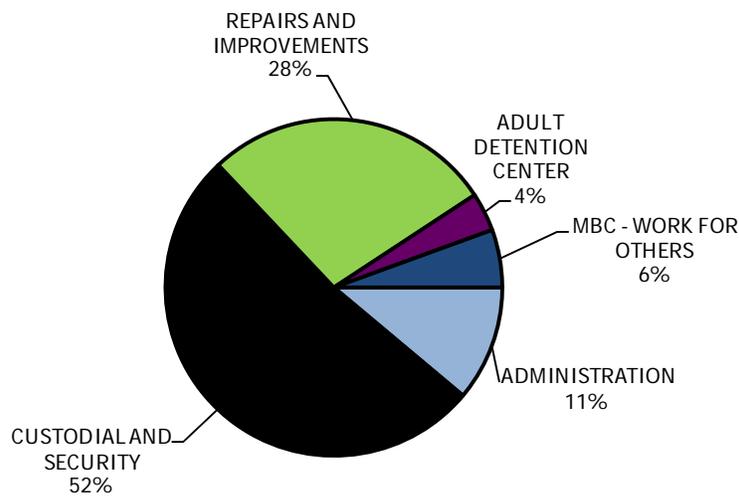
Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
REPAIRS AND IMPROVEMENTS	16.00	17.00	15.00	15.00	0.0%	
ADMINISTRATION	7.00	7.00	6.00	6.00	0.0%	
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	
CUSTODIAL AND SECURITY	34.00	33.00	34.00	28.00	-17.6%	(6.00)
TOTAL	62.00	62.00	60.00	54.00	-10.0%	(6.00)

Positions 2009-2012



Positions by Division



PARK AND RECREATION BOARD

MISSION

The Minneapolis Park and Recreation Board shall permanently preserve, protect, maintain, improve and enhance its natural resources, parkland and recreational opportunities for current and future generations.

The Minneapolis Park and Recreation Board exists to provide places and recreation opportunities for all people to gather, celebrate, contemplate and engage in activities that promote health, well-being, community and the environment.

BUSINESS LINES

- Park Administrative Services
- Environmental
- Maintenance
- Forestry
- Information Technology Services
- Park Police
- Planning and Project Management
- Recreation Services
- Special Facilities
- Volunteers and Community Partnerships

2011-2013 STRATEGIC DIRECTION

Park Board Commissioners participated in a three month strategic planning process to set the strategic direction for the Minneapolis Park and Recreation Board for the next three years. The 2011–2013 Strategic Direction was adopted by the Board on August 18, 2010. The commissioners identified priorities through the completion of surveys, work sessions discussions and committee study reports. The 2011–2013 Strategic Direction represents Board and Superintendent priorities that are aligned with comprehensive plan goals and objectives.

2011-2013 STRATEGIC DIRECTION

- I. Focus resources on a well maintained park system. Address issues of aging infrastructure especially in neighborhood parks. Use comprehensive plan as guidance for maintenance of natural areas and boulevard trees.
- II. Become a national leader in issues of sustainability, including collaborative efforts with the City Council, Mayor, County, local business leaders, and the public, making our city greener, cleaner, and energy efficient.
- III. Focus on our partnerships, especially the City and the public schools to focus on the service delivery and responsibilities across jurisdictions to assess what is working and what can be changed or improved in difficult financial times.
- IV. Focus on: new strategies of community engagement, including greater transparency and information that is posted online, outreach strategies, and clarity about our processes and procedures. Enhance our communications and relationships with communities, media, agencies, and partners.
- V. Focus on a financial plan that increases revenue growth with grants, new program offerings, sponsorships and foundation giving, but also plan for potential budget reductions that are the result of projected state deficits or increased costs.

VI. Assure that basic services and programs remain accessible, community based, and equitable. Reaffirm the importance of outdoor activities for children.

VII. Shape city character through nationally recognized park development and redevelopment strategies.

FINANCIAL ANALYSIS

EXPENDITURE

The estimated 2012 Park Board budget of \$90.8 million is 1.5% lower than the 2011 revised budget.

REVENUE

Revenue is estimated at \$92.2 million, a 0.3% decrease from the 2011 revised budget. The Park Board did not request an increase to its levies.

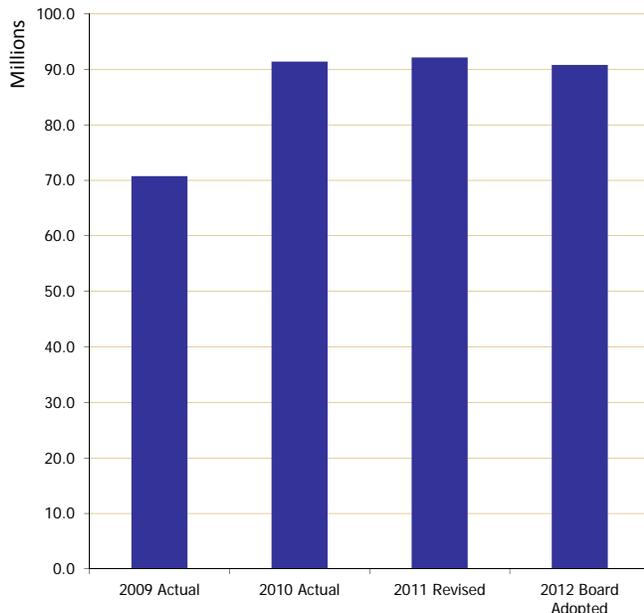
MAYOR'S RECOMMENDED BUDGET

The Mayor recommended \$4.9 million for the Park Board for operating costs to maintain capital infrastructure. Overall, the Mayor recommended property tax and LGA revenue of \$53.84 million. After subtracting shared costs and capital projects funded by the Park levy, the Mayor recommended \$51.04 million in revenue for the Park Board.

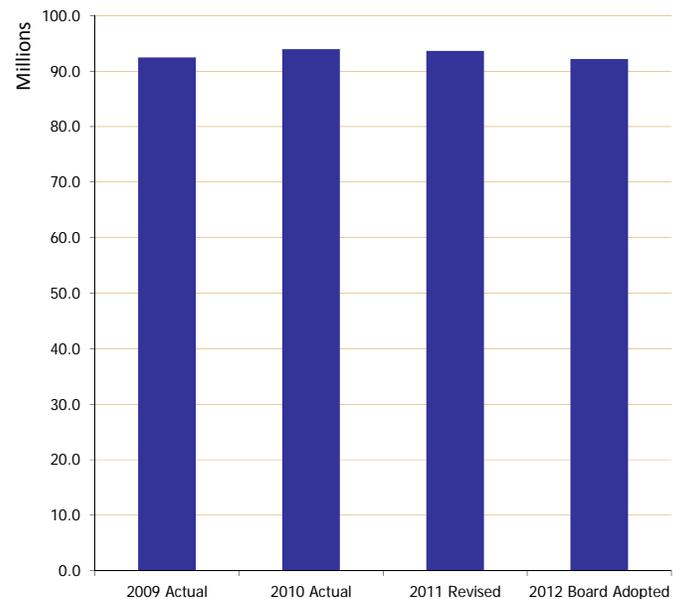
COUNCIL ADOPTED BUDGET

Council approved the Mayor's recommendation.

Expense 2009-2012



Revenue 2009 - 2012

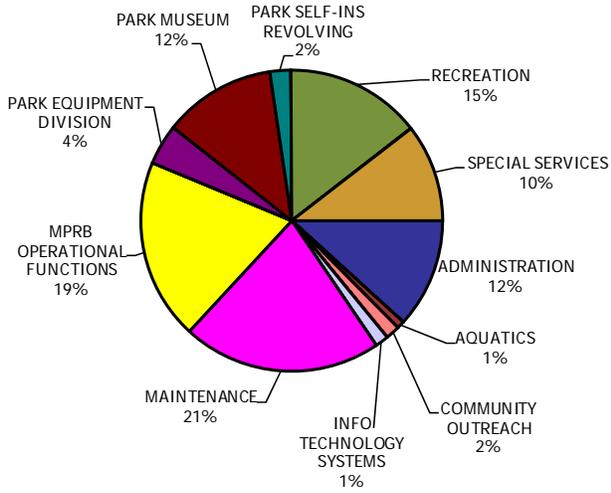


PARK BOARD EXPENSE AND REVENUE INFORMATION

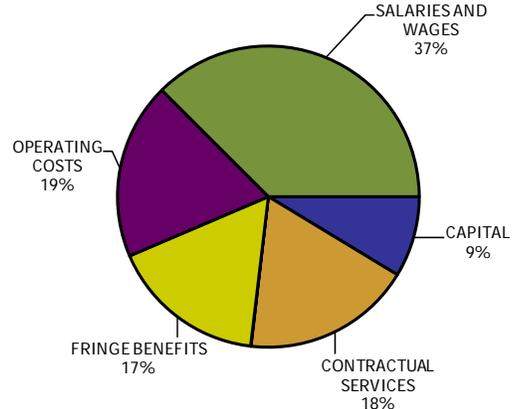
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
AGENCY						
OPERATING COSTS	(13,208,183)	1,933,236			0.0%	0
TOTAL AGENCY	(13,208,183)	1,933,236			0.0%	0
INTERNAL SERVICE						
CAPITAL	1,037,308	1,160,037	1,392,740	1,188,583	-14.7%	(204,157)
CONTRACTUAL SERVICES	397,439	507,286	502,549	638,183	27.0%	135,634
FRINGE BENEFITS	2,164,775	1,843,885	2,525,007	2,176,778	-13.8%	(348,229)
OPERATING COSTS	11,970	1,844,900	1,809,569	1,543,545	-14.7%	(266,024)
SALARIES AND WAGES	1,748,924	1,748,463	1,745,653	1,717,186	-1.6%	(28,467)
TOTAL INTERNAL SERVICE	5,360,415	7,104,570	7,975,518	7,264,275	-8.9%	(711,243)
SPECIAL REVENUE						
CAPITAL	629,542	256,822	4,034,999	5,135,649	27.3%	1,100,650
CONTRACTUAL SERVICES	10,665,810	12,756,950	11,752,060	12,176,587	3.6%	424,527
FRINGE BENEFITS	11,966,535	11,985,649	12,033,678	11,394,044	-5.3%	(639,634)
OPERATING COSTS	14,664,914	15,121,506	14,558,900	13,743,671	-5.6%	(815,229)
SALARIES AND WAGES	28,679,771	28,496,105	28,322,640	27,095,242	-4.3%	(1,227,397)
TOTAL SPECIAL REVENUE	66,606,571	68,617,032	70,702,276	69,545,193	-1.6%	(1,157,083)
ENTERPRISE						
CAPITAL	140,551	214,188	1,024,643	1,559,323	52.2%	534,680
CONTRACTUAL SERVICES	4,396,434	4,036,799	3,866,154	3,672,969	-5.0%	(193,185)
DEBT SERVICE	92,605	28,855	34,000	34,000	0.0%	0
FRINGE BENEFITS	1,321,110	1,496,786	1,542,431	1,579,461	2.4%	37,030
OPERATING COSTS	1,442,535	2,983,997	1,897,107	1,921,552	1.3%	24,444
SALARIES AND WAGES	4,602,665	4,958,520	5,112,876	5,225,295	2.2%	112,419
TOTAL ENTERPRISE	11,995,900	13,719,145	13,477,211	13,992,599	3.8%	515,388
TOTAL EXPENSE	70,754,704	91,373,983	92,155,005	90,802,067	-1.5%	(1,352,938)

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	55,808	33,390	60,000	75,000	0.0%	0
CHARGES FOR SERVICES	980,808	2,137,557	1,578,580	1,219,702	-10.5%	(166,203)
CONTRIBUTIONS	470,980	498,711	230,000	150,000	0.0%	0
FEDERAL GOVERNMENT	267,716	214,077			0.0%	0
FINES AND FORFEITS	560,131	396,270	565,000	685,000	0.0%	0
LICENSE AND PERMITS	183,041	240,661	364,000	385,000	0.0%	0
LOCAL GOVERNMENT	1,311,723	2,440,988	1,500,900	1,885,420	-20.0%	(300,000)
LONG TERM LIABILITIES PROCEEDS		20			0.0%	0
OTHER MISC REVENUES	79,244	298,930	59,000	28,000	0.0%	0
PROPERTY TAXES	54,328,739	56,504,674	58,010,963	57,229,163	0.0%	139
RENTS	722,276	843,672	637,479	646,600	0.0%	0
SALES AND OTHER TAXES	(1,461)	4,844	3,000	3,000	0.0%	0
SPECIAL ASSESSMENTS		1,250			0.0%	0
STATE GOVERNMENT	12,067,855	8,073,937	8,629,950	8,373,308	-2.3%	(201,596)
TOTAL SPECIAL REVENUE	71,026,859	71,688,980	71,638,872	70,680,193	-0.9%	(667,660)
INTERNAL SERVICE						
CHARGES FOR SALES	65,807	12,252	75,000	20,000	0.0%	0
CHARGES FOR SERVICES	979,931	918,451	898,586	1,099,890	16.6%	149,414
GAINS	96,407	10,847			0.0%	0
LONG TERM LIABILITIES PROCEEDS	(57,515)				0.0%	0
OTHER MISC REVENUES	2,554,250	2,540,632	2,659,283	2,028,027	-11.8%	(312,820)
RENTS	3,980,095	3,995,840	4,342,649	4,074,401	4.3%	187,594
TOTAL INTERNAL SERVICE	7,618,974	7,478,023	7,975,518	7,222,318	0.3%	24,188
ENTERPRISE						
CHARGES FOR SALES	3,267	4,589	6,000		0.0%	0
CHARGES FOR SERVICES	11,387,605	12,154,309	12,065,565	12,222,269	3.0%	358,724
CONTRIBUTIONS	391,141	450,621	240,000	240,000	0.0%	0
FEDERAL GOVERNMENT		181,697	185,072	128,930	0.0%	0
FINES AND FORFEITS	46,494	2,446			0.0%	0
GAINS	500				0.0%	0
INTEREST	51	1			0.0%	0
LICENSE AND PERMITS		11,924			0.0%	0
LOCAL GOVERNMENT	11,822	622,784			0.0%	0
OTHER MISC REVENUES	40,463	73,002	36,000	52,000	0.0%	0
RENTS	1,965,608	1,265,192	1,489,574	1,644,400	0.0%	0
TOTAL ENTERPRISE	13,846,949	14,766,564	14,022,211	14,287,599	2.6%	358,724
TOTAL REVENUE	92,492,783	93,933,566	93,636,601	92,190,110	-0.3%	(284,748)

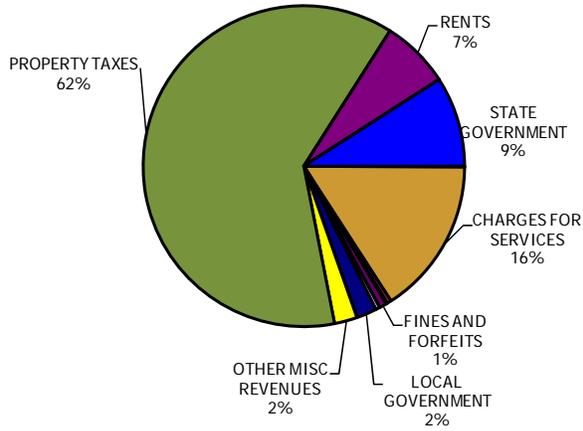
Expense by Division



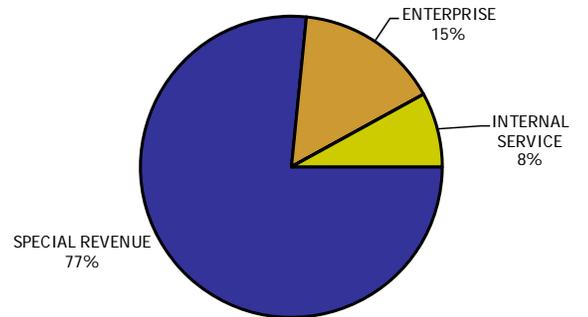
Expense by Category



Direct Revenue by Type



Expense by Fund

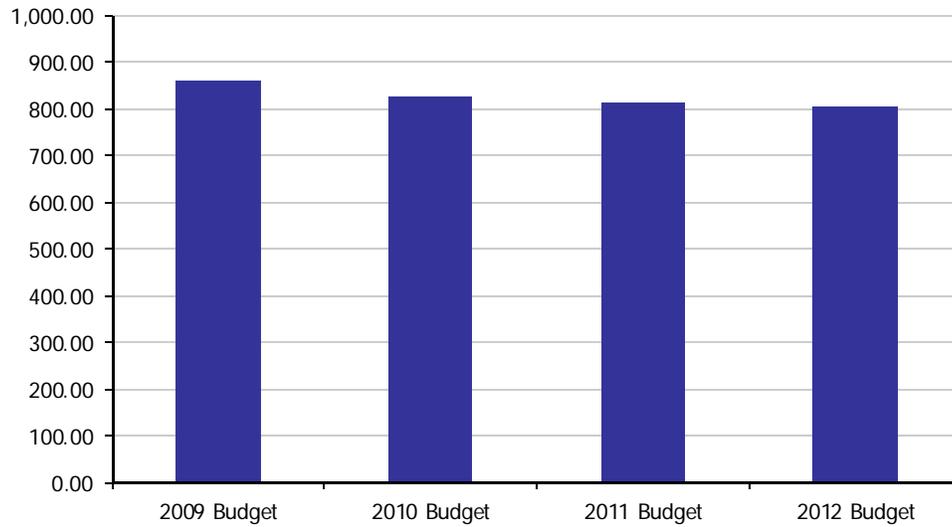


PARK BOARD

Staffing Information

	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
TOTAL	859.00	827.00	811.18	802.40	-1.1%	(8.78)

Positions 2009-2012



MINNEAPOLIS PUBLIC HOUSING AUTHORITY

MISSION

To promote and deliver quality, well-managed homes to a diverse low-income population and, as a valued partner, contribute to the well-being of the individuals, families and community we serve.

BUSINESS LINES

Low Income Public Housing Overview

Public housing was established by the federal government to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. The U.S. Department of Housing and Urban Development (HUD) provides operating subsidies for the management of housing for low-income residents at rents they can afford. Eligibility for public housing is determined based on the participating family's annual gross income and meeting other federal and local eligibility thresholds. The program is limited to U.S. citizens and specified categories of non-citizens who have eligible immigration status. In addition to federal aid for the operation of public housing, HUD also provides MPHA with capital grant funds for public housing modernization and new public housing unit development.

Low Income Public Housing Performance

High Performer Status. When MPHA first became an independent agency nineteen years ago, it was at risk of being labeled a "troubled" housing authority. It pursued a strategic vision, and with bold and consistent leadership, was able to transform itself. MPHA achieved HUD's highest performance rating, and for over a decade MPHA has maintained that status. Under the Public Housing Assessment System (PHAS), HUD rates public housing authorities across the nation in various performance categories, including the physical condition of property, financial status, and management practices. Through prudent investments and wise operational practices, MPHA has consistently received grades in excess of 90% in all these areas. MPHA's most recent financial audit by the State of Minnesota Auditor shows no findings in its Low Income Public Housing operations.

Section 8 Housing Choice Voucher Program Overview

The Section 8 Housing Choice Voucher Program (HCV) assists very low-income families, the elderly, and the disabled in finding decent, affordable, safe, and sanitary housing in the private market. Eligible program participants may rent single-family homes, townhouses, duplexes, and apartments where the owner of the selected property and the property itself has been approved for program participation. The family pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Eligibility for participation in the Section 8 HCV Program is based on income, eligible citizenship status, and the ability to pass a criminal history background check. The amount of the subsidy available to the family is based on the family's income level and the household's composition. In general, the family's income may not exceed 50 percent of the median income for the county or metropolitan area in which the family chooses to live. By law, MPHA must provide 75 percent of its vouchers to applicants whose incomes do not exceed 30 percent of the area median income.

Collaboration with the City and the County. MPHA's Section 8 HCV staff continues to work in partnership with City of Minneapolis elected officials and senior staff, along with neighborhood groups, to develop solutions and to resolve issues associated with program participants and the properties leased to them.

In July 2010 we entered into an agreement with the Minneapolis Police Department to assist the Section 8 HCV Program with its program integrity. A Minneapolis Police Sergeant investigates alleged criminal activity, neighborhood complaints, and suspected fraud committed by voucher

holders or program owners who participate in the Section 8 HCV Program. The goal is to clearly demonstrate MPHA's commitment to protecting the Program's integrity when there is reason to believe that any criminal or fraudulent activity is taking place in connection with the Section 8 HCV Program.

Capital Improvements Program

MPHA's Facilities and Development Department works closely with the Executive Director to identify, catalog, and prioritize capital needs and develop an action plan that ensures the preservation of MPHA properties. This department also takes the lead in new development initiatives. With its Moving to Work authority, the infusion of American Recovery and Reinvestment Act (ARRA) funds, and its Energy Performance Contract initiative, MPHA has been able to strategically allocate its resources to make substantial improvements in our managed portfolio of capital assets. These improvements position the agency to make significant progress in its capital needs backlog, and enhance its ability to address energy conservation needs, thereby reducing MPHA's carbon footprint, while ensuring the long-term preservation of its housing stock. Energy Performance Contract. MPHA entered into a \$33.6 million contract with Honeywell International, Inc. in 2007 to implement energy conservation measures throughout MPHA's high-rise apartment inventory. The contract, which is primarily financed through a municipal lease from Bank of America, was authorized under a special HUD incentive program that encourages PHAs to borrow private capital to fund energy improvements. The improvements, now completed, include replacing 40-to-50-year-old boilers, installing low flow toilets and shower heads, and replacing existing stoves with energy efficient models.

This fully implemented project is now in its "guaranteed savings period", which yields over \$2 million of combined water, gas, and electricity savings annually. These savings provide the financial backing for satisfying the Bank of America loan which paid for the conservation improvements.

American Recovery and Reinvestment Act (ARRA) Grants. The American Recovery and Reinvestment Act of 2009 was enacted by Congress and signed into law by President Barack Obama on February 17, 2009. This legislation was enacted to provide a stimulus to the U.S. economy in the wake of the economic downturn brought about by the subprime mortgage crisis and the resulting credit crunch.

In March 2009, MPHA received an ARRA Capital Fund Formula Grant of \$18.2 million. In addition, MPHA successfully competed for three ARRA grants totaling over \$31.6 million, which were awarded in September 2009, for the creation of a new state-of-the-art Senior Center, a first in the nation "green" 48-unit public housing Memory Care–Continuum of Care housing development, and an energy efficient Scattered Site "green" initiative.

Funding Sources and Uses

As in previous years, the MPHA was heavily financed from the federal government. In 2010, federal grants and subsidies made up 80 percent of the MPHA's sources of funds. These funds were provided for general program operation, capital uses for both improvements for existing structures and new public housing development, and Section 8 housing assistance subsidies. The percentage of funding provided from capital grants increased from 13 percent of the sources in 2008 to 21 percent of total sources in 2009 and 2010. The increase in capital grants primarily relates to capital funding from ARRA, implementation of energy conservation measures, and the decision to accelerate capital spending given the financial flexibility afforded by the MTW Program.

The majority of uses of funds were for capital improvements. Uses for public housing capital improvements increased from 25 percent of total uses in 2009 to 43 percent of total uses in 2010.

In most years, the majority of uses were for housing assistance payments (HAP) to Section 8 landlords, which made up 28% of uses in 2010 compared to 37 percent in 2009. The large increase in capital improvements is the result of ARRA funding and the implementation of capital improvements for energy conservation.

2012 Federal Funding Outlook

MPHA is predominantly funded by the federal government through federal grants and subsidies. Although federal appropriations have not been determined for 2012, MPHA anticipates that there will be significant reductions in federal assistance. The President’s 2012 Budget Request to Congress calls for a 17% reduction in public housing operating subsidies (est. \$3.4 million loss) from the 2011 level funded. MPHA’s capital grant funds were reduced in 2011 by \$2.3 million and it is unlikely that the 2012 appropriations for capital grant funds will be any higher.

FINANCIAL ANALYSIS

EXPENDITURE & REVENUE

The City sponsored portion of MPHA’s expense and revenue budgets match at \$434,749.

MAYOR’S RECOMMENDED BUDGET

The Mayor recommended no tax levy for MPHA, but recommended no changes to the MPHA budget, which includes a PILOT reduction of \$434,000.

COUNCIL ADOPTED BUDGET

Council approved the Mayor’s recommendation.

Security Services		Citizen Participation		Total Budget Request	
Sources		Sources		Sources	
Tax Levy ¹	\$0			Tax Levy ¹	\$0
CDBG	\$0	CDBG	\$0	CDBG	\$0
PILOT Reduction ²	\$434,749			PILOT Reduction ²	\$434,749
Uses		Uses		Uses	
Security Guards	\$434,749	Citizen Participation	\$0	Security Guards	\$434,749
				Citizen Participation	\$0
				Total Request	\$434,749

¹ City Council eliminated any taxes payable to MPHA in 2012.

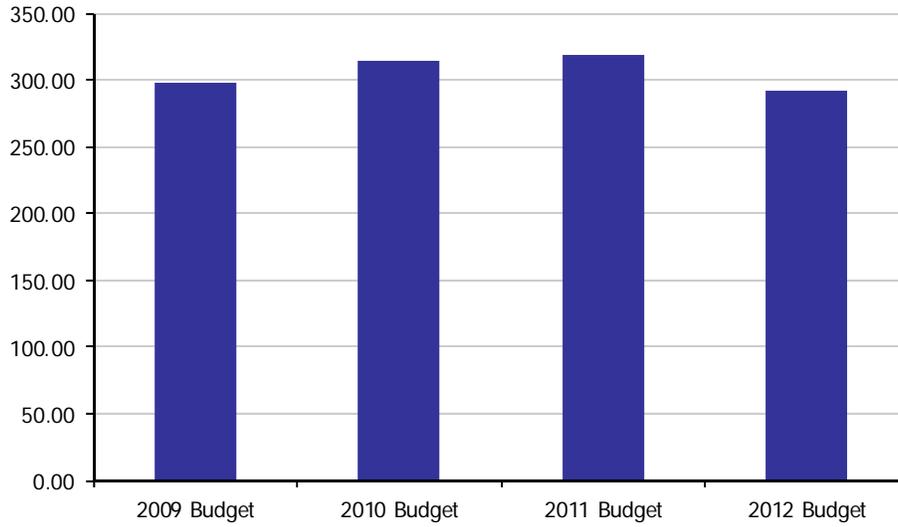
² By State Statute MPHA is exempt from real and personal property taxes, but through the Cooperative Agreement with the City, MPHA is required to make payment in lieu of taxes. The City has agreed to reduce MPHA’s PILOT by 50% since the inception of the High-rise Security program. MPHA would use the savings to fund public housing costs.

MPHA

Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
PUBLIC HOUSING	298.00	313.86	318.00	292.00	-8.2%	(26.00)
TOTAL	298.00	313.86	318.00	292.00	-8.2%	(26.00)

Positions 2009-2012



YOUTH COORDINATING BOARD

MISSION

Dedicated to promoting the healthy, comprehensive development of Minneapolis children and youth ages 0-20 through collaborative action and policy alignment.

GOALS AND STRATEGIC ACTIVITIES

The YCB has four primary goals for 2012:

All Minneapolis children enter kindergarten ready to be successful in school.

- Work to ensure low-income children and families' access to high quality childcare and early learning opportunities.
- Support a seamless transition from early childhood to kindergarten.
- Work to ensure all children receive early childhood screening by the age of 3 and that health care support is available in child care centers throughout Minneapolis.

All Minneapolis young people succeed in school and graduate from high school.

- Support school and community efforts to eliminate the achievement gap.
- Support the expansion of comprehensive, bi-cultural social services in schools for families who are English Language Learners.
- Work to improve the collection of data from student surveys.
- Support expansion of career and education initiatives such as the Minneapolis Promise.

All Minneapolis young people have access to safe, quality out-of-school opportunities.

- Create and maintain an online Out of School Time information resource.
- Work with youth-serving agencies to create a common framework for quality program assessment.
- Work to increase public and private funding for Out of School Time activities.
- Support the goals of the Blueprint for Action: Preventing Youth Violence in Minneapolis.

All Minneapolis children and young people are ready to further their potential through lifelong learning, work experience, and community connections.

- Support the Minneapolis Youth Congress with staffing, funding, and training.
- Support the establishment of an annual convention between young people and community leaders from both the public and private sectors.
- Work with and encourage our jurisdictional partners to develop and strengthen formal mechanisms for authentic youth engagement in their decision making.
- Coordinate with youth engagement programs community-wide on policy initiatives, programs, and planning.

YCB also has infrastructure goals related to developing capacity to address policy issues affecting Minneapolis children and youth, educating legislators on related policy matters, and disseminating information on such issues.

FINANCIAL ANALYSIS

EXPENDITURE

The 2012 expenditure budget for the YCB is \$1.3 million. The City's general fund provides \$306,000. In the past, YCB has been granted additional dollars through a joint powers agreement between the City, County, School District and the Park Board.

REVENUE

The YCB's 2012 revenue budget is \$1.3 million. In addition to the joint powers agreement, other funding sources for YCB are County and foundation funding.

FUND ALLOCATION

The department is 100% in special revenue funds. The department receives \$66,000 in CDBG dollars.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended a \$44,000 cut to the Youth Development program in the City's Health and Family Support department. This reduction will be passed to YCB as a reduction in contractual services.

COUNCIL ADOPTED BUDGET

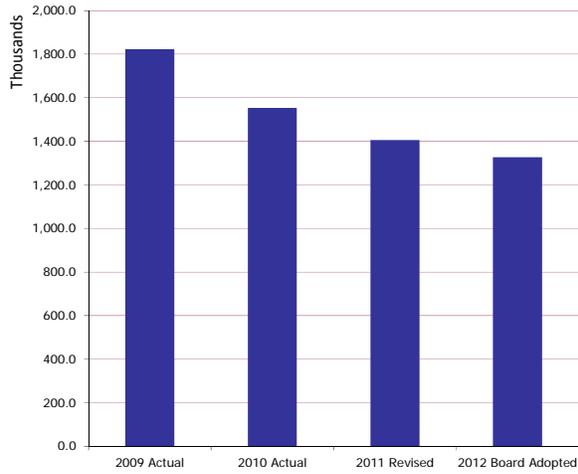
Council approved the Mayor's recommendation.

YOUTH COORDINATING BOARD EXPENSE AND REVENUE INFORMATION

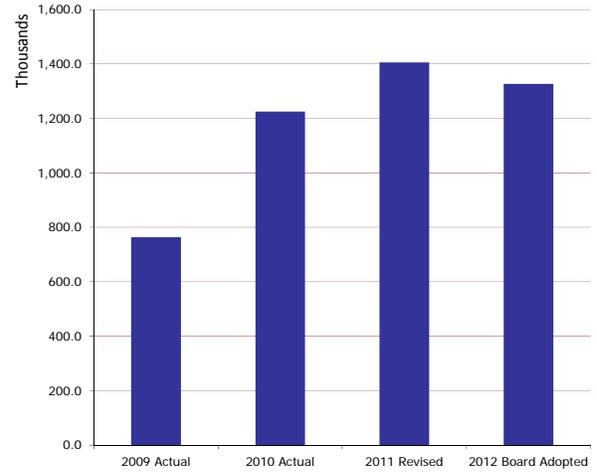
EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRACTUAL SERVICES	1,382,118	1,101,193	906,383	822,194	-9.3%	(84,189)
FRINGE BENEFITS	89,696	91,006	118,848		-100.0%	(118,848)
OPERATING COSTS	47,316	46,101	9,782	12,800	30.8%	3,018
SALARIES AND WAGES	303,658	314,438	370,849	491,831	32.6%	120,982
TOTAL SPECIAL REVENUE	1,822,788	1,552,738	1,405,861	1,326,824	-5.6%	(79,037)
TOTAL EXPENSE	1,822,788	1,552,738	1,405,861	1,326,824	-5.6%	(79,037)

REVENUE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	(163,756)	298,695	357,000	147,000	-62.5%	(223,000)
FEDERAL GOVERNMENT	64,803	64,803	64,803	66,000	0.0%	0
LOCAL GOVERNMENT	841,446	849,235	944,058	1,095,021	40.9%	385,963
OTHER MISC REVENUES	475	88	40,000	18,803	-50.0%	(20,000)
RENTS	20,000	12,000			0.0%	0
TOTAL SPECIAL REVENUE	762,968	1,224,821	1,405,861	1,326,824	10.2%	142,963
TOTAL REVENUE	762,968	1,224,821	1,405,861	1,326,824	10.2%	142,963

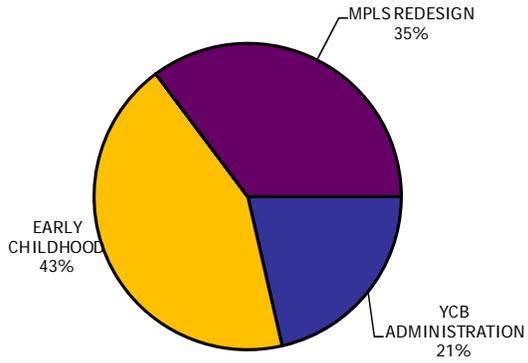
Expense 2009-2012



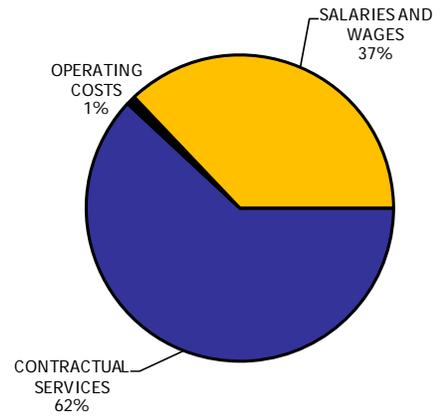
Revenue 2009 - 2012



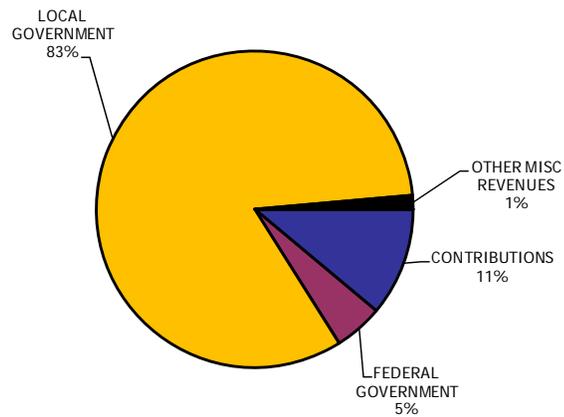
Expense by Division



Expense by Category



Direct Revenue by Type



YOUTH COORDINATING BOARD

Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
YOUTH COORDINATING BOARD	5.00	5.00	1.00	5.80	480.0%	4.80
YCB ADMINISTRATION			1.00		-100.0%	(1.00)
NELC			3.80		-100.0%	(3.80)
TOTAL	5.00	5.00	5.80	5.80	0.0%	

Positions 2009-2012

