



**City of Minneapolis  
Financial Status Report as of 4th Quarter 2013  
Prepared by the  
City of Minneapolis Finance Department  
April 7, 2014**

# City of Minneapolis

## Interim Financial Report Index for the 4th Quarter of 2013

<b>GENERAL FUND</b> .....	1-4
 <b>SPECIAL REVENUE &amp; GRANT FUNDS</b>	
Convention Center Special Revenue Fund.....	5-10
Federal, CDBG and other State and Local Grants.....	11-19
CPED Special Revenue Funds.....	20-24
 <b>INTERNAL SERVICE FUNDS</b>	
Engineering Materials and Testing Fund.....	25-27
Fleet Services Fund.....	28-30
Property Services Fund.....	31-34
Public Works Stores Fund.....	35-37
Intergovernmental Service Fund .....	38-40
Self-Insurance Fund .....	41-43
 <b>ENTERPRISE FUNDS</b>	
Sanitary & Storm Water Funds.....	44-49
Solid Waste & Recycling Fund.....	50-52
Water Revenue Fund.....	53-55
Municipal Parking Fund.....	56-58
CPED Enterprise Funds.....	59-61
 <b>INVESTMENT REPORT</b> .....	
	62
 <b>APPENDIX: FINANCIAL STRENGTH ANALYSIS</b> .....	
	63-65

## 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.

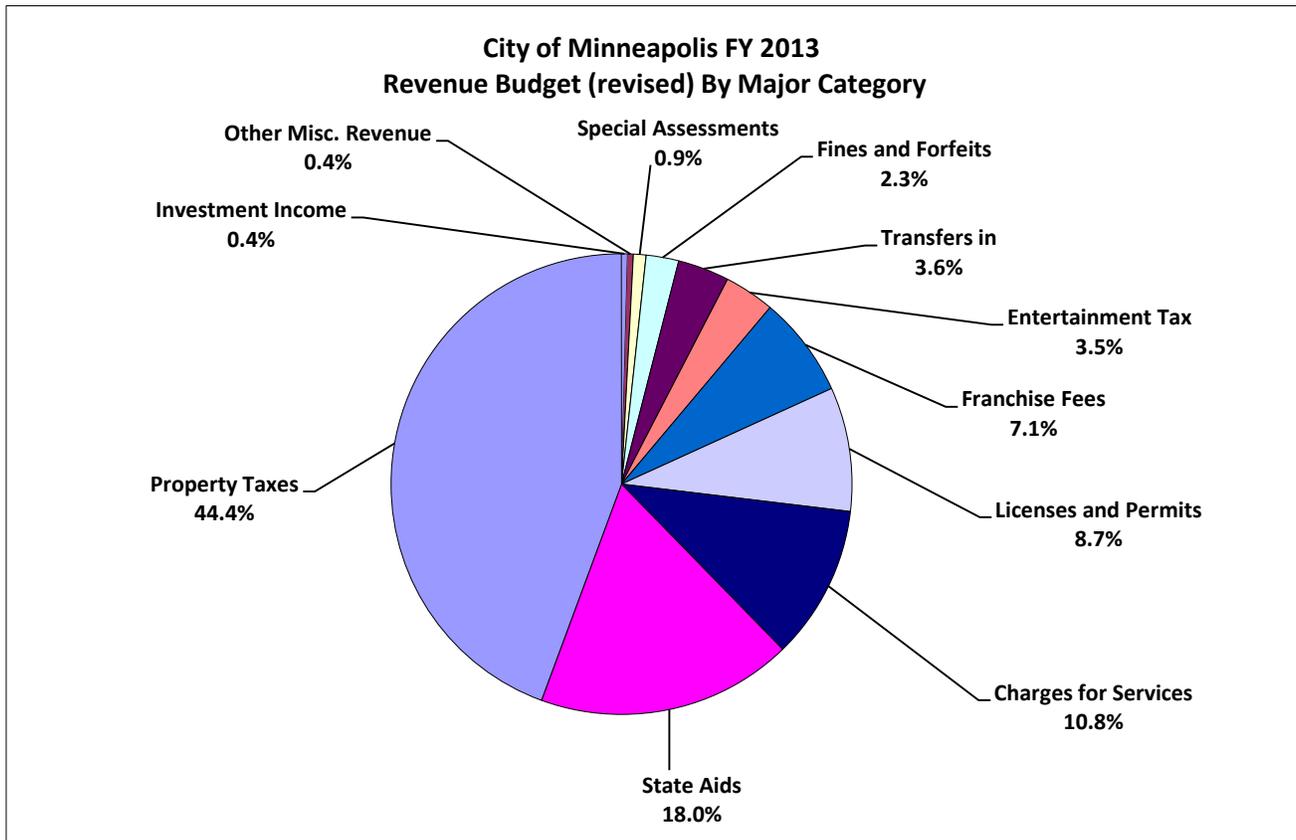
### Financial Performance

The fund balance for the General Fund at fiscal year-end 2012 was \$ 85.3 million. At year-end 2013, fund balance was \$96.3 million, which is well within the City's stated reserve policy.

#### 2013 Ending Fund Balance

<b>Fund Balance, January 1, 2013</b>	<b>\$ 85.3 million</b>
<b>Change in Fund Balance:</b>	
2013 Revenue in Excess of Budget	9.7 million
2013 Expense Appropriation Savings	3.9 million
2012 Fund Bal Rollovers to 2013/Other Adjustments	<u>(2.5) million</u>
<b>Total – Excess Revenue Over Expense</b>	<b><u>\$ 11.0 million</u></b>
<b>Fund Balance, December 31, 2013</b>	<b><u>\$ 96.3 million</u></b>

#### General Fund Revenues



The five largest revenue sources account for 88.9% of total budgeted revenues: property taxes, state aids, charges for services, licenses and permits, and franchise fees.

Property taxes, the major source of General Fund revenue (44.4%), are collected by Hennepin County and remitted to the City in July and December, and were \$3.76 million over budgeted amounts due to increased delinquent tax and excess TIF collections.

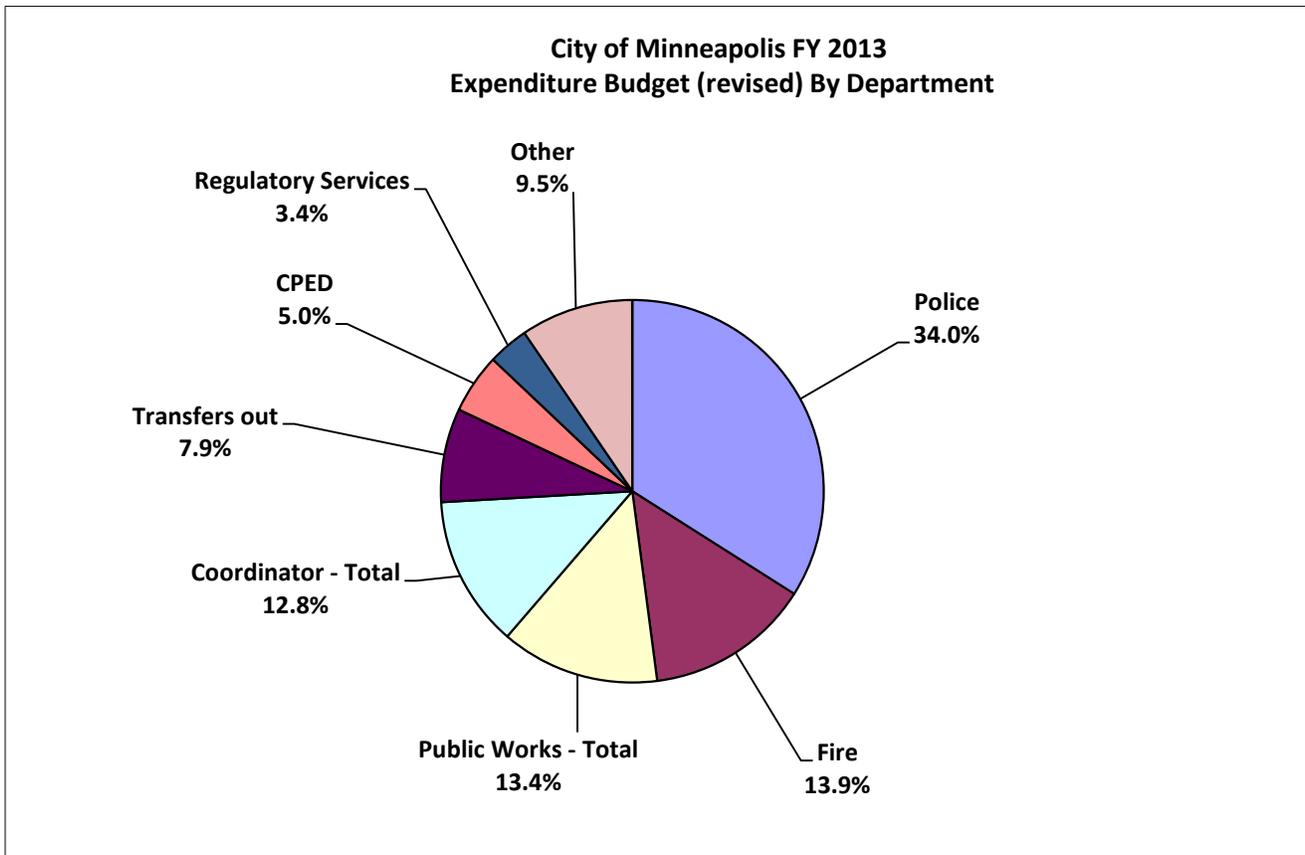
State aids, the second major source of fund revenue (18%), came in \$808,577 over budgeted levels. Local Government Aid is received in two equal payments - one in July, and one at the end of December. State Aids also include Municipal State Aids and Pension Aids.

Charges for services, the third major source of fund revenue (10.4%), ended the year \$762,000 over budgeted levels. This is due primarily to increases in utility cut revenue from work done for others by Public Works, which are typically offset by increased associated expenses.

License and permit fees, the fourth largest source of revenue to the City (8.5%), exceeded budget by \$5.6 million, due to the ongoing activity related to construction and growth in the City.

Franchise Fees (7.2%), ended the year \$2.2 million over budget. This was due primarily to electric and cable fees. The natural gas franchise fees in 2013 were much higher than 2012. This is due to the extended cool weather during 2013 and the early spring in 2012.

**General Fund Expenditures**



Six departments comprise 82.6% of the total General Fund expenditures: Police, Fire, Public Works, the City City Coordinator, Community Planning and Economic Development (CPED), and Regulatory Services. Small percentage variances in any of these large departments can have a significant effect on the amount of General Fund expenditures.

The Police Department had appropriation savings of \$423,140 due primarily to the receipt of contingency funds in December. The Police Department anticipated higher than expected equipment costs, but was able to manage its budget and did not have to spend any of the additional appropriation.

The Fire Department ended the year \$199,900 in budget savings also due to the receipt of contingency funds at the end of the year. By the end of the year, the department had spent less than \$100 of the additional appropriation.

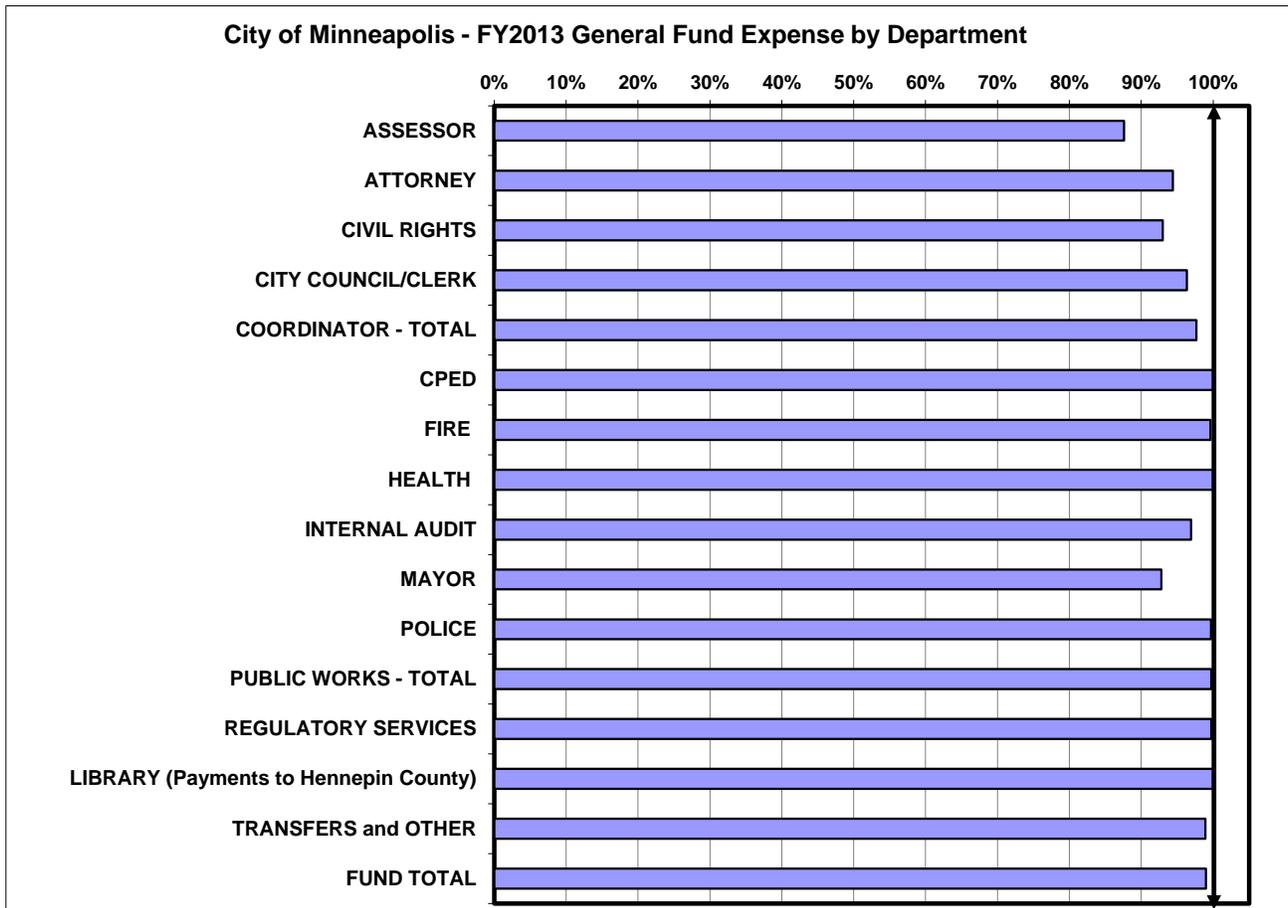
The City Coordinator ended the year with appropriation savings of \$1.1 million, primarily due to salary savings in Human Resources.

In the Public Works Department, the excess of expenditures over budget in Transportation Maintenance & Repair (TM&R) are a result of the extended winter and significant, frequent snowfall. Snow and ice control expenditures were substantially over budget. Increased revenues from the utility cut work (See Revenue discussion on previous page) helped to offset a portion of the additional costs incurred.

Regulatory Services and Community Planning and Economic Development ended the year at or near budget.

The City Council and City Clerk Department ended the year with an appropriation savings of \$311,693, in spite of higher than budgeted election costs.

The Assessor’s and Attorney’s offices reflect surpluses due to salary savings.



**City of Minneapolis  
General Fund  
December 31, 2013**

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>YTD Actual</b>	<b>Variance Budget vs Actual</b>	<b>Percent of Revised Budget Remaining</b>
<b>Revenues:</b>					
Property Taxes	170,933,820	171,733,820	175,494,300	3,760,480	102%
Entertainment Tax	13,700,000	13,700,000	13,101,113	(598,887)	96%
State Aids	69,008,791	69,008,791	69,817,368	808,577	101%
Charges for Services	39,757,549	41,768,068	42,530,059	761,991	102%
Franchise Fees	27,400,000	27,400,000	29,619,985	2,219,985	108%
Licenses and Permits	32,575,423	33,673,205	39,227,495	5,554,290	116%
Fines and Forfeits	8,848,000	8,848,000	7,667,948	(1,180,052)	87%
Special Assessments	2,462,080	3,433,727	3,481,950	48,223	101%
Investment Income	1,600,000	1,600,000	(607,375)	(2,207,375)	-38%
Other Shared Taxes	531,405	563,576	713,640	150,064	127%
Other Miscellaneous	1,014,570	214,570	551,954	337,384	257%
Contributions	800,000	800,000	944,831	144,831	118%
<b>Total Revenues</b>	<b>368,631,638</b>	<b>372,743,757</b>	<b>382,543,267</b>	<b>9,799,510</b>	<b>103%</b>
Transfers In	13,933,000	13,933,000	13,868,048	(64,952)	100%
<b>Revenues and Other Sources</b>	<b>382,564,638</b>	<b>386,676,757</b>	<b>396,411,315</b>	<b>9,734,558</b>	<b>103%</b>
<b>Expenditures :</b>					
Police	131,564,103	132,378,579	131,955,439	423,140	100%
Fire	53,790,399	54,219,248	54,019,341	199,907	100%
Human Resources	7,129,275	7,470,670	6,649,341	821,329	89%
Finance and Property Services	20,322,781	23,133,218	23,133,218	-	100%
911	7,725,519	7,711,273	7,711,273	-	100%
311	3,121,905	3,110,028	3,048,027	62,001	98%
City Coordinator	1,628,113	2,655,672	2,655,672	-	100%
Intergov Relations	1,509,561	1,302,480	1,302,480	-	100%
Communications	2,135,305	2,170,615	2,170,615	-	100%
Emergency Management	692,647	1,042,647	875,688	166,959	84%
Neighbrhd and Comm Rel	933,611	933,814	933,814	-	100%
Information Technology	200,000	200,000	100,406	99,594	50%
Coordinator - Total	45,398,717	49,730,417	48,580,534	1,050,290	98%
Trans Plan and Design	2,739,596	2,739,596	2,313,275	426,321	84%
Trans Maint and Repair	27,684,769	32,031,661	32,548,507	(516,846)	102%
Administration	2,870,539	2,870,539	2,651,922	218,617	92%
Traf and Parkng Srvc	14,234,248	14,495,971	14,495,971	-	100%
Public Works - Total	47,529,152	52,137,767	52,009,675	128,092	100%
Regulatory Services	13,336,111	13,355,231	13,319,972	35,259	100%
Attorney	8,074,265	8,434,415	7,960,888	473,527	94%
City Council & City Clerk	8,316,615	8,490,410	8,178,717	311,693	96%
Culture and Recreation -Library	4,106,000	4,106,000	4,105,736	264	100%
Contingency	3,883,246	128,247	540	127,707	0%
Assessor	4,314,925	4,314,925	3,780,182	534,743	88%
CPED	20,034,403	19,644,733	19,644,733	-	100%
Health	6,945,827	6,974,927	6,974,609	318	100%
Civil Rights	2,462,504	2,462,504	2,289,542	172,962	93%
Mayor	1,598,248	1,709,682	1,586,143	123,539	93%
Internal Audit	382,137	435,137	421,754	13,383	97%
<b>Total Expenditures</b>	<b>351,736,652</b>	<b>358,522,222</b>	<b>354,827,803</b>	<b>3,594,825</b>	<b>99%</b>
Transfers Out	30,827,986	30,827,986	30,616,383	211,603	99%
<b>Expenditures and Other Uses</b>	<b>382,564,638</b>	<b>389,350,208</b>	<b>385,444,186</b>	<b>3,906,022</b>	<b>99%</b>
<b>Change in Fund Balance</b>			<b>10,967,129</b>		
<b>Fund Balance - January 1, 2013</b>			85,345,223		
<b>Fund Balance - December 31, 2013</b>			<b>96,312,352</b>		

## 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**

Through 2013, the Convention Center Special Revenue Fund activity was 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; and a 2.625% citywide lodging tax for motels and hotels with 50 units or more. Presently, up to 1% (or 38.1% of the 2.625%) of all lodging tax proceeds received by the City is paid directly to Meet Minneapolis.

With the exception of a portion of the sales tax, all of the other tax revenues received by the Convention Center are used to support the Convention Center's capital and operating activities. The General Fund receives \$5,250,000 of the sales tax for economic development and mounted patrol related to convention public safety activities. Beginning in 2014, with the exception of the Target Center's portion of the entertainment tax, all tax revenues will be receipted to the General Fund.

Through the 4th quarter of 2013, tax proceeds overall finished above 2012 levels by 2.3% through the same period. The liquor tax declined significantly when comparing December 2013 year to date to December 2012 year to date in part because of the cold, wet spring with fewer people taking advantage of local drinking opportunities. Tax revenues are receipted into the month they are received from the State of Minnesota. The local taxes are driven by consumer spending habits, and as a result, are highly variable from month to month.

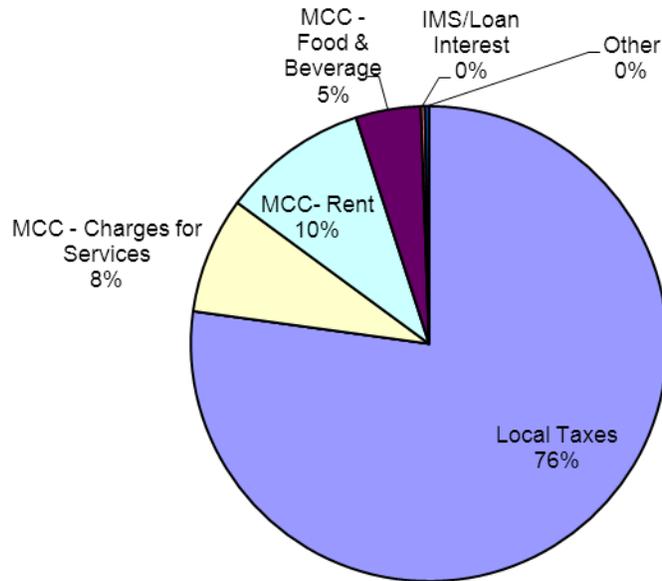
<b>Tax</b>	<b>December 2012</b>	<b>December 2013</b>	<b>Variance</b>	<b>% Change</b>
<b>Sales</b>	\$31,731,154	\$32,597,597	\$ 866,439	2.7%
<b>Food</b>	11,464,597	11,873,549	408,952	3.6%
<b>Liquor</b>	5,426,548	5,087,224	(339,324)	(6.3)%
<b>Lodging</b>	6,431,736	6,749,003	317,267	4.9%
<b>Total</b>	<b>\$55,054,035</b>	<b>\$56,307,369</b>	<b>\$1,253,334</b>	<b>2.3%</b>

#### **Operating Revenue**

Through the 4th quarter of 2013, operating revenue finished at nearly \$16.3 million or 110% of budget. Rents and Commissions had the strongest finish at \$7.2 million or 113% of budget followed by Charges for Services and Sales, which finished at nearly \$5.8 million or 108% of budget, and Catering Commissions at \$3.2 million or 106% of budget. The Convention Center's 2013 operating subsidy was \$7.6 million compared to \$8.2 million in 2012.

The Convention Center competes for business and, consistent with industry norms, discounts rent to be competitive. In 2013, the Convention Center hosted 364 events with 774,162 attendees. Economic impact to the community as a result of these events in 2013 is estimated to be \$422 million. 2013 operating revenues of nearly \$16.3 million is a record year for the Convention Center.

### Convention Center Revenue Source 4th Quarter 2013



## Expenditures

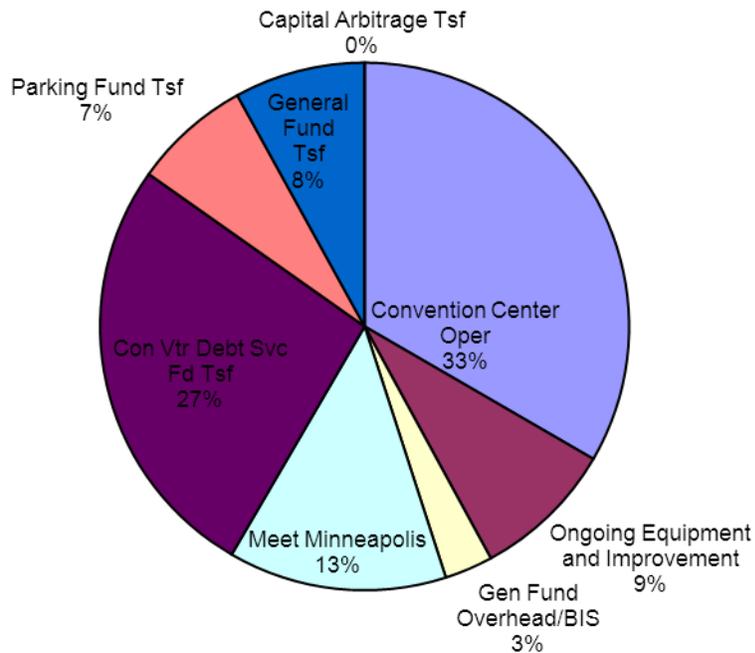
### **Operating Expenditures**

Through the 4th quarter of 2013, Convention Center operating expenses not including Ongoing Equipment and Improvement, IT, and General Fund Overhead finished 2013 at \$21.9 million or 95% of budget with the mix and volume of event activity, energy savings, and as a direct result of the staff model changes made beginning in 2012. The Convention Center continues to work on its 'no waste' initiative which includes a large waste program, as well as further enhancements to the energy efficiency practices that were put in place in 2009. The ongoing management of operating expenses includes a variety of cost containment activities:

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

The Convention Center finished 2013 nearly \$5.4 million under budget in ongoing equipment and improvements, but has numerous projects underway that began in 2013 which are continuing in 2014. The Convention Center currently has an appropriation rollover request submitted for the \$5.4 million. Some of the current projects include: much needed projects such as carpet installation, a new Visitor Information Center, skyway escalator replacement, concession stand equipment, locker room remodel, audio visual equipment, terrazzo floor repair, a phone system, and low voltage infrastructure.

**Convention Center Expenditures & Transfers  
4th Quarter 2013**



**Transfers**

The Convention Center Fund annually transfers a portion of its tax revenue to several other funds, in addition to receiving transfers from other funds. In 2013, transfers were budgeted for the General Fund - \$5.3 million for economic development and mounted patrol, \$17.5 million for debt service, and \$4.7 million to the Municipal Parking Enterprise Fund. The transfer to debt service finished 2013 nearly \$194 thousand under budget. In addition, the Convention Center is receiving a \$1.5 million transfer from IT for a capital advance. The IT transfer is being accounted for on the balance sheet.

**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 has 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, as well as profit from the iDSS. The total of the loan was

nearly \$9.1 million. Quarterly interest payments began on 03/31/08, and annual principal payments began on December 31, 2008. Interest and principal payments coincide with Meet Minneapolis' quarterly sales and marketing payments from the City. The Meet Minneapolis 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 revenue in the period in which it is due. Meet Minneapolis finished 2013 at \$8.8 million which is \$250 thousand under budget as the result of Meet Minneapolis receiving \$250,000 of its \$500,000 budgeted incentive budget.

**Fund Balance**

With the 2013 year end revenues finishing over budget, and expenses finishing under budget, the 2013 ending fund balance finished at \$60.1 million, an increase of \$6.9 million over 2012.

**CONVENTION CENTER SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the fiscal quarter ending December 31, 2013**

**CITY OF MINNEAPOLIS, MINNESOTA**

	2013			2012 Actual
	Budget	Actual	Percent of Total	
<b>REVENUE</b>				
Operating Revenue:				
Charges for Services and Sales	5,339,000	5,788,479	108%	5,405,038
Rents and Commissions	6,400,000	7,238,370	113%	7,005,147
Catering Commissions	3,044,000	3,223,301	106%	2,688,849
<b>Total Operating Revenue</b>	<b>14,783,000</b>	<b>16,250,150</b>	<b>110%</b>	<b>15,099,034</b>
Tax Revenue:				
Sales and Use Tax	31,500,000	32,597,593	103%	31,731,154
Food Tax	12,000,000	11,873,549	99%	11,464,597
Liquor Tax	5,700,000	5,087,224	89%	5,426,548
Lodging Tax	6,800,000	6,749,003	99%	6,431,736
<b>Total Tax Revenue</b>	<b>56,000,000</b>	<b>56,307,369</b>	<b>101%</b>	<b>55,054,035</b>
Other Non Operating Revenue:				
Investment Management Services Interest	200,000	(63,530)	-32%	259,937
Meet Minneapolis (iDSS) Loan Interest	265,132	265,132	100%	314,359
Bonds Issued - Domes	-	-	-	4,200,000
Premiums and Accrued Interest - Bonds	-	-	-	111,067
Copper Scrap Sales - Domes	-	-	-	552,337
Other	-	193,075	-	13,387
<b>Total Other Non Operating Revenue</b>	<b>465,132</b>	<b>394,677</b>	<b>85%</b>	<b>5,451,087</b>
<b>Total Non Operating Revenue</b>	<b>56,465,132</b>	<b>56,702,046</b>	<b>100%</b>	<b>60,505,122</b>
<b>Total Revenue</b>	<b>71,248,132</b>	<b>72,952,196</b>	<b>102%</b>	<b>75,604,156</b>
<b>EXPENDITURES</b>				
Convention Center Operations	23,152,836	21,916,626	95%	21,342,376
Ongoing Equipment and Improvement	11,072,796	5,719,781	52%	5,099,234
General Fund Overhead/IT Operating	1,939,054	1,939,054	100%	2,002,888
Meet Minneapolis	9,017,258	8,767,258	97%	8,138,127
Capital Improvements - Domes	-	375,804	-	3,905,033
Other Fiscal Charges (Bonds)	-	-	-	7,392
<b>Total Expenditures</b>	<b>45,181,944</b>	<b>38,718,523</b>	<b>86%</b>	<b>40,495,050</b>
Excess of Revenues Over (Under) Expenditures	26,066,188	34,233,673	131%	35,109,106
<b>OTHER FINANCING SOURCES (USES)</b>				
General Fund Transfer - Mounted Patrol, Econ Dev	(5,250,000)	(5,250,000)	100%	(250,000)
Facility Reserve Fund Transfer to Convention Ctr	-	-	-	1,500,000
Convention Center Facility Reserve Fund Transfer	-	-	-	(1,150,000)
Convention Ctr Debt Service Transfer	(17,545,125)	(17,351,543)	99%	(19,833,806)
Transfer to General Debt Service	-	-	-	(103,675)
Other Debt Service Transfer	-	-	-	(400,000)
Municipal Parking Enterprise Fund Transfer	(4,729,200)	(4,729,200)	100%	(5,580,100)
Transfer from Capital Arbitrage	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(27,524,325)</b>	<b>(27,330,743)</b>	<b>99%</b>	<b>(25,817,581)</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,458,137)	6,902,930		9,291,525
Fund Balance - January 1	53,224,786	53,224,786		43,933,262
<b>Ending Fund Balance</b>	<b>51,766,649</b>	<b>60,127,716</b>		<b>53,224,786</b>
<b>Ending Cash Balance</b>		<b>49,515,553</b>		<b>36,845,777</b>

**CONVENTION FACILITIES RESERVE SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the fiscal quarter ending December 31, 2013**

	2013		2012
	Budget	Actual	Actual
<b>REVENUES:</b>			
Interest		-	-
Total revenues	-	-	-
Excess of revenues over (under) expenditures	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer from Convention Center	-	-	1,150,000
Transfer to Convention Center	-	-	(1,500,000)
Transfers within special revenue funds	-	-	(350,000)
Total other financing sources (uses)	-	-	(350,000)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	-	-	(350,000)
Fund Balance - January 1	5,400,450	5,400,450	5,750,450
<b>Ending Fund Balance</b>	<b>5,400,450</b>	<b>5,400,450</b>	<b>5,400,450</b>
Ending Cash Balance		5,400,450	5,400,450

**SPECIAL REVENUE FUNDS**  
**Federal, CDBG, and Other State and Local Grants**  
**Year Ending December 31, 2013**

The City receives a number of federal and state 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. For annual reporting purposes, cash deficits are eliminated through inter-fund borrowing.

**Federal Grants Fund (01300)**

The City accounts for its federal grant activity in fund 01300. As of December 31, expenditures were \$22,922,059 compared to the 2012 expenditures of \$33,382,725. The 2012 expenditures are higher compared to the current year due to the Recovery grants that were awarded in 2009 and 2010 that have ended. Community Planning and Economic Development (CPED) expenditures declined significantly from 2012 due to the end of the Neighborhood Stabilization grant funds from prior years.

**HUD Consolidated Plan Funds (01400 & 01500)**

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 Solutions 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 December 31, 2013 were \$17,312,065 compared to \$24,883,302 for 2012. The HUD Consolidated Plan program year is from June 1 to May 31. The CDBG award beginning June 1, 2012 was \$3.1 million less than the prior CDBG award beginning in 2011. The impact of that reduction will be reflected in reduced spending in the current year. The 2013 CDBG allocation was slightly higher than 2012; however at the fund level there was a decline in expenditures from 2012 due to expiring Neighborhood Stabilization grants.

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 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 has previously reprogrammed unspent CDBG projects balances to offset the Block E deficit. Since November 2001, the City Council approved the reprogramming of \$1,624,299. Since 2008, in accordance with the reprogramming policy, an additional \$1,930,104 has been reprogrammed resulting in a current deficit balance of \$4,237,453. During the 2014 budget process, eligible tax increment revenues were identified to pay down this remaining deficit in 2015.

**Grants Other Fund (01600)**

The fund is used to account for non-federal grants and other restricted revenue sources. The year-to-date expenditures as of December 31, 2013 are \$27,165,489 compared to the 2012 expenditures of \$31,558,108. The revenue in the fund as of December 31, 2013 and 2012 is \$26,696,013 and \$25,957,645, respectively. The 2010 Minnesota State Legislature approved a \$14M grant to the City of Minneapolis to fund the renovation of Orchestra Hall. The total grant expended to date is \$14,000,000 of which \$9,470,621 was expended in 2013.

**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 Fund 04100, the Permanent Improvement Capital Projects fund.

**Special Revenue Funds**  
**Grant Funds**  
**Year Ending December 31, 2013**

	<b>Federal Grants 01300</b>	<b>HUD Grants 01400&amp;01500</b>	<b>Grants Other 01600</b>	<b>Total</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 789,672	\$ 36,425	\$ 2,553,904	\$ 3,380,001
Accounts - net	6,630	15,510	5,634	27,774
Special Assessments Receivable		117,175	4,113	121,288
Intergovernmental Receivables	6,932,135	1,666,652	2,323,295	10,922,082
Loans Receivable		22,922,774		22,922,774
Prepaid Expense				-
Due from Other Funds				-
Deposits with Fiscal Agents				-
Properties held for resale	1,375,555	6,036,821	1,199,750	8,612,126
<b>Total Assets</b>	<b>\$ 9,103,992</b>	<b>\$ 30,795,357</b>	<b>\$ 6,086,696</b>	<b>\$ 45,986,045</b>
<b>Liabilities</b>				
Salaries payable	\$ 61,571	\$ 52,031	\$ 89,838	\$ 203,440
Accounts payable	3,173,956	566,556	527,155	4,267,667
Inter Governmental Payables	1,972		38	2,010
Due to Other Funds	3,500,000	1,100,000		4,600,000
Use Taxes Payable				-
Unclaimed Property				-
Deposits held for others				-
Deferred revenue & Contracts	990,938	22,922,774	2,893,236	26,806,948
Deferred Special Assessments		117,175	4,113	121,288
<b>Total Liabilities</b>	<b>\$ 7,728,437</b>	<b>\$ 24,758,536</b>	<b>\$ 3,514,380</b>	<b>\$ 36,001,353</b>
<b>Fund Balance</b>	<b>\$ 1,375,555</b>	<b>\$ 6,036,821</b>	<b>\$ 2,572,316</b>	<b>\$ 9,984,692</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 9,103,992</b>	<b>\$ 30,795,357</b>	<b>\$ 6,086,696</b>	<b>\$ 45,986,045</b>
<b>Revenue</b>				
Taxes-Charitable Gambling	\$ -			\$ -
Grants and Shared Revenues	\$ 20,414,368	16,161,295	25,168,631	61,744,294
Loan Origination Fees				-
Special Assessments		10,231		10,231
Private Contributions			819,780	819,780
Charges for Services		36,519	701,449	737,968
Licenses & Permits				-
Fines and forfeits				-
Interest		71,968	1,722	73,690
Rent & Commissions		6,990		6,990
Sale of Lands & Buildings	345,190	491,615		836,805
Loan Recapture	1,980,011	307,607		2,287,618
Sale of Equipment				-
Refund of Prior Years Expended		16,420		16,420
Miscellaneous Revenue	46,078	2,000	4,263	52,341
Transfer within Special Revenue Fund			168	168
<b>Total Revenue</b>	<b>\$ 22,785,647</b>	<b>\$ 17,104,645</b>	<b>\$ 26,696,013</b>	<b>\$ 66,586,305</b>
<b>Expenditures</b>	<b>\$ 22,922,059</b>	<b>\$ 17,312,065</b>	<b>\$ 27,165,489</b>	<b>\$ 67,399,613</b>
<b>Revenues Over (Under) Expenditure</b>	<b>\$ (136,412)</b>	<b>\$ (207,420)</b>	<b>\$ (469,476)</b>	<b>\$ (813,308)</b>

**CDBG Program Year 39  
Beginning June 1, 2013  
December 31, 2013**

Project	Adopted Budget 2012R-654	Adjusted Amount Final HUD	Amended Budget	Program Income	Council Actions	Department Actions	Reprogrammed Amounts	Revised Budget	2013			
									Current Expenditures	Grant to Date Expenditures	Remaining Grant Budget	
<b>Capital Grants:</b>												
Problem Properties Board Bldg	\$ 103,700	\$ -	\$ 103,700	\$ -	\$ -	\$ -	\$ -	\$ 103,700	\$ 38,766	\$ 38,766	\$ 64,934	
Lead Reduction	61,500	-	61,500	-	-	-	-	61,500	-	-	61,500	
Adult Training, Placement and Retention	1,467,600	237,898	1,705,498	-	-	-	-	1,705,498	402,679	402,679	1,302,819	
High density corridor housing	578,769	-	578,769	-	-	-	-	578,769	-	-	578,769	
NEDF/CEDF (Great Streets)	10,726	-	10,726	-	-	-	-	10,726	-	-	10,726	
Multi-Family/Affordable Housing	2,966,776	-	2,966,776	-	-	-	-	2,966,776	-	-	2,966,776	
Vacant & Boarded Housing	1,753,430	-	1,753,430	-	-	-	-	1,753,430	783,960	783,960	969,470	
Subtotal Capital Grants	<u>\$ 6,942,501</u>	<u>\$ 237,898.00</u>	<u>\$ 7,180,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,180,399</u>	<u>\$ 1,225,405</u>	<u>\$ 1,225,405</u>	<u>\$ 5,954,994</u>	
<b>Public Service Grants:</b>												
Community Crime Prevention Specialists	\$ 876,600	\$ 20,415	\$ 897,015	\$ -	\$ -	\$ -	\$ -	\$ 897,015	\$ 456,116	\$ 456,116	\$ 440,899	
Access & Outreach (Multicultural Affairs)	120,000	-	120,000	-	-	-	-	120,000	-	-	120,000	
Domestic Abuse Project	59,500	15,500	75,000	-	-	-	-	75,000	-	-	75,000	
Juvenile Supervisor Center	100,000	-	100,000	-	-	-	-	100,000	51,729	51,729	48,271	
Way to Grow	192,600	19,400	212,000	-	-	-	-	212,000	62,910	62,910	149,090	
Youth Employment & Training	250,900	2,100	253,000	-	-	-	-	253,000	6,295	6,295	246,705	
Subtotal Public Service Grants	<u>\$ 1,599,600</u>	<u>\$ 57,415</u>	<u>\$ 1,657,015</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,657,015</u>	<u>\$ 577,050</u>	<u>\$ 577,050</u>	<u>\$ 1,079,965</u>	
<b>Administrative Grants:</b>												
YCB Administration	\$ 65,400	\$ 600	\$ 66,000	\$ -	\$ -	\$ -	\$ -	\$ 66,000	\$ 64,803	\$ 64,803	\$ 1,197	
Civil Rights Dept Fair Housing	361,900	3,100	365,000	-	-	-	-	365,000	-	-	365,000	
Finance Administration	194,400	1,600	196,000	-	-	-	-	196,000	-	-	196,000	
Grants & Special Projects	188,400	1,600	190,000	-	-	-	-	190,000	-	-	190,000	
Housing Discrimination Law Project-Leg:	47,229	6,771	54,000	-	-	-	-	54,000	31,500	31,500	22,500	
Grant Administration	67,400	-	67,400	-	-	-	-	67,400	-	-	67,400	
Legal Aid Mid-Minnesota	29,060	4,940	34,000	-	-	-	-	34,000	16,176	16,176	17,824	
Neighborhood Services	71,400	-	71,400	-	-	-	-	71,400	39,144	39,144	32,256	
Way to Grow Administration	15,900	1,600	17,500	-	-	-	-	17,500	3,184	3,184	14,316	
YCB Youth Violence Prevention	100,200	10,500	110,700	-	-	-	-	110,700	932	932	109,768	
CDBG Planning Admin	984,060	53,293	1,037,353	-	-	-	-	1,037,353	433,070	433,070	604,283	
Subtotal Administrative Grants	<u>\$ 2,125,349</u>	<u>\$ 84,004</u>	<u>\$ 2,209,353</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,209,353</u>	<u>\$ 588,809.00</u>	<u>\$ 588,809.00</u>	<u>\$ 1,620,544</u>	
Subtotal Administrative Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<b>GRAND TOTAL</b>	<u>\$ 10,667,450</u>	<u>\$ 379,317.00</u>	<u>\$ 11,046,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,046,767</u>	<u>\$ 2,391,264</u>	<u>\$ 2,391,264</u>	<u>\$ 8,655,503</u>	

**CDBG Program Year 38**  
**Beginning June 1, 2012**  
**December 31, 2013**

Project	Adopted Budget 2011R-659	Reduction Amount Final HUD	Amended Budget	Department Actions	Reprogrammed Amounts	Revised Budget	2013		
							Current Year Expenditures	Grant to Date Expenditures	Remaining Grant Budget
<b>Capital Grants:</b>									
Lead Reduction	\$ 62,000	\$ (500)	\$ 61,500	\$ -	\$ -	\$ 61,500	\$ 9,978	\$ 9,978	\$ 51,522
Problem Properties Board Bldg	104,600	(900)	103,700	-	-	103,700	46,047	103,700	-
Adult Training, Placement and Retentior	1,480,000	(12,400)	1,467,600	-	-	1,467,600	1,288,647	1,467,600	-
High density corridor housing	583,669	(4,900)	578,769	-	-	578,769	-	-	578,769
Commercial Property Investment	139,000	(1,200)	137,800	-	-	137,800	-	-	137,800
NEDF/CEDF (Great Streets)	41,000	(300)	40,700	-	-	40,700	167	167	40,533
Multi-Family/Affordable Housing	2,991,876	(25,100)	2,966,776	-	-	2,966,776	1,119,102	1,577,703	1,389,073
Vacant & Boarded Housing	1,599,056	(13,400)	1,585,656	-	-	1,585,656	1,041,806	1,591,845	(6,189)
Subtotal Capital Grants	\$ 7,001,201	\$ (58,700)	\$ 6,942,501	\$ -	\$ -	\$ 6,942,501	\$ 3,505,747	\$ 4,750,993	\$ 2,191,508
<b>Public Service Grants:</b>									
Community Crime Prevention Specialists	\$ 884,000	\$ (7,400)	\$ 876,600	\$ -	\$ -	\$ 876,600	\$ 333,348	\$ 876,600	\$ -
Access & Outreach (Multicultural Affairs)	121,000	(1,000)	120,000	-	-	120,000	73,086	73,086	46,914
Domestic Abuse Project	60,000	(500)	59,500	-	-	59,500	59,500	59,500	-
Juvenile Supervisor Center	100,000	-	100,000	-	-	100,000	49,031	100,000	-
Way to Grow	195,000	(2,400)	192,600	-	-	192,600	112,497	192,500	100
Youth Employment & Training	253,000	(2,100)	250,900	-	-	250,900	250,900	250,900	-
Subtotal Public Service Grants	\$ 1,613,000	\$ (13,400)	\$ 1,599,600	\$ -	\$ -	\$ 1,599,600	\$ 878,362	\$ 1,552,586	\$ 47,014
<b>Administrative Grants:</b>									
YCB Administration	\$ 66,000	\$ (600)	\$ 65,400	\$ -	\$ -	\$ 65,400	\$ -	\$ 64,803	\$ 597
Civil Rights Dept Fair Housing	365,000	(3,100)	361,900	-	-	361,900	210,386	213,902	147,998
Finance Administration	196,000	(1,600)	194,400	-	-	194,400	29,000	29,000	165,400
Grants & Special Projects	190,000	(1,600)	188,400	-	-	188,400	138,561	152,674	35,726
Housing Discrimination Law Project-Leg:	47,740	(511)	47,229	-	-	47,229	47,229	47,229	-
Grant Administration	68,000	(600)	67,400	-	-	67,400	47,711	47,711	19,689
Legal Aid Mid-Minnesota	-	-	-	29,060	-	29,060	14,530	24,217	4,843
Neighborhood Services	72,000	(600)	71,400	-	-	71,400	62,967	71,400	-
Way to Grow Administration	16,000	(100)	15,900	-	-	15,900	9,275	15,900	-
YCB Youth Violence Prevention	101,000	(800)	100,200	-	-	100,200	74,769	100,252	(52)
Legal Aid Society	29,260	(200)	29,060	(29,060)	-	-	-	-	-
CDBG Planning Program Admin	992,360	(8,300)	984,060	-	-	984,060	460,622	983,788	272
Subtotal Administrative Grants	\$ 2,143,360	\$ (18,011)	\$ 2,125,349	\$ -	\$ -	\$ 2,125,349	\$ 1,095,050	\$ 1,750,876	\$ 374,473
<b>Block E Deficit Reduction:</b>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-	-	-	-
Subtotal Administrative Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>GRAND TOTAL</b>	<b>\$ 10,757,561</b>	<b>\$ (90,111)</b>	<b>\$ 10,667,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,667,450</b>	<b>\$ 5,479,159</b>	<b>\$ 8,054,455</b>	<b>\$ 2,612,995</b>

**CDBG Program Year 37  
Beginning June 1, 2011  
December 31, 2013**

Project	Adopted Budget 2010R-598	Reduction Amount 2011R-301	Amended Budget 2011R-301	Program Income	Council Actions	Department Actions	Reprogrammed Amounts	Revised Budget	2013			
									Current Year Expenditures	Grant to Date Expenditures	Remaining Grant Budget	
<b>Capital Grants:</b>												
General Housing Rehabilitation-MPHA	\$ 110,000	\$ (110,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Problem Properties Attorneys	38,000	(7,617)	30,383	-	-	-	-	30,383	11,066	-	30,383	-
Personal Protective Equipment	584,000	-	584,000	-	-	-	-	584,000	-	584,000	-	-
Problem Properties Police	53,000	(10,624)	42,376	-	-	-	-	42,376	31,977	-	42,376	-
Lead Reduction	125,000	(25,057)	99,943	-	-	-	-	99,943	6,904	-	6,904	93,039
Problem Properties Board Bldg	348,000	(186,823)	161,177	-	-	-	-	161,177	7,526	-	161,177	-
Adult Training, Placement and Retentio	1,255,000	(141,570)	1,113,430	-	-	-	-	1,113,430	31	-	1,113,430	-
High density corridor housing	730,000	(146,331)	583,669	-	-	-	-	583,669	78,192	-	78,192	505,477
NonProfit MF Rental Development Assis	166,000	(33,275)	132,725	-	-	-	-	132,725	-	-	-	132,725
NEDF/CEDF (Great Streets)	1,127,000	(225,912)	901,088	-	-	-	-	901,088	-	-	-	901,088
Homeownership Program (GMMHC)	34,000	(6,815)	27,185	-	-	-	-	27,185	-	-	-	27,185
Multi-Family/Affordable Housing	3,411,189	(683,786)	2,727,403	-	-	-	-	2,727,403	1,296,086	-	2,327,155	400,248
Vacant & Boarded Housing	1,782,000	(357,209)	1,424,791	-	-	-	-	1,424,791	-	-	1,424,791	-
Subtotal Capital Grants	\$ 9,763,189	\$ (1,935,019)	\$ 7,828,170	\$ -	\$ -	\$ -	\$ -	\$ 7,828,170	\$ 1,431,782	\$ -	\$ 5,768,408	\$ 2,059,762
<b>Public Service Grants:</b>												
Restorative Justice Programs	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ -
Community Crime Prevention Specialist	934,386	(50,000.00)	884,386	-	-	-	-	884,386	-	-	884,386	-
Access & Outreach (Multicultural Affairs	121,000	-	121,000	-	-	-	-	121,000	11,801	-	121,000	-
PHAC: Living at Home Block Nurse Prog	75,000	-	75,000	-	-	(75,000)	-	-	-	-	-	-
Curfew/Truancy Center	100,000	-	100,000	-	-	-	-	100,000	-	-	100,000	-
Domestic Abuse Project	75,000	-	75,000	-	-	-	-	75,000	-	-	75,000	-
	250,000	(259,563.00)	(9,563)	-	-	9,563	-	-	-	-	-	-
PHAC: Hennepin Healthcare	-	-	-	-	-	30,000	-	30,000	4,544	-	30,000	-
PHAC: Holy Rosary Church	-	-	-	-	-	50,000	-	50,000	-	-	50,000	-
PHAC: MPLS American Indian	-	-	-	-	-	30,000	-	30,000	-	-	30,000	-
PHAC: MPS Teenage Parenting & Pregr	75,000	-	75,000	-	-	(66,762)	-	8,238	4,801	-	8,238	-
PHAC: SE Asian Community Council	-	-	-	-	-	22,199	-	22,199	-	-	22,199	-
Way to Grow	262,000	(50,000.00)	212,000	-	-	-	-	212,000	-	-	212,000	-
Youth Employment & Training	253,000	\$ -	253,000	-	-	-	-	253,000	-	-	253,000	-
Subtotal Public Service Grants	\$ 2,165,386	\$ (359,563)	\$ 1,805,823	\$ -	\$ -	\$ -	\$ -	\$ 1,805,823	\$ 21,146	\$ -	\$ 1,805,823	\$ -
<b>Administrative Grants:</b>												
YCB Administration	\$ 66,000	\$ -	\$ 66,000	\$ -	\$ -	\$ -	\$ (1,197)	\$ 64,803	\$ -	\$ -	\$ 64,803	\$ -
Civil Rights Dept Fair Housing	365,000	-	365,000	-	-	-	-	365,000	52,160	-	365,000	-
Finance Administration	196,000	-	196,000	-	-	-	-	196,000	163,509	-	192,034	3,966
Director of Arts-City Coordinator Adm	28,146	(28,146)	-	-	-	-	-	-	-	-	-	-
MPH Citizen Participation	68,000	-	68,000	-	-	-	-	68,000	34,000	-	68,000	-
Grants & Special Projects	190,000	-	190,000	-	-	-	-	190,000	(413)	-	190,000	-
Housing Discrimination Law Project-Leg	54,000	-	54,000	-	-	-	-	54,000	-	-	54,000	-
Homeless Initiative	77,000	-	77,000	-	-	-	-	77,000	(4,339)	-	77,000	-
Grant Administration	68,000	-	68,000	-	-	-	-	68,000	-	-	68,000	-
Neighborhood Services	72,000	-	72,000	-	-	-	-	72,000	(1,938)	-	72,000	-
Way to Grow Administration	26,000	-	26,000	-	-	-	-	26,000	-	-	26,000	-
YCB Youth Violence Prevention	121,000	(20,000)	101,000	-	-	-	-	101,000	(5,955)	-	101,000	-
Legal Aid Society	34,000	-	34,000	-	-	-	-	34,000	-	-	34,000	-
Program Admin	100,000	-	100,000	-	-	-	-	100,000	-	-	100,000	-
Planning - Administration	1,045,854	\$ (54,356.00)	991,498	-	-	-	-	991,498	(2,768)	-	991,498	-
Subtotal Administrative Grants	\$ 2,511,000	\$ (102,502)	\$ 2,408,498	\$ -	\$ -	\$ -	\$ (1,197)	\$ 2,407,301	\$ 234,256	\$ -	\$ 2,403,335	\$ 3,966
<b>Block E Deficit Reduction:</b>												
YCB Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,197	\$ 1,197	\$ -	\$ -	\$ -	\$ 1,197
Subtotal Administrative Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,197	\$ 1,197	\$ -	\$ -	\$ -	\$ 1,197
<b>GRAND TOTAL</b>	<b>\$ 14,439,575</b>	<b>\$ (2,397,084)</b>	<b>\$ 12,042,491</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,042,491</b>	<b>\$ 1,687,184</b>	<b>\$ -</b>	<b>\$ 9,977,566</b>	<b>\$ 2,064,925</b>

**CDBG Program Year 36**  
**Beginning June 1, 2010**  
**December 31, 2013**

Project	Adopted Budget 2009R-586	Reduction Amount	Amended Budget	Department Actions	Reprogrammed Amounts	Revised Budget	2013		
							Current Year Expenditures	Grant to Date Expenditures	Remaining Grant Budget
<b>Capital Grants:</b>									
Problem Properties Attorneys	\$ 38,000		\$ 38,000	\$ -	\$ -	\$ 38,000	\$ -	\$ 38,000	\$ -
Personal Protective Equipment	694,000		694,000	-	-	694,000	60,950	691,095	2,905
Problem Properties Police	53,000		53,000	-	-	53,000	-	53,000	-
Lead Reduction	125,000		125,000	-	-	125,000	16,433	120,771	4,229
Problem Properties Board Bldg	348,000		348,000	-	-	348,000	-	348,000	-
Adult Training, Placement and Retention	982,000		982,000	-	-	982,000	-	982,000	-
High density corridor housing	730,000		730,000	-	-	730,000	223,530	730,000	-
NonProfit MF Rental Development Assist	166,000		166,000	-	-	166,000	-	-	166,000
NEDF/CEDF	1,500,000		1,500,000	-	-	1,500,000	2,471	323,634	1,176,366
Homeownership Program (GMMHC)	334,000		334,000	-	-	334,000	-	184,634	149,366
Multi-Family/Affordable Housing	3,703,000	308,189	4,011,189	-	-	4,011,189	-	4,011,189	-
Vacant & Boarded Housing	782,000		782,000	-	-	782,000	-	782,000	-
Subtotal Capital Grants	\$ 9,455,000	\$ 308,189	\$ 9,763,189	\$ -	\$ -	\$ 9,763,189	\$ 303,384	\$ 8,264,323	\$ 1,498,866
<b>Public Service Grants:</b>									
Restorative Justice Programs	\$ 20,000		\$ 20,000	\$ -	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -
Community Crime Prevention Specialists	880,000	54,386	934,386	-	-	934,386	-	934,386	-
Access & Outreach (Multicultural Affairs)	121,000		121,000	-	-	121,000	-	121,000	-
Living at Home Block Nurse Program	49,000		49,000	87,250	-	136,250	13,925	136,250	-
Catholic Charities	49,000		49,000	(38,980)	-	10,020	-	10,020	-
Centro Cultural Chicano Inc	33,000		33,000	14,000	-	47,000	-	47,000	-
Curfew/Truancy Center	100,000		100,000	-	-	100,000	-	100,000	-
Greater Minneapolis Council of Churches	26,000		26,000	(26,000)	-	-	-	-	-
Lao Assistance Center of MN	49,000		49,000	(49,000)	-	-	-	-	-
Minnesota International Health Volunteer	49,000		49,000	(5,237)	-	43,763	-	43,763	-
MPS Teenage Parenting & Pregnancy Pr	49,000		49,000	(8,928)	-	40,072	-	40,072	-
MPS Teenage Parenting & Pregnancy Pr	-		-	42,801	-	42,801	7,521	42,801	-
Minneapolis Urban League	49,000		49,000	(134)	-	48,866	-	48,866	-
Southside Community Health Ser	47,000		47,000	(15,772)	-	31,228	-	31,228	-
Way to Grow	262,000		262,000	-	-	262,000	-	262,000	-
Youth Employment & Training	328,000		328,000	-	-	328,000	-	328,000	-
Subtotal Public Service Gr	\$ 2,111,000	\$ 54,386	\$ 2,165,386	\$ -	\$ -	\$ 2,165,386	\$ 21,446	\$ 2,165,386	\$ -
<b>Administrative Grants:</b>									
YCB Administration	\$ 66,000		\$ 66,000	\$ -	\$ (1,197)	\$ 64,803	\$ -	\$ 64,803	\$ -
Civil Rights Dept Fair Housing	365,000		365,000	-	-	365,000	-	365,000	-
Finance Administration	196,000		196,000	-	-	196,000	-	196,000	-
MPH Citizen Participation	68,000		68,000	-	-	68,000	-	68,000	-
Grants & Special Projects	190,000		190,000	-	-	190,000	7,037	190,000	-
Housing Discrimination Law Project-Leg	54,000		54,000	-	-	54,000	-	54,000	-
Homeless Initiative	77,000		77,000	-	-	77,000	-	77,000	-
Grant Administration	68,000		68,000	-	-	68,000	-	68,000	-
Neighborhood Services	72,000		72,000	-	-	72,000	-	72,000	-
Way to Grow Administration	26,000		26,000	-	-	26,000	-	26,000	-
YCB Youth Violence Prevention	121,000		121,000	-	-	121,000	-	121,000	-
Citizen Participation	233,000		233,000	-	(66,095)	166,905	-	92,854	74,051
Legal Aid Society	34,000		34,000	-	-	34,000	-	34,000	-
Planning - Administration	941,000		941,000	-	-	941,000	-	941,000	-
Subtotal Administrative Gr	\$ 2,511,000	\$ -	\$ 2,511,000	\$ -	\$ (67,292)	\$ 2,443,708	\$ 7,037	\$ 2,369,657	\$ 74,051
<b>Block E Deficit Reduction:</b>									
G4123YCB36-YCB Administration	\$ -	\$ -	\$ -	\$ -	\$ 1,197	\$ 1,197	\$ -	\$ -	\$ 1,197
G4890CP36-Citizen Participation	\$ -	\$ -	\$ -	\$ -	\$ 66,095	\$ 66,095	\$ -	\$ -	\$ 66,095
Subtotal Administrative Gr	\$ -	\$ -	\$ -	\$ -	\$ 67,292	\$ 67,292	\$ -	\$ -	\$ 67,292
<b>GRAND TOTAL</b>	<b>\$ 14,077,000</b>	<b>\$ 362,575</b>	<b>\$ 14,439,575</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,439,575</b>	<b>\$ 331,867</b>	<b>\$ 12,799,366</b>	<b>\$ 1,640,209</b>

**CDBG Program Year 35  
Beginning June 1, 2009  
December 31, 2013**

Project	Adopted Budget	Reduction Amount	Amended Budget	Program Income	Council Actions	Department Actions	Reprogrammed Amounts	Revised Budget	2013			
									Current Year Expenditures	Grant to Date Expenditures	Remaining Grant Budget	
<b>Capital Grants:</b>												
General Housing Rehabilitation-MPHA	\$ 219,000	\$ -	\$ 219,000	\$ -	\$ -	\$ -	\$ -	\$ 219,000	\$ -	\$ 219,000	\$ -	
Problem Properties Attorneys	38,000	-	38,000	-	-	-	-	38,000	-	38,000	-	
Problem Properties Police	53,000	-	53,000	-	-	-	-	53,000	-	53,000	-	
Lead Reduction	125,000	-	125,000	-	-	-	-	125,000	(87)	125,000	-	
Problem Properties Board Bldg	348,000	-	348,000	-	-	-	-	348,000	-	348,000	-	
Childcare Facilities Loan/Grant	225,000	-	225,000	-	-	-	-	225,000	12,570	12,570	212,430	
Adult Training, Placement and Retention	511,000	-	511,000	-	-	-	-	511,000	-	511,000	-	
High density corridor housing	730,000	-	730,000	-	-	-	-	730,000	-	730,000	-	
NonProfit MF Rental Development Assistance	166,000	-	166,000	-	-	-	-	166,000	30,000	103,727	62,273	
Homeownership Program (GMMHC)	334,000	-	334,000	1,472,000	-	-	-	1,806,000	-	972,444	833,556	
Multi-Family/Affordable Housing	5,715,000	-	5,715,000	2,014,000	-	-	-	7,729,000	35,019	7,729,000	-	
Vacant & Boarded Housing	569,000	-	569,000	500,000	-	-	-	1,069,000	-	1,069,000	-	
Subtotal Capital Grants	\$ 9,033,000	\$ -	\$ 9,033,000	\$ 3,986,000	\$ -	\$ -	\$ -	\$ 13,019,000	\$ 77,502	\$ 11,910,741	\$ 1,108,259	
<b>Public Service Grants:</b>												
Multi Cultural & Native American Indian	\$ 121,000	-	\$ 121,000	\$ -	\$ -	\$ -	\$ -	\$ 121,000	\$ -	\$ 121,000	\$ -	
Graffiti Removal on Public Property	86,000	-	86,000	-	-	-	(19,527) <sup>3</sup>	66,473	-	66,473	-	
Living at Home Block Nurse Program	69,000	-	69,000	-	-	20,000	-	89,000	-	89,000	-	
Catholic Charities	69,000	-	69,000	-	-	(3,562)	-	65,438	-	65,438	-	
Centro Cultural Chicano Inc	47,000	-	47,000	-	-	-	-	47,000	-	47,000	-	
Greater Minneapolis Council of Churches	36,000	-	36,000	-	-	(23,518)	-	12,482	-	12,482	-	
Juvenile Supervision Center	100,000	-	100,000	-	-	-	-	100,000	-	100,000	-	
Lao Family Community	69,000	-	69,000	-	-	(22,815)	-	46,185	-	46,185	-	
Minnesota International Health Volunteers	69,000	-	69,000	-	-	(2,180)	-	66,820	-	66,820	-	
MPS Teenage Parenting & Pregnancy Program	69,000	-	69,000	-	-	16,075	-	85,075	-	85,075	-	
Minneapolis Urban League	69,000	-	69,000	-	-	16,000	-	85,000	-	85,000	-	
Southside Community Health Services	66,000	-	66,000	-	-	-	-	66,000	-	66,000	-	
Way to Grow	262,000	-	262,000	-	-	-	-	262,000	-	262,000	-	
Youth are Here Busses	51,000	-	51,000	-	-	-	(51,000) <sup>3</sup>	-	-	-	-	
Advocacy (Housing)	82,000	-	82,000	-	-	-	-	82,000	-	81,999	1	
Mortgage Foreclosure Prevention Program	140,000	-	140,000	-	-	-	-	140,000	-	137,000	3,000	
Youth Employment & Training	458,000	-	458,000	-	-	-	-	458,000	-	458,000	-	
Subtotal Public Service Grants	\$ 1,863,000	\$ -	\$ 1,863,000	\$ -	\$ -	\$ -	\$ (70,527)	\$ 1,792,473	\$ -	\$ 1,789,472	\$ 3,001	
<b>Administrative Grants:</b>												
MPH Citizen Participation	\$ 68,000	\$ -	\$ 68,000	\$ -	\$ -	\$ -	\$ -	\$ 68,000	\$ -	\$ 68,000	\$ -	
YCB Administration	66,000	-	66,000	-	-	-	(1,197) <sup>3</sup>	64,803	-	64,803	-	
Civil Rights Dept Fair Housing	365,000	-	365,000	-	-	-	-	365,000	-	365,000	-	
Grants & Special Projects	189,710	-	189,710	-	-	-	-	189,710	9,151	192,990	(3,280)	
Housing Discrimination Law Project-Legal Aid	54,000	-	54,000	-	-	-	-	54,000	-	54,000	-	
Homeless Initiative	77,000	-	77,000	-	-	-	-	77,000	-	77,000	-	
Finance Administration	196,000	-	196,000	-	-	-	-	196,000	-	196,000	-	
Grant Administration	68,000	-	68,000	-	-	-	-	68,000	-	68,000	-	
Neighborhood Services	72,000	-	72,000	-	-	-	-	72,000	-	72,000	-	
Way to Grow Administration	26,000	-	26,000	-	-	-	-	26,000	-	26,000	-	
YCB Youth Violence Prevention	121,000	-	121,000	-	-	-	-	121,000	-	121,000	-	
Citizen Participation	233,000	-	233,000	-	-	-	-	233,000	-	233,000	-	
Legal Aid Society	34,000	-	34,000	-	-	-	-	34,000	-	34,000	-	
Program Admin	62,000	-	62,000	-	-	-	-	62,000	-	62,000	-	
Planning - Administration	879,000	-	879,000	-	-	-	-	879,000	-	879,000	-	
Subtotal Administrative Grants	\$ 2,510,710	\$ -	\$ 2,510,710	\$ -	\$ -	\$ -	\$ (1,197)	\$ 2,509,513	\$ 9,151	\$ 2,512,793	\$ (3,280)	
<b>Block E Deficit Reduction:</b>												
Graffiti Removal on Public Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,527 <sup>3</sup>	\$ 19,527	\$ -	\$ -	\$ 19,527	
YCB Administration	-	-	-	-	-	-	1,197 <sup>3</sup>	1,197	-	-	1,197	
Youth are Here Busses	-	-	-	-	-	-	51,000 <sup>3</sup>	51,000	-	-	51,000	
Subtotal Reprogrammed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,724	\$ 71,724	\$ -	\$ -	\$ 71,724	
<b>GRAND TOTAL</b>	<b>\$ 13,406,710</b>	<b>\$ -</b>	<b>\$ 13,406,710</b>	<b>\$ 3,986,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,392,710</b>	<b>\$ 86,653</b>	<b>\$ 16,213,006</b>	<b>\$ 1,179,704</b>	

**CDBG Program Year 34  
Beginning June 1, 2008  
December 31, 2013**

Project	Adopted Budget	Reduction Amount	Amended Budget	Program Income	Council Actions	Department Actions	Reprogrammed Amounts	Revised Budget	2013		Remaining Grant Budget
									Current Year Expenditures	Grant to Date Expenditures	
<b>Capital Grants:</b>											
General Housing Rehabilitation-MPHA	\$ 218,000		\$ 218,000	\$ -	\$ -	\$ -		\$ 218,000	\$ -	\$ 218,000	\$ -
Problem Properties Attorneys	38,300		38,300	-	-	-		38,300	-	38,300	-
Problem Properties Police	52,700		52,700	-	-	-		52,700	-	52,700	-
Lead Reduction	125,000		125,000	-	-	-		125,000	-	125,000	-
Problem Properties Board Bldg	348,000		348,000	-	-	-		348,000	-	348,000	-
Childcare Facilities Loan/Grant	224,000		224,000	-	-	-		224,000	1,588	1,588	222,412
Adult Training, Placement and Retention	1,380,000		1,380,000	-	-	-		1,380,000	-	1,381,068	(1,068)
High density corridor housing	729,000		729,000	-	-	-		729,000	-	729,000	-
NonProfit MF Rental Development Assistance	165,000		165,000	-	-	-		165,000	10,000	165,000	-
NEDF/CEDF	518,000		518,000	1,150,000	1	-	1	1,668,000	104,338	566,527	1,101,473
Homeownership Program (GMMHC)	319,000		319,000	-	-	-		319,000	-	319,000	-
Industry Cluster Program (Living Wage Jobs)	65,100		65,100	-	-	-		65,100	-	65,100	-
Multi-Family/Affordable Housing	4,270,000		4,270,000	-	-	-		4,270,000	-	4,270,000	-
Vacant & Boarded Housing	569,000		569,000	-	-	-		569,000	-	569,000	-
Subtotal Capital Grants	\$ 9,021,100	\$ -	\$ 9,021,100	\$ 1,150,000	\$ -	\$ -	\$ -	\$ 10,171,100	\$ 115,926	\$ 8,848,283	\$ 1,322,817
<b>Public Service Grants:</b>											
Multi Cultural & Native American Indian	\$ 119,000		\$ 119,000	\$ -	\$ -	\$ -		\$ 119,000	\$ -	\$ 119,000	\$ -
Graffiti Removal on Public Property	86,200		86,200	-	-	-		86,200	-	86,200	-
Advocacy (Housing)	82,300		82,300	-	-	-		82,300	-	82,300	-
Asian Media Access	26,800		26,800	-	-	-		26,800	-	26,800	-
Living at Home Block Nurse Program	64,100		64,100	-	-	-		64,100	-	64,100	-
Child Dental Services	10,500		10,500	-	-	-		10,500	-	10,500	-
Curfew/Truancy Center	98,000		98,000	-	-	-		98,000	-	98,000	-
Domestic Abuse Project	34,500		34,500	-	-	(34,500)		-	-	-	-
Resource Inc, Employment Action Center	44,000		44,000	-	-	-	(6,000)	38,000	-	38,000	-
Fremont Community Health Services	44,000		44,000	-	-	-		44,000	-	44,000	-
Greater Minneapolis Council of Churches	44,000		44,000	-	-	-		44,000	-	44,000	-
Lao Assistance Center of MN	48,800		48,800	-	-	-		48,800	-	48,800	-
MITZGI Communications	42,100		42,100	-	-	-		42,100	-	42,100	-
MPS Teenage Parenting & Pregnancy Program	65,100		65,100	-	-	-		65,100	-	65,100	-
Minneapolis Urban League	64,100		64,100	-	-	-		64,100	182,00	64,100	-
St Marys Health Clinics	18,200		18,200	-	-	-		18,200	-	18,200	-
St Stephens Human Services	44,000		44,000	-	-	-		44,000	-	44,000	-
Southside Family Nurturing Center	44,000		44,000	-	-	-	(20,727)	23,273	-	23,273	-
348TOTS	-		-	-	-	34,500		34,500	-	34,500	-
Way to Grow	261,000		261,000	-	-	-	(1)	260,999	-	260,999	-
Youth are Here Busses	71,800		71,800	-	-	-	(71,800)	-	-	-	-
Mortgage Foreclosure Prevention Program	196,000		196,000	-	-	-		196,000	-	196,000	-
Youth Employment & Training	457,000		457,000	-	-	-		457,000	-	457,000	-
Subtotal Public Service Grants	\$ 1,965,500	\$ -	\$ 1,965,500	\$ -	\$ -	\$ -	\$ (98,528)	\$ 1,866,972	\$ 182	\$ 1,866,972	\$ -
<b>Administrative Grants:</b>											
MPH Citizen Participation	\$ 68,000		\$ 68,000	\$ -	\$ -	\$ -		\$ 68,000	\$ -	\$ 68,000	\$ -
YCB Administration	65,000		65,000	-	-	-	(197)	64,803	-	64,803	-
Civil Rights Dept Fair Housing	196,000		196,000	-	-	-		196,000	-	196,000	-
Grants & Special Projects	235,000		235,000	-	-	-		235,000	-	235,000	-
Homeless Initiative	-		-	-	-	-		-	-	-	-
Housing Discrimination Law Project-Legal Aid	54,600		54,600	-	-	-		54,600	-	54,600	-
Finance Administration	196,000		196,000	-	-	-		196,000	-	196,000	-
Grant Administration	67,972		67,972	-	-	-		67,972	-	67,972	-
Legal Aid Society	33,500		33,500	-	-	-		33,500	-	33,500	-
Neighborhood Services	71,800		71,800	-	-	-		71,800	-	71,800	-
Way to Grow Administration	25,800		25,800	-	-	-		25,800	-	25,800	-
YCB Youth Violence Prevention	120,000		120,000	-	-	-		120,000	-	120,000	-
Citizen Participation	233,000		233,000	-	-	-		233,000	-	233,000	-
Program Admin	62,000		62,000	-	-	-		62,000	-	62,000	-
Planning - Administration	878,000		878,000	-	-	-		878,000	-	878,000	-
Subtotal Administrative Grants	\$ 2,306,672	\$ -	\$ 2,306,672	\$ -	\$ -	\$ -	\$ (197)	\$ 2,306,475	\$ -	\$ 2,306,475	\$ -
<b>Block E Deficit Reduction:</b>											
Resource Inc, Employment Action Center			\$ -				\$ 6,000	\$ 6,000		\$ -	\$ 6,000
Southside Family Nurturing Center			-				20,727	20,727		-	20,727
Way to Grow			-				1	-		-	1
YCB Administration			-				197	197		-	197
Youth are Here Busses			-				71,800	71,800		-	71,800
Subtotal Reprogrammed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,725	\$ 98,725	\$ -	\$ -	\$ 98,725
<b>GRAND TOTAL</b>	<b>\$ 13,293,272</b>	<b>\$ -</b>	<b>\$ 13,293,272</b>	<b>\$ 1,150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,443,272</b>	<b>\$ 116,108</b>	<b>\$ 13,021,730</b>	<b>\$ 1,421,542</b>

**City of Minneapolis  
Community Planning & Economic Development (CPED)  
Special Revenue Funds  
For the Fourth Quarter Ending December 31, 2013**

	<u>Original Budget</u>	<u>Current Budget</u>	<u>Expended</u>	<u>Remaining Budget</u>	<u>Cash</u>	<u>Fund Balance</u>
Tax Increment Financing (TIF) Prog	46,255,166	65,286,906	45,306,023	19,980,883	107,207,933	134,602,095
Housing & Economic Development	6,708,608	14,598,315	7,947,334	6,650,981	10,224,822	13,027,130
Development Accounts	5,560,721	13,125,155	6,993,942	6,131,213	24,727,107	29,597,364
Neighborhood Revitalization Prog (NRP)	2,422,971	9,922,971	8,529,613	1,393,358	37,057,740	36,952,977
Preliminary Planning	2,475,460	606,524	575,426	31,098	(2,187,345)	(1,982,453)
CPED Operating	6,613,155	6,613,155	6,334,914	278,241	(5,134,655)	(6,534,555)
<b>Total</b>	<b><u>70,036,081</u></b>	<b><u>110,153,026</u></b>	<b><u>75,687,252</u></b>	<b><u>34,465,774</u></b>	<b><u>171,895,602</u></b>	<b><u>205,662,558</u></b>

**CPED Special Revenue Funds** account for governmental fund proceeds that are legally restricted to expenditures for specific purposes in a series of housing and economic development programs. The range of programs operated within this fund was created to increase the City's economic competitiveness, to ensure an array of attractive housing choices, to support strong and diverse neighborhoods and to preserve our historic structures. These programs are financed primarily through state and local grants, tax increment financing, and administrative fees collected from the issuance of housing and economic revenue bonds.

**Fund Balance.** The fund balance in the combined CPED Special Revenue Fund as of the fourth quarter 2013 is \$205,662,558. A portion of that fund balance, including prepaid expenses, advances, and property held for development, is in a non-spendable form in the amount of \$37,627,851. Fund balance in the NRP and TIF programs (\$142,615,479) are restricted by State law. A portion of the fund balance (\$125,000) is committed to the Accelerated Infrastructure Program. The remaining fund balance (\$25,654,228) has been assigned for use in specific purposes. All special revenue funds are restricted to the legal purposes of the special revenue.

A comparison of the current year to 2012 indicates that while the fund balance was lower in 2013 than 2012 by \$2.2 million, the available cash was \$2.1 million higher in 2013 than 2012. When the cash balances of the NRP and TIF programs are deducted, the remaining cash balance in 2013 was \$3.5 million higher than 2012, which is driven by an increase of cash in the Development Account.

**Tax Increment Financing.** This program accounts for financial resources used for the acquisition and betterment of land and facilities in designated areas of the City. Authorized

under Minnesota Statutes, Section 469.174 – 469.1799, as amended, this is a major financing tool available to the City to assist in the development and redevelopment of property within the City that would not occur “but for” this tool.

The primary source of revenue for this program is the property tax increment, which represents the taxes generated from the new, incremental value of specific development. Generally this revenue is used to pay outstanding bonds and notes. Tax increment revenues of the program are segregated by district and are restricted in how they may be used under State law.

Tax increment revenue was significantly reduced in 2013 from the prior year as a result of the decertification of two larger districts. Total revenues decreased \$14.5 million. Concurrently, expenditures were reduced by \$9.5 million. It is projected that sufficient tax increment revenues will be available to pay future obligations. The revenues in this program are restricted in their use by State law.

**Housing and Economic Development.** Primary activities of the Housing and Economic Development program include small business loans, housing rehabilitation loans, and mortgage assistance loans, as well as housing development loans and grants through the Affordable Housing Trust Fund.

Sources of revenue for this program include loan repayments, loan administrative fees and fees relating to the issuance of housing and economic revenue bonds.

The level of revenues and expenditures in this program were generally consistent with the prior year.

Beginning in 2014, that portion of the Housing and Economic Development program activities previously funded through administrative fees generated by the City through the issuance of conduit debt, specifically housing revenue and industrial revenue bonds, will be financed through the City’s General Fund. Simultaneously, those administrative fees will be deposited to the City’s General Fund. This will assure a continuing revenue source for the program without fluctuations due to economic conditions that impact the City’s housing or business climate and further aligns the revenues with their appropriate accounting designations.

**Development Account.** The Development Account program provides loans and grants to outside organizations within the City to assist commercial and housing development as well as interim loans to CPED projects. Program assistance is directed to commercial, job-creation, and housing activities.

The program is capitalized with residual equities such as land sale proceeds, parking revenues and rental income from development projects and UDAG and other loan payments not part of the Housing and Economic Development program.

Revenues in this fund were \$3.2 million greater than the prior year. This increase in revenues is attributable to various impacts, including proceeds received from the sale of Gaviidae and certain Grain Belt properties, all of which closed in the fourth quarter. Expenditures decreased by \$2.3 million from the prior year.

**Neighborhood Revitalization Program.** This program was established in 1990 and focuses on the delivery of City services, including housing and commercial development loans and subsidies, to individual neighborhoods based on the priorities set by the people who live and work in those neighborhoods.

The program is funded from tax increment and other revenues of the City's Common Project. From 1990 through 2011, the program was administered by the NRP Policy Board, a board established under State law and a joint powers agreement between the City, County, School District, Park Board and Library Board. In 2012 after the joint powers agreement expired, the program came under the management of the City's Neighborhood and Community Relations Department. The revenues remaining in this program are restricted in their use by State law.

Revenues generated from the receipt of loan repayments increased by \$3.9 million and expenditures increased by \$2.8 million from the prior year.

**Preliminary Planning.** The Preliminary Planning program was established to account for and finance preliminary expenditures relating to new projects, whether those projects will eventually be established as TI districts, will be funded through another mechanism, or it is determined it is not feasible to undertake.

Activities accounted for through the Preliminary Planning program are those preliminary costs relating to any property investigations, project coordinator time, or blight and financial analyses. Both administrative and non-capital project costs are charged to this fund. Once a project has been approved, whether through the establishment of a TI district or if it is to be financed through another source, the intent is that the preliminary costs of the project will be reimbursed from either TI or other revenues generated from the new project. Preliminary Planning allocations and appropriations, except for encumbrances, lapse at year end.

At the end of 2013 a deficit existed in the program in the amount of \$(1,982,453) even though expenditures in the fund were \$330,000 less in 2013 from 2012.

Beginning in 2014, the Preliminary Planning program is funded from the City's General Fund. This will eliminate future current deficits in the program.

**CPED Operating.** This program provides the working capital for CPED's administrative costs. The program also provides financing for projects not eligible for CPED's restrictive revenue sources. At the end of 2013, a deficit fund balance existed in the program in the amount of \$(6,534,555). The difference in the deficit between current revenues and current expenditures

increased approximately \$500,000 from 2012 to 2013. This ongoing structural deficit is addressed by increasing the General Fund appropriation in 2014.

**Deficit Work-out Plans.** Multi-year Workout Plans for deficit balances in the Preliminary Planning and CPED Operating programs were developed and approved by CPED directors as part of the 2012 budget process.

For both programs, the deficit in 2011 was spread over a 5-year period. In each year, the available, unrestricted CPED revenues were to be used to pay 20 percent of the original deficit plus the actual deficit from the prior year-end. As an example, a \$5 million deficit in a program would be paid down each year by \$1 million. In addition to the \$1 million payment, any current deficit from the immediate prior year would also be paid in the subsequent year. Therefore if the current year deficit was \$350,000, the total deficit reduction payment would be \$1,350,000. After the 5-year period, the only deficits remaining would be from the immediately prior year and available, unrestricted revenues would be used to pay that then current deficit.

In 2012 and 2013 portions of the 5-year deficit reduction plan for the two programs, along with the prior year's current deficit were successfully implemented. The 2014 budget includes the third year payment of this work-out plan.

CPED Special Revenue Fund	TIF	Housing & Econ Development	Development Account	NRP	Preliminary Planning	CPED Operating	Spec Rev Fund 2013 Total	Spec Rev Fund 2012 Total
<b>Assets</b>								
Cash	107,207,933	10,224,822	24,727,107	37,057,740	(2,187,345)	(5,134,655)	171,895,602	169,828,686
Misc receivables	433,323	60,321	104,874	81,514	(4,133)	45,974	721,873	1,774,144
Intergovernmental Receivables	-	7,929,228	-	-	-	-	7,929,228	314,776
Loans receivable								8,294,470
Advances to other funds	7,408,000	10,000	850,000	-	-	-	8,268,000	8,268,000
Properties held for resale	28,443,891	4,145,096	3,930,698	495,702	242,464	-	37,257,851	38,222,308
<b>Total Assets</b>	<b>143,493,147</b>	<b>22,369,467</b>	<b>29,612,679</b>	<b>37,634,956</b>	<b>(1,949,014)</b>	<b>(5,088,681)</b>	<b>226,072,554</b>	<b>226,702,383</b>
<b>Liabilities</b>								
Payables	2,314,529	86,949	595	649,200	35,205	831,400	3,917,878	1,558,127
Advances from other funds	6,438,000	1,220,000	-	-	-	600,000	8,258,000	8,258,000
Deferred inflow of resources	138,523	8,035,388	14,720	32,779	(1,766)	14,474	8,234,118	9,028,286
<b>Total Liabilities</b>	<b>8,891,052</b>	<b>9,342,337</b>	<b>15,315</b>	<b>681,979</b>	<b>33,439</b>	<b>1,445,874</b>	<b>20,409,996</b>	<b>18,844,414</b>
<b>Total Fund Balance</b>	<b>134,602,095</b>	<b>13,027,130</b>	<b>29,597,364</b>	<b>36,952,977</b>	<b>(1,982,453)</b>	<b>(6,534,555)</b>	<b>205,662,558</b>	<b>207,857,969</b>
<b>Total Liabilities &amp; FB</b>	<b>143,493,147</b>	<b>22,369,467</b>	<b>29,612,679</b>	<b>37,634,956</b>	<b>(1,949,014)</b>	<b>(5,088,681)</b>	<b>226,072,554</b>	<b>226,702,383</b>
<b>Revenue</b>								
General property taxes	-	1,001,197	-	-	-	-	1,001,197	-
Property tax increment	36,246,008	-	-	-	-	-	36,246,008	50,834,183
Fees & charges for services	458,440	2,393,798	20,880	538	296,229	4,088,376	7,258,261	8,932,787
Interest revenue	(121,420)	175,482	(16,421)	(60,454)	(12,775)	(47,731)	(83,319)	555,489
Rent	3,354,049	541,649	1,800	-	700	43,343	3,941,541	1,550,930
Sale of land & buildings	1,941,904	138,233	8,741,403	-	-	-	10,821,540	4,166,337
Loan recapture	297,580	2,576,690	269,904	5,031,794	-	62,480	8,238,448	9,494,526
<b>Total revenue</b>	<b>42,176,561</b>	<b>6,827,049</b>	<b>9,017,566</b>	<b>4,971,878</b>	<b>284,154</b>	<b>4,146,468</b>	<b>67,423,676</b>	<b>75,534,251</b>
<b>Expenditures</b>								
Personal services	243,005	1,592,148	560,687	-	283,218	772,883	3,451,941	4,731,409
Contractual services	1,297,366	1,538,635	1,600,336	6,435,073	270,854	4,666,444	15,808,708	14,549,008
Other operating costs	991,636	143,527	212,427	-	900	895,587	2,244,077	2,010,612
Program capital outlay	11,953,603	3,769,645	415,492	425,988	20,454	-	16,585,182	16,155,854
<b>Total expenditures</b>	<b>14,485,610</b>	<b>7,043,955</b>	<b>2,788,942</b>	<b>6,861,061</b>	<b>575,426</b>	<b>6,334,914</b>	<b>38,089,908</b>	<b>37,446,883</b>
<b>Transfers</b>								
Transfers from other funds	2,589,128	910,038	1,337,002	-	600,000	1,597,056	7,033,224	10,063,281
Transfers to other funds	(30,820,413)	(903,379)	(4,205,000)	(1,668,552)	-	-	(37,597,344)	(49,866,289)
<b>Total transfers</b>	<b>(28,231,285)</b>	<b>6,659</b>	<b>(2,867,998)</b>	<b>(1,668,552)</b>	<b>600,000</b>	<b>1,597,056</b>	<b>(30,564,120)</b>	<b>(39,803,008)</b>
<b>2013 change in fund balance</b>	<b>(540,334)</b>	<b>(210,247)</b>	<b>3,360,626</b>	<b>(3,557,735)</b>	<b>308,728</b>	<b>(591,390)</b>	<b>(1,230,352)</b>	<b>(1,715,640)</b>
Beginning fund balance	135,142,429	13,237,377	26,236,738	40,241,712	(2,291,181)	(5,943,165)	206,892,910	209,573,609
<b>Ending fund balance</b>	<b>134,602,095</b>	<b>13,027,130</b>	<b>29,597,364</b>	<b>36,952,977</b>	<b>(1,982,453)</b>	<b>(6,534,555)</b>	<b>205,662,558</b>	<b>207,857,969</b>

**City of Minneapolis**  
**Engineering, Materials, and Testing**  
**For the Fourth Quarter ending December 31, 2013**

Fund 06000	2013 Budget	2013 Actual	2012 Actual	2011 Actual
<b>Operating Revenue</b>	1,500,000	1,865,267	1,988,868	1,811,751
<b>Operating Expense</b>	1,554,292	1,449,151	1,320,506	1,299,043
<b>Operating Margin</b>	(54,292)	416,116	668,362	512,708
<b>Change in Net Position</b>		412,458	469,350	420,696
<b>Net Position</b>		1,972,818	1,584,366	1,129,035
<b>Cash Balance</b>		2,125,050	1,745,678	1,164,437

**Program Description:**

The Engineering, Materials and Testing Fund accounts for transactions related to City purchases of hot-mix asphalt and ready-mix concrete. This fund also accounts for the transactions associated with the quality control activities for the placement of these materials and assures compliance with State and Federal standards and specifications. The Engineering Laboratory, a component of this fund, provides these quality control activities. In addition, the Engineering Laboratory is responsible for construction inspection and testing services, maintaining a laboratory for testing construction materials, performing geotechnical evaluations, and coordinating related environmental field services.

**Revenue:**

Operating revenue earned through fourth quarter 2013 is \$1,865,267, or 124.4% of the budgeted amount of \$1,500,000 and a reduction of 6.2% from the fourth quarter 2012 revenue of \$1,988,868. Revenue for asphalt and concrete is recorded as overhead charged on the products, or the difference between the cost of the product and the sale price charged to the customer. The decreased revenue for 2013 is due to a reduction in both the overhead rates charged on asphalt and concrete as well as a reduction in lab billing rates during 2013. The reductions in rates were intended to bring operating revenue in line with operating expenses to lessen the overall cost of services to City departments.

**Expense:**

Operating expense through fourth quarter 2013 is \$1,449,151, or 93.2% of the budgeted amount of \$1,554,292, and an increase of 9.7% over the \$1,320,506 in expense incurred through the same period in 2012. Personnel expense increased in 2013 as previously vacant positions were filled and more overtime was worked to keep up with testing demand.

**Transfers:**

This fund does not have any transfers in or out in 2013.

**Debt Service:**

This fund does not have any debt obligations.

**Cash and Net Position:**

The 2013 ending cash balance is \$2,125,050, an increase of \$379,372 from the 2012 ending cash balance of \$1,745,678. Financial policies for the cash reserve for the Engineering,

Materials, and Testing Fund determine that the cash balance should not be less than 15% of the operating budget or \$0.2 million.

The 2013 year-end net position is \$1,972,818 which represents an increase of \$388,452 from the 2012 ending net position of \$1,584,366. The financial policy for the net position for this fund determines that net position not be less than 15% of the annual operating budget or \$0.2 million.

**City of Minneapolis, Minnesota**  
**Engineering, Materials and Testing Fund**  
**Statement of Revenues and Expenses**  
**For Fourth Quarter/Years Ending 2013, 2012, and 2011**

	Budget Current Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Asphalt / Concrete	300,000	484,086	520,855	373,353
Inspection revenue	1,200,000	1,381,181	1,468,013	1,438,398
Total Operating Revenues	1,500,000	1,865,267	1,988,868	1,811,751
<b>Operating Expenses:</b>				
Personnel	916,587	950,073	811,234	794,112
Contractual	444,703	397,066	446,859	411,793
Materials, Supplies, Services, Other	179,904	88,914	55,504	80,881
Rent	13,098	13,098	6,909	12,257
Total Operating Expenses	1,554,292	1,449,151	1,320,506	1,299,043
<b>Operating Margin</b>	(54,292)	416,116	668,362	512,708
<b>Non-Operating Revenues (Expenses):</b>				
Other revenue	-	20	-	-
Depreciation	(4,012)	(3,678)	(4,012)	(4,012)
Total Non-Operating Revenues (Expenses)	(4,012)	(3,658)	(4,012)	(4,012)
<b>Operating Transfers In (Out):</b>				
Net transfers in from other funds	-	-	-	-
Net transfers out to other funds	-	-	(195,000)	(88,000)
Total Operating Transfers	-	-	(195,000)	(88,000)
<b>Change in Net Position</b>	(58,304)	412,458	469,350	420,696
<b>Significant Balance Sheet Items</b>				
Cash Balance		2,125,050	1,745,678	1,164,437
Net position		1,972,818	1,584,366	1,129,035

**City of Minneapolis  
Fleet Services Division  
For the Fourth Quarter Ending December 31, 2013**

Fund 06100	2013 Budget	2013 Actual	2012 Actual	2011 Actual
<b>Operating Revenue</b>	38,632,530	42,820,766	41,674,044	41,593,510
<b>Operating Expense</b>	35,153,014	34,198,858	34,039,397	34,146,713
<b>Operating Margin</b>	3,479,516	8,621,908	7,634,647	7,446,797
<b>Change in Net Position</b>		12,657,695	2,934,897	3,838,229
<b>Net Position</b>		49,810,259	37,199,506	35,156,898
<b>Cash Balance</b>		18,893,919	10,236,821	12,302,528

**Program Description:**

The Fleet Services Fund manages the acquisition, maintenance and disposal of 1,500 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. The activities in this fund provide technicians to maintain the equipment. Through the end of October 2013, the fund also provided the drivers and operators for the equipment that is used in construction and snow removal. Starting in November, these employees were transitioned out of Fleet Services Fund and reallocated to various Public Works departments. In addition, Fleet Services manages the dispatch of City-owned and contractual equipment.

**Revenues:**

Operating revenue earned through fourth quarter 2013 is \$42,820,766, or 110.8% of the budgeted amount of \$38,632,530. The revenue earned through fourth quarter 2013 increased by \$1,146,722, or 2.8%, over the revenue earned through fourth quarter 2012. The rental rates for equipment and operators are calculated through an activity based cost allocation model and are adjusted at the beginning of the current year to account for any changes in fuel prices or expected utilization of equipment. Both the markup on fuel and the labor rate for repairs increased in 2013. The higher rates combined with more gallons of fuel issued and more billable shop hours resulted in higher revenue in 2013 compared to 2012. Additionally, an increase in the cost of repair parts was passed on to customers and resulted in higher revenue (although offset by a corresponding increase in parts expenses as noted below in the following paragraph).

**Expenses:**

Operating expense through fourth quarter 2013 totaled \$34,198,858, representing 97.3% of the budgeted amount of \$35,153,014. Expenses through the fourth quarter of 2013 increased by \$159,461, or 0.5%, from the total expense through the same period in 2012. There was an increase in materials expense as prices for fuel and parts increased which was partially offset by a decrease in contractual services and personnel. Beginning in November, drivers and operators were reclassified as Public Works Service Workers and moved out of the Fleet Services Fund. These personnel will be budgeted for and expensed from various departments throughout Public Works in the future resulting in lower revenue and expense to Fleet in 2014 and beyond.

**Transfers:**

In 2013, this fund received a transfer in of \$8,315,000 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. There were no transfers out in 2013.

**Debt Service:**

Principal payments related to the general obligation bonds sold to finance the upgrade of fleet vehicles and the new maintenance facility totaled \$3,655,000 in 2013. Included in this amount is the early retirement of bonds totaling \$1,380,000 resulting in interest savings of \$195,800 over the years 2014-2020. Interest payments related to the 2013 debt totaled \$595,507. Beginning in 2007, the financial plan eliminated the sale of bonds to finance equipment purchases. Refunding bonds totaling \$22,230,000 were issued in 2010 with an additional \$1,500,000 refunded in 2012, lowering variable interest rates ranging from 3.0% to 5.0% to rates ranging between 1.0% and 3.0%. The fund will experience interest expense savings over the remaining life of the bonds. The fund is scheduled for a principal payment of a \$9.0 million in 2018. This debt is expected to be restructured, enabling the principal payments to be completed over four years.

**Capital Contribution:**

During 2013, Fleet Services recorded capital contributions totaling \$1,602,041. Of this amount, \$1,374,306 was related to Public Improvements to Fleet buildings paid for by the Capital Improvement Fund. Additionally, grants totaling \$184,525 were used by Police and Emergency Management to pay for four SUVs and two trailers. Solid Waste contributed \$43,211 toward the purchase of a new electric forklift purchased through Fleet Services for use in Solid Waste operations.

**Cash and Net Position:**

The 2013 ending cash balance is \$18,893,919, an increase of \$8,657,098 over the 2012 ending balance of \$10,236,821. Reserve policies for internal service funds determine that the minimum cash balance should be 15% of the fund's operating budget or \$4.3 million for Fleet Services Division. While cash reserves at the end of 2013 are significantly higher than the minimum target, there are no future scheduled transfers in to assist with the payment of the remaining principal and interest on debt totaling \$19,619,350 through 2018. Additionally, the fund pays cash for all equipment purchases and recovers the cost over the life of the vehicle.

The net position for the year ending 2013 is \$49,810,259, an increase of \$12,610,753, or 33.9% over the 2012 ending net position of \$37,199,506, due primarily to the increase in cash balance. Net position consists of a net investment in capital assets of \$34,327,528 along with \$15,482,732 of unrestricted net position. The net position is tracking close to the amount calculated in the updated long term financial plan.

**City of Minneapolis**  
**Fleet Services Division Fund**  
**Statement of Revenue and Expenses**  
**For Fourth Quarter/Years, 2013, 2012, and 2011**

	Budget Current Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Charges for Services and Sales	16,289,980	18,402,815	17,089,648	16,136,254
Rent Public Works and Other	22,342,550	24,417,951	24,584,396	25,457,256
Total Operating Revenues	<u>38,632,530</u>	<u>42,820,766</u>	<u>41,674,044</u>	<u>41,593,510</u>
<b>Operating Expenses:</b>				
Personnel Services	13,758,537	12,932,221	13,856,783	13,800,893
Contractual Services	9,507,814	9,385,741	9,545,442	9,572,620
Materials, supplies, services and other	10,919,092	10,913,325	9,671,822	9,683,528
Rent	967,571	967,571	965,350	1,089,672
Total Operating Expenses	<u>35,153,014</u>	<u>34,198,858</u>	<u>34,039,397</u>	<u>34,146,713</u>
<b>Operating Margin</b>	<u>3,479,516</u>	<u>8,621,908</u>	<u>7,634,647</u>	<u>7,446,797</u>
<b>Non-Operating Revenues (Expenses):</b>				
Interest on Bonds	(640,575)	(595,507)	(522,632)	(723,865)
Gains/Losses on disposal of fixed assets	200,000	340,385	232,662	35,644
Damages/Losses recovered	-	-	-	-
Revenue from grants	-	-	-	13,399
Reimbursements for vehicle purchases	600,000	491,917	554,741	-
Other revenue	30,000	32,920	124,825	165,415
Depreciation	(6,500,000)	(6,150,969)	(6,423,656)	(6,475,161)
Total Non-Operating Revenues (Expenses)	<u>(6,310,575)</u>	<u>(5,881,254)</u>	<u>(6,034,060)</u>	<u>(6,984,568)</u>
<b>Operating Transfers In (Out)</b>				
Net transfers in from other funds	8,315,000	8,315,000	1,926,000	4,299,000
Net transfers out to other funds	-	-	(2,283,728)	(923,000)
Total Operating Transfers	<u>8,315,000</u>	<u>8,315,000</u>	<u>(357,728)</u>	<u>3,376,000</u>
<b>Capital Contribution<sup>1</sup></b>	<u>-</u>	<u>1,602,041</u>	<u>1,692,038</u>	<u>-</u>
<b>Change in Net Position</b>	<u>5,483,941</u>	<u>12,657,695</u>	<u>2,934,897</u>	<u>3,838,229</u>
<b>Significant Balance Sheet Items:</b>				
Cash Balance	18,893,919	10,236,821	12,302,528	12,302,528
Net Building Value	21,576,363	22,178,787	22,781,211	22,781,211
Net Fleet Value	26,050,280	24,814,450	23,236,366	23,236,366
Bonds Payable	(17,635,000)	(21,290,000)	(23,535,000)	(23,535,000)
Net Position	49,810,259	37,199,506	35,156,898	35,156,898
<b>Significant Cash Flow Items</b>				
Principal on Equipment Bonds <sup>2</sup>	(1,205,000)	(2,585,000)	(1,275,000)	(1,870,000)
Principal on Facilities Bonds	(1,070,000)	(1,070,000)	(970,000)	(285,000)
Fleet Purchases	10,352,641	6,435,269	7,388,837	4,191,791

<sup>1</sup>Capital contribution in 2013 consists of public improvements valued at \$1,374,306 paid for by the Capital Improvement Fund along with \$184,525 in vehicles purchased with various grants and \$43,211 contributed by Solid Waste.

<sup>2</sup>Bond expense varies from the budget due to an early retirement of \$1,380,000 during 2013. This retirement will save the Fleet Services Division \$195,800 in interest expense through 2020.

**City of Minneapolis  
Property Services Division  
For the Fourth Quarter ending December 31, 2013**

<b>Fund 06200</b>	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>	<b>2011 Actual</b>
<b>Operating Revenue</b>	17,865,056	18,397,506	16,575,275	16,428,530
<b>Operating Expense</b>	18,638,502	17,549,479	16,208,427	16,431,615
<b>Operating Margin</b>	(773,446)	848,027	366,848	(3,085)
<b>Change in Net Position</b>		7,508,937	(525,059)	(116,361)
<b>Net Position</b>		32,933,405	25,571,251	26,062,246
<b>Cash Balance</b>		4,248,459	762,026	699,148

**Program Description:**

The Property Services Fund is responsible for the maintenance and upkeep of City-owned buildings including police precinct structures, fire stations, and public works buildings. The fund does not include the Convention Center, Water facilities, or 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 it to the Municipal Building Commission (MBC) to reimburse MBC for maintenance and property management services. The 2013 revenue and expense budgets for the fund were increased by \$4,219,000 to account for this flow-through rental charge. The City departments located in City Hall receive a general fund appropriation to fund the charge for the rent.

In April 2011, the Property Services fund was transitioned from the Public Works department to the Finance department within the City Coordinator's Office. The activities in this fund were determined to be an internal service function and report to the Chief Financial Officer as part of the City Coordinator's Office.

**Revenue:**

Operating revenue recorded through fourth quarter 2013 is \$18,397,506, or 103.0% of the budgeted amount of \$17,865,056. The 2013 fourth quarter revenue increased \$1,822,231, or 11.0%, from the revenue earned through fourth quarter 2012. Property Services earns revenue through rent charged to departments housed in City owned buildings for property maintenance and by performing facility repairs and upgrades. Revenue from repairs and upgrades fluctuates based on the amount of discretionary spending available to departments. As costs increase for maintenance on buildings, revenue from rents and discretionary projects increases. Both categories of revenue recognized gains in 2013 compared to 2012. Additionally, Radio Shop revenue fluctuates based on air time charges that are passed on to departments. As more City departments move to using smartphones and air cards, revenue, as well as expense, for air time charges increases.

**Expenses:**

Operating expense through fourth quarter 2013 is \$17,549,479, or 94.2% of the total budgeted amount of \$18,638,502. The 2013 fourth quarter expense increased \$1,341,052, or 8.3%, over the operating expense recorded through fourth quarter 2012. Compared to 2012, expense increased for all categories in 2013. Personnel increased slightly as vacant positions were filled within the project management area, although still ending 2013 about \$0.5 million under budget. Contractual services and materials expense increased as more projects were completed for other City departments. These costs are passed through and reflected in the higher revenue noted above.

**Transfers:**

In 2013, this fund received a transfer in from the General Fund of \$3,185,600 to assist with net debt bond payments related to the purchase of the 800 MHz radio system. The Property Services fund will use this one time transfer to assist with debt payments scheduled through 2018. The fund also received an additional transfer in from the General fund of \$96,634 for City Hall rent in 2013. Property Services had no transfers out in 2013.

**Debt Service:**

The debt service for 2013 was related to the sale of net debt bonds in 2002 and 2003 to purchase the 800 MHz radio system. In 2013, the debt consisted of an interest payment of \$129,637 and a principal payment of \$730,000. The remaining debt is \$4,412,350 with the final payment scheduled for 2018.

**Capital Contribution:**

The fund recorded a capital contribution of \$4,844,732 related to building improvements paid for by the Permanent Improvement Fund. These improvements included upgrades, additions and modifications to buildings capitalized in the Property Services Fund.

**Cash and Net Position:**

The cash balance at the end of 2013 was \$4,248,459 compared to a cash balance of \$762,026 at the end of 2012. The cash consists of a balance of \$1,380,477 in the Property Disposition fund and a balance of \$2,867,982 in the Property Services operating fund. Financial reserve policies for the internal service funds determine that the minimum cash balance should be 15.0% of the fund's operating budget or \$1.9 million for the Property Services fund. While the current cash balance is higher than the minimum target, the fund will use this cash reserve to pay future years' debt service of \$4,412,350 related to the bonds sold to purchase the 800 MHz radio system.

The net position for year-end 2013 is \$32,933,405, an increase of \$7,362,154 from the net position of \$25,571,251 for year-end 2012. The cost allocation model for this fund does not recover the depreciation costs related to capital assets. It is expected that the net asset position will decrease in future years primarily due to recognizing the depreciation of capital assets. The financial policy for the net asset balance for the Property Services Fund determines that net position should not fall below two times the annual depreciation. The depreciation in 2013 was \$1.3 and the net position was \$30.2 million greater than the

benchmark. Net position consists of an investment in capital assets, net of related debt, of \$30,330,607 along with \$2,602,798 of unrestricted net position.

**City of Minneapolis, Minnesota**  
**Property Services Fund**  
**Statement of Revenues and Expenses**  
**For the Fourth Quarter / Years Ending 2013, 2012, and 2011**

	Budget Current Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Charges for Services And Sales	3,899,325	4,337,175	3,334,978	3,165,022
Rents Public Works and Other	13,965,731	14,060,331	13,240,297	13,263,508
Total Operating Revenue	17,865,056	18,397,506	16,575,275	16,428,530
<b>Operating Expenses:</b>				
Personnel Services	6,050,826	5,510,168	5,476,677	5,894,653
Contractual Services	10,837,415	10,364,061	9,083,368	9,020,881
Materials, Supplies, Services and Other	1,230,665	1,155,654	1,054,864	965,613
Rent	519,596	519,596	593,518	550,468
Total Operating Expenses	18,638,502	17,549,479	16,208,427	16,431,615
<b>Operating Margin</b>	(773,446)	848,027	366,848	(3,085)
<b>Non-Operating Revenues (Expenses):</b>				
Interest on Bonds	(143,250)	(129,764)	(130,637)	(151,500)
Gains/Losses on disposal of fixed assets	-	-	-	655,313
Revenue from grants	-	-	-	35,860
Misc Revenues	3,000	11,067	23,140	79,770
Depreciation	(1,111,340)	(1,347,356)	(1,127,235)	(1,132,937)
Total Non-Operating Revenues (Expenses)	(1,251,590)	(1,466,053)	(1,234,732)	(513,494)
<b>Operating Transfers In (Out):</b>				
Net transfers in from other funds <sup>1</sup>	3,493,834	3,282,231	894,000	821,100
Net transfers out to other funds	-	-	(598,000)	(420,882)
Total Operating Transfers	3,493,834	3,282,231	296,000	400,218
<b>Capital Contribution<sup>2</sup></b>	-	4,844,732	46,825	-
<b>Change in Net Position</b>	1,468,798	7,508,937	(525,059)	(116,361)
<b>Significant Balance Sheet Items</b>				
Cash Balance		4,248,459	762,026	699,148
Property Dispositon Fund cash balance		1,380,477	1,380,477	1,397,773
Operating cash balance		2,867,982	(618,451)	(698,625)
Bonds Payable		(4,045,000)	(4,775,000)	(5,475,000)
Net Position		32,933,405	25,571,251	26,062,246
<b>Significant Cash Flow Items</b>				
Principal Payments on Debt		(730,000)	(700,000)	(695,000)

<sup>1</sup>Transfers in decreased by \$211,603 from the budgeted amount due to an adjustment to the amount transferred in for City Hall rent. Actual rent expense was less than budgeted so the difference was returned to the General Fund.

<sup>2</sup>Capital contribution in 2013 consists of various building improvements paid for by the Capital Improvement Fund 04100 and capitalized in Property Services fund 06200.

NOTE: Beginning in 2012, the services provided to Development Properties and Parking Facilities, are provided by other City funds. For periods prior to 2012, the activity related to these services is removed to show comparative revenue and expense related to only the current departments in the Property Services Fund.

**City of Minneapolis  
Public Works Stores  
For the Fourth Quarter ending December 31, 2013**

Fund 6300	2013 Budget	2013 Actual	2012 Actual	2011 Actual
<b>Operating Revenue</b>	1,035,000	1,515,490	1,929,689	911,595
<b>Operating Expense</b>	1,040,173	1,100,031	1,142,797	1,040,756
<b>Operating Margin</b>	(5,173)	415,459	786,892	(129,161)
<b>Change in Net Position</b>		415,459	669,892	(180,161)
<b>Net Position</b>		4,086,723	3,692,245	3,025,637
<b>Cash Balance</b>		2,360	1,687	2,785

**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 purpose is to provide goods in a cost effective manner to City departments through the Central Stores and Traffic Stores.

**Revenue:**

Operating revenue earned through fourth quarter 2013 was \$1,515,490, or 146.4% of the budgeted amount of \$1,035,000. The amount earned through fourth quarter represents a decrease of \$414,189, or 21.5%, from the \$1,929,689 in revenue earned through fourth quarter 2012. Revenue for this fund is earned by applying overhead charges to inventory sales and transaction processing. In 2012, there was a large increase in revenue corresponding to an increase in inventory purchases and requisition processing related to City road, paving and sewer maintenance projects. While there continues to be an increase in this activity, there were fewer major projects purchasing inventory in 2013 compared to 2012.

**Expenses:**

Operating expense recorded through fourth quarter 2013 was \$1,100,031, or 105.8% of the budgeted amount of \$1,040,173. The amount expended through fourth quarter 2013 decreased by 3.7% from the \$1,142,797 expended through the same period in 2012. The decrease in expense is the result of fewer transactions with outside parties in 2013. These transactions are recorded separately from internal inventory transactions and result in higher expense offset by revenue.

**Transfers:**

There were no transfers in or out of this fund in 2013.

**Debt Service:**

The Public Works Stores fund does not have any debt obligations.

**Cash and Net Position:**

The year-end cash balance for the 2013 CAFR is \$2,360 representing an increase of \$673, or 39.9% from the 2012 year-end cash balance of \$1,687. This fund typically records a deficit cash balance at the end of fourth quarter and processes an interfund transfer of cash to bring the cash balance to a positive amount for CAFR purposes. The cash balance at the end of fourth quarter 2013 was a deficit of (\$178,640), a decrease of \$15,327 from the fourth quarter 2012 deficit cash balance of (\$163,313). The fund has not had a positive cash balance since 2005 when the ending balance was \$91,610. The financial policy for the cash balance for the Public Works Stores Fund determines that the cash balance should be maintained equal to 15% of the annual operating budget, or \$0.2 million.

The fund continues to maintain a positive net asset balance, due primarily to increased inventory levels, with a 2013 ending balance of \$4,086,723, an increase of 10.7% from the 2012 ending balance of \$3,692,245. The financial policy for the net asset balance for the Public Works Stores Fund determines that a net asset balance should be maintained equal to 15% of the annual operating budget, or \$0.2 million.

**City of Minneapolis, Minnesota**  
**Public Works Stores**  
**Statement of Revenues and Expenses**  
**For the Fourth Quarter/Years Ending 2013, 2012, and 2011**

	Current Budget Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Central Stores	470,000	749,377	825,836	427,998
Traffic Stores	565,000	766,113	1,103,853	483,597
Total Operating Revenues	1,035,000	1,515,490	1,929,689	911,595
<b>Operating Expenses:</b>				
Personnel	662,423	770,867	712,498	647,724
Contractual	273,945	279,840	271,777	257,778
Materials, Supplies, Other	70,248	15,767	120,717	93,554
Rent	33,557	33,557	37,805	41,700
Total Operating Expenses	1,040,173	1,100,031	1,142,797	1,040,756
<b>Operating Margin</b>	(5,173)	415,459	786,892	(129,161)
<b>Non-Operating Revenues (Expenses):</b>				
Other revenue	-	-	-	-
Total Non-Operating Revenues (Expenses)	-	-	-	-
<b>Operating Transfer In (Out):</b>				
Net transfers out to other funds	-	-	(117,000)	(51,000)
Total Operating Transfers	-	-	(117,000)	(51,000)
<b>Change in Net Position</b>	(5,173)	415,459	669,892	(180,161)
<b>Significant Balance Sheet Items</b>				
Cash Balance <sup>1</sup>		2,360	1,687	2,785
Inventories		4,581,136	4,287,662	4,367,622
Due to Other Funds		(181,000)	(165,000)	(1,030,000)
Net Position		4,086,723	3,692,245	3,025,637

<sup>1</sup> Cash balance in fourth quarter statement is the cash balance recorded in the CAFR. The actual cash balance at end of fourth quarter is the CAFR cash balance added to the Due to Other Funds balance, or deficit balances of (178,640), (\$163,313), and (\$1,027,215) for 2013, 2012, and 2011 respectively.

**City of Minneapolis  
Intergovernmental Service Fund  
For the Fourth Quarter ending December 31, 2013**

Fund 06400	2013 Budget	2013 Actual	2012 Actual	2011 Actual
<b>Operating Revenue</b>	49,956,977	33,523,719	32,608,512	31,926,220
<b>Operating Expense</b>	50,147,210	34,494,915	33,075,161	32,033,490
<b>Operating Margin</b>	(190,233)	(971,196)	(466,649)	(107,270)
<b>Change in Net Position</b>		4,422,027	(1,690,168)	1,838,301
<b>Net Position</b>		37,365,906	27,410,079	22,191,113
<b>Cash Balance</b>		35,263,865	15,804,900	11,860,415

**Program Description:**

The Intergovernmental Service Fund accounts for operations of Information Technology (IT); the City Clerk's printing and central mailing services; and Human Resources technology training services. IT 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 fourth quarter of 2013 is \$33,523,719 or 67.1% of the annual budgeted amount of \$49,956,977. This is an increase of \$915,207, or 2.8%, compared to revenue of \$32,608,512 earned through fourth quarter of 2012. The increase in revenue is primarily due to an increase of \$507,300 in revenue earned through PMO (Project Management Office) projects for other City departments. The remaining increase results from revenue earned from charges to City departments related to managing and providing technology and communication services as determined by the cost allocation model.

**Expenses:**

Operating expenses through the fourth quarter are \$34,494,915, or 68.8% of the annual budgeted amount of \$50,147,210. The operating expense through fourth quarter increased \$1.4 million, or 4.3%, from the 2012 expense of \$33,075,161. Operating expenses recorded to the Administration department are primarily responsible for this increase. Admin expenses that have increased over 2012 include \$400,000 for software licenses, \$240,000 related to the Intelligent Operations Platform project, and an increase in salary and fringe benefits of \$200,000. The PMO department also experienced an increase in expense of \$541,000 through fourth quarter 2013 as compared to 2012. The expenses in PMO include the cost of purchasing technology, creating enhancements, and implementation of the products. The PMO department charges the costs of these products and services to City user departments and includes an overhead amount that is calculated to generate enough revenue to cover the overhead expense of the department.

**Debt:**

The debt service for 2013 is related to the sale of net debt bonds for IT projects. In 2013, the debt consists of an interest expense of \$27,802 and a principal payment of \$1,955,000. The interest expense includes interest paid of \$101,848 and adjustments to interest related to the amortization of the bond premium. Beginning 2013, the principal payment was significantly reduced to \$1,955,000 from \$9.2 million paid in 2012 and \$10.0 million paid in 2011. The bond debt at year-end 2013 is \$2,125,000. Future sales of net debt bonds to support capital projects are expected to be between \$1.4 million and \$3.2 million from 2014 through 2017. The fund makes an annual payment of \$1.5 million to the Minneapolis Convention Center, related to monies advanced from this fund, with a final payment scheduled in 2016.

**Transfers:**

In 2013, this fund received transfers in totaling \$17.2 million. The annual transfers consist of a general fund transfer totaling \$14.2 million, \$1.0 million from the Self Insurance Fund, and \$2.1 million from the debt service fund. Beginning in 2015, the transfer from the general fund will be reduced to \$0.6 million and will not include funding for payment of debt service. The transfer from the Self Insurance fund is in accordance with the long-term financial plans for both funds and will end in 2016.

The 2012 transfer to other funds includes a transfer out of \$1,072,000 for debt service related to the former Minneapolis Employees Retirement Fund's unfunded pension liability. In 2012, the City retired bonds related to this debt resulting in substantial savings while creating a large one-time increase to this debt payment for the proprietary funds. The Intergovernmental Services fund used fund balance as a revenue source for the payment and will recover the expense through the cost allocation model in years 2013 through 2015.

**Cash and Net Position:**

The cash balance at year-end 2013 is 35.3 million as compared to a cash balance of \$15.8 million at year-end 2012. The primary reason for the increase to cash in 2013 is a net transfer into the fund of \$17.2 million and the final payment on the note receivable of \$4.4 million. Also the fund does not have a significant transfer out related to the MERF debit payment which was finalized in 2012. Included in the cash balance are prepayments of \$12.9 million for technology projects from other City departments. Financial reserve policies for the internal service funds determine that the minimum cash balance for the Intergovernmental Services fund should be 15% of the fund's total budget or \$4.8 million.

The net position at year-end 2013 is \$37.4 million, an increase of \$10.0 million from the year-end 2012 net position of \$27.4 million. The increase to net position is primarily due to an increase in cash of \$19.5 million (related to a net transfer of \$17.2 million) that is offset by a decrease in book value of long term assets of \$5.9 million, and debt payments of \$3.5 million. Financial reserve policies for the internal service funds determine that the minimum net position for the Intergovernmental Services fund should be twice the depreciation amount or \$24.0 million. The cost allocation model for this fund does not recover depreciation related to capital assets. This fund records the acquisition value of customer funded IT project assets and it is expected that the net position will continue to increase.

**City of Minneapolis**  
**Intergovernmental Services Fund**  
**Statement of Revenue and Expenses**  
**For Fourth Quarter/Years, 2013, 2012, and 2011**

	Budget Current Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Charges for Service:				
IT - PMO <sup>1</sup>	21,871,039	5,417,060	5,225,188	5,534,278
IT - Telecom	3,134,357	3,020,539	3,066,530	2,922,005
IT - Operating-other	23,821,206	23,878,779	23,147,764	22,429,235
CC-Mailing Services	509,501	586,206	602,624	586,807
CC-Copy Services	620,874	621,135	566,406	445,645
Human Resources	-	-	-	8,250
Total Operating Revenues	49,956,977	33,523,719	32,608,512	31,926,220
<b>Operating Expenses:</b>				
IT - PMO	21,871,039	6,497,679	5,955,908	5,300,595
IT - Telecom	1,869,257	1,797,176	1,949,045	1,738,183
IT - Operating other	24,720,593	24,544,795	23,636,620	23,452,651
CC-Mailing Services/Data Center	689,498	684,032	675,912	666,779
CC-Copy Services	668,856	669,344	585,482	601,344
Human Resources	327,967	301,889	272,194	273,938
Total Operating Expenses	50,147,210	34,494,915	33,075,161	32,033,490
<b>Operating Margin</b>	(190,233)	(971,196)	(466,649)	(107,270)
<b>Non-Operating Revenues (Expenses):</b>				
Interest on bonded debt	(101,848)	(27,802)	(26,027)	(276,662)
Gains/(Losses) on disposal of fixed assets		-		(6,584)
Revenue from grants		-	11,631	201,469
Other non-operating income (expense)		34,615	-	-
Depreciation	(12,000,000)	(11,838,204)	(12,313,813)	(12,074,238)
Total Non-Operating Revenues (Expenses)	(12,101,848)	(11,831,391)	(12,328,209)	(12,156,015)
<b>Operating Transfers In (Out):</b>				
Net transfers in from other funds	17,239,500	17,239,500	12,185,444	14,549,293
Net transfers out to other funds	-	(14,887)	(1,103,473)	(447,707)
Total Operating Transfers	17,239,500	17,224,613	11,081,971	14,101,586
<b>Capital Contribution</b>		-	22,719	-
<b>Change in Net Position</b>	4,947,419	4,422,027	(1,690,168)	1,838,301
<b>Significant Balance Sheet Items:</b>				
Cash Balance		35,263,865	15,804,900	11,860,415
Note Payable		(4,750,000)	(6,250,000)	(7,750,000)
Bonds Payable		(2,125,000)	(3,115,000)	(11,055,000)
Unearned Revenue		(12,919,353)	(12,235,400)	(13,327,259)
Net Position		37,365,906	27,410,079	22,191,113
<b>Significant Cash Flow Items</b>				
Capital Outlay		(5,900,065)	(4,680,503)	(4,748,817)
Bond & Note Principle Payments	(3,455,000)	(3,455,000)	(10,715,000)	(12,389,051)
Refunding Principle Payments		-	-	-

<sup>1</sup>Operating revenue in 2012 is restated from \$33,547,563 to \$32,608,512.

Note: Capital Contribution consists of \$22,719 from the general fund related to the purchase a paper shredder for the City Clerk Copy Center.

**City of Minneapolis  
Self Insurance Fund  
For the Fourth Quarter ending December 31, 2013**

Fund 06900	2013 Budget	2013 Actual	2012 Actual	2011 Actual
<b>Operating Revenue</b>	29,515,055	30,507,329	27,405,201	26,859,604
<b>Operating Expense</b>	28,949,396	28,717,835	21,152,025	27,222,234
<b>Operating Margin</b>	565,659	1,789,494	6,253,176	(362,630)
<b>Change in Net Position</b>		4,652,117	8,841,470	5,752,344
<b>Net Position</b>		4,484,293	1,700,514	(4,281,054)
<b>Cash Balance</b>		61,237,640	56,563,931	47,541,139

**Program Description:**

The Self Insurance Fund accounts for accrued sick leave benefit, tort liability, workers compensation, civil attorney services and the administrative functions to support these activities. An activity-based cost allocation model determines the charge allocated to City departments to provide for self insurance related to tort liability and workers compensation. The annual charges are calculated using data determined by an actuarial study based on each City department's responsibility for liability and worker compensation expense. The cost allocation model also assigns a charge for employee benefit administration and attorney services.

**Revenue:**

Operating revenue through the fourth quarter of 2013 is \$30,507,329, or 103.4% of the annual budgeted amount of \$29,515,055. This is an increase of \$3.1 million, or 11.3% compared to \$27,405,201 earned through the fourth quarter of 2012. The primary reason for the increase is a 5.6% increase in the charges to City departments to provide self insurance for tort liability and workers compensation as determined by the cost allocation model. An actuarial study conducted in 2012 predicted an increase in the City's liability for tort settlement and workers compensation payments. In addition, the City received an increase of \$637,000 in revenue from WCRA (Workers Compensation Reinsurance) and State refunds for medical and indemnity payments and subrogation claims. Another factor is a one-time refund of \$834,162 from the Health Care Savings Plan administered by the Minnesota State Retirement System that was deposited into the Self Insurance fund. The refund was distributed to some Minneapolis employees who participated in the plan and was processed through the Self Insurance fund. The fund recorded an expense equal to the amount refunded and increased both revenue and expense budgets accordingly.

**Expenses:**

Operating expenses through the fourth quarter 2013 are \$28,717,835, or 99.2% of the annual budgeted amount of \$28,949,396. This is a significant increase of \$7.6 million, or 35.8%, compared to \$21,152,025 expended through the fourth quarter of 2012. The increase in operating expense is due primarily to the amount paid out for tort settlements, \$6.0 million as compared to \$2.6 million in 2012. In addition, the amount paid for workers compensation increased by \$2.4 million, or 29.7%, from \$8.1 million in 2012 to \$10.5 million through fourth quarter 2013. The fund includes a one-time expense of \$834,162 related to the HCSP refund

referenced in the Revenue section. The City's expense for employee sick leave payout at retirement, \$1.3 million is less than budgeted.

**Debt Service:**

The Self Insurance Fund does not have outstanding debt obligations.

**Transfers:**

In 2013, this fund received an interfund transfer of \$3,855,500 from the general fund as determined in the long term financial plan.

The 2013 budget includes a transfer out of \$1,000,000 to the Intergovernmental Services fund as part of its long term financial plan. This annual transfer will end with the 2016 transfer. In 2012, this fund made a final transfer of \$485,000 to the pension fund debt service to retire bonds related to the unfunded pension liability of the former Minneapolis Employees Retirement Fund. The fund's net position is the source of funding for this payment and the fund will recover the cost of this payment through the cost allocation model over three years.

**Cash Balance and Net Position:**

The cash balance at year-end is \$61,237,640, or an 8.3% increase, compared to a cash balance of \$56,563,931 at year-end 2012. The cash balance at the end of fourth quarter 2013 is \$61,418,640 or the sum of the year-end cash balance and the balance recorded in the due from other funds account. Similarly, the 2012 fourth quarter ending cash was \$56,728,931. Financial reserve policies for the internal service funds determine the minimum cash balance for the Self Insurance fund should be equal to the unpaid claims liability plus 10% of the fund's operating budget or \$57.5 million for the Self Insurance fund. The unpaid claims liability at year-end 2013 is \$54.7 million, an increase of \$1.6 million from year-end 2012 liability of \$53.0 million. The cash balance is \$3.8 million above its target.

Net position at the end of year-end is \$4.5 million as compared to the 2012 year-end net position of \$1.7 million. The increase to net position in 2013 is due to a positive operating margin of \$1.8 million and a net transfer in of \$2.6 million offset by an increase to the City's liability for unpaid claims of \$1.6 million. The year-end adjustment to change in net position due to an increase in unpaid claims liability is not reflected in the change to net position as shown in the fourth quarter statement. It is expected that the net position will continue to increase through 2014 primarily due to transfers from the general fund as planned in the long term financial plan. The financial policy for the net position of the Self Insurance fund determines that the net position should not fall below zero. The fund's net position reached a positive balance in 2012.

**City of Minneapolis**  
**Self Insurance Fund**  
**Statement of Revenue and Expenses**  
**For Fourth Quarter/Years, 2013, 2012, and 2011**

	Budget Current Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Health & Welfare (employee benefits)	2,420,000	2,315,642	2,291,023	2,472,832
Workers Compensation	9,344,787	10,098,955	9,030,201	8,840,179
Liability - Subrogation	15,360,698	15,375,715	14,577,377	13,925,462
Attorney Office Services	10,000	21,995	9,377	2,429
Human Resources Services	2,229,570	2,247,530	1,326,173	1,470,744
Risk Management-Employment Services	150,000	447,492	171,050	147,958
Total Operating Revenues	29,515,055	30,507,329	27,405,201	26,859,604
<b>Operating Expenses:</b>				
Health & Welfare (employee benefits)	2,420,000	1,097,227	784,178	794,353
Workers Compensation	6,876,465	10,460,552	8,062,472	7,517,126
Liability & Settlements	8,031,025	6,025,633	2,577,805	9,017,392
City Attorney/Civil Division-Litigation	6,539,095	6,132,119	6,130,345	6,156,353
Risk Management - WC/Risk	2,535,112	2,534,754	2,167,183	2,164,504
Human Resource - Employee Benefits	2,547,699	2,467,550	1,430,042	1,572,506
Total Operating Expenses	28,949,396	28,717,835	21,152,025	27,222,234
<b>Operating Margin</b>	565,659	1,789,494	6,253,176	(362,630)
<b>Non-Operating Revenues (Expenses):</b>				
Other Non Operating Income (Expense)	-	7,123	1,794	1,974
Total Non-Operating Revenues (Expenses)	-	7,123	1,794	1,974
<b>Operating Transfers In (Out):</b>				
Net transfers in from other funds	3,855,500	3,855,500	4,071,500	7,330,000
Net transfers out to other funds	(1,000,000)	(1,000,000)	(1,485,000)	(1,217,000)
Total Operating Transfers	2,855,500	2,855,500	2,586,500	6,113,000
<b>Capital Contribution</b>		-	-	-
<b>Change in Net Position<sup>1</sup></b>	3,421,159	4,652,117	8,841,470	5,752,344
<b>Significant Balance Sheet Items:</b>				
Cash Balance <sup>2</sup>		61,237,640	56,563,931	47,541,139
Due from Other Funds		181,000	165,000	1,030,000
Unpaid Claims Payable		(54,667,934)	(53,030,025)	(50,050,004)
Net Position		4,484,293	1,700,514	(4,281,054)

<sup>1</sup>CAFR recorded change in net position for 2013, 2012, and 2011 is \$2,783,779, \$5,981,568, and \$2,488,961 respectively due to the actuarial determined increase to unpaid claims liability that is a CAFR statement adjustment.

<sup>2</sup>Cash balance is the balance stated in the CAFR. The fourth quarter cash balance is the sum of Cash Balance and Due from Other Funds.

**City Of Minneapolis  
Sanitary Sewer Fund  
For the Fourth Quarter Ending December 31, 2013**

<b>Fund 07100</b>	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>	<b>2011 Actual</b>
<b>Operating Revenue</b>	53,963,521	60,752,396	62,324,490	50,026,873
<b>Operating Expense</b>	46,516,385	52,152,323	51,872,132	42,664,716
<b>Operating Margin</b>	7,447,136	8,600,073	10,452,358	7,362,157
<b>Change in Net Position</b>		5,613,477	6,431,083	4,995,438
<b>Net Position</b>		114,438,065	107,461,983	100,838,534
<b>Cash Balance</b>		25,319,246	20,018,104	20,768,739

**Program Description:**

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

**Revenue:**

With sewer revenue of \$60.8 million recognized through the end of fourth quarter, the Sanitary Sewer Fund has surpassed the 2013 revenue budget by \$6.8 million. This is due to sewer availability charges, or SAC revenues, which fluctuate based on overall economic activities outside of City's operations. Increases in SAC revenues are off-set by equivalent increases in SAC expenses.

Compared to the fourth quarter revenue of 2012, which totaled \$62.3 million, revenues reflect a decrease of \$1.5 million, or 3%. Even though SAC revenues for 2013 totaled \$8.8 million, it is \$2 million less than \$10.8 million recorded for 2012. Miscellaneous revenues decreased by \$170,000 mainly due to a reduction in design activities. These decreases were slightly off-set by an increase in the sanitary utility revenues of \$641,000 due to an increase in variable rates of \$0.09 over 2012.

**Expenses:**

The Sanitary Sewer Fund's total operating expense through the fourth quarter of \$52.2 million has exceeded the year's expense budget by \$5.6 million. This is due to SAC expenses (offset by revenues as noted above).

Compared to the fourth quarter expense of 2012, which totaled \$51.9 million, 2013 reflects a net increase of \$300,000, or 1%. Met Council payments for the year totaled \$33.1 million which is \$1.9 million more than 2012 total of \$31.2 million. Met Council rates are set by the Metropolitan Council on a yearly basis and are based on an allocation of overall costs incurred by MCES for waste processing for customer communities. The increase in MCES rates was off-set by a decrease of \$2.2 million in

SAC expense. Maintenance related expense increased by \$683,000 for the year due to equipment and software purchases along with upgrades.

**Transfers:**

A transfer was made from this fund to the water fund to cover shared costs for meter expenses in the amount of \$1.1 million. An additional transfer of \$109,000 was made to cover the general debt service costs.

**Debt Service:**

For 2013, the debt service cost was estimated at \$4.6 million. Through the fourth quarter, \$4.2 million in principal and \$350,000 in interest payments were made. These debt service payments are primarily for bonds sold to fund capital programs as an alternative to cash financing.

**Cash and Net Position:**

The current cash balance is \$25.3 million and the Fund's net position is \$114.4 million. The City's policy is to have a cash balance equal to or greater than three months of operating expenses. Based on the actual expenditures, the targeted cash balance is \$13.0 million. For the start of 2014, \$12.3 million is available as an unrestricted amount to fund capital programs, debt services, and transfers. Projections for the next five years indicate positive change in net position thereby increasing fund balance to fund future programs.

**City of Minneapolis, Minnesota**  
**Sanitary Sewer Fund**  
**Statement of Revenues and Expenses**  
**For Fourth Quarter/Years Ending 2013, 2012, 2011**

	Budget Year 2013	Year Ending 2013	Year Ending 2012	Year Ending 2011
<b>Operating Revenues:</b>				
Sanitary Utility Charges	50,584,521	51,420,220	50,779,368	45,477,734
Other Services Provided	1,319,000	563,001	732,578	956,746
SAC Revenues	2,060,000	8,769,175	10,812,544	3,592,393
Interest				
<b>Total Operating Revenues</b>	<b>53,963,521</b>	<b>60,752,396</b>	<b>62,324,490</b>	<b>50,026,873</b>
<b>Operating Expenses:</b>				
Sewer Design	772,904	443,867	452,654	365,967
Sewer Maintenance	7,087,354	6,639,509	5,956,525	5,510,181
Met Council Env. Svcs.	38,656,127	45,068,946	45,462,953	36,788,568
<b>Total Operating Expenses</b>	<b>46,516,385</b>	<b>52,152,323</b>	<b>51,872,132</b>	<b>42,664,716</b>
<b>Operating Margin</b>	<b>7,447,136</b>	<b>8,600,073</b>	<b>10,452,358</b>	<b>7,362,157</b>
<b>Non-Operating Revenues/(Expenses)</b>				
Net Transfers (out)	(1,149,339)	(1,258,096)	(2,149,086)	(576,827)
Depreciation	(1,378,768)	(1,378,768)	(1,358,359)	(1,293,289)
Special Assessments				21,098
Net Interest Income (Exp)	(443,868)	(349,733)	(513,830)	(517,701)
Other Non-Operating Income	7,000,000	7,399,610	6,251,747	3,019,806
Other Non-operating Expense	(8,000,000)	(4,937,288)	(4,811,751)	(3,309,442)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(2,971,975)</b>	<b>(2,986,596)</b>	<b>(4,021,275)</b>	<b>(2,366,719)</b>
<b>Net Income</b>	<b>4,475,161</b>	<b>5,613,477</b>	<b>6,431,083</b>	<b>4,995,438</b>
<b>Significant Balance Sheet Items</b>				
Cash Balance		23,640,433	19,181,223	15,430,329
Construction Cash		1,678,814	836,882	5,338,410
Accounts Receivable		4,743,490	3,950,672	3,089,731
Notes Payable		-	-	-
Bonds Payable		14,450,000	11,550,000	14,400,000
Net Position		114,438,065	107,461,983	100,838,534
<b>Significant Cash Flow Items</b>				
Capital Outlay	7,000,000	4,368,033	4,811,751	3,309,442
Bond Principle & Note Payments	4,150,000	4,150,000	4,600,000	4,100,000

**City Of Minneapolis  
Storm Water Fund  
For the Fourth Quarter Ending December 31, 2013**

<b>Fund 07300</b>	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>	<b>2011 Actual</b>
<b>Operating Revenue</b>	40,379,230	39,322,059	39,863,222	39,094,997
<b>Operating Expense</b>	25,510,361	23,460,885	21,568,193	19,871,308
<b>Operating Margin</b>	14,868,869	15,861,174	18,295,029	19,223,689
<b>Change in Net Position</b>		5,323,252	10,781,426	10,010,835
<b>Net Position</b>		311,520,891	299,595,415	284,897,290
<b>Cash Balance</b>		36,360,015	37,408,504	26,587,823

**Program Description:**

The Storm Water Fund pays 5% of the contractual payments to Met Council Environmental Services (MCES) for waste water collection and treatment services. This fund also accounts for the combined sewer overflow (CSO) program, street cleaning, storm design, storm water maintenance and the related capital programs and debt service payments.

**Revenue:**

The \$39.3 million in revenue received through the end of the fourth quarter reflects 97% of the operating revenue budget. This is a decrease of \$500,000 compared to \$39.8 million earned for the same period in 2012. While the utility revenues increased by \$136,000 due to utility rate set at \$11.82/ESU (Equivalent Storm Units) which is 12 cents higher than the rate for 2012, design revenues decreased by \$600,000. An additional \$73,000 decrease is related to reimbursements from the State of Minnesota for maintenance work done by the Street Cleaning and Storm Maintenance Departments. These reimbursements are based on agreements with State and County.

**Expenses:**

Through the fourth quarter of 2013, the Storm Water Fund's operating expenses were \$23.5 million or 92% of the budgeted amount. This is \$1.9 million, or 9%, over the \$21.6 million recorded through the fourth quarter of 2012. Approximately \$1.5 million of this increase is due to higher expenses in the storm maintenance cost center for contractual services primarily related to storm tunnel rehabilitation work. An increase in internal transfers relating to government services and overheads, along with new rate plan for Met Council monthly bill accounted for an additional \$500,000 of the increased expenses. However, these increases were offset by a reduction of \$245,000 in storm management and street cleaning expenses. Street cleaning expenses were lower due to extended winter and delayed spring sweeps.

**Transfers:**

In 2013, the transfer out for the MERF pension liability was eliminated. Pension plan payments are now paid out of the operating budget.

**Debt Service:**

The debt service budget for 2013 totaled \$8.0 million of which \$7.0 million was set aside for principal and \$1.0 million for interest payments. Through the fourth quarter of 2013, \$6.8 million towards principal and \$790,000 in interest expense were made. The debt service payments are primarily for bonds sold to finance the combined sewer overflow, flood mitigation, and storm tunnel programs.

**Cash and Net Positions:**

The ending cash balance for the year totals \$36.4 million and net position is just under \$311.5 million. The City's policy is to have a cash balance equal to or greater than three months of operating expenses. Based on the current budget, the target amount is \$5.9 million. This will leave \$30.5 million as unrestricted amount to fund capital programs and debts services for 2014 and beyond. More importantly, the Storm Water Fund is planning for major storm tunnel reconstruction and rehab works through 2019 which are estimated at \$51.8 million; therefore maintaining a sound fund balance is essential for financial flexibility.

**City of Minneapolis, Minnesota**  
**Storm Water Fund**  
**Statement of Revenues and Expenses**  
**For Fourth Quarter/Years Ending 2013, 2012 and 2011**

	Budget Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
State Grants	669,614	1,149,665	1,114,709	1,209,421
County Grants	245,517	291,220	399,558	399,558
Storm Utility Charges	37,835,008	36,830,078	36,694,339	35,622,524
Other Services Provided	1,629,091	1,051,096	1,654,616	1,863,494
Total Operating Revenues	40,379,230	39,322,059	39,863,222	39,094,997
<b>Operating Expenses:</b>				
Sewer Design	4,158,348	3,592,005	3,427,270	3,684,851
Stormwater Management CSO	875,394	592,537	648,483	929,998
Street Cleaning	8,158,279	7,804,686	7,993,832	7,797,519
Sewer Maintenance	6,144,012	5,642,320	4,169,738	2,810,772
Met Council Env. Svcs.	6,174,328	5,829,337	5,328,870	4,648,168
Total Operating Expenses	25,510,361	23,460,885	21,568,193	19,871,308
<b>Operating Margin</b>	14,868,869	15,861,174	18,295,029	19,223,689
<b>Non-Operating Revenues/(Expenses)</b>				
Net Transfers in (out)		-	(1,245,296)	(700,064)
Depreciation	(4,114,734)	(4,114,734)	(4,078,992)	(3,929,000)
Special Assessments	60,000	144,004	830,245	744,220
Net Interest Income (Exp)	(976,693)	(789,965)	(469,981)	(670,128)
Other Non Operating Income	10,000,000	4,462,735	4,418,795	12,465,436
Other Non Operating (Exp)	(17,700,000)	(10,239,961)	(6,968,374)	(17,123,318)
Total Non-Operating Revenues (Expenses)	(12,731,427)	(10,537,922)	(7,513,603)	(9,212,854)
<b>Capital Contribution</b>	-	-	-	-
<b>Change in Net Position</b>		5,323,252	10,781,426	10,010,835
<b>Significant Balance Sheet Items</b>				
Cash Balance		36,354,095	33,223,043	24,530,818
Construction Cash		5,920	4,185,461	2,057,005
Accounts Receivable		3,609,255	3,616,327	3,314,209
Notes Payable		-	161,786	-
Bonds Payable		7,970,910	14,620,910	15,485,910
Net Position		311,520,891	299,595,415	284,897,290
<b>Significant Cash Flow Items</b>				
Capital Outlay	15,700,000	9,308,751	6,338,748	16,078,292
Bond principle & note payments	6,950,000	6,811,786	6,265,000	11,773,000

**City Of Minneapolis  
Solid Waste and Recycling Fund  
For the Fourth Quarter Ending December 31, 2013**

<b>Fund 07700</b>	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>	<b>2011 Actual</b>
<b>Operating Revenue</b>	31,312,436	31,425,594	32,061,276	32,586,286
<b>Operating Expense</b>	37,602,918	35,205,121	32,376,821	29,280,828
<b>Operating Margin</b>	(6,290,482)	(3,779,527)	(315,545)	(3,305,458)
<b>Change in Net Position</b>		(4,896,120)	(1,857,045)	2,105,631
<b>Net Position</b>		26,844,115	30,319,292	30,538,888
<b>Cash Balance</b>		17,793,800	23,856,133	22,371,818

**Program Description**

The Solid Waste and Recycling Fund accounts for the City's solid waste and recycling collection and disposal, graffiti removal, and a solid waste transfer station that serves 106,000 dwelling units. Pick-up services for trash, yard waste, and recyclables are provided on a weekly and a biweekly basis. 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 collections. Also accounted for in this fund are various initiatives such as Clean City neighborhood clean sweeps; city-wide litter and graffiti abatement and removal; and an Organics Pilot Program.

**Revenue**

Operating revenues through the end of the fourth quarter total \$31.4 million, or 100% of the budgeted revenue. Despite achieving budgeted levels, this is a decrease of \$600,000, or 2%, compared to \$32.0 million earned in 2012. Utility revenues totaled \$28.8 million through the fourth quarter of 2013, compared to \$29.3 million for 2012. This decrease can be attributed to the implementation of a flat rate charge, and the elimination of recycling credits. An increase in revenues of \$634,000 in miscellaneous services was offset by an \$821,000 decrease in revenues from the sale of scrap metals as a result of decreased demand for this product. The Fund also received \$865,000 in a Hennepin County grant for recycling activities, slightly less than the original estimate of \$880,000 for the year.

**Expenses:**

Operating expenses through the end of 2013 were \$35.2 million compared to \$32.4 million in 2012. This is an increase of \$2.8 million or 9% over 2012. Expenditures in the Recycling Division increased by \$2.5 million due to one-time costs related to capital purchases of equipment and carts for the implementation of One-Sort Program. This was a planned expense, and the Recycling Division's 2013 budget was increased to meet this goal. Expenses also increased in Collection, Yard Waste, Problem Material, and Admin Divisions by a total of \$1.5 million. Additional cart and container purchases, fleet charges, mattress recycling program, software upgrades, facility improvements, and personnel account for this increase.

Total expenses declined by a total of \$1.1 million in Disposal, Transfer Stations, Customer Service, Clean City, and Equipment Divisions which helped to off-set overall increase in expenses. Implementation of the One-Sort program helped reduce disposal costs and, as a result, Disposal Division expenditures came in lower by \$500,000. As planned, there was less equipment purchased in Equipment Division in 2013 compared to 2012. This lowered the equipment expenses by \$500,000.

**Transfers:**

Transfers into the Solid Waste and Recycling fund include \$146,000 from the Parking Fund for the Litter Container Program and \$150,000 from the General Fund for graffiti removal and micro-grants. A total of \$700,000 was transferred out of the Fund for alley plowing.

**Debt Service:**

This fund has no debt service.

**Cash and Net Positions:**

The Fund's cash balance as of the end of the fourth quarter was \$17.8 million and the net position totaled \$26.8 million. The City's policy is to have cash equal to or greater than three months of operating expenses. Therefore, the targeted cash balance is \$8.8 million leaving unrestricted cash reserve equivalent to \$9.0 million. With possible implementation of a City-wide Organics program in the near future along with a facility improvement program, the Solid Waste Fund could experience an extra \$10 million in costs. Therefore, going into 2014, extra reserve is necessary to fund these programs.

**City of Minneapolis, Minnesota**  
**Solid Waste and Recycling Fund**  
**Statement of Revenues and Expenses**  
**For Fourth Quarter/Years Ending 2013, 2012, 2011**

	Budget Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
County Grants	880,000	864,545	864,448	889,675
Solid Waste Fees	28,226,436	28,801,926	29,250,660	28,938,271
Recyclable Sales	1,220,500	790,163	1,611,178	2,173,123
Charges for Other Services	985,500	968,960	334,990	585,217
<b>Total Operating Revenues</b>	<b>31,312,436</b>	<b>31,425,594</b>	<b>32,061,276</b>	<b>32,586,286</b>
<b>Operating Expenses:</b>				
Collection	7,939,895	8,091,536	7,535,591	7,770,758
Disposal	5,134,662	4,544,751	5,056,654	5,097,762
Recycling	9,117,266	7,968,641	5,510,041	3,571,822
Yard Waste	2,867,608	2,624,703	2,549,112	2,202,595
Large Item/Problem Material	1,785,880	1,676,994	1,298,656	1,036,280
Transfer Stations	376,080	356,751	385,757	408,516
Administration	4,250,970	4,429,665	3,931,544	3,980,983
Customer Service	714,883	577,913	605,386	654,129
Clean City	1,936,914	1,742,536	1,839,385	1,694,552
Equipment	3,228,302	2,936,967	3,416,485	2,653,277
Organics	250,458	254,665	248,210	210,154
<b>Total Operating Expenses</b>	<b>37,602,918</b>	<b>35,205,121</b>	<b>32,376,821</b>	<b>29,280,828</b>
<b>Operating Margin</b>	<b>(6,290,482)</b>	<b>(3,779,527)</b>	<b>(315,545)</b>	<b>3,305,458</b>
<b>Non-Operating Revenues/(Expenses)</b>				
Net Transfers In	296,000	296,000	296,000	196,000
Net Transfers Out	(700,000)	(700,024)	(1,271,000)	(936,000)
Depreciation	(855,039)	(855,039)	(664,537)	(715,708)
Other non-operating Expense				-
Special Assessments	-	142,471	98,037	255,881
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(1,259,039)</b>	<b>(1,116,592)</b>	<b>(1,541,500)</b>	<b>(1,199,827)</b>
<b>Contributed Capital</b>		-	-	-
<b>Change in Net Position</b>		<b>(4,896,120)</b>	<b>(1,857,045)</b>	<b>2,105,631</b>
<b>Significant Balance Sheet Items</b>				
Cash Balance		17,793,800	23,856,133	22,371,818
Accounts Receivable		3,254,086	2,873,172	3,957,458
Notes Payable		-	-	-
Bonds Payable		-	-	-
Net Position		26,844,115	30,319,292	30,538,888

**City of Minneapolis  
Water Enterprise Fund  
For the Fourth Quarter Ending December 31, 2013**

Fund 07400	2013 Budget	2013 Actual	2012 Actual	2011 Actual
<b>Operating Revenue</b>	75,338,586	74,824,116	79,091,418	69,556,658
<b>Operating Expense</b>	50,901,021	51,205,913	51,301,862	45,267,164
<b>Operating Margin</b>	24,437,565	23,618,203	27,789,557	24,289,494
<b>Change in Net Position</b>		12,172,686	11,536,635	9,062,113
<b>Net Position</b>		210,247,179	197,185,886	185,958,995
<b>Cash Balance</b>		18,963,284	19,066,539	15,150,980

**Program Description:**

This Fund accounts for the operation, maintenance, and capital investments of the water treatment and distribution system for the City and several suburban wholesale customers. The City sells water directly to seven cities - Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal, and Edina, as well as the Metropolitan Airport Commission

**Revenue:**

At the end of 2013, total operating revenue was \$74,824,116 or 99.3% of the 2013 budgeted amount of \$75,338,586. Overall, water sales volumes are down from last year in spite of the 2.81% increase in the volume rate. This summer, sales suffered as a result of the cold, wet weather at the beginning of the season. Although sales rebounded in late summer and early fall, which helped to offset the lack of summer sales, the utility sold 1.8% less water to customers than was budgeted for the year. The shortfall was offset by the receipt of \$890,603 of unbudgeted other operating revenue. The majority of the unbudgeted other operating revenue was from reimbursable projects (\$272,055), sales of scrap and equipment (\$214,115), damage claims (\$137,748), and connection/disconnection fees (\$95,583).

**Expense:**

Through the fourth quarter of 2013, operating expenses totaled \$51,205,913 or 100.6% of the 2013 budgeted amount of \$50,901,021. Expenses were expected to be slightly over budget for the year, due mainly to a 16.1 percent increase in electrical costs and the expense associated with the newly obtained insurance coverage on the Fridley campus buildings.

**Transfers:**

For 2013, the transfer amount of \$1,171,339 represents a \$1,149,339 operating transfer from the Sanitary Sewer Fund for their share of the cost of the meter shop and a \$22,000 transfer from the City's general fund to offset rent expense at city hall.

**Debt Services:**

Debt service payments are related to the bonds and notes sold to finance the Water Division's capital improvement program. Capital projects funded with debt include dewatering plant improvements and the Columbia Heights membrane plant. The amount spent for 2013 debt service was \$8,953,385. This amount represents both the interest expense and the principle payments on the debt.

**Other Financial Items:**

The ending cash balance as of December 31, 2013 was \$18,963,284 compared to \$19,066,539 at the end of 2012. The objective is to have a cash balance equal to or greater than 3 months of operating expense. Based on the current budget, the target amount would be \$12.7 million. In addition to the operating cash reserve, the Water Fund is also reserving approximately \$1.3 million per year for membrane and valve replacement at the Columbia Heights water treatment facility. The 2013 balance in the operating reserve for membrane and valve replacement is \$3.9 million.

**City of Minneapolis**  
**Water Treatment and Distribution Services Fund**  
**Statement of Revenue and Expenses**  
**For Fourth Quarter/Years, 2013, 2012, and 2011**

	Budget Current Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Water Sales - City				
Volume Rate	56,243,394	55,738,712	56,440,374	53,338,098
Fixed Rate	3,257,556	3,230,251	3,216,611	
Water Sales - Suburbs	12,480,305	11,607,219	12,976,941	12,900,851
Other Operating Revenues	3,357,331	4,247,934	6,457,492	3,317,709
<b>Total Operating Revenues</b>	<b>75,338,586</b>	<b>74,824,116</b>	<b>79,091,418</b>	<b>69,556,658</b>
<b>Operating Expenses:</b>				
Payments for City Services	10,767,376	10,216,139	9,645,669	7,333,923
Administration	1,317,682	1,358,672	1,215,322	1,007,162
Engineering	2,158,160	2,479,887	1,923,249	1,549,047
Operations	17,963,545	17,843,619	16,415,712	15,957,374
Maintenance	6,119,641	6,085,458	7,445,167	5,738,283
Distribution	8,256,384	8,667,609	9,628,717	7,841,971
Major Repairs & Replacement	1,000,000	1,187,296	1,676,151	3,438,120
Meter Shop	1,930,048	1,886,076	1,996,339	2,401,283
Reimbursables	1,388,185	1,481,159	1,355,535	
<b>Total Operating Expenses</b>	<b>50,901,021</b>	<b>51,205,913</b>	<b>51,301,862</b>	<b>45,267,164</b>
<b>Operating Margin</b>	<b>24,437,565</b>	<b>23,618,203</b>	<b>27,789,557</b>	<b>24,289,494</b>
<b>Non-Operating Revenues(Expenses):</b>				
Depreciation	(9,748,315)	(10,628,275)	(10,551,351)	(10,016,991)
Special Assessments		395,099	1,204,006	
Net Interest Income (Exp)	(4,401,351)	(2,971,360)	(3,303,893)	(3,569,353)
Federal Emergency Management Assistance State of Minnesota			10,455	280,128
			3,136	93,376
Capital Revenue	2,000,000	494,886	249,225	
Other Non-Operating Income		92,794	134,443	27,459
Other Non Operating Expense			(831)	
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(12,149,666)</b>	<b>(12,616,856)</b>	<b>(12,254,809)</b>	<b>(13,185,381)</b>
<b>Operating Transfers In (Out):</b>				
Net transfers in from other funds	1,171,339	1,171,339	993,888	
Net transfers out to other funds			(4,992,000)	(2,042,000)
<b>Total Operating Transfers</b>	<b>1,171,339</b>	<b>1,171,339</b>	<b>(3,998,112)</b>	<b>(2,042,000)</b>
<b>Capital Contribution</b>				
<b>Change in Net Position</b>	<b>13,459,238</b>	<b>12,172,686</b>	<b>11,536,635</b>	<b>9,062,113</b>
<b>Significant Balance Sheet Items</b>				
Cash Balance		18,963,284	19,066,539	15,150,980
Accounts Receivable		3,703,745	4,559,012	4,984,301
Assessments Receivable		2,513,145	2,302,230	2,065,302
Bonds & Notes Payable		106,144,659	113,284,120	119,124,241
<b>Net Position</b>		<b>210,247,179</b>	<b>197,185,886</b>	<b>185,958,995</b>
<b>Significant Cash Flow Items</b>				
Capital Outlay		16,456,344	11,708,710	15,297,583
Bond & Note Principle Payments		5,982,025	5,796,108	3,655,000
Refunding Principle Payments				

**City of Minneapolis  
Municipal Parking Fund  
For the Year Ended Dec 31, 2013**

<b>Fund 07500</b>	<b>2013 Original Budget</b>	<b>Dec 31, 2013 Period End Actuals</b>	<b>Actual YE 2012</b>	<b>Actual YE 2011</b>
<b>Revenue</b>	55,910,234	58,663,790	54,949,329	51,906,936
<b>Expenses</b>	38,742,418	37,756,830	36,587,515	35,066,767
<b>Operating Margin</b>	17,167,816	20,906,960	18,361,814	16,840,169
<b>Change in Net Position*</b>		11,075,194	9,384,185	12,179,587
<b>Net Position</b>		172,534,247	162,756,502	157,197,629
<b>Cash Balance</b>		13,303,623	7,729,075	11,648,613

\*Includes all non-operating expenditures and 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 are reflected in this fund.

**Revenues:**

The 2013 year end actual revenues are up in comparison to the 2012 by 6.8%. For the year ended December 31, 2013, the 6.8% increase is attributable to:

- Impound Lot revenues are up 3.2% compared to 2012.
- On-street parking is up 21.2% compared to 2012.
- Off-street ramps and lots are up 3.6% compared to 2012.

Impound Lot revenues are higher than 2012 due to increased number of snow emergencies during December 2013. The newly installed On-street meters with credit card capability, additional meter coverage, and event revenues contributed to the increase in On-street revenues. Off-street revenues are consistently stable and were assisted by the heavy snows in December 2013 resulting in more people park in the ramps.

**Expenses:**

The 2013 year end operating expenses are higher than the 2012 expenses by 3.2%. For the year ended December 31, 2013, the 3.2% increase is from:

- Impound Lot expenses are up 11.0% compared to 2012.
- On-street meters are down by 4.9% compared to 2012.
- Off-street ramps and lots are up 2.9% compared to 2012.

Impound Lot expenses are higher than 2012 due to heavier snow in December and increased related operational activities, including towing, security, lot maintenance and personnel. On-street meter expenses are lower than 2012 due to the new meters deployed. Off-street ramps and lots show higher than 2012 expenses due to new electric car charging stations and upgrade to LED lights at State Ramp C.

**Transfers to and from other funds:**

The 2013 transfers into and out of the Parking Fund are programmed and planned according to the 2013 budget. During the year of 2013, \$11.6 million of funds were transferred in (\$6.9 million from Tax Increment Funding and \$4.7 from the Convention Center) and \$11.2 million of funds were transferred out (\$7.9 million to the General Fund, \$3.1 million to the Target Center, \$0.2 million to Solid Waste).

**Debt Service:**

For 2013, the debt service budget was \$20.5 million. The outstanding balance of bond principal as of December 31, 2013 is \$83.7 million and the outstanding balance of note principal is \$38.7 million.

**Other Financial Items:**

The end of 2013 cash balance was \$13.3 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 \$7.5 million, which results in a \$5.8 million surplus which is retained for future debt service payments.

**City of Minneapolis, Minnesota**  
**Municipal Parking Fund**  
**Statement of Revenues and Expenditures**  
**For Year Ending 2013, 2012, and 2011**

	Budget Current Year 2013	For Year Ending 2013	For Year Ending 2012	For Year Ending 2011
<b>Operating Revenues:</b>				
Off-Street Parking: City Owned	29,976,612	30,347,976	29,663,276	28,441,395
Off-Street Parking: State Owned	10,433,618	10,378,784	9,657,497	9,502,319
Towing	6,500,003	5,754,958	5,575,586	6,417,379
On-Street Meters	9,000,001	12,182,072	10,052,970	7,545,843
Total Operating Revenues	<u>55,910,234</u>	<u>58,663,790</u>	<u>54,949,329</u>	<u>51,906,936</u>
<b>Operating Expenses:</b>				
Off-Street Parking: City Owned-Direct Expenses	22,182,639	20,639,214	20,348,137	20,308,519
Off-Street Parking: State Owned-Direct Expenses	8,684,131	9,366,786	8,802,795	8,436,196
Towing	5,019,445	4,747,502	4,277,104	4,668,512
On-Street Meters	2,856,203	3,003,328	3,158,663	1,416,118
Other Operating Expenses	-	-	816	237,422
Total Operating Expenses	<u>38,742,418</u>	<u>37,756,830</u>	<u>36,587,515</u>	<u>35,066,767</u>
<b>Operating Margin</b>	<u>17,167,816</u>	<u>20,906,960</u>	<u>18,361,814</u>	<u>16,840,169</u>
<b>Non-Operating Revenues/(Expenses)</b>				
Depreciation	(6,901,000)	(6,955,004)	(6,905,352)	(6,392,796)
Special Assessments	0	25,018	58,057	0
Interest	(5,909,697)	(3,302,085)	(4,497,741)	(4,845,780)
Other Non Operating Expenses	0	-	(3,188)	(116,668)
Other Non-Operating Income	0	11,990	-	2,460,338
Total Non-Operating Revenues (Expenses)	<u>(12,810,697)</u>	<u>(10,220,082)</u>	<u>(11,348,224)</u>	<u>(8,894,906)</u>
<b>Operating Transfers In (Out):</b>				
Net transfers in from other funds	11,629,747	11,622,430	13,799,401	15,196,325
Net transfers out to other funds	(11,193,132)	(11,234,113)	(11,428,806)	(10,962,001)
Total Operating Transfers	<u>436,615</u>	<u>388,316</u>	<u>2,370,595</u>	<u>4,234,324</u>
<b>Capital Contribution</b>				
<b>Change in Net Position</b>	<u>4,793,734</u>	<u>11,075,194</u>	<u>9,384,185</u>	<u>12,179,587</u>
<b>Significant Balance Sheet Items</b>				
Cash Balance - Operating		11,339,477	7,353,257	9,914,935
Cash Balance - Arbitrage		1,964,146	375,818	1,733,678
Notes Payable		38,650,000	38,650,000	-
Bonds Payable		83,705,942	95,680,042	149,200,041
Net Position		<u>172,534,247</u>	<u>162,756,502</u>	<u>157,197,629</u>
<b>Significant Cash Flow Items</b>				
Capital Outlay				
Bond & Note Principle Proceeds		2,655,000	23,960,001	1,700,000
Bond & Note Principle Payments		14,629,100	16,770,000	14,820,000
Refunding Principle Payments			60,710,000	

## CPED Enterprise Fund Component Programs

The **CPED Enterprise Fund** operates a series of business-type activities designed to enhance housing options and economic development within the City. There are five component operations within this fund.

The **Housing Development** component accounts for various home ownership and home improvement loan programs. These are mature programs. All issued debt has been retired and no new loans are being issued. The residual balances are committed to the operations of the Minneapolis-St Paul Housing Finance Board. The Board is a joint venture created for the benefit of the Cities of Minneapolis and Saint Paul to cooperatively operate various housing loan programs. The committed balances will be used to pay for the Minneapolis share of bond issuance costs. The residual activity of the Housing Development component is accounted for by trustees, reviewed by management throughout the year, and recorded in City accounting records at year end. \$54,736 was transferred to the Minneapolis-St Paul Housing Finance Board during 2013.

The **General Agency Reserve Fund System (GARFS)** is 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 in maintaining the "A+" rating of the fund. Most of the transactions of the fund are maintained in a series of bank trustee accounts. There was one new project bond issue in the amount of \$12,595,000 during 2013. The net position of the fund at year end was \$33,528,525 which was comparable to the prior year.

The **Theatres** component was created to account for the operations of the State, Orpheum, and Pantages Theatres. The City no longer operates these Theatres. Only residual balances and activity remain. There was a cash deficit of more than \$2 million at the conclusion of the operational period. The City has a workout plan in place to transfer \$400,000 per year into the fund to clear the deficit. Two years of the workout plan have been successfully implemented. At December 31, 2013 the cash deficit was \$1.3 million.

The **River Terminal** component operates a public terminal facility located on the Mississippi River in north Minneapolis. The lease agreement obligates the operator to subsidize the City for operating losses and to share profits. The operator is not obligated to pay for the cost of the City's internal management of the facility. It is City management's intent to cease operation of the terminal by the end of 2014. At that time the land will be available for future development along the Mississippi.

The **Economic Development Program** component accounts certain defaulted properties, and for the Capital Investment Fund Program with the Federal Home Loan Bank, which provided loans to businesses for economic development and the creation of jobs. The current activities of this fund are residual in nature to complete the existing projects. These activities are minimal and comparable to the prior year.

	Housing Development Fund 12/31/2012	Housing Development Fund 12/31/2013	General Agency Reserve Fund System 12/31/2012	General Agency Reserve Fund System 12/31/2013	Theatres 12/31/2012	Theatres 12/31/2013	River Terminal 12/31/2012	River Terminal 12/31/2013	Economic Development Program 12/31/2012	Economic Development Program 12/31/2013
<b>ASSETS</b>										
<b>Current assets:</b>										
Cash and cash equivalents	\$ 138,162	\$ 137,643	\$ 1,157,820	\$ 893,556	\$ (1,720,346)	\$ (1,359,460)	\$ (507,264)	\$ (584,345)	\$ 795,997	\$ 876,980
Deposits with fiscal agents	-	-	39,373,461	56,501,394	-	-	-	-	22,277	114,451
Loans and notes receivable	150,000	120,000	-	-	-	-	-	-	-	-
Capital leases	-	-	3,630,000	3,805,000	-	-	-	-	-	-
Other current assets	196	271	41,120	330,922	(3,453)	(2,656)	27,924	30,642	1,564	1,732
<b>Total current assets</b>	<b>288,358</b>	<b>257,914</b>	<b>44,202,401</b>	<b>61,530,872</b>	<b>(1,723,799)</b>	<b>(1,362,116)</b>	<b>(479,340)</b>	<b>(553,703)</b>	<b>819,838</b>	<b>993,163</b>
<b>Noncurrent assets:</b>										
Loans and notes receivable	344,987	346,521	-	-	-	-	-	-	-	-
Capital leases	-	-	80,653,137	76,728,041	-	-	-	-	-	-
Capital assets (net of accumulated depreciation)	-	-	-	-	-	-	5,787,963	5,440,437	-	-
<b>Total noncurrent assets</b>	<b>344,987</b>	<b>346,521</b>	<b>80,653,137</b>	<b>76,728,041</b>	<b>-</b>	<b>-</b>	<b>5,787,963</b>	<b>5,440,437</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 633,345</b>	<b>\$ 604,435</b>	<b>\$ 124,855,538</b>	<b>\$ 138,258,913</b>	<b>\$ (1,723,799)</b>	<b>\$ (1,362,116)</b>	<b>\$5,308,623</b>	<b>\$4,886,734</b>	<b>\$ 819,838</b>	<b>\$ 993,163</b>
<b>LIABILITIES</b>										
<b>Current liabilities:</b>										
Deposits held for others	-	-	4,469,686	9,034,329	-	-	-	-	-	-
Unearned revenue	-	-	1,084,300	1,149,345	-	-	-	-	-	-
Bonds payable - current portion	-	-	3,630,000	3,805,000	-	-	-	-	-	-
Notes payable - current portion	-	-	-	-	-	-	-	-	116,613	40,501
Other current liabilities	67	116	419,537	432,937	(1,186)	(1,135)	29,277	37,707	10,730	151,915
<b>Total current liabilities</b>	<b>67</b>	<b>116</b>	<b>9,603,523</b>	<b>14,421,611</b>	<b>(1,186)</b>	<b>(1,135)</b>	<b>29,277</b>	<b>37,707</b>	<b>127,343</b>	<b>192,416</b>
<b>Noncurrent liabilities:</b>										
Bonds payable	-	-	81,625,000	90,295,000	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-	-	-	40,501	-
Compensated absences payable	-	-	10,422	13,777	-	-	-	2,818	-	560
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>-</b>	<b>81,635,422</b>	<b>90,308,777</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,818</b>	<b>40,501</b>	<b>560</b>
<b>Total liabilities</b>	<b>67</b>	<b>116</b>	<b>91,238,945</b>	<b>104,730,388</b>	<b>(1,186)</b>	<b>(1,135)</b>	<b>29,277</b>	<b>40,525</b>	<b>167,844</b>	<b>192,976</b>
<b>NET POSITION</b>										
Invested in capital assets, net of related debt	-	-	-	-	-	-	5,787,963	5,440,437	-	-
Restricted	-	-	33,616,593	33,528,525	-	-	-	-	-	-
Unrestricted	632,937	604,319	-	-	(1,722,613)	(1,360,981)	(508,617)	(594,228)	651,994	800,187
<b>Total net position</b>	<b>632,937</b>	<b>604,319</b>	<b>33,616,593</b>	<b>33,528,525</b>	<b>(1,722,613)</b>	<b>(1,360,981)</b>	<b>5,279,346</b>	<b>4,846,209</b>	<b>651,994</b>	<b>800,187</b>
<b>Total liabilities &amp; net position</b>	<b>\$ 633,004</b>	<b>\$ 604,435</b>	<b>\$ 124,855,538</b>	<b>\$ 138,258,913</b>	<b>\$ (1,723,799)</b>	<b>\$ (1,362,116)</b>	<b>\$5,308,623</b>	<b>\$4,886,734</b>	<b>\$ 819,838</b>	<b>\$ 993,163</b>

	Housing Development Fund	Housing Development Fund	General Agency Reserve Fund System	General Agency Reserve Fund System	Theatres	Theatres	River Terminal	River Terminal	Economic Development Program	Economic Development Program
	1/1-12/31/12	1/1-12/31/13	1/1-12/31/12	1/1-12/31/13	1/1-12/31/12	1/1-12/31/13	1/1-12/31/12	1/1-12/31/13	1/1-12/31/12	1/1-12/31/13
<b>Operating revenues</b>										
Charges for sales and services	\$ -	\$ -	\$ 313,077	\$ 362,806	\$ -	\$ -	\$ 1,651,517	\$ 1,780,578	\$ 275,000	\$ 206,250
Interest on program activities	45,081	27,306	5,154,241	4,899,033	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
<b>Total operating revenues</b>	<b>45,081</b>	<b>27,306</b>	<b>5,467,318</b>	<b>5,261,839</b>	<b>-</b>	<b>-</b>	<b>1,651,517</b>	<b>1,780,578</b>	<b>275,000</b>	<b>206,250</b>
<b>Operating expenses:</b>										
Personal services	-	-	244,525	336,374	1,181	-	5,767	73,224	2,743	12,338
Contractual services	274,397	55,771	179,327	261,254	1,008	30,000	1,692,817	1,789,417	5,542	37,714
Other	-	-	6,460	7,980	-	-	500	500	-	-
Depreciation expense	-	-	-	-	-	-	347,526	347,526	-	-
<b>Total operating expenses</b>	<b>274,397</b>	<b>55,771</b>	<b>430,312</b>	<b>605,608</b>	<b>2,189</b>	<b>30,000</b>	<b>2,046,610</b>	<b>2,210,667</b>	<b>8,285</b>	<b>50,052</b>
<b>Operating income</b>	<b>(229,316)</b>	<b>(28,465)</b>	<b>5,037,006</b>	<b>4,656,231</b>	<b>(2,189)</b>	<b>(30,000)</b>	<b>(395,093)</b>	<b>(430,089)</b>	<b>266,715</b>	<b>156,198</b>
<b>Nonoperating revenues (expenses)</b>										
Interest on investments	864	(153)	93,410	159,575	(8,394)	(8,368)	(3,599)	(3,048)	5,122	(1,467)
Interest expense	-	-	(5,099,015)	(4,903,874)	-	-	-	-	(15,194)	(6,538)
<b>Total nonoperating revenue (expenses)</b>	<b>864</b>	<b>(153)</b>	<b>(5,005,605)</b>	<b>(4,744,299)</b>	<b>(8,394)</b>	<b>(8,368)</b>	<b>(3,599)</b>	<b>(3,048)</b>	<b>(10,072)</b>	<b>(8,005)</b>
<b>Income (loss) before transfers</b>	<b>(228,452)</b>	<b>(28,618)</b>	<b>31,401</b>	<b>(88,068)</b>	<b>(10,583)</b>	<b>(38,368)</b>	<b>(398,692)</b>	<b>(433,137)</b>	<b>256,643</b>	<b>148,193</b>
<b>Net transfers from (to) other funds</b>	<b>(154,516)</b>	<b>-</b>	<b>(1,381,411)</b>	<b>-</b>	<b>400,000</b>	<b>400,000</b>	<b>-</b>	<b>-</b>	<b>154,516</b>	<b>-</b>
<b>Change in net position</b>	<b>(382,968)</b>	<b>(28,618)</b>	<b>(1,350,010)</b>	<b>(88,068)</b>	<b>389,417</b>	<b>361,632</b>	<b>(398,692)</b>	<b>(433,137)</b>	<b>411,159</b>	<b>148,193</b>
<b>Total net position - January 1</b>	<b>1,015,905</b>	<b>632,937</b>	<b>34,966,603</b>	<b>33,616,593</b>	<b>(2,112,030)</b>	<b>(1,722,613)</b>	<b>5,678,038</b>	<b>5,279,346</b>	<b>240,835</b>	<b>651,994</b>
<b>Total net position - December 31</b>	<b>\$ 632,937</b>	<b>\$ 604,319</b>	<b>\$ 33,616,593</b>	<b>\$ 33,528,525</b>	<b>\$ (1,722,613)</b>	<b>\$ (1,360,981)</b>	<b>\$ 5,279,346</b>	<b>\$ 4,846,209</b>	<b>\$ 651,994</b>	<b>\$ 800,187</b>

# City of Minneapolis

## Fourth Quarter, 2013 Cash and Investments 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 December 31, 2013, the City's current investment portfolio was valued at \$746.4 million. The sector holdings and fund distributions are shown below. For the twelve months ended December 31, 2013, the portfolio has underperformed its benchmark.

Investment Performance period ended December 31, 2013	City Portfolio	Custom Benchmark*
3 month Total Return	0.05%	0.06%
12 months Total Return	-0.05%	0.22%
3 year Total Return	0.63%	0.47%
Credit Quality	AGY	TSY
Weighted Average Maturity	1.5 Years	1.6 Years

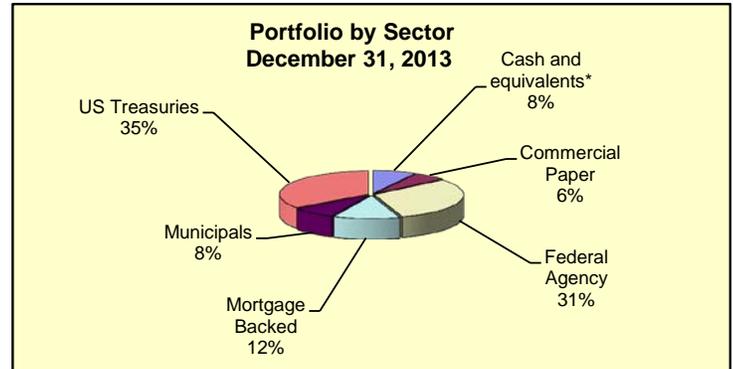
\* Custom Benchmark is a combination of the Merrill Lynch 1-3 year Treasury Index, the Merrill Lynch 3 month US T-Bill Index and the Citigroup 1 month T-Bill Index. The custom benchmark more appropriately aligns with the City's current investment strategy.

### Portfolio Holdings

#### By Sector

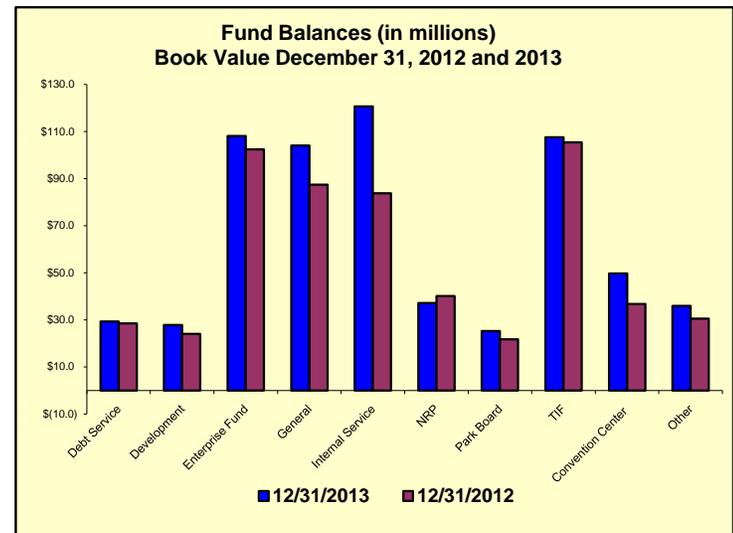
Market Value in millions	Dec. 31 2013	% of port.	Dec. 31 2012	% of port.
<b>Cash and equivalents*</b>	\$ 59.1	8%	\$ 147.8	23%
<b>Commercial Paper</b>	44.8	6%	71.2	11%
<b>Federal Agency</b>	231.6	31%	179.1	28%
<b>Mortgage Backed</b>	89.6	12%	71.2	11%
<b>Municipals</b>	59.8	8%	17.8	3%
<b>US Treasuries</b>	261.5	35%	146.9	23%
<b>Total Cash &amp; Investments</b>	\$ 746.4	100%	\$ 634.0	100%

\*Net of checks outstanding



### Funds Performance

Book Value in millions	Dec. 31 2013	% of funds	Dec. 31 2012	% of funds
<b>Debt Service</b>	\$ 29.3	4%	\$ 28.5	5%
<b>Development</b>	27.8	4%	24.1	4%
<b>Enterprise Fund</b>	108.1	16%	102.5	17%
<b>General</b>	104.1	15%	87.5	15%
<b>Internal Service</b>	120.7	17%	83.8	14%
<b>NRP</b>	37.2	5%	40.2	7%
<b>Park Board</b>	25.3	4%	21.8	4%
<b>TIF</b>	107.6	16%	105.4	18%
<b>Convention Center</b>	49.7	7%	36.8	6%
<b>Other</b>	35.9	5%	30.6	5%
<b>Sub Total City Operating</b>	\$ 645.7	93%	\$ 561.2	95%
<b>Bond Proceeds/Construction</b>	45.1	7%	31.6	5%
<b>Total Book Value</b>	690.8	100%	592.8	100%
Unrealized gain (loss) & Accrued interest	(1.2)		1.7	
<b>Total Market Value</b>	\$ 689.6		\$ 594.5	
<b>General Agency Reserve Fund System (GARFS)</b>	56.8		39.5	
<b>All Funds &amp; GARFS Market Value</b>	\$ 746.4		\$ 634.0	



**APPENDIX**

**City of Minneapolis  
Financial Strength Analysis – 4<sup>th</sup> Quarter 2013**

**City of Minneapolis  
Financial Strength Analysis - 4th Quarter 2013**

FINANCIAL STRENGTH ANALYSIS - 2013 (in millions)					Increase Over 2012		Total 4 Year Incr		4 Year Avg Incr	
	2010	2011	2012	2013	\$	%	\$	%	\$	%
General Fund Total Fund Balance	61.4	69.9	85.3	96.3	11.0	12.9%	34.9	56.8%	8.7	14.2%
General Fund Unassigned/Unreserved Fund Balance	60.1	69.9	85.3	96.3	11.0	12.9%	36.2	60.2%	9.1	15.1%
General Fund Cash Balance	62.9	76.3	86.8	101.5	14.7	16.9%	38.6	61.4%	9.7	15.3%
Overall City Cash Position*	498.6	525.4	561.6	689.6	128.0	22.8%	191.0	38.3%	47.8	9.6%
Overall City Net Assets/Position**	1,519.3	1,757.2	1,947.3							
Overall Unrestricted Net Assets/Position**	157.3	171.3	227.6							
SPECIAL REVENUE FUNDS FINANCIAL STRENGTH ANALYSIS - 2013 (in millions)										
Convention Center - Cash	27.2	31.1	44.4	54.9	10.5		27.7		6.9	
Convention Center - Fund Balance	46.1	49.7	58.6	65.5	6.9		19.4		4.9	
Arena Reserve (Target Center) - Cash	1.3	2.6	5.8	7.6	1.8		6.3		1.6	
Arena Reserve (Target Center) - Fund Balance	1.3	2.6	5.6	6.7	1.1		5.4		1.4	
Grant Funds - Cash	0.3	0.7	1.5	3.4	1.9		3.1		0.8	
Grant Funds - Fund Balance	17.2	16.7	10.8	10.0	(0.8)		(7.2)		(1.8)	
Regulatory Services - Cash	--	--	5.1	5.5	0.4		0.4		0.4	
Regulatory Services - Fund Balance	--	--	5.2	5.5	0.3		0.3		0.3	
Comm Planng & Econ Dev (CPED) - Cash	167.2	167.6	169.7	171.9	2.2		4.7		1.2	
Comm Planng & Econ Dev (CPED) - Fund Balance	225.3	209.6	207.9	205.7	(2.2)		(19.6)		(4.9)	
Employee Retirement Fund - Cash	9.8	17.2	12.1	16.4	4.3		6.6		1.7	
Employee Retirement Fund - Fund Balance	10.1	16.8	12.6	16.7	4.1		6.6		1.7	
Other Special Revenue Funds - Cash	1.8	1.6	1.1	2.1	1.0		0.3		0.1	
Other Special Revenue Funds - Fund Balance	2.6	1.7	1.2	1.8	0.6		(0.8)		(0.2)	
<b>Total Special Revenue Funds - Cash</b>	<b>197.8</b>	<b>203.6</b>	<b>227.6</b>	<b>245.4</b>	<b>17.8</b>	<b>7.8%</b>	<b>42.5</b>	<b>21.5%</b>	<b>10.9</b>	<b>5.4%</b>
<b>Total Special Revenue Funds - Fund Balance</b>	<b>302.6</b>	<b>297.1</b>	<b>301.9</b>	<b>311.9</b>	<b>10.0</b>	<b>3.3%</b>	<b>4.1</b>	<b>1.4%</b>	<b>1.2</b>	<b>0.3%</b>

\* 2013 amount is Market Value of cash and cash equivalents as reported on page 15 of the City of Minneapolis Fourth Quarter 2013 Performance Report by Ellwood Associates; does not include \$56.8M invested for General Agency Reserve Fund Systems (GARFS).

\*\* City-wide financial information for 2013 not available until issue of Comprehensive Annual Financial Report (CAFR).

FINANCIAL STRENGTH ANALYSIS - 2013 (in millions)					Increase Over 2012		Total 4 Year Incr		4 Year Avg Incr	
	2010	2011	2012	2013	\$	%	\$	%	\$	%
<b>INTERNAL SERVICE FUNDS FINANCIAL STRENGTH ANALYSIS - 2013 (in millions)</b>										
Engr. Materials & Testing - Cash	0.8	1.2	1.7	2.1	0.4		1.3		0.3	
Engr. Materials & Testing - Net Assets/Position	0.7	1.1	1.6	2.0	0.4		1.3		0.3	
Intergovernmental Services - Cash	8.4	11.9	15.8	35.3	19.5		26.9		6.7	
Intergovernmental Services - Net Assets/Positn.	16.9	22.2	27.4	37.4	10.0		20.5		5.1	
Property Services - Cash	0.1	0.7	0.8	4.2	3.4		4.1		1.0	
Property Services - Net Assets/Position	26.0	26.1	25.6	32.9	7.3		6.9		1.7	
Equipment Services - Cash	8.2	12.3	10.2	18.9	8.7		10.7		2.7	
Equipment Services - Net Assets/Position	30.6	35.2	37.2	49.8	12.6		19.2		4.8	
PW Stores - Cash	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
PW Stores - Net Assets/Position	3.2	3.0	3.7	4.1	0.4		0.9		0.2	
Self Insurance Fund - Cash	41.2	47.5	56.4	61.5	5.1		20.3		5.1	
Self Insurance Fund - Net Assets/Position	(6.6)	(4.1)	1.7	4.5	2.8		11.1		2.8	
<b>Total ISF - Cash</b>	<b>58.7</b>	<b>73.6</b>	<b>84.9</b>	<b>122.0</b>	<b>37.1</b>	<b>43.7%</b>	<b>63.3</b>	<b>107.8%</b>	<b>15.8</b>	<b>27.0%</b>
<b>Total ISF - Net Assets/Position</b>	<b>70.8</b>	<b>83.5</b>	<b>97.2</b>	<b>130.7</b>	<b>33.5</b>	<b>34.5%</b>	<b>59.9</b>	<b>84.6%</b>	<b>15.0</b>	<b>21.2%</b>
<b>ENTERPRISE FUNDS FINANCIAL STRENGTH ANALYSIS - 2013 (in millions)</b>										
Sanitary Sewer - Cash	16.7	20.8	20.0	25.3	5.3		8.6		2.2	
Sanitary Sewer - Net Assets/Position	96.2	100.8	107.5	114.4	6.9		18.2		4.6	
Stormwater - Cash	26.2	26.6	37.4	36.4	(1.0)		10.2		2.6	
Stormwater - Net Assets/Position	267.9	284.9	299.6	311.5	11.9		43.6		10.9	
Water Enterprise - Cash	12.8	15.2	19.1	19.0	(0.1)		6.2		1.6	
Water Enterprise - Net Assets/Position	176.9	186.0	197.2	210.2	13.0		33.3		8.3	
Solid Waste & Recycling - Cash	21.9	22.4	23.9	17.8	(6.1)		(4.1)		(1.0)	
Solid Waste & Recycling - Net Assets/Position	27.9	30.5	30.3	26.8	(3.5)		(1.1)		(0.3)	
Municipal Parking - Cash	12.8	11.6	7.7	13.3	5.6		0.5		0.1	
Municipal Parking - Net Assets/Position	148.3	157.2	162.8	172.5	9.7		24.2		6.1	
Comm Plannng & Econ Dev (CPED) - Cash***	0.1	0.0	0.0	0.0	0.0		(0.1)		(0.0)	
Comm Plannng & Econ Dev (CPED) - Fund Balance	40.2	39.8	38.5	33.4	(5.1)		(6.8)		(1.7)	
<b>Total ESF - Cash</b>	<b>58.9</b>	<b>96.6</b>	<b>108.1</b>	<b>111.8</b>	<b>3.7</b>	<b>3.4%</b>	<b>52.9</b>	<b>89.8%</b>	<b>13.2</b>	<b>22.5%</b>
<b>Total ESF - Net Assets/Position</b>	<b>757.4</b>	<b>799.2</b>	<b>835.8</b>	<b>868.8</b>	<b>33.0</b>	<b>3.9%</b>	<b>111.4</b>	<b>14.7%</b>	<b>27.9</b>	<b>3.7%</b>

\*\*\*Cash in CPED Enterprise Funds does not include the \$56.5M (MV at 12/31/2013 of \$56.8M) invested with trustees through GARFS and reported in the CPED Enterprise Funds.