Minneapolis
City of Lakes

December 2015

LETTER OF TRANSMITTAL

Dear Residents of the City of Minneapolis:

Transmitted, herewith, please find the Fiscal Year 2016 Budget for the City of Minneapolis for the period beginning January 1, 2016 and ending December 31, 2016. The annual budget is a policy document which sets the financial course for the City of Minneapolis and defines the service priorities for the community. Adopting and monitoring the budget is a key role of the Mayor and City Council. The budget process affords the Mayor and City Council the opportunity to balance the needs of the City against available resources. The 2016 Adopted Budget is $1.34 billion, excluding transfers, and is funded, in part, with a property tax levy that reflects a total increase of 3.4% in the City's tax levy from 2015.

The various sections of this budget document provide detailed information about the City and its finances. The *Introduction* section of the document includes the City's *Budget in Brief* and an explanation of how to use the remainder of the document. The *Financial Overview* section of this document provides details on the City's continued fiscal discipline and financial planning efforts. The City's *Strategic Planning* efforts and governing *Financial Policies* follow in their respective sections. The City's financial future as depicted by the Five-Year Financial Direction and five-year capital infrastructure and equipment programs can be found in the subsequent *Financial Plans* and *Capital Program* sections. The *Operating Departments* section provides detailed information for each department, including the department's mission, business lines, performance measurements, revenue and expenses, and staffing. Information regarding the City's Independent Boards and Commissions, which adopt their own budgets, is contained in the *Independent Boards* section. Near the end of the document are *Financial Schedules* that represent the legally adopted appropriations, revenue estimates, project allocations, fees, and charges.

Priorities and Issues

The City's departments continue to prioritize their work based upon the Values and Goals that were adopted by the Mayor and City Council in March, 2014. These goals are: Living Well; One Minneapolis; A Hub of Economic Activity and Innovation; Great Places; and A City That Works. In their requests for continued and additional funding, departments are required to align each budget allocation request to a specific City Goal. The 2016 Adopted Budget builds upon the City's goals by focusing on efforts to provide significant investments in equity, public safety and infrastructure and economic development, all while aligning costs with appropriate funding streams. The budget prioritizes public safety by providing sufficient funding for additional sworn police officers, civilian support staff, and a class of cadets, while focusing on increasing the diversity of the City's police force. It also provides funding for the implementation of police body cameras, and funding to connect youth and students of diverse backgrounds to work in the EMT and firefighter fields. In support of equity, the budget provides resources for programs that support youth and racial diversity initiatives across all departments. The budget also continues to lay the foundation for a continued wave of development including redesigning of Nicollet Mall, rehabilitation of the 10th Ave Bridge, redevelopment of Upper Harbor Terminal, and other growth opportunities in the City. To transform Minneapolis into a leading city of 21st

century, the budget also ensures funding for affordable housing, upgrading streetlights to LED technology, and initiatives to overcome climate change challenges.

The 2016 Adopted Budget is structurally balanced; however, balancing the budget over five years continues to be a challenge with significant financial pressures such as rising service demands and an on-going desire for reducing growth in property taxes. This budget reflects a continued willingness to make difficult decisions in both the short and long-term to address the City's financial challenges. Foreseeable attrition and retirement in the police force and the fire department is an issue that this budget continues to tackle by providing sufficient funding to maintain staffing levels in those departments, with both one-time and ongoing resources.

Short Term Financial Challenges

The City's short term financial challenges for 2016 are manageable due to the presence of longer-term financial planning and the broader economic strength of the City and region. Short term challenges related to capital needs have been mitigated by the City's Capital Asset Request System (CARS) - a tool that enables department to plan for aging equipment and facility upgrades. Funds are also available to provide for property tax relief due to prior year's fiscal restraint and growth in the local economy resulting in increased non-property tax revenues.

Long-Term Financial and Results Planning

The City's long-term financial planning policies enable proactive financial management-matching spending and revenue over the long term and providing stability for Minneapolis residents, visitors, and businesses. These financial policies, and the strong work on linking resources to results through our Results Minneapolis program, provide much better information upon which to base our decisions. Future opportunities and challenges include growing needs for enhanced emergency and security management, continued growth in the cost of providing basic City services due to inflationary pressures and growth in the community, as well as aging office facilities and scattered administrative workforce.

We are pleased to present the 2016 Adopted Budget to the residents of the City of Minneapolis.

Sincerely,

Betsy Hodges
Mayor

Barbara Johnson
Council President

John Quincy
Chair, Ways & Means

Dear Minneapolis residents,

Every four years the City engages in strategic planning to determine citywide goals and strategic directions. In March 2014, the mayor and the City Council adopted five citywide goals. These goals guide the elected officials during the budget process as they decide how to allocate the City's resources. While elected officials may further refine the City's direction, the 2016 Budget was prepared with the following goals as guidance.

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

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

A Hub of Economic Activity and Innovation
Businesses – big and small – start, move, stay and grow here.

Great Places
Natural and built spaces work together and our environment is protected.

A City That Works
City government runs well and connects to the community it serves.

These goals can be found in more detail on the City's website at

www.minneapolismn.gov/citygoals.

If you have questions about any of the material presented in the Budget in Brief, please call 311 from any landline or cell phone within Minneapolis city limits, or 612-673-3000 outside the city limits. For online information about Minneapolis program performance and progress, go to

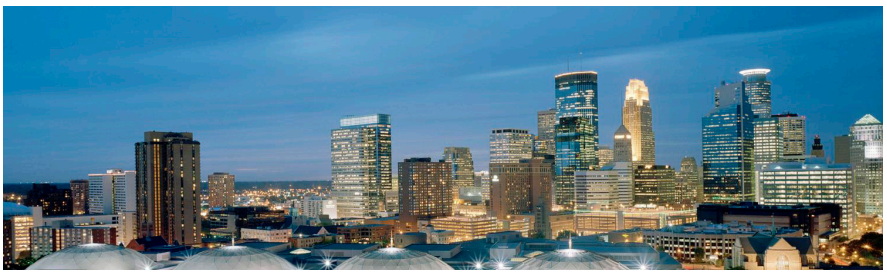
www.minneapolismn.gov/results.

Minneapolis by the numbers

- Population: 407,207*
- Residential housing units: 178,287*
- Residential neighborhoods: 84
- Homeownership rate: 49.2%
- Per capita personal income: $35,652**
- Median household income: $69,111**
- Accredited colleges and universities: 21
- Unemployment rate: 3.5%
- Median age: 33.7 years*
- Land area: 53.97 square miles

*Source : U.S. Census Bureau 2014, http://quickfacts.census.gov/qfd/states/27/2743000.html

**Source : Department of Numbers, http://www.deptofnumbers.com/income/minnesota/minneapolis/



2016 City of Minneapolis Budget in Brief

The 2016 City Council Adopted Budget:

- Is $1.34 billion, a 3.0 percent *(or $38.7 million)* increase from the 2015 Adopted Budget of $1.30 billion.
- Includes a 3.4 percent increase in the City share of the property tax levy.
- Includes $14.5 million investments in affordable housing.
- Maintains current service levels from 2015, including inflationary and mandated cost increases.
- Bolsters public safety by raising the number of police officers to 862 while funding a recruit class, ongoing community service officer classes, and accelerated training for Minneapolis Police officers in implicit bias, procedural justice and crisis intervention.
- Provides funding for the Minneapolis Fire Department to implement innovative new programs to get youths and high school students of diverse backgrounds into pipelines for the emergency medical technician, emergency medical services, firefighter and community outreach fields.
- Provides initiatives to overcome global climate change challenges.
- Provides resources to support racial diversity initiatives.
- Provides for additional staffing to accommodate the increased workloads due to growth in construction activities in Minneapolis.

Budget process

June - August - Mayor developed and submitted recommended budget.

- Mayor met with department leadership.
- Mayor reviewed budget proposals, policy changes and funding options.
- Recommended budget submitted to council *(August)*.

September - December - Hearings held on mayor's recommended budget.

- City Council received budget and referred to the City Council's Ways & Means Committee and Budget Subcommittee.
- City departments and boards presented their budgets to the Ways & Means Committee and Budget Subcommittee.
- Ways & Means Committee approved any changes to the mayor's recommended budget.

November - Public hearings held.

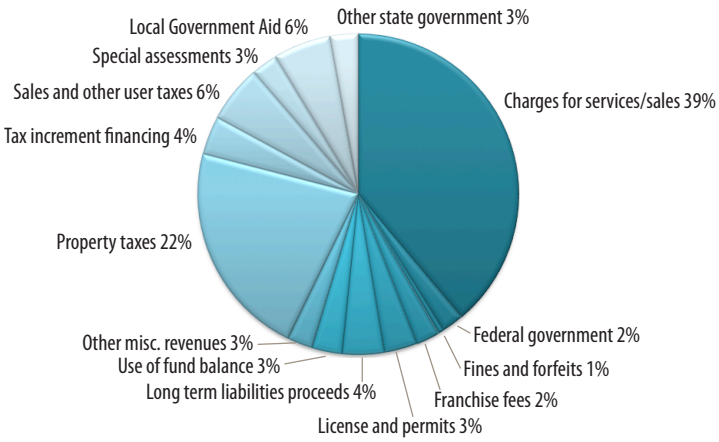
- Property tax notices mailed to property owners, stating the amount of property tax to be paid in 2016 for all jurisdictions, including the City, and dates for public input.
- First public hearing held.

December - Budget adopted.

- Final public meeting held on date of budget adoption.
- Final budget now referred to as the Council Adopted Budget.

How the city is funded

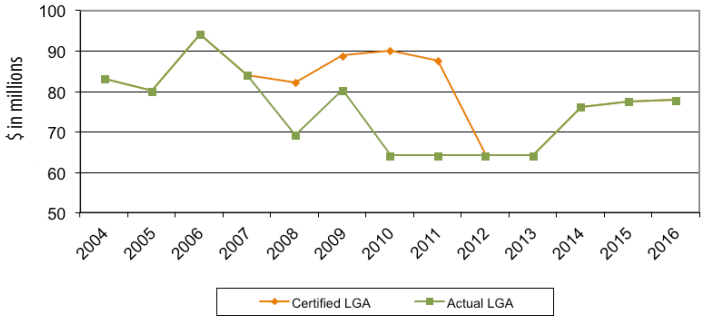
Total revenue budget - sources of funds
2016 Council Adopted Budget: $1.3 billion



STATE FUNDING

The City receives funding from the State of Minnesota largely in the form of Local Government Aid, or LGA. The State uses a formula to distribute LGA funds to cities throughout Minnesota. For 2016, Minneapolis was appropriated $77.8 million, an increase of $0.4 million from 2015. The graph below shows certified and actual levels of LGA funding the City of Minneapolis has been receiving since 2004, as well as projected levels for 2016 based on current law.

Certified vs. actual LGA



For more information on LGA and the distribution fomula, please visit www.house.leg.state.mn.us/hrd/topics.asp?topic=32.

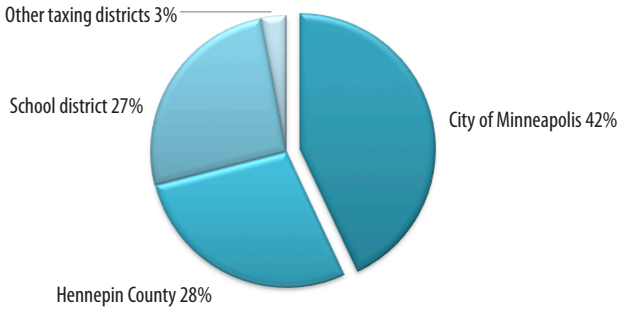
Charges for services and sales revenue

Much of the City's funding comes from services residents and others pay for, such as water, sanitary sewers, storm sewers, trash removal and recycling pickups. The revenue obtained from providing these and other services accounts for about 39 percent of the total revenue for the City's budget.

Property tax

Property taxes comprise approximately 22 percent of overall revenue for the City. Your total property tax dollars are split among several different governmental jurisdictions. The three jurisdictions that receive the greatest proportion of your property taxes are the City of Minneapolis, Hennepin County, and Special School District No. 1 *(Minneapolis Public Schools)*. The City typically receives about 42 percent of the revenue from the overall total property tax payments made by City taxpayers. Hennepin County receives about 28 percent, and the School District about 27 percent. The other 3 percent of property tax revenue is split between Metro Mosquito Control, Metropolitan Council, Metro Transit, Hennepin County Regional Railroad Authority, Regional Sewer System, Regional Parks & Museums, Hennepin County Watershed Management, and Hennepin County Public Housing. The City of Minneapolis is only responsible for the City portion of the taxes paid.

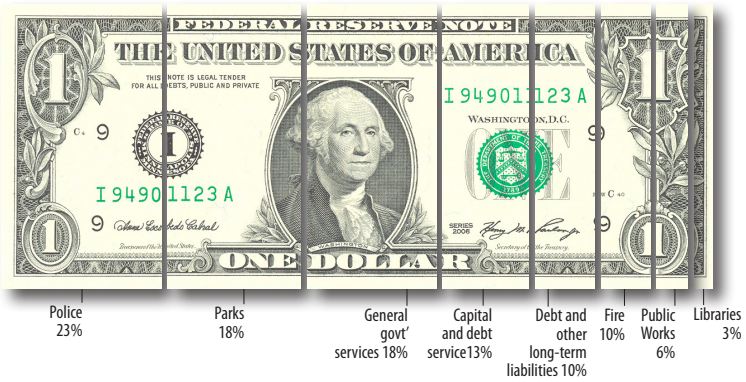
2016 Property tax breakdown



2016 ADOPTED BUDGET PROPERTY TAX BREAKDOWN
(City portion only)

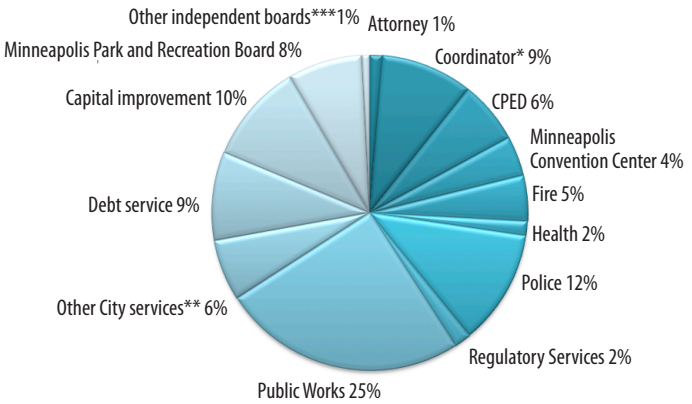
The City's 2016 Adopted Budget includes $298 million in funding from property taxes, which are used to support many of the City's functions. Under the 2016 Adopted Budget, a Minneapolis home with an estimated value of $183,750 will pay about $2,357 in total property taxes for all jurisdictions as listed above, with approximately $991 going to the City. See where that $991 in City property taxes goes on the following table:

City property tax breakdown for home valued at $183,750



Expenditures

Total expense budget - use of funds
2016 Council Adopted Budget: $1.3 billion



* Includes 311, 911, Communications, Emergency Preparedness, Finance and Property Services, Human Resources, Intergovernmental Relations, IT, and Neighborhood and Community Relations.
** Includes City Assessor, benefits, City Clerk/Elections/Council, Civil Rights, contingency, Internal Audit, liability, Mayor's Office, pensions, and worker's compensation.
*** Includes Board of Estimate and Taxation, the City's contribution to the Municipal Building Commission and Library Board

The City's departments

POLICE AND FIRE

The Police Department and Fire Department comprise 17 percent ($220 million) of the City's overall budget. The City's 2016 Adopted Budget provides funding for 862 sworn police personnel in five different precincts and 406 sworn fire personnel at 19 stations as well as resources to maintain these levels during times of high turnover.

COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

Community Planning and Economic Development (CPED) accounts for about 6 percent of the City's budget. CPED's mission is to make Minneapolis more sustainable by helping businesses grow, developing an educated workforce and living-wage jobs, promoting homeownership, building housing, and interpreting and enforcing zoning, building and licensing codes to ensure the safety, health, and livability of our community.

PUBLIC WORKS

At approximately 25 percent, the Public Works Department comprises the largest portion of the City's budget. The main responsibilities of Public Works include enabling safe transportation for residents by maintaining streets, bike paths and sidewalks; providing safe, high-quality drinking water to residents and visitors; managing the sewer systems and facilitating the collection and disposal of trash and recycling.

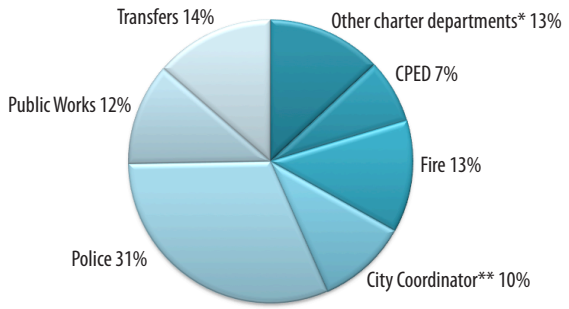
The City's funds

Revenue collected by the City is directed into different funds. These funds help manage City spending by directing the revenue dedicated to specific activities or objectives to a group of related accounts. By maintaining separate funds, the City is able to comply with laws that require certain money to be spent for specific purposes. For example, the City may not raise water bills to pay for police services. About $853 million or 64 percent of the City's revenue is dedicated for a specific use and is directed to a corresponding fund. Revenue that isn't earmarked for a specific purpose is directed to the General Fund, which pays for the general operations of the City, including police and fire services, street repairs, and regulatory functions.

GENERAL FUND

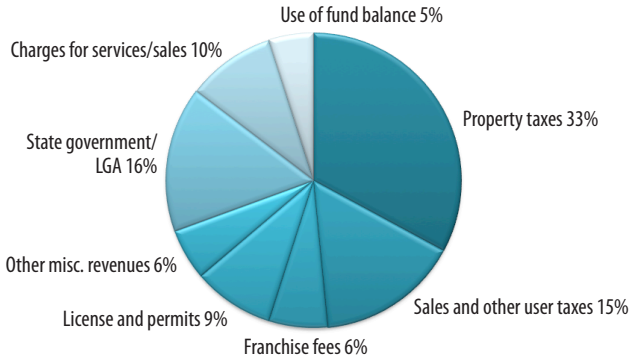
Because the revenue in the General Fund is not earmarked for any specific purposes, the City has the most discretion in the use of General Fund dollars. This fund comprises about 36 percent of the citywide budget. Its two major sources of funding are local property taxes and Local Government Aid (LGA) from the State. These two sources reflect about 49 percent of the General Fund budget of $488 million. The remainder of the General Fund revenue is from a variety of sources, including sales and other user taxes, charges for services/sales, and licenses and permits. The following chart shows a more detailed look at the General Fund:

General fund expense budget - expenditure by service
2016 Council Adopted Budget: $488million (includes transfers to other funds)



* Other Charter Departments: Assessor, Attorney, Civil Rights, Contingency, Council/Clerk/Elections, Health, Internal Audit, Library Board, Mayor's Office, and Regulatory Services.
** City Coordinator: 311, 911, Communications, Emergency Management, Finance and Property Services, Intergovernmental Relations, IT, Neighborhood and Community Relations.

General fund revenue budget - source of funds
2016 Council Adopted Budget: $488 million (includes transfers from other funds)



Capital plan

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include projects such as street construction, bridges, public buildings, traffic systems, park improvements, sewers and water infrastructure.

Prior to the mayor presenting her recommended budget to the City Council, elected officials gather feedback from residents regarding which capital projects the City should undertake through the Capital Long-Range Improvement Committee (CLIC). The CLIC consists of 33 residents *(seven appointed by the mayor and two appointed by each of the 13 council members to represent their wards)* who rank proposed capital projects based upon a number of criteria and present their recommendations to the mayor and City Council.

The 2016 budget includes the first year of the 2016–2020 five-year capital plan, with funding of $134.8 million appropriated for the first year. The five-year total for the capital budget is $668.9 million, with 86.9 percent associated with Public Works projects. The three largest capital expenditure categories include: street paving, water infrastructure, and storm sewers. Capital projects tend to be costly; therefore, the City often issues bonds (debt) to finance these projects. The City uses resources received from bond sales to pay for capital projects, and repays investors over time at tax-exempt interest rates using annual revenues as noted below. This process is similar to a homeowner utilizing a home improvement loan to complete a major home repair project.

DEBT SERVICE AND BONDS

The City's total general obligation debt outstanding as of Dec. 31, 2015, is $643 million. General obligation bonds are backed by the full faith and taxing authority of the City. Approximately 16 percent of this debt is funded with future property tax payments, 33 percent is paid for by fees collected for sewer, water and parking services and the balance is supported by sales taxes, tax increment, special assessments and other user fees. Each year, the City pays between $100 and $120 million in principal and interest on its general obligation bonds.

The City's bonds receive among the highest possible ratings from all three major credit rating agencies. The ratings represent the strength of the City's credit and thus the safety of investing in City bonds. The City's top bond ratings reflect the sound financial management of the City and allow the City to borrow money from investors at low interest rates.

Utility rates

For 2016, the City Council Adopted utility rates for water and sanitary sewer fees which include both a variable rate component based on the size of the water meter servicing the property. Stormwater fees will not increase in 2016. Solid waste rates are increasing due primarily to the implementation of organics recycling. The table below provides a summary of the anticipated change in an average residential customer's utility bill from 2015 to 2016.

Combined utility bill
Monthly and annual cost for average customer

	2015	2016 monthly average*	2016 annual average	2016 monthly $ change	2016% change
Water*	$26.59	$27.65	$ 332	$1.06	4.0%
Sanitary sewer	$23.06	$24.64	$ 296	$1.58	6.9%
Stormwater	$11.94	$11.94	$ 143	$0.00	0.0%
Solid waste/recycling**	$26.60	$27.89	$ 335	$1.29	4.8%
Total	$88.19	$92.12	$1,106	$3.93	4.5%

*The average household rate for water is based on seven units of consumption at $3.45 per unit plus a $3.50 fixed charge. Sanitary rates are based on six units of water consumption at $3.39 per unit plus a fixed charge of $4.30. Stormwater rates are based on one equivalent stormwater unit of 1,530 square feet on impervious surface.

**The solid waste rate is based on a $22.89 monthly charge with a large recycling cart fee of $5. Customers can substitute a small cart with a $2 fee. The large increase in the monthly charge is due to incorporating organics recycling.

Minneapolis
City of Lakes

If you have questions about any of the material presented in the Budget in Brief, please call 311 or 612-673-3000.

For online information about Minneapolis program performance and progress, go to **www.minneapolismn.gov/results/index.htm**

For reasonable accommodations or alternative formats please contact Finance and Property Services, LaTonia Green at 612-673-3205 or latonia.green@minneapolismn.gov.
People who are deaf or hard of hearing can use a relay service to call 311 at 612-673-3000.
TTY users can call 612-673-2157 or 612-673-2626.
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City of Minneapolis
2016 Budget

Table of Contents

Introduction and Background	**Pages 10-35**
How to Use This Document	11
Elected Officials and Department Heads	13
Budget Principles	15
City-Wide Organization Chart	16
GFOA Distinguished Budget Award 2015	17
Community Profile	18
Communities and Neighborhoods Map	23
Form of Government	24
Chronology of Financial Decision Making	28
Fund Descriptions	30
Financial Overview	**Pages 36-64**
Major Highlights	37
City Spending	41
Sources of Revenue	43
Local Government Aid	44
Major Changes	50
Property Tax	61
Strategic Planning	**Pages 65-72**
City Vision and Values	66
City Goals and Strategic Directions	67
Annual Budget Process	68
Integrating Key Processes for Budget	71
Results Minneapolis	71
Financial Policies	**Pages 73-94**
Operating Budget	74
Revenue	76
Fund Balance	80
Accounting	81
Investment	82
Development Finance	82
Public Participation	84
Allocation Model	84
Administrative	86
CDBG Reprogramming	89
Capital Budget	90
Capital Project Administration	91
Debt	91
Financial Plans	**Pages 95-162**
Five Year Financial Direction 2017 - 2021	96
Demands on the Property Tax: 10 Year Projection	101
Special Revenue Funds	
Arena Reserve Fund	104

City of Minneapolis
2016 Budget

Table of Contents

Convention Center Fund	107
Neighborhood & Community Relations Fund	112
Police Special Revenue Fund	114
Regulatory Services Fund	116
Enterprise Funds	
Municipal Parking Fund	118
Sanitary Sewer Fund	122
Solid Waste and Recycling Fund	126
Stormwater Fund	130
Water Fund	134
Internal Service Funds	
Engineering Materials & Testing Fund	138
Fleet Services Fund	142
Intergovernmental Services Fund	146
Property Services Fund	151
Public Works Stores Fund	156
Self-Insurance Fund	159
City Council Operating Departments	**Pages 163-407**
Assessor	164
Attorney	171
City Clerk/Elections	181
City Council	186
City Coordinator Departments	
Total City Coordinator Summary Page	191
City Coordinator - Administration	196
311	202
911	208
Emergency Management	214
Communications	219
Convention Center	225
Finance and Property Services	233
Human Resources	246
Information Technology	254
Intergovernmental Relations	261
Neighborhood and Community Relations	268
Civil Rights	275
Community Planning and Economic Development	284
Fire	298
Health	307
Internal Audit	318
Mayor	324
Police	329
Public Works	
Total Public Works Summary Pages	341

City of Minneapolis
2016 Budget

Table of Contents

Public Works - Administration	354
Fleet Services	358
Solid Waste & Recycling Services	362
Surface Water & Sanitary Sewer - Sanitary Sewer	366
Surface Water & Sanitary Sewer - Stormwater	370
Traffic & Parking Services	374
Transportation Maintenance & Repair	379
Transportation Planning and Engineering	384
Transportation Planning and Programming	389
Water Treatment & Distribution	393
Regulatory Services	397
Capital Program	**Pages 408-468**
Capital Budget Narrative Overview	409
Five-Year Capital Investment Allocation	422
Five-Year Capital Funding Summary	423
Five-Year PW Capital Summary (Public Works)	424
2016-2020 Council Adopted Capital Resources	425
2016 Bond Redemption Levy	425
Net Debt Bond Allocation	426
Capital Budget Summary	427
Capital Budget Detail for Funded Projects	430
2016-2020 Capital Program Descriptions	438
Operating Cost Implications for 2016 Projects	446
Capital Budget Decision Summary	459
Independent Boards and Agencies	**Pages 469-485**
Board of Estimate and Taxation	470
Municipal Building Commission	475
Park and Recreation Board	480
Financial Schedules	**Pages 486-528**
Schedule 1 – Fund Summary and Changes to Fund Balance	487
Schedule 2 – Revenues by Fund and Type	488
Schedule 3 – Expenditures by Fund & Department	490
Schedule 4 – Community Development Block Grant Program	492
Schedule 5 – Staffing Information	496
Schedule 6 – CPED Program Allocations by Fund	499
Schedule 7 – Capital Asset Request System (CARS) Allocations	500
Schedule 8 – Interfund Transfers	520
Schedule 9 – Utility Fees	522
Schedule 9 – Scorecard	526
Glossary	**Pages 529-536**
Glossary of Terms	529
Resolutions	**Pages 537-552**
Resolutions	537

City of Minneapolis
2016 Budget

Table of Contents

Introduction and Background	Pages 10-35
How to Use This Document	11
Elected Officials and Department Heads	13
Budget Principles	15
City-Wide Organization Chart	16
GFOA Distinguished Budget Award 2015	17
Community Profile	18
Communities and Neighborhoods Map	23
Form of Government	24
Chronology of Financial Decision Making	28
Fund Descriptions	30

City of Minneapolis
2016 Budget

How to Use This Document

The budget book contains some of the best sources of information on governmental activities as well as key financial information for policy makers and managers. The highlights below will guide the reader through the various sections of the 2016 budget document.

Table of Contents	The table of contents allows the user to pinpoint the page of a particular part of the City's budget.
Introduction and Background Information	This section contains a community profile of the City of Minneapolis, including an overview of the City's history, economy, population, and attractions. The section also includes lists of the City's elected officials, department and agency heads, the City's budget principles, and a citywide organization chart. A map of Minneapolis Communities and Neighborhoods and descriptions of the City's form of government are included in this section, as well as a chronology of financial decision making for the City. Descriptions of the major City funds are included in this section, including a bird's – eye view of the relationship between fund types, revenue sources, expenditures and departments/boards.
Financial Overview	This section summarizes the key decisions and financial issues addressed in the budget. It includes key charts and graphs which depict the various portions of the City's budget and key revenue trends. A chart of the Minneapolis property tax levy recommendation appears in this section. This section also contains a summary of major decisions in the budget, and enterprise level challenges.
Strategic Planning	The strategic planning section lists the set of City goals and strategic directions which were adopted by the Mayor and the City Council in 2010. The citywide strategic plan provides clear direction for departments' business planning efforts. Annual budget process, dates for this year's budget process, and a description of integration of key processes follow. The City's financial decision calendar displays the annual flow of these processes. Links between the City goals and department five-year business plan goals are described in this section.
Financial Policies	This section presents the major financial policies adopted by the City Council and Mayor.
Financial Plans	Financial plans for the City's major funds and business lines are found in this section. The five-year financial direction begins this section. A summary of the demands on the property tax levy is included. For fund level plans, the budget, a three-year forecast and two years of actual expenditures are displayed on the financial page. These plans include narratives which summarize what operations are run in the fund, historical financial performance, and current year expenses, revenues, transfers and debt service.

Operating Departments	This section provides the most detail on a department-by-department basis, including departments' financial summaries. These summaries include expenditures by program, type (*i.e.* salaries, benefits, contractual services and operating expenses) and fund; the department's revenue estimates; and positions. Narrative summaries for each department, including primary businesses and program descriptions are included. A brief financial overview of the department is prepared by finance staff. Department organizational charts are included in this section.
Capital Program	This section outlines the capital program by funding source and in total. A narrative summarizes the program and presents operating cost impacts as described by applicants for the funds. Information about the City's debt – the legal debt margin, outstanding debt, amortization of the debt, and the bond redemption levy – is included. A separate table of contents and glossary are included for this section. The program is also summarized by the commission, board or department which submitted the request along with each major program. A five-year total of the capital program and its allocations are included. A presentation by amount requested by the department/agency, the capital long range improvement committee recommendation, the Mayor's recommend budget, and the adopted budget follows.
Independent Boards	This section provides information in a format similar to the City Council operating departments for independent boards. The amounts included are generally those most recently approved by the board of the organization.
Financial Schedules	These schedules summarize interfund transactions, revenues by major category, expenditures by fund and agency, the community development block grant program, community planning and economic development program allocations, and positions by department, charges for technology, fleet, property services, rent, and general fund overhead costs by department, all referenced in the appropriation resolutions.
Glossary	A glossary is included for key financial and City terms. A more detailed glossary is available on the City of Minneapolis website. For more detail please reference the Glossary section of the City Council's Policies and Procedures page.
Resolution	The Council-Adopted Budget Resolution that outlines Council action on the Mayor's Recommended Budget is included for reference.

City of Minneapolis
2016 Budget

Elected and Public Officials

Mayor
Betsy Hodges

City Council

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

Board of Estimate and Taxation

Betsy Hodges	Mayor
Barbara Johnson	City Council President
John Quincy	Chair, City Council Ways & Means/Budget Committee
David Wheeler	Elected At-Large Member
Anita Tabb, President	Park Board Commissioner
Carol Becker, Vice President	Elected At-Large Member

Minneapolis Park and Recreation Board

Liz Wielinski, President	Commissioner District 1
Scott Vreeland, Vice President	Commissioner District 3
John Erwin	Commissioner At Large
M. Annie Young	Commissioner At Large
Meg Forney	Commissioner At Large
Jon Olson	Commissioner District 2
Anita Tabb	Commissioner District 4
Steffanie Musich	Commissioner District 5
Brad Bourn	Commissioner District 6

Charter Department Heads / Assistant City Coordinators

Sandra Christensen	Interim Chief Finance Officer
Otto Doll	Chief Information Officer
Patrick Todd	City Assessor
Susan Segal	City Attorney
Casey Carl	City Clerk
Spencer Cronk	City Coordinator
Velma Korbel	Civil Rights Director
Katherine Smith	Interim Communications Director
Craig Taylor	Community Planning and Economic Development Director
Jeff Johnson	Convention Center, Director
John Fruetel	Fire Chief
Gretchen Musicant	Health Commissioner
Patience Ferguson	Chief Human Resources Officer
Gene Ranieri	Intergovernmental Relations Director
Will Tetsell	Director of Internal Audit
David Rubedor	Neighborhood and Community Relations Director
Noah Schuchman	Interim Director of Regulatory Services
Janee Harteau	Police Chief
Steve Kotke	Public Works Director/City Engineer

Independent Boards/Agencies

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

City of Minneapolis
2016 Budget

Budget Principles

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

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

2. Live within our means.

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

3. Challenge assumptions – nothing is off the table.

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

4. Provide choices and competition.

- ♦ Departments will provide business plans that include feasible budget options to policymakers.
- ♦ Elected officials will make strategic resource decisions, not across-the-board cuts.
- ♦ Individual projects in a particular area must not be considered for funding independently of other projects.

5. Build in collaborative and transparent decision-making.

- ♦ Mayor will involve Council Members and independent agencies and boards in the development of the budget. Employee suggestions and the citizen survey will also be used.

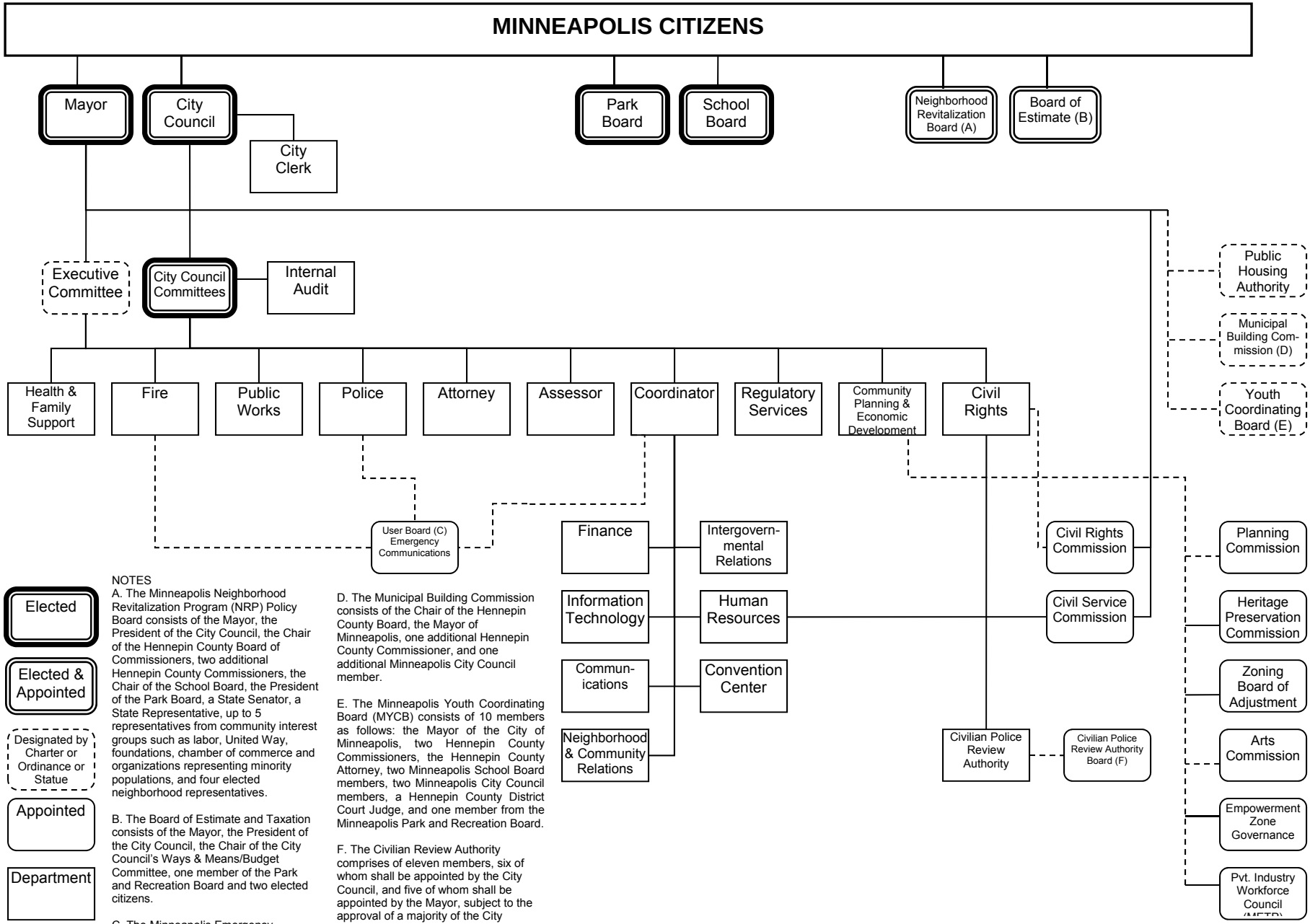
6. Protect core service delivery by avoiding duplication – both internal and external.

- ♦ Between different City departments and agencies,
- ♦ With the county, state, independent boards, or other levels of government,
- ♦ With non-profits or the private sector and
- ♦ Consolidation or realignment of critical functions is an option.

7. Demand accountability.

- ♦ Departments are expected to produce measurable outcomes (x dollars = y level of service). Failure to produce measurements will not result in escape from budget cuts.
- ♦ Department heads must manage to budget.

City of Minneapolis



NOTES

A. The Minneapolis Neighborhood Revitalization Program (NRP) Policy Board consists of the Mayor, the President of the City Council, the Chair of the Hennepin County Board of Commissioners, two additional Hennepin County Commissioners, the Chair of the School Board, the President of the Park Board, a State Senator, a State Representative, up to 5 representatives from community interest groups such as labor, United Way, foundations, chamber of commerce and organizations representing minority populations, and four elected neighborhood representatives.

B. The Board of Estimate and Taxation consists of the Mayor, the President of the City Council, the Chair of the City Council's Ways & Means/Budget Committee, one member of the Park and Recreation Board and two elected citizens.

C. The Minneapolis Emergency Communications Center (911) is managed by a User Board chaired by the City Coordinator. Members are the Police Chief, the Fire Chief, and the Hennepin County Administrator.

D. The Municipal Building Commission consists of the Chair of the Hennepin County Board, the Mayor of Minneapolis, one additional Hennepin County Commissioner, and one additional Minneapolis City Council member.

E. The Minneapolis Youth Coordinating Board (MYCB) consists of 10 members as follows: the Mayor of the City of Minneapolis, two Hennepin County Commissioners, the Hennepin County Attorney, two Minneapolis School Board members, two Minneapolis City Council members, a Hennepin County District Court Judge, and one member from the Minneapolis Park and Recreation Board.

F. The Civilian Review Authority comprises of eleven members, six of whom shall be appointed by the City Council, and five of whom shall be appointed by the Mayor, subject to the approval of a majority of the City Council.

Department of Finance,
August, 2011

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Minneapolis

Minnesota

For the Fiscal Year Beginning

January 1, 2015

Executive Director

City of Minneapolis
2016 Budget
Background Information

Community Profile

Minneapolis combines the Dakota word for water ("minne") with the Greek word for city ("polis"), a fitting name for the City with 22 of Minnesota's 12,034 lakes. Minneapolis is renowned for combining the best of urban life with the neighborhoods and quality of life found in smaller towns. Residents enjoy exciting cultural and recreational opportunities in beautiful natural surroundings.

History

In the 1820s, soldiers from Fort Snelling constructed a sawmill at the confluence of the Minnesota and Mississippi rivers and a flour mill at St. Anthony Falls. By the 1850s, the village of St. Anthony had been established on the east bank of the Mississippi and the village of Minneapolis on the west bank. The two towns were soon linked by a suspension bridge. Minneapolis' first volunteer fire company was organized in 1862, and the community was incorporated as a city in 1867. In 1872, Minneapolis and St. Anthony were united to form one city.

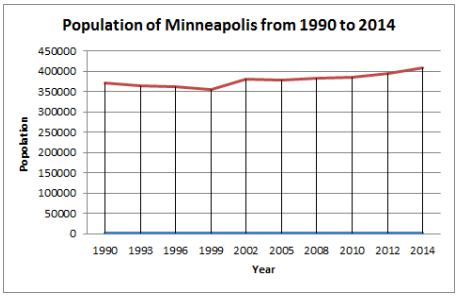
Location

Minneapolis is the largest city in Minnesota and the center of finance, industry, trade and transportation for the Upper Midwest. At 44.58 degrees north latitude and 93.15 degrees west longitude, Minneapolis is 59 square miles (153 square kilometers), including 3.6 square miles (9.4 square kilometers) of inland water. It drapes along the banks of the nation's largest river, the Mississippi.

Climate

Minneapolis has an average summer temperature of 70 degrees F and an average winter temperature of 16 degrees F[1]. Minneapolis has four distinct seasons, with moderate spring and fall weather. Summer is comfortable because lakes and trees serve as natural air conditioners.

Population



According to 2014 census data[2], Minneapolis is home to an estimated 407,000 people. Males and females each make up approximately 50 percent of the population. Children and youths under 18 and seniors aged 65 and above make up 20 percent and 8 percent of the population respectively. African-Americans comprise 19 percent of the population, and Hispanics make up 11 percent of the population. People of American Indian and Alaska Native descent comprise 2 percent of the population, and people of Asian

[1] Source: Minnesota DNR, www.dnr.state.mn.us/faq/mnfacts/climate.html
[2] Source : U.S. Census Bureau 2014, http://quickfacts.census.gov/qfd/states/27/2743000.html

ethnicity make up 6 percent of the population. People of another race and those of two or more races make up 4 percent of the population[3].

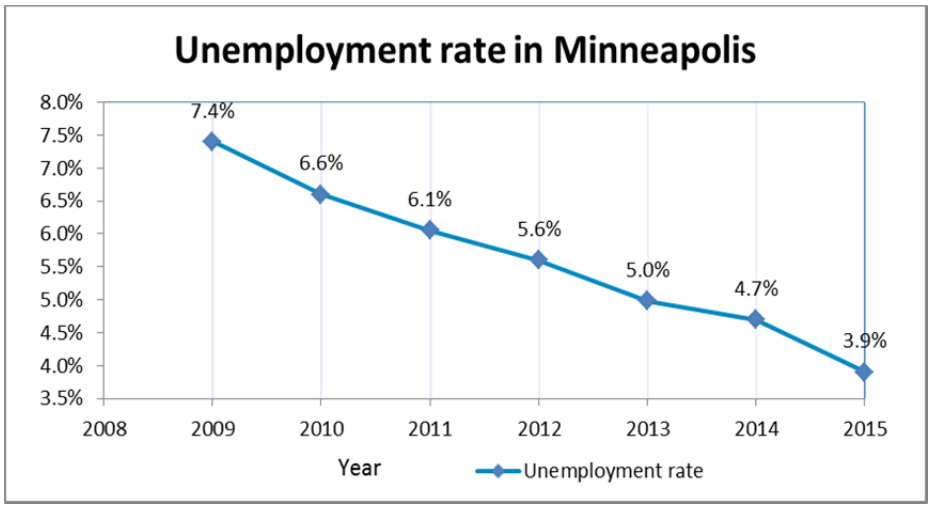
Economy

In the early years, Minneapolis' economy was based on a booming lumber industry and the processing of Minnesota grain with the tremendous power-generating capabilities of St. Anthony Falls. Large flour mills along the river evolved into the international corporations of Pillsbury, Washburn Crosby (General Mills) and Cargill. In 2015, the largest Fortune 500 companies headquartered in the metro area are as follows[4]:

Company Name	Fortune 500 Ranking	Revenues $ billions
United Health Group	14	130.5
Target Corporation	36	72.6
Best Buy	72	41.9
Supervalue	164	17.8
CHS	69	42.7
3M	98	31.8
US Bancorp	138	21.4
General Mills	171	17.6
Land O' Lakes	203	15.0

As of the third quarter of 2012, the city's largest employment sectors were health care and social assistance (17 percent), professional and technical assistance (10 percent), educational service (9.6 percent), finance and insurance (9.5 percent), and accommodation and food service (8 percent). The fastest growing employment sectors from the first quarter of 2011 to the first quarter of 2012 were real estate and rental and leasing, administrative and waste services, and accommodation and food services[5]. With 21 accredited colleges and universities in the Minneapolis-Saint Paul area and four ABA-accredited law schools, the city's highly educated workforce continues to be a driving force of a strong economy. The University of Minnesota's highly acclaimed medical school and the City's seven hospitals have made Minneapolis a leader in the medical field.

Since 2009, the city's unemployment rate has been falling as shown in the graph below[6]:



[3] Source: U.S. Census Bureau 2012 estimates, http://quickfacts.census.gov/qfd/states/27/2743000.html

[4] Source: MN Department of Employment & Development, http://mn.gov/deed/business/locating-minnesota/companies-employers/fortune500.jsp

[5] Source: "Minneapolis Trends" available at, http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/wcms1p-100744.pdf

[6] Source: MN Department of Employment & Development, https://apps.deed.state.mn.us/lmi/laus/CurrentStats.aspx

Neighborhoods

Minneapolis has 81 residential neighborhoods offering 177,309 residential housing units[7]. The city is well known for its concerned and active residents who have engaged in partnerships with government and business to improve neighborhoods and create economic opportunities. The city shares the nation's current challenge to increase the number of affordable housing units and preserve housing stock in the face of foreclosures.

Downtown

Minneapolis downtown is home to many corporate headquarters and hotels. Hennepin Avenue has a concentration of theaters and entertainment. Nicollet Mall is the center of downtown. The area has a concentration of retail and office buildings along the street. Buildings in downtown Minneapolis are connected by a system of glass-enclosed bridges, the skyways, which help to keep activity moving during the cold Minneapolis winters[8].

The arts

Minneapolis is second only to New York City in per capita attendance at theater and arts events. Minneapolis has more than 30 theaters. The Guthrie Theater and the Children's Theatre Company are recognized as two of the country's best. In June of 2006, the Guthrie Theater celebrated the opening of its $125 million theater on the banks of the Mississippi River on the northeastern edge of downtown. The City also boasts two world-class art museums, the Minneapolis Institute of Art and the Walker Art Center, and is home to the internationally acclaimed Minnesota Orchestra. Neighborhood arts activities including festivals, galleries and events play a growing role in resident art participation.

Education

The Washington Avenue Bridge crosses the Mississippi River and connects the University's East Bank and West Bank

The city offers several vocational training and specialty schools. The main campus of the University of Minnesota sits on the banks of the Mississippi just minutes from downtown. It is a major land-grant research institution with a long tradition of community and public service, and it ranks among the top 20 universities in the U.S. It is also one of the largest. In addition to the University of Minnesota, other institutions of higher education include Minneapolis Community and Technical College, Dunwoody Institute, Minneapolis College of Art and Design, Augsburg College, Metropolitan State University, the University of Saint Thomas, St. Mary's University, the College of Saint Catherine and Capella University.

[7] Source: Minneapolis Assessor, January 2013

[8] Source: http://www.ci.minneapolis.mn.us/neighborhoods/downtownwest/index.htm

Sports and outdoor recreation

Many major league teams call Minnesota home. Fans can watch Major League Baseball's Minnesota Twins in action at Target Field, located in the Warehouse District of downtown Minneapolis. The new Vikings stadium will have a sitting capacity of 65,000 football fans (expandable to 73,000). The Minnesota Timberwolves of the National Basketball Association and the national champion Minnesota Lynx of the Women's National Basketball Association play downtown in Target Center. Minnesota's National Hockey League team, the Wild, play in Saint Paul. Minneapolis has the capacity to host large events at the City's convention center.

Minneapolis residents not only watch sports, they also participate actively. Playing in summer softball leagues, golfing, jogging, swimming, playing tennis, biking, in-line skating, and sailing in the city's lakes are favorite pastimes.

The city's Park and Recreation Board maintains 87 miles of walking and biking paths. The Park Board also maintains sports fields, outdoor ice rinks, tennis courts, golf courses and supervised beaches. In the winter, residents enjoy ice skating, ice fishing, skiing and ice sailing. Early in Minneapolis' development, the land around five large lakes was dedicated to the public as parkland. With one acre of parkland for every 60 residents, outdoor recreation is an important part of life, and it is estimated that a City park is no more than eight blocks from every home.

Nationally recognized

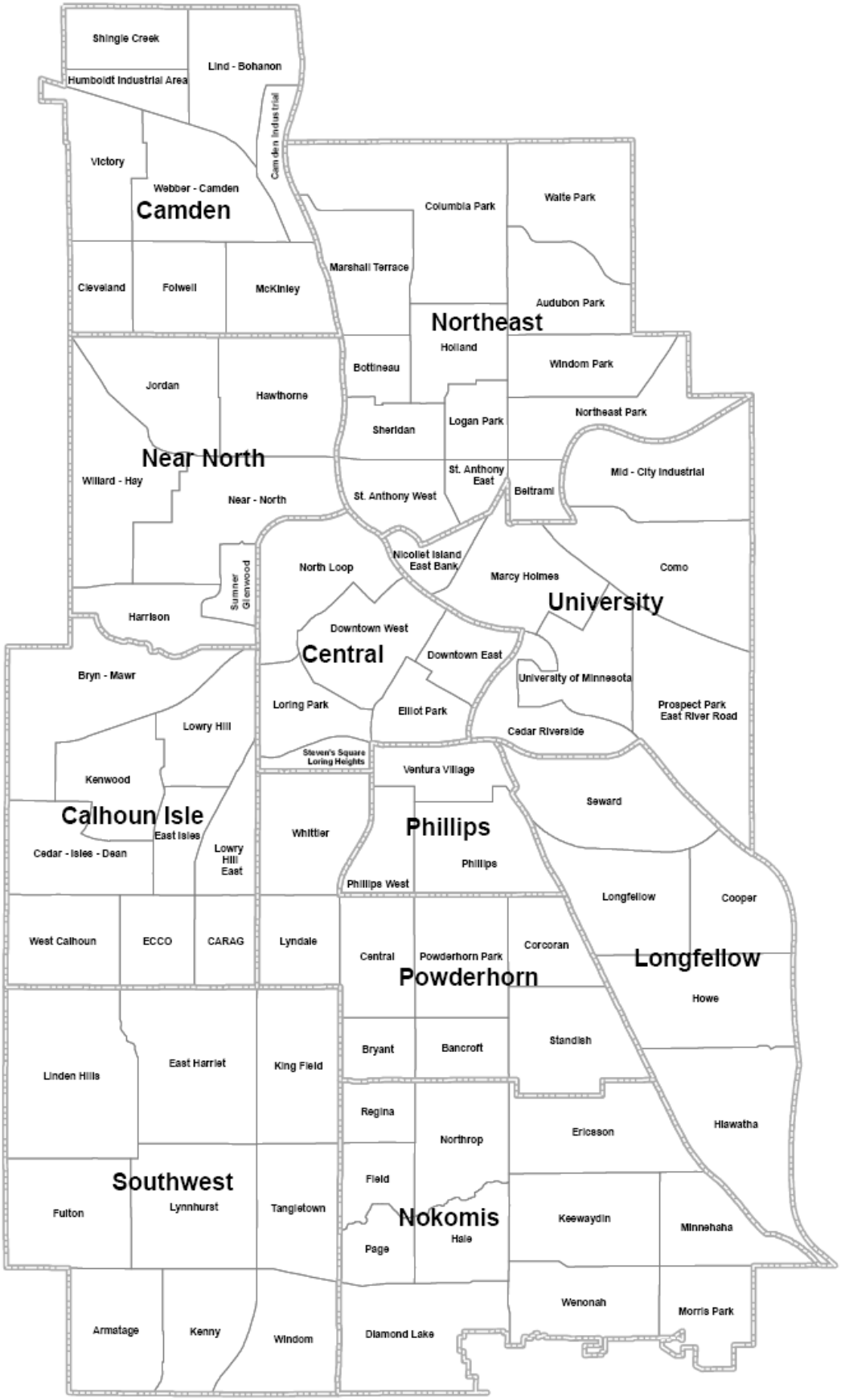
Minneapolis has recently received national recognition as being a great place to visit, to live, run a business, and forge community connections. The following is a sample of some of the city's recent honors:

- 2015 Ranked eighth best school system in America – *Wallet Hub*
- 2015 Minneapolis/Saint Paul ranked second greenest city – *Travel & Leisure Magazine*
- 2015 Minneapolis healthiest city in America – *Livability*
- 2015 Minneapolis ranked 10th best job market in America – *Zip Recruiter*
- 2015 Minneapolis metro area ranked in top areas to find a job – *Fortune Magazine*
- 2015 Minneapolis/Saint Paul named one of top metro areas for business – *MarketWatch*
- 2015 One of world's top biking cities – *Travel + Leisure*
- 2015 Third best bike city – *Bicycling Magazine*
- 2015 Sixth smartest city in America – *The Daily Beast*
- 2015 In top 20 best cities for singles – *Forbes Magazine*
- 2015 Second best city in America for working mothers – *Forbes Magazine*
- 2015 Minneapolis-Saint Paul ranks in top 25 areas in the nation for energy-efficient buildings – *Environmental Protection Agency*
- 2015 Minneapolis-Saint Paul area ranked top in the nation for volunteering – *National & Community Service*
- 2014 Minneapolis named the nation's seventh fittest city – *Men's Fitness*

- 2014 Ranked among top five dog friendliest cities in the country – *Dog Fancy magazine*
- 2014 No. 4 city for eating smart, being fit and living well – *Cooking Light*
- 2014 Third most literate city – *Central Connecticut State University*
- 2014 No. 3 city to have a baby – *Fit Pregnancy*
- 2014 Fourth cleanest city in the country – *Travel + Leisure*
- 2014 Third on America's best cities list – *Outside Magazine*
- 2014, 2013, 2012 No. 1 National Night Out city (greater than 250,000 population) – *National Association of Town Watch*
- 2013 Healthiest city in U.S. – *Forbes Magazine*
- 2013 Third best city to find jobs – *US News*
- 2013 Gold award for "Bike Friendly Business" – *League of American Bicyclists*
- 2011 Best city in the country for workers to find employment – *Forbes Magazine*
- 2011 Best place to live in a big city designed for getting outside – *Men's Journal*
- 2010 Cleanest city in America – *Travel and Leisure Magazine*
- 2010 Third best market for young professionals – *Forbes Magazine*
- 2010 Minneapolis one of the "Best Places to Live in 2010" – *Men's Journal*

For links to more information: www.minneapolismn.gov/visitors.

MINNEAPOLIS COMMUNITIES AND NEIGHBORHOODS



Generated by the City of Minneapolis CPED Department, Planning Division

City of Minneapolis
2016 Budget

Form of Government

The City is a municipal corporation governed by a Mayor–Council form of government. It was incorporated in 1867 and adopted a Charter on November 2, 1920. Thirteen City Council Members from individual wards and the Mayor are elected for terms of four years. There is no term limit on these positions. The Mayor and City Council are jointly responsible for the adoption of the annual budget and a five-year capital improvement program. As required by Charter, the Mayor is responsible for preparing an annual operating and capital budget recommendation for the City Council's consideration. The Mayor has veto power, which the Council may override with a vote of nine members.

The City Finance Officer is charged with maintaining and supervising the various accounts and funds of the City as well as several boards and commissions. In addition, the city budget director is charged with assisting the Mayor, City Council and City departments in preparing the City's annual capital and operating budget. The City Finance Officer reports to the City Coordinator, who is appointed by the Mayor and serves as Chief Administrative Officer of the City.

This annual budget report for the City includes organizations for which the primary government is financially accountable and for which the nature and significance of their relationships with the primary government are such that exclusion could cause the City's budget report to be misleading or incomplete. Below is a summary of the organizations reflected in the City's annual budget report, in addition to the primary government.

Blended component units
The following component units have been presented as blended component units because the component unit's governing body is substantially the same as the governing body of the City, or the component unit provides services almost entirely to the primary government.

- ***Board of Estimate and Taxation*.** The Board of Estimate and Taxation (BET) is established under Chapter 15 of the City Charter. It is composed of seven members, two of whom are elected by voters of the City. The Mayor or the Mayor's appointee, the President of the City Council and the Chair of the City Council's Ways and Means/Budget Committee are ex-officio members of the Board. The Minneapolis Park and Recreation Board annually selects one of its members to serve on the BET. By action of the City Council, or such other governing board of a department requesting the sale of bonds, the BET may vote to incur indebtedness and issue and sell bonds and pledge the full faith and credit of the City for payment of principal and interest. The BET also establishes the maximum property tax levies for most City funds.

Discretely presented component units
The following organization is legally separate from the City, but is included in the City's annual budget report and annual financial reports because the primary government is financially accountable.

- ***Minneapolis Park and Recreation Board.*** The Minneapolis Park and Recreation Board was established according to Chapter 16 of the City Charter. The nine-member

board is elected by the voters of the City and is responsible for developing and maintaining parkland and parkways, as well as planting and maintaining the City's boulevard trees. The Mayor recommends the tax levies and budget for the Park Board, and the City Council and Mayor approve the allocations of local government aid from the state for Park Board operations. All Park Board actions are submitted to the Mayor, and a mayoral veto may be overridden by a vote of two-thirds of the members of the Park Board. The Board of Estimate and Taxation approves the maximum property tax levy for the Park Board, and the full faith and credit of the City secure debt issued for Park Board projects. The City Finance Officer acts as Treasurer of the Park Board.

- ***Municipal Building Commission*.** The Municipal Building Commission (MBC) is an organization established January 4, 1904, by the State of Minnesota, to operate and maintain the Minneapolis City Hall/Hennepin County Court House Building, which was built pursuant to Chapter 395 of the Special Laws of 1887. The four commissioners are the Chairman of the Hennepin County Board of Commissioners, the Mayor of the City of Minneapolis, an appointee of the Hennepin County Board and an appointee of the Minneapolis City Council. The Mayor recommends the tax levy and budget for the City's share of the MBC's operations, and the City Council and Mayor approve the allocation of state local governmental aid to the MBC.

- ***Meet Minneapolis*.** Greater Minneapolis Convention and Visitors Association was incorporated on July 29, 1987. Greater Minneapolis Convention and Visitors Association (d.b.a. Meet Minneapolis) and its subsidiary, Internet Destination Sales System, Inc. (hereinafter collectively the “Association”) comprise the reposting entity for Meet Minneapolis. The Association was organized to promote the City of Minneapolis (the City) as a major destination for conventions and visitor travel, and to achieve maximum utilization of the Minneapolis Convention Center. Toward this purpose, the Association receives funding through annual contracts with the City and the state of Minnesota. The Association is a nonprofit corporation under Section 501 (c) (6) of the Internal Revenue Code. Management also has no operational responsibility over Meet Minneapolis. It is this criterion that results in Meet Minneapolis being reported as a discretely presented component unit. Complete financial statements for Meet Minneapolis and Subsidiary can be obtained from Meet Minneapolis at 250 Marquette Avenue South, Suite 1300, Minneapolis, Minnesota 55401.

Related organizations

The City's officials are also responsible for appointing members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. The financial information for these organizations is not included in detail in this report.

- ***Metropolitan Sports Facilities Authority*.** On May 14, 2012 Governor Mark Dayton signed into law a stadium bill which provides for construction and operation of a new National Football League stadium to be located on the Metrodome site. The bill established a new Minnesota Sports Facilities Authority (MSFA) and required that members be appointed within 30 days, the bill also required the Metropolitan Sports Facilities Commission (MSFC) transfer its assets, liabilities, and obligations to the MSFA within 90 days and then abolish the MFSC. The City is obligated to provide funding to build and maintain the new stadium. The MSFA is charged with the design, construction

and operation of the new multi-purpose stadium. The MSFA consists of five members. Three authority members, including the chair, are appointed by the governor. Two authority members are appointed by the City of Minneapolis. Complete financial statements for the MFSA can be obtained from the Minnesota Sports Facilities Authority at 900 South Fifth Street, Minneapolis, Minnesota, 55415-1903.

- ***Minneapolis Public Housing Authority.*** The Minneapolis Public Housing Authority (MPHA) is the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis. A nine-member Board of Commissioners governs MPHA. The Mayor of Minneapolis appoints the Board Chairperson, and four Commissioners (one of whom must be a public housing family- development resident) are appointed by the City Council. The mission of the MPHA is to provide well-managed, high-quality housing for eligible families and individuals; to increase the supply of affordable rental housing; and to assist public housing residents in realizing goals of economic independence and self-sufficiency.

- ***Minneapolis Telecommunications Network.*** The Minneapolis Telecommunications Network (MTN) is a non-profit corporation organized by the City in 1983 under Minnesota Statutes, Chapter 317. Minneapolis Telecommunications Network provides public access media programming to residents of the City as well as providing media production training. Support for MTN comes from Public, Education, and Government (PEG) fees collected as part of agreements between the City and cable service providers. These agreements require cable companies to provide support for public, educational, and government access TV channels. The City Council and Mayor appoint the nine members of the board. There are up to three ex-officio members representing the City of Minneapolis, Comcast Cable, and the Minneapolis Public Schools. Complete financial statements for the MTN can be obtained from the Minneapolis Telecommunications Network at 1620 Central Avenue Suite 175, Minneapolis, Minnesota, 55413-1674.

Joint ventures

The City is a participant in several joint ventures in which it retains an ongoing financial interest or an ongoing financial responsibility. Two of these joint ventures are reflected in the annual budget report for the City: Minneapolis Neighborhood Revitalization Board and Minneapolis Youth Coordinating Board.

- ***Minneapolis/Saint Paul Housing Finance Board.*** The Minneapolis/Saint Paul Housing Finance Board was established in the early 1980s, in accordance with a Joint Powers Agreement entered into between the Housing and Redevelopment Authority of the City of Saint Paul and the Community Planning and Economic Development Department, and accepted by the Cities of Minneapolis and Saint Paul under Minnesota law. The Community Planning and Economic Development Department's oversight responsibility of the Board is limited to its governing body's ability to appoint only three of the six members of the Board. The territorial jurisdiction of the Board extends beyond the corporate limits of the City of Minneapolis.

- ***Minneapolis Youth Coordinating Board.*** The Minneapolis Youth Coordinating Board (YCB) was established in the mid-1980s, in accordance with a Joint Powers Agreement entered into between the Hennepin County Board of Commissioners, the Board of Directors of Special School District No. 1, the Park Board, the Mayor and the

City Council under authority of State of Minnesota laws. The Board consists of 10 members as follows: the Mayor of the City of Minneapolis, two Hennepin County Commissioners, the Hennepin County Attorney, two Minneapolis School Board members, two Minneapolis City Council members, a Hennepin County District Court Judge, and one member from the Minneapolis Park and Recreation Board.

- ***Minneapolis – Duluth / Superior Passenger Rail Alliance*.** The Minneapolis - Duluth /Superior Passenger Rail Alliance was established under a joint powers agreement between Anoka County, Hennepin County, Isanti County, Pine County, St. Louis and Lakes Counties Regional Railroad Authority, City of Duluth, City of Minneapolis, and Douglas County (Wisconsin) to explore options for the development of rail transportation between the Twin Cities and Duluth Superior metropolitan areas. The nine member board consists of one elected official selected by each party in the Alliance as well as a member of the Mille Lacs Band of Ojibwe. Each party also appoints an alternate member. The City of Minneapolis pays an annual membership fee to the Alliance to cover the costs of activities. The percentage share of the City in the Alliance's assets, liabilities, and equity cannot be determined at fiscal year-end. St. Louis and Lake Counties Regional Railroad Authority serves as the fiscal agent.

City of Minneapolis
2016 Budget
Chronology of Financial Decision Making and Fiscal Sustainability

1994	Agreement between the independent boards and the City on the division of Local Government Aid.
Mid-late 1990's	Internal Service Funds deficits begin; Federal COPS grant funds police expansion.
1997	First efforts to quantify and fund the Public Works infrastructure gap; attempt to increase pay as you go capital funding and reduce bonding to reduce interest costs.
1998-2000	Positive stock market returns leads to a reduction in the City's levy requirement for police and fire relief.
2000	Library referendum passes; Mayor and Council agree to enhanced capital funding for the Minneapolis Parks and Recreation Board (MPRB) at a level higher than funding for City projects.
2001	City loses AAA rating from Moody's. Reason cited: internal service fund deficits. Stock market falls – convention center and parking fund suffer directly from economic downturn; pension obligations escalate.
2002	Adoption of maximum property tax increase policy; negative outlook from Fitch rating agency
2003	Adoption of Five-Year Financial Direction and Commitment to Business Planning; 2% Wage Policy; Local Government Aid (LGA) Reductions by the State of Minnesota City uses 8% tax increase and 2% wage policy to manage employment costs during budget shortfalls and reduce State funding
2004	Departments bring forward first five-year business plans
2006	Fitch removes negative outlook; Moody's maintains Aa1 citing pent up internal demands for spending
2007	Compensation philosophy replaces the 2% wage policy Minneapolis Employee Retirement Fund (MERF) pension "liquidity trigger" eliminated by the State Legislature Sale of six parking ramps
2008	Minneapolis Library System merges with Hennepin County Library System State Legislature imposes Levy Limits on Local Governments for 2009-2011; Governor unallots State aid in December—Minneapolis' cut: $13.1 million
2009	Governor unallots State aid—Minneapolis loses $8.6 million in 2009; $21.3 million in 2010

2010	Minneapolis' revised LGA cut is $25.9 million and Market Value Homestead Credit (MVHC) is eliminated, costing the City an additional $6.2 million on top of the LGA cuts. Minneapolis regains AAA rating from Moody's. MERF pension plan consolidated with statewide local government employee pension plan.
2011	Minneapolis' LGA is held flat from 2010 in 2011 as a response to the State's structural budget crisis
2012	City implements Priority Budgeting
2013	Moody's Investors Service downgraded Minneapolis Credit Rating to Aa1 due to declining property values, high pension liabilities and dependence on state revenues, despite improved overall financial position.
2014	The theme of Minneapolis' bid, "Built for the Bold," emphasized the $1.0 billion Vikings stadium under construction and the state's friendly ethos, hence bringing the Super Bowl to Minneapolis in 2018.
2015	City's closed pension plans meet 80% funding and are fully merged with State plan. The City to continue the construction and renewal boom trend by providing $3.5 million to fully fund the $50 million redesign of Nicollet Mall, preliminary planning of redevelopment of the Upper Harbor Terminal, purchase of property at Lake Street and Nicollet Avenue as first step to reopen the roadway terminating at that block and substantial completion of the Downtown East mixed use development adjacent to the stadium. A total of $1.4 billion in construction permits were issued for the year; this is the fourth consecutive year that Minneapolis had more than $1 billion in construction projects approved since 2000.

City of Minneapolis
2016 Budget
Background Information

Fund Descriptions

The accounts of the City are organized by fund types. A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The operations of each fund are monitored with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equities, revenues and expenditures / expenses. Following is a listing and description of all City funds.

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

Special Revenue Funds. Special revenue funds are used to account for the proceeds of revenue sources that are restricted by legal and regulatory provisions to finance specific activities. The City has thirty-four Special Revenue Funds, including community and economic development funds. These funds are use to account for the City's planning and community development goals, most of which are financed through property tax increment financing. Major special revenue funds are described below:

Arena Reserve Fund. This fund is a holding fund for various finance plan revenues to be used for future costs relating to the acquisition and capital maintenance of the downtown sports, entertainment and health complex.

Board of Estimate and Taxation Fund. This fund is used to account for the operations of the Board of Estimate and Taxation which issues and sells bonds, and establishes the maximum levies for the City, its boards and commissions.

Community Development Block Grant. This fund is used to account for the federal grants received under the Federal Community Development Block Grant provisions.

Convention Center. This fund is used to account for the ownership, maintenance, and operation of the Minneapolis Convention Center.

Convention Facilities Reserve. This fund is a holding fund for parking and sales tax revenues to be used for future capital maintenance needs of the existing Convention Center.

Employee Retirement. This fund is used to account for the tax levy proceeds and other sources of revenue for the Minneapolis Employee Retirement Fund (MERF), Minneapolis Firefighters' Relief Association (MFRA), and Minneapolis Police Relief Association (MPRA) retirement programs for some city employees.

Grants – Federal. This fund is used to account for all federal grants, except for the Community Development Block Grant (CDBG), which is accounted for in a separate fund.

Grants – Other. This fund is used to account for grants received from the State of Minnesota, Hennepin County, local government units, and private funds.

Municipal Building Commission. This fund is used to account for the cost of operating and maintaining the City Hall/County Court House building.

Police Special Revenue. This fund is used to account for the revenues and expenditures related to federal and state administrative forfeitures and the revenues and expenditures related to the regulation of lawful gambling in the City.

Park Operating Fund. This fund is used to account for revenue and expenditures related to the cost of operating and maintaining the Minneapolis Parks system.

Internal Service Funds. Internal Service Funds are used to account for those City goods and services which are provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. The City operates six Internal Service Funds for its operations; the Park Self-Insurance and Internal Service Funds are reflected in the MPRB budget:

Engineering Materials and Supplies. This fund is used to account for the operations of the City's paving products laboratory. The paving products laboratory provides in-lab and on-site testing and soil boring services to ensure quality control of asphalt and soils for projects.

Intergovernmental Services. This fund is used to account for information technology services, central mailing and printing services, and the City's telecommunication operations. These services are provided to City departments as well as the Park Board, Municipal Building Commission, and Youth Coordinating Board.

Property Services. This fund is used to account for the physical management and maintenance of fire stations, police precinct buildings, the Minneapolis Public Service Center, and various other City office locations, except for the City Hall/County courthouse building, which is accounted for in the Municipal Building Commission Special Revenue Fund.

Equipment Services. This fund is used to account for the ownership and operation of radio communications equipment and a fleet of motorized equipment and vehicles. The fund operates as a rental agent to various departments to support the construction and maintenance of city infrastructure, fire protection services, and police services.

Public Works Stores. This fund is used to account for the centralized procurement, warehousing, and distribution of stocked inventory items, as well as the purchase of special goods and services.

Self-Insurance. This fund is used to account for employee benefit program and administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program.

Park Self-Insurance and Internal Service Funds. The Self-Insurance fund is used to account for park employees' medical, dental, and life insurance benefit programs and

the programs' administrative costs. The fund also accounts for occupational health services, severance payments to employees who have retired or resigned and who meet minimum eligibility requirements, a tort liability program, and a workers' compensation program. The Park Board also has an internal service fund for charges within its programs.

Enterprise Funds. The Enterprise Funds, like the Internal Service Funds, are used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where expenses, including depreciation, are recovered principally through user charges. However, the customer is typically the general public or other customers external to the City. The City operates eight enterprise funds. The first five funds listed are reflected in the City's Public Works Department, the River Terminal Fund is reflected in the Community Planning and Economic Development (CPED) department and the Parks Operations Fund is incorporated into the Minneapolis Parks and Recreation Board (MPRB) budget:

Water Works Fund. This fund is used to account for the operation, maintenance and construction projects related to the water delivery system. This fund also accounts for the operations related to the billings for water, sewage and solid waste fees.

Sanitary Sewer Fund. This fund is used to account for the operation, maintenance and construction projects related to the sanitary sewer system.

Stormwater Fund. This fund is used to account for the operation, maintenance and construction projects related to the stormwater utility system as well as the City's street cleaning operation.

Solid Waste and Recycling Fund. This fund is used to account for the revenues and expenses for solid waste collection, disposal and recycling activities.

Municipal Parking Fund. This fund is used to account for the operation, maintenance and construction of the City's parking facilities as well as on-street parking and the Municipal Impound Lot.

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

Park Operations Fund. This fund is used to account for operation, maintenance and construction of projects related to the Park Board, especially golf courses.

Capital Projects Funds. The Capital Projects Funds are used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for governmental fund types. Sub-funds may be used to account for specific projects and aggregated for reporting purposes.

Permanent Improvement Capital Fund. This fund is used to account for capital acquisition, construction, and improvement projects including bridge construction, sidewalk construction, street construction, energy conservation projects, infrastructure projects, and many Information Technology (IT) projects.

Community Planning and Economic Development. This fund is used to account for the capital project activities of the department of Community Planning and Economic Development.

Municipal Building Commission (MBC) Capital Fund. This fund is used to account for the capital project activities of the MBC, a component unit of the City of Minneapolis.

Park Board Permanent Improvement Capital Fund. This fund is used to account for the capital project activities of the Park Board.

Debt Service Funds. The Debt Service Funds are used to account for the accumulation of resources for the payment of principal, interest, and related costs on long-term debt obligations. Included in the Debt Service Funds are:

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

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

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

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

City of Minneapolis
Bird's Eye View of the Relationship between Fund Types, Revenue Sources, Expenditures and Departments/Boards

	General Fund	Special Revenue Funds	Internal Service Funds	Enterprise Funds
Major Funds Included:		Convention Center, Community Development Block Grants, Community and Economic Development Grants, Other Grants, Arena Reserve	Engineering Materials, Intergovernmental Services, Property Services, Equipment, Stores, Self-Insurance	Water, Stormwater, Sewer, Solid Waste, Parking
Revenue Sources	Local Government Aid, Property Taxes, Franchise Fees, Licenses and Permits	Grants, Property Tax Increment	Charges for Services, Rents, Transfers from other funds	Utility charges, state grants and contributions, rents
Expenditure Classifications	Personnel, Operating Costs, Contractual Services, Equipment	Personnel, Operating Costs, Contractual Services, Equipment	Personnel, Operating Costs, Contractual Services, Equipment, Capital Projects and related debt service, liability and workers compensation	Personnel, Operating Costs, Contractual Services, Equipment, Capital Projects and related debt service
Major Departments	Police, Fire, Public Works, others	Convention Center, Health, Attorney, Fire, Police, Closed Pension Plans	Public Works, Copy Center, City Attorney (Civil Division), IT	Public Works

City of Minneapolis
Bird's Eye View of the Relationship between Fund Types, Revenue Sources, Expenditures and Departments/Boards, continued

	Capital Projects Funds	Debt Service Funds	Park Board Funds
Major Funds Included	Permanent Improvement Funds, Arbitrage Funds	General Debt, Development Debt, Special Assessment Debt, Community Development Agency	The Park Board has enterprise, internal service and special revenue funds. The general fund is treated as a special revenue fund.
Revenue Sources	Property Taxes, Proceeds from Long Term Liabilities, State Aid	Property Taxes, Sales Taxes, Special Assessments, Property Tax Increment	Property Taxes, Local Government Aid, Charges for Sales (golf courses etc.), Contributions, and Grants
Expenditure Classifications	Capital project expenditures related to street construction and infrastructure projects	Payment of principal, interest and fees on City debt	Personnel, Operating Costs, Contractual Services, Equipment
Major Departments	Public Works	Not applicable	

The number of City Funds above includes smaller boards, such as:

- Municipal Building Commission (funded mainly from Property Tax and State Aids)
- Board of Estimate and Taxation (funded from Property Tax and State Aids)
- Youth Coordinating Board (a joint board funded from the City's General Fund and grants)

City of Minneapolis
2016 Budget

Table of Contents

Financial Overview	Pages 36-64
Major Highlights	37
City Spending	41
Sources of Revenue	43
Local Government Aid	44
Major Changes	50
Property Tax	61

City of Minneapolis
2016 Budget

Financial Overview

The 2016 Council Adopted Budget for all City funds is $1.34 billion. This represents a $38.7 million, or 3.0 percent, increase from the 2015 Council Adopted Budget of $1.30 billion inclusive of the City's independent boards. At the same time, the Council adopted a 2016 property tax levy for the City and its independent boards of $297.6 million which results in a 3.4 percent increase or $10.0 million in additional property taxes as compared to the 2015 adopted levy of $287.6 million. The budget also utilizes accumulated fund balance to fund budgetary items that are one-time or short-term in nature to mitigate budgetary fluctuations and to avoid volatile property tax levies which place undue burden on property taxpayers. The City's financial position has benefited from growth in local sales and entertainment taxes and other revenues due to the continued growth in the local economy. These factors, combined with an increased appropriation in Local Government Aid (LGA) from the State of Minnesota, allow the City to plan for significant improvements in service delivery and targeted enhancements to programs outlined in the budget, without significant impact to the property taxpayers.

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

Major Highlights

The 2016 Council Adopted Budget includes significant proposals to address future financial and operating challenges. It is important to be aware of these initiatives when making comparisons between budget years, and to understand the context in which these decisions were made.

The highlights include the following:

- The 2016 Council Adopted Budget continues to lay the foundation for a wave of development including large projects associated with building a new stadium in partnership with the State and the Minnesota Vikings and adjacent areas. At nearly $1.4 billion in permitted construction, 2015 was the fourth consecutive year in which Minneapolis experienced more than $1.0 billion in permitted construction projects since 2000 based on the value of permits issued for the year. Construction growth in the City impacts a number of functions in the City including permitting and inspections. The budget recognizes the increased level and activity and revenue and also includes funding for additional staffing in the City Assessor and Community Planning and Economic Development departments to respond to increased workloads. The budget for City departments increases by 4.2 percent in 2016, or $36.7 million. As part of the budget, accumulated funds in the General Fund due to a growing economy and controlled spending allows for utilization of fund balance in the amount of $24.0 million for departmental activities, including $10.0 million to provide a match for an anticipated State Capital Bonding grant for the 10th Avenue Bridge replacement, as well as providing for operating capital and other one-time items.

- In support of affordable housing initiatives, the budget provides $14.5 million including $1 million in unrestricted resources to help create affordable housing options for large families.

- The budget includes “rightsizing” initiatives in multiple departments to realign resources by eliminating funding for existing unfilled positions, as well as recognizing expenditure trends which identify resources available for reallocation. This has been achieved by re-directing resources to provide new services and eliminate redundant processes based on new and changing needs of the City.

- The budget continues to bolster public safety by raising the sworn complement of police officers to 862, providing funding for a recruit class and ongoing community service officer classes, and additional civilian personnel to assist in Crime Lab and data analysis. The budget also includes funding for police body cameras and civilian personnel to assist in program implementation. Funding is also included for the EMT Pathways and Community Outreach Explorer programs in the Fire Department which offers leadership development and encourages young and diverse people in Minneapolis public high schools to enter firefighting and emergency services as a career.

- In response to a growing desire to act more proactively to global climate change, the budget provides resources for additional staffing in the City Coordinator’s office to facilitate clean energy partnerships. Additional funding is provided to enhance initiatives geared towards diversity and achieving equity – one of the City’s goals. More funding for the Urban Scholar program has been provided to prepare more youth for future City careers. Additionally, the budget directs more resources to ensuring more efficient participation in coming elections.

- The 2016 budget does not project any growth in the cost of closed pension obligations from the prior year. For 2016, the City will levy the same amount for these obligations as it did in 2015 - costs are projected to remain flat in the near term. If recent advances in financial markets continue, it is possible that these costs may actually decline more quickly than currently projected as the Minneapolis Employee Retirement Fund (MERF) merged with the Public Employee Retirement Account (PERA) in 2015 due to reaching the mandated funding ratio of 80 percent.

- In its third year, the Capital Asset Request System, or “CARS,” will be used on an ongoing basis in long-range planning for smaller operating capital requests that were previously funded in individual departments. Requests funded within the CARS system include items that are not ongoing in nature such as enterprise software upgrades, vehicle purchases and similarly-valued items. The CARS process provides a rolling five-year perspective of the City’s needs for these assets and is intended to create a longer term funding plan. In the third year of this program, approximately $24.0 million will be dedicated to fund items through this process. The majority of items funded reflect deferred maintenance and replacement costs for existing operating capital including technology upgrades. Of this total, $7.5 million is funded from existing General Fund resources.

- Future challenges and opportunities that the 2016 budget addresses, through the five-year financial direction, include the impacts of rebounding property values and continued growth in the cost of providing City services due to inflationary pressures, as well as levy growth that has not kept pace with inflation.

Enterprise Challenges

In the course of the City's annual business and strategic planning process, City departments review and document the most significant trends and challenges affecting their work. While some of these issues are specific to department business, several enterprise-wide themes emerge. A summary of enterprise challenges follows:

A Quickly Improving Economy and a Construction Boom
The City experienced its fourth year in a row of record construction as measured by value of permitted projects. Since 2012, the City has issued permits for construction valued at over $1 billion annually. This boom is fueled by new office buildings in and around downtown, multiple high-rise apartment buildings, and the new stadium to be used by the Minnesota Vikings and ancillary development. However, the quickly improving economy and construction boom have also put multiple strains on the City in the areas of permitting, assessing, financial planning, compliance monitoring, and public works expansion. These strains, compounded by a backlog of needed infrastructure improvements accumulated during the economic downturn, challenge current resources and create a need for additional resources to both address the backlog and meet current expectations.

Workforce Turnover
It is anticipated that the City's workforce will experience high turnover in the coming years due to three factors: a large population of retirement-eligible workers, a shrinking workforce and increased demands, and the rebounding economy allowing for greater workforce mobility. The loss of institutional knowledge and costs of retirement and transition planning has not been fully realized by City departments, despite a continued recognition of and planning for this reality in the 2016 budget.

Increased Demand for Technological Solutions
Departments note the increased technological savvy of customers, and as a result, increased demand for technological approaches to customer service. This translates into additional costs for new equipment and software, and in particular, increased support and maintenance costs. For example, the City is in the process of upgrading several enterprise software systems, with anticipated costs in the millions of dollars. Other examples include increased computer and internet bandwidth usage, the growth in demand for wireless connectivity, a drive toward enhancing the City's interaction with residents through technological means, as well as the challenge of training employees in the use of these technologies. The budget incorporates continuing efforts to plan for these costs as well as other smaller operational capital needs through the Capital Asset Request System (CARS) program. The CARS program plans not only for major technological initiatives, but also for aging equipment replacement and facility upgrades. More information on CARS is available throughout this document.

Regulatory Complexity/Unfunded Mandates
Departments have noted increased complexity of protocols and regulations at many levels. Civil Rights identified the increased complexity of investigation protocols and contracting requirements. Regulatory Services and Community Planning and Economic Development cite State codes, protocols, and building standards that are placing additional strains on the workload of inspectors. Public Works notes increased costs for inflow and infiltration to meet standards required by Metropolitan Council Environmental Services or facing monetary penalties. The City Clerk notes additional election requirements as a result of the implementation of Instant Runoff Voting (IRV), as well as ranked choice voting.

Furthermore, public safety departments face legislative-directed or nationally developed standards, training, or operating procedures. Departments, especially following several years of significant cuts to the City are training programs, indicate a need for increased and improved employee training, as well as recruitment, possibly placing additional short-term strain on productivity, to address the growing complexities of their program administration.

Emergency and Security Management Needs
Ensuring adequate physical security, health security, electronic security (prevention of viruses, worms, fraud, and other system security threats), information backups, and emergency planning consumes resources of nearly every department. From natural disasters such as the tree-toppling thunderstorms of Summer 2014 or the tornado of 2011 to physical infrastructure disasters like the I-35W bridge collapse, Minneapolis City departments continue to build and strengthen relationships with other governmental entities to maximize the effectiveness of security planning and build systems to mitigate and prevent disasters and crises.

Aging Office Facilities and Scattered Administrative Workforce
In 2015, the City received responses to an RFP issued to study consolidating several work locations and City operations with the goal of reducing the total office locations of the City's administrative workforce from seven to three or less, located close to and connected to City Hall via skyways or tunnels. Combining the administrative offices may place challenges on the workforce due to the preparation of an existing building or building(s) or the retrofitting of an existing building along with the staff move itself. The City (through its relationship with the Municipal Building Commission) has also been participating in an ongoing renovation of City Hall, resulting from deferred maintenance.

City Spending

Below is a summary of the 2016 Council Adopted Budget by departmental activity, excluding transfers.

Expenditures by Service

(In Millions of Dollars)

	2015 Adopted	2016 Adopted	% Change	$ Change
Attorney	16.7	17.4	4.1%	0.7
Coordinator*	119.6	125.9	5.2%	6.3
CPED	76.1	85.6	12.6%	9.6
Convention Center	52.6	54.6	3.8%	2.0
Fire	60.2	62.3	3.5%	2.1
Health	18.5	20.0	7.9%	1.5
Police	153.4	157.8	2.9%	4.4
Regulatory Services	22.8	23.8	4.3%	1.0
Public Works	326.6	334.7	2.5%	8.2
Other City Services**	79.9	84.0	5.1%	4.1
Debt Service	126.5	124.1	-1.9%	-2.4
Capital Improvement	140.2	138.0	-1.6%	-2.2
Park Board	97.9	102.1	4.3%	4.2
Other Independent Boards***	11.5	10.9	-5.2%	-0.6
Total City Spending	**1,302.5**	**1,341.2**	**3.0%**	**38.7**

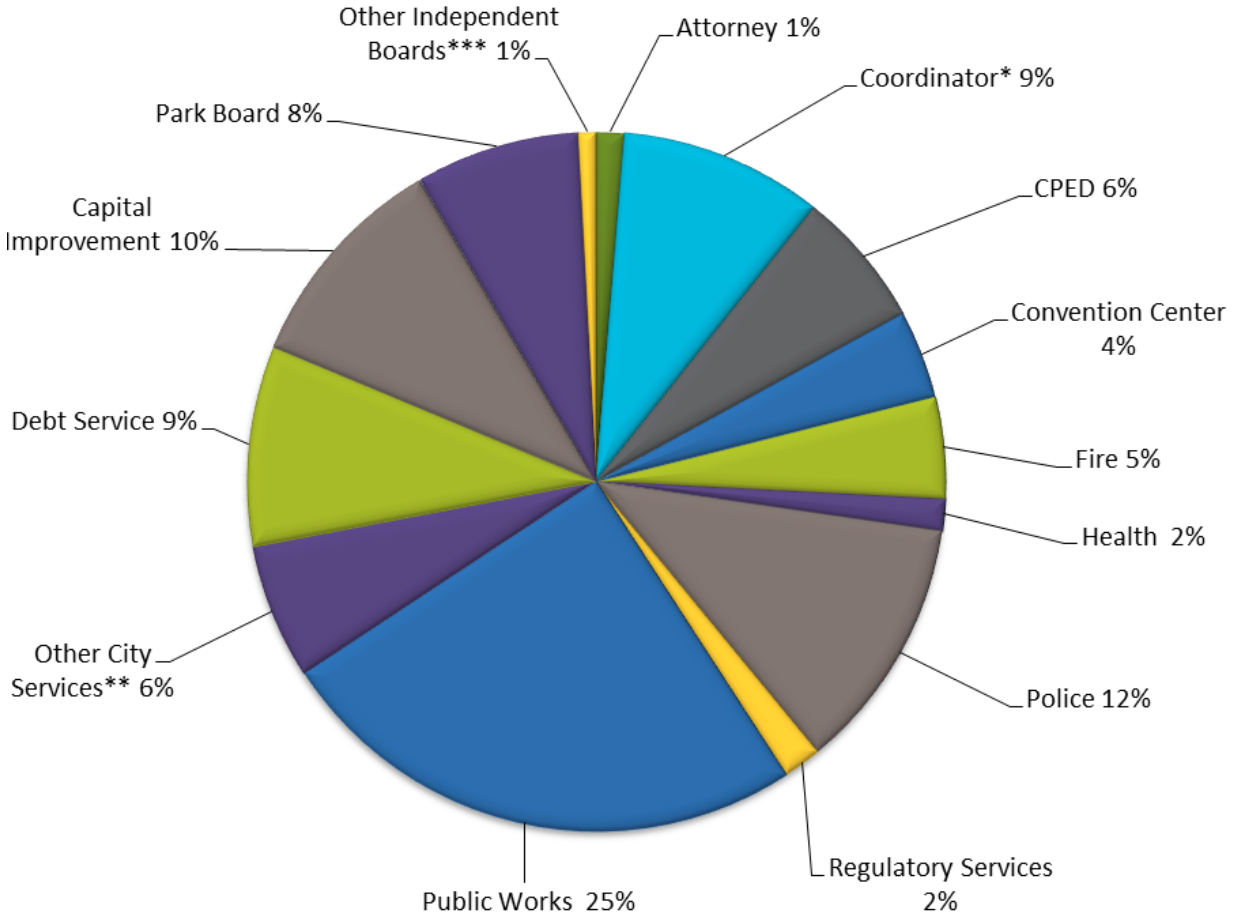
* Includes 311, 911, Communications, Emergency Preparedness, Finance and Property Services, Human Resources, IT, Intergovernmental Relations, and Neighborhood and Community Relations

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

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

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

Total Expense Budget - Use of Funds
2016 Council Adopted Budget: $1.3 Billion



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

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

For 2016, the budget includes expenditure appropriations corresponding to priorities outlined in the Council Adopted Budget as well as ongoing projects and current City-provided services. Details of the individual expenditure appropriations within the departments and other categories identified in the pie chart above are available in the Operating Departments and Capital Programs sections of this document.

City Sources of Revenue

For 2016, the City forecasts $1.3 billion in revenue from a variety of sources. Many of the City's revenue sources are restricted, meaning they are required to be spent in defined areas or on specific programs or projects. These restrictions limit the City's ability to raise additional funds and to apply the revenue to other departments or programs. For example, the City charges fees for services such as water, sewer and trash pickup, but State law requires that these fees be no higher than the cost of providing the services, including both operating and capital costs. Because these revenues are restricted, the City cannot raise water bills to pay for citywide police services.

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

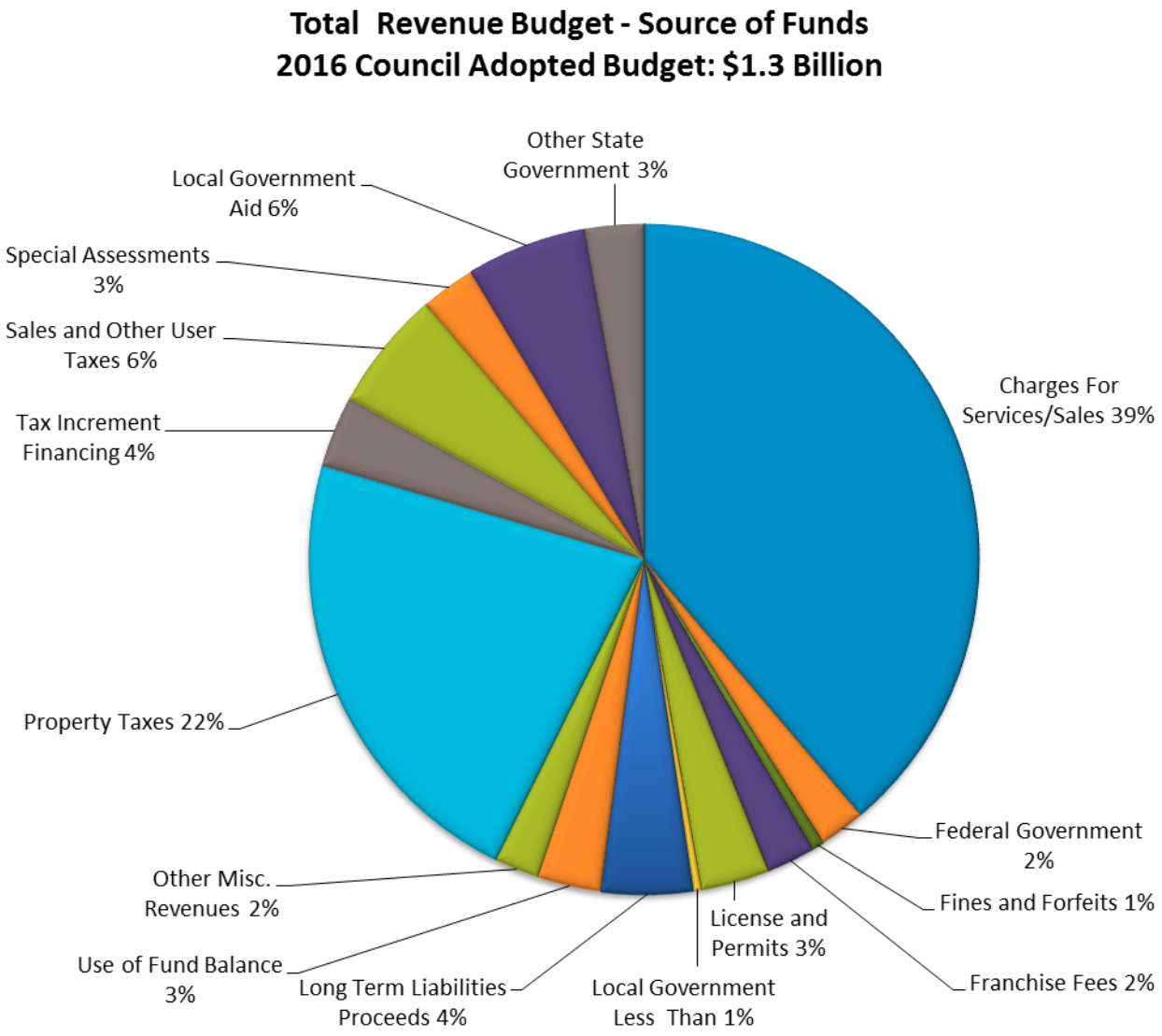
Below is a summary of the 2016 Council Adopted Budget revenues by major category.

Revenue by Category

(In Millions of Dollars)

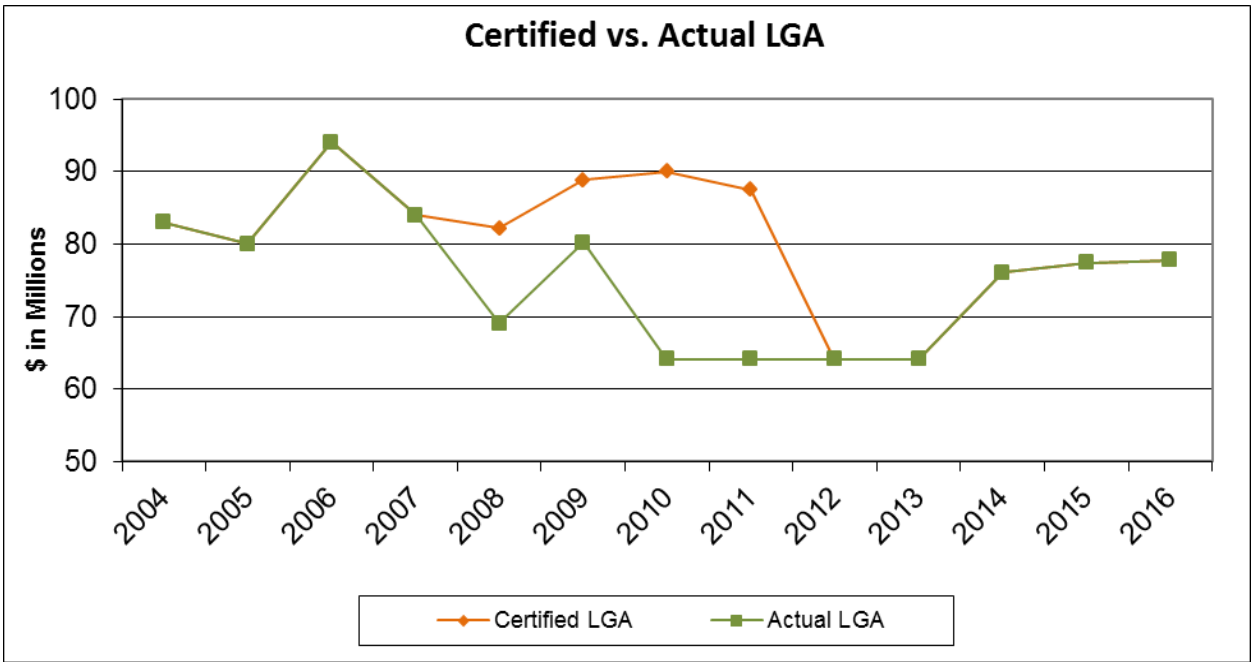
REVENUE CATEGORY	2015 Adopted*	2016 Adopted	$ Change	% Change
Charges For Services/Sales	510.0	520.4	10.4	2.0%
Federal Government	37.2	29.7	-7.5	-20.1%
Fines and Forfeits	7.7	8.1	0.4	5.2%
Franchise Fees	29.0	31.5	2.5	8.5%
License and Permits	41.3	44.4	3.1	7.6%
Local Government	7.2	4.9	-2.3	-32.2%
Long Term Liabilities Proceeds	56.4	56.7	0.3	0.5%
Use of Fund Balance	15.9	43.8	27.9	175.3%
Other Misc. Revenues	20.5	29.2	8.6	42.0%
Property Taxes	287.6	297.6	9.9	3.5%
Tax Increment Financing	51.3	46.0	-5.3	-10.3%
Sales and Other User Taxes	75.1	77.8	2.7	3.6%
Special Assessments	38.9	35.5	-3.4	-8.6%
Local Government Aid	77.4	77.8	0.4	0.6%
Other State Government	47.0	37.8	-9.2	-19.5%
Total Revenue	**$1,302.5**	**$1,341.2**	**$38.7**	**3.0%**

*Revenues have been adjusted by use of fund balances



Local Government Aid (LGA)

Following several years of uncertainty in funding from the State of Minnesota in the form of LGA, including the loss of over $70 million from 2008-2011, the State increased the amount of LGA appropriated to the City of Minneapolis from $76.1 million in 2014 to $77.4 million for 2015, with another $0.4 million added in 2016, bringing the total to $77.8 million. Of this $77.8 million, the City plans to allocate $68.4 million for its General Fund, $9.2 million to the Park Board, and the remaining $0.2 million to the Municipal Building Commission (MBC). The table below shows the historical certified and actual LGA amounts including the reductions, as well as the certified LGA levels for 2016 based on current law. Recent stability in LGA funding is a factor in the City's ability to control its property tax levy.



Budget by Fund

The City uses different "funds" to account for expense and revenue associated with the various services provided. The **General Fund**, where the City accounts for most property tax supported services, represents 31.5 percent in both the 2015 and 2016 Council Adopted Budgets, including City's independent boards.

Special Revenue Funds are used for personnel costs, operating costs, contractual services and equipment that are funded by specific revenue sources. Special revenue funds support the convention center, health and family support, public safety, Federal, State and local grants and ongoing support of closed pension funds.

Capital Project Funds include permanent improvement and arbitrage funds and are used for the construction of infrastructure projects.

Debt Service Funds are used to pay interest and principal on City debt.

Internal Services Funds are used to account for business-like services that the City provides to other City departments. Internal services include information technology, equipment (*e.g.* police squad cars, fire equipment, and other rolling stock), property services, tort claims, and workers compensation claims.

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

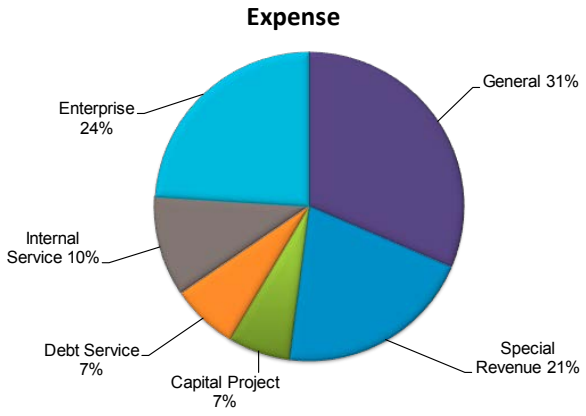
Expense and Revenue By Fund Type

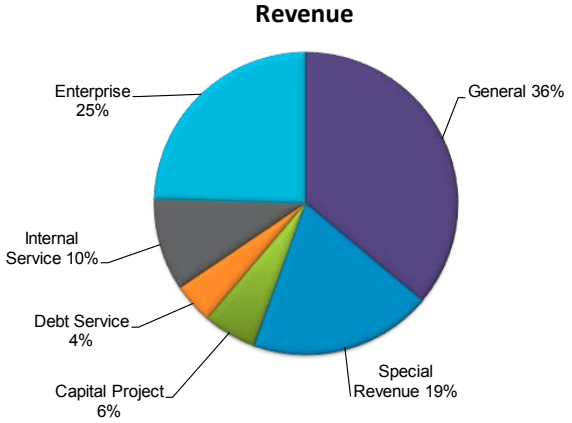
In Millions

Expense	2015 Adopted	2016 Adopted	Percent Change	Dollar Change
General	$406.3	$421.8	3.8%	$15.5
Special Revenue	$256.7	$276.6	7.8%	$19.9
Capital Project	$100.9	$87.3	-13.4%	-$13.5
Debt Service	$91.1	$93.0	2.1%	$1.9
Internal Service	$141.7	$140.2	-1.0%	-$1.4
Enterprise	$305.9	$322.2	5.3%	$16.3
Total	**$1,302.5**	**$1,341.2**	**3.0%**	**$38.7**

Revenue	2015 Adopted*	2016 Adopted	Percent Change	Dollar Change
General	$458.8	$484.2	5.5%	$25.4
Special Revenue	$245.1	$260.6	6.3%	$15.5
Capital Project	$94.3	$76.6	-18.8%	-$17.8
Debt Service	$58.8	$57.9	-1.6%	-$0.9
Internal Service	$129.4	$133.0	2.7%	$3.5
Enterprise	$316.0	$328.9	4.1%	$12.9
Total	**$1,302.5**	**$1,341.2**	**3.0%**	**$38.7**

*Revenues have been adjusted by use of fund balances



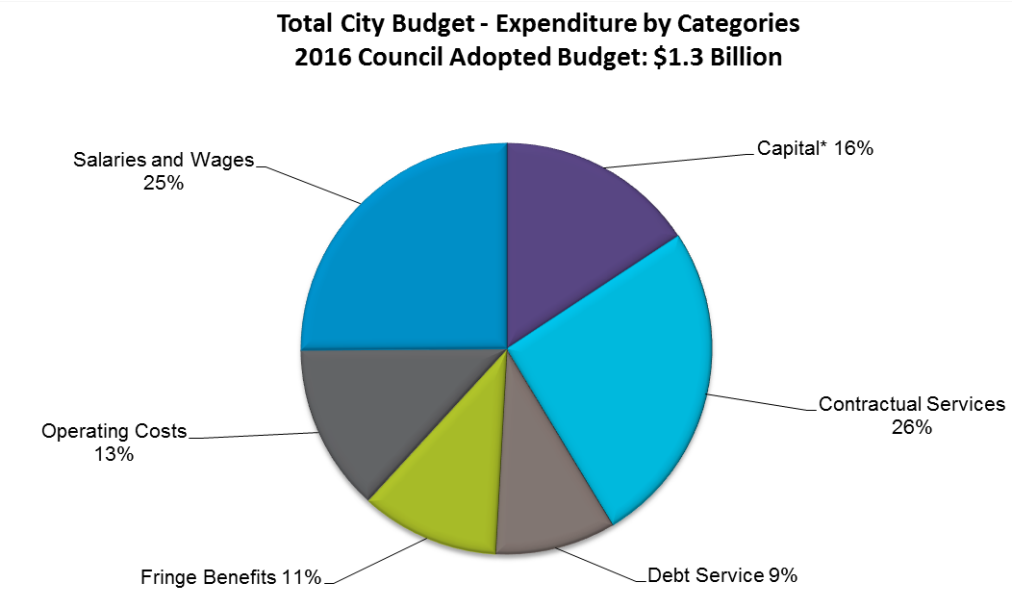


Expense by Category

Expense Category	2015 Adopted	2016 Adopted	$ Change	% Change
Capital*	203.7	211.4	7.7	3.8%
Contractual Services	338.8	343.6	4.8	1.4%
Debt Service	126.7	127.4	0.7	0.6%
Fringe Benefits	139.6	146.0	6.4	4.6%
Operating Costs	170.5	175.9	5.4	3.2%
Salaries and Wages	323.2	336.8	13.6	4.2%
Total Expense	**$1,302.5**	**$1,341.2**	**$38.7**	**3.0%**

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

The largest portion of the City's budget is spent on personnel, which comprises $482.8 million or 36.0 percent of the total budget. The 2016 Council Adopted Budget includes an overall increase of 62.5 budgeted full-time equivalent (FTE) positions from the 2015 Council Adopted Budget, an increase of 1.3 percent to 4,875.9 FTE in total. Detailed breakdown of City's FTEs can be found in schedule 5 in Financial Schedules section.



Funding for Physical Infrastructure

Five-Year Capital Program Totals: For 2016 – 2020, the five-year capital program for City departments, independent boards and commissions totals $668.9 million including all funding sources. The 2016 portion of this program is $134.8 million. The budget continues the City's commitment to continue funding and completion of improvements to the City's infrastructure. Below is a summary of the five-year capital program by major infrastructure category.

Five-Year Capital Investment Allocation
Council Adopted Budget

Submitting Agency	Infrastructure Category	2016	2017	2018	2019	2020	Total	Percent of Total
					Budget in Thousands			
MUNICIPAL BUILDING COMMISSION		2,970	2,205	2,965	2,920	920	11,980	1.8%
PARK BOARD		4,452	2,980	3,235	5,558	4,076	20,301	3.0%
PUBLIC WORKS DEPARTMENT	STREET PAVING	38,710	30,041	30,245	45,580	17,855	162,431	24.3%
	SIDEWALKS	3,675	3,830	4,040	4,250	4,460	20,255	3.0%
	BRIDGES	10,400	3,065	7,910	5,685	20,180	47,240	7.1%
	TRAFFIC CONTROL & STREET LIGHTING	10,460	6,532	6,706	7,221	6,920	37,839	5.7%
	BIKE TRAILS	760	1,250	1,000	1,140	1,940	6,090	0.9%
	SANITARY SEWERS	10,550	9,250	9,250	9,250	9,250	47,550	7.1%
	STORM SEWERS	13,750	21,378	22,330	16,750	15,750	89,958	13.4%
	WATER INFRASTRUCTURE	22,250	47,370	43,430	32,200	24,650	169,900	25.4%
	Public Works Department Total	110,555	122,716	124,911	122,076	101,005	581,263	86.7%
INFORMATION TECHNOLOGY		3,300	1,500	200	0	0	5,000	0.7%
PUBLIC GROUNDS & FACILITIES		12,910	21,350	1,000	0	0	35,260	5.3%
MISCELLANEOUS PROJECTS		580	600	6,620	6,640	660	15,100	2.3%
	Grand Totals	134,767	151,351	138,931	137,194	106,661	668,904	100.0%

For more details regarding the Five-Year Capital Improvement Program, please see the Capital Program section of this book.

Technology funding

The City has two main financing mechanisms for technology:

Property tax supported debt financing in the City's capital program: Since 2003, the City has programmed about $1.5 - $2.0 million annually in property tax supported projects, financed by debt, as prioritized by the IT Department and the department heads. These technology assets are capitalized and the bond payments are structured within the useful life of the asset. For 2016, $3.3 million in technology projects are funded through property tax supported debt with a five-year plan total of $5.0 million. Approximately 82 percent of the total or $5.0 million of this program is dedicated to replacing the Police Department's primary information system.

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

Capital Asset Request System (CARS)

In 2014, the City implemented the CARS process to allow departments to submit budget requests for the replacement of capital equipment items greater than $5,000 such as technology systems, vehicles and construction equipment and/or other large dollar items necessary to provide services. The CARS process uses a five-year planning horizon similar to the Five-Year Capital Program (for infrastructure) with the intent of establishing normal replacement cycles for all long-term assets used by City Departments. Replacement cycles had already been established for fleet equipment, but not for other asset categories. For the 2016 - 2020 five-year cycle, the City received requests from departments totaling $114.7 million. For 2016, the requests totaled $30.3 million. The budget allocates $7.5 million of General Fund resources and $16.5 million of non-General Fund resources for this program across all departments.

Funding for Pension Liabilities

Closed Pension Funds: The City's levies for its former closed pension funds that have been merged into the Minnesota State Public Employees' Retirement Association (PERA) remains level at $27.3 million in 2016, for the three merged funds:

- The Minneapolis Employee's Retirement Fund (MERF) Division of PERA – fully merged in 2015.
- The Former Minneapolis Police Relief Association (MPRA), a closed fund.
- The Former Minneapolis Fire Relief Association (MFRA), a closed fund.

Teacher's Retirement Association (TRA): The 2006 Legislative session combined the Minneapolis Teachers Retirement Fund Association (MTRA) with the State's Teachers Retirement Association (TRA). As part of the legislation, the City was required to redirect its annual $2.25 million MTRA tax levy to TRA through 2037. State law changed the $2.25 million City levy to a $2.25 million contribution in 2012. This change increased the total levy for this purpose as the City previously contributed its net TRA levy collection, which was less than $2.25 million because the City does not collect 100 percent its levy. In 2016, the City must levy $2.3 million for TRA to insure that net collections provide the $2.25 million. It is anticipated that this levy amount will remain constant.

Public Employees Retirement Association (PERA), the plan for most current City employees: The employers' contribution level in PERA's Coordinated Plan for 2016 is 7.5 percent, the same as in 2015. The Police and Fire Plans' employer's contribution also remained at 16.2 percent for 2016 as was in 2015. The estimated total cost of contributions to PERA for the City inclusive of its independent boards in 2016 is $30.9 million, which is covered in the budgets of the departments in which the employees work.

	2015	2016	Change
		(in millions)	
PERA	$15.1	$15.9	$0.8
PERA Police & Fire	$17.6	$18.1	$0.5
Total	**$29.6**	**$30.9**	**$1.3**

Funding for Internal Services Funds' Long-Term Financial Plans

During the 1990s, external demands negatively impacted the ability for revenue to support the City's internal services to keep pace with the growth in expenditures. Significant negative cash balances resulted because annual expenses exceeded revenues. By the year 2000, the combined net asset deficit in the Self Insurance, Equipment, and Intergovernmental Services Funds was $61.7 million. To correct these deficits, the City adopted long-term financial plans between 2000 and 2004 that called for the Self-Insurance, Equipment, Intergovernmental Services, as well as the Property Services internal service funds to rely on transfers from the General Fund through 2019 to eliminate deficits. Fortunately, due to efforts in recent budget cycles, 2014 was the final year of these transfers. The elimination of this obligation will allow General Fund resources to be redeployed to other purposes in 2016 and beyond.

Growth in Personnel Costs

Personnel Changes. The 2016 Council Adopted Budget increases the FTE count of City positions by 62.5 over the 2015 Council Adopted Budget, from 4,813.4 FTEs to 4,875.9 FTEs. Detailed breakdown of City's FTEs can be found in schedule 5 in Financial Schedules section.

Salary and wages. The 2016 Council Adopted Budget includes an increase in personnel expenditures ($336.8 million in salaries and wages, compared to a 2015 total of $323.2 million). It also includes $146.0 million in fringe benefits, compared to $139.6 million in 2015.

Benefits. Health and dental insurance expenditures are budgeted to increase from $68.9 million in 2015 to $72.0 million in 2016. This estimate results from better than anticipated medical renewal rates for 2015 with rate caps for 2016 and 2017, offset by growth in employee headcount, and changes in coverage selections by employees.

Continuing Library Obligation to Hennepin County

Minneapolis libraries merged with the Hennepin County system in 2008. In addition to the $9.3 million market value referendum supported by Minneapolis taxpayers through 2017, the merger finance plan requires Minneapolis to provide an additional declining base contribution for 10 years. In 2016, that contribution is approximately $1.6 million and is eliminate after 2017.

Major Changes in the 2016 Council Adopted Budget

This section of the 2016 Council Adopted Budget describes changes the Mayor and Council made for various departmental program submissions. The changes are organized by department.

Citywide Changes

As a starting point for 2016 budget development, departments were provided a preliminary budget amount and asked to submit proposals that would provide for the continuation of existing programs at the same level of service, or the *Current Service Level*. Departments were also asked to submit supporting documentation for any enhancements to existing programs or any proposed new programs. The Mayor's recommended changes to ongoing departmental programs, along with new initiatives recommended for funding or implementation, are noted below. Program proposals that were not funded in the Mayor's recommendation are not included.

The 2016 Council Adopted Budget includes proposals that have citywide implications. The budget includes the prudent use of accumulated fund balance from the General Fund for one-time or time-limited activities. These resources were generated through controlled spending in City departments and revenues that exceeded budgetary expectations due to continued growth in the local economy.

The 2016 Council Adopted Budget takes steps to manage the growth in the City's General Fund balance. Thorough review of actual revenue and expenditure trends in the City provided opportunities to "right size" the City's budget. This results in a higher level of non-property tax revenues than previously projected in past budgets, as well as strategic reductions in operating budgets in areas that are historically underspent. The various rightsizing adjustments are reflected in the following section, along with other funding adjustments.

The budget also uses accumulated General Fund resources for funding of the Capital Asset Request System, or CARS, that was initiated as part of the 2014 budget to provide a mechanism for budgeting small and mid-level capital requests previously funded within departmental budgets. CARS requests include expenditures on items that are one-time in nature including enterprise software upgrades, vehicle purchases, equipment, and other capital items. The goal of this effort is to increase transparency in spending and operating costs by including these budgetary requests in a separate process, as well as promoting equitable allocation of resources amongst all City departments. Now in the third year, $7.5 million the General Fund and $16.5 million of other funds has been dedicated to fund items through process.

Departmental Changes

The Council approved several amendments to the 2016 Mayor's Recommended Budget that affect departments on a citywide basis. These amendments are reflected on the following pages:

Assessor

Mayor's Recommended Budget: The Mayor recommended $114,500 ongoing General Fund resources for an additional 1.0 FTE (Business Applications Manager) to provide appraisers and staff with additional technical support to analyze data and identify real estate market trends.

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

Attorney

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund allocations: $40,000 for negotiation skills training and building enterprise capacity in the area of negotiation, $50,000 to cover the shortfall in funding from the Justice Assistance Grant (JAG) that supports two prosecutor FTEs, and $65,000 for the Domestic Violence Hotline that provides advocacy services for domestic abuse victims.

The Mayor also recommended the following one-time General Fund allocations: $248,000 to fund a two-year pilot program to create a charging team to replace Tab Charging by police of arrested persons (includes 2.0 FTE's), $100,000 for Restorative Justice program which supplements the existing $50,000 in the base budget, $15,000 to develop policy change recommendations for driving-related offenses, $15,000 to develop an evidence-based community consequence for carrying without a Permit Cases, $25,000 for 'Business Made Simple' process improvements and

plain language consulting services, and $10,000 for a two-year diversion pilot program with Minneapolis Police department that involves obstruction of legal process charges.

The Mayor also recommended rightsizing the City Attorney's base budget by reducing the ongoing General Fund resources by $200,000.

Council Adopted Budget: The City Council amended the Mayor's recommendations by providing one-time allocation of $87,500 to be used for continuation of the Hot Spots Pilot for 2016.

The Council also directed the department, in conjunction with Community Planning & Economic Development, Finance & Property Services and other relevant departments, to return to both the Community Development & Regulatory Services and Ways & Means Committees by April 1, 2016, with an overview and report on the status of the City's tax increment financing (TIF) program, including the Common Project and Consolidated TIF Districts. Additionally, staff is directed to provide an overview of City development projects that are foreseeable in the next five years, including potential funding sources.

City Clerk

Mayor's Recommended Budget: The Mayor recommended $200,000 one-time General Fund resources to provide supplemental funding for the presidential election.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed staff to identify and reallocate 1.0 vacant Full-time Equivalent (FTE) position within the City's existing complement to the Office of City Clerk for an analyst position to provide management, policy, and fiscal support to the City Council and its committees.

City Council

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

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

City Coordinator Administration

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund allocations: $80,000 to leverage the current initiatives in the Arts and Creative Economy program, $110,000 for Clean Energy Partnership program initiatives (includes 1.0 FTE), and $200,000 (2.0 FTEs) for the Working Families program.

The Mayor also recommended the following one-time General Fund resources: $145,000 for consolidating the City's communication strategies, $160,000 for an Enterprise Continuous Improvement Strategy (includes 1.0 FTE), $70,000 for roll-out of the Arts and Creative Economy Road Map, $90,000 for Clean Energy Partnership programming, $100,000 for City-Wide Partnerships initiatives, $50,000 for the Word Gap program, $20,000 for culturally specific autism awareness, and $20,000 for Bike-Pedestrian education.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the City Coordinator's department to work with pertinent staff to create a racial equity website by the third quarter of 2016 aimed at both external and internal stakeholders that will:

1. Create a central repository of best practices for City staff to use in defining policy and procedures through a racial equity lens, including racial equity work in other jurisdictions, locally and nationally, to foster learning and to build upon lessons learned by others tackling similar challenges;
2. Provide training and other self-study resources to aid staff in deepening individual understanding of cultural intelligence, race, and equity;
3. Promote existing City equity efforts to enable enterprise-level collaboration and sharing of lessons learned;
4. Provide access to department-level and City-wide racial equity plans, as available;
5. Create a dashboard of progress against department-level goals for racial equity and inclusion; and
6. Provide access to data that residents can use to explore equity-related issues.

311

Mayor's Recommended Budget: The Mayor recommended rightsizing the budget by reducing $50,000 of ongoing General Fund resources for personnel with a net effect of a 1.0 FTE reduction in the department's authorized staffing level.

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

911

Mayor's Recommended Budget: The Mayor recommended $80,000 ongoing General Fund resources to enhance the quality assurance/accountability activities required for department accreditation.

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

Emergency Management

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

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

Civil Rights

Mayor's Recommended Budget: The Mayor recommended $92,000 in ongoing General Fund resources for enhancing the Urban Scholar program, and $150,000 in one-time General Fund resources to conclude the development of the required study of business equity within the City.

The Mayor also recommended rightsizing the department's budget by reducing $50,000 from the ongoing General Fund allocation.

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

Communications

Mayor's Recommended Budget: The Mayor recommended rightsizing the department's budget by reducing $50,000 of ongoing General Fund allocations.

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

Convention Center

Mayor's Recommended Budget: The Mayor recommended using the fund balance in the Convention Center fund in the amount of $175,000 in one-time funding for the purpose of marketing, events and community engagement programming. The Mayor also recommended $50,000 in one-time funding from the General Fund for the Sister City program.

Council Adopted Budget: The City Council amended the Mayor's recommendations by providing an additional $500,000 for marketing contract incentive intended as part of the base budget.

Community Planning and Economic Development (CPED)

Mayor's Recommended Budget: The Mayor recommended additional ongoing General Fund appropriation of $210,000 (2.0 FTE) for delivery of the required Comprehensive Plan update, $850,000 from CPED special revenue funds for continuation of the Great Streets program, $180,000 (1.0 FTE) for the Next Steps for Disconnected Youth program (along with $320,000 from federal funding), $100,000 (1.0 FTE) for the Work Ready Youth Minneapolis program, $100,000 (1.0 FTE) for the Development Review Customer Service Center largely for the purpose of administering the Sewer Availability Charge (SAC) program, and $112,000 for a Build Leaders Program for Youth Development in conjunction with the Health Department. The Mayor's recommendation also includes a General Fund appropriation of $424,000 (4.0 FTEs) for building inspector positions in the Construction Code Services division.

The Mayor recommended one-time funding from the general fund of $1,000,000 for the City's Affordable Housing Trust Fund and $1,000,000 for other Affordable Housing Programs to meet the needs of family housing. The Mayor's recommendation also includes an additional $850,000 in new federal funding, as well as $150,000 in reallocated resources for the Affordable Housing Trust Fund. The Mayor recommendation additionally includes one-time funding from the general fund of $100,000 for an Opportunity Hub at Cedar Riverside, $175,000 for a minimum wage study, $50,000 for Green Zones, and $25,000 for Nokomis East Senior Center. The Mayor also recommended departmental reorganization to generate cost savings of $150,000 as part of the budget rightsizing efforts.

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

1. Reallocating the $25,000 in one-time General Fund resources for the Nokomis Healthy Seniors to the Neighborhood & Community Relations (NCR) Departments.
2. Providing an additional $1,500,000 for the Affordable Housing Trust Fund to be funded by available tax increment funds restricted for this use to provide for a total of $10,000,000 for the Affordable Housing Trust Fund in 2016.
3. Replacing $129,000 in General Fund funding for eligible Community Planning & Economic Development housing program costs with the additional levy resource from the Special Tax Levy (Chapter 595) and increasing the Department's employment and training budget by $129,000 for Summit Academy OIC's contextualized GED Program. Summit Academy OIC is required to report back to the Community Development &

Regulatory Services Committee on October 1, 2016, to provide an update on number of participants enrolled and number of participants who have successfully completed the program.

4. Reducing $50,000 in General Fund one-time enhancement funding for Green Zones in the Community Planning & Economic Development Department and reallocating $50,000 to the Fire Department. Of the total $50,000; $42,000 will be used for the purpose of partnering with organizations to provide youth technical training and outreach and for identifying and securing a location that will allow Hennepin County Technical College, Roosevelt High School's Multi-Craft Core Curriculum, and Public Works' Fleet Division Mechanic Trainee Program to receive educational equipment that has been leveraged through a Department of Employment and Economic Development (DEED) grant. The remaining $8,000 will be allocated to the Midtown Safety Center.
5. Correcting the original budget recommendation by providing $155,000 in existing resources from for Upper Harbor Terminal planning and $108,007 for short-term operating costs.
6. Correcting the original budget recommendation by providing $500,000 in existing resources for the Capital Acquisition Revolving Fund (CARF).
7. Correcting the original budget recommendation by providing $50,000 for Property Management.

The council also directed the department, in conjunction with Finance & Property Services, City Attorney's Office and other relevant departments, to return to both the Community Development & Regulatory Services and Ways & Means Committees by April 1, 2016, with an overview and report on the status of the City's tax increment financing (TIF) program, including the Common Project and Consolidated TIF Districts. Additionally, staff is directed to provide an overview of City development projects that are foreseeable in the next five years, including potential funding sources.

Finance & Property Services

Mayor's Recommended Budget: The Mayor recommended rightsizing the budget by reducing $101,000 of ongoing General Fund resources.

Council Adopted Budget: The City Council approved the Mayor's recommendations and directed the department to;

1. Amend budgets, schedules and language changes relating to accounting and technical cost allocation adjustments, and program and capital/operating budget corrections.
2. In conjunction with Community Planning & Economic Development, City Attorney's Office, and other relevant departments to return to both the Community Development & Regulatory Services and Ways & Means Committees by April 1, 2016, with an overview and report on the status of the City's tax increment financing program, including the Common Project and Consolidated TIF Districts. Additionally, staff is directed to provide an overview of City development projects that are foreseeable in the next five years, including potential funding sources and further directed staff to identify and reallocate 1.0 vacant Full-time Equivalent (FTE) position within the City's existing complement to the Office of City Clerk for an analyst position to provide management, policy, and fiscal support to the City Council and its committees.

Fire

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund allocations: $50,000 for the Community Emergency Medical Technicians (EMT) program, $100,000 for the EMT Pathways Program, $50,000 for the Community Outreach Explorer Program, and $50,000 for the Emergency Medical Services Academy.

Council Adopted Budget: The City Council amended the Mayor's recommendations on a one-time basis by providing an additional $42,000 for the purpose of partnering with organizations to provide youth technical training and outreach and for identifying and securing a location that will allow Hennepin County Technical College, Roosevelt High School's Multi-Craft Core Curriculum, and Public Works' Fleet Division Mechanic Trainee Program to receive educational equipment that has been leveraged through a Department of Employment and Economic Development (DEED) grant.

Health and Family Support

Mayor's Recommended Budget: The Mayor recommended additional ongoing General Fund appropriation of $30,000 to invest in the Cradle-to-K Initiative, $75,000 for a parental support program for youth development, $40,000 for lead hazard control and healthy homes activities, $75,000 to expand training and outreach for licensed businesses, $60,000 (1.0 FTE) for a customer service representative to support permitting, licensure, citation and annual registration activities, $75,000 to continue the Green Business Matching Grant Program supporting business' efforts to improve local air quality, and $34,000 (.25 FTE) to provide community outreach supporting the City's comprehensive air quality program.

The Mayor also recommended one-time funding of $25,000 for youth violence prevention, $114,000 (1.0 FTE) for lead hazard control and healthy homes activities, and $50,000 to support creation of a 4H program for the Somali community. The Mayor also directed the Health Department to work in conjunction with Public Works, Regulatory Services and the Police Departments to provide services to support up to eight events associated with the Open Streets program within existing budgetary resources.

Council Adopted Budget: The City Council amended the Mayor's recommendations by decreasing the department's Capital Asset Request budget by $12,500 for furnishings at the skyway senior center.

Human Resources

Mayor's Recommended Budget: The Mayor recommended $60,000 in ongoing General Fund resources to increase the Metro Pass program for City employees from $16 to $26 per month.

Council Adopted Budget: The City Council amended the Mayor's recommendations by making adjustments to reflect the correct budget cost centers in Human Resources department with no net funding/budget impact.

The Council also directed staff to identify and reallocate 1.0 vacant Full-time Equivalent (FTE) position within the City's existing complement to the Office of City Clerk for an analyst position to provide management, policy, and fiscal support to the City Council and its committees.

Information Technology

Mayor's Recommended Budget: The Mayor recommended $150,000 in one-time funding for Enterprise Application Support, and $50,000 in one-time funding from the General Fund for *Service Now, a* cloud based service management system.

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

Intergovernmental Relations

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

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

Internal Audit

Mayor's Recommended Budget: The Mayor recommended $75,000 ongoing General Fund resources to allow the department to contract for professional IT audit services.

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

Mayor

Mayor's Recommended Budget: The Mayor recommended $50,000 (1.0 FTE) in ongoing General Fund resources to provide a match for grant funding for of a policy aide position.

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

Neighborhood and Community Relations

Mayor's Recommended Budget: The Mayor recommended $75,000 (1.0 FTE) in ongoing funding from the General Fund for Americans with Disabilities Act / Limited English Proficiency support.

Council Adopted Budget: The City Council amended the Mayor's recommendations on a one-time basis by reallocating $25,000 for the Nokomis Healthy Seniors from CPED and adding an additional $20,000 reallocated from the Police budget to be used for cultural community educational programs.

The Council also directed the department to provide $50,000 of existing budgeted resources for senior initiatives as part of the Minneapolis for a Lifetime program, and directed the staff in Neighborhood & Community Relations to return to the Health, Environment & Community Engagement Committee by August 1, 2016, with a summary of outcomes and plan to incorporate these activities into the department's on-going business plan.

Police

Mayor's Recommended Budget: The Mayor recommended the following ongoing General Fund allocations: $200,000 for raising the total number of authorized sworn positions by 2.0 FTE's, $173,000 for additional 2.0 FTE's to assist in implementation of the body cameras system, $400,000 for body camera technology (in addition to $600,000 in one-time funding provided as a match to anticipated Federal grant funding), $124,000 for funding Office of Justice Programs (OJP) recommendations to implement an automated software data system to operationalize the Early Intervention System which includes 1.0 FTE, $221,000 to enhance the Police Administration, Training and Crime Lab program including 2.0 forensic scientist FTEs), and $214,000 for 2.0 analyst FTEs in the Crime Intelligence unit.

The Mayor also recommended the following one-time General Fund resources: $300,000 to supplement funding for hiring a recruit class, $20,000 for E. 24th St. Sub-Station, and $600,000 in grant match as noted above.

The Mayor also directed the Minneapolis Police Departments to work in conjunction with Public Works, Regulatory Services and Health departments to provide services to support up to eight events associated with the Open Streets program using existing budget resources.

Council Adopted Budget: The City Council amended the Mayor's recommendations on a one-time basis by

1. Reallocating $105,000 from Public Works LED lighting replacements and utilizing $200,000 in cost savings from the timing of hiring new positions to be used for Crisis Intervention Training (CIT) and Procedural Justice Training within the Police Department in addition to the Department's existing training budget for a total of $305,000 added to the program.
2. Decreasing the E 24th St Sub-Station allocation by $20,000 and increasing Neighborhood & Community Relations' budget by $20,000 to be used for cultural community educational programs.
3. Providing $8,000 to be allocated to the Midtown Safety Center.

Public Works

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

Administration

Mayor's Recommended Budget: The Mayor recommended $500,000 in one-time funding for the Development Infrastructure Program previously funded through the City's net debt bond program. In addition, the Mayor recommended rightsizing the budget by reducing the base budget appropriation by $50,000 for anticipated cost savings. The Mayor also directed Public Works to work in conjunction with Regulatory Services, Public Works, Health and the Police Departments to provide services to support up to eight events associated with the Open Streets program within existing budget resources.

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

Fleet Services

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

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

Solid Waste and Recycling

Mayor's Recommended Budget: The Mayor recommended $50,000 in one-time funding for Zero Waste initiatives.

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

Surface Water & Sanitary Sewer – Sanitary Sewer

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

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

Surface Water & Sanitary Sewer – Stormwater

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

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

Traffic & Parking Services

Mayor's Recommended Budget: The Mayor's recommended budget includes $400,000 in one-time General Fund appropriation to accelerate the replacement of the city owned 30 foot street lights to LED technology.

Council Adopted Budget: The City Council amended the Mayor's recommendations on a one-time basis by

1. Transferring $75,000 from the Parking Fund to Regulatory Services.
2. Decreasing $105,000 from the LED lighting initiative and increasing the Police budget by $105,000.

Transportation Maintenance and Repair

Mayor's Recommended Budget: The Mayor's recommended budget includes $298,176 in ongoing General Fund appropriation for bikeway summer and winter maintenance. The Mayor's recommended budget also includes one-time funding of $10 million for the 10th Avenue Bridge project, and $250,000 for the Downtown East Commons.

Council Adopted Budget: The City Council Approved the Mayor's recommendations and directed the department to report to the Transportation & Public Works Committee by January 31, 2016, with proposed specific projects for the 2016 Paving Program within the capital budget.

Transportation Planning and Engineering

Mayor's Recommended Budget: The Mayor's recommended budget includes $75,000 in one-time General Fund appropriation for specialized technical bridge inspections.

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

Transportation Planning and Programming

Mayor's Recommended Budget: The Mayor's recommended budget includes $127,500 in ongoing General Fund appropriation for specialized technical assistance and $46,500 to fund memberships and support bike and walk week. The Mayor's recommended budget also includes a one-time $360,000 appropriation for a comprehensive automated pavement assessment.

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

Water Treatment and Distribution

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

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

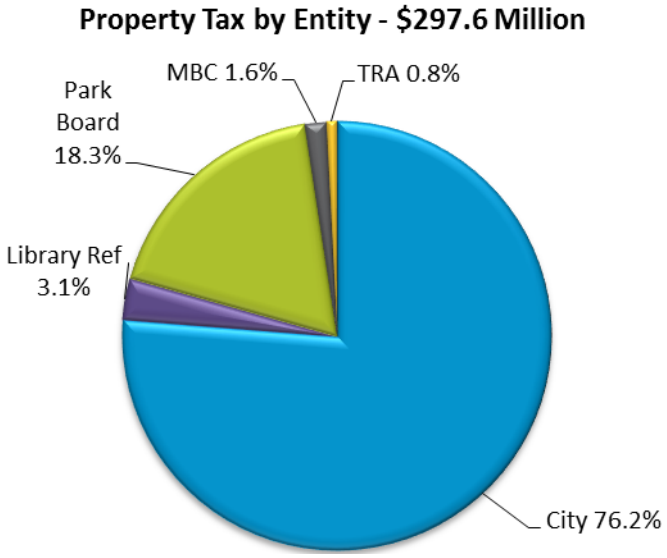
Regulatory Services

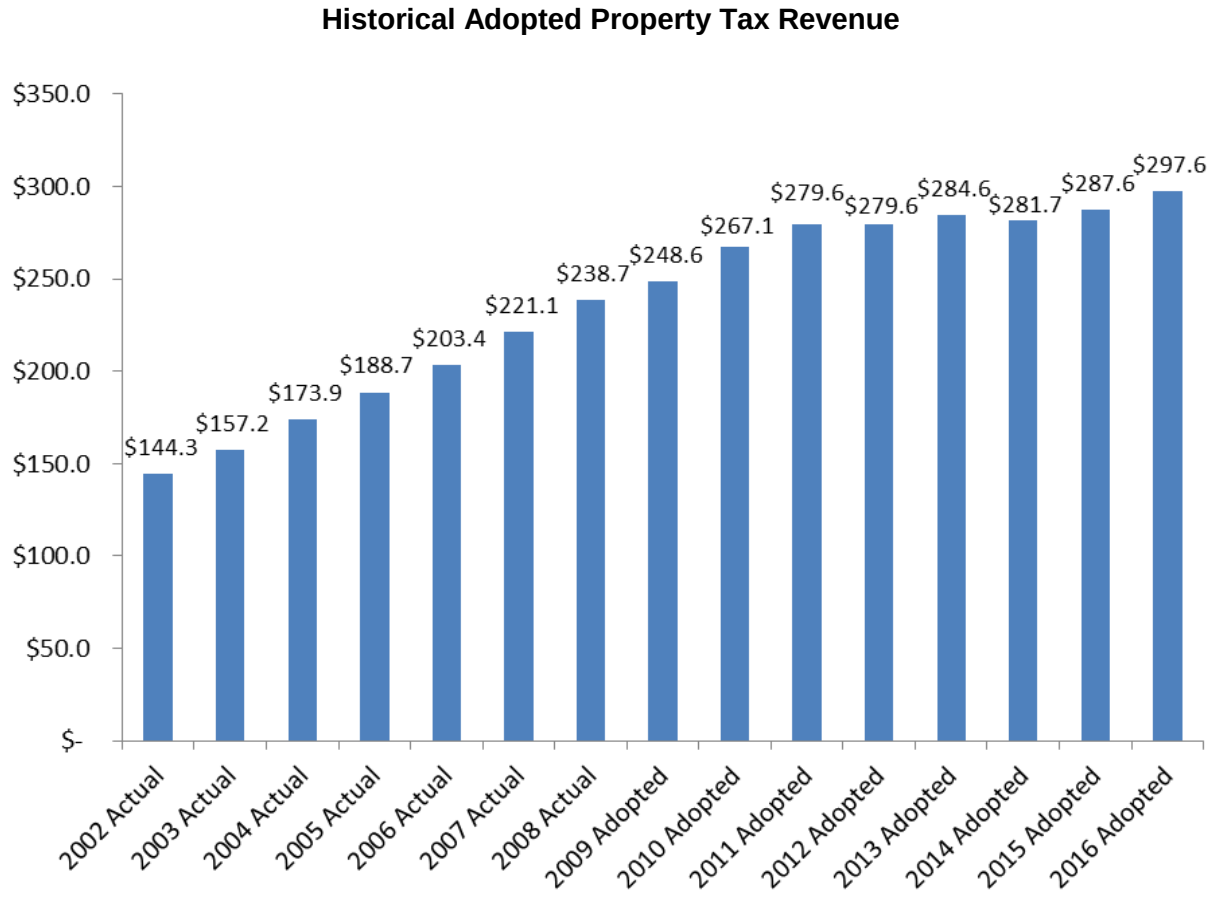
Mayor's Recommended Budget: The Mayor recommended an additional ongoing General Fund appropriation of $275,000 (3.0 FTE), additional $275,000 (3.0 FTE's) appropriation from the Regulatory Services Special Revenue Fund for Housing Inspection Services, and $100,000 (1.0 FTE) from the General Fund for a data analyst. The Mayor also recommended a one-time general fund appropriation of $148,000 to train a reserve pool of temporary traffic control agents, and $100,000 for HOME-Line service and interpreters for non-English speaking tenants. In addition, the Mayor recommends reorganization with a cost savings of $100,000 as part of the budget rightsizing exercise. The Mayor also directed Regulatory Services to work in conjunction with Public Works, Health and the Police Departments to provide services to support up to eight events associated with the Open Streets program within existing budget resources.

Council Adopted Budget: The City Council amended the Mayor's recommendations on a one-time basis by replacing the General Fund Capital Asset Request budget of $75,000 with $75,000 from the Parking Fund to implement traffic and parking citation software.

Property Tax Revenue

The City's 2016 Council Adopted Budget includes an overall property tax levy of $297.6 million. This levy reflects the combined total for the City, the Board of Estimate and Taxation, the Minneapolis Park and Recreation Board, and the Municipal Building Commission (MBC) levies, as well as the Library referendum levy which is a $9.3 million market value based tax levy. The 2016 Council Adopted levy is $10.0 million more than the 2015 Council Adopted levy of $287.6 million.





Property Taxes on Individual Properties

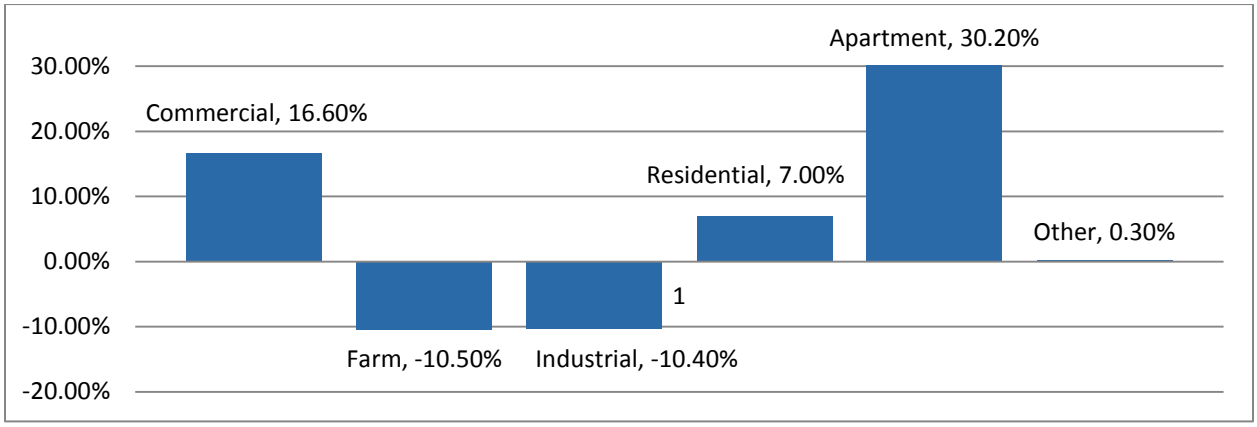
Several factors beyond the change in amount levied affect the annual change in property tax owed on a particular property. These factors include the tax base composition within property classifications, the tax rate of the jurisdiction, growth or decline in the value of other properties within the jurisdiction, properties placed in tax increment financing districts, improvements to a property, as well as other factors. Each of these variables may change on a yearly basis, occasionally resulting in sizeable changes in the amounts of property taxes assessed to any one property.

Property Market Values and Tax Base Highlights

The following table shows the estimated market values and corresponding tax capacity by property group for the January 2, 2015 assessment utilized for property taxes payable in 2016 based on preliminary numbers.

Group	2015 Estimated Market Value	% of Total	% Change	Tax Capacity	% of Total	% Change
Real Estate						
Commercial	7,607,518,740	19.1%	16.4%	149,663,257	30.5%	16.6%
Farm	1,525,100	0.0%	-10.5%	15,251	0.0%	-10.5%
Industrial	1,198,187,400	3.0%	-10.5%	23,599,620	4.8%	-10.4%
Residential	24,957,122,900	62.5%	6.1%	244,674,247	49.8%	7.0%
Apartment	6,132,446,400	15.4%	29.8%	72,881,327	14.8%	30.2%
Other	19,112,100	0.0%	0.6%	254,068	0.1%	0.3%
Sub Total	39,915,912,640	100.0%	10.5%	491,087,770	100.0%	11.7%
Personal Property						
All	413,920,000	1.0%	1.0%	7,870,000	1.6%	1.0%
Grand Total	39,915,912,640	100.0%	10.5%	498,957,770	100.0%	11.5%

Estimated Change in Tax Capacity by Property Group



Change in Tax Capacity by Group

The following table provides the estimated changes in tax increment financing, fiscal disparities contribution, and fiscal disparities distribution for taxes payable in 2016 based on preliminary numbers from the City and County assessors and the Board of Estimate and Taxation:

For Payable in 2016*	
Real Estate Tax Capacity	**491,087,770**
Personal Property Tax Capacity	7,870,000
Gross Tax Capacity	**498,957,770**
- Less tax Increment	($37,232,626)
- Less Fiscal Increment Value Captured	($3,638,259)
- Less Fiscal Disparities Contribution	($54,435,694)
+ Plus Fiscal Disparities Distribution	51,125,630
Adjusted Net Tax Capacity	**454,776,821**

*** Property Values Jan 2, 2015**

Change in Market Value for Taxes Payable Year-Over-Year				
Taxes Payable in	**Commercial/Industrial**		**Residential**	**Apartment**
2006	11.4%		12.9%	6.8%
2007	11.8%		6.4%	-1.2%
2008	10.4%		2.6%	3.3%
2009	1.3%		-3.1%	1.8%
2010	-0.1%		-3.6%	0.5%
2011	-9.8%		-4.4%	-6.7%
2012	-4.5%		-9.1%	-5.2%
2013	0.5%		-5.4%	2.8%
2014	0.6%		0.7%	8.5%
2015	3.3%		8.7%	27.8%
2016	16.4%	-10.5%	6.1%	29.8%

**Industrial property is now reported separately from commercial property.*
Source: City Assessor's Office and Board of Estimate and Taxation

2016 Council Adopted Property Tax Levies

	Fund	2015	2016	% Change From 2015	$ Change From 2015
City-Certified Levies	General Fund	153,929,000	160,446,000	4.2%	6,517,000
	Minneapolis Park Board - General	50,560,000	52,583,000	4.0%	2,023,000
	Minneapolis Park Board - Tree	1,475,000	1,732,000	17.4%	257,000
	Bond Redemption	35,900,000	37,800,000	5.3%	1,900,000
	595 (HRA) Levy	1,021,000	129,000	-87.4%	-892,000
	Permanent Improvement	1,000,000	1,000,000	0.0%	0
	Pensions (MERF, MPRA, MFRA)	27,310,000	27,310,000	0.0%	0
	Board of Estimate and Taxation	160,000	170,000	6.3%	10,000
Other Levies	Municipal Building Commission	4,675,000	4,810,000	2.9%	135,000
	Teachers' Retirement	2,300,000	2,300,000	0.0%	0
	Library Referendum Debt Service	9,300,000	9,300,000	0.0%	0
	Total	**287,630,000**	**297,580,000**	**3.4%**	**9,950,000**

City of Minneapolis
2016 Budget

Table of Contents

Strategic Planning	Pages 65-72
City Vision and Values	66
City Goals and Strategic Directions	67
Annual Budget Process	68
Integrating Key Processes for Budget	71
Results Minneapolis	71

Minneapolis strategic policy

Vision

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

Values

WE WILL BE A CITY OF

Equity
Fair and just opportunities and outcomes for all people.

Safety
People feel safe and are safe.

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

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

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

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

WE WORK BY

Innovating and being creative
New ideas drive continuous improvement.

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

Engaging the community
All have a voice and are heard.

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

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

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

Goals and Strategic Directions

Living well

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

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

One Minneapolis

Disparities are eliminated so all Minneapolis residents can participate and prosper

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

A hub of economic activity and innovation

Businesses – big and small – start, move, stay and grow here

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

Great places

Natural and built spaces work together and our environment is protected

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

A City that works

City government runs well and connects to the community it serves

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

City of Minneapolis
2016 Budget
Strategic Planning
Annual Budget Process

The City of Minneapolis annual budget process integrates information from the City's strategic and business planning processes, capital long-range improvement committee process and the departmental performance measurement review process *(Results Minneapolis)* to establish annual resource allocations.

January-early April

Department-level assessment of prior year and planning for current year

Analysis of what a department accomplished over the past year leads it to assess its business plan and make appropriate changes to the plan for the next year. Featured elements are reported and the reports made public. This analysis and reporting is the Department Results Minneapolis program.

Additionally, the City engages in citywide strategic planning every four years to develop strategic policy guidance. The vision, values, city goals and strategic directions serve as guideposts for each department as it develops its business plan.

March

Preliminary prior year-end budget status report

Finance presents a year-end budget status report for the previous year to the Ways and Means/Budget Committee. This is a preliminary report because the audited Comprehensive Annual Financial Report (CAFR) is not available until the second quarter of the year.

March–April

Capital improvement budget development

The City has a five-year capital improvement plan. The departments prepare and modify capital improvement proposals on an annual basis. Finance and Property Services, Community Planning and Economic Development (CPED), and the Capital Long-Range Improvements Committee (CLIC) review capital improvement proposals of the departments. CLIC is the resident advisory committee to the Mayor and the City Council on capital programming.

April–June

Operating budget development

Departments work in coordination with Finance and Property Services to prepare operating budgets based on programs. In addition to preparing operating budgets for programs, departments prepare proposals that describe policy and organizational changes with financial implications. The program proposals form the basis for the Mayor's budget meetings with departments held in June and July.

Capital Asset Request System (CARS) plan and budget development

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

June–August

Mayor's Recommended Budget

The 2016 Mayor's Recommended Budget will be based on program proposals submitted by departments. These program proposals are reviewed and discussed by the submitting department, the Mayor's Office, and staff from the Coordinator's Office and Finance and Property Services for priority-setting. In addition to reviewing

operating budgets, the Mayor meets with representatives from CLIC before finalizing the capital budget recommendation. By City Charter, the Mayor must make recommendations to the City Council on the budget no later than August 15 of each year.

September

Maximum proposed property tax levy

As a requirement of State law, the maximum proposed property tax levy increase is authorized by September 30, by the Board of Estimate and Taxation (BET). The BET sets the maximum levies for the City, the Municipal Building Commission, the Public Housing Authority and Minneapolis Parks and Recreation Board.

September–November

City Council budget review and development

The City Council budget review and development process begins with a series of public hearings on the budget. Departments present their Mayor's Recommended Budget to the Ways and Means and Budget Sub-committee which is comprised of all Councilmembers. Following departmental budget hearings, the Ways and Means and Budget Subcommittee amends and moves forward final budget recommendations to the full City Council. The Committee-recommended budget includes any and all changes that are recommended by the Committee to the Mayor's Recommended Budget.

Truth in Taxation

Truth in Taxation (TNT) property tax statements are mailed by Hennepin County to property owners indicating the maximum amount of property taxes that the owner will be required to pay based upon the preliminary levies approved in September. These statements also indicate the dates when public hearings will be held to provide opportunities for public input. State law was changed in the 2009 legislative session to eliminate a separate TNT hearing in lieu of a mandate to allow public comments at the meeting at which the final budget adoption occurs. The City Council has maintained a separate hearing however as part of the regularly scheduled budget meetings. According to State law, the meeting at which the budget is adopted must be held after 6:00 p.m., on a date after November 24.

December

City Council budget adoption

The City Council adopts a final budget that reflects any and all changes made by the full Council to the Mayor's Recommended Budget. Once the final budget resolutions are adopted, requests from departments for additional funds or positions made throughout the year are to be brought as amendments to the original budget resolutions before the Ways and Means/Budget Committee and the City Council for approval. The independent boards and commissions adopt their own operating budgets.

Financial/Business Decisions 2016 Budget Calendar

January	February	March

April	May	June
	Departments prepare 2016 budget proposals →	Departments work with Coordinator's office to review proposals Departmental meetings with Mayor on 2016 Budget →

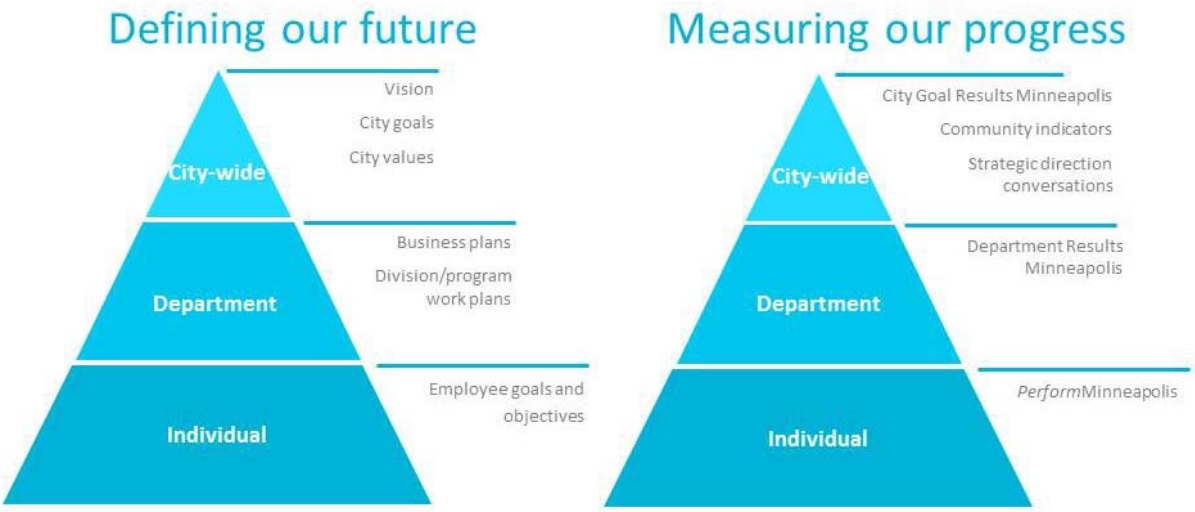
July	August	September
→	Mayor presented recommended 2016 Budget and update to five-year financial direction	Council hearings on Mayor's recommended 2016 budget and updates to the five-year financial direction →

October	November	December
← Council hearings on Mayor's recommended 2016 budget and updates to the five-year financial direction	→	Adoption of 2016 budget and five-year financial direction

City of Minneapolis
2016 Budget
Integrating Key City Processes

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

The diagram below illustrates the linkages among these key City processes. By aligning strategic planning, business planning, budgeting and performance monitoring, Minneapolis is able to plan for the future and ensure its efforts and resources are pointed in the same direction.



Citywide Strategic Planning

Strategic planning is a process in which an organization sets its long-term future direction. It is a tool for assessing its current and future environment and for ensuring the organization's energies are focused toward achieving strategic goals.

In March 2014, the Mayor and City Council adopted a new set of City Vision, Goals and Strategic Directions. This work builds on previous City goals and a resolution establishing commitment to business planning and the five-year financial direction. This strategic policy direction serves as a guide by which all other policy decisions should be assessed. As elected officials and departments make decisions throughout the year, they should be asking "does this support the City's strategic goals?"

City Goal Results Minneapolis

The City Goal Results Minneapolis program helps the City understand how its work is impacting its city goals. The program connects City work and community priorities, as measured by community indicators, by blending a variety of data sources and analysis from City departments and community stakeholders. The results of the analysis are compiled into powerful, insights-based reports and presented at a roundtable to inform City decision making. The reports are also made public.

Department Business plans

The development of the citywide strategic vision, goals and strategic directions is intended to provide clear direction for departments' business planning efforts. Through the planning and budgeting processes, departments are given direction as to City priorities and their projected level of resources over the next several years, and now have the opportunity to structure their work accordingly. A department's business plan will articulate the alignment of its services with the adopted citywide strategic planning policy.

Business planning is a process that provides both strategic and tactical direction to City departments. A business plan is a mid-range plan (Minneapolis uses a four-year planning horizon) that aligns department services with City strategic goals. A business plan addresses what the department does, what it is trying to achieve, how to achieve it, what resources to use, and how it will know when it has been successful.

Department Results Minneapolis

The Department Results Minneapolis program uses data to assess a department's progress on its business plan. This information is then used to adapt the following year's work. Departments complete the analysis and updating in the first quarter of the year and report on featured elements. The reports are made public.

The Annual Budget Process

Minneapolis' annual budget process is the process in which the Mayor and City Council articulate their priorities for the upcoming year by allocating City financial resources accordingly. Through the further integration of the City's planning, budgeting and performance measurement processes, it is expected that the decisions surrounding the budget process will be better informed as these planning efforts come to fruition. The business plans provide greater clarity of the intended future direction of departments, and performance measurement helps assess whether current strategies are yielding those expected results.

As stated above, during the planning and budgeting process, departments are given the projected level of financial resources to expect over the next several years and plans are adjusted accordingly.

City of Minneapolis
2016 Budget

Table of Contents

Financial Policies	Pages 73-94
Operating Budget	74
Revenue	76
Fund Balance	80
Accounting	81
Investment	82
Development Finance	82
Public Participation	84
Allocation Model	84
Administrative	86
CDBG Reprogramming	89
Capital Budget	90
Capital Project Administration	91
Debt	91

City of Minneapolis
2016 Budget

Financial Management Policies

OPERATING BUDGET POLICIES

The objective of the operating budget policies is to ensure that sufficient information is available to decision makers to provide for adequate levels of funding for essential City services at reasonable costs.

Balanced Budget. The operating budget for the City shall be balanced. For each fund, ongoing costs are not to exceed ongoing revenues plus available fund balances used in accordance with reserve policies.

Self – Supporting Enterprises [including Internal Service Funds]. All enterprise activities of the City shall be self – supporting, including those activities contained within the Internal Service Funds. To the extent that an activity is not self – supporting, long – term financial plans shall be created to secure a self – supporting state in the future.

Service Levels. Changes in service levels shall be governed by the following:

- ***Budget Process***. The annual budget process is intended to weigh all competing requests for City resources within expected fiscal constraints. Requests for new programs should be submitted as a part of the annual budget process.

- ***Personnel Expenses***. Departments are to account for the salaries and benefits of permanent employees within their ongoing budget appropriations. Departments may use projections of bell – curve staffing to adjust the level of employees throughout the year as long as the department does not exceed its appropriated budget. If the department cannot meet its obligations within their adopted budget, as identified in ongoing cooperation with Finance and Property Services, they may seek budget amendments through requests to the City Council via the Ways & Means Committee.

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

- ***Overtime Limitation***. The policy approved by the Mayor and Council limits all departmental overtime to 5% of the budgeted amount for the salaries and wages category in the current budget year.

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

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

- ***Grant Funded Programs***. General governmental programs financed with grant awards may be budgeted in special revenue funds, and the service program shall be adjusted to reflect the level of available grant funding. Grant funding for permanent improvement funds and internal service and enterprise fund activities shall be accounted for in those funds. Individual grant budgets are controlled in the financial system at the cost category level. In the event of reduced grant funding, City funding sources may be substituted only after all competing program priorities are considered during the annual budget process. Grant programs that require an ongoing City funding commitment shall be specified at the time of grant acceptance and may be rejected on the basis that the City is unwilling or unable to provide continued funding.

Basis of Budgeting. The basis of budgeting and accounting are the same, except as noted below. The budgets of all governmental funds are created using the modified accrual basis. Revenues are budgeted if they are measurable and available as net current assets. Major revenues determined to be meet these standards for accrual and budgeting include the following: property taxes, special assessments, grants – in – aid, intergovernmental revenues, rentals, franchise fees, and intra – city charges.

Interest on investments, short – term notes, and loans receivable are budgeted but interest on special assessments receivable is not budgeted. Major revenues that are not accrued because they are not available soon enough to pay liabilities of the current period or are not objectively measurable include the following: delinquent property taxes and assessments, licenses, permits, fines and forfeitures. Delinquent property taxes are not budgeted, while the other categories are budgeted on a cash basis.

In the governmental funds, expenditures are generally budgeted when the related fund liability is incurred. Only the current portion of principal and interest expense on general long – term debt is budgeted. Compensated Absences and Other Post – Employment Benefits (OPEB) are not budgeted and are considered expenditures at the time they are paid. Salary expenditures are budgeted based on full time equivalents (FTEs), regardless of the type of pay.

Proprietary [internal service and enterprise] funds use the accrual basis, and revenues are budgeted as they are anticipated to be earned. Unbilled utility service receivables are recorded at year end. Utility service revenue estimates are based on the number of users and volume of service consumed, without a factor for delinquencies. Long – term liabilities are recorded at full cost, including Compensated Absences and the actuarial accrued liability for Other Post – Employment Benefits.

Budgetary Controls. The legal level of budgetary control is at the department level within a fund. The City Coordinator's Departments, the Public Works Department and the City Council/City Clerk/Elections areas are examples of legal levels of budgetary control within a fund, even though budgetary data may be presented at lower levels within the department. Budget amendments at the department/fund level must be approved by the City Council. Budget amendments below the department/fund level may be approved by the appropriate department director, but are not required. Generally all appropriations for operating activities lapse at year end. Encumbrances and other requests may be approved during the roll – over process after year end [See re – appropriation authority in the Authority of Finance Officer Section].

Purchase orders, certain contracts, and other commitments are recorded as encumbrances, which may reserve appropriation authority. Encumbrances outstanding at year – end are reported as restrictions of fund balance. The appropriations for these encumbrances do not automatically transfer to the following year, but rather are included as part of the annual roll – over process.

Five – Year Financial Direction. City departments prepare business plans with a rolling five – year planning horizon which reflect the anticipated allocation of general City revenues, including property tax and state aid revenue, as well as special revenues other than grant funds. This financial direction is based upon the City's shared revenue distribution policy which aligns the revenue growth of City departments and independent boards. The financial direction is updated annually with each budget release. City departments update their major financial projections prior to their final submission to the Mayor and Council.

Grant Funding in the Five – Year Financial Direction. All applications for grant funding require Council approval. Any department applying for grant funding should be aware of the effect on their budget of one – time – only funding. Effects include such items as local match requirements, additional costs for maintenance, operation, and replacement of equipment and other capital assets purchased with grant funding; as well as grant funding that provides for funding of personnel and requires the maintenance of a minimum staffing level and/or maintenance of effort contribution. The department requesting the approval and acceptance of grant funding shall determine the amount of additional City resources that will be required to fund any local match requirement, as well as the ongoing services, maintenance and operation costs, and positions once the grant funding expires. Those estimates shall be reported to the Finance and Property Services Department, as well as included as information when seeking Council approval for accepting and entering into the grant agreement. As a condition of accepting the funds, the Council shall identify permanent resources and amend the Five – Year Financial Direction to reflect adequate resources to cover the costs and retain the positions, if appropriate, once the grant funding ends.

REVENUE POLICIES

The objective of the revenue policies is to ensure that funding is derived from a fair, equitable, defensible, and adequate resource base, while minimizing tax burdens.

Revenue Structure and Sources. The City shall maintain a stable and diverse revenue system to shelter programs and services from short – term fluctuations in any single revenue source. Services with a citywide benefit shall be financed with revenue sources generated from a broad base, such as property taxes, state aids, and general fees. Services where the customer determines the use shall be financed with a combination of broad – based revenues as well as user fees, charges, and assessments related to the level of service provided.

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

Shared Revenue Distribution. Subject to annual review as part of the budget process, major sources of broad – based revenue, including Local Government Aid (LGA) and property tax revenue, shall be treated in the aggregate, allowing for changes in the level of resources to be consistently aligned among the City and independent boards. Future increases and decreases will be aligned with available resources, and the annual percentage change in revenues covered by this policy available for activities of the City, Park Board and MBC will be similar for each entity.

Costs of shared services among the jurisdictions will be funded prior to determining the amount of resources available for general operating expenditures. These costs may include, but are not limited to, closed pension obligations, the Bond Redemption Fund levy, the Permanent Improvement Fund levy, the Minneapolis Public Housing Authority special levy, the Teacher's Retirement Association special levy, the Library Market Value Referendum levy, the levy for the Board of Estimate and Taxation, and shared administrative costs.

City and independent board priorities that require an increase for one entity above others will be clearly described to allow for maximum transparency and should be considered within the context of the impact on the overall organization and the ability to provide for such adjustments.

The annual adjustment in revenues available to each entity in a given budget year for general activities will be based on the projected percentage increase in costs and availability of revenue. The funding available for the activities will be based on the sum of the LGA, total tax collections, and total General Fund revenues after funding the costs of shared services outlined above. Available funding shall exclude funds transferred to other entities, including the following:

- *For the Park Board,* the funding amount shall exclude the General Fund Overhead transfer to the City, the General Fund Administration Fee transfer to the City, and the costs of Park Board Capital Improvements funded from the Park Board levy.
- *For MBC,* the funding amount shall exclude the General Fund Overhead transfer to the City.
- *For the City's General Fund,* the funding amount shall exclude the General Fund Overhead recovered from the Park Board, MBC, and others.

The tax revenue percentage change for the City, the Park Board, and MBC may vary from year to year based on adjustments to LGA, total General Fund revenues, and adjustments to those items excluded from general activities, as well as adjustments to the projected change in cost of providing services. Such adjustments will be reviewed and made subject to the annual budget process.

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

- For the payment of debt service obligations on the City's convention center.
- For operational support of the City's convention center, inclusive of maintenance, service, and marketing agreements.
- For baseline capital projects and maintenance at City facilities as allowed by law, including the City's convention center and Target Center.
- For establishment of reserves in a tax stabilization account to smooth changes in taxes levied.
- For infrastructure needs that promote economic development.
- For economic development – related public safety needs.
- For discretionary capital projects at the City's convention center and Target Center.
- Other needs as determined by the City.

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

Cost of Service. The City shall establish user charges and fees at levels that reflect the cost of providing the service. Components of the user charges may include operating and capital costs, as well as the direct and indirect costs of providing the service. Full cost charges shall be imposed unless it is determined that policy, legal or market factors require lower fees.

Non – Resident Charges. User fees and other appropriate charges shall be levied for City activities, services or facilities in which non – residents participate, whenever practical. Non – resident fees may be set at different levels than charges to residents to minimize the tax burden on City residents. The user fee may not exceed the cost of providing the service.

Enterprise Service Fees and Rates. User charges for Enterprise Services such as water, sewer, stormwater, and solid waste collection, shall be set at rates sufficient to finance all direct and indirect operating, capital, reserve/working capital, and debt service costs. Overhead expenses and general government services provided to the enterprise activities shall be included as indirect costs. Rates shall be set such that these enterprise funds maintain a positive cash position throughout the year and provide for sufficient reserves as determined by fund policy.

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

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

Private Revenues. All private money donated and accounted for as public money, contributed or lent to the City shall be subject to grant solicitation and acceptance procedures, deposited in

the appropriate City fund, and accounted for as public money through the City's budget process and financial system.

***City – Administered Special Assessments*.** The City Council has the authority to levy special assessments. There are four main areas of assessments:

- *Capital or Infrastructure/Public Works Improvements:* The most common types of assessments are for infrastructure improvements and replacements such as sidewalks, street improvements, water and sewer line repairs (not including delinquent utility bills) and special service districts.
    - *Park Board:* The most common types of assessments are for tree removal, and parkway and sidewalk reconstruction, similar to Public Works Improvements.

- *Inspections and Code Enforcement:* The most common types are for rubbish removal; trees, grass and brush cutting; inspection fees for inoperable vehicles towed from private property; re – inspection fees; administrative citations; vacant building registration fees; and inspections.
    - *Tax – Forfeited Properties:* A portion of nuisance abatement special assessments under State statute may be cancelled for tax – forfeited properties.

- *Unpaid Citations and Invoices:* The most common types are for unpaid administrative citations and utility bills, as well as abatement and service invoices associated with Inspections and Code Enforcement (above).

- *Special Districts*. Assessments may be collected for the purpose of funding special districts to the extent allowed by State statue, City Charter or Ordinance.

Method of Payment (Public Works and Park Board Improvement Assessments). Owners of benefiting properties shall have the option of paying their assessments all at once or in installments as part of their annual real estate taxes following the process outlined in MN Statutes 429.061 and Chapter 10 of the City Charter. The City Council shall determine the number of equal annual installments, not to exceed twenty, in which assessments may be paid. The City Council shall determine the interest rate to be paid annually on all unpaid installments upon certification of the assessment based on current market interest rates. Interest rates shall be determined annually for the new projects to be assessed each year based upon then current rates. The first installment shall be payable in the year following completion of the project and in the same manner as real estate taxes.

Uniform Assessment Rate. The Uniform Assessment Rate is a standardized rate applied in street construction and street renovation projects. Assessments shall be part of the funding for all street paving construction/reconstruction projects for which the City is to bear any part of the cost, except for freeways. This rate shall be applied to the square footage per parcel in the project area to arrive at an assessment cost for each benefited property. The goal of the rate is to ensure an equitable distribution of costs between projects and to assess approximately 25% – 75% of construction project costs depending upon the nature of the improvement project. The Uniform Assessment shall be calculated annually and submitted to the City Council's Transportation and Public Works Committee for approval. Separate rates must be established based on the type of project (construction, renovation, or resurfacing), funding category (local or other) and benefited parcel category (non – residential or residential).

Permanent Improvement Fund. The Permanent Improvement Fund is used to account for construction costs on basic governmental infrastructure projects. The fund is used to record both expenditures on projects and revenues received from outside funding sources as well as such internal sources as capital improvement tax levies, special assessments, and proceeds of bonds issued for public infrastructure projects. All project costs not assessed shall be paid from this fund. If the amount of money raised through special assessments is insufficient to pay the maximum amount specified for the project, the balance shall be paid from the Permanent Improvement Fund and offsetting revenue. City Council approval is required in order for the Permanent Improvement Fund to cover funding deficiencies.

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

Proceeds from Sale of Real Property. City Ord. Sec. 14.120 requires proceeds from the sale of City property used for municipal operations to be deposited into a Property Disposition Fund. The proceeds of this fund are to be used for implementing the City's strategic real estate plan as developed and approved by the Facilities, Space, and Asset Management (FSAM) Committee with the exception of enterprise and proprietary funds and those funds and properties associated with development purposes. The City's Property Disposition Policy shall be reviewed and updated on a regular basis.

FUND BALANCE POLICIES

The objective of the fund balance policies is to provide adequate working capital for cash flow and contingency purposes, while maintaining reasonable tax rates.

General Fund Cash Flow and Contingency. The City shall maintain a minimum unrestricted fund balance in the General Fund equal to 17% of the following year's General Fund budgeted expenditures to be used for cash flow purposes, unanticipated expenditures of a non – recurring nature, to meet unexpected increases in service delivery costs or unexpected revenue shortfalls. These funds are used to avoid cash flow interruptions, generate interest income, and to avoid the need for short – term borrowing.

Adequate operating contingency reserves shall be maintained to provide for business interruption costs and other unanticipated expenditures of a non – recurring nature. Enterprise funds shall also maintain adequate capital fund reserves for emergency improvements relating to new regulations, or emergency needs for capital repair or replacement.
For all other funds, appropriate balances shall be maintained reflecting the nature of the accounts, including the following:

General Fund Operating Contingency. Each year, the City shall budget an operating budget contingency of not less than 1% of all budgeted General Fund expenditures in each of the applicable years planned for in the City's Five – Year Financial Direction.

Non – General Governmental Funds. The appropriate balances shall be the amount needed to maintain positive cash balances throughout the year with exceptions made for those funds

associated with economic development purposes which may be aggregated by fund type to maintain a positive balance.

Enterprise Funds. The City shall maintain a minimum cash balance in its Enterprise Funds equal to approximately three months of operating expense, or 25% of the funds' annual operating budgets. This balance shall be maintained to ensure adequate maintenance reserves, operating cash flow balancing requirements, debt service requirements and legal restrictions. Where cost – effective access to capital markets is available and debt financing is regularly used, replacement balances shall not be maintained in a manner which charges current consumers to pay for future facilities, with exceptions made for those funds associated with economic development purposes***.*** Balances in excess of three months of operating expense may be utilized for capital purchases and replacements in lieu of debt financing if doing so allows for continued maintenance of appropriate balances and funding plans. Alternatively, surplus cash reserves may be used for early debt retirement. Financing decisions shall consider the impact on user rates.

Internal Service Funds. The following balances shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions:

- *Self – Insurance Fund* shall maintain a cash balance equal to the unpaid claim reserves payable amount on its balance sheet, as defined by the independent actuary plus 10% of the annual department operating budgets within the fund. Net position within the fund should not fall below zero.
- *Fleet Services, Intergovernmental Services, and Property Services Funds*: If allocation model charges to customers are sufficient to cover debt service or depreciation expense, then the minimum cash balance should be 15% of the fund's operating budget. If not, the reserve should be 15% of the fund's total budget. Net position shall not fall below two times the fund's annual depreciation amount.
- *Stores and Engineering Materials & Testing Funds* shall maintain cash and net position equal to 15% of the fund's annual operating budget.

Use of Fund Balances. Fund balance is the accumulation of prior years' excess or deficit of all revenues and expense. In the case of proprietary funds, this is termed unrestricted net position. For the purposes of the budget, revenue and expense activity includes bond proceeds and debt service. Available fund balances shall not be used for ongoing operating expenditures, unless a determination has been made that available balances are in excess of required guidelines and plans have been established to address any future operating budget shortfalls. Emphasis shall be placed on one – time uses that achieve future operating cost reductions and/or service level efficiencies.

Annual Review. An annual review of cash flow requirements and appropriate fund balances shall be undertaken to determine whether modifications are appropriate for the reserve policy.

ACCOUNTING POLICIES

The objective of the accounting policies is to ensure that all financial transactions of the City and its boards, commissions, and agencies conform to federal and state laws and regulations and generally accepted accounting principles (GAAP).

Accounting Standards. The City shall establish and maintain a central accounting system according to GAAP, which are set by the Governmental Accounting Standards Board (GASB)

and the Financial Accounting Standards Board (FASB). The central system shall be used for financial transactions of all City departments, boards, and independent agencies.

Disclosure and Monitoring. Full disclosure is provided in all financial statements and bond representations. Financial systems are maintained to monitor all financial activity on a daily, monthly, and year – end basis. A Comprehensive Annual Financial Report (CAFR) is published by the City within six months of the fiscal year end as required by the Office of the Minnesota State Auditor. The CAFR shall be published on the City's website.

INVESTMENT POLICIES

Investment Policy and Strategy. It is the policy of the City that the administration of its funds and the investment of those funds shall be regarded as its highest public trust. The Investment Policy of the City defines the parameters within which funds are invested. The policy establishes the framework for the City's investment program to ensure effective and judicious investment of the City's funds. The Policy is intended to be broad enough to allow investment officer(s) to function properly within the parameters of responsibility and authority, flexible enough to address changing market conditions, and specific enough to safeguard investment assets. The receipt of a market rate of return is secondary to the requirements for safety and liquidity. The earnings from investments are used in a manner that best serves the interests of the City and its various specialized funds. The complete current Investment Policy and Strategy, approved by the City Council is available at:
http://www.ci.minneapolis.mn.us/www/groups/public/@finance/documents/webcontent/wcms1p – 128032.pdf

DEVELOPMENT FINANCE POLICIES

The objective of the development finance policies is to provide guidance for public assistance to community development efforts in a manner that balances costs against benefits. To the greatest extent possible, all development activities are self – supporting. City staff shall identify sufficient public and private resources at the time a project is approved to ensure feasible completion and operation of the project. All development financing proposals shall be reviewed to ensure that the proposed finance plan is reasonable, balanced, and the best means by which to achieve City objectives, while adequately protecting citywide financial interests.

Tax Increment Policy. The Tax Increment Policy guides the City's use of the tax increment financing (TIF) tool, identifying the purposes and conditions under which TIF will be used and the factors to be considered when evaluating developers' applications for TIF assistance. The policy provides that TIF will only be used when the City has the financial capacity to provide needed public assistance and a developer can clearly demonstrate that the development will be able to meet its financial and public purpose commitments. The City seeks to recapture the public investment to the maximum extent feasible after allowing the developer a reasonable return. Alternatives such as "pay as you go" financing and reimbursing front – end public redevelopment costs with tax increment revenues are preferable to bond financing. The City will only issue general obligation tax increment bonds in rare situations and under certain strict criteria. Only those public improvements and public redevelopment costs directly associated with or needed to service proposed development plans or projects are to be financed through TIF. The complete current Tax Increment Policy, approved by the City Council is available at: http://www.ci.minneapolis.mn.us/cped/resources/reports/cped_tax_increment_policy

Tax Abatement Policies. The Policy for the Use of Tax Abatement for Historic Properties identifies the circumstances in which the City will consider the use of tax abatement to support the substantial rehabilitation of designated historic preservation properties. Proposed uses of tax abatement must achieve one or more identified objectives, and the expected benefits to the City must at least equal the City's costs. The complete current policy, approved by the City Council is available in its entirety at:
http://www.ci.minneapolis.mn.us/cped/resources/reports/cped_tax_abatement_historic

Tax Increment Special Revenue Funds and Internal Loans. State statute requires that tax increment (TI) revenues be segregated from all other revenues of the City and maintained in separate funds established for each individual TI district. As a result of this statutory requirement, a separate fund is established at the time a new TI district is approved. Qualifying expenses are charged to these individual district funds as they are incurred. This action could result in negative balances in a fund until TI revenues are generated from the district.

When a district has a negative fund balance, this is considered to be an internal loan by the Office of the State Auditor and the TI Act requires prior, specific action to be taken by the City to authorize these internal, inter – fund loans.

As part of the budget process, and for purposes of covering any temporary negative fund balances, the City authorizes the advance of revenues from other TI special revenue funds in the amount needed to offset any negative fund balances incurred within a TI fund prior to or in excess of the collection of sufficient TI revenue. The interest rate paid on any advance will be equal to the rate of interest those revenues would have earned in their respective fund. The term of any advances shall end upon termination of any TI district that carries the negative fund balance. As TI revenues are available in a TI fund that previously had a negative balance, the advance shall be offset by the amount available in that fund.

Capital advances needed for negative fund balances will not result in the actual movement of revenue between funds, but the positive balance of all the City's TI funds must offset any negative balance in a TI fund.

Development Project Funding Allocations and Re–Appropriation. Beginning in 2014, appropriations for those development projects and program allocations, which by the end of four years including the appropriation year, have not moved forward toward implementation as indicated by a minimum of 75% of appropriation expended on tangible project activities are subject to expiration (i.e. unspent 2015 appropriation expires in 2019).

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

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

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

The 2016 report shall include 2015 information and will expand to include subsequent fiscal years in the future years. The 2018 report [with 2014 – 2017 information] shall identify those development projects and programs whose expenditures in the first year, i.e. 2014, did not meet the 75% of appropriation spending threshold as defined above, and therefore will be subject to having the unspent portion of the 2014 appropriation expire and available for reprogramming, subject to review by the City Council.

PUBLIC PARTICIPATION POLICIES

Consistent with adopted City goals and values, the objective of the Department's public participation policies is to enhance the City's ability to meet financial and policy challenges by promoting a well – informed community and by encouraging public input in the decision – making process. Financial and budget reports are available on the City's web site and in the Finance & Property Services Department offices in Room 325M City Hall.

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

Budget and Service Priorities. Various methods shall be used to ensure public input into the budgeting process, such as informational hearings, surveys, resident – based review committees and community meetings. The Mayor's recommended budget is available on the City's web site for review shortly after its release in mid – August each year. All City Council budget meetings in the fall are public and advertised as part of the normal Council Committee process. City stakeholders are encouraged to communicate any concerns related to the budget to the Mayor's Office, and to their Council Member.

ALLOCATION MODEL POLICIES

The City employs cost allocation models for a variety of purposes:

- Recovery of indirect costs for grants, capital projects, internal and external work – for – others.
- Internal Service Funds cost recovery.
- To support activities and services of departments which are funded by the General Fund and provide services to other departments which are supported by other fund types.
- Provide for a mechanism to calculate the total cost of service when determining user fees and charges.

The primary methodology used is Activity – Based – Costing which links the cost of the service provided to the consumption of the service.

- Cost allocation models should recover indirect labor, depreciation, general and administrative costs, and costs from other allocation models.
- Cost allocation models should abide by grant agreements, contracts and other applicable Federal, State and local guidelines.
- Cost allocation models should be reviewed and updated annually.
- Costs shall be allocated to the fullest extent possible. When feasible, costs deemed non – allocable (for example, un – utilized space in leased facilities) shall be allocated to a non – department specific cost center in the General Fund to maintain the level of funding needed in the Internal Service Fund.

Internal Service Funds (ISF's): All ISF's use cost allocation models to recover costs.

General Fund Allocation Model. The City will recover costs within the General Fund related to services it provides to non – General Fund departments. The allocation of those costs shall be based on a consistent methodology, applied enterprise – wide and developed and administered by the Finance and Property Services Department.

The General Fund overhead allocation model is not self – balancing in nature; costs that should be borne by one department will not be subsidized by another unless it is determined by the Finance and Property Services Department that a phase – in period is necessary.

The General Fund overhead allocation model will adhere to the applicable policies set forth for Internal Service Funds.

One – Time Costs Assessed. One – time cost increases may be assessed to the fund if the financial condition of the fund meets the City's financial policies.

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

Fleet Services Division (Equipment Services Fund)

Fleet Defined

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

Fleet Acquisitions

1) All Fleet units shall be purchased through and maintained by the Fleet Services Division ("FSD"). Exceptions may be granted on a case by case basis by the Director of Public Works or the City Coordinator or designee.
2) The benefitting department shall request, through the CARS process, funding for additional units or the underfunded portions of replacement units.
    i. The purchase of a Fleet unit may be funded from a number of different sources including but not limited to: accumulation in the Fleet replacement fund, net debt bonds, General Fund appropriation, fund balance in enterprise or internal service funds, State or Federal capital grants.
    ii. All funds, including State and Federal capital grant money, that are to be used for the purchase of Fleet units will be paid or contributed to the FSD Fund upon initial purchase of the Fleet unit.
    iii. The funding for the purchase of a replacement unit includes the replacement amount accumulated through the Fleet Services Division rental fee for the specific unit with any shortfalls funded by the using department through the CARS program or operating appropriation.
3) Unless purchased for specific closed ended projects, all units are assumed to be replaced at a later date in accordance with the replacement plan established by FSD.

i. Exceptions may be granted on a case by case basis by the Director of Public Works or the City Coordinator or designee, if it is determined that an enterprise fund or internal service fund unit will either not be replaced in the future or will be replaced on a pay – as – you – go basis using fund balance. The enterprise or internal service department, in cooperation with the Finance and Property Services Department, must be able to substantiate that funding will be available at the time of replacement. The benefitting department will need to include in its operating budget the ongoing charges for the FSD administrative costs for each item.
ii. FSD will establish a monthly replacement/rental fee for the replacement of that unit with a similar unit.
iii. The benefitting department must include in its annual budget the total rental fee due to Fleet Services for the units for that budget year.
iv. The rental fee will be charged monthly to the department's budget through the City of Minneapolis Fleet Management system and accounting system. Cost recovery schedules are available from FSD.
v. The rental fee for each unit includes depreciation, an inflationary factor, and administrative charges.
vi. The City of Minneapolis is self – insured and any claims or tickets against the City will be charged to the benefitting department.
vii. All other charges associated with the unit will be charged to the benefitting department.

ADMINISTRATIVE POLICIES

Quarterly and Year – End Reporting. The Finance and Property Services Department will report to the Ways and Means Committee quarterly and at year – end, expenditures and revenues by department and fund compared to authorized allocations for the prior fiscal year. This report will identify departments and funds with projected expenditures in excess of authorized appropriations and / or revenues projected to be less than budgeted amounts.

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

Operating Costs for Technology. Departments are directed to clearly identify, within existing resources, the funds that would be used to finance the ongoing costs related to the purchase or development of technology prior to the expenditure of funds for the purchase or development of that technology. The sponsoring department should prepare a Receive and File notice for consideration by the respective home committee and the Ways and Means Committee when the annual operating and maintenance cost of any technology project exceeds $50,000. This notice should be submitted as soon after the sponsoring department has identified the ongoing costs and funding sources. Departments shall work with the Information Technology (IT) Department and Finance and Property Services to ensure those costs are identified and included in the contract for technology services. Departments shall also work with IT to jointly determine the appropriateness of the purpose for the City's technology planning. Operating costs of

department – specific technology will be allocated to that department. Technology for use across the City or in support of citywide operations shall be allocated citywide.

Contract Funding. Prior to committing to conditions requiring a minimum purchase under any contract, the department/departments involved must clearly identify the specific funding sources dedicated for such purchases.

Gift Acceptance. Any gifts with a value of $15,000 or less can be received by individual City departments with written notice to the Finance Officer or his/her designee. The Finance and Property Services Department shall submit a quarterly gift report to the City Council's Ways and Means Committee for approval. The quarterly gift report shall contain the following information on each donation:

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

For any gifts with a value exceeding $15,000, the recipient department shall submit a request for authorization to accept the gift to the City Council's Ways & Means Committee directly. Consistent with Minnesota Statutes, section 465.03, the department may not use the gift until it has been approved by a two – thirds vote of the City Council.

Approval of Payments and Procurements**.** All payments for or procurement of goods and services from external sources, regardless of dollar amount, must be approved. Additionally, where applicable, the system – generated purchase order number will be communicated to the vendor prior to the order being placed. Additional procurement policies and procedures are available for reference at:
http://www.ci.minneapolis.mn.us/finance/procurement/WCMS1Q – 003577.

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

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

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

City Time Reporting. Every employee of City departments must follow the City's Time and Labor guidelines for time reporting and approval of compensation, reporting both working and non – working compensable hours. With the exception of Charter Department Heads, every employee's timesheet must be approved by a supervisor, regardless of FLSA exemption status.

Authority of the Finance Officer. The Finance Officer or his/her designee has the following authorities:

- To make temporary loans between funds to cover any cash deficits at the end of each fiscal year.
- To adjust appropriations in any fund to facilitate transfers for debt service and to make all appropriate transfers and payments relating to debt service and the administration thereof.
- To authorize the Deputy Finance Officer and/or Controller to sign real estate and bond documents in the absence of the Finance Officer.
- To amend appropriations related to technical accounting treatment changes.
- To adjust re – appropriations for grant funds within cost centers as appropriate.
- To assign fund balance in accordance with GASB 54 based on analysis provided by the City Controller.
- To allocate the State Insurance Aid payments received from the state for pension costs.
- To adjust the appropriations of the special revenue funds for payments to various pension organizations as may be required.
- To establish or adjust appropriations, transfer balances, or make payments to carry out the intent of any action or resolution Passed and Approved, or any legal agreement Passed, Approved and Executed, with respect to any inter – fund loans, advances, residual equity transfers, or operating transfers, or the repayment thereof.
- To make the necessary project and line item budget adjustments to periodically balance budgets and expenses between objectives within given programs and within normal CDBG program constraints.
- To make the necessary adjustments in Subrogation 3rd party claims, to take the necessary action to increase 3rd party payments and decrease write – offs to the City.
- To make any necessary appropriation adjustments to allow departments to receive and spend funds consistent with Council – approved actions.
- To provide oversight of related – party or sub – recipient transactions using City or pass – through funds to insure compliance with applicable rules and regulations.
- To review and approve any and all transfers of eligible revenues into and out of the Development Account (based on an eligibility assessment and analysis conducted by Finance & Property Services Department staff).
- To approve any and all transfers of eligible revenues into the Property Disposition Fund (based on approval by the Facilities, Space and Asset Management Committee and eligibility assessment conducted by Finance & Property Services Department staff).
- To appropriate available grant balances.
- To make appropriation adjustments to correct any errors, omissions or misstatements to accurately reflect the intent of the City Council in adopting the Operating or Capital Budget and/or any subsequent City Council action.

- To reduce any capital appropriation whenever a revenue source is determined to be uncollectible for whatever reason.
- To appropriate and transfer revenue within the Tax Increment and other special revenue funds consistent with the management of the City's tax increment districts and development program.
- To approve the closure of non – bond funded capital projects.
- To establish or amend appropriations related to technical accounting treatment changes and to establish and adjust accounts and appropriations, make payments and transfers, process transactions as necessary for the purpose of cash management of revenues, and facilitate any technical corrections, adjustments and completions authorized for the following project/s:
    - Target Center Finance Plan internal allocation models and the appropriations attached to them.
    - To reduce LGA payments to the Independent Boards if payment of the management support charge, or any other charges required by City Ordinance, are not received prior to the distribution of the December LGA payment. This reduction shall only occur after an affirmative vote of the Council to implement this authority.
    - To re – appropriate funds and certify that an encumbrance is eligible for re – appropriation at the end of the fiscal year. Additionally, the Finance Officer may reject re – appropriation requests based on the financial health of the fund or extenuating circumstances. To be eligible for re – appropriation, requests must meet all of the following criteria:
        1) Be a valid encumbrance;
        2) Be a one – time expenditure and not a recurring budget item;
        3) Have a purpose consistent with the department's business plan and included as part of the department's planned expenditures for the year;
        4) Have the budget year appropriation balance available for the encumbered item; and
        5) Have a positive fund financial position

CDBG REPROGRAMMING POLICIES

There are four sources for reprogramming funds:
1) Unspent annual administrative appropriations,
2) Unspent and not legally obligated public service funds over two years old,
3) Cancelled, ineligible or unspent capital funds over four years old,
4) Program income.

Administrative Allocations. The intent of the reprogramming policy is to limit administrative fund expenditures to the amount that was appropriated for that calendar year, regardless of the amount that is available from the grant balances. The limitation applies to the City Department's non – contractual, internal costs. Funds that are allocated to grant recipients for administrative purposes are exempt from this provision (*e.g.:* Legal Aid, Public Housing Citizen Participation). These projects are legal obligations and do not become part of the administrative reprogramming calculation unless the projects were finalized without fully expending the funds.

Public Service Allocations. The amounts that are awarded from and appropriated for public service activities expire two years from the original award date for that CDBG program year that starts on June 1. The Department may roll over appropriations from the prior year, as needed to

carry out these activities. After two years any unspent amounts and those that are not legally obligated are available for reprogramming and will be referred to the reprogramming process.

Program Income. Program income not obligated existing contracts is available for reprogramming. Projects with a twelve – month period of inactivity shall be cancelled if the project has been authorized for more than three years.

CAPITAL BUDGET POLICIES

The objective of the capital budget policies is to ensure maintenance of capital assets and infrastructure in the most cost – efficient manner.

Capital Improvement Program. The City prepares and adopts a five – year Capital Improvement Program (CIP) that details each capital project, the estimated cost and funding sources. An adopted point rating system is used to rank and prioritize recommended projects. The CIP includes City infrastructure, but does not include capital planning for major City facilities, including the Minneapolis Convention Center or Target Center.

Planning Direction Provided. The adoption of the Five – Year Capital Program is to assist in planning and provide direction for City departments, but it does not establish permanent Council commitment to the out – year projects either in scope or timeline of construction.

Operating Budget Impacts. Operating expenditures/savings of each capital request are included in the cost of implementing the CIP and reflect estimates of all personnel expenses and other operating costs attributable to the capital outlays. Departments receiving capital funds must account for the increased operating costs resulting from capital projects.

Repair and Replacement. The City strives to maintain its physical assets at a level that protects the City's capital investments and minimizes future maintenance and replacement costs. Where possible, the capital budget shall provide for the adequate maintenance, repair and replacement from current revenues.

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

CAPITAL PROJECT ADMINISTRATION

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

Re – appropriation of Capital Projects. Capital project appropriations automatically roll over from year to year for ongoing or incomplete projects. Appropriations associated with the CARS program shall only roll – over if meeting the roll – over criteria for operations. The balances of prior year appropriations supporting operating budgets and reimbursable projects in capital project funds, internal service funds and enterprise funds do not roll over from year to year.

Expiration of Revenue Funded Capital Projects in Enterprise funds. For certain enterprise fund capital projects, annual revenues are designated as the source of funding. These projects are typically for recurring major maintenance projects or ongoing long – term programs. For these projects, the expenditures are to be paid from funds of the appropriation year in which the work occurs. These projects will not have their appropriations carried forward since they receive a new annual appropriation each year based on work needs, existing financial capacity and utility rate considerations. Exceptions for large multi – year standalone enterprise projects will be made on a case by case basis with the approval of the Finance Officer. Bond appropriations authorized for these programs will be carried over upon request.

Reallocation of Bond Resources. Reallocation of excess bond proceeds must follow applicable charter, statutory and IRS regulations and provisions related to the issuance and use of those resources consistent with the City's comprehensive plan. Bonds cannot be reallocated until a project is completed and closed or abandoned. At the time of project closing, any excess bond proceeds will be reallocated according to the following priorities:

1) Completed projects with existing deficits;
2) Approved capital projects or programs with projected deficits;
3) Returned to the debt service fund to increase capacity for future capital programs.

Expiration of Capital Project Funding. For all capital appropriations, the City Council authorizations for bond issuance and project appropriation will expire after a maximum of four years following original project appropriation.

The expiration of bond authorizations and project appropriations under this policy will automatically take place unless a request for extension is specifically made to the Ways and Means Committee and is approved by the City Council.

DEBT POLICIES

The debt management policies provide a framework for managing the City's debt – funded capital financing and economic development activities in a way that preserves the public trust and balances costs to current and future taxpayers without endangering essential City services.

Authority and Oversight. Management responsibility for the City's debt program is delegated to the Finance Officer. The Debt Management Committee advises on the use of debt financing and debt management activities. The Debt Management Committee meets and includes the following persons:

- Finance Officer
- City Attorney

- Deputy Finance Officer/Director, Budget and Enterprise Financial Management
- Director of Capital & Debt Management
- Executive Secretary, Board of Estimate & Taxation
- Director, Development Finance or designee
- Independent Bond Counsel as needed
- Independent Financial Advisor as needed

Guiding Principles for City of Minneapolis Debt Issuance

Method of Sale. The three primary methods of selling bonds include competitive sale, negotiated sale and private placement. The City uses the competitive sale method for its general obligation bond sales unless factors such as structure, size or market conditions compel the use of a negotiated sale. The City may use the negotiated sale method when the characteristics of the transaction require a more specific marketing plan and/or the issue lacks an investment grade rating due to complex security provisions or other factors.

Selection of Independent Advisors. The City uses competitive processes to select all service providers involved in the bond issuance process. The City shall designate a Municipal Advisor for each bond sale.

Use of Derivatives. Derivative – based financing arrangements shall only be used after careful evaluation by knowledgeable staff regarding the benefits of the instruments as well as all of the associated risks including counterparty credit, market, settlement and operating risk.

Variable Rate Debt. The City uses variable rate debt to provide debt structuring flexibility and potential interest savings to the total debt portfolio. Generally, the City maintains no more than 25% of its total debt obligations in variable rate mode.

Conduit Debt Financings. The City actively participates in conduit business financings. Applications for financing and development proposals are reviewed by City staff to determine if they meet program objectives as determined by City Council financing guidelines and whether the proposal is financially feasible. As part of the application process, City staff will complete a due diligence process and project vetting procedure per established guidelines. Items reviewed during due diligence reviews may include, but are not limited to, narrative on the company and owners, past three years of financial statements, personal financial statements, tenant and lease data, market feasibility studies, business plans, budget projections, project proformas, appraisals, plans and specifications, environmental reviews, insurance covenants, etc. Additionally, the project shall be evaluated for consistency with other City measures related to land use, job creation and compliance with affirmative action, civil rights, job linkage and other equal employment opportunity requirements.

General Obligation Bonds, Property Tax Supported. General obligation, property tax supported bonds finance only those capital improvements and long – term assets that have been determined to be essential to the maintenance or development of the City.

General Obligation Revenue Bonds. The City issues general obligation revenue bonds to finance assets associated with its primary enterprise businesses including stormwater and sanitary sewers, waterworks, solid waste and parking ramps, as well as select other projects, including those financed through the collection of special assessments. Financial feasibility of capital projects is reviewed each year, including a review of the cash basis proformas for these

funds. Five – year business plans detailing projected operating costs and prior debt obligations are reviewed as well as revenue performance and rate setting analysis to ensure that adequate bond coverage ratios are achieved.

Tax Increment Bonds. The City uses tax increment bonds only where projects can be shown to be self – liquidating from tax increments arising in sufficient amounts, or where secured guarantees are provided for potential shortfalls, and with appropriate timing to avoid, to the maximum extent possible, the use of citywide property tax revenues and where maximum allowable guarantees are obtained.

The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, and the taxable development that will generate the tax increment is either fully constructed or is underway and subject to the terms and conditions of a development agreement with the City. Alternatives, such as "pay as you go" financing and reimbursing front – end public redevelopment costs with tax increment revenues, are available as alternatives to bond financing and are to be considered and used when appropriate.

Special Obligation Revenue Bonds. Special obligation revenue bonds, those bonds for which the City incurs no financial or moral obligation, are issued only if the associated development projects can be shown to be financially feasible and contributing substantially to the welfare and/or economic development of the City and its inhabitants.

Bond Term. The City shall issue bonds with terms no longer than the economic useful life of the asset financed and frequently chooses terms shorter than the economic life to minimize interest expense. For self – supporting bonds, maturities and associated debt service shall not exceed projected revenue streams.

Approvals for Bond Issuance. The amounts appropriated in any City fund to be financed by bond proceeds are contingent upon the necessary approvals for issuance. The Finance Officer is authorized to establish or adjust any bond – financed appropriations when the necessary approvals for issuance of bonds are obtained.

Alternative Financing Arrangements. The Finance Officer is authorized to establish or adjust appropriations, make payments and transfers, and process transactions as necessary for the purpose of providing departments, boards and commissions an internal financing alternative to lease/purchase agreements with external vendors. The Finance Officer may provide capital advances from individual funds to the extent funds are available. The Finance Officer shall establish the term and interest rate applicable to the capital advance. The principal amount of the capital advance may be transferred to the fund of the department, board or commission after the purchase of the asset and execution of an Internal Lease/Purchase Agreement, signed between the department, board or commission and the Finance Officer. Prior to issuing the capital advance, the Finance Officer shall determine that the department, board or commission has made a commitment in their annual budgets to provide the funds necessary to repay the advance, with interest, over the term of the agreement.

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

Post Issuance Compliance Policy. The City of Minneapolis adopted a formal Post – Issuance Compliance Procedure and Policy for Tax Exempt Governmental Bonds on August 3, 2012.

This policy establishes the documentation requirements and management actions the City will perform to ensure compliance with the Internal Revenue Code and Treasury Regulations. Compliance with Treasury Regulations is required to maintain the tax – exempt status of the City's bonds. A copy of the full policy is available online here: http://www.minneapolismn.gov/www/groups/public/%40clerk/documents/webcontent/wcms1p – 096355.pdf

Use of Investment Earnings. The investment earnings from unspent bond proceeds shall be accounted for in separate arbitrage funds and will be allocated to debt service on net debt bond issues and shall be transferred on the scheduled debt service payment dates. The exception to this is that investment earnings on unspent tax increment bonds are to be used only for tax increment – eligible purposes related to that specific tax increment bond issue.

Tax – Exempt Bonds. The annual capital budget resolution constitutes an official declaration pursuant to IRS Treasury Regulations Section 1.150 – 2 that the City intends to reimburse expenditures which may be made for those projects designated herein to be funded with bond proceeds by incurring tax – exempt debt of the City. The expenditures to be reimbursed include all preliminary expenses for planning, design, legal, consulting services and staff costs reasonably allocated to the project as well as costs incurred and paid for related to the design and construction of the projects after approval of the capital budget. In addition, as approved by resolution 2008R – 133, the City hereby declares its official intent to reimburse itself for expenditures for projects described as bond funded in the annual adopted capital resolution and subsequent related resolutions. The projects are more fully described on Capital Budget Request forms on file in the office of Finance and Property Services. The reasonably expected source of funds to pay debt service on the tax – exempt bonds to be issued by the City consists of the following according to the designated bond type:

Bond Type	**Source**
Net Debt	Property Taxes
Equipment, Property Services or Information Technology	Internal User Fees
Sanitary Sewer	Sanitary Sewer Fund revenues
Stormwater Sewer	Stormwater Fund revenues
Water	Water Fund revenues
Parking	Parking Fund revenues
Solid Waste & Recycling Services	Solid Waste revenues
Assessment	Special Assessments
Tax Increment	Tax Increment revenues

Reimbursement Intent. The Finance Officer is authorized to make further declarations of official reimbursement intent in connection with the projects described herein pursuant to IRS Treasury Regulations Section 1.150 – 2 on behalf of the City consistent with budgetary and financial circumstances. Copies of any such further declarations shall be filed with the Ways & Means Committee and the Board of Estimate and Taxation.

City of Minneapolis
2016 Budget

Table of Contents

Financial Plans	Pages 95-162
Five Year Financial Direction 2017 - 2021	96
Demands on the Property Tax: 10 Year Projection	101
Special Revenue Funds	
Arena Reserve Fund	104
Convention Center Fund	107
Neighborhood & Community Relations Fund	112
Police Special Revenue Fund	114
Regulatory Services Fund	116
Enterprise Funds	
Municipal Parking Fund	118
Sanitary Sewer Fund	122
Solid Waste and Recycling Fund	126
Stormwater Fund	130
Water Fund	134
Internal Service Funds	
Engineering Materials & Testing Fund	138
Fleet Services Fund	142
Intergovernmental Services Fund	146
Property Services Fund	151
Public Works Stores Fund	156
Self-Insurance Fund	159

City of Minneapolis
2016 Budget

Five-year Financial Direction 2017-2021
(Including information on the City's General Fund)

Introduction

The Five-year Financial Direction reflects the City's ongoing commitment to long-term financial planning. The financial direction provides projections for property tax supported services, including the City's General Fund, pensions, capital and debt. The purpose of recommending a 2017-2021 financial direction is to provide guidance for decision making on available planned resources in the City's General Fund.

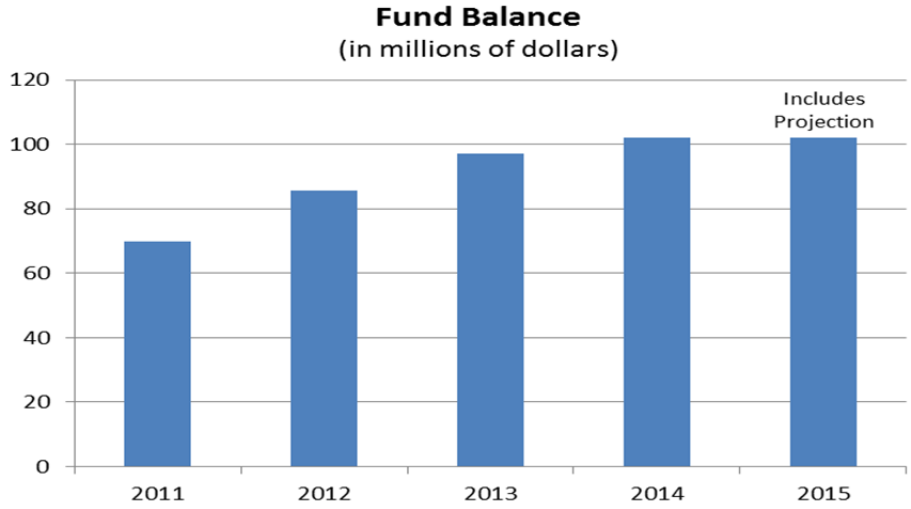
General Fund

The General Fund is the general operating fund of the City and is the primary funding source for public safety, street paving, snow plowing, and other general government services. In 2016, the General Fund expenses and revenues, including use of fund balance is $488.2 million.

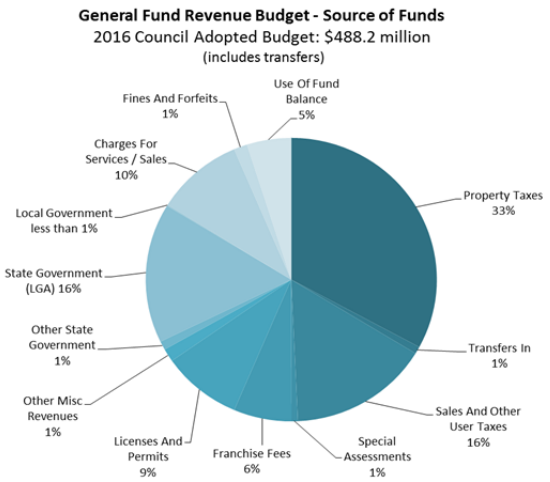
Historical Financial Performance

The results of the General Fund's annual operations at the end of the year reflect the fund's "fund balance," or the amount of available, spendable resources contained within the fund. The balance provides the City a reserve to cushion adverse economic shocks and to meet a portion of the City's cash flow needs. The City's policy is to maintain a minimum unrestricted fund balance of 17 percent of the following year's budgeted expenditures amount to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, and to meet unexpected increases in service delivery costs or unexpected revenue shortfalls.

The General Fund began 2015 with a fund balance of $102.0 million. The 2015 year-end fund balance in the General Fund as of December 2015 is expected to remain stable at $102.0 million, which is above the stated fund balance requirement of 17 percent of the following year's expenditure budget.



2016 General Fund Revenue Budget

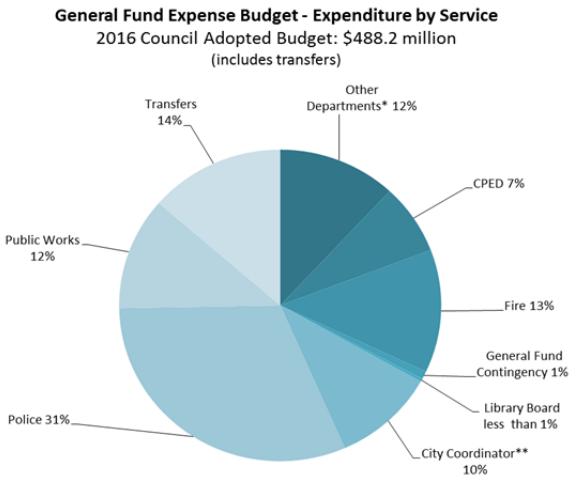


The 2016 Council Adopted budget includes a total of $488.2 million of revenues for services incorporated in the financial direction, including transfers from other funds and use of fund balance. Budgeted revenues are expected to increase by 5.3 percent from the 2015 budget from a combination of increased property taxes and use of fund balances increasing. The increase in these sources is mitigated by the growth in local sales and other user taxes, local government aid and other non-tax revenues which minimize the need for increased property taxes.

Revenue Source	2014 Actual	2015 Adopted	2016 Adopted	% Chg from 2015 Adopted	2015 Adopted % of Total	2016 Adopted % of Total
Property Taxes	159.5	156.5	160.6	2.6%	33.8%	32.9%
Sales and Other User Taxes	72.2	73.6	76.0	3.2%	15.9%	15.6%
Franchise Fees	26.9	29.0	31.5	8.5%	6.3%	6.4%
Licenses and Permits	36.3	39.0	43.4	11.2%	8.4%	8.9%
State Government / LGA	76.1	77.4	77.8	0.5%	16.7%	15.9%
Other State Government	4.7	5.0	4.9	-2.5%	1.1%	1.0%
Charges For Services / Sales	44.0	44.3	47.4	7.0%	9.6%	9.7%
Local Government	0.5	0.7	0.7	0.0%	0.2%	0.1%
Special Assessments	3.3	3.6	3.3	-6.2%	0.8%	0.7%
Fines and Forfeits	7.9	7.2	7.3	0.9%	1.6%	1.5%
Transfers In	2.3	4.7	4.0	-14.0%	1.0%	0.8%
Use of Fund Balance	24.6	13.5	24.0	77.7%	2.9%	4.9%
Misc. Revenues	7.9	8.9	7.3	-17.8%	1.9%	1.5%
Total	**466.3**	**463.5**	**488.2**	**5.3%**	**100.0%**	**100.0%**

State Aids (including Local Government Aid):
The City's local government aid (LGA) allocation in 2016 is certified at $77.8 million. This is based on legislative actions during the 2015 session and reflects an increase of $0.4 million over the 2015 allocation.

2016 General Fund Expenditure Budget



The 2016 recommended budget for City services included in the financial direction is $488.2 million, which includes $66.4 million in transfers to other funds.

Approximately 59% of the overall expenditure budget is related to salaries and benefits. In the General Fund, salary and wage expenditures increased from $196.8 million in 2015 to $203.5 million in 2016. The salary and wages expense category also includes overtime costs, contractually – obligated payments, and one-time funding for positions that are not permanent. The General Fund provides funding in some shape or

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

form for most City functions. A breakdown of the allocation of the $488.2 million in the 2016 General Fund budget is reflected in the chart above.

Five-Year Financial Direction

The Five-year Financial Direction includes a tax policy of 3.4 percent in 2016, 3.8 percent in 2017, 3.9 percent in 2018, 3.7 percent in 2019, 3.3 percent in 2020, and 3.3 percent in 2021. These percentages reflect funding for statutorily-required costs and provide for a current service level cost escalator for departments and support services.

The 2016 budget is the basis for future projections: In other words, services and activities included in the 2016 budget provide the starting point for the 2017-2021 department budget estimates. One-time 2016 supplemental items are removed from department budgets in 2017 and beyond.

The financial direction from 2017 to 2021 contains updates to departmental resources: The financial direction includes the most updated assumptions about contract settlements and other commitments, as well as projected changes in revenue.

Salary Assumption: - The City adopted a compensation philosophy in 2007, rather than a specific salary policy. It is anticipated that salary settlements will vary within and between bargaining units. Assumptions are updated annually as contracts are settled.

Capital and Debt Service (including pensions)

As part of the 2015 budget, the amount of property tax supported resources for capital improvements was expanded from the previous five-year plan. For 2016 and future years, the intent is to sustain this higher level of property tax supported (net debt bond) funding to continue to make significant improvements to the City's infrastructure. The funding being provided is still insufficient to fully meet the needs that must be addressed over time and the current emphasis for these funds is primarily on improving street paving, protected bikeways and pedestrian, lighting and traffic related safety improvements. Water infrastructure is also an area of emphasis in this budget.

The Net Debt Bond (NDB) program is paid for with property tax collections. The five-year financial direction for the bond redemption levy includes a base increase in 2016 and beyond for capital improvements. These increases are possible due to completion of the internal service fund workout plans in 2015, as well as growth in non-property tax revenues, which reduces the demand for property tax resources.

Funding for pension liabilities: The property tax levy required to support closed pension fund-related obligations remains level at $27.3 million in 2016 and is projected to remain near that level through 2031. The five-year financial direction includes obligations for three closed pension funds that have since been merged into the statewide retirement system, the Public Employees Retirement Association (PERA) of Minnesota. The former closed funds that were merged are the Minneapolis Police Relief Association (MPRA), the Minneapolis Firefighters' Relief Association (MFRA), and the Minneapolis Employees Retirement Fund (MERF). All three funds are administered by PERA. The City has ongoing obligations funded from within departmental budgets to PERA to support current employees' retirement plans.

Contingency for Adverse Circumstances

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

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

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

- *Property taxes:* Future projections plan on property tax increases to support future services. Reducing the growth in property taxes in the face of additional budget needs will require the City to continue monitoring other revenue sources and expenditures, as well as looking at creative ways in which to reallocated existing resources.

- *Park Board:* Like other participants in the City's capital funding pool, the Park Board faces significant capital pressures to maintain the facilities it operates.

- *Performance Information*: As the City continues to gain experience with using results information for performance discussions, it will need to undertake benchmark development in using this information for financial decision making.

- *Department Increases:* The City will continue to see challenges related to the ability to keep up with increased workloads across the enterprise while mitigating the impact on property tax payers.

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

Assumptions for 2016-2021

- The tax policy for 2016-2021 is as follows: 3.4 percent in 2016, 3.8 percent in 2017, 3.9 percent in 2018, 3.7 percent in 2019, 3.3 percent in 2020, and 3.3 percent in 2021. These changes reflect statutorily-required cost adjustments and provide for current service level cost escalator for departments.
- The tax policy is managed in the aggregate, with consideration for allocation by use.
- Out-year projections will be adjusted over time as new information becomes available.
- Contingency is maintained to provide cushion for uncertainty related to seasonal and economic conditions proportional to overall anticipate budget increases.
- Health insurance is assumed to be increase by 1.9% in 2016 and increase by 5 percent through 2021.
- Revenues in the General Fund are assumed to increase by 3.0 percent annually. Expenditures for the cost allocation model for internal City departments and the government service fee also include cost escalators.
- Local tax revenue is recorded as direct revenue into the General Fund.

Five Year Financial Direction

Uses:		2016	2017	2018	2019	2020	2021
General Fund Base Cost	398,878,775	409,197,461	421,121,433	435,377,916	450,144,767	465,441,911	481,287,960
General Fund One-times	13,521,347	24,072,384	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
General Fund Commitments	51,081,669	54,978,570	55,723,877	57,469,943	58,746,792	59,024,445	59,302,929
Total Uses	463,481,791	488,248,415	486,845,310	502,847,859	518,891,559	534,466,356	550,590,889

Sources:							
Non-Property Tax Resources General Fund	296,031,444	303,601,031	307,421,985	314,393,018	321,528,153	328,831,825	336,306,464
Use of Fund Balance	13,521,347	24,072,384	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Property Tax Resources-HRA		129,000	0	0	0	0	0
Property Tax Resources General Fund	153,929,000	160,446,000	169,423,325	178,454,842	187,363,406	195,634,531	204,284,425
Total Sources	463,481,791	488,248,415	486,845,310	502,847,860	518,891,559	534,466,356	550,590,889

Property Tax	2015	2016	% chg	2017	2018	2019	2020	2021
General Fund	153,929,000	160,446,000	4.2%	169,423,325	178,454,842	187,363,406	195,634,531	204,284,425
Minneapolis Park Board	52,035,000	54,315,000	4.4%	56,486,976	58,746,455	61,096,313	63,540,166	66,081,772
Bond Redemption	35,900,000	37,800,000	5.3%	37,800,000	38,300,000	38,800,000	38,800,000	38,800,000
Other City Levies	29,491,000	28,604,000	-3.0%	28,480,000	28,485,100	28,490,353	28,495,764	28,501,336
Municipal Building Commission	4,675,000	4,810,000	2.9%	4,959,708	5,108,499	5,261,754	5,419,606	5,582,194
Teacher's Retirement Association	2,300,000	2,300,000	0.0%	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Library Debt Service	9,300,000	9,300,000	0.0%	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000
Total	287,630,000	297,575,000	3.4%	308,750,009	320,694,896	332,611,826	343,490,067	354,849,727

Percentage Change from Prior Year			3.8%	3.9%	3.7%	3.3%	3.3%

City of Minneapolis
2016 Budget

Ten-Year Projection of Demands on the Property Tax

Background

Longer term financial planning is integral to the City's budget process. In order to identify and plan for demands on the property tax levy, the City implemented a ten-year property tax projection initiative. The ten-year projection was first produced in the spring of 2002 to surface all the demands on the property tax to which the City had committed. This projection led to the adoption of the 8% maximum property tax policy in the summer of 2002 by both the City Council and the Board of Estimate and Taxation. In January 2003, the City Council and Mayor adopted a five-year financial direction to set resource parameters for department business plans. This policy was subsequently amended in 2010 to fund shared costs and provide consistent levels of operating resources for the City and independent boards. Projections now serve as general guidance for departmental resource planning as the City adopted the Program Budgeting Process.

Assumptions in the Ten-Year Projection

For details on the financial outlook for the City, please refer to the schedule of projected demands on the property tax.

Property Tax Levy Assumptions

- Department expenditure budgets will continue to be refined.
- Known obligations will be recognized and incorporated into the Plan.
- Non-property tax revenue sources will be maximized to the extent possible.
- Out-year projections will be adjusted over time as new information becomes available.
- The overall property tax levy is considered in total as well as by intended use.

General Fund Operations Assumptions

- It is anticipated that salary settlements will vary within and between bargaining units. Assumptions are updated annually as contracts are settled.
- Health insurance is assumed to be increased by 1.9 percent in 2016 and 5.0 percent 2017 through 2021.
- Cost allocation model for internal city departments and government service fee includes cost escalators.
- Revenues are expected to increase by 3.0 percent annually.
- Commitments for the library are included in the general fund. In 2010 and beyond, the property tax levy for operations are included in the Hennepin County levy.
- Out-year projections will be adjusted over time as new information becomes available.

Capital and Debt Assumptions

- As a result of increasing the base Net Debt Bond (NDB) program for increased infrastructure improvements over the last several years, the bond redemption levy shows an increase for 2016 with no additional increase planned for 2017. For the years 2018 through 2020 the plan calls for modest increases to correspond with planned increases in net debt bond allocations. These increases are possible due to the elimination of

previous obligations associated with the City's internal service funds and retirement of pension bonds. The base NDB funding levels have been increasing from the 2011 – 2015 capital program level of $89.4 million to $155.0 million in the current five-year plan. This capital infusion increases all classes of City infrastructure with a greater emphasis on paving projects, pedestrian safety, protected bikeways and lighting improvements, traffic safety and signage improvements and bridge improvements. These additional resources are supplemented with municipal state aid, special assessments and grant funds to deliver these projects.

- Assumptions for future years are to continue to incrementally increase the NDB funding to arrive at approximately $180.0 million for the 2021 – 2025 five-year capital programs.

City of Minneapolis - Details of Annual Demand (changes) in Property Tax Revenue
2016 Budget Recommendation Factors and Out Year Impacts - 3.4% Levy Increase

	Current Budget Year												
Property Tax	**2015**	**2016**	**% Chg**		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
General Fund	153,929,000	160,446,000	4.2%		169,423,325	178,454,842	187,363,406	195,634,531	204,284,425	213,009,019	221,768,005	231,658,869	242,000,924
Minneapolis Park Board	52,035,000	54,315,000	4.4%		56,487,600	58,747,104	61,096,988	63,540,868	66,082,502	68,725,802	71,474,835	74,333,828	77,307,181
Bond Redemption	35,900,000	37,800,000	5.3%		37,800,000	38,300,000	38,800,000	38,800,000	38,800,000	38,800,000	38,800,000	38,800,000	38,800,000
Other City Levies	29,491,000	28,604,000	-3.0%		28,480,000	28,485,100	28,490,353	28,495,764	28,501,336	28,507,077	28,512,989	28,519,079	28,525,351
Municipal Building Commission	4,675,000	4,810,000	2.9%		4,954,300	5,102,929	5,256,017	5,413,697	5,576,108	5,743,392	5,915,693	6,093,164	6,275,959
Teacher's Retirement Association	2,300,000	2,300,000	0.0%		2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Library Debt Service	9,300,000	9,300,000	0.0%		9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000	9,300,000
Total Property Tax	287,630,000	297,575,000	3.4%		308,745,225	320,689,975	332,606,764	343,484,860	354,844,372	366,385,290	378,071,522	391,004,940	404,509,415
% Change Property Tax					3.8%	3.8%	3.7%	3.3%	3.3%	3.3%	3.2%	3.4%	3.5%

City of Minneapolis
2016 Budget
Financial Plan

Arena Special Revenue Fund

Background

The Arena Special Revenue Fund (Arena Fund) accounts for the maintenance and operation of the City-funded portion of the Target Center. The day to day operations are managed by AEG, one of the leading sports and entertainment presenters in the world. The City provides support for the operation of the Arena and pays AEG a fee based upon a revenue sharing formula, if certain criteria are met, for contracted services associated with operating and promoting the Target Center.

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

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

2015 Projections

In 2015, the unrestricted Arena revenue, before the $5,000 balance of the $2.0 million capital contribution from AEG, is projected to be $6.3 million which is consistent with the 2015 budget. In 2014, the Target Center had record levels of concerts and activities, mainly due to an extended run of Garth Brooks' concerts, resulting in entertainment tax collections of $2.0 million. For 2015, entertainment tax collections will be $0.1 million greater than the budgeted amount of $1.3 million. For the year, total capital investments are projected to be $8.9 million, including the balance of the capital contribution from AEG and the $3.9 million that was carried forward from 2014 for completion in 2015.

2016 Budget

Revenues
Revenues from the tax increment (TI) sources are budgeted to be $7.8 million, a slight decrease from the 2015 projections. This is primarily a result of a decrease in revenues from the Consolidated TIF District and an offsetting increase in interest earnings. Entertainment tax revenues are budgeted at $1.4 million, a 2 percent increase over the 2015 projected revenues. The parking revenue transfer is budgeted at $3.7 million, a slight increase from prior years. As of 2014, the Arena became tax exempt with respect to the primary tenant. In lieu of property taxes, the primary tenant now makes an annual rent payment. It is anticipated that debt will be issued in 2016 to finance costs relating to the proposed renovation of the Arena. It is currently estimated that one half the 2017 debt service will be capitalized and $2.9 million in public resources will be used to pay debt service on these bonds in 2017. Local option taxes will be pledged to the payment of this debt.

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

The Arena Fund expects fund balance/net position on non-TI sources to decrease by $1.6 million as a result of a planned usage of cash reserves to fund planned capital improvements to the Arena.

Expenditures
The only expenditure funded with TI revenue in the 2016 budget is $4.7 million of existing debt service. Budgeted expenditures to be paid from non-TI sources include $4.6 million in capital improvements, $0.3 million in administrative costs, $1.7 million for the reimbursement of the unamortized capital improvements previously undertaken by the operator, and a potential operator reimbursement that is currently projected at $1.5 million.

Renovation project
The 2016 budget contemplates some renovation activities to commence in 2016 with the most significant renovations occurring in 2017. To finance the City's share of the project, it is likely that the City will issue taxable general obligation bonds sometime in 2016, with local sales tax revenues being the primary revenue source for repayment of debt service on these bonds. A renovation agreement with AEG, the Timberwolves/Lynx and the City has been negotiated and signed. As the planning for the renovation project is completed, the sizing and timing of any new debt issuance and revised financial ramifications become more certain, the information in the financial schedule for the Arena Fund will be revised.

Mayor's Recommended Budget
The Mayor recommended no changes to this fund.

Council Adopted Budget
The Council adopted the Mayor's recommendation.

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Arena Special Revenue Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Tax Increment Funds:									
Common Project TIF Contribution (01CPK)	1,438	1,474	1,515	1,515	1,556	2.7%	1,586	1,586	1,586
Arena Tax Increment (01CPK)	907	-	-	-	-	0.0%	-	-	-
Consolidated TIF District (01CON)	5,044	5,324	6,231	6,231	6,152	-1.3%	6,531	6,899	7,216
Interest Earnings (01CPK & 01CON)	(15)	51	73	68	81	18.8%	96	112	129
Sub-Total	7,374	6,849	7,819	7,814	7,789	-0.3%	8,213	8,597	8,931
Use of Tax Increment Funds:									
Transfer to Debt Service (01CPK)	-	-	1,515	1,515	1,556	2.7%	1,586	1,586	1,586
Transfer to Debt Service (01CON)	5,272	4,250	2,977	2,977	3,184	7.0%	3,417	3,662	3,882
Capital Improvements/Admin	3,864	-	-	-	-	0.0%	-	-	-
Sub-Total	9,136	4,250	4,492	4,492	4,740	5.5%	5,003	5,248	5,468
Net Available After 2009 Debt	(1,762)	2,599	3,327	3,322	3,049		3,210	3,349	3,463
Cumulative TI Balance for 2009 Bonds (see note)	10,229	12,828	16,155	16,150	19,199		22,409	25,758	29,221
Source of Non-Restricted Funds:									
Estimated Local Option Taxes	-	-	2,000	2,000	-	-100.0%	2,850	5,700	5,700
Estimated Private Debt Payments	-	-	2,000	-	-	0.0%	-	-	-
Event Parking	3,129	3,323	3,523	3,523	3,728	5.8%	3,940	4,158	4,383
Rent	-	1,350	1,350	1,350	1,350	0.0%	1,350	1,433	1,462
Entertainment Tax (Arena Events Only)	1,226	1,976	1,300	1,562	1,394	-10.8%	938	1,600	1,632
Arena Base Tax	89	-	-	-	-	0.0%	-	-	-
Miscellaneous Equipment Sales	3	-	-	-	-	0.0%	-	-	-
AEG Capital Investment	82	232	5	5	-	-100.0%	-	-	-
Interest Earinings (01260)	2	34	41	41	34	-17.1%	18	24	27
Sub-Total	4,531	6,915	10,219	8,481	6,506	-23.3%	9,096	12,915	13,204
Use of Non-Restricted Funds:									
Estimated New Debt Service	-	-	4,000	-	-	0.0%	2,850	5,700	5,700
Capital Improvements	1,873	2,020	8,892	8,892	4,622	-48.0%	4,620	4,727	4,412
Administration	22	244	260	260	254	-2.3%	259	264	270
Reimbursement of Unamortized Improvements	-	-	-	-	1,736	0.0%			
Net Operator Reimbursement / Profit Share	1,476	1,265	1,500	1,441	1,541	6.9%	3,000	1,627	1,672
Sub-Total	3,371	3,529	14,652	10,593	8,153	-23.0%	10,729	12,318	12,053
Net Income for Operations	1,160	3,386	(4,433)	(2,112)	(1,647)	-22.0%	1,294	597	1,151
Cumulative Operations Fund Balance	3,932	7,318	2,885	5,206	3,559		4,853	5,450	6,601
Total Anticipated Capital Expenditures	5,639	2,020	8,892	8,892	4,622		4,620	4,727	4,412

Notes:

Cumulative TI Balance for 2009 Bonds, balance to be maintained and reserved to pay debt service on the 2009 Bonds.
Assumes bonds for renovation will be issued in 2016, first debt service payment in 2017.
Finance Plan will be updated as renovation agreement is finalized.

City of Minneapolis
2016 Budget
Financial Plan

Convention Center Special Revenue Fund

Background

The Convention Center Special Revenue Fund is used to account for the maintenance, operation and marketing of the City-owned Convention Center and related facilities. The Convention Center was created to foster and generate economic growth and vitality by providing facilities and services for conventions, trade shows, exhibits, and meetings, as well as cultural, religious, and sporting events, all of which benefit and showcase the City, the metropolitan region, and the State of Minnesota. The marketing of the Convention Center, as well as the City overall, is supported by providing funding to Meet Minneapolis, an independent, non-profit organization contracted by the City of Minneapolis to market Minneapolis and the Twin Cities as a convention and tourist destination.

Historical Financial Performance

The fiscal year-end 2014 fund balance for the Convention Center Special Revenue Fund was nearly $60.5 million, an increase of $326,000 from 2013. The cash balance in the fund grew by approximately $8.1 million. In addition, the Convention Center Facilities Reserve Fund had a 2014 year-end fund balance of approximately $5.4 million. For 2014, the operating deficit (operating revenue less operating expenses) increased to $8.9 million from $7.6 million in 2013. This increase can be largely attributed to an increase in operating expenses generated from a busy event year at the Convention Center.

Operating revenues are generated directly from Convention Center operating activities. Exhibit space rent is the largest source of revenue for the Convention Center. Also included in operating revenues, is space rental of the Tallmadge Building. Charges for services are earned in support of space rent and consist primarily of utility and labor services and ramp parking. Food and beverage commission sales account for the other miscellaneous operating revenue.

In 2014, total operating revenue was nearly $16.6 million, which was an increase of $344,000 from 2013 and $593,000 over the 2014 budget.

2015 Projections

Operating revenue is currently projected to come in at nearly $17.5 million, which is $859,000 over 2014. With operating expenses projected to be approximately $26.2 million, the operating deficit is projected to be nearly $8.8 million. The ongoing management of operating expenses includes a variety of cost containment activities:

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

Capital investments for equipment, maintenance and improvements are projected to be nearly $10.2 million, which includes a $4.4 million rollover to 2015 for obligated, but unspent 2014 funds.

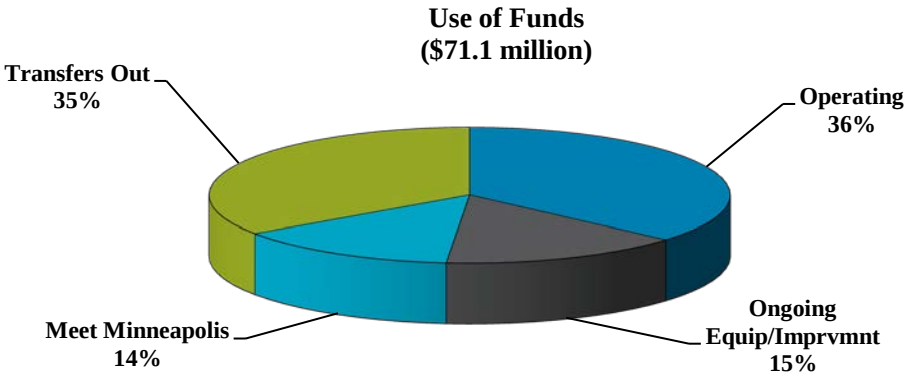
City funding of Meet Minneapolis is projected to be approximately $10.0 million which will be $40,000 under budget and approximately $570,000 above 2014. Meet Minneapolis is projected to finish $40,000 under budget as a result of a new contract which sets their base funding at $9.0 million.

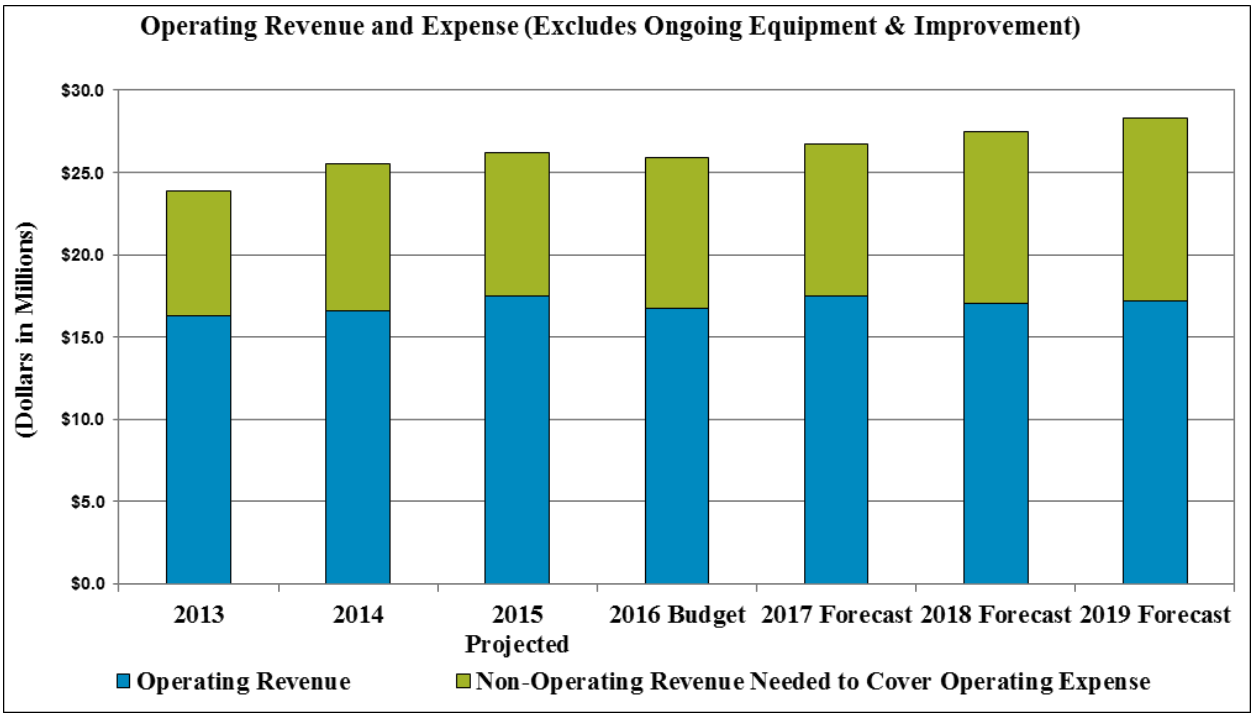
Local Sales Tax Revenue
Beginning in 2014, local tax revenue is being deposited directly to the General Fund, and the General Fund is transferring sufficient funds to the Convention Center to fund Convention Center operating and non-operating expenditures.

2016 Budget

Operating Revenues
The 2016 revenues for the Convention Center have been adjusted to reflect the actual historical receipts and anticipated event activity. Total operating revenue for 2016 is expected to be nearly $16.7 million which is a decrease of approximately $755,000 under the most recent 2015 projection. The Convention Center continues to discount rents heavily to compete nationally. Operational changes made in 2012 continue to show positive results, particularly with increases in sales of services and equipment, while also reducing overall labor costs. Meet Minneapolis sales and marketing initiatives include new digital advertising, as well as a new print advertising campaign for the Convention Center along with continued efforts to bring people downtown with events such as the Creative City Challenge and the Mini_polis display, a scale model of downtown Minneapolis built in collaboration with community participants. Meet Minneapolis has also opened a visitor center in the heart of downtown for people to get information about local happenings, and to pick up Minneapolis gear. Although the economy is rebounding, the convention and meeting industry continues to face challenges in controlling costs as centers discount heavily to remain competitive.

Expenditures
Operating expenses are budgeted at $25.9 million, down $315,000 from the projected $26.2 million in 2015. At this level, the operating deficit is budgeted to be approximately $9.2 million. The budget for Meet Minneapolis is approximately $9.9 million, down $126,000 from projected 2015. Some of this funding will be used to support several initiatives including Sports Minneapolis, an expanded welcome program, the new visitor information center, awareness building, sister city, and the Convention Support Fund. Capital investments for 2016 are budgeted at $10.6 million, per the long-term capital plan previously adopted by the City Council.





Cash/Fund Balance
Beginning in 2015, the Facility Reserve Fund cash and fund balance of $5.4 million is being reported under the Convention Center Fund to reflect the current reporting in the Comprehensive Annual Financial Report (CAFR). The 2016 combined fund balance of the Convention Center Special Revenue Fund and Facility Reserve Fund is projected to be approximately $59.1 million, and the cash balance is projected to be approximately $56.3 million. The Convention Center expects fund balance to decrease approximately $4 million as the result of a planned use of fund balance.

Debt Service
The 2016 budget includes funding for transfers out of the Convention Center Fund for debt service payments of nearly $24.1 million in outstanding building related debt and $520,000 in debt for the dome replacement.

Forecast for 2017-2019

Operating revenues are currently forecast to range between $17 million and $17.5 million based on booked events and event projections.

Operating expenses are forecast to range between $26.7 million and $28.3 million, based on a 3% inflation factor for planning purposes, which could actually finish lower as a result of on-going cost containment efforts.

Meet Minneapolis is forecast to increase 2% per annum over this period based on a contractual increase to their base funding.

Capital investments are forecast to be $9.5 million, $7.8 million, and $11.4 million over this period of time as aligned with the Convention Center's long-term capital plan.

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

The General Fund will be transferring sufficient funds to the Convention Center to meet the Convention Center's operating and non-operating expenditure needs.

Mayor's Recommended Budget
The Mayor's recommended no changes to this fund.

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

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

Minneapolis Convention Center Events Program
Convention centers exist to provide an economic impact on the community.

The Convention Center Events Program provides sales, event coordination, delivery of audio visual, utility, security and guest services to international, national, regional, state and local clients and their attendees. This program also includes the City's contract with Meet Minneapolis, which provides sales services for the Convention Center as well as destination marketing for the City of Minneapolis.

Convention Center events have an economic impact on the City as these clients and attendees purchase goods and services from the Convention Center as well as local businesses, contributing to a vibrant downtown. Meet Minneapolis also pursues leisure travelers and sponsorship opportunities.

Minneapolis Convention Center Facilities Program
The Convention Center Facility Program provides the physical building and grounds of the Convention Center as well as the staff to maintain this City asset. The Events Program utilizes the facility to sell and host events. The Facilities Program includes repair and maintenance expenditures.

Minneapolis Convention Center Tallmadge Program
The Convention Center Tallmadge Building is currently operated as an office building that is leased to local businesses. The future of the Tallmadge Building will be evaluated and decided upon.

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

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Convention Center Special Revenue Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Operating Revenues:									
Charges for Services	5,788	6,048	6,200	6,200	6,000	-3.2%	6,350	6,100	6,200
Rents and Commissions	7,238	6,819	7,597	7,602	7,197	-5.3%	7,650	7,500	7,500
Other Miscellaneous Operating	3,223	3,726	3,650	3,650	3,500	-4.1%	3,500	3,400	3,500
Sub-Total	16,249	16,593	17,447	17,452	16,697	-4.3%	17,500	17,000	17,200
Non-Operating Revenues:									
Sales Tax	32,598	-	-	-	-	0.0%	-	-	-
Restaurant Tax	11,874	-	-	-	-	0.0%	-	-	-
Liquor Tax	5,087	-	-	-	-	0.0%	-	-	-
Lodging Tax	6,749	-	-	-	-	0.0%	-	-	-
Interest	(64)	345	396	224	184	-17.9%	187	191	195
Other Misc Non Operating	457	496	164	213	114	-46.5%	63	13	-
Sub-Total	56,701	841	560	437	298	-31.8%	250	204	195
Total	72,952	17,434	18,007	17,889	16,995	-5.0%	17,750	17,204	17,395
Use of Funds:									
Convention Center Operations	23,856	25,506	26,503	26,239	25,924	-1.2%	26,702	27,503	28,328
Ongoing Equipment/Improvement	5,720	10,054	13,894	10,150	10,628	4.7%	9,453	7,833	11,436
Meet Minneapolis	8,767	9,461	10,071	10,031	9,905	-1.3%	10,103	10,305	10,511
Capital Improvements - Domes	376	-	-	-	-	0.0%	-	-	-
Transfer to Gen Fund	5,250	-	-			0.0%	-	-	-
Transfer to Debt Service	16,766	16,906	23,462	23,462	24,092	38.8%	24,159	24,811	26,863
Transfer to Debt Service - Domes	586	1,774	1,040	1,040	520	-41.4%	510	-	-
Transfer to Parking Fund for Debt Service	3,729	-	-			0.0%	-	-	-
Transfer to Parking Fund - Operating Subsidy	1,000	-	-			0.0%	-	-	-
Total Transfers Out	27,331	18,680	24,502	24,502	24,612	0.4%	24,669	24,811	26,863
Total	66,050	63,701	74,970	70,922	71,069	0.2%	70,927	70,452	77,138
Transfer from General Fund	-	46,593	50,340	50,340	50,050	-0.6%	50,500	50,500	50,500
Net Income	6,902	326	(6,623)	(2,693)	(4,024)	49.4%	(2,677)	(2,748)	(9,243)
Fund Balance/Retained Earnings:									
Beginning Balance	53,225	60,128	60,454	60,454	63,161	4.5%	59,137	56,460	53,712
Ending Balance	60,128	60,454	59,231	63,161	59,137	-6.4%	56,460	53,712	44,469
Ending Cash Balance	49,516	57,618	56,395	60,325	56,301	-6.7%	53,624	50,876	41,633
Convention Center Facility Reserve Fund Balance	5,400	5,400	-	-	-	0.0%	-	-	-

Notes:

In 2004, Meet Minneapolis entered into a $2.5 million loan agreement with the City for its joint venture Internet Destination Sales System (iDSS). In 2005, Meet Minneapolis requested that the Council advance an additional $2.5 million for the project. In August 2005, the loans were rolled together and a promissory note was issued for $5 million. In April of 2006, the City entered into a 3rd loan agreement for $5 million for additonal iDSS start up capital. The three loans were consolidated for a total of $10 million. The $10 million consolidated loan will have a 10 year amortization of principle (2008-2017) repaid in full in 2017 at a 5% interest rate. The note repayment for the loan is pledged against assets, future appropriation from the City funding, and profit from the iDSS. In November 2014, Meet Minneapolis sold the iDSS, but the loan payments will continue to be made to the City.

In 2011, IT began transferring $1.5 million annually to the MCC with a final payment of $1.75 million in 2016 to repay its loan from the MCC.
The loan is being accounted for on the balance sheet.

City of Minneapolis
2016 Budget
Financial Plan

Neighborhood and Community Relations Special Revenue Fund

Background

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

Historical Financial Performance

This fund was established in 2011. Growth in the fund was impacted by the two year hiatus on tax increment collection. The City decided to reduce property tax levies in 2012-2013 by using reprogrammed NRP resources ($10 million) to fund neighborhood revitalization services for these two years. Projected revenue in 2015 is about 9% more than the budgeted revenue due to a growth in property values within the TIF district. General Fund contribution to NCR has become minimal in 2015, as this special revenue fund now provides the resources for NCR operations.

2016 Budget

Revenues
Revenues for the Neighborhood and Community Relations Special Revenue Fund are budgeted in 2016 at $6.1 million based on the consolidated tax increment plan allocation for the district. 2015 revenue budget is $6.2 million and 2014 revenue realized was $5.5 million.

Expenditures
Expenditures for the Neighborhood and Community Relations special revenue fund include access and outreach support, coordinated engagement services and neighborhood engagement and support programs. The total expenditures budgeted for 2016 is $6.1 million and it is comparable to the 2015 expenditure budget of $6.2 million.

Mayor's Recommended Budget
The Mayor's recommended no changes to this fund.

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

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

NCR Special Revenue Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds									
Operating Revenues:									
Charge for services	19	6	-	-	-	0.0%	-	-	-
Non-Operating Revenues:						0.0%			
Transfer from TI funds	1,200	5,520	6,225	6,225	6,127	-1.6%	6,200	6,250	6,300
Total Source of Funds	1,219	5,526	6,225	6,225	6,127	0.0%	6,200	6,250	6,300
Use of Funds									
Community Services			-						
Personal Services	539	502	811	811	1,185	46.1%	1,200	1,300	1,400
Fringes	181	156	360	360	460	27.8%	468	507	546
Contractual Services	730	2,381	4,910	4,185	4,348	3.9%	4,297	4,208	4,119
Materials / Other	67	99	144	144	134	-6.9%	135	135	135
Total Use of Funds	1,517	3,138	6,225	5,500	6,127	11.4%	6,100	6,150	6,200
Net Income for Operations	(298)	2,388	-	725	-	-100.0%	100	100	100
Beginning Fund Balance	948	649	3,037	3,037	3,037	0.0%	3,037	3,137	3,237
Ending Fund Balance	649	3,037	3,037	3,762	3,037	-19.3%	3,137	3,237	3,337
Ending Cash Balance	681	3,064	3,067	3,792	3,067	-19.1%	3,167	3,287	3,367

Notes:

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

City of Minneapolis
2016 Budget
Financial Plan

Police Special Revenue Fund

Background

The Police Special Revenue Fund accounts for the City's revenues and expenses related to federal and state administrative forfeitures, lawful gambling, automated pawn system, and the Workforce Director scheduling and payroll system. The automated pawn and Workforce Director systems are proprietary software systems that are owned and managed by the City of Minneapolis and recover expenses from use agreements with other governmental entities.

Historical Financial Performance

The accumulated fund balance for year ending 2014 was $1.1 million. This was an increase from the 2013 fund balance of $1.0 million. Prior to 2013 the fund balance had been decreasing primarily due to expenses exceeding revenues related to the automated pawn and Workforce Director systems. The rates related to the automated pawn system have since been increased to cover costs. This has helped to stabilize the cash balance at $1.1 million.

2016 Budget

Revenues
The total revenue budgeted for 2016 is $2.2 million, which is slightly higher than the $2.1 million in total revenue budgeted for 2015. Revenues for the Police Special Revenue Fund have increased from $2.0 million in 2013 to $2.3 million in 2014.

Expenditures
The total expenditures budgeted for 2016 is $2.2 million, which is slightly higher than the total budgeted for 2015 at $2.1 million. Expenditures for the Police Special Revenue Fund increased from $1.8 million in 2013 to $2.2 million in 2014. Consistent with citywide budget assumptions, future personnel expenses are projected to increase by 2.5% annually; this expense will be covered by corresponding rate increases in the services charged to other jurisdictions.

Mayor's Recommended Budget
The Mayor recommended no changes to this fund.

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

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Police Special Revenue Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Services and Sales	1,479	1,660	1,555	1,555	1,565	0.6%	1,591	1,618	1,646
Fines and Forfeits	362	464	400	400	400	0.0%	400	400	400
Taxes	157	131	177	177	182	2.7%	182	182	182
Total Source of Funds	1,997	2,255	2,132	2,132	2,147	0.7%	2,173	2,200	2,228
Use of Funds:									
Personal Services	741	782	726	726	829	14.1%	849	870	892
Fringes	201	213	194	194	223	14.7%	229	234	240
Contractual Services	740	815	880	880	716	-18.7%	716	716	716
Materials / Other	155	352	332	332	380	0.0%	380	380	380
Total Use of Funds	1,836	2,161	2,132	2,132	2,147	0.7%	2,173	2,200	2,228
Net Change in Fund Balance[1]	161	94	-	-	-		-	-	-
Fund Balance [1]	1,002	1,096	1,096	1,096	1,096		1,096	1,096	1,096
Cash Balance	1,074	978	978	978	978		978	978	978
Target Cash Reserve[2]	275	324	320	320	265		269	273	277
Variance Cash to Target Reserve	799	654	658	658	713		709	705	701

Notes:

* Assumed 2.5% wage and fringe expense increases for 2017 to 2019 and revenue balanced by increases in Sales.

[1] The Net Change in Fund Balance and fund balance for 2013 and 2014 are the amounts recorded in the CAFR.

[2] The target cash reserve is in accordance with the financial reserve policy of 15% of the operating budget.

City of Minneapolis
2016 Budget
Financial Plan

Regulatory Services Special Revenue Fund

Background

The Regulatory Services Special Revenue Fund accounts for the City's nuisance building abatement efforts and is primarily managed by the Regulatory Services Department with the assistance of the Finance & Property Services Department. The Fund is used not only for the abatement of buildings that have been deemed to be in nuisance condition pursuant to Chapter 249 but also for removal of nuisance conditions. Property owners are charged to recover the costs of these activities and all recovered costs are credited back to this fund. In 2013, the Construction Code Services department of Regulatory Services was transferred to the Community Planning and Economic Development (CPED) Department. A portion of the activities in the Regulatory Services Special Revenue Fund are now managed by CPED.

Historical Financial Performance

The City established this fund in 2008, and through 2013, it accumulated a fund balance of $5.5 million. This balance is the result of various initiatives in previous years and the availability of grant funds to pay for certain eligible expenses. Neither of these revenue sources is projected to continue, leaving special assessments and direct property owner charges as the only sources of revenue for this fund. These resources will face challenges in 2016 and beyond, including lower than expected assessment collections and reductions in grant allocations.

2016 Budget

Revenues
Revenues for the Regulatory Services Special Revenue Fund have been declining since 2011. The total revenue budgeted for 2016 is $3.1 million; $3.0 million of this is from special assessments. In 2016 Regulatory Services' share of these revenues is $2.8 million and CPED's share is $300,000. Revenue in future years is projected to decline by 10% annually.

Expenditures
Expenditures for the Regulatory Services Special Revenue Fund include services such as demolitions, board-ups, nuisance grass cutting, nuisance tree removals, and nuisance rubbish removal. In order to continue to spend down fund balance, total budgeted expenditures for 2016 are $5.1 million or $2.0 million in excess of revenue. Regulatory Services' appropriation is $4.9 million, and CPED's appropriation is $217,648.

Mayor's Recommended Budget
The Mayor recommended no changes to this fund.

Council Adopted Budget
The City Council adopted the Mayor's recommendation.

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Regulatory Services Special Revenue Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Services and Sales	102	105	97	238	96	-59.7%	175	175	175
Licenses and Permits	198	197	-	-	-	0.0%	-	-	-
Fines and Forfeits	29	33	5	8	3	-62.5%	3	3	3
Special Assessments	3,571	3,044	3,719	3,187	2,984	-6.4%	2,821	2,671	2,529
Other Misc. Revenue	7	35	-	6	-	0.0%	-	-	-
Total Source of Funds	3,907	3,414	3,821	3,439	3,083	-10.4%	2,999	2,849	2,707
Use of Funds:									
Personal Services	1,781	1,795	2,435	2,470	2,394	-3.1%	2,200	2,100	1,800
Fringes	623	645	713	905	792	-12.5%	750	675	575
Contractual Services	937	1,126	1,536	1,052	1,463	39.1%	800	675	650
Materials/Other	173	32	103	76	29	-61.8%	28	25	25
Capital	128	249	547	475	425	-10.5%	-	-	-
Total Use of Funds	3,642	3,847	5,334	4,978	5,103	2.5%	3,778	3,475	3,050
Net Change in Fund Balance	265	(433)	(1,513)	(1,539)	(2,020)	-27.0%	(779)	(626)	(343)
Fund Balance:									
Beginning Balance	5,207	5,471	5,038	5,038	3,499		1,479	700	74
Ending Balance	5,471	5,038	3,525	3,499	1,479		700	74	(269)
Ending Cash Balance	5,495	5,135	3,622	3,596	1,576		797	171	(172)

City of Minneapolis
2016 Budget
Financial Plan

Municipal Parking Fund

Background

The Municipal Parking Fund accounts for the operation and maintenance of parking ramps, lots, on-street parking, and a municipal impound lot. Major parking capital construction and related activities also occur in this fund.

Historical Financial Performance

The financial condition of the Parking Fund has historically been stable, but it continues to experience financial challenges due to remaining debt levels and funding needs by other City functions. The fund generates positive retained earnings and is capable of satisfying its debt service while restoring its productive assets. The fund still has transfers or dividend payments leading to cash balances being lower than financial policy goals. Parking Fund revenues and expenses are generated from these three lines of activities:

- Off-street parking
- On-street parking
- Impound Lot operations

For historical trends, the 2013 and 2014 operating revenues and expenses are presented in the 2016 Parking Fund budget chart (see following pages).The parking system creates a positive cash flow from parking operations.

Nearly all of the capital costs of the ramps have been financed by debt. Future capital costs are anticipated to be paid for from the cash balance rather than additional debt.

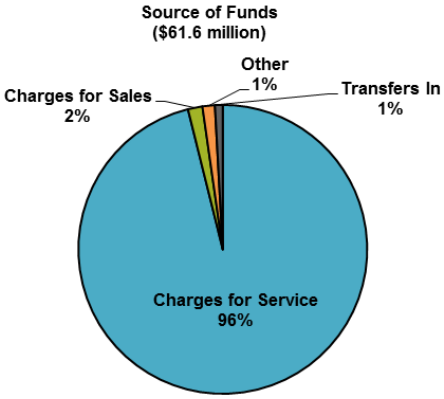
The fund also receives tax increment transfers to pay part of major development projects in the downtown area. For 2016 and beyond there will be $0.5 million collected.

The Parking Fund cash balance at year-end 2014 was $10.5 million. Based on current, proposed, and projected budgets, the Parking Fund cash balance will remain positive and continue to increase from current levels.

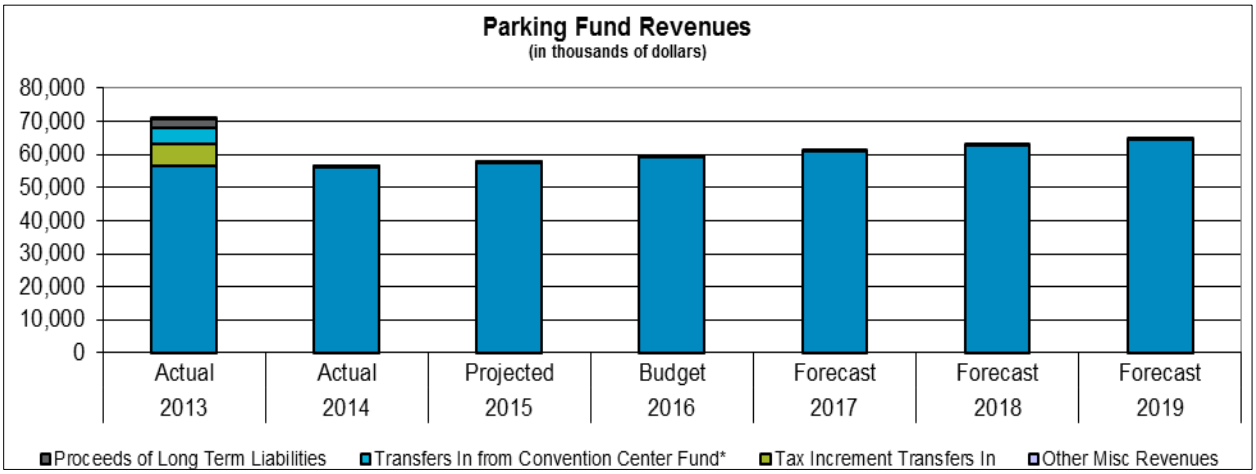
2016 Budget

Revenues

The parking system operating revenue budget for 2016 increased by 2.7% to $61.1 million from $60.0 million projected revenue for 2015. The 2016 revenue budget incorporates an increase in on-street revenues due to implementation of new smart-meters and associated operational changes, a decrease in impounding revenues due to a decline in day-to-day tows, a decrease in auction revenues due to a decline in scrap metal prices, and a slight increase in off-street revenues.

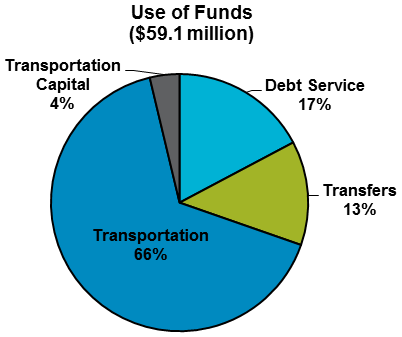


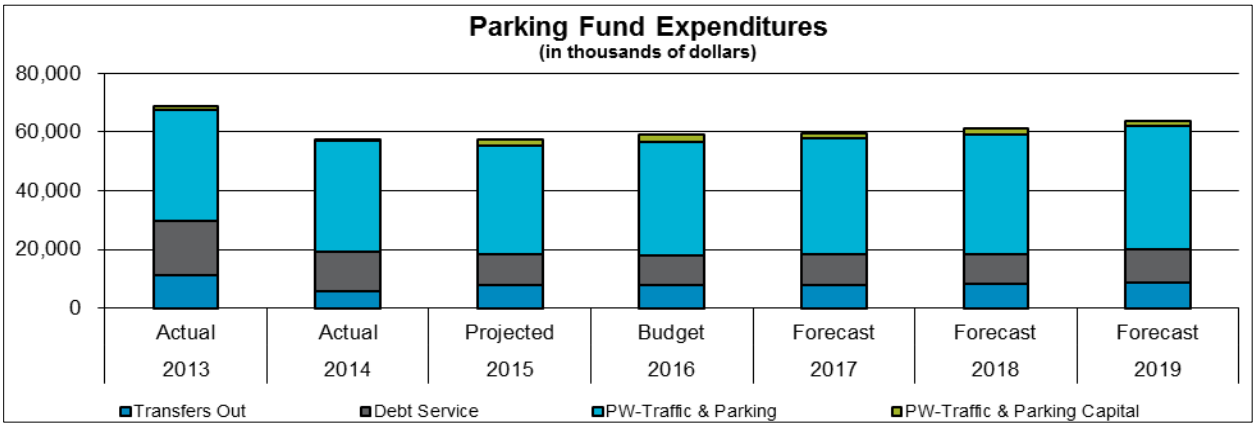
Off-Street System Revenue Assumptions (2016)	
Utilization Percentage in 2014	83%
Number of Parking Stalls in the system	20,238
Forecasted Revenue increase	2015 1.0% 2016 1.5% 2017 1.5%
Assumed rate increases (if any)	1.0%
System-wide average event rate	$10.00
System-wide average daily rate	$9.00
System wide average monthly rate	$150.00
Number of new stalls in the system	2015 (175) 2016 0 2017 0



Expenditures

The parking system operating budget for 2016 stands at $38.9 million which is a 3.3% increase from 2015 projected expenditures. The decrease for 2016 is due to alignment with historical actuals. The capital budget for 2016 is set at $2.2 million which is an increase due to planned repair and improvement work in the City-owned parking facilities.





Debt Service
Total debt service, which includes principal and interest on bonds issued for construction of municipal parking ramps, is $10.2 million for 2016. Opportunities to reduce debt continue to be examined.

Transfers
In 2016 the General Fund transfer decreases by $0.2 million and the Target Center Arena Fund transfer increases by $0.2 million from 2015. An annual transfer of $146,000 to the Solid Waste and Recycling fund supports service for bus shelter litter containers.

Net Position
The Parking Fund expects net position to increase in 2016.

Mayor's Recommended Budget
The Mayor recommended no changes to this fund.

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

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Municipal Parking Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Licenses and Permits	331	349	275	413	316	-23.5%	326	336	346
Charges for Service, Sales/Permits	56,348	55,982	58,607	57,925	59,250	2.3%	60,896	62,594	64,341
Charges for Sales	1,290	1,462	1,000	1,060	1,000	-5.7%	1,000	1,000	1,000
Special Assessments	25	13	543	131	543	314.5%	543	543	543
Federal Grant	177	37	-	-	-	0.0%	-	-	-
Rents (Transportation)	2	2	-	-	-	0.0%	-	-	-
Other Misc Revenues	12	20	-	-	-	0.0%	-	-	-
Total Operating Revenue	58,185	57,865	60,425	59,529	61,109	2.7%	62,765	64,473	66,230
Transfer IN									
Tax Increment Transfers In	6,893	373	424	424	536	26.4%	536	536	536
Transfers In from Convention Center Fund*	4,729	-	-	-	-	0.0%	-	-	-
Total Transfers In	11,622	373	424	424	536	26.4%	536	536	536
Proceeds of Long Term Liabilities	2,655	-	-	-	-	0.0%	-	-	-
Total Source of Funds	72,462	58,238	60,849	59,953	61,645	2.8%	63,301	65,009	66,766
Use of Funds:									
Debt Service	18,631	13,479	10,628	10,628	10,172	-4.3%	10,335	10,267	11,716
Transfer Out									
General Fund Transfer Out	7,918	2,323	4,148	4,148	3,919	-5.5%	3,959	4,078	4,200
Target Arena Transfer Out	3,129	3,323	3,523	3,523	3,728	5.8%	3,728	3,940	4,158
Debt Service Transfer Out	41	-	-	-	-	0.0%	-	-	-
Sanitation Transfer Out	146	146	146	146	146	0.0%	146	146	146
Total Transfers Out	11,234	5,792	7,817	7,817	7,793	-0.3%	7,833	8,164	8,504
PW-Traffic & Parking	37,745	37,588	37,883	37,645	38,888	3.3%	39,885	40,909	41,962
PW-Traffic & Parking Capital	1,124	415	1,700	1,700	2,200	29.4%	1,700	1,700	1,700
Total Use of Funds	68,734	57,274	58,028	57,790	59,053	2.2%	59,753	61,040	63,882
Change in Net Position	9,871	5,636	3,411	1,053	2,592		3,362	3,973	4,579
Net Position	172,628	178,263	181,674	179,316	181,908		185,270	189,243	193,822
Cash Balances	13,304	10,498	15,019	12,661	15,834		19,382	23,351	26,235

* Beginning in 2014, local sales taxes previously credited to the Convention Center and transferred to the General Fund and Parking Fund are credited to the General Fund.

City of Minneapolis
2016 Budget
Financial Plan

Sanitary Sewer Fund

Background

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

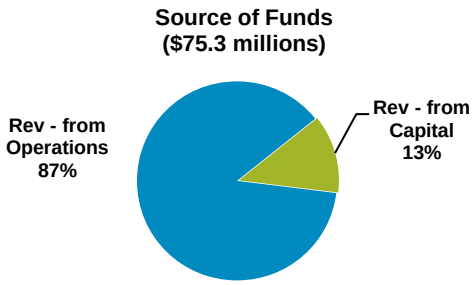
Historical Financial Performance

Total 2014 revenues were $62.3 million compared to $68.2 million in 2013, a decrease of $5.9 million, or 9%, over 2013. Monthly service revenues and Sewer Availability Charges (SAC) revenues account for $1.6 million of this decrease which is off-set slightly by an increase of $400,000 in design revenues from capital programs. Additional decrease of $4.7 million is due to reduction in bond proceeds that were used to fund capital projects in prior years. Sanitary service revenue totaled $50.5 million, compared to the 2013 total of $51.4 million. This decrease of $1 million is due to decrease in volume (usage). Usage charges are based upon the amount of water used by the account holder. Any increase or decrease in SAC revenues corresponds to a similar increase or decrease in SAC expenditures as SAC charges are passed through to property owners and developers as a direct charge.

The expenditures for 2014 totaled $66.5 million compared to $62.5 million over 2013. This is an increase of $4.0 million, or 6%, of which $2.2 million is due to increase in design and maintenance work. Debt services contributed an additional $1.2 million increase along with capital programs contributing $1.6 million in 2014 expenses; however, these were slightly off-set by a decrease in transfers of $100,000 and $1.1 million in Met Council payments. Maintenance and design expenditures reflect payments made to vendors and other City departments for fleet services, supplies, repairs, and contractual services.

2016 Budget

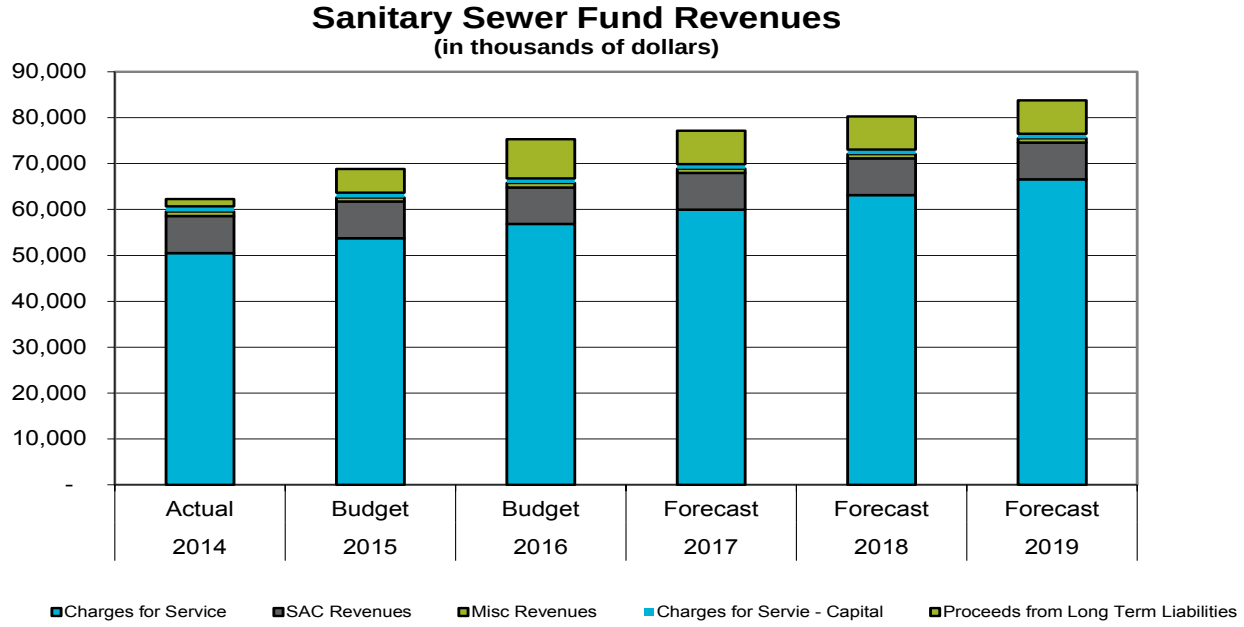
Revenues



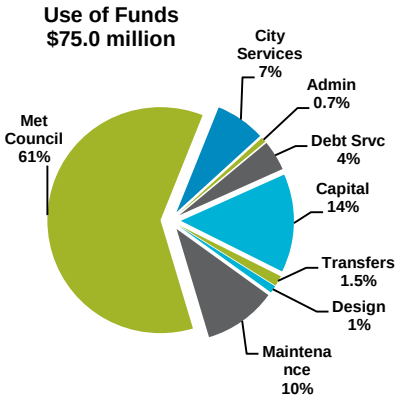
The total revenue budget for the Sanitary Sewer Fund for 2016 amounts to $75.3 million compared to the 2015 projected revenues of $71.4 million, an increase of $3.9 million, or 5%. Monthly utility billings, Sewer Access Charge (SAC) permits, design and miscellaneous activities, along with proceeds from capital programs are the revenue sources for the Sanitary Sewer Fund. Revenues from operations account for 87% of the budget with the remaining 13% coming from bond proceeds and re-imbursements from capital programs. Sanitary sewer rates are comprised of

variable and fixed rates. For 2016, the variable sewer rate is proposed at $3.39 per one hundred cubic feet (one *unit*, or 748 gallons) compared to $3.21 for 2015, while the fixed rate is set at $4.30 compared to $3.80. Revenue estimates were increased to fund sanitary treatment programs, upgrade Hiawatha facility, televise and rehab the sanitary system, develop Nicollet Mall, and pay for debt services and shared meter costs.

Year	Rate (cost per 100 per cubic feet)	% Increase	Average Monthly Bill	Utility Revenue from variable rates
2016	$3.39	5.61%	$20.34	$49.9 million
2017	$3.55	4.72%	$21.30	$52.2 million
2018	$3.71	4.51%	$22.26	$54.6 million
2019	$3.89	4.85%	$23.34	$57.2 million
2020	$4.07	4.63%	$24.42	$59.9 million



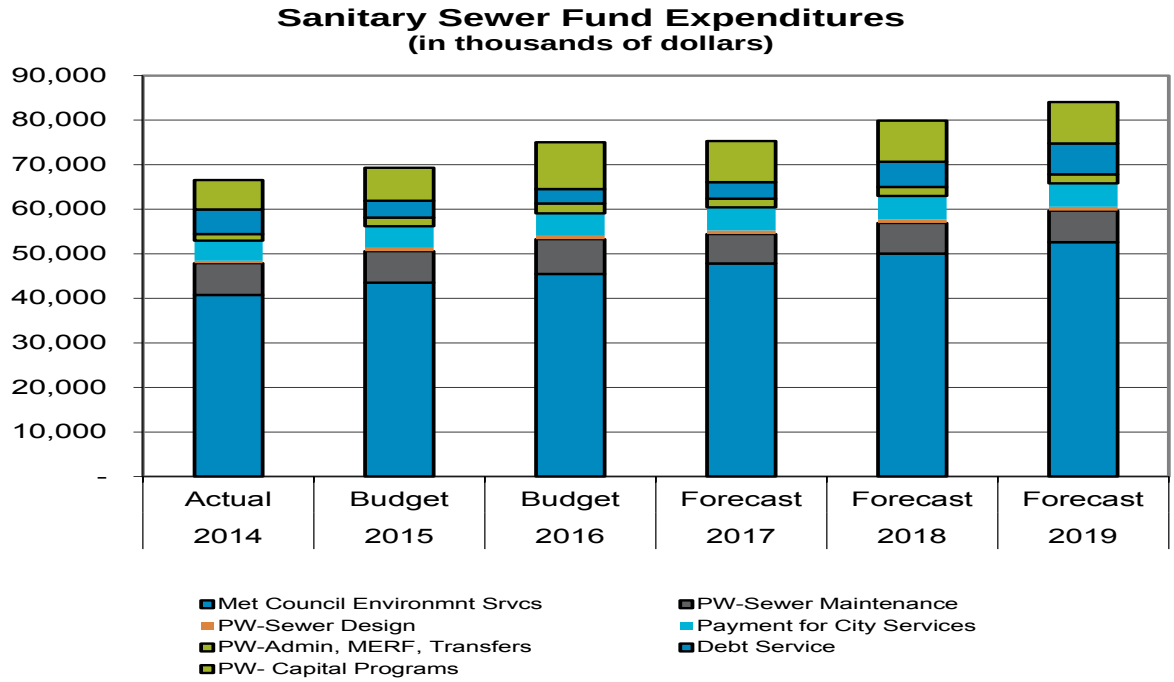
Expenditures



The total expense budget for 2016 amounts to $75.0 million compared to $72.1 million projected for 2015. This is an increase of $2.9 million, or 4%, over 2015 projections. Admin, maintenance and design activities, interdepartmental City services, waste treatment charges, transfers, capital programs, and long-term debt are included in these expenses. An increase of $2.8 million in Met Council expenditures is due to an increase in MCES rates over 2015. Met Council sets the rate for treatment services, referred to as Municipal Water Charges (MWC), which is allocated regionally to all users of the system based upon their proportionate use. Upgrades to the Hiawatha facility, purchase of the Maximo license, and supplemental cleaning work increased the maintenance budget by $500,000. An additional increase of $400,000 is the result of increases in personnel, overheads, rent, and MERF retirement expenses in Admin and City service departments. However, the decrease of $(800,000) in debt service and capital programs provides for an off-set against overall increase in the 2016 expense budget.

Capital programs for 2016 include inflow/infiltration and sewer tunnel rehab programs. An additional component of capital program includes repair work on existing infrastructures. Capital expenses for 2016 total $10.6 million which is $300,000 less than the projected total of $10.9 million for 2015. The largest expense in the Sanitary Sewer Fund is the service charge paid to Metropolitan Council Environmental Services (MCES) for the treatment of waste water. The estimated payment to MCES for 2016 is $39.3 million, a 5% increase over 2015. The Sanitary Sewer Fund bears 95%, or $37.3 million, of this cost with the remaining $2.0 million paid from the Storm Water Fund. Minneapolis is the largest customer in the MCES system. (Please note this payment is only a portion of the Met Council Environmental Services line as shown on the plan; the SAC payments are included in the plan total).

Debt Service & Transfers
For 2016, $2.1 million is set aside as debt service payments for bonds that were sold in prior years to fund capital programs. An additional $1.1 million is estimated to be incurred as debt service arising from the current year's capital programs. A transfer from this fund is made to the Water fund to cover shared meter expenses. For 2016, the transfer is estimated at $1.3 million.



Fund Balance
The Sanitary Sewer Fund plans to use $1.8 million from its cash reserve to fund future and deferred capital programs and debt service payments.

Mayor Recommended Budget
The Department has proposed an increase in the 2016 utility rates with a variable rate increase from $3.21 to $3.39 per unit and a fixed rate increase from $3.80 to $4.30 to pay for expenses as described above under the *Expenditures* subheading.

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

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Sanitary Sewer Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Service	51,420	50,513	53,754	52,428	56,822	8.4%	59,978	63,133	66,583
SAC Revenues	8,769	8,050	8,000	7,201	8,000	11.1%	8,000	8,000	8,000
Other Misc Revenues	563	1,012	879	1,150	928	-19.3%	915	915	915
Charges for Service - Capital	1,100	1,139	1,000	1,000	1,000	0.0%	1,000	1,000	1,000
Proceeds from Long Term Liabilities	6,300	1,578	5,200	9,650	8,550	0.0%	7,250	7,250	7,250
Total Source of Funds	68,151	62,291	68,833	71,430	75,300	5.4%	77,143	80,298	83,748
Use of Funds:									
PW-Sewer Design	292	588	709	1,003	791	-21.1%	811	833	854
PW-Sewer Maintenance	5,301	7,142	7,094	7,346	7,798	6.2%	6,608	6,896	7,056
MERF Debt Service -New Plan	292	292	292	292	310	6.2%	210	210	210
Met Council Environment Srvcs	41,769	40,713	43,515	42,620	45,445	6.6%	47,833	50,015	52,611
Payment for City Services	4,317	4,500	4,882	4,743	5,042	6.3%	5,126	5,212	5,299
PW - Sewer Admin	-	-	342	158	544	244.3%	456	468	480
Debt Service	4,320	5,564	3,761	3,761	2,136	-43.2%	876	1,560	1,530
Future Debt Service	-	-	-	-	1,103	100.0%	2,808	4,102	5,396
Transfers									
To MERF/Gen Debt Service	109	-	-	-	-	0.0%	-	-	-
To Water Fund	1,149	1,157	1,285	1,285	1,328	3.3%	1,328	1,328	1,328
PW- Capital Programs	4,937	6,551	7,425	10,875	10,550	-3.0%	9,250	9,250	9,250
Total Use of Funds	62,485	66,507	69,305	72,083	75,047	4.1%	75,306	79,873	84,015
Deferred Capital Projects-Rev Funded	-	-	2,000	2,831	2,100	100.0%	-	-	-
Change in Net Position	5,666	(4,215)	(2,471)	(3,486)	(1,846)		1,837	425	(268)
Net Position Balance	114,438	118,582	116,111	115,096	113,250		115,087	115,512	115,243
Cash Balances									
Operating Cash	23,640	18,719	16,649	15,634	13,787		15,624	16,048	15,780
Construction Cash	1,679	401	-	-	-		-	-	-
Total Cash Balance	25,319	19,120	16,649	15,634	13,787		15,624	16,048	15,780

City of Minneapolis
2016 Budget
Financial Plan

Solid Waste and Recycling Fund

Background

The Solid Waste and Recycling Fund provides services related to collection, disposal, and recycling of household waste, yard waste, and problem materials. Graffiti removal and the organics program are additional activities. The Solid Waste Division provides weekly and bi-weekly services for trash, yard-waste, and recycling materials pickups. It also operates a solid waste transfer station providing service to over 106,000 households. City crews provide approximately one-half of the solid waste collection service in the City with the other half provided through a contract with a consortium of companies specializing in waste collection.

Funding for Solid Waste and Recycling activities is primarily generated from solid waste collection fees. The Fund also receives grants from Hennepin County. Additional revenue is generated through recyclable sales, miscellaneous services, graffiti, and organic programs.

Historical Financial Performance

The overall financial condition of the Solid Waste and Recycling Fund has remained stable over the years despite implementing one sort program at a cost of $5.3 million and an organic program set for 2015 which is projected to cost an additional $3.6 million. Total revenues for year 2014 were at $32.9 million compared to $31.9 million in 2013. The increase in revenues of $800,000 from monthly solid waste collection fees and miscellaneous services was off-set by a decrease in revenues of $500,000 in scrap metal sales. However, graffiti revenues, amounting to $700,000, transferred in from the General Fund, put the year's increase to $1.0 million. The monthly utility revenues increased due to increase in base rates from $17.00 per dwelling units, in 2013 to $17.60 for 2014.

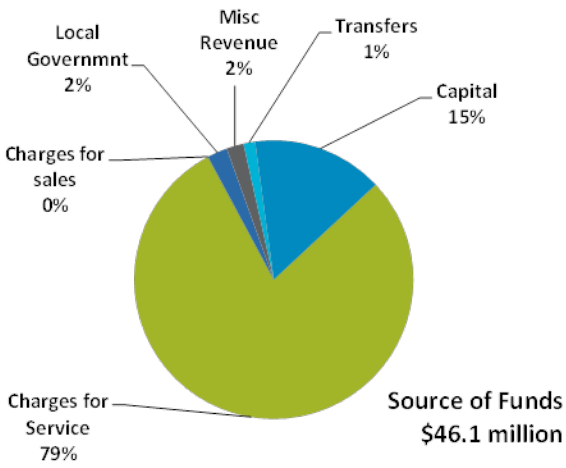
Total expenditures for 2014 came to $31.7 million compared to $35.9 million for 2013, decrease of $4.2 million, or 12%. Approximately $5.3 million of this decrease is related to implementation and purchases of equipment for one-sort recycling program completed in 2013. The additional decrease of $700,000 is due to the removal of transfer to General Fund for alley plowing. These decreases were off-set by an increase of $1.8 million related to equipment and vehicle purchases, City services, and various operating costs. The 2014 year-end cash balance for this fund was $19.7 million compared to $17.8 million in 2013.

For 2015, utility revenues from collection services are projected to reach $35.2 million, and the total revenues for the fund are projected at $38.2 million. Expenses for the Solid Waste and Recycling Fund are projected to be $35.8 million. This amounts to a projected surplus of $2.4 million.

2016 Budget

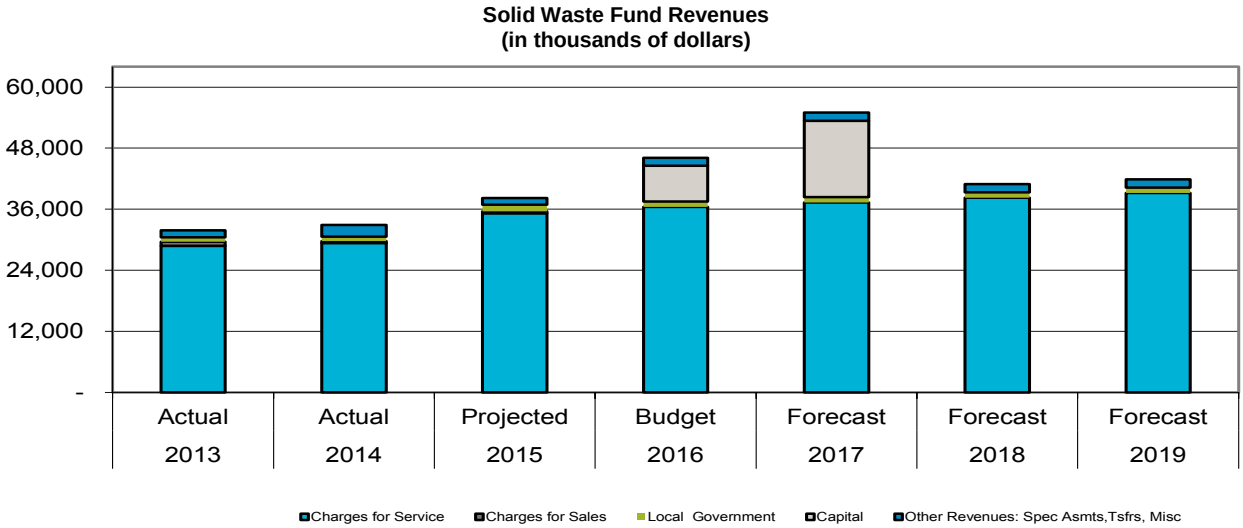
Revenues
The total revenue budget for the Fund for 2016 amounts to $46.1 million compared to $38.2 million projected for 2015. This is an increase of $7.9 million over the 2015 projection. Service

revenue has been estimated at $36.5 million which is $1.2 million more than the projection for 2015. Bond proceeds are estimated at $7.0 million to fund capital program scheduled for the year.



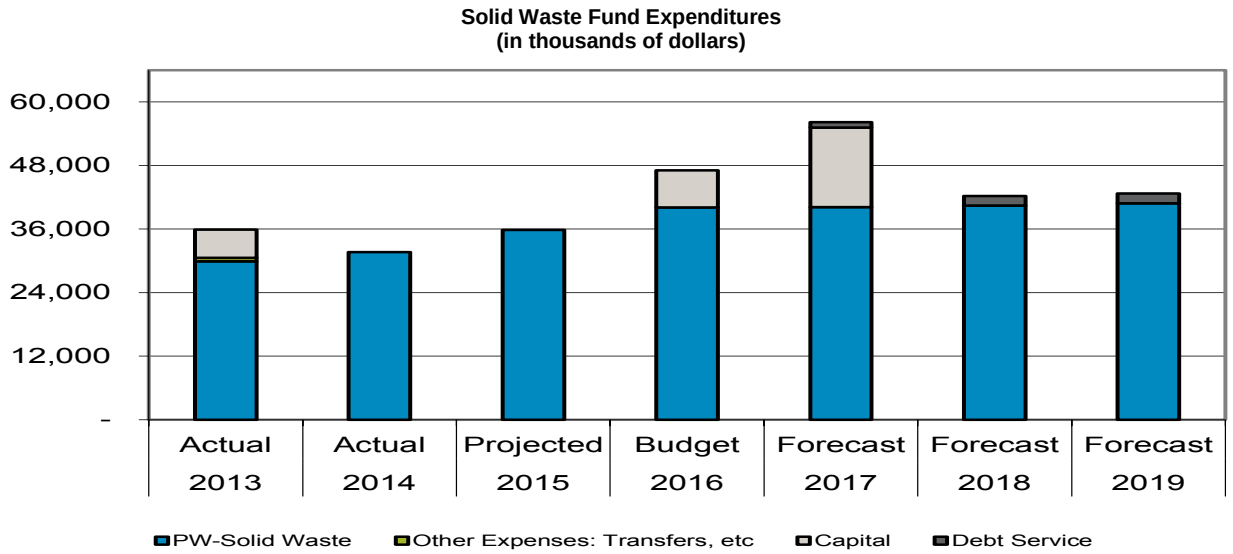
Revenue Assumptions (2016)	
Number of dwelling units	106,300

For 2016, the utility rate for solid waste and recycling has been proposed at $22.89 per dwelling unit per month as a base fee. Monthly charges for large and small disposal carts are the same as 2015 which were set at $5 and $2, respectively. Funds from local governments include a Hennepin County recycling grant of $1.1 million. Revenues generated from debris removals, special district maintenance, and various miscellaneous sources are estimated at $500,000. An additional $400,000 is expected to be generated from other City departments for graffiti related work done on streets, bridges and other City properties.



Expenditures

The total expenditure budget for 2016 amounts to $47.1 million compared to $35.8 million projected for 2015, an increase of $11.3 million, or 31.5%. The operating budget at $40.1 million accounts for 85% of the total budget. The remaining 15% is for facility construction for which $7.0 million is proposed under capital improvements. The increase of $4.3 million in the operating budget, compared to the 2015 projection reflects the following changes: (i) continued implementation of a planned City-wide Organics program with 18 full time employees with estimated increase in salaries and fringes by $1.2 million; (ii) step-up and outreach programs along with zero-waste and other recycling studies which are expected to result in additional cost increases of $200,000 in time, labor, and contractual services; (iii) the replacement of trucks and vehicles costing $700,000; (iv) increased costs from SWIS software system upgrade amounting to $1.0 million; and (v) increase in garbage, TV, mattress, and organics collection and hauling contracts by $1.2 million.



Transfers
The Solid Waste and Recycling Fund will continue to receive $146,000 from the Parking Fund for litter container pick-ups in the downtown area. The Fund has been receiving an annual transfer from the General Fund for graffiti removal and micro grants. For 2016, General Fund transfers include $423,000 for graffiti and $50,000 for a zero-waste study program. These transfers are expected to continue into the future with variations in programs and amounts.

Debt Service
This fund does not have any capital debt service payments in 2015. However, with a capital program funded through bond sales set for 2016, the Fund anticipates $1.0 million in payments, which would include principal and interest starting in 2017. These payments will continue on a yearly basis based on the debt service schedule.

Fund Balance
In 2016 the Solid Waste and Recycling Fund plans to use some of their excess cash reserve to fund capital improvements in the amount of $1.03 million.

Mayor's Recommended Budget
The Department has proposed to increase the base fee for collection and hauling to $22.89 per dwelling unit, an increase of $1.30 over the 2015 utility rate in order to fund increase in salaries, fringes, contractual and operating services.

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

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Solid Waste Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Sources of Funds:									
Local Government	890	872	880	1,315	1,080	-17.9%	1,080	1,080	1,080
Charges for Service	28,802	29,380	34,617	35,223	36,452	3.5%	37,328	38,231	39,160
Charges for Sales	794	338	300	342	-	-100.0%	-	-	-
Special Assessments	142	106	-	-	-	0.0%	-	-	-
Other Misc Revenues, Rents	940	1,231	920	860	920	7.0%	920	920	920
Long Term Proceeds - Capital	-	-	3,000	-	7,000	100.0%	15,000	-	-
Operating Transfers In:									
From Parking Fund	146	146	146	146	146	0.0%	146	146	146
From General Fund - Graffiti	-	695	325	325	423	30.2%	438	453	468
From General Fund	150	125	-	-	50	100.0%	75	75	75
Total Source of Funds	31,864	32,893	40,188	38,211	46,071	20.6%	54,987	40,905	41,849
Use of Funds:									
PW-Solid Waste	29,879	31,656	40,527	35,818	40,101	12.0%	40,146	40,408	40,863
Transfers									
To General Fund	700	-	-	-	-	0.0%	-	-	-
General Services Capital									
Capital	5,328	-	3,000	-	7,000	100.0%	15,000	-	-
Debt Service	-	-	-	-	-	100.0%	1,000	1,841	1,841
Total Use of Funds	35,907	31,656	43,527	35,818	47,101	31.5%	56,146	42,249	42,704
Change in Net Position	(4,043)	1,237	(3,339)	2,393	(1,029)		(1,159)	(1,345)	(855)
Net Position Balance	26,874	28,111	24,772	30,504	29,474		28,315	26,970	26,115
Cash Balance	17,794	19,729	16,390	22,122	21,093		19,934	18,589	17,734

City of Minneapolis
2016 Budget
Financial Plan

Stormwater Fund

Background

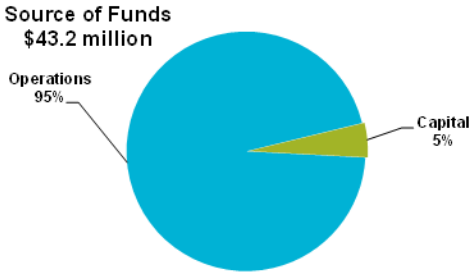
The storm water collection and street cleaning programs make up the budget for the Stormwater Fund. The Fund accounts for the design, construction, and maintenance of the City's storm drain system and street cleaning activities. A portion of the Stormwater Fund is used for sanitary water interceptor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

Historical Financial Performance

In 2014 total revenues decreased to $43.7 million compared to $45.1 million in 2013. Bond revenues account for $4.2 million of the decrease. This was off-set by an increase of $2.9 million in operating and capital revenues bringing the net decrease to $1.3 million. Capital projects in 2014 were paid out of fund balance, replacing bond sales as a source of funding. Total expenditures in 2014 amounted to $45.4 million compared to $41.5 million for 2013, an increase of $3.9 million, or 9.4%. Capital programs account for $8.0 million of this increase. This increase was reduced by $4.1 million due to decreases in maintenance, tunnel rehab, debt services, and design activities.

2016 Budget

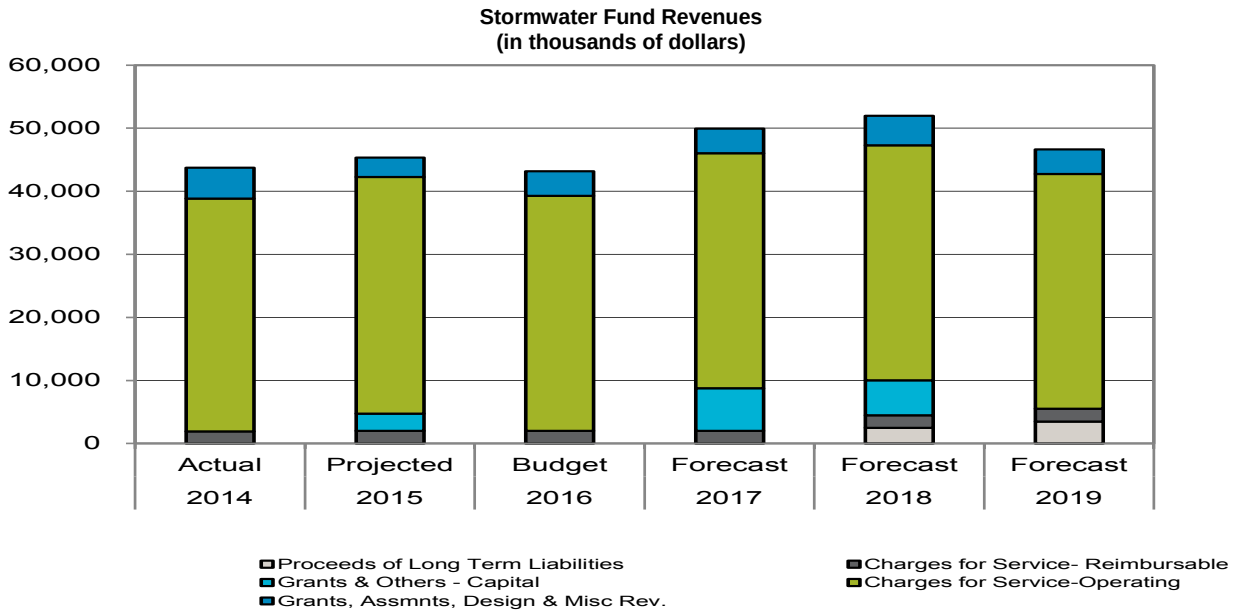
Revenues



The 2016 revenue budget totals $43.2 million, compared to $45.3 million projected for 2015, reflecting a decrease of $2.2 million, or 5.0%. The charges for service revenue, estimated at $37.3 million, is $300,000 less than the 2015 projection due to anticipated decline in usage (ESU unit) even though utility rate is continued at $11.94 per ESU without a change over 2015. Design and miscellaneous revenues are estimated to increase by $800,000 due to increase in capital project related design activities. Capital programs are estimated to lose $2.7 million in revenue since all funding is aimed to be furnished from reserves.

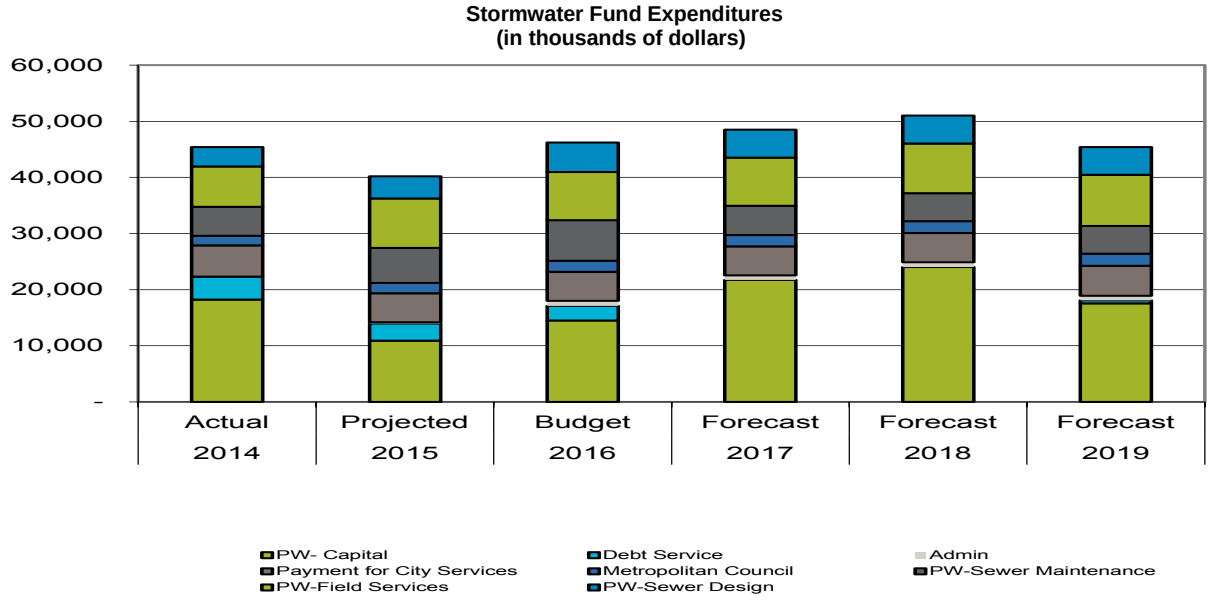
Planned rates

Year	Rate per ESU (Equivalent Stormwater Unit)	% Increase	Total Planned Revenue from Utility Fee
2016	$11.94	0.0%	$37.3 million
2017	$11.94	0.0%	$37.3 million
2018	$11.94	0.0%	$37.3 million
2019	$11.94	0.0%	$37.3 million
2020	$11.94	0.0%	$37.3 million



Expenditures

The 2016 total expenditure budget for the Stormwater Fund amounts to $46.3 million compared to $40.3 million projected for 2015, an increase of $6.0 million, or 15.0%. The fund's operating budget is used for design, maintenance, overflow programs, Met Council payments, City services, and street cleaning. The operating budget for 2016 totals $29.1 million which is $2.9 million more than the $26.2 million projected for 2015. The increase is the result of expenditures related to consultants, professional services, surveys, shared expenses with Park Board, Maximo license, fleet services, maintenance, and clean-up works. Capital programs are estimated at $14.5 million compared to $10.9 million projected for 2015. For 2016, $12.5 million of capital projects are Storm revenue funded and the remaining $2.0 million are pay-as-you go. The 2016 budget anticipates a decrease in net position of $9.7 million due to an additional $6.5 million in deferred capital expenditures approved in prior years.



Combined Sewer Overflow (CSO)
The Combined Sewer Overflow project started in 2004. Working with property owners, this project aims to identify and disconnect roof drain overflow from the sanitary system. This is an on-going program. For 2016, $350,000 has been allotted in the operating budget with additional funding coming from the Capital programs.

Debt Service & Transfers
The 2016 budget includes funding for debt service payments that are primarily for bonds that have been sold in prior years to finance the Combined Sewer Overflow (CSO) and flood mitigation programs. For 2016, debt service payments are estimated at $2.6 million compared to $3.0 million projected for 2015. Transfer-out of this fund covers environmental services program in the General Fund for which $110,000 set aside.

Fund Balance
In 2016 the Storm Water Fund plans to use some of their excess cash reserve to fund capital programs and reduce bonding as a funding source in the amount of $9.7 million.

Mayor Recommended Budget
The Department has proposed to continue 2016 storm water utility rate at $11.94 per ESU, which is the same for 2015.

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

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Storm Water Sewer Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Federal Government	49	58	-	-	-	0.0%	-	-	-
State Government	1,157	1,168	1,168	1,471	1,505	2.3%	1,542	1,574	1,610
Local Government	291	312	312	248	253	2.0%	256	259	266
Charges for Service-Operating	36,830	36,895	38,313	37,516	37,257	-0.7%	37,257	37,257	37,257
Design & Misc Revenues	1,146	3,095	2,319	1,350	2,147	59.0%	2,086	2,865	2,022
Special Assessments	279	288	-	-	-	0.0%	-	-	-
Grants Proceeds/Others - Capital	-	-	2,735	2,735	-	100.0%	6,783	5,525	-
Charges for Service-Capital	1,120	1,930	2,000	2,000	2,000	0.0%	2,000	2,000	2,000
Proceeds of Long Term Liabilities	4,180	-	-	-	-	0.0%	-	2,500	3,500
Total Source of Funds	45,051	43,746	46,847	45,320	43,162	-4.8%	49,924	51,980	46,656
Use of Funds:									
PW-Sewer Design	3,600	3,463	4,923	3,958	5,270	33.1%	4,998	4,970	4,955
PW-Field Services	7,868	7,173	9,190	8,800	8,563	-2.7%	8,587	8,847	9,116
PW-Sewer Maintenance	4,679	5,156	6,965	6,240	7,229	15.8%	5,198	4,984	4,924
Metropolitan Council	1,745	1,725	1,844	1,862	1,992	7.0%	2,052	2,113	2,177
Payment for City Services	5,757	5,559	5,298	5,156	5,173	0.3%	5,152	5,232	5,315
Admin	-	-	342	229	886	100.0%	801	815	829
Debt Service	7,602	4,085	3,030	3,030	2,600	-14.2%	-	-	-
Transfers	-	6	110	110	110	0.0%	110	110	110
PW- Capital	10,240	18,231	10,920	10,920	14,500	32.8%	21,733	24,040	17,550
Total Use of Funds	41,491	45,398	42,621	40,304	46,323	14.9%	48,631	51,111	45,506
Def.Capital Proj - Rev Funded	-	-	8,920	9,752	6,518		40	-	-
Change in Net Assets	3,560	(1,652)	(4,694)	(4,736)	(9,679)		1,252	868	1,150
Net Asset Balance	311,719	326,461	321,767	321,725	312,046		313,299	314,167	315,317
Cash Balances	36,354	34,961	30,266	30,223	20,544		21,796	22,664	23,815
Construction Cash	6	0	-	-	-		-	-	-
Total Cash Balance	36,360	34,961	30,266	30,223	20,544		21,796	22,664	23,815

City of Minneapolis
2016 Budget
Financial Plan

Water Treatment and Distribution Services Fund

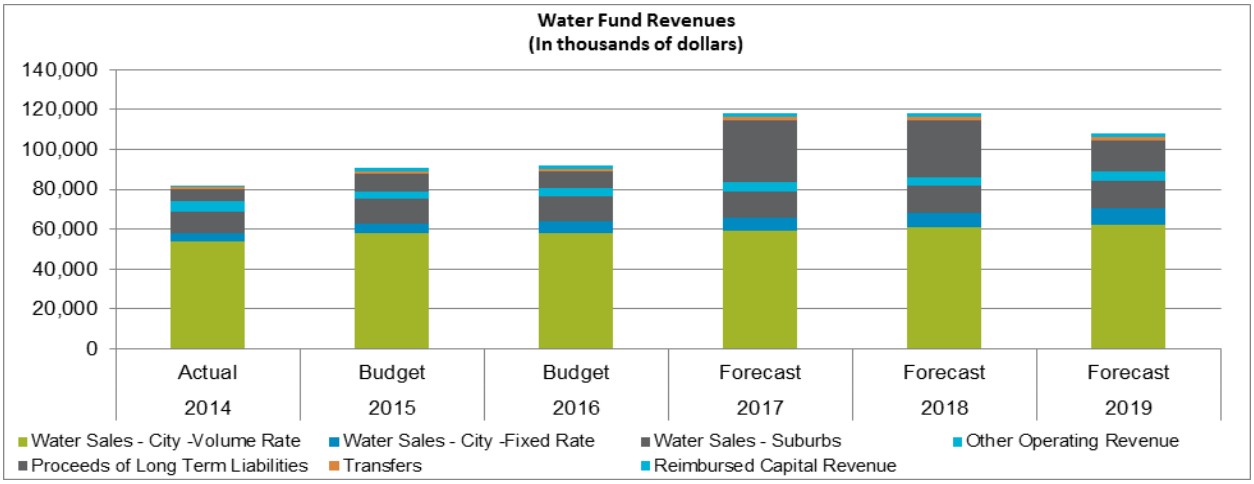
Background

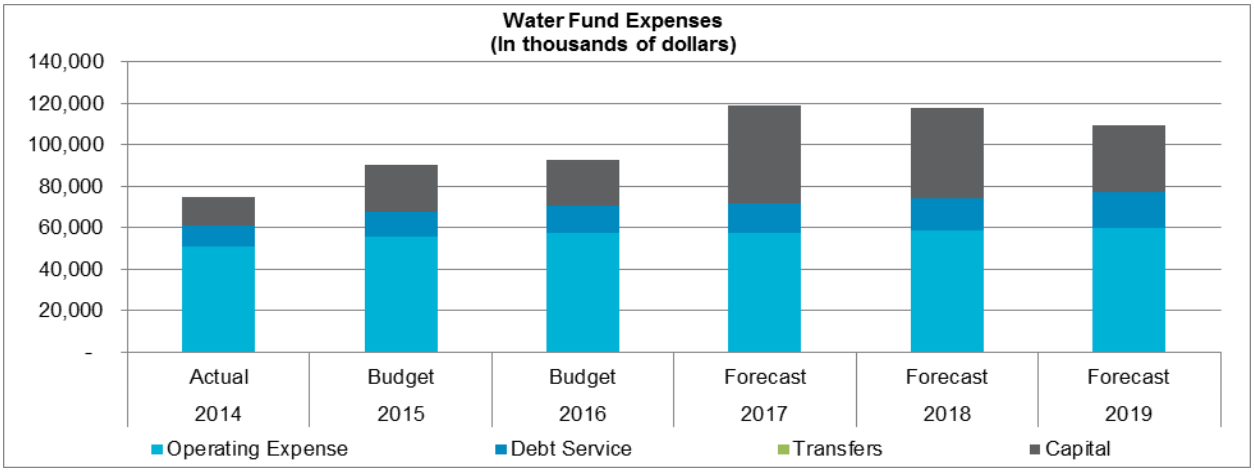
The Public Works Water Treatment and Distribution Services Fund accounts for the administration, operation, maintenance, and capital investments of the water treatment and distribution system of the City of Minneapolis. The City also sells water directly to seven wholesale customers – the cities of Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal, and Edina, as well as the Metropolitan Airport.

Historical Financial Performance

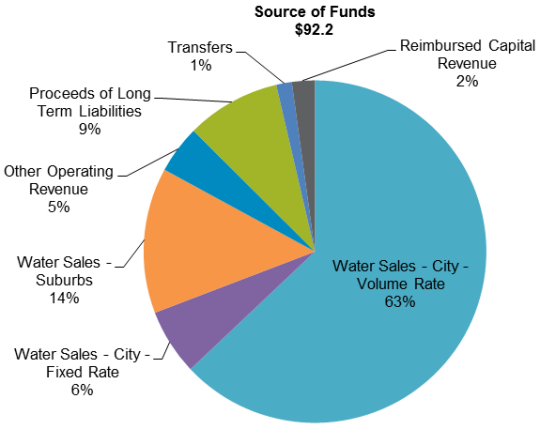
The net position of the Water Fund has increased over the past several years due primarily to scheduled rate increases and deferrals of some major capital improvements and investments to 2015. The following table shows the revenue earned from Minneapolis and suburban sales for years 2013 – 2014, the projected 2015 revenue, and the 2016 budgeted revenue:

Source of Revenue	2013	2014	2015 Projected	2016 Budget
Bloomington	$3,385,177	$2,988,555	$2,983,932	$3,362,770
Columbia Heights	1,168,255	1,198,178	1,166,263	1,314,331
Hilltop	74,920	79,320	69,656	78,501
Joint Water Commission	5,903,381	5,691,483	6,027,698	6,792,972
Edina	238,592	181,090	202,542	228,256
MAC	836,893	857,281	781,919	897,300
Total Suburban	**$11,607,218**	**$10,995,907**	**$11,232,009**	**$12,674,131**
Volume Rate	$55,738,712	$53,916,478	$53,466,494	$58,026,210
Fixed Rate	3,230,251	4,052,437	4,882,838	5,751,711
Total Minneapolis	**$58,968,963**	**$57,968,915**	**$58,349,332**	**$63,777,921**
Total Revenue	**$70,576,181**	**$68,964,822**	**$69,581,341**	**$76,452,052**





2016 Budget



Revenues

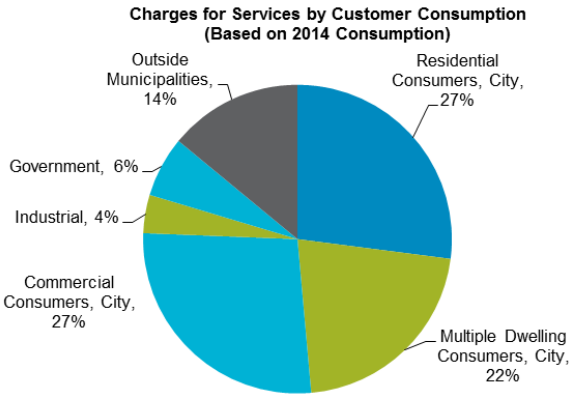
The 2016 revenue budget of $92.2 million is $16.1M more than the 2015 projected revenue budget of $76.1 million. This increase is mainly due to a $13 million deferral of bond proceeds to 2016 from 2015 and by projected rate increases for the years 2016 – 2022 to pay debt service for the capital program expenses and to repair infrastructure as well as to cover anticipated growth in operating expenses.

Water Utility Rates

The budget includes a fixed rate charge based on meter size as well as a variable rate charge of $3.45/unit. The fixed rate charge helps to cover the high fixed costs of operating the utility which increases the utility's financial stability as it continues to operate in an environment of declining consumption due to conservation efforts.

Projected Revenue from Suburban Water Sales

Year	% Increase	Total Revenue Earned from Utility Fee - Suburbs
2014	10.09%	$12.8 Million
2015	-4.18%	$12.2 Million
2016	3.50%	$12.7 Million
2017	4.06%	$13.2 Million
2018	3.69%	$13.7 Million
2019	3.56%	$14.2 Million

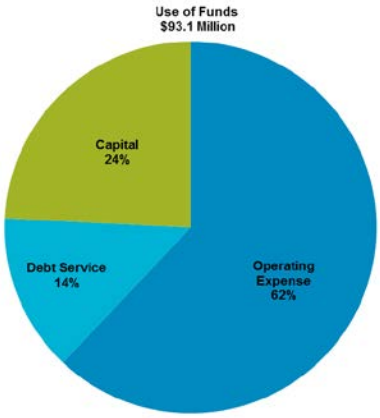


Projected Revenue from City Water Sales

Year	Fixed Rate (5/8" Meter)	Rate (cost per 100 cubic feet)	Total Cost Per Month for Average Consumer[1]	Total % Increase	Total Monthly Cost Increase per Household	Total Planned Revenue from Utility Fee
2014	$2.50	$3.32	$25.74	2.84%	$0.71	$60.5 Million
2015	$3.00	$3.37	$26.59	3.30%	$0.85	$62.8 Million
2016	$3.50	$3.45	$27.65	3.99%	$1.06	$63.8 Million
2017	$4.00	$3.53	$28.71	3.83%	$1.06	$65.9 Million
2018	$4.50	$3.61	$29.77	3.69%	$1.06	$68.1 Million
2019	$5.00	$3.69	$30.83	3.56%	$1.06	$70.3 Million

Expenditures

The 2016 expense budget is $93.1 million, a 23% increase from 2015 projected expenses of $75.7 million. The budget provides funding for water treatment and distribution and the capital improvement program. Current capital projects include improvements to the water distribution network, treatment infrastructure improvements, rehabilitation of the Fridley filter facility and replacement of the distribution maintenance facility. The 2016 capital budget of $22.5 million represents a 95.8% increase from the 2015 projected capital expenditures. This increase is largely due to $13 million in capital projects rolled over to 2016 from 2015 that reduces the projected 2015 amount.



Debt Service and Transfers

The debt service total of $12.8 million is for bonds and notes sold to finance the Water Fund's Capital Construction program.

Net Position

The Public Works Water Treatment and Distribution Services Fund expects net position to decrease $.9 million as a result of usage of cash reserves to fund planned infrastructure improvements.

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Water Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Water Sales - City									
Volume Rate	55,739	53,917	57,922	53,466	58,026	8.5%	59,372	60,717	62,063
Fixed Rate	3,230	4,052	4,930	4,883	5,752	17.8%	6,573	7,395	8,217
Water Sales - Suburbs	11,607	10,996	12,245	11,232	12,674	12.8%	13,188	13,675	14,162
Other Operating Revenue	5,661	4,852	3,524	4,190	4,177	-0.3%	4,239	4,303	4,367
Proceeds of Long Term Liabilities	-	6,000	9,000	-	8,200	0.0%	31,320	28,580	15,750
Transfers									
From Sewer Fund for Meter Shop	1,149	1,159	1,285	1,285	1,328	3.3%	1,348	1,368	1,389
From General Fund	22	25	25	25	24	-4.0%	24	24	24
Reimbursed Capital Revenue	364	144	2,000	1,000	2,000	100%	2,000	2,000	2,000
Total Source of Funds	77,772	81,145	90,931	76,081	92,181	21.2%	118,064	118,062	107,972
Use of Funds:									
Operating Expense	51,206	50,869	55,962	52,373	57,754	10.3%	57,442	59,053	60,050
Debt Service	10,106	10,460	11,775	11,775	12,041	2.3%	12,472	11,536	11,014
Future Debt Service	-	-		-	727	0.0%	1,765	3,969	5,980
Capital	16,456	13,788	22,495	11,513	22,540	95.8%	47,445	43,430	32,220
Total Use of Funds	77,768	75,117	90,232	75,661	93,062	23.0%	119,124	117,988	109,264
Water Fund Margin	4	6,028	699	420	(881)		(1,060)	74	(1,292)
Water Net Position	210,450	221,480	222,179	221,900	221,019		219,959	220,033	218,741
Cash Balance	18,963	25,133	25,832	25,553	24,673		23,611	23,685	22,392

City of Minneapolis
2016 Budget
Financial Plan

Engineering Materials and Testing Fund

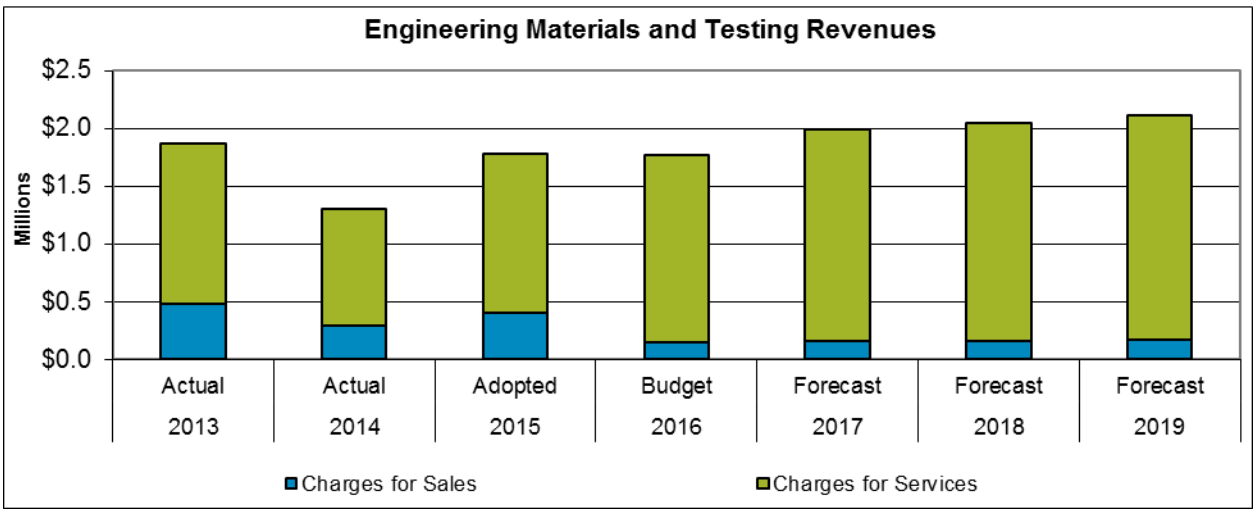
Background

The Engineering, Materials and Testing Fund accounts for transactions related to City purchases of hot-mix asphalt and ready-mix concrete and the related quality control activities for the placement of these materials to assure 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.

Historical Financial Performance

The revenue sources for this fund include overhead charged on the procurement of hot-mix asphalt and ready-mix concrete materials along with fees for inspection and testing services by the Engineering Laboratory.

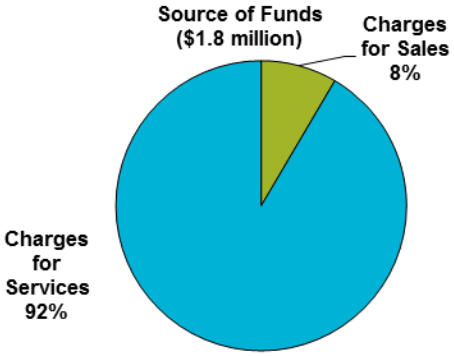
From 2003 through 2008, this fund had a decrease in net position of $1.5 million of which $777,000 was due to the loss on the disposal of the asphalt plant after operations were suspended. Beginning in 2008, with a net position of $27,758, the fund continued to have positive increases through 2013 ending the year with a balance of $2.0 million. In 2014, it was determined to decrease laboratory service fees and the overhead rates on asphalt and concrete resulting in a decrease to net positon and a year-end balance of $1.8 million. The cash balance decreased from a balance of $2.1 million in 2013 to a balance of $1.9 million in 2014.



2016 Budget

Revenue
The 2016 revenue budget is $1.8 million, an increase of 15.8% from the 2015 projected revenue of $1.5 million. In 2015, projected revenue is less than the 2015 budgeted amount due to a decrease in both the overhead rate on asphalt and concrete sales and in laboratory billing rates which were first implemented mid-2013. The rates continue to be reviewed to ensure accurate capture of revenue sufficient to cover expenses.

This fund generates revenue from testing and inspection services provided by the Engineering Laboratory and the sale of concrete and asphalt from outside vendors to other City departments. Product types and quantities are identified for customer departments. A cost allocation model determines product costs to allow the fund to generate revenues that match operating expenses.

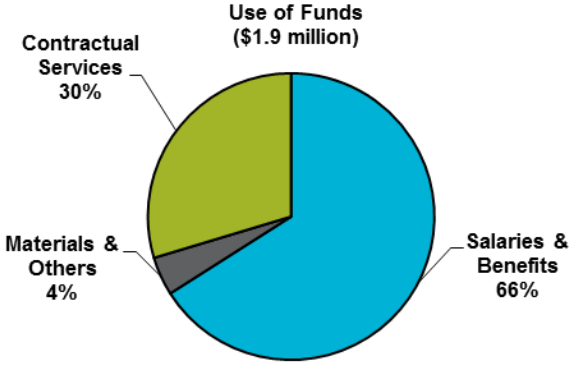


The 2016 revenue budget includes $1.6 million earned from charges for services provided by the Engineering Laboratory and $150,000 as mark up on the sale of asphalt and concrete. In 2016, overhead rates on asphalt and concrete sales will be reduced from the rates charged in 2015. Charges for Engineering Laboratory services will be adjusted to compensate for this reduction and to align revenue with expense. The Engineering Laboratory continually compares its rates with those of the private sector that provides comparable services. Historically, the Laboratory's hourly rate has been significantly lower than that of the private sector and generates adequate revenue to cover the fund's direct and indirect expenses.

Expense
The 2016 expense budget is $1.9 million and is slightly decreased from the 2015 projected expense of $1.9 million. Included in the 2015 budget is the purchase of two new vehicles through the Capital Asset Request System (CARS) at a cost of $49,000 and the purchase of a drill rig for $175,855. The use of net position, or equity in the fund, will provide the source of financing for these purchases.

Transfers
There are no transfers scheduled in 2016 for this fund.

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



Net Position and Cash Balance
The Engineering, Materials and Testing fund had a positive net position of $1.8 million at year-end 2014, a decrease of $192,348 from the 2013 ending position of $2.0 million. The net position is projected to be $1.4 million at the end of 2015 and to decrease to $1.2 million in 2016. The Engineering, Materials, and Testing Fund expects net position to decrease in 2016 as a result of planned usage of cash reserves to decrease overhead and laboratory testing rates charged to customers. In 2015, the fund was approved to use $226,000 of net position to fund the purchase of two vehicles for personnel and a drill rig. The financial policy for this fund determines that the fund should maintain a net position at least equal to 15.0% of the operating budget. For the year ending 2014, the benchmark for net

position is $228,000 and the fund exceeded the benchmark by $1.6 million. The net position is projected to exceed the benchmark for 2015 and 2016 by $1.1 million and $921,000 respectively each year.

The 2014 year-end cash balance was $1.9 million, a decrease of $189,528 from the 2013 year-end balance of $2.1 million. Financial reserve policies for the internal service funds determine that the cash reserve target for the Engineering, Materials and Testing fund should not be less than 15.0% of the operating budget, or $228,000 for 2014. The fund exceeded the benchmark by $1.7 million. The cash balance is projected to be $1.5 million in 2015 and $1.4 million 2016, exceeding the cash reserve benchmark for each year.

Mayor's Recommended Budget
The Mayor recommended no changes to this fund.

Council Adopted Budget
The City Council adopted the Mayor's recommendation.

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Engineering, Materials and Testing

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Services	1,381	1,007	1,381	1,210	1,622	34.0%	1,833	1,888	1,944
Charges for Sales	484	290	400	320	150	-53.1%	155	159	164
Total Source of Funds	1,865	1,297	1,781	1,530	1,772	15.8%	1,987	2,047	2,108
Use of Funds:									
Personnel Services	950	1,067	1,274	1,160	1,273	9.7%	1,311	1,351	1,391
Contractual Services	410	383	482	500	572	14.4%	589	607	625
Materials and other	89	68	135	285	84	-70.5%	87	89	92
Transfers Out	-	-	-	-	-	0.0%	-	-	-
Total Use of Funds	1,449	1,518	1,891	1,945	1,929	-0.8%	1,986	2,044	2,108
Change in Net Position[1]	390	(192)	(110)	(415)	(157)		1	4	-
Net Position[1]	1,975	1,782	1,672	1,367	1,210		1,211	1,215	1,215
Cash Balance	2,125	1,936	1,826	1,521	1,364		1,365	1,369	1,369
Target Cash Reserve[2]	233	228	276	258	289		298	307	316
Variance Cash to Target Reserve	1,892	1,708	1,550	1,263	1,075		1,067	1,062	1,053

[1]Change in net position and net position are CAFR values.
[2]The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Engineering, Materials and Testing Fund should be maintained at a minimum of 15% of the operating budget.

Note: The 2018-2019 forecasts for source and use of funds are calculated using a factor of 3.0% to capture increases in revenues and expense.

City of Minneapolis
2016 Budget
Financial Plan

Fleet Services Division Fund

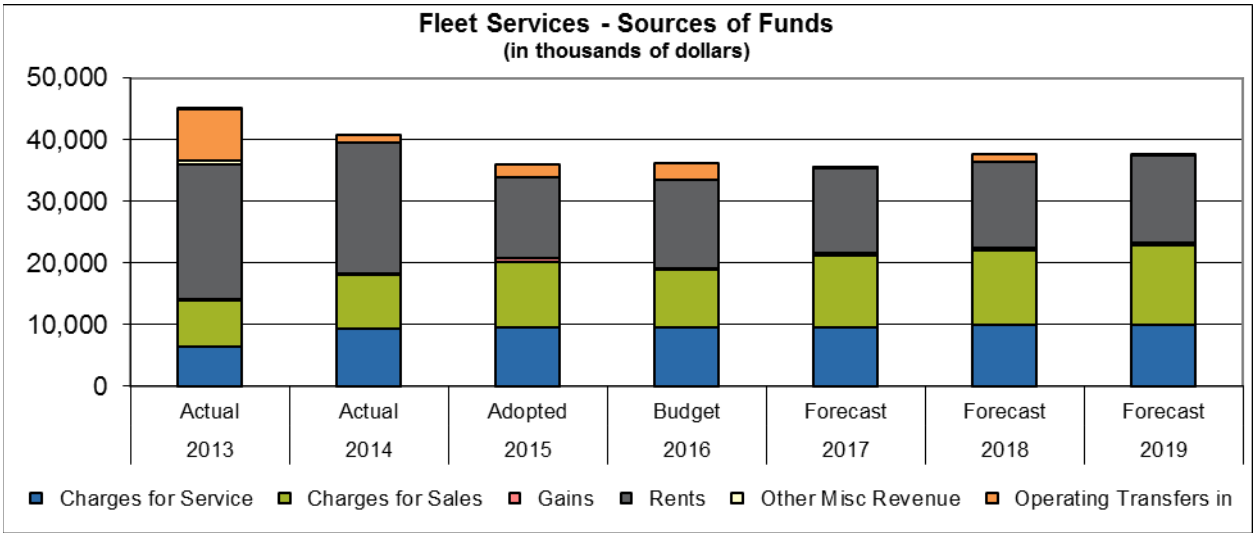
Background

The Fleet Services Division Fund manages the acquisition, maintenance and disposal of approximately 1,800 units of equipment, primarily the City's fleet of vehicles, including police cars, fire trucks, snow plows, sedans and pickup trucks along with off-road equipment. This fund provides the services of technicians to maintain the equipment. In addition, the fund manages the field coordination of City-owned and contractual equipment and operators as well as the procurement and sale of fuel for these vehicles.

Through the end of October 2013, the fund provided the drivers and operators for the equipment that is used in construction and snow removal. Starting in November 2013, these employees were transitioned out of Fleet Services Fund and reassigned to various Public Works departments. In 2015, the Fleet Services Division assigned nearly all of its fleet (base units) to City departments. The City departments are allocated a rental rate for these units that is calculated through an activity based cost allocation model and designed to capture the replacement cost of the vehicle. The City's fleet of vehicles and equipment has an acquisition value of $80.4 million and accounts for 53.2% of the net value of the long-term assets in this fund.

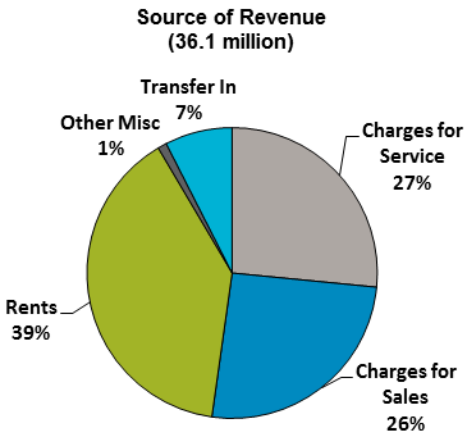
Historical Financial Performance

A primary objective of the Fleet Services Division long-term financial plan is to maintain the fund's net position and cash balance according to the financial policies for the internal service funds. Originally, the long-term financial plan financed fleet purchases by issuing general obligation bonds. The fund followed the plan to maintain a positive cash balance, increase net position, and to end its reliance on bonds to fund the fleet purchases. In 2006, the practice of issuing bonds to finance fleet replacement was discontinued.



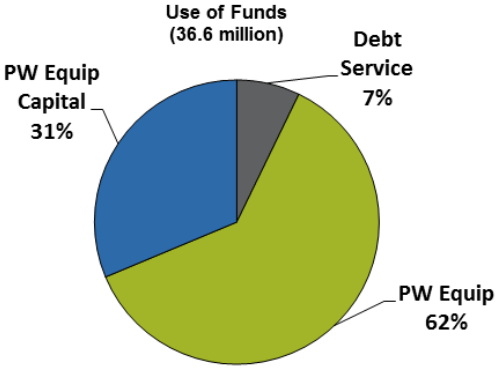
2016 Budget

Revenue



The Fleet Services Division uses activity-based costing to bill internal customers for use of vehicles. This method establishes a fleet rental rate that covers the replacement cost of the vehicles after the useful life. Maintenance, repairs and fuel costs of the fleet are charged separately. These charges are billed at a rate that allows the Fleet Services Division to match revenue to expense. Total revenues for 2016 are budgeted at $36.1 million, an increase of $4.8 million or 15.4% from the 2015 projected revenue of $31.3 million. The increase in 2016 revenue over the 2015 projected is primarily due an increase in 2016 revenue received from the sale of parts and fuel and an increase of $790,147 in the transfer in from the General Fund for approved Capital Asset Request System (CARS) capital expenditures. In addition, rental rates and overhead allocations in 2016 are increased for vehicles assigned on a permanent basis to the departments.

Expense



The 2016 expense budget is $36.6 million which represents an increase of $2.6 million or 7.5% from the 2015 projected expense of $34.0 million. The increase in 2016 expense over the 2015 projection is primarily due an increase in expense for fuel and materials. The amount expended for fuel and materials in 2015 is less than originally budgeted due to a significant decrease in snowfall in early 2015 resulting in less fuel and maintenance costs. The operating budget received an increase of $217,500 related to CARS approved capital expenditures to implement vehicle locating capability and to replace the fluid dispensing system. The fund's net position will fund $107,500 of this expense with the remaining $110,000 funded by the General Fund. In 2016, a Fleet Manager position will be added increasing personnel cost. Fleet equipment capital purchases vary from year to year based on a long-term replacement schedule which requires higher amounts of replacement in some years compared to others.

Transfers

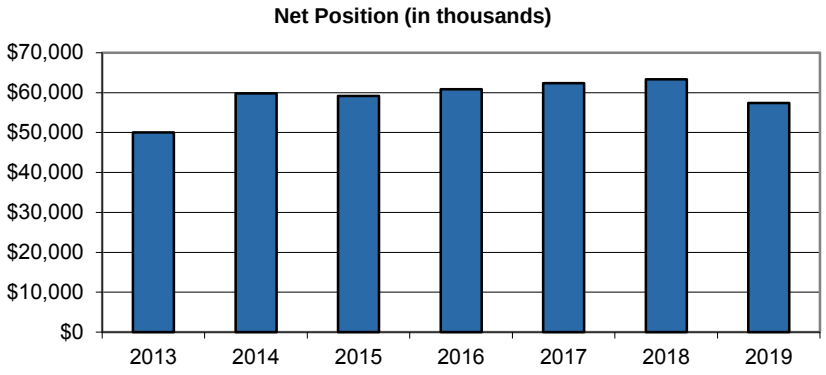
In 2016, Fleet Services Division will receive $2.4 million as a transfer in from the General Fund to assist with the funding of approved CARS capital expense. Of this amount, $2.3 million will contribute to the regular lifecycle replacement of the fleet capital assets and $100,000 will fund the cost to implement an automatic vehicle locating capability in appropriate City vehicles. In 2016, Property Services will transfer $326,162 to Fleet Services to pay a portion of the debt expense related to the Currie Maintenance Facility. Property Services included a portion of the debt expense in its rent cost allocation model to charge other City departments that are housed in the Currie facility for a portion of the debt.

This fund has not had a transfer out since 2012 when a transfer of $2.3 million occurred to retire bonds related to the unfunded pension liability of the Minneapolis Employees Retirement Fund (MERF). The Fleet Services Division funded the payment using net position as a revenue source and recovered the cost through the Fleet allocation model in years 2012 through 2014.

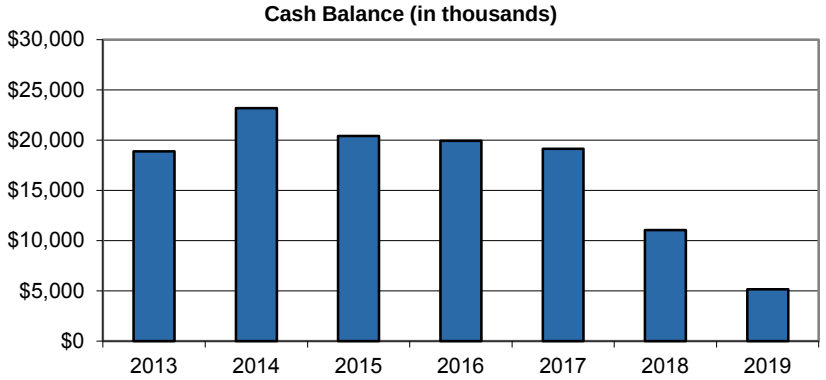
Debt Service
As part of the fleet modernization effort that began in 1997, the City issued bonds to finance fleet upgrades and to build new maintenance facilities. Principal and interest payments totaling $2.6 million are due in 2016 related to these bonds. The remaining debt obligation after 2016 is $11.9 million with a payment of $9.3 million scheduled for 2018.

Net Position
The net position at year-end 2014 was $59.8 million, an increase of $9.7 million from the 2013 ending position of $50.1 million. The primary reason for this increase is timing differences between recording rent revenue in 2014 for replacement of vehicles and the delivery of and payment for these vehicles occurring in 2015. In addition, the amount of equipment capitalized in 2014 was $1.6 million greater than the depreciation recorded. The Fleet Services Division Fund expects net position to decrease in 2016 as a result of a planned usage of cash reserves to pay debt obligations of $2.6 million. The projected net position is expected to increase to $63.3 million in 2018 and then decrease in 2019 as operating revenues are matched to expenses and capital outlay follows the fleet replacement plan. In 2018, the fund will pay off the remaining debt of $9.3 million.

The financial policy related to net position for the Fleet Services Division states that the net position should not fall below two times the annual depreciation amount. The annual depreciation for Fleet Services in 2014 was $6.2 million. The 2014 position of $59.8 million is $47.4 million greater than the benchmark amount.



The 2014 ending cash balance of $23.2 million was an increase of $4.3 million from the 2013 ending balance of $18.9 million. Timing differences between the collection of revenue for equipment replacement in 2014 and the delivery of the equipment in 2015 are the primary reasons for the increase in cash. The cash balance is projected to decrease from 2015 through 2019 as the fund experiences an increase in capital outlay and funds the payment of debt. The financial policy related to cash balance for the Fleet Services Division states that the minimum cash balance should be 15.0% of the operating budget or $2.4 million in 2014. The 2015 projected balance is $20.4 million. The chart to the right illustrates the historical and projected cash performance of the fund.



City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Fleet Services Division

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Service	6,353	9,309	9,491	8,750	9,589	9.6%	9,610	9,948	10,063
Charges for Sales	7,534	8,797	10,721	7,250	9,275	27.9%	11,594	12,174	12,783
Gains	340	214	500	275	350	27.3%	350	350	350
Rents	21,786	21,175	13,287	13,093	14,176	8.3%	13,724	13,869	14,153
Other Misc Revenue	525	7	10	8	10	25.0%	10	10	10
Operating Transfers in	8,315	1,289	1,912	1,912	2,712	41.8%	326	1,304	-
Total Source of Funds	44,853	40,791	35,921	31,288	36,113	15.4%	35,614	37,655	37,359
Use of Funds:									
Debt Service	4,296	2,335	2,560	2,560	2,615	2.2%	2,677	9,260	-
Transfers	-	-	-	-	-	0.0%	-	-	-
PW Equipment	27,099	25,818	22,283	19,266	22,595	17.3%	23,118	23,887	24,685
PW Equipment Capital	5,429	7,540	12,069	12,221	11,391	-6.8%	10,628	12,597	18,573
Total Use of Funds	36,823	35,693	36,912	34,047	36,601	7.5%	36,422	45,744	43,258
Change in Net Position[1]	12,862	9,760	(992)	(2,759)	(488)		(808)	(8,089)	(5,899)
Net Position[1]	50,062	59,822	60,930	59,163	60,890		62,422	63,323	57,425
Cash Balance	18,894	23,187	22,195	20,428	19,940		19,132	11,043	5,145
Target Cash Reserve[2]	3,165	2,973	2,442	1,990	2,489		2,568	2,683	2,803
Variance Cash to Target Cash Reserve	15,729	20,214	10,248	18,438	17,451		16,565	8,360	2,342

[1]Change in net position and net position are CAFR values.
[2] The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Fleet Services Division at a minimum should be equal to 15.0% of the operating budget adjusted for intrafund revenue and expense.

City of Minneapolis
2016 Budget
Financial Plan

Intergovernmental Services Fund

Background

The Intergovernmental Services Fund accounts for all of the operations of the Information Technology Department (IT) including information and technology functions, managed services contracts, the Project Management Office (PMO), and telecommunications operations. Information Technology activities account for 95.0% of the operating activities in the fund. The fund also records transactions for operations within the City Clerk's office related to central mailing and printing services, representing 4.1% of operating activities, and a portion of the Human Resources budget that is designated for internal training, representing 0.9% of operating activities.

The fund is projected to decrease net position in 2015 by $10.6 million for an ending net position of $51.5 million. The Council approved the use of $10.0 million of net position to cover one-time costs associated with insourcing the IT helpdesk and desk side support functions and expenses related to contracting with a new provider for managed services. In addition, $2.2 million in transfers received in 2014 for the Enterprise Resourcing Planning Project will be used for 2015 project expenses.

The fund receives cash transfers to offset the debt service payments. In 2015, $2.7 million of debt will be retired and an additional $150,000 will be issued, resulting in a total outstanding debt balance at year-end 2015 of $150,000. This debt will be paid through transfers from the bond redemption fund.

In 2014, IT incurred $13.1 million of expense for technology projects. The PMO office charges City departments for the cost of purchasing or creating technology enhancements and provides quality, low-cost project management for implementing these technology-related projects. The charges to City departments are calculated to generate enough revenue to cover the overhead expense of the department. In addition, the City Council appropriated $2.2 million for technology capital projects in 2014 which are funded by net debt bonds. For 2015 and 2016, the City Council approved $2.9 million and $3.3 million, respectively, for technology capital projects. The majority of the funding for technology projects is derived from City departments' operating budgets.

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

- *Information Operations Platform,* The City is participating in the IBM First-of-a-Kind project to create solutions for cross department coordination leveraging analytics and optimization, business process modeling and asset management technologies. These advanced technology solutions will leverage the citywide wireless network, Strategic Information Center, and camera infrastructure already in place at the City of Minneapolis.

- *Enterprise Land Management*, The City will acquire and implement a system that will provide workflow automation and transaction processing for the City's emergency response resource management, regulatory enforcement, inspections, permitting, development,

planning, and constituent self-service and other land management and reporting processes, among many other department-specific projects. The project is expected to be completed in 2016.

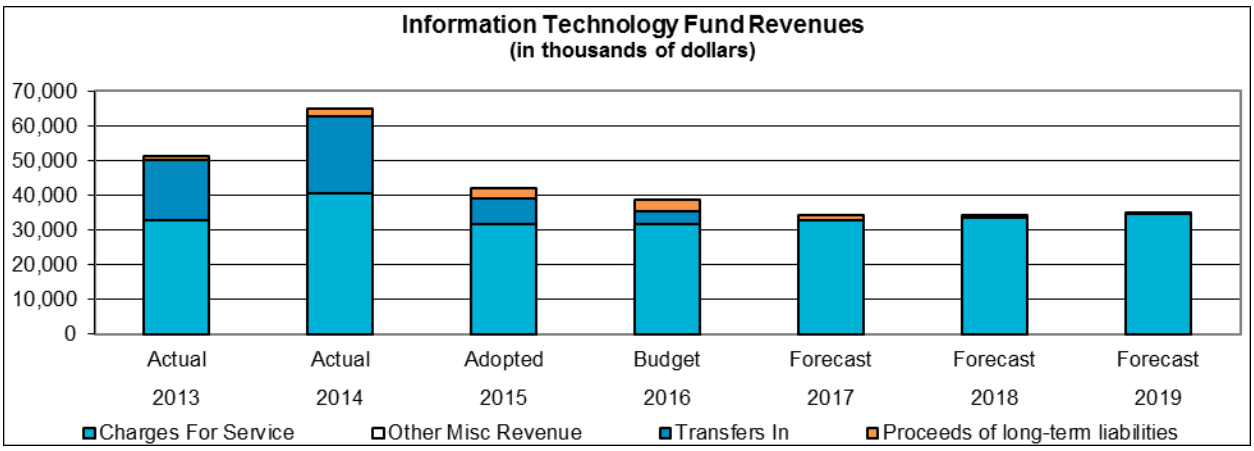
- *Enterprise Resource Planning (ERP) Program,* The City will acquire and implement upgrades to the current PeopleSoft systems: financial reporting (Compass), HRIS including HCM (Human Capital Management) and ELM (Enterprise Learning Management), and Business Intelligence (Cognos reporting). The implementation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

The net position in this fund will remain positive as it continues to provide services to City departments with charges determined through its allocation model and to collect fees for service with PMO. The allocation model assigns costs to customers based on usage of enterprise-wide applications and customer specific services. The net position of the fund increases primarily as a result of the capitalization of technology projects.

Historical Financial Performance

The City Council approved a long-term financial plan for the Intergovernmental Services Fund in September 2000, to resolve both the annual operating deficit and accumulated cash deficits in this fund. Since year-end 2002, the fund has achieved positive increases to its net position. At year-end 2014, net position had improved to $62.1 million. The 2014 net position increased $24.7 million from the 2013 ending balance of $37.4 million primarily due to the capitalization of technology projects and transfers from the general fund. As part of the long term financial plan for the fund, the fund received transfers in from the general fund to assist with debt payments. These transfers in ended in 2014 as the majority of the debt obligations were retired in 2012.

The fund's cash balance has also steadily increased as projected in the long-term financial plan. At year-end 2014, the cash balance had improved to $49.9 million. The 2014 cash position increased $14.6 million from the 2013 ending balance of $35.3 million, primarily due to a general fund transfer of $13.1 million in 2014. In accordance with the long-term financial plan, 2014 is the last year the fund is expected to receive general fund transfers. It should be noted that included in the cash balance is $9.6 million of unearned revenue, or cash received from other City departments as prepayment for future technology projects.



2016 Budget

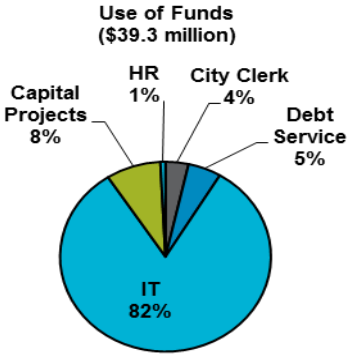
Revenues
The 2016 revenue budget is $38.7 million, a decrease of 19.8% from the 2015 projected revenue of $48.2 million. In 2015, the fund received a transfer in of $3.6 million from the general fund for the ERP project, which will be completed in 2015. In addition, the 2015 projection includes revenue earned during the current year for PMO projects. The 2016 budget includes a conservative revenue amount for PMO projects that is increased as work is completed and City departments billed for the services. The original financial plan required that this fund receive an annual transfer from the general fund to assist in the cost of providing information technology services. Revenue transfers for this purpose ended in 2014 with a final transfer of $13.1 million. The fund will receive a transfer from the bond redemption fund of $2.8 million in 2015 and $150,000 in 2016 to cover the principle and interest payments of current net debt bond obligations. It is projected that the fund will continue to receive this transfer to match obligations generated from the sale of net debt bonds. In addition, the General Fund will transfer in $1.4 million to fund CARS (Capital Asset Request System) approved projects. Charges for service are slightly decreased in 2016 as compared to the 2015 original budgeted amount due to decreased revenue received from City departments through the cost allocation model.

Allocation Model Implications
The allocation model has five components on the customer expense side: IT application support; IT operating; telecommunications; data connectivity; and special customer specific services. Revenues generated through the allocation model will recover the following:

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

Revenue Assumptions (2016)	
Number of PC's	2,838
Number of telephones	2,920

Expenses
The 2016 expense budget is $39.3 million, a decrease of 33.3% from 2015 projected expenses. The decrease in the 2016 total expense budget is partially due to a $4.3 million decrease in IT operating expense. The 2015 operating budget included one-time expenses of $3.6 million for the Enterprise Resource Planning (ERP) project and $2.8 million in approved CARS expense. In 2016, the approved CARS budget is $1.4 million. Capital projects included in the CARS appropriation are the implementation of a public facing portal to augment the work of ELMS and extension of services related to the Enterprise Content Management System.



The 2015 projected operating expense is $16.8 million over the 2015 budget primarily due to expenses related to the Enterprise Resource Planning and the Enterprise Land Management projects that are expected to be completed in 2015 and 2016 respectively. The ERP project is partially funded through the CARS program and both projects received funding through department cost savings. The projected 2015 expense budget also includes one-time transition costs related to insourcing the help desk and desk side support functions. Expense related to customer funded PMO projects is not included in the original operating budget and is included in the projection as expense is recorded to projects and billed to customers.

Of the total operating budget for 2016, the IT expense budget comprises 95.0%. A portion of the operating expenses of the City Clerk's office and Human Resources are included in this fund

and comprise 4.1% and 0.9%, respectively, of the total operating budget. Capital expense for information technology investments are budgeted in the Intergovernmental Services Fund. Capitalized assets are reported in this fund as is the depreciation expense. For 2016, the capital budget is $3.3 million, an increase of 15.8% from the 2015 budget primarily due to an additional $800,000 appropriated for the Police Report Management System Upgrade. In 2011, the fund began to pay $1.5 million annually as loan repayment to the Convention Center, with final payment of $1.75 million in 2016.

Transfers

As of 2015, the Intergovernmental Services fund will receive a payment from the bond redemption fund of $2.7 million to assist with debt payments related to the issuance of net debt bonds for capital projects. In 2016, the fund is expected to receive $150,000 from the bond redemption fund to assist with debt payments. It is expected that the fund will receive this transfer going forward as new bonds are issued to fund capital projects. The fund receives a transfer from the general fund of $192,482 in 2015 and $185,139 in 2016 to fund City Hall rent. The fund also receives a transfer of $1.5 million in 2016 to fund one-time expenses for the CARS program and Service Now Infrastructure Services.

In addition, in 2015 the fund received a final transfer of $1.0 million from the Self Insurance Fund. The City proprietary funds no longer transfer payments to the Minneapolis Employees Retirement Fund debt service as bonds related to this obligation were retired in 2012. The Intergovernmental Services fund used net position as a revenue source for this payment and recovered this cost through the cost allocation model in years 2013 through 2015.

Debt Service

In 2016, it is projected that the fund will have a beginning bond liability of $150,000 related to the issuance of net debt bonds in 2015. In 2015, debt service payments of $2.8 million including $46,188 of interest, retired the current obligation.

Net Position and Cash Balance

The financial policy related to the net position for the Intergovernmental Services fund determines that the net position should not fall below two times the fund's annual depreciation. The annual depreciation for 2015 is $5.0 million and the projected year-end net position is $51.5 million which brings the fund's projected net position $41.5 million over the benchmark amount of $10.0 million. The net position at year-end 2014 was $62.1 million. The Intergovernmental Services Fund expects net position to decrease $10.6 million in 2015 due to the Council approved planned use of up to $10.0 million of net position to cover transition costs related to insourcing help desk and desk side support functions and contracting for a new managed services provider. Net position is also expected to decrease in 2015 as $2.2 million in transfers received in 2014 for the ERP project are planned to be expensed in 2015.

The financial policy for cash balance states that the minimum cash balance should be equal to 15.0% of the fund's total budget. The year-end cash balance for 2014 was $49.9 million. The fund had a 2014 total budget of $34.1 million resulting in a benchmark amount of $5.1 million. At year-end 2014, the fund's cash balance exceeded the benchmark by $44.8 million. The cash balance is projected to decrease in 2015 to an ending balance of $33.7 million due to planned use of deferred revenue funds for the ERP and Enterprise Land Management projects and due to planned use of net position as the funding source for transition expenses related to insourcing the IT helpdesk and desk side support functions starting in 2016. In the following years, the fund is projected to decrease its cash balance from $33.7 million in 2015 to $26.5 million in 2019.

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Intergovernmental Services Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges For Service	32,971	40,720	31,752	40,549	31,744	-21.7%	32,696	33,677	34,687
Other Miscellaneous Revenue	35	43	-	-	-	0.0%	-	-	-
Operating Transfers In	17,240	22,047	7,544	7,544	3,665	-51.4%	185	185	185
Proceeds of Long term Liabilities	965	2,225	2,850	150	3,300	2100.0%	1,500	200	-
Total Source of Funds	51,211	65,035	42,146	48,243	38,709	-19.8%	34,381	34,062	34,872
Use of Funds:									
Transfers	15	523	-	-	-	0.0%	-	-	-
Debt Service	1,983	1,645	2,751	2,751	2,000	-27.3%	-	-	-
City Clerk	1,353	1,483	1,349	1,726	1,384	-19.8%	1,426	1,468	1,512
Human Resources	302	257	301	260	308	18.5%	317	327	337
Information Technology	32,840	41,754	36,568	53,039	32,276	-39.1%	31,739	32,428	33,401
Capital Projects	1,371	805	2,850	1,061	3,300	211.0%	1,500	200	-
Total Use of Funds	37,864	46,467	43,819	58,837	39,268	-33.3%	34,982	34,423	35,250
Change in Net Position[1, 3]	9,994	24,680	(1,673)	(10,594)	(559)		(600)	(361)	(377)
Net Position[1]	37,404	62,084	60,411	51,490	50,931		50,330	49,969	49,592
Cash Balance[2]	35,263	49,888	42,715	33,694	27,885		27,284	26,923	26,546
Target Cash Reserve	4,737	5,074	6,069	6,069	5,318		5,170	5,087	5,211
Variance Cash to Target Reserve	30,526	44,814	36,646	27,625	22,566		22,114	21,837	21,335

[1] Change in net position and net position for 2013 and 2014 are the amounts recorded in the CAFR.

[2] The balance for years 2014 through 2016 is reduced by $1.5 million & $1.75 million for repayment of Minneapolis Convention Center loan. At year end 2014, fund 06400 has a liability balance of $9.6 million in unearned revenue resulting from prepayments by City departments for future IT projects. These prepayments result in an increase to the cash balance.

[3] The 2015 projected change in net position is $8.9 million more than the budgeted net change. This is due to the Council approved use of an additional $7.3 million of net position to cover one-time costs associated with insourcing the IT helpdesk and desk side support functions and expenses related to contracting with a new provider for managed services. In addition, $2.2 milliion in transfers received in 2014 for the ERP project will be used for 2015 expenses.

City of Minneapolis
2016 Budget
Financial Plan

Property Services Fund

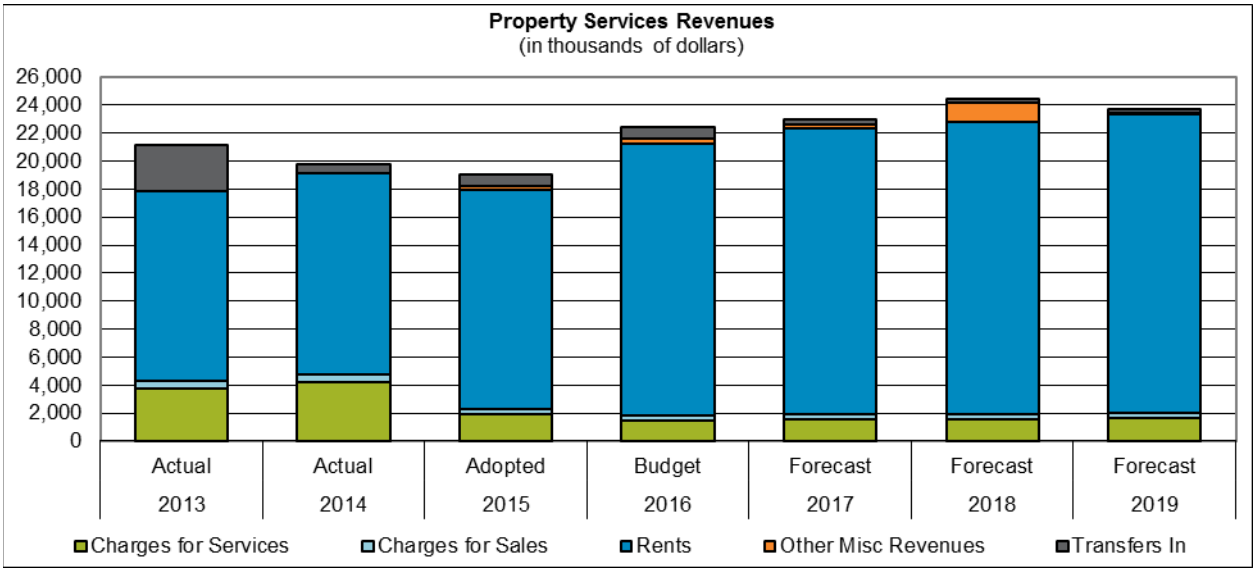
Background

The Property Services Fund is an internal service fund responsible for the operations and maintenance of the City-owned buildings including police precincts, fire stations, and public works buildings. The fund does not provide services to the Convention Center, Water facilities, or the Minneapolis Park and Recreation Board buildings. The fund is also responsible for the Radio Shop which maintains the City's emergency communications network. In 2004, the Property Services division assumed the responsibility for space and asset management and security management. In 2007, the division began providing energy management services for City properties.

In April 2011, the Property Services Fund was transitioned from the Public Works department to the Finance and Property Services department within the City Coordinator's department. The activities in this fund remain an internal service fund and report to the Chief Financial Officer.

Historical Financial Performance

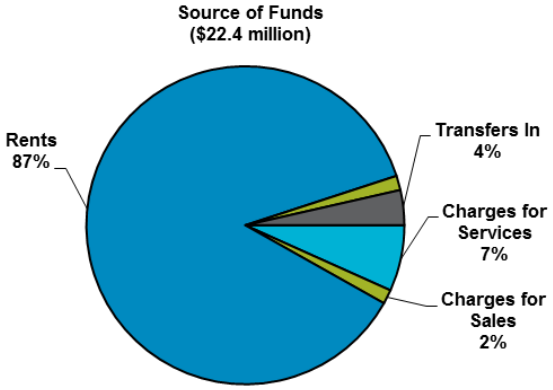
This fund collects revenue from the City departments that are either housed in City buildings or use the services provided (building space, operational maintenance, security, space and asset management, energy management, janitorial and radio services). The proposed building and communication equipment charges to City departments are calculated through cost allocation models using historical and anticipated operational costs. The cost recovery structure is configured to enable the fund to charge the amounts required to recover the cost of the goods and services provided to City departments and the cost of the fund's overhead.



2016 Budget

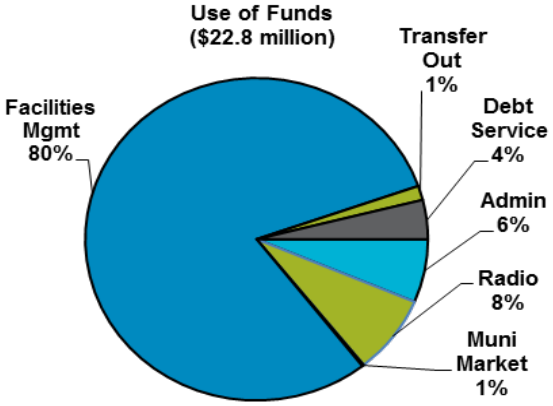
Revenues

The 2016 revenue budget for this fund is $22.4 million, representing a decrease of 6.1% from the projected 2015 revenue of $23.9 million. The decrease in 2016, when compared to the 2015 projected is partially due to one-time revenue received in 2015 for the sale of land to the Minnesota Sports Facility Authority for $1.6 million, as well as a significant increase in charges for services projected in 2015 when compared to the 2016 budgeted amount. Charges for services include discretionary repairs and upgrades which can vary from year to year depending on the available budget of City departments. A base budget is recorded each year and increased as additional projects are completed and billed to other City departments. Budgeted 2016 revenue received from rents charged to City departments for use of City owned buildings increased 22.4% from the amount charged in 2015. This is largely because beginning in 2016, the Property Services Fund will collect revenues from City departments, who occupy City buildings, to fund capital improvements. The amount collected in 2016 will be $4.0 million and is allocated through the rent allocation model. Previously, these facility repairs and upgrades were funded through net debt bonds.



Expense

The 2016 expense budget is $22.8 million, representing an increase of 1.7% from the projected 2015 expense of $22.4 million. The increase in the 2016 budget is primarily related to the addition of $4.0 million of capital improvement appropriation for facility repair and improvements to City owned buildings. This appropriation increase in 2016 is offset by a decrease in the 2016 budgeted expense for costs related to work for others projects. A conservative estimate of these expenses is included in the 2016 budget due to the variability of these types of projects. As the projects are requested and expense is realized by Property Services, there is offsetting revenue collected through the billing process. The 2015 projected Facilities Management expense reflects this increase in expense related to work for others projects.



Also included in this fund's 2016 expense budget is $520,000 of approved CARS (Capital Asset Request System) capital expense for replacement of the security camera surveillance system and City facility access control system. In addition, the fund has an appropriation of $4.8 million for pass-through costs for services provided by the Municipal Building Commission for maintaining the City's space in City Hall.

Transfers

The 2016 budget includes a transfer in from the General Fund of $799,322. Of this amount, $520,000 is approved CARS funding for the 2016 security projects. In addition, the Property

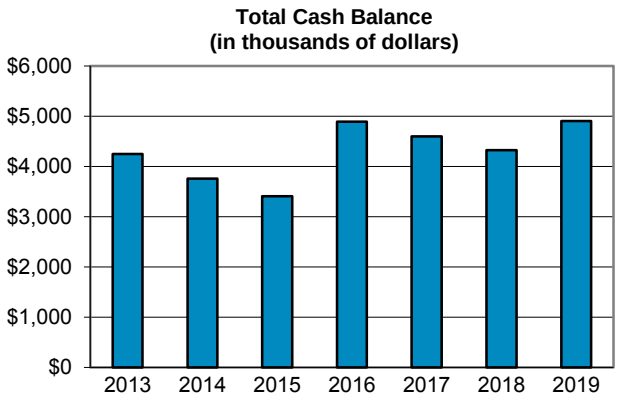
Services Fund receives $279,322 to cover the cost of City Hall rent for that space that Property Services occupies.

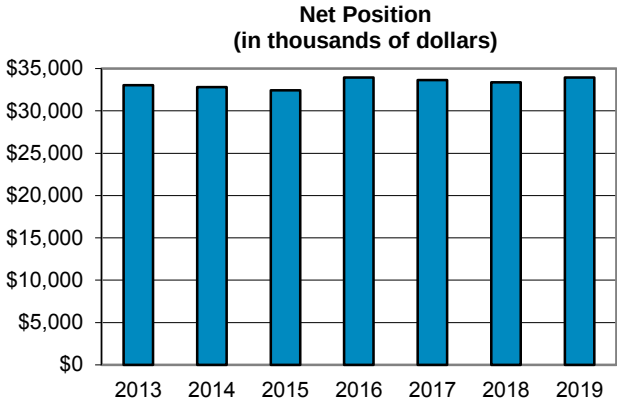
The 2016 expense budget includes a transfer out of $326,162 to the Fleet Services Division Fund to assist with the debt payment for the Currie Maintenance Facility. Property Services collects the rent payment through the rent allocation model by charging a portion of the debt expense to those departments that occupy space in the facility.

The final transfer out for debt service related to the Minneapolis Employees Retirement Fund (MERF) unfunded pension liability occurred in 2012 and totaled $598,000. This payment retired the bonds related to this debt service. The fund's net position was the revenue source for this payment and the fund was reimbursed through the rent allocation model in years 2013-2015.

Debt Service
The Radio Shop, a division of Property Services, has management responsibility for the $14.0 million 800 MHz radio system. The Property Services Fund recognizes the fixed asset, along with the debt related to this project. The Radio Shop is funding a portion of the City's public safety initiative through a contribution of $350,000 a year. The General Fund completed a transfer for debt service in 2013 of $3,282,000 to cover the years 2014 through 2018 and there will be no further transfers for debt service. Total debt service for 2016 is $893,800.

Net Position and Cash Balance
The Property Services Fund has a positive net position of $32.8 million at year-end 2014, decrease of $257,075 from the 2013 ending position of $33.1 million. In 2016, the Property Services Fund expects net position to decrease as a result of planned usage of cash reserves to pay debt obligations. In 2013, the fund received a transfer in of $3.3 million from the general fund to cover debt service costs through 2018 and capitalized several large building improvements resulting in an increase to net position of $7.5 million. The fund does not recover the cost of depreciation of the buildings or equipment included as assets of the fund. Because this cost is not recovered, it is expected that the net position will decline over time even though the fund recovers its operating costs through a rent cost allocation model. The financial policy for the net position for the Property Services Fund directs that the net position should not fall below two times the annual depreciation amount. The depreciation for Property Services in 2014 was $1.3 million. The 2014 net position of $32.8 million is $30.1 million greater than the benchmark amount.





The 2014 year-end cash balance was $3.8 million, a decrease of $490,702 from the 2013 year-end balance of $4.2 million. The Property Services Fund cash balance includes operating cash

and the cash balance in the Property Disposition Fund, a fund that receives proceeds from the sale of City property. The cash balance in the Property Disposition Fund at year-end 2014 was $1.4 million. Financial reserve policies for the internal service funds determine that the cash reserve for the Property Services Fund should not be less than 15.0% of the operating budget, or $2.4 million for 2016.

Mayor's Recommended Budget
The Mayor recommended no changes to this fund.

Council Adopted Budget
The Council adopted the Mayor's recommendation.

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Property Services Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Services	3,754	4,171	1,956	4,670	1,505	-67.8%	1,550	1,597	1,645
Charges for Sales	557	593	324	560	324	-42.1%	334	344	354
Rents	13,536	14,388	15,635	15,900	19,456	22.4%	20,420	20,898	21,390
Other Misc Revenues	11	3	319	322	329	2.3%	336	1,314	10
Sale of Land[1]	-	-	-	1,605	-	0.0%	-	-	-
Transfers In	3,282	646	819	819	799	-2.4%	300	300	300
Total Source of Funds	21,141	19,802	19,054	23,876	22,414	-6.1%	22,940	24,452	23,698
Use of Funds:									
Property Services Administration	1,394	1,326	1,367	2,000	1,444	-27.8%	1,487	1,532	1,578
Radio Equipment	1,675	1,831	2,049	2,100	1,798	-14.4%	1,852	1,907	1,965
Municipal Market	17	42	41	56	41	-27.5%	42	43	44
Facilities Management	15,408	15,985	14,711	16,997	18,263	7.4%	18,661	19,092	19,536
Debt Service	873	848	918	918	894	-2.7%	869	845	-
Transfers Out	-	-	316	316	326	3.2%	326	1,304	-
Total Use of Funds	19,367	20,034	19,402	22,388	22,765	1.7%	23,237	24,722	23,122
Change in Net Position[2]	7,487	(257)	(348)	1,488	(351)		(297)	(270)	576
Net Position[2]	33,058	32,801	32,453	34,289	33,938		33,641	33,371	33,947
Total Cash Balance	4,248	3,758	3,410	5,246	4,895		4,598	4,327	4,903
Operating Cash balance[3]	2,868	2,377	2,029	3,596	3,245		2,948	2,678	3,254
Target Cash Reserve[4]	2,069	2,127	1,901	2,349	2,437		2,511	2,591	2,673
Variance Cash to Target Reserve	799	250	128	1,247	808		437	87	580

* The fund includes transactions of the Property Disposition Fund, a fund that receives proceeds from the sale of City property.

[1]The revenue from the sale of land is recorded to the Property Disposition fund.

[2]The change in net position and the net position for 2013 and 2014 are the amounts recorded in the CAFR.

[3] Total cash balance is the sum of cash recorded in the Property Dispositon fund and the Property Services fund. Operating cash is the cash balance generated from Property Service fund operations and recorded in the Property Services fund.

[4]The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Property Services Fund should at a minimum be equal to 15.0% of the adjusted operating budget.

City of Minneapolis
2016 Budget
Financial Plan

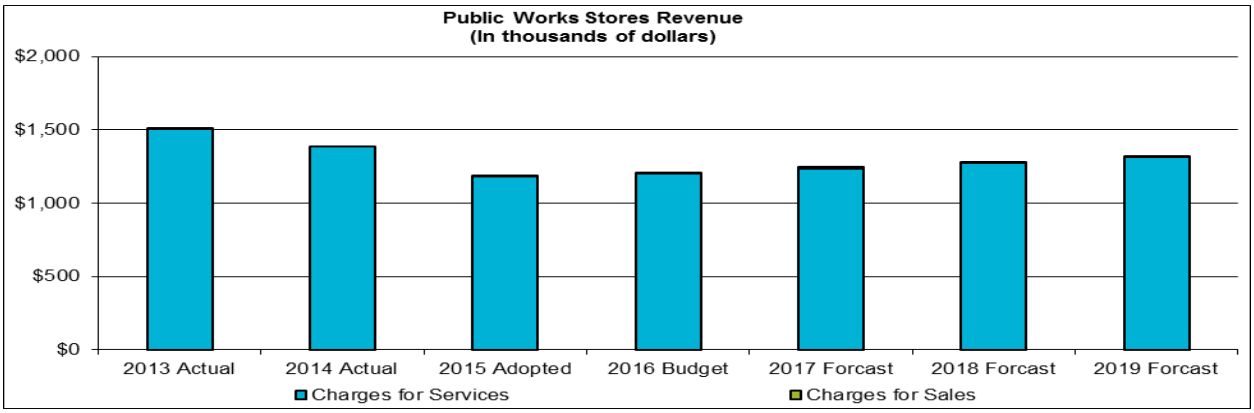
Public Works Stores Fund

Background

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

Historical Financial Information

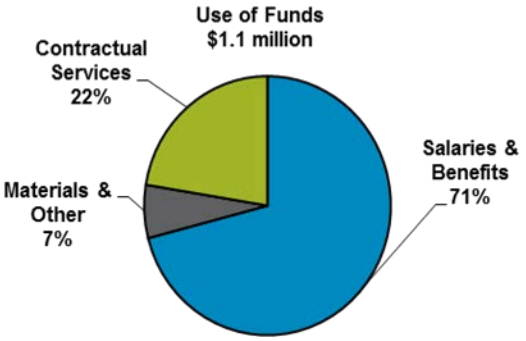
Public Works operated Central Stores beginning in January 1965. At that time, the stockrooms of Property Services, Bridge maintenance, Paving construction, and Sewer construction and maintenance were combined to establish a central stores operation. In 1980, Central Stores began purchasing the City's office supplies and non-specialty items. In April 2011, Central Stores was transitioned from the Public Works department to become a cost center within the Finance & Property Services Department. Central Stores remains an internal service division and transactions are recorded to the Public Works Stores Fund. Public Works Traffic Stores purchases components for traffic signals, controllers, and street lights.



2016 Budget

Revenues

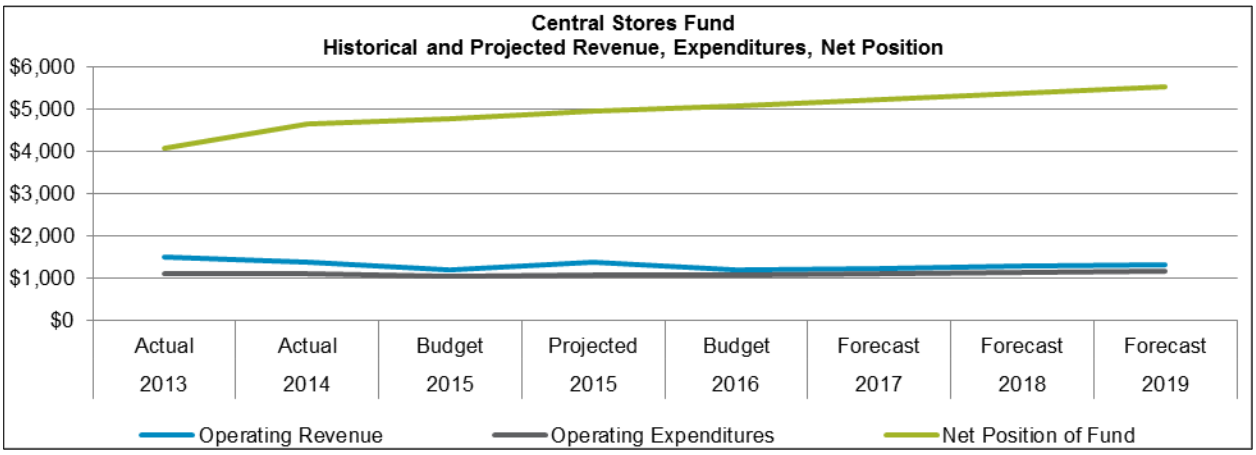
Revenues for 2016 are budgeted at $1.2 million, a decrease of 11.7% from the 2015 projected revenue of $1.4 million. Revenues for 2015 are projected to be higher than budgeted due to an increase in inventory transactions processed by both Central Stores and Traffic Stores. The 2015 revenue budget was calculated using historical levels of inventory sales.



Expense

The 2016 expense budget of $1.1 million is 0.1% decrease from the 2015 projected expense of $1.1

million. There are no significant planned changes for expenses.



Transfers
This fund does not have a transfer out obligation to another fund. The last transfer out occurred in 2012 when the City retired bonds related to the debt service of the Minneapolis Employees Retirement Fund (MERF) unfunded liability.

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

Net Position and Cash Balance
The financial policy for this fund states that the fund should maintain a minimum net and cash position equal to 15.0% of the operating budget. The year-end net position for 2014 was $4.6 million, an increase of $549,376 from the ending net position of $4.1 million in 2013, and well over the policy target of $167,000. However, the 2014 YE cash position was negative at ($200,801) compared to a target of $167,000. The fund has experienced a negative cash balance since 2006 when the balance was a deficit of ($877,261). By 2011, the deficit had increased to ($1.0 million). The cash balance varies indirectly with the amount expended for inventory purchases.

The 2015 projected net position is $4.9 million, and in 2016, the Central Stores Fund expects net position and cash position to increase as a result of a planned increase in cash reserves to bring the cash balance from a deficit balance to a positive balance.

Mayor's Recommended Budget
The Mayor recommended no changes to this fund.

Council Adopted Budget
The City Council adopted the Mayor's recommendation

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Public Works Stores Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Services	1,506	1,384	1,180	1,365	1,200	-12.1%	1,235	1,273	1,311
Charges for Sales	8	-	10	5	10	100.0%	10	10	10
Total Source of Funds	1,514	1,384	1,190	1,370	1,210	-11.7%	1,245	1,283	1,321
Use of Funds:									
Salaries and Fringes	790	775	744	790	760	-3.8%	783	806	830
Contractual Services	313	306	240	250	240	-4.0%	247	255	255
Materials and Other	16	31	70	30	71	136.7%	73	75	78
Total Use of Funds	1,120	1,112	1,054	1,070	1,071	0.1%	1,103	1,136	1,163
Change in Net Position[1]	397	549	136	300	139		143	147	158
Net Position[1]	4,089	4,638	4,774	4,938	5,077		5,220	5,367	5,525
Cash Balance	(179)	(201)	(65)	(53)	86		229	376	534
Target Cash Reserve[2]	168	167	158	161	161		165	170	174
Variance Cash to Target Reserve	(346)	(368)	(223)	(213)	(74)		64	206	360

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

[1] The change in net position and net position for 2013 and 2014 are the amounts recorded in the CAFR.

[2]The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve balance for the PW Stores Fund should be maintained at a minimum of 15% of the operating budget.

City of Minneapolis
2016 Budget
Financial Plan

Self-Insurance Fund

Background

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

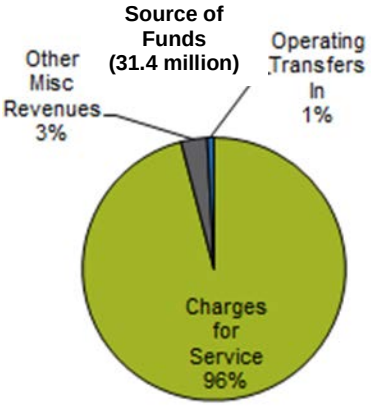
Historical Financial Performance

The fund has historically recorded a negative net position primarily because of the required accounting recognition of the liability for unpaid claims. The net position of the Self-Insurance Fund first reached a positive balance at year-end 2012 with a net position of $1.7 million having come from a low in 2002 of a negative $43.3 million. The net position increased by $13.8 million in 2014 bringing the fund's year-end balance to $18.3 million. The 2014 unpaid claims liability is $49.8 million representing a decrease of $4.8 million from the 2013 liability of $54.7 million. An actuarial study completed for year-end 2014 calculated the decrease to the unpaid claims liability based on historical paid claims, incurred loss, and estimated reserves for claims unpaid.

The fund ended 2014 with a cash balance of $70.8 million, an increase of $9.4 million from the 2013 ending balance of $61.4 million. Financial policies related to the internal service funds determine that a reserve cash balance for the Self Insurance Fund should be maintained equal to the unpaid claims liability amount plus 10.0% of the annual department operating budgets. The ending 2014 cash balance is $19.8 million greater than the amount determined by the financial policy.

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

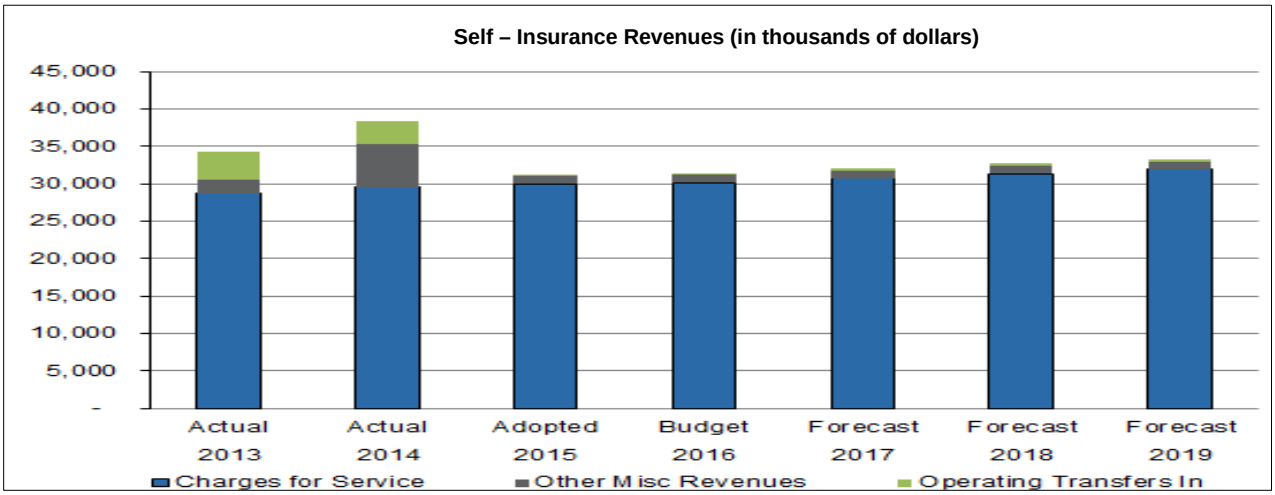
2016 Budget



Revenues
Revenue recorded in this fund primarily consists of funds received from City departments through a cost allocation model for services related to litigation, risk management, and employee benefits. In addition, the fund collects revenue to provide for payment of liability settlements and for workers compensation costs.

The 2016 budgeted revenue for the Self Insurance fund is $31.4 million, a decrease of 1.9% from the 2015 projected revenue of

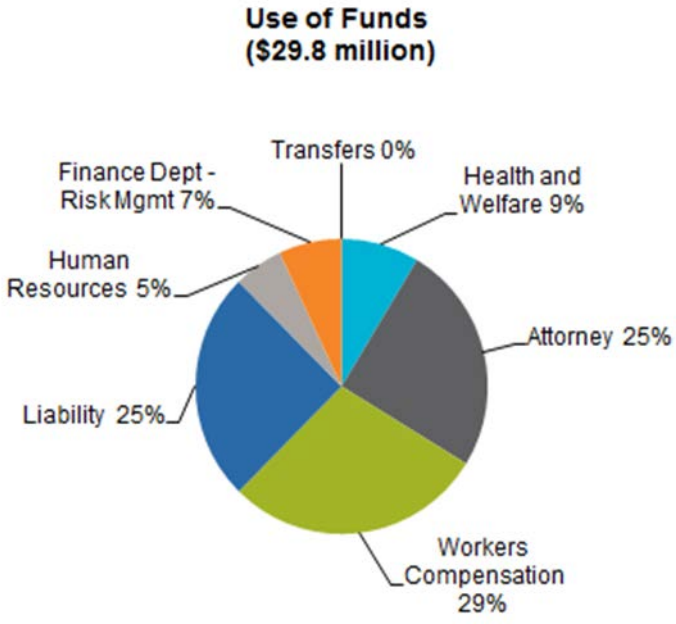
$32.0 million. The decrease is primarily related to a decrease in the liability premium that is allocated to City departments. This decrease follows the 2014 actuarial study that projected that the City's payout for tort settlements in 2016 will be less than the amount projected to be paid in 2015. By contrast, the study predicted that the amount paid out for workers compensation in 2016 will increase compared to the amount paid in 2015. Beginning in 2015, the Self Insurance Fund will no longer receive a transfer from the General Fund, as determined by the long-term financial plan, to increase net position. The fund does receive a General Fund transfer for City Hall rent.



Expense

The expense budget for 2016 is $29.8 million, an increase of 11.3% from the projected 2015 expenses of $26.8 million. The 2015 projected expense budget reflects a 13.7% decrease over the 2015 adopted budget due to a significant decrease in the projected cost of tort settlements. The 2015 projected decrease in tort settlement expense will be offset by an increase in the cost of workers compensation claims in the same year.

The worker's compensation payments are estimated at $8.6 million for 2016. This is a 17.2% decrease from the 2015 projected amount of $10.4 million. The actuarial study predicted a decrease in liability payments of 14.1% from 2015 to 2016. Actual liability payments for 2015 are projected to be 60.2% less than the amount predicted in the actuarial study for 2015.



The Unused Sick Leave program provides a payout of unused sick leave to qualified employees upon separation from the City. Payments are funded by 0.7% gross salary contributions from the City and Park Board into a severance pool. The rate for City police officers and firefighters is 1.1% of gross pay. In recent years, the amount

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

Transfers
The 2016 revenue budget includes a $261,000 transfer from the General Fund for the cost of City Hall rent. However, following the long term plan for the fund, the transfer from the General Fund to assist the Self Insurance fund to attain a positive net position, ended in 2015. In addition, in 2015 the fund received a final transfer of $1.0 million to assist with payment of debt service.

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

Net Position
The net position at year-end 2014 is $18.3 million representing an increase of $13.7 million from the 2013 net position of $4.6 million. In 2016, the Self Insurance fund expects net position to increase as a result of a planned increase in cash reserves due to ending the transfer out of $1.0 million to the Intergovernmental Services Fund in 2015. The financial reserve policy relating to the internal service funds states that the net position for the Self Insurance Fund should not fall below zero.

The fund experienced an increase in cash of $9.4 million in 2014, bringing the cash balance to $70.8 million. The primary reason for the increase in cash balance is the decrease in tort settlements paid in 2014 compared to the amount budgeted for that year. The financial reserve policy relating to the internal service funds states that the Self Insurance Fund should maintain a cash balance equal to the unpaid claims liability plus 10.0% of the annual operating budgets within the fund. For year ending 2014, the target cash reserve is $50.9 million and the fund exceeded the target by $19.8 million.

City of Minneapolis
2016 Budget
Financial Plan (in thousands of dollars)

Self Insurance Fund

	2013 Actual	2014 Actual	2015 Budget	2015 Projected	2016 Budget	% Chg From 2015 Projected	2017 Forecast	2018 Forecast	2019 Forecast
Source of Funds:									
Charges for Service	28,732	30,612	29,976	30,304	30,147	-0.5%	31,051	31,983	32,942
Other Misc Revenues	1,782	1,147	1,010	1,420	1,010	-28.9%	1,040	1,072	1,104
Operating Transfers In	3,856	3,086	292	292	261	-10.6%	271	282	294
Total Source of Funds	34,370	34,845	31,278	32,016	31,418	-1.9%	32,363	33,336	34,339
Use of Funds:									
Health and Welfare	1,097	1,244	2,530	1,082	2,593	139.7%	2,671	2,751	2,834
Attorney	6,132	6,452	7,185	6,847	7,341	7.2%	7,561	7,788	8,021
Workers Compensation	10,461	9,771	7,469	10,391	8,607	-17.2%	9,007	9,447	9,895
Liability	6,026	3,286	8,790	3,500	7,551	115.7%	8,139	8,274	8,473
Human Resources	2,468	1,555	1,630	1,533	1,641	7.0%	1,690	1,741	1,793
Finance Dept - Risk Mgmt	2,535	2,859	2,459	2,443	2,097	-14.2%	2,159	2,224	2,291
Transfers	1,000	1,000	1,000	1,000	-	0.0%	-	-	-
Total Use of Funds	29,718	26,168	31,064	26,796	29,829	11.3%	31,227	32,225	33,307
Change in Net Position [1]	2,853	13,756	214	5,221	1,588		1,135	1,112	1,033
Net Position [1]	4,554	18,309	18,523	23,530	25,118		26,254	27,366	28,398
Cash Balance	61,419	70,785	70,999	76,006	77,595		78,730	79,842	80,874
Target Cash Reserve	55,688	50,937	53,106	53,055	55,370		57,900	60,679	63,670
Variance Cash to Target Reserve	5,731	19,848	17,893	22,951	22,224		20,830	19,163	17,204

[1]Change in net position and net position are CAFR values for 2013 and 2014
The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Self Insurance fund should not be less than the total of the unpaid claims liability balance plus 10.0% of the annual operating budgets within the fund.

City of Minneapolis
2016 Budget

Table of Contents

City Council Operating Departments	Pages 163-407
Assessor	164
Attorney	171
City Clerk/Elections	181
City Council	186
City Coordinator Departments	
Total City Coordinator Summary Page	191
City Coordinator - Administration	196
311	202
911	208
Emergency Management	214
Communications	219
Convention Center	225
Finance and Property Services	233
Human Resources	246
Information Technology	254
Intergovernmental Relations	261
Neighborhood and Community Relations	268
Civil Rights	275
Community Planning and Economic Development	284
Fire	298
Health	307
Internal Audit	318
Mayor	324
Police	329
Public Works	
Total Public Works Summary Pages	341
Public Works - Administration	354
Fleet Services	358
Solid Waste & Recycling Services	362
Surface Water & Sanitary Sewer - Sanitary Sewer	366
Surface Water & Sanitary Sewer - Stormwater	370
Traffic & Parking Services	374
Transportation Maintenance & Repair	379
Transportation Planning and Engineering	384
Transportation Planning and Programming	389
Water Treatment & Distribution	393
Regulatory Services	397

ASSESSOR

MISSION

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

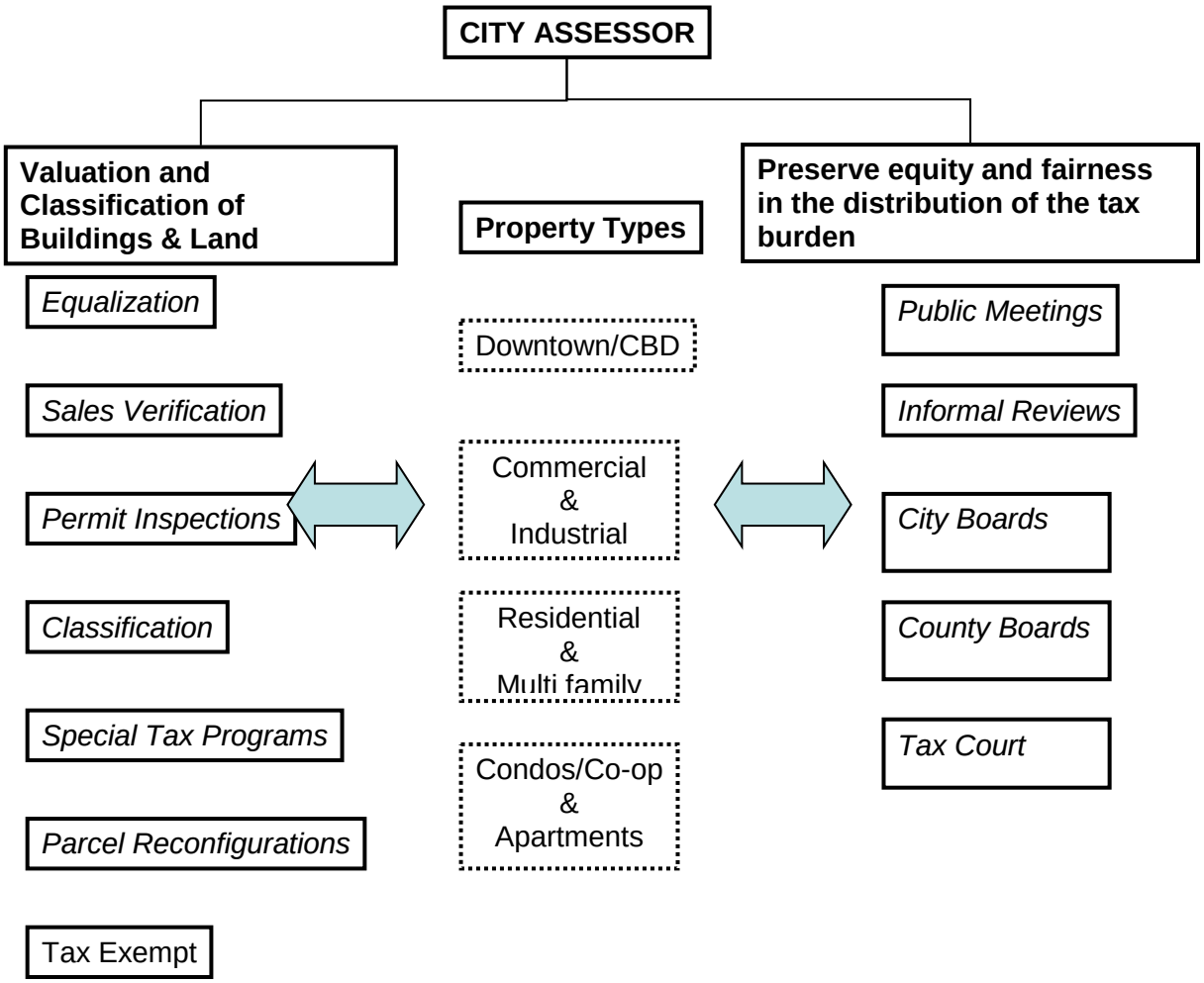
BUSINESS LINES

- **Valuation and Classification of Real Estate Property –** Perform the assessment function for all real estate and appropriate personal property and share this information with Hennepin County
    a. *Valuation* – The annual estimation of value for all taxable and non-taxable real property per state law.
        i. Per Minnesota statute 20% of the taxable properties must be inspected each year
        ii. Inspect and update property records for all new construction and significant remodeling, modifications or demolition

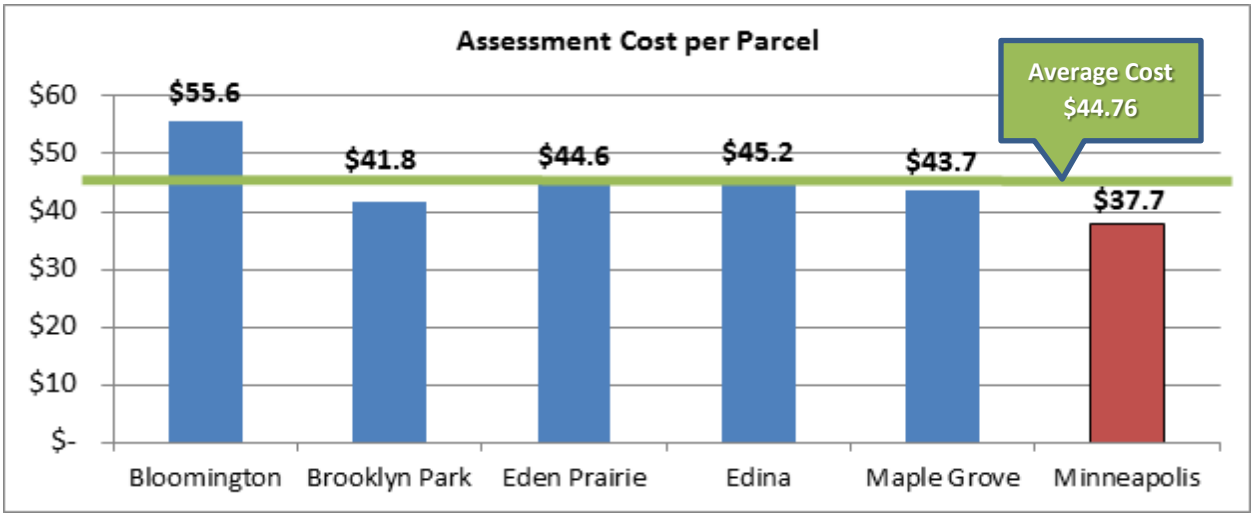
    b. *Classification* – The annual classification and recording of parcels by ownership, property use and property type.
        i. Evaluate new exempt applications and verify existing exempt organizations
        ii. Administer and enforce all property tax programs and laws
        iii. Process existing and new property divisions and combinations

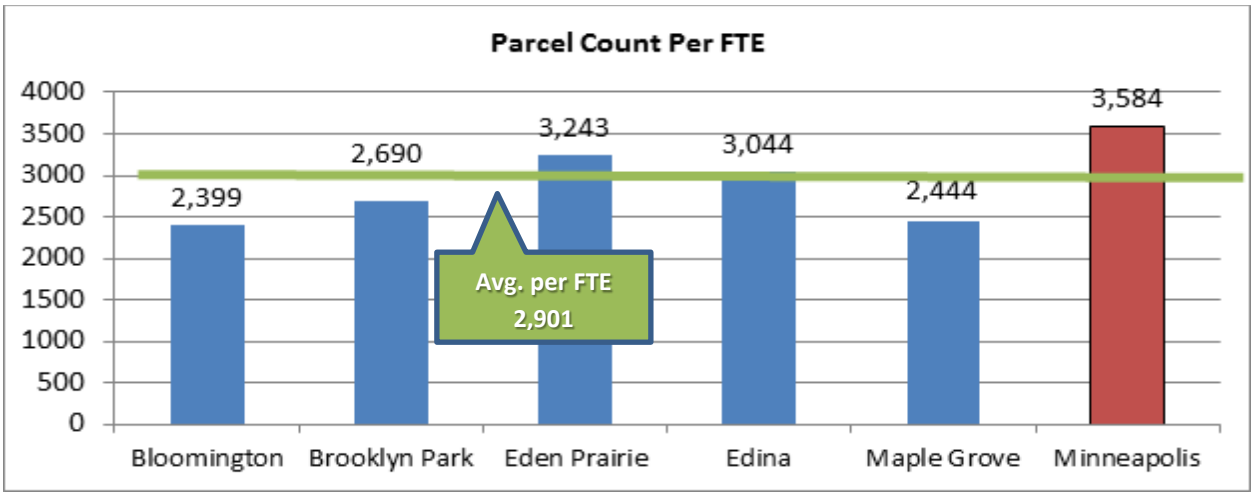
- **Preserve equity and fairness in the distribution of the tax burden** –
    a. *Appeals and Reviews* – Respond to all informal and formal owner/taxpayer appeals and requests for property reviews. Defend values and classifications at the City and County Boards of Appeal and Equalization.
    b. *Tax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

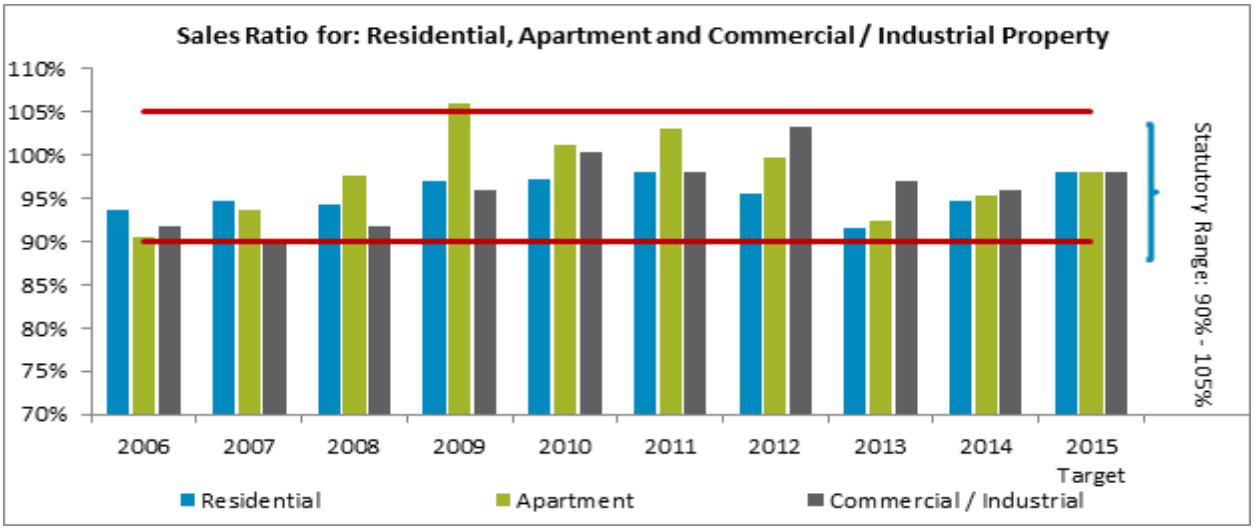
ORGANIZATION CHART

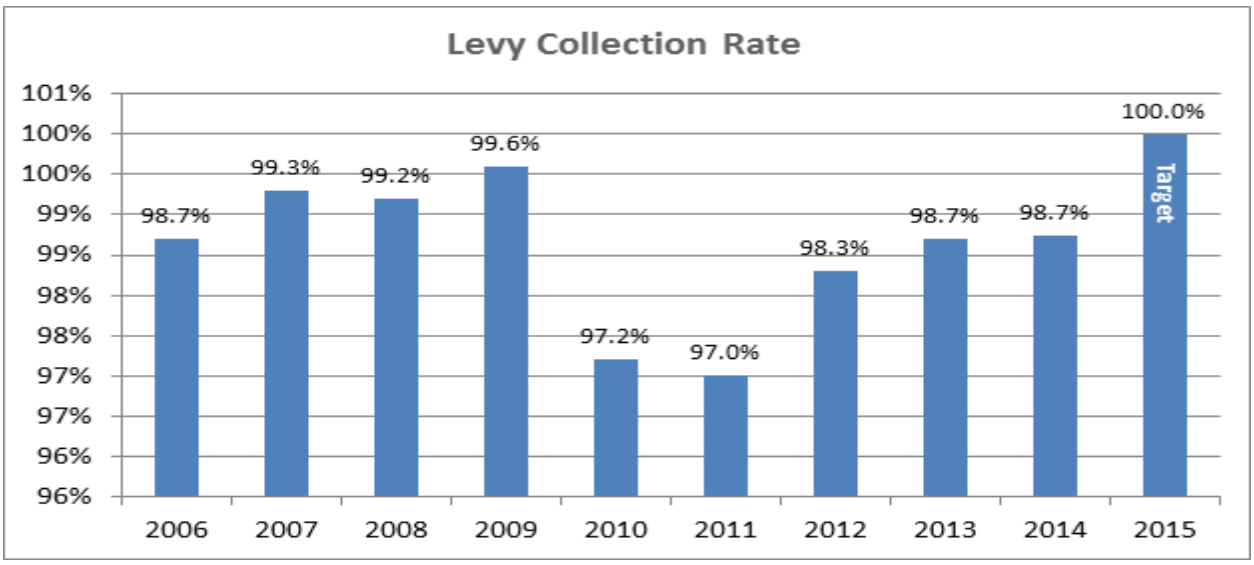


SELECTED RESULTS MINNEAPOLIS MEASURES




Parcel Count Per FTE
4000
3500
3000
2500
2000
1500
1000
500
0
2,399
2,690
3,243
3,044
2,444
3,584
Avg. per FTE
2,901
Bloomington
Brooklyn Park
Eden Prairie
Edina
Maple Grove
Minneapolis


Sales Ratio for: Residential, Apartment and Commercial / Industrial Property
110%
105%
100%
95%
90%
85%
80%
75%
70%
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
Target
Statutory Range: 90% - 105%
Residential
Apartment
Commercial / Industrial


Levy Collection Rate
101%
100%
100%
99%
99%
98%
98%
97%
97%
96%
96%
98.7%
99.3%
99.2%
99.6%
97.2%
97.0%
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98.7%
100.0%
Target
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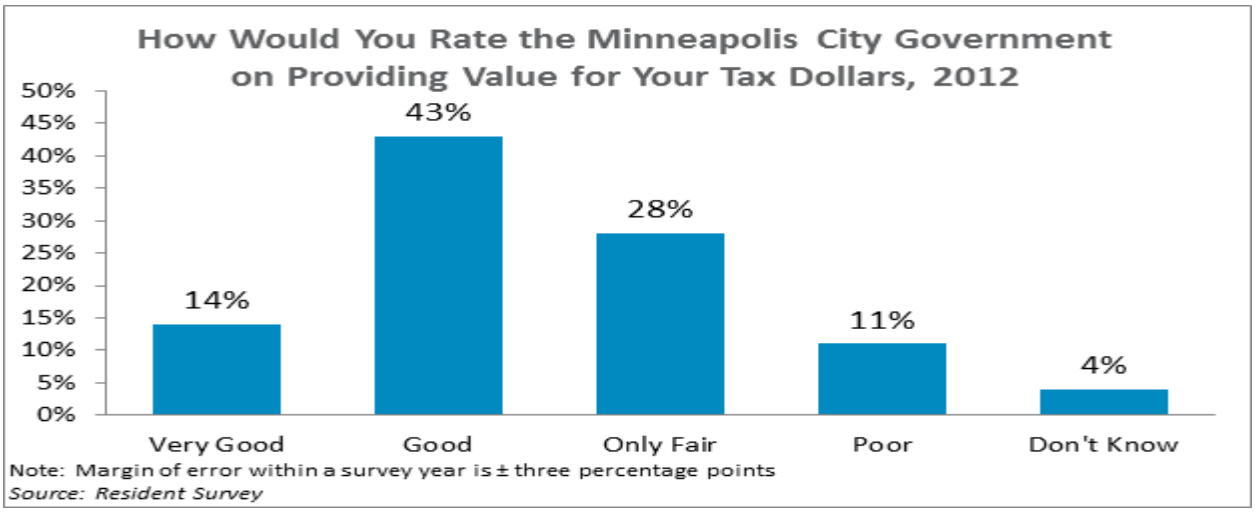
2013
2014
2015



A City That Works

Appraisals and Assessments Administration General Fund: $5,027,275

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

Financial Analysis

Expenditure
The total Assessor Department's budget increases from $4.9 million to $5.1 million from 2015 to 2016. This is an increase of $158,000 or 3.2%. The Assessor Department's 2016 expenditure budget reflects inflationary increases in operating costs and ongoing General Fund budget enhancement of $100,000 for an additional FTE.

Revenue
This department does not produce revenue. Revenues reported in past years in this department are now being accounted for under City's general revenues.

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

Mayor's Recommended Budget
The Mayor recommended $114,500 ongoing General Fund resources for an additional 1.0 FTE (Business Applications Manager) to provide appraisers and staff with additional technical support to analyze data and identify real estate market trends.

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

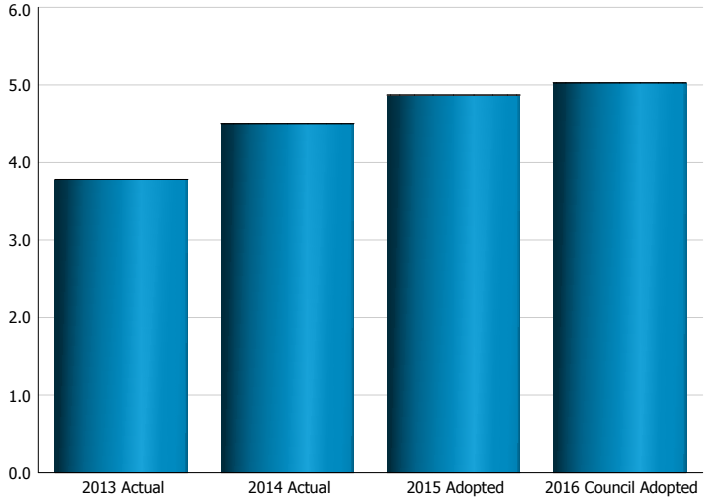
ASSESSOR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,064,244	2,420,234	2,660,527	2,836,637	6.6%	176,110
FRINGE BENEFITS	748,000	954,010	1,074,079	1,095,724	2.0%	21,645
CONTRACTUAL SERVICES	804,369	907,236	791,816	875,547	10.6%	83,731
OPERATING COSTS	163,569	218,167	207,958	219,367	5.5%	11,409
CAPITAL			135,000		-100.0%	(135,000)
TOTAL GENERAL	**3,780,182**	**4,499,647**	**4,869,380**	**5,027,275**	**3.2%**	**157,895**
TOTAL EXPENSE	**3,780,182**	**4,499,647**	**4,869,380**	**5,027,275**	**3.2%**	**157,895**

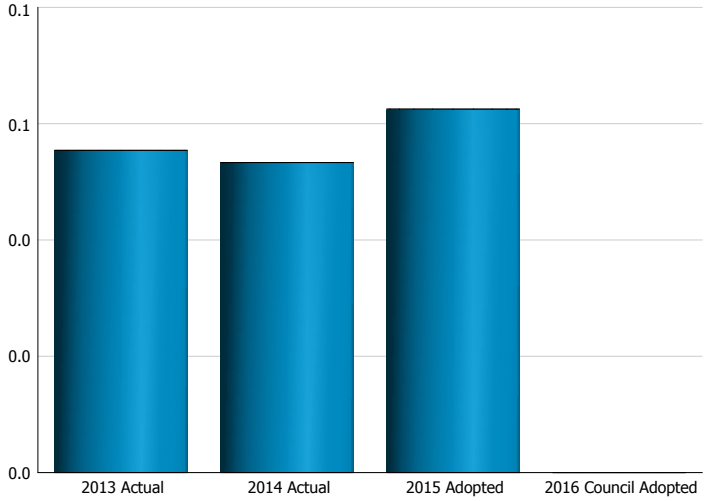
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,500	1,700	500		-100.0%	(500)
OTHER MISC REVENUES	30	62			0.0%	0
PROPERTY TAXES	53,882		62,000		-100.0%	(62,000)
STATE GOVERNMENT		51,553			0.0%	0
GENERAL	**55,412**	**53,315**	**62,500**		**-100.0%**	**(62,500)**
TOTAL REVENUE	**55,412**	**53,315**	**62,500**		**-100.0%**	**(62,500)**

ASSESSOR
EXPENSE AND REVENUE INFORMATION

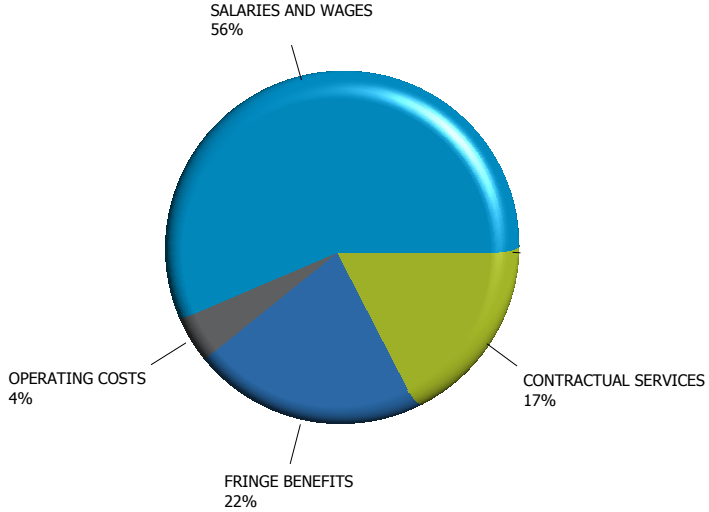
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



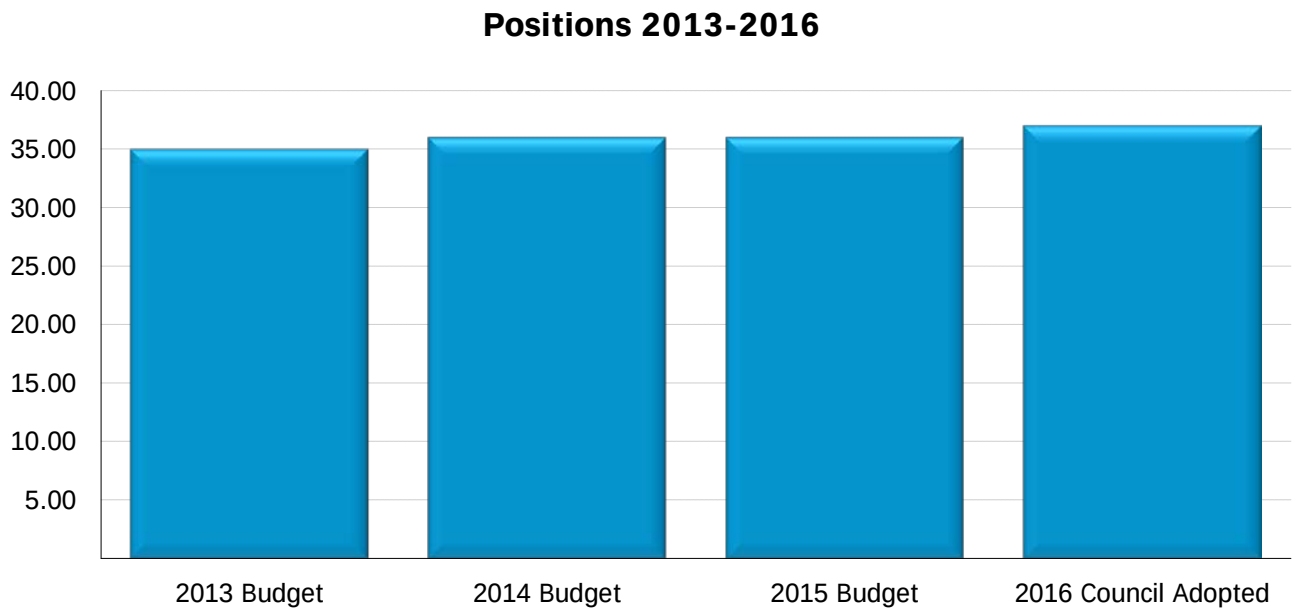
Expense by Category



ASSESSOR

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
ASSESSOR OPERATIONS	35.00	36.00	36.00	37.00	2.8%	1.00
Overall	35.00	36.00	36.00	37.00	2.8%	1.00



CITY ATTORNEY

MISSION

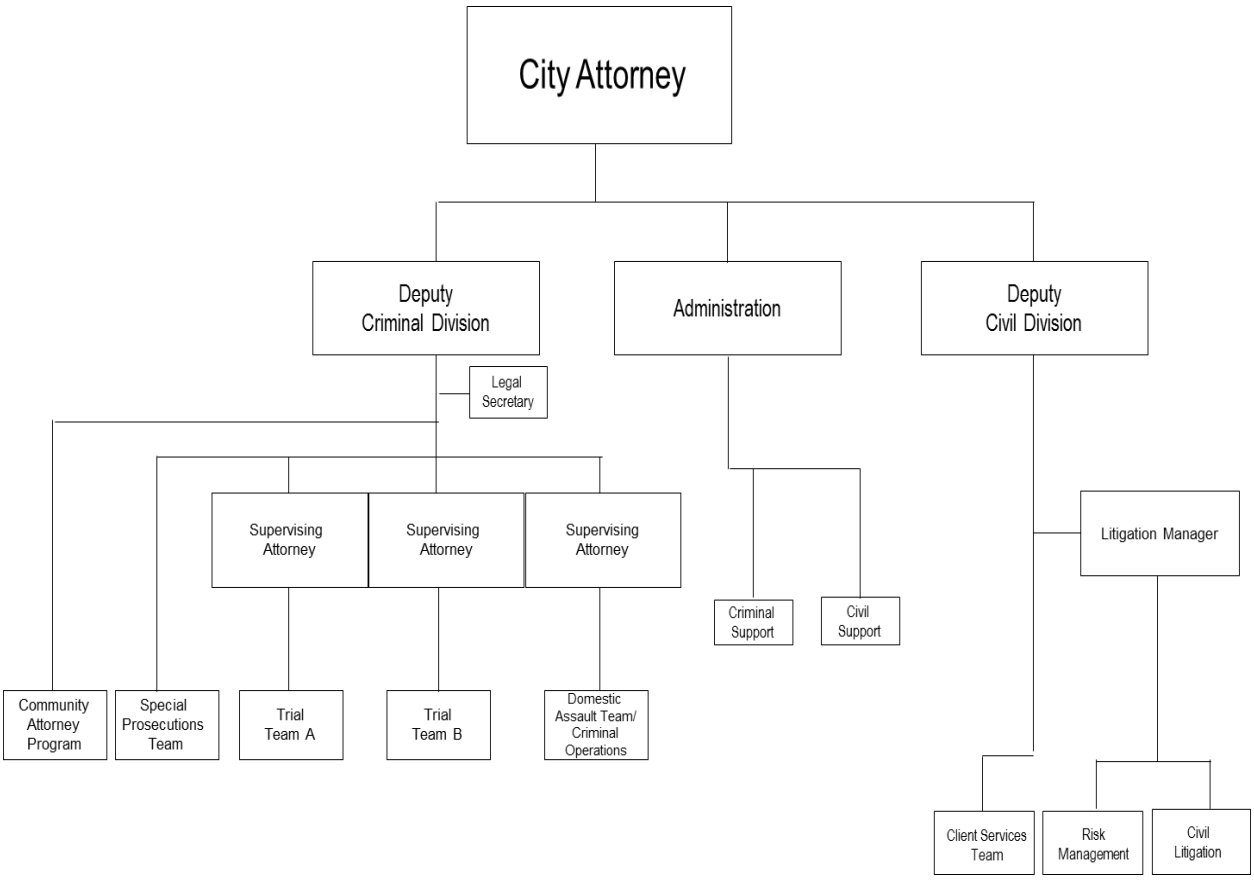
The City Attorney department's mission is to enhance public safety, serve justice and vigorously represent the interests of the City of Minneapolis and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

BUSINESS LINES

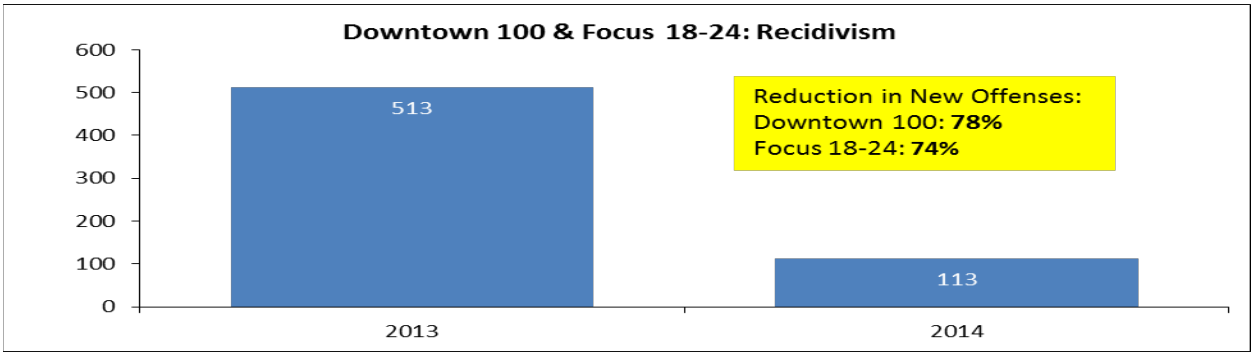
The City Attorney's Office (CAO) has two business lines. They are:

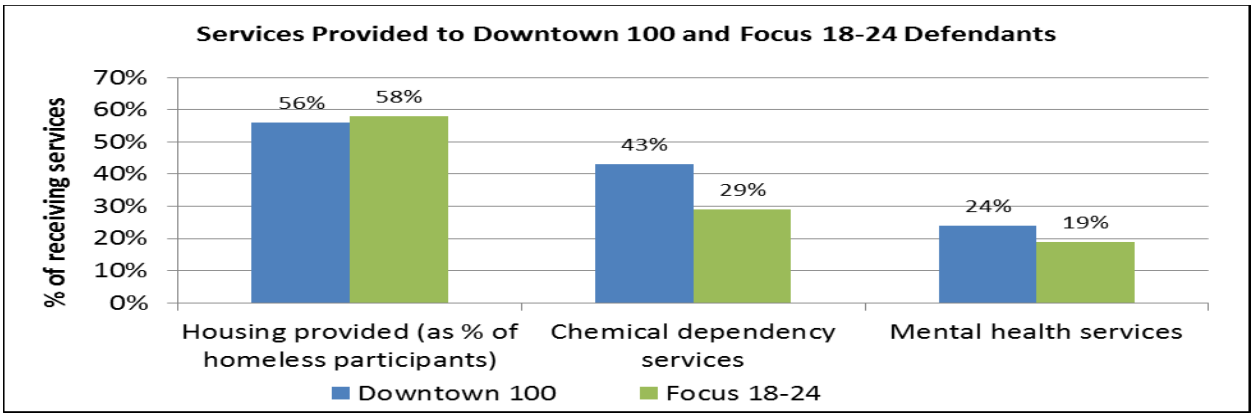
1. Criminal Division: Prosecutes all adult misdemeanor, gross misdemeanor and petty misdemeanor crime in the City of Minneapolis.
2. Civil Division: Delivers legal services for City clients and provides litigation representation.

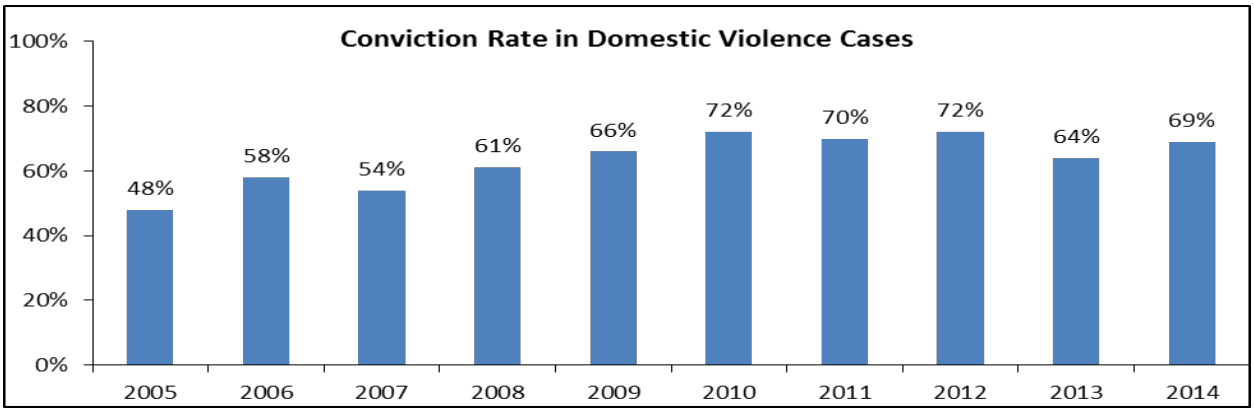
ORGANIZATION CHART

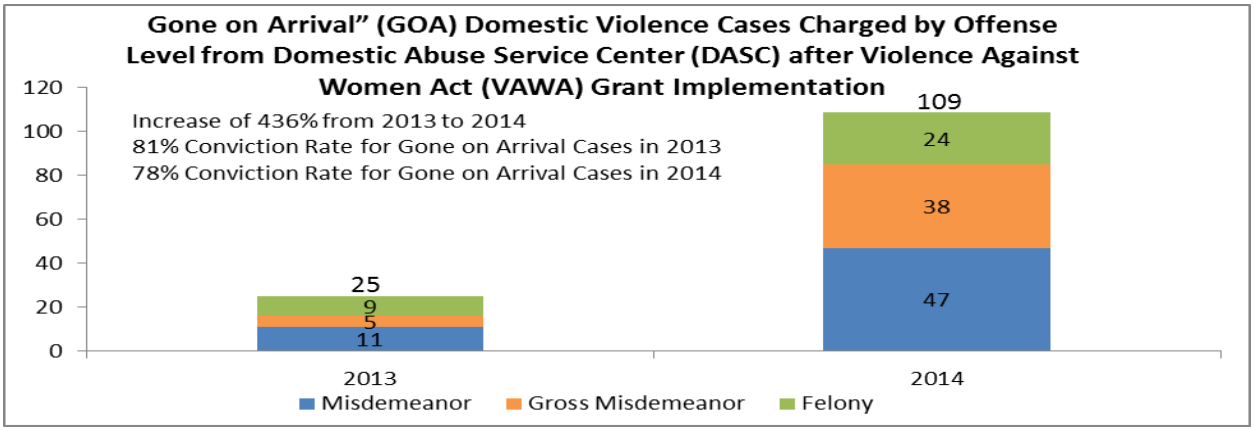


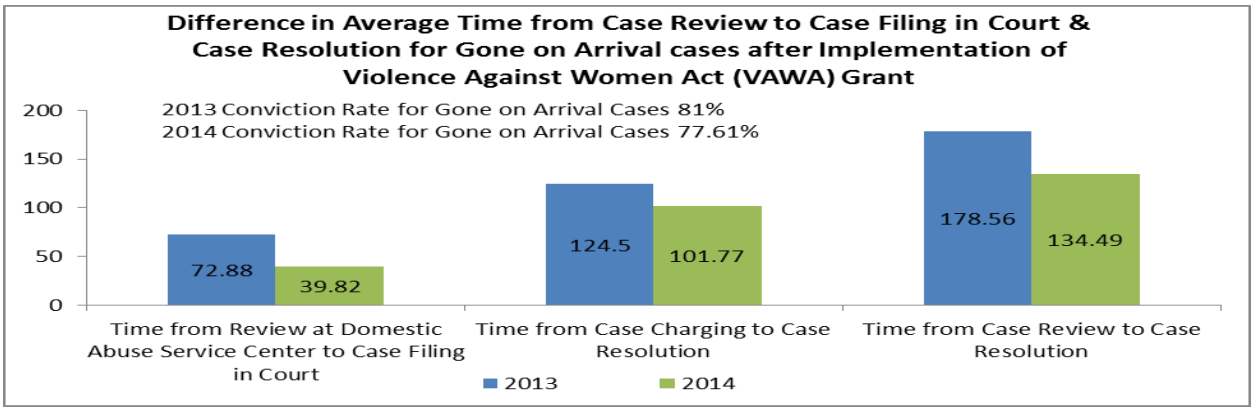
SELECTED RESULTS MINNEAPOLIS MEASURES

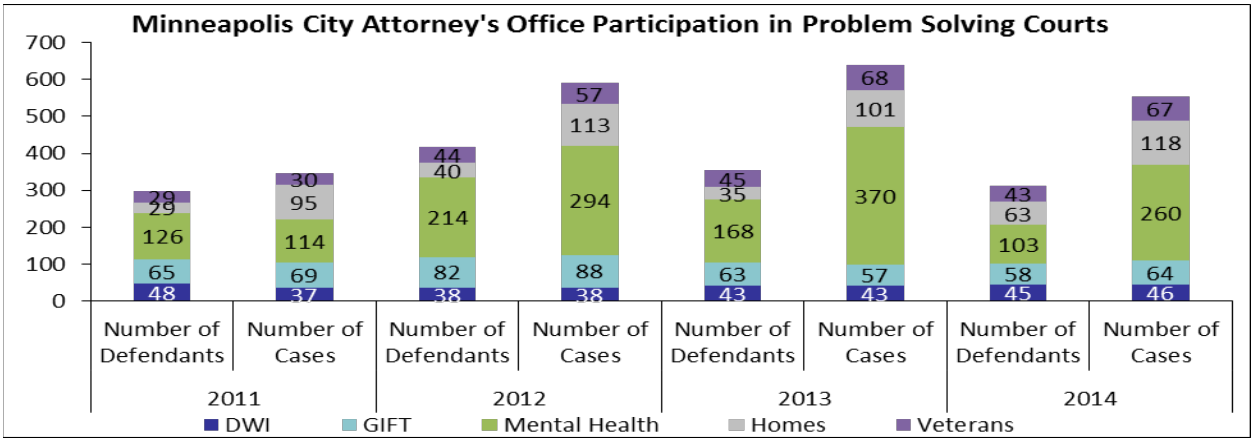


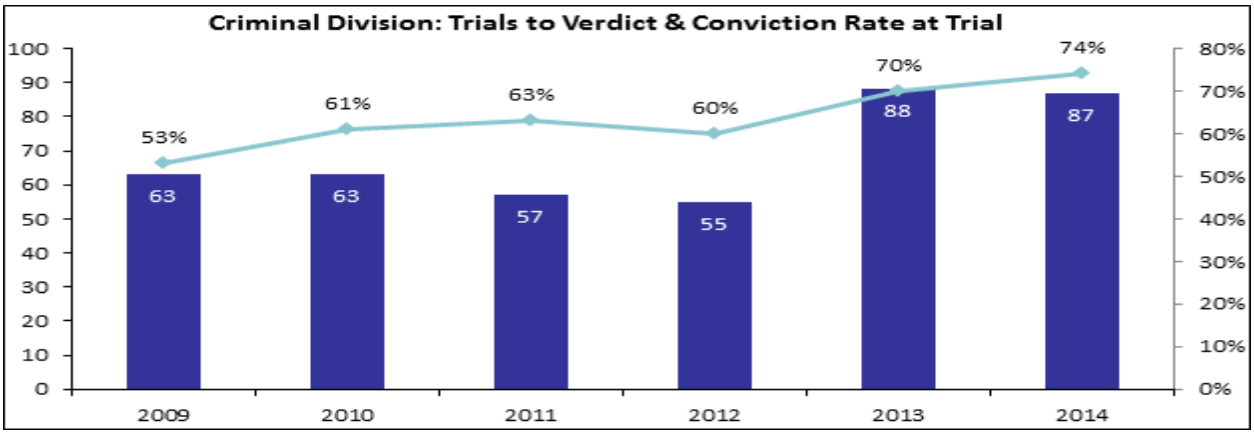


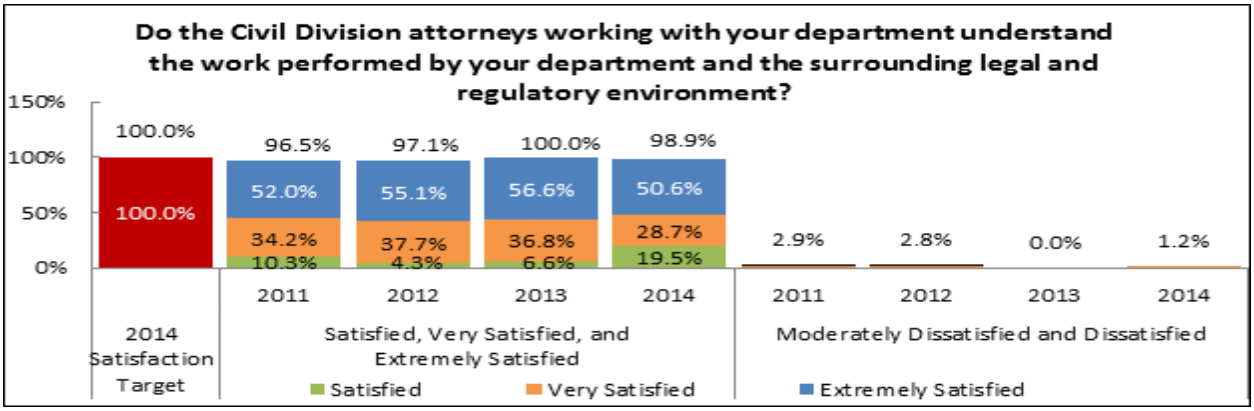


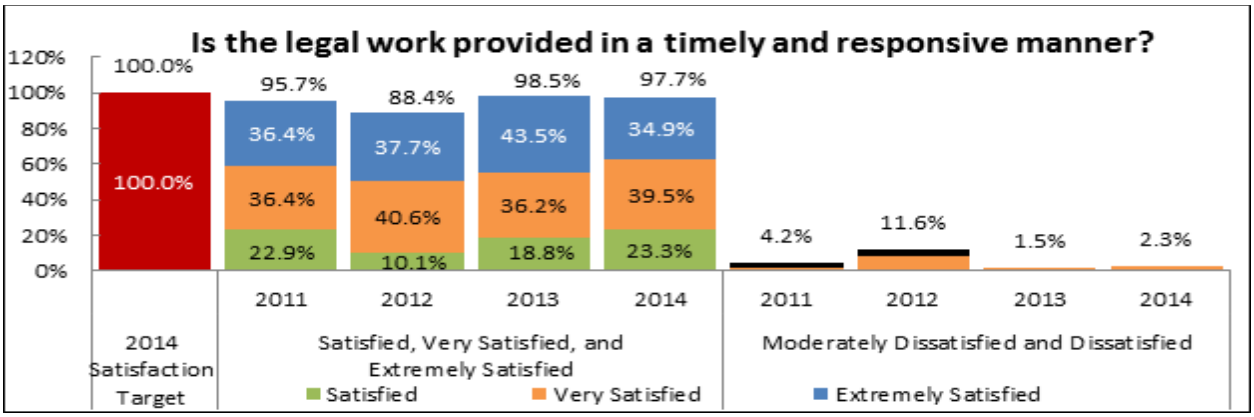


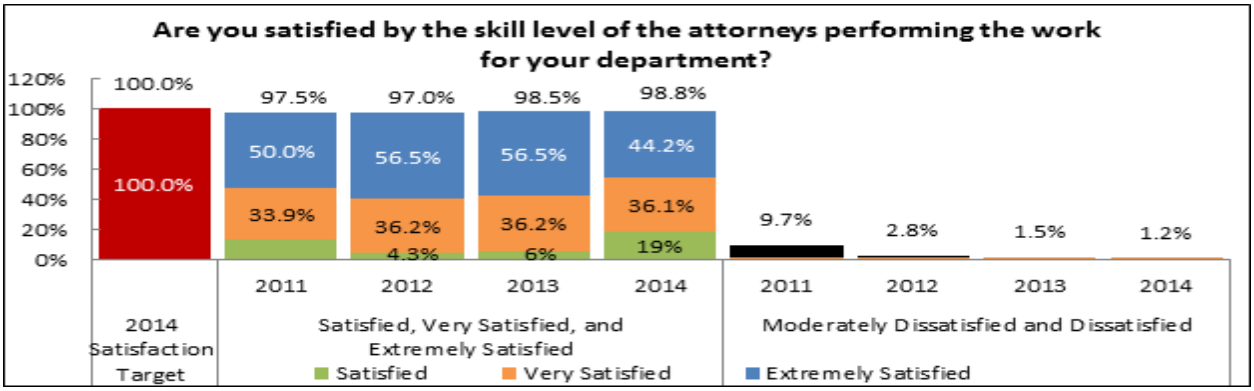

Difference in Average Time from Case Review to Case Filing in Court & Case Resolution for Gone on Arrival cases after Implementation of Violence Against Women Act (VAWA) Grant
2013 Conviction Rate for Gone on Arrival Cases 81%
2014 Conviction Rate for Gone on Arrival Cases 77.61%
200
150
100
50
0
72.88
39.82
124.5
101.77
178.56
134.49
Time from Review at Domestic Abuse Service Center to Case Filing in Court
Time from Case Charging to Case Resolution
Time from Case Review to Case Resolution
2013
2014

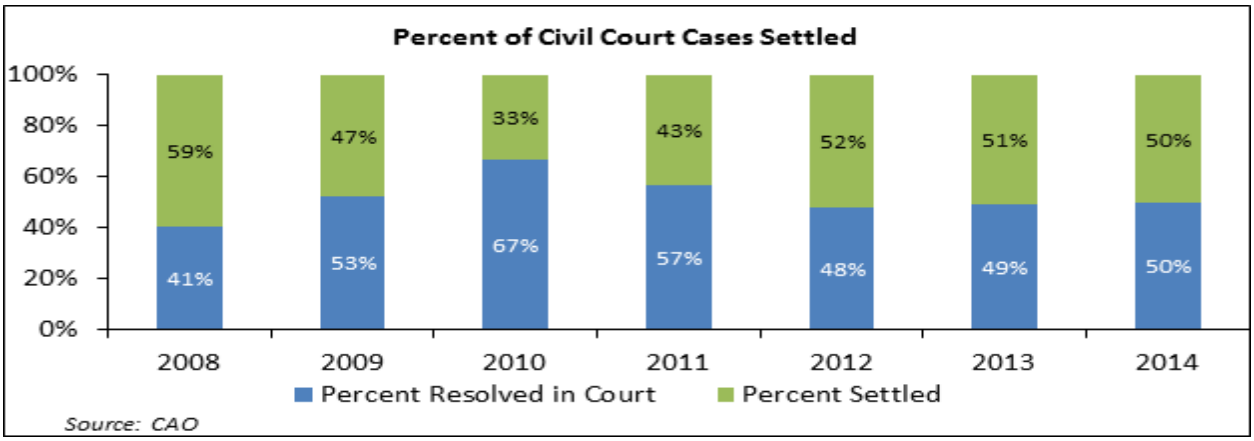

Minneapolis City Attorney's Office Participation in Problem Solving Courts
700
600
500
400
300
200
100
0
29
29
126
65
48
30
95
114
69
37
44
40
214
82
38
57
113
294
88
38
45
35
168
63
43
68
101
370
57
43
43
63
103
58
45
67
118
260
64
46
Number of Defendants
Number of Cases
Number of Defendants
Number of Cases
Number of Defendants
Number of Cases
Number of Defendants
Number of Cases
2011
2012
2013
2014
DWI
GIFT
Mental Health
Homes
Veterans

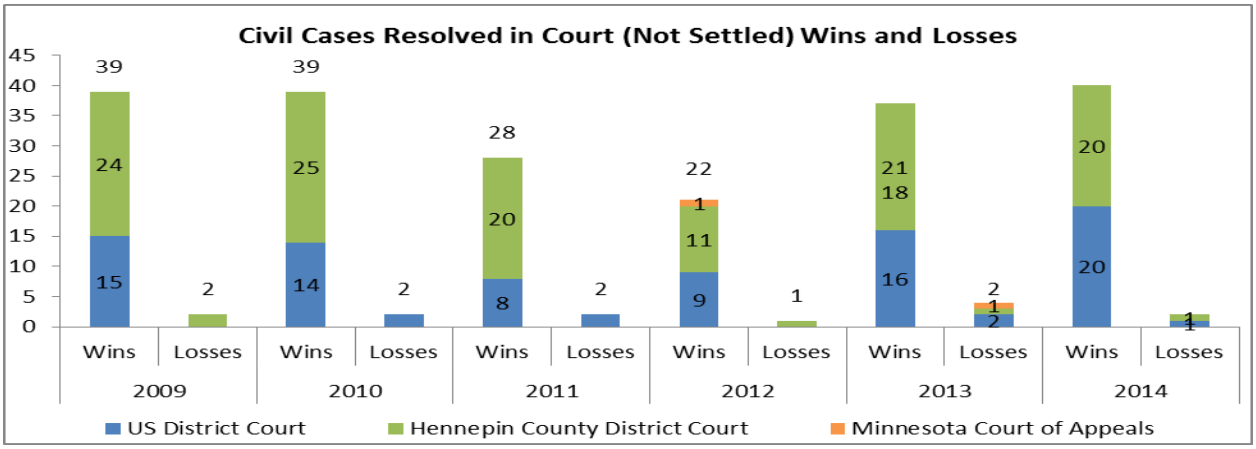

Criminal Division: Trials to Verdict & Conviction Rate at Trial
100
90
80
70
60
50
40
30
20
10
0
80%
70%
60%
50%
40%
30%
20%
10%
0%
53%
61%
63%
60%
70%
74%
63
63
57
55
88
87
2009
2010
2011
2012
2013
2014


Do the Civil Division attorneys working with your department understand the work performed by your department and the surrounding legal and regulatory environment?
150%
100%
50%
0%
100.0%
100.0%
96.5%
52.0%
34.2%
10.3%
97.1%
55.1%
37.7%
4.3%
100.0%
56.6%
36.8%
6.6%
98.9%
50.6%
28.7%
19.5%
2.9%
2.8%
0.0%
1.2%
2011
2012
2013
2014
2011
2012
2013
2014
2014 Satisfaction Target
Satisfied, Very Satisfied, and Extremely Satisfied
Moderately Dissatisfied and Dissatisfied
Satisfied
Very Satisfied
Extremely Satisfied


Is the legal work provided in a timely and responsive manner?
120%
100%
80%
60%
40%
20%
0%
100.0%
100.0%
95.7%
36.4%
36.4%
22.9%
88.4%
37.7%
40.6%
10.1%
98.5%
43.5%
36.2%
18.8%
97.7%
34.9%
39.5%
23.3%
4.2%
11.6%
1.5%
2.3%
2011
2012
2013
2014
2011
2012
2013
2014
2014 Satisfaction Target
Satisfied, Very Satisfied, and Extremely Satisfied
Satisfied
Very Satisfied
Moderately Dissatisfied and Dissatisfied
Extremely Satisfied


Are you satisfied by the skill level of the attorneys performing the work for your department?
120%
100%
80%
60%
40%
20%
0%
100.0%
100.0%
97.5%
50.0%
33.9%
97.0%
56.5%
36.2%
4.3%
98.5%
56.5%
36.2%
6%
98.8%
44.2%
36.1%
19%
9.7%
2.8%
1.5%
1.2%
2011
2012
2013
2014
2011
2012
2013
2014
2014 Satisfaction Target
Satisfied, Very Satisfied, and Extremely Satisfied
Satisfied
Very Satisfied
Moderately Dissatisfied and Dissatisfied
Extremely Satisfied


Percent of Civil Court Cases Settled
100%
80%
60%
40%
20%
0%
59%
41%
47%
53%
33%
67%
43%
57%
52%
48%
51%
49%
50%
50%
2008
2009
2010
2011
2012
2013
2014
Percent Resolved in Court
Percent Settled
Source: CAO


Civil Cases Resolved in Court (Not Settled) Wins and Losses
45
40
35
30
25
20
15
10
5
0
39
24
15
2
39
25
14
2
28
20
8
2
22
1
11
9
1
21
18
16
2
1
2
20
20
1
1
Wins
Losses
Wins
Losses
Wins
Losses
Wins
Losses
Wins
Losses
Wins
Losses
2009
2010
2011
2012
2013
2014
US District Court
Hennepin County District Court
Minnesota Court of Appeals

A City That Works

Community Attorney General Fund: $995,307
Other Funds: $474,161

The CAO houses a prosecutor in each of the 5 MPD Precincts whose mission is to engage the community in neighborhood public safety issues and to serve as a resource for MPD. The program includes 5 Community Attorneys, 3 Paralegals, Focus 18 – 24 team, and the Downtown 100 Prosecutor. The program engages local residents and neighborhood businesses in responding to public safety and livability crime concerns in their communities.

Living Well

Criminal Prosecution General Fund: $8,580,180

The Criminal Division of the City Attorney's Office prosecutes all adult gross misdemeanor, misdemeanor, petty misdemeanor and traffic offenses in the City of Minneapolis. Prosecution is a mandated function. The criminal prosecution function is divided into four teams: domestic violence, chronic offender prosecutions and two teams that prosecute all other cases, ranging from DWI, reckless driving (that can include fatalities) to trespass, carrying a weapon without a permit, driving after revocation or suspension of a license and civil forfeiture cases.

The CAO also participates in specialty courts and calendars in Hennepin County District Court, including mental health court, veteran's court, GIFT (Gaining Independence for Females in Transition) review calendar and DWI court. The specialty courts require extra prosecutor time for appearances, staffing meetings and review calendars but provide impressive results in reducing recidivism. Finally, the criminal prosecution program handles appeals of criminal cases to the Minnesota Court of Appeals and the Minnesota Supreme Court. The office also devotes resources to the prosecution of domestic violence and livability crime chronic offenders.

A Hub of Economic Activity and Innovation

Civil Litigation Other Funds: $3,794,414

The Civil Division is proactive in working with City officials and department staff to identify issues that raise a potential for litigation and provide advice on preventive measures when claims are made against the City. Litigation group attorneys are assigned to litigate those matters and represent the City in civil matters filed in the state and federal district and appellate courts and before administrative agencies. The group also handles civil rights charges against the City, worker's compensation cases and claims in excess of $25,000 and claims that involve allegations of police misconduct or where the party is represented by legal counsel.

In addition to providing representation for the City, litigation group attorneys provide direct defense of City officers and employees in cases in which employees are personally named in a lawsuit, as dictated by City policy and State law.

One Minneapolis

Client Services Other Funds: $3,546,225

The Client Services group provides all non-litigation legal services for City clients including providing advice to all City departments, boards, commissions and office holders. The group is called upon to draft development agreements, prepare ordinances and charter amendments, advice the City on the myriad of legal questions facing the City and its operations ranging from governmental authority to election law to compliance with the open meeting law and data practices act. The group also represents labor arbitrations, civil service and veteran's preference proceedings.

Financial Analysis

Expenditure

The total City Attorney Department's budget increases from $16.7 million to $17.4 million from 2015 to 2016. This is an increase of $680,000, or 4.1%. The City Attorney Department's 2016 expenditure budget reflects the following changes from 2015; routine inflationary increases in operating costs, additional $655,500 General Fund resources in enhancements and rightsizing of the department's budget by reducing $200,000 of ongoing General fund resources. The department's FTE count increases by 2 FTEs or 1.8% from 110 in 2015 to 112 in 2016.

Revenue

Projected revenues of $260,000 in 2016 will be $30,000 higher from 2015 levels.

Fund Allocation

This department is funded primarily by the General Fund at 55%, with the remainder of the department's funding found in the Self Insurance Fund at 42% and 3% funded by the Special Revenue Fund.

Mayor's Recommended Budget

The Mayor recommended the following ongoing General Fund allocations: $40,000 for negotiation skills training and building enterprise capacity in the area of negotiation, $50,000 to cover the shortfall in funding from the Justice Assistance Grant (JAG) that supports two prosecutor FTEs, and $65,000 for the Domestic Violence Hotline that provides advocacy services for domestic abuse victims.

The Mayor also recommended the following one-time General Fund allocations: $248,000 to fund a two-year pilot program to create a charging team to replace Tab Charging by police of arrested persons (includes 2.0 FTE's), $100,000 for Restorative Justice program which supplements the existing $50,000 in the base budget, $15,000 to develop policy change recommendations for driving-related offenses, $15,000 to develop an evidence-based community consequence for carrying without a Permit Cases, $25,000 for 'Business Made Simple' process improvements and plain language consulting services, and $10,000 for a two-year diversion pilot program with Minneapolis Police department that involves obstruction of legal process charges.

The Mayor also recommended rightsizing the City Attorney's base budget by reducing the ongoing General Fund resources by $200,000.

Council Adopted Budget

The City Council amended the Mayor's recommendations by providing one-time allocation of $87,500 to be used for continuation of the Hot Spots Pilot for 2016.

The Council also directed the department, in conjunction with Community Planning & Economic Development, Finance & Property Services and other relevant departments, to return to both the Community Development & Regulatory Services and Ways & Means Committees by April 1, 2016, with an overview and report on the status of the City's tax increment financing (TIF) program, including the Common Project and Consolidated TIF Districts. Additionally, staff is directed to provide an overview of City development projects that are foreseeable in the next five years, including potential funding sources.

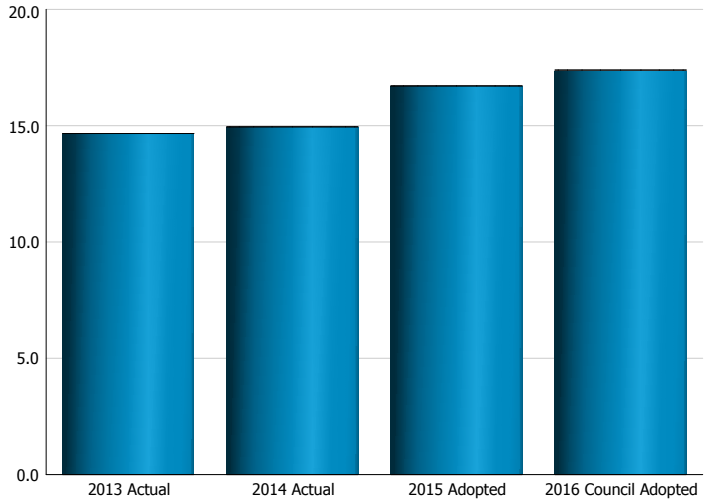
ATTORNEY
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	4,274,836	4,453,206	4,642,266	4,764,276	2.6%	122,010
FRINGE BENEFITS	1,370,826	1,537,668	1,789,066	1,955,295	9.3%	166,229
CONTRACTUAL SERVICES	2,222,144	2,073,901	2,418,235	2,610,407	7.9%	192,172
OPERATING COSTS	93,082	148,321	152,280	245,509	61.2%	93,229
TOTAL GENERAL	**7,960,888**	**8,213,096**	**9,001,847**	**9,575,487**	**6.4%**	**573,640**
SPECIAL REVENUE						
SALARIES AND WAGES	246,321	297,001	347,565	291,112	-16.2%	(56,453)
FRINGE BENEFITS	80,737	83,937	90,451	98,049	8.4%	7,598
CONTRACTUAL SERVICES	85,836	80,981	85,000	85,000	0.0%	0
TOTAL SPECIAL REVENUE	**412,894**	**461,919**	**523,016**	**474,161**	**-9.3%**	**(48,855)**
INTERNAL SERVICE						
SALARIES AND WAGES	3,619,240	3,837,902	4,219,620	4,436,489	5.1%	216,869
FRINGE BENEFITS	1,142,955	1,020,801	1,426,170	1,434,736	0.6%	8,565
CONTRACTUAL SERVICES	1,382,625	1,271,993	1,344,687	1,303,560	-3.1%	(41,127)
OPERATING COSTS	144,619	145,479	195,018	165,855	-15.0%	(29,163)
TOTAL INTERNAL SERVICE	**6,289,440**	**6,276,175**	**7,185,495**	**7,340,639**	**2.2%**	**155,144**
TOTAL EXPENSE	**14,663,222**	**14,951,190**	**16,710,358**	**17,390,287**	**4.1%**	**679,929**

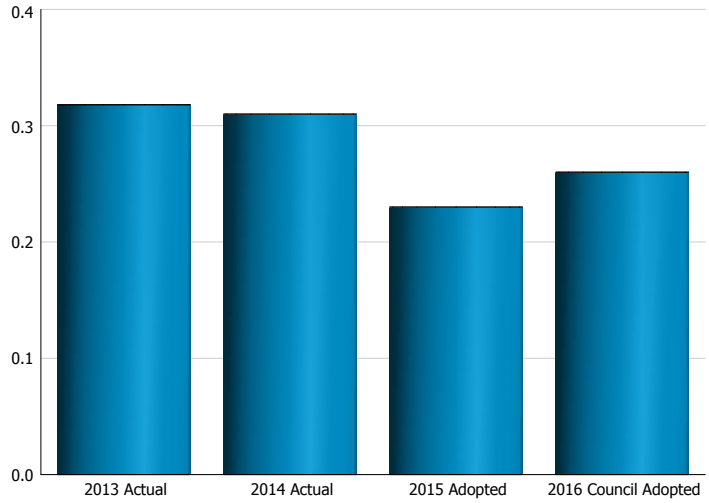
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	37,729	11,078	20,000	20,000	0.0%	0
OTHER MISC REVENUES	30,751	36,639		30,000	0.0%	30,000
GENERAL	**68,480**	**47,717**	**20,000**	**50,000**	**150.0%**	**30,000**
SPECIAL REVENUE						
FEDERAL GOVERNMENT	53,015	49,079			0.0%	0
LOCAL GOVERNMENT	174,508	200,000	200,000	200,000	0.0%	0
SPECIAL REVENUE	**227,523**	**249,079**	**200,000**	**200,000**	**0.0%**	**0**
INTERNAL SERVICE						
CHARGES FOR SERVICES	1,126	15			0.0%	0
OTHER MISC REVENUES	20,869	13,137	10,000	10,000	0.0%	0
INTERNAL SERVICE	**21,995**	**13,152**	**10,000**	**10,000**	**0.0%**	**0**
TOTAL REVENUE	**317,998**	**309,948**	**230,000**	**260,000**	**13.0%**	**30,000**

ATTORNEY
EXPENSE AND REVENUE INFORMATION

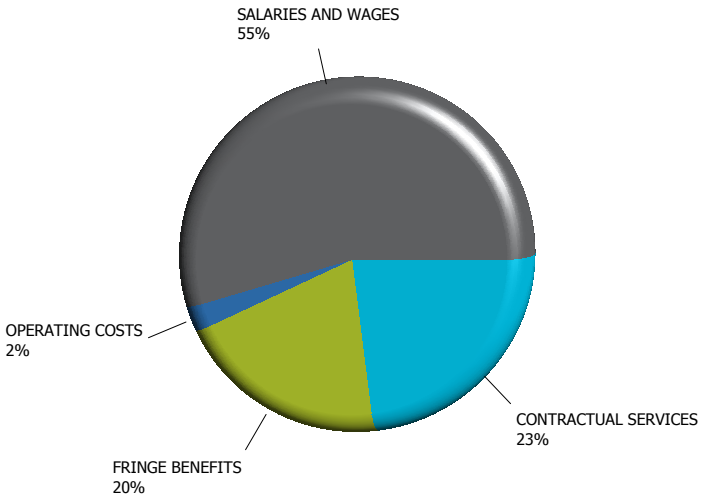
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



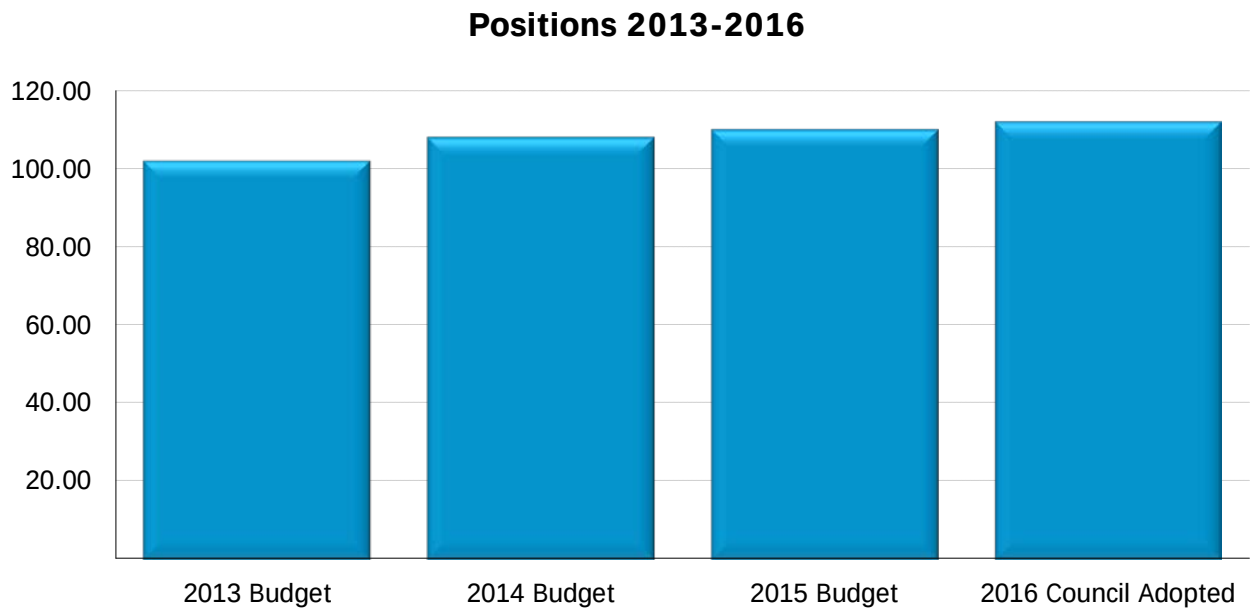
Expense by Category



CITY ATTORNEY

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
CIVIL DIVISION	41.50	45.50	47.50	47.50	0.0%	0
CRIMINAL DIVISION	60.50	62.50	62.50	64.50	3.2%	2.00
Overall	102.00	108.00	110.00	112.00	1.8%	2.00



CITY CLERK

MISSION

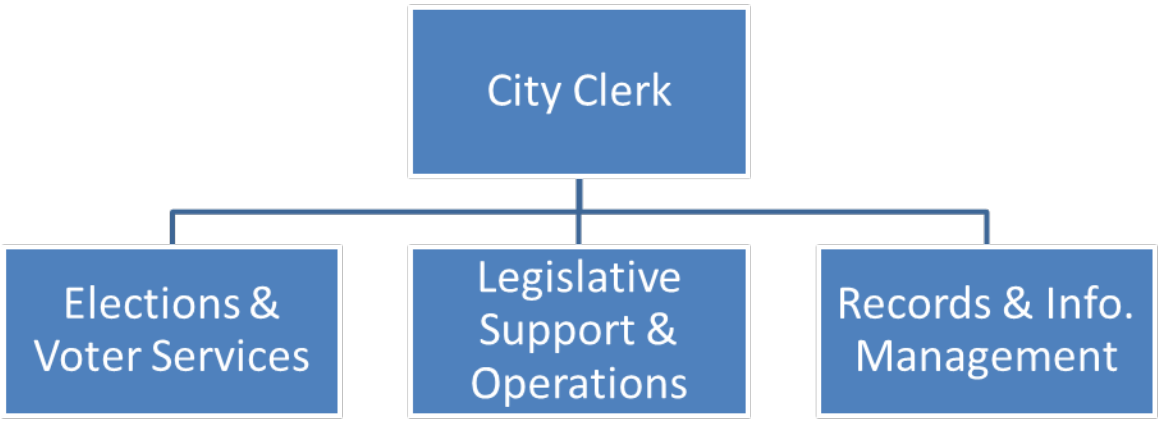
The Office of City Clerk is the secretariat of the City Council and facilitates its legislative processes. In addition, the office serves as the organizational center for three enterprise programs: elections administration; records and information management; and the document solutions center.

BUSINESS LINES

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

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

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES

This department does not participate in Results Minneapolis.

<u>One Minneapolis</u>

Elections & Voter Services General Fund: $1,780,863

The Elections & Voter Services program serves as the gateway to representative democracy, protecting rights guaranteed by the federal and state constitutions. By conducting free and fair

elections, this program fosters public confidence in electoral processes and in elected officials who serve and represent Minneapolis voters at federal, state, and local levels. The program ensures readiness and capability to conduct an election whenever required in support of the constitutional rights of all qualified voters in the City of Minneapolis.

A City that Works

Office of City Clerk General Fund: $3,242,698
Other Funds: $1,383,892

The Office of City Clerk provides legislative support that ensures legislative processes comply with all legal and procedural requirements and supports effective governance by recording, publishing, and providing access to the official acts, orders, and decisions of the Mayor and City Council.

This program also provides records and information management that ensures all City data and information assets are created, maintained, disposed of or preserved in accordance with legal and operating requirements with due regard for accessibility, business continuity, probity, risk, and economy.

FINANCIAL ANALYSIS

Expenditure
The total City Clerk Department's budget increases from $5.7 million to $6.4 million from 2015 to 2016. This is an increase of $720,000, or 12.7%. The 2016 City Clerk's budget reflects inflationary increases in operation costs and $200,000 in enhancements.

Revenue
Budgeted revenue for this department in 2016 is projected to be $1.2 million, inclusive of an additional $173,000 collected through cost allocation model charges to other departments related to data operations. This represents an increase of 2.0% from the 2015 budget.

Fund Allocation
This department is funded primarily by the General Fund (78%), with the remaining 22% from internal service funds for the document center function.

Mayor's Recommended Budget
The Mayor recommended $200,000 one-time General Fund resources to provide supplemental funding for the presidential election.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed staff to identify and reallocate 1.0 vacant Full-time Equivalent (FTE) position within the City's existing complement to the Office of City Clerk for an analyst position to provide management, policy, and fiscal support to the City Council and its committees.

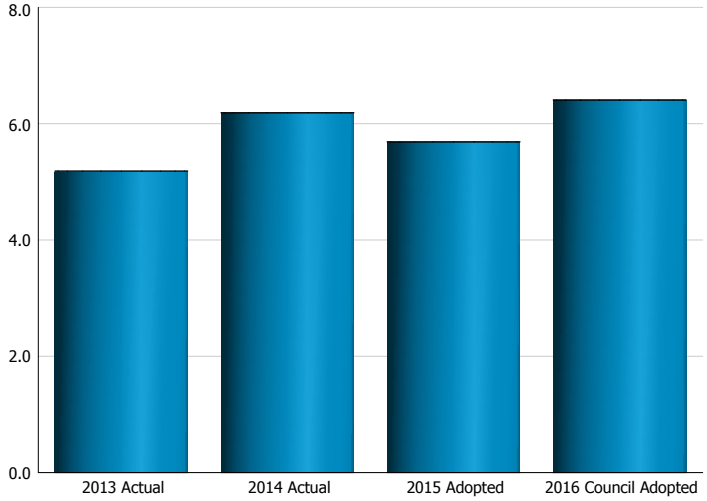
CITY CLERK
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,450,462	2,231,425	2,028,770	2,113,335	4.2%	84,565
FRINGE BENEFITS	385,203	466,755	673,952	695,566	3.2%	21,614
CONTRACTUAL SERVICES	1,717,407	1,632,441	1,390,954	1,548,842	11.4%	157,889
OPERATING COSTS	274,106	381,975	227,192	233,756	2.9%	6,564
CAPITAL		1,792	17,062	432,062	2,432.3%	415,000
TOTAL GENERAL	**3,827,179**	**4,714,388**	**4,337,929**	**5,023,561**	**15.8%**	**685,632**
INTERNAL SERVICE						
SALARIES AND WAGES	217,687	218,201	290,424	337,847	16.3%	47,423
FRINGE BENEFITS	62,865	60,973	145,781	149,340	2.4%	3,559
CONTRACTUAL SERVICES	814,106	968,163	782,296	785,834	0.5%	3,538
OPERATING COSTS	261,940	225,811	120,225	100,400	-16.5%	(19,825)
CAPITAL			10,472	10,472	0.0%	0
TOTAL INTERNAL SERVICE	**1,356,599**	**1,473,148**	**1,349,198**	**1,383,892**	**2.6%**	**34,694**
TOTAL EXPENSE	**5,183,778**	**6,187,537**	**5,687,127**	**6,407,454**	**12.7%**	**720,326**

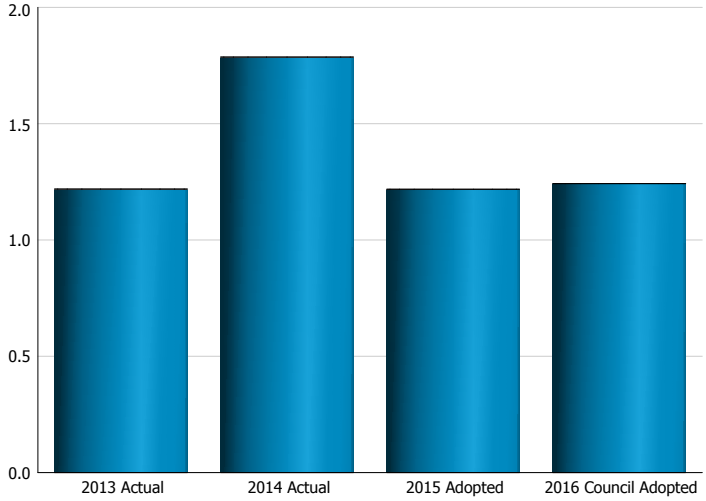
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	570	95		300	0.0%	300
CHARGES FOR SERVICES	6,046	212,020	106,281	101,800	-4.2%	(4,481)
LICENSE AND PERMITS	4,712	2,650	1,000	1,000	0.0%	0
OTHER MISC REVENUES		121,169			0.0%	0
GENERAL	**11,327**	**335,933**	**107,281**	**103,100**	**-3.9%**	**(4,181)**
INTERNAL SERVICE						
CHARGES FOR SERVICES	1,207,341	1,369,941	1,110,766	1,139,261	2.6%	28,495
OTHER MISC REVENUES	72				0.0%	0
TRANSFERS IN		80,380			0.0%	0
INTERNAL SERVICE	**1,207,413**	**1,450,321**	**1,110,766**	**1,139,261**	**2.6%**	**28,495**
TOTAL REVENUE	**1,218,740**	**1,786,254**	**1,218,047**	**1,242,361**	**2.0%**	**24,314**

CITY CLERK
EXPENSE AND REVENUE INFORMATION

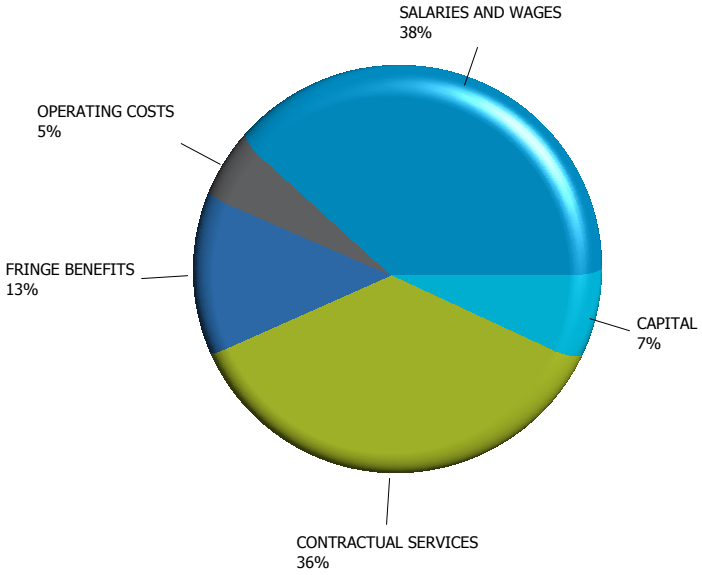
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



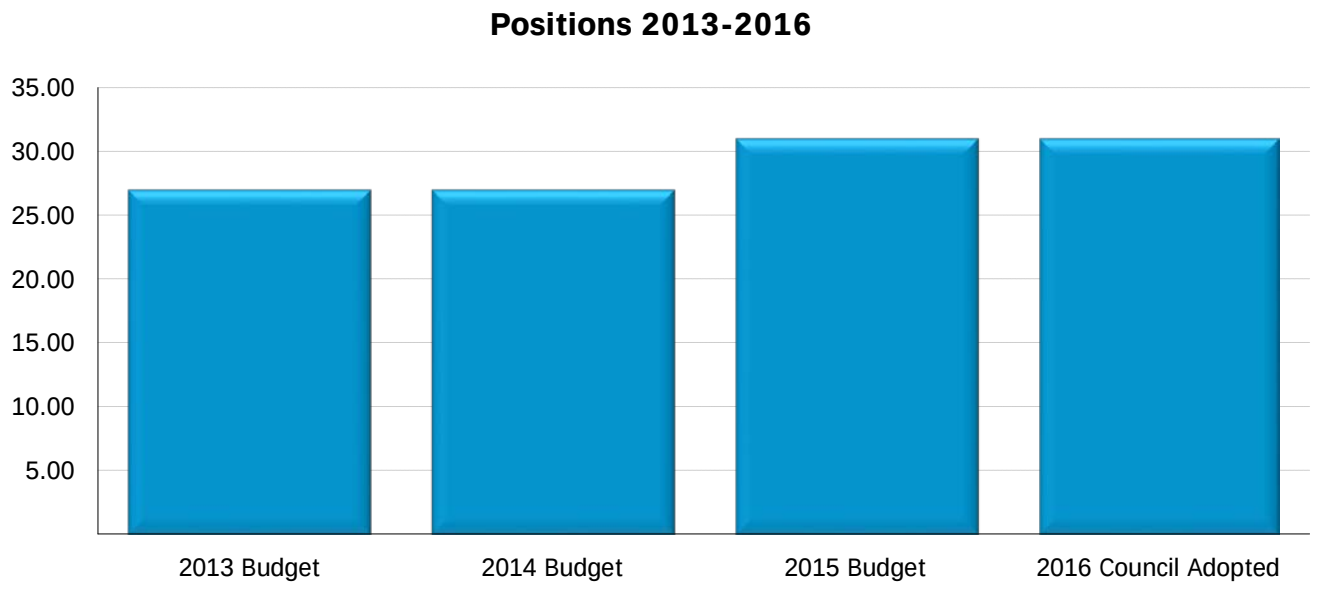
Expense by Category



CITY CLERK

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
CENTRAL MAILING	0.35	0.35	0.35	0.05	-85.7%	(0.30)
CITY CLERK - ADMINISTRATION	17.00	16.00	19.00	19.00	0.0%	0
COPY CENTER	5.65	5.65	4.65	4.95	6.5%	0.30
DATA OPERATIONS CENTER			1.00	1.00	0.0%	0
ELECTIONS & REGISTRATION	4.00	5.00	6.00	6.00	0.0%	0
Overall	27.00	27.00	31.00	31.00	0.0%	0



CITY COUNCIL

MISSION

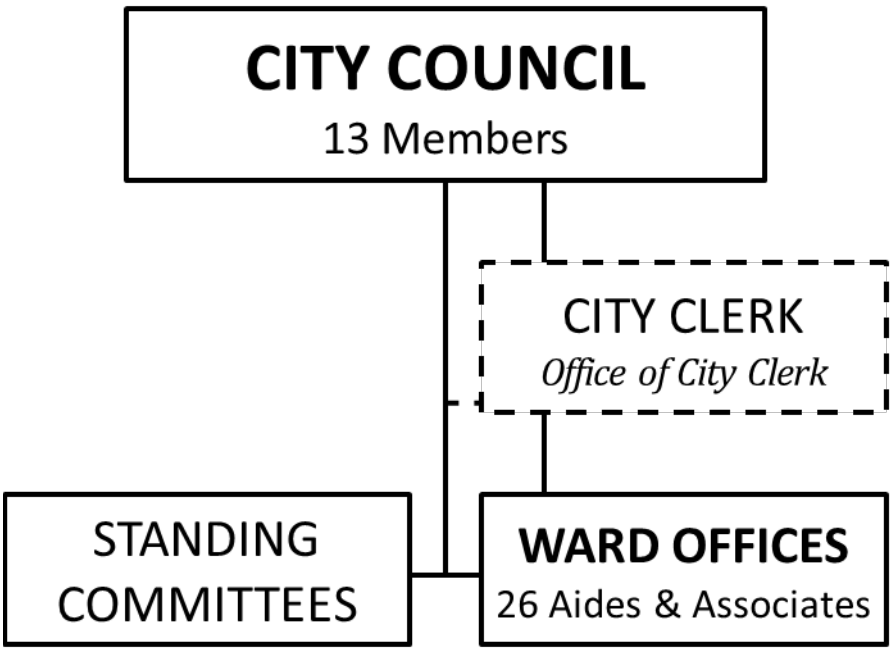
The City Council maximizes access to municipal government, exercises oversight of City departments and service delivery, and enables informed decision-making for community governance.

BUSINESS LINES

The City Council is the elected, representative body of the City government. It formulates public policies in conjunction with the Mayor to ensure the general health, safety, and welfare of the community, exercises oversight of the City's departments, and advocates for community needs and priorities at local, state, and national levels. In summary, the business lines are as follows:

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

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES

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

A City that Works

City Council General Fund: $4,881,494

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

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

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

FINANCIAL ANALYSIS

Expenditure
The total 2016 City Council Department's budget of $4.9 million remains similar to the 2015's budget with a slight decrease of $12,000 or 0.2% due to reduction in liability premium.

Revenue
This department is not expected to generate revenue in 2016, which is consistent with prior years.

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

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

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

CITY COUNCIL
EXPENSE AND REVENUE INFORMATION

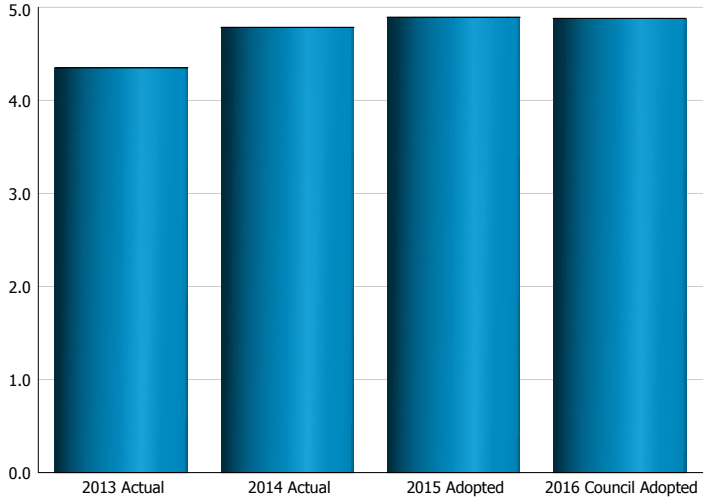
EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,384,921	2,625,710	2,642,114	2,676,997	1.3%	34,883
FRINGE BENEFITS	799,276	890,249	1,073,218	1,109,165	3.3%	35,947
CONTRACTUAL SERVICES	770,273	839,978	789,177	894,680	13.4%	105,503
OPERATING COSTS	397,045	429,083	388,990	200,652	-48.4%	(188,338)
TOTAL GENERAL	**4,351,516**	**4,785,018**	**4,893,499**	**4,881,494**	**-0.2%**	**(12,005)**
TOTAL EXPENSE	**4,351,516**	**4,785,018**	**4,893,499**	**4,881,494**	**-0.2%**	**(12,005)**

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES		397			0.0%	0
GENERAL		**397**				**0**
TOTAL REVENUE		**397**				

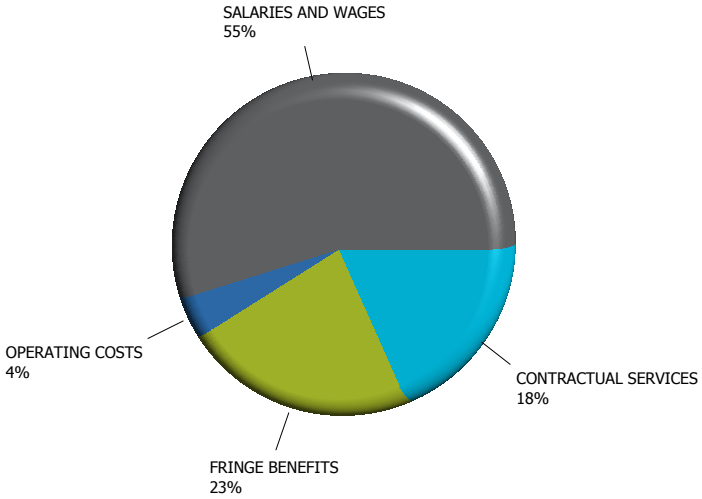
CITY COUNCIL
EXPENSE AND REVENUE INFORMATION

Expense 2013 - 2016

In Millions



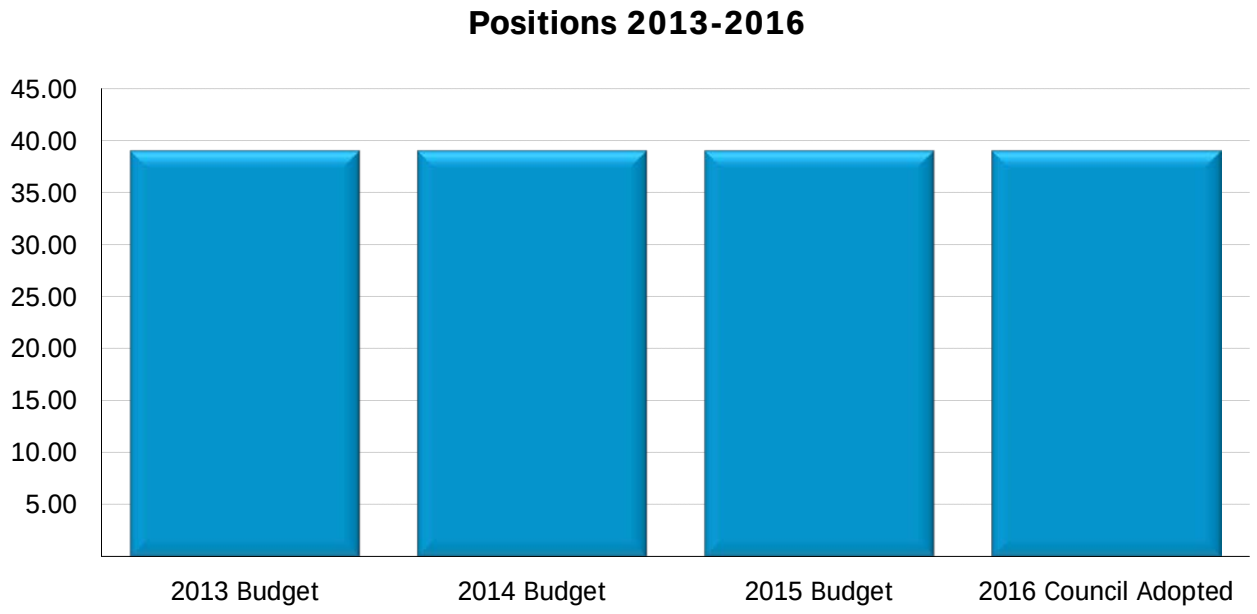
Expense by Category



CITY COUNCIL

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
CITY COUNCIL STAFF	39.00	39.00	39.00	39.00	0.0%	0
Overall	39.00	39.00	39.00	39.00	0.0%	0



CITY COORDINATOR

MISSION

The City Coordinator department provides administrative and management services for the City, including but not limited to planning, budgeting and fiscal management, program monitoring and evaluation, personnel, data processing and purchasing. The coordinator shall coordinate City activities as directed by the City Council and shall supervise the Minneapolis Convention Center, convention and tourism, federal programs, and such activities as the City Council may direct.

BUSINESS LINES

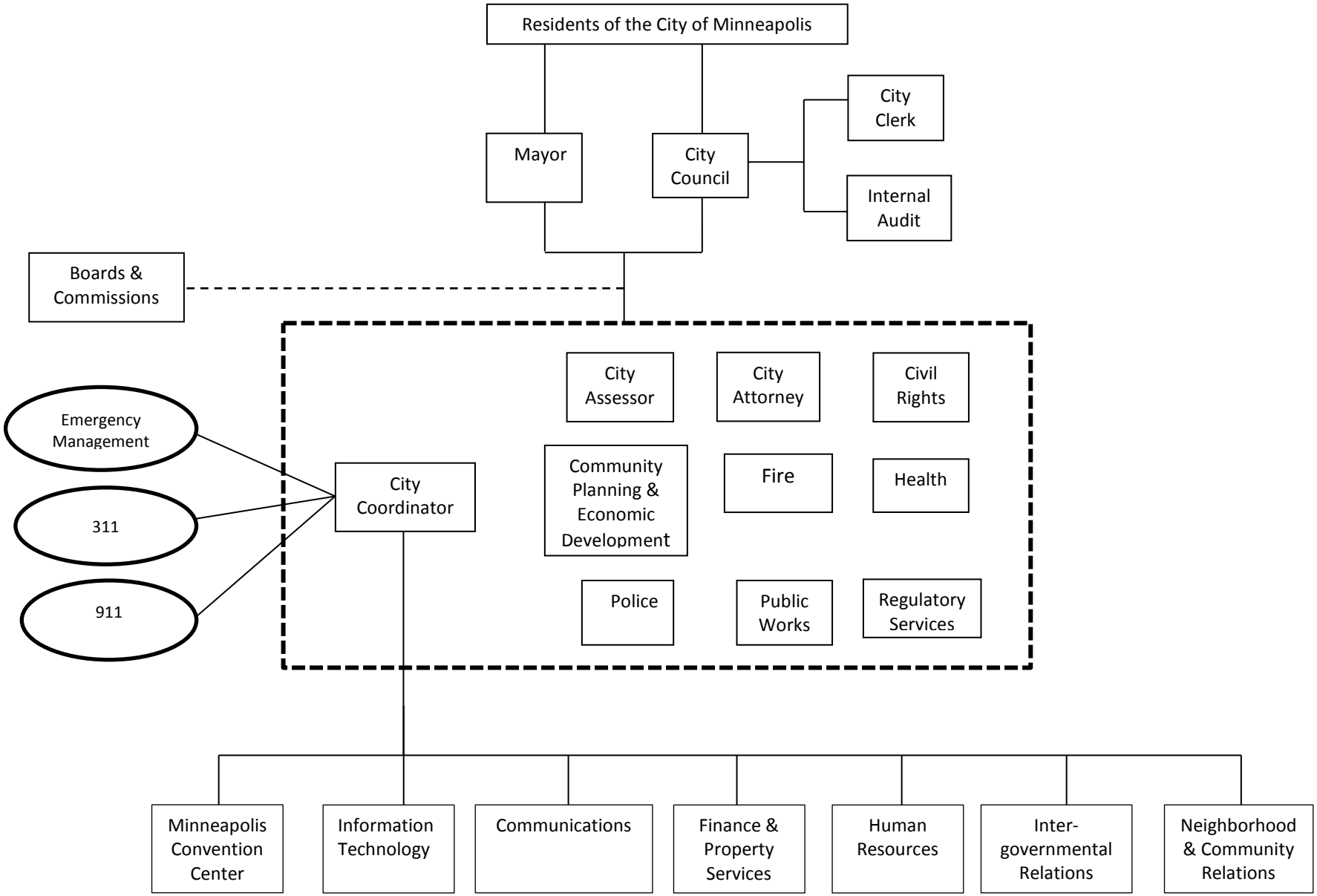
The City Coordinator Department has three primary business lines:

- **Strategic Policy Development and Implementation**: The City Coordinator acts as a strategic policy advisor to the Mayor and City Council and ensures that policy and project implementations are accountable and consistent with Mayor and Council direction.

- **Enterprise Management Services**: The City Coordinator provides strategic direction and oversight to the City's management departments including communications, finance and property services, human resources, information technology, intergovernmental relations, and neighborhood & community relations to ensure that efficient and effective internal services serve all other City departments in successful achievement of their missions.

- **Direct Services**: The City Coordinator has direct management oversight responsibilities to ensure cost-effective, high-quality service and public accountability for line services including emergency preparedness, 911 emergency communications, non-emergency information and services (Minneapolis 311), and the work of the Minneapolis Convention Center.

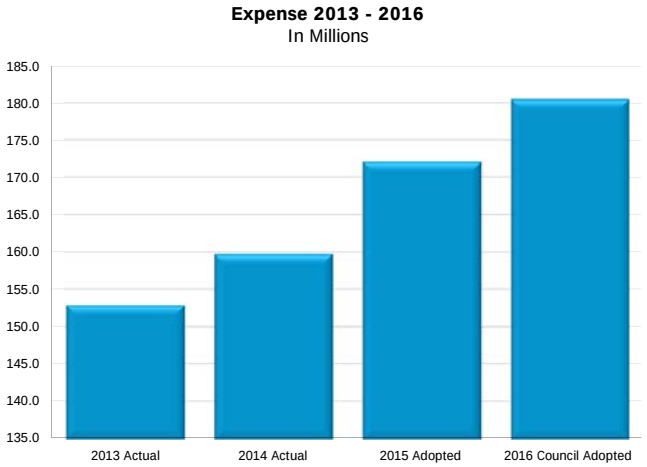
ORGANIZATION CHART

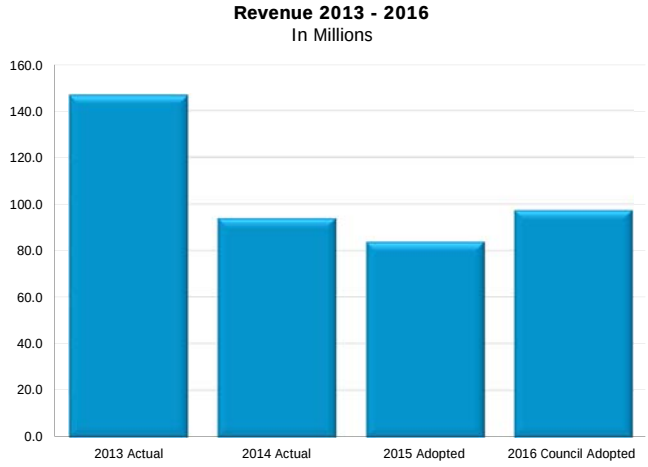


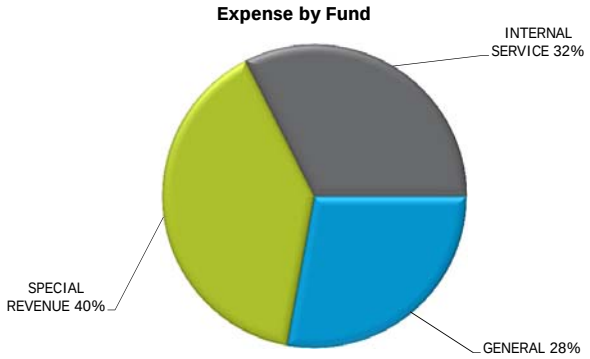
EXPENSE AND REVENUE INFORMATION

EXPENSE		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change	Change
GENERAL	CAPITAL	324,226	883,301	389,160	138,231	-64.5%	(250,929)
	CONTRACTUAL SERVICES	16,740,852	15,051,974	13,076,324	12,362,068	-5.5%	(714,256)
	FRINGE BENEFITS	7,663,255	8,580,421	9,962,184	10,370,556	4.1%	408,372
	OPERATING COSTS	2,590,859	2,425,719	2,441,716	2,193,332	-10.2%	(248,384)
	SALARIES AND WAGES	21,261,309	23,130,833	24,433,918	25,271,471	3.4%	837,553
GENERAL		**48,580,500**	**50,072,248**	**50,303,303**	**50,335,659**	**0.1%**	**32,355**
INTERNAL SERVICE	CAPITAL		(0)	590,721	6,976,000	1,080.9%	6,385,279
	CONTRACTUAL SERVICES	32,450,581	35,355,661	39,236,232	28,713,710	-26.8%	(10,522,522)
	FRINGE BENEFITS	3,828,044	3,544,442	4,721,954	5,361,444	13.5%	639,490
	OPERATING COSTS	4,138,021	4,307,513	3,062,108	3,222,303	5.2%	160,195
	SALARIES AND WAGES	10,334,661	9,652,908	12,165,204	14,332,208	17.8%	2,167,003
INTERNAL SERVICE		**50,751,307**	**52,860,524**	**59,776,220**	**58,605,664**	**-2.0%**	**(1,170,555)**
SPECIAL REVENUE	CAPITAL	11,824,741	11,879,164	14,885,262	17,247,421	15.9%	2,362,159
	CONTRACTUAL SERVICES	25,343,225	28,837,791	29,050,951	35,384,350	21.8%	6,333,399
	FRINGE BENEFITS	3,563,721	3,825,178	5,174,170	5,392,276	4.2%	218,106
	OPERATING COSTS	2,795,902	1,842,537	1,738,212	1,610,977	-7.3%	(127,235)
	SALARIES AND WAGES	10,070,801	10,453,923	11,212,971	11,911,889	6.2%	698,918
	TRANSFERS		10,961				0
SPECIAL REVENUE		**53,598,391**	**56,849,554**	**62,061,566**	**71,546,912**	**15.3%**	**9,485,346**
	TOTAL EXPENSE	**152,930,198**	**159,782,327**	**172,141,089**	**180,488,235**	**4.8%**	**8,347,146**

REVENUE		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change	Change
DEBT SERVICE	INTEREST		171,161				0
DEBT SERVICE			**171,161**				**0**
GENERAL	CHARGES FOR SALES	1,093	1,664				0
	CHARGES FOR SERVICES	5,260	4,160				0
	CONTRIBUTIONS	944,831					0
	FRANCHISE FEES	3,503,201	955,080		950,000		950,000
	OTHER MISC REVENUES	17,385	46,296	1,500		-100.0%	(1,500)
	RENTS	759	190				0
GENERAL		**4,472,528**	**1,007,390**	**1,500**	**950,000**	**63,233.3%**	**948,500**
INTERNAL SERVICE	CHARGES FOR SALES	590,562	596,370	324,293	324,293	0.0%	0
	CHARGES FOR SERVICES	39,449,660	46,370,425	34,964,918	34,887,031	-0.2%	(77,887)
	FINES AND FORFEITS	53,151	18,281				0
	LONG TERM LIABILITIES PROCEEDS	4,844,732	365,914	2,020,819	909,305	-55.0%	(1,111,514)
	OTHER MISC REVENUES	45,633	54,111	3,000	3,000	0.0%	0
	RENTS	14,060,331	14,388,150	15,951,461	19,782,462	24.0%	3,831,001
	TRANSFERS IN		3,580,076				0
INTERNAL SERVICE		**59,044,068**	**65,373,328**	**53,264,491**	**55,906,091**	**5.0%**	**2,641,600**
SPECIAL REVENUE	CHARGES FOR SALES	3,240					0
	CHARGES FOR SERVICES	5,788,478	6,051,444	6,200,000	6,000,000	-3.2%	(200,000)
	CONTRIBUTIONS	48,931	13,814		900,000		900,000
	FEDERAL GOVERNMENT	3,695,064	893,828	1,100,000	1,000,000	-9.1%	(100,000)
	INTEREST	266,849	214,631	164,130	113,628	-30.8%	(50,502)
	LONG TERM LIABILITIES PROCEEDS			2,610,126	5,672,939	117.3%	3,062,813
	OTHER MISC REVENUES	3,435,190	4,025,496	3,650,000	10,500,000	187.7%	6,850,000
	RENTS	7,238,371	8,202,829	8,947,000	8,547,000	-4.5%	(400,000)
	SALES AND OTHER TAXES	57,533,157	1,976,384	1,300,000	1,394,000	7.2%	94,000
	STATE GOVERNMENT	412,263	685,959	515,480	515,480	0.0%	0
	TRANSFERS IN	4,966,000	5,520,516	6,225,384	6,127,000	-1.6%	(98,384)
SPECIAL REVENUE		**83,387,543**	**27,584,902**	**30,712,120**	**40,770,047**	**32.7%**	**10,057,927**
	TOTAL REVENUE	**146,904,139**	**94,136,781**	**83,978,111**	**97,626,138**	**16.3%**	**13,648,027**


Expense 2013 - 2016
In Millions
185.0
180.0
175.0
170.0
165.0
160.0
155.0
150.0
145.0
140.0
135.0
2013 Actual
2014 Actual
2015 Adopted
2016 Council Adopted

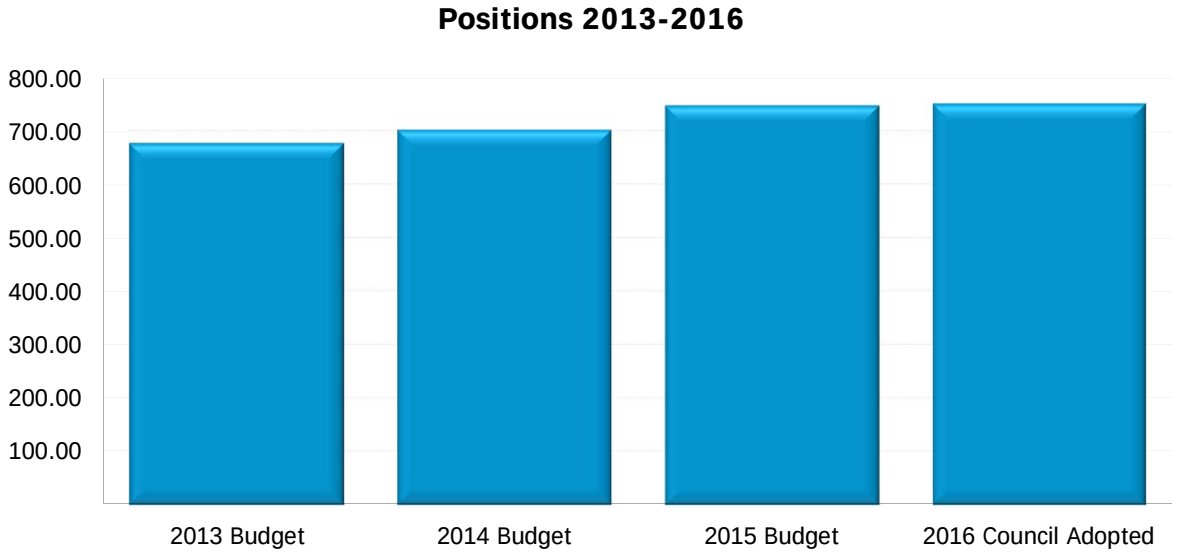

Revenue 2013 - 2016
In Millions
160.0
140.0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
2013 Actual
2014 Actual
2015 Adopted
2016 Council Adopted


Expense by Fund
INTERNAL SERVICE 32%
SPECIAL REVENUE 40%
GENERAL 28%

CITY COORDINATOR

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
311	28.00	31.00	31.00	30.00	-3.2%	(1.00)
911	80.00	80.00	84.00	84.00	0.0%	0
City Coordinator	9.00	11.00	20.00	24.00	20.0%	4.00
Communications	12.00	12.00	12.00	12.00	0.0%	0
Convention Center	177.10	177.30	173.30	173.30	0.0%	0
Emergency Management	4.00	6.50	6.50	6.50	0.0%	0
Finance And Property Services	240.50	250.00	251.00	251.00	0.0%	0
Human Resources	48.80	50.80	51.80	51.80	0.0%	0
Information Technology	54.00	60.00	94.00	94.00	0.0%	0
Intergovernmental Relations	8.00	8.00	8.00	8.00	0.0%	0
Neighborhood & Community Relations	16.00	16.00	16.00	17.00	6.3%	1.00
Total City Coordinator Depts.	677.40	702.60	747.60	751.60	0.5%	4.00



CITY COORDINATOR – ADMINSTRATION

One Minneapolis

Office of Sustainability General Fund: $769,405

The major focus for Office of Sustainability includes: driving citywide and internal sustainability policy through performance measurements, research, planning inter-departmental collaboration and funding development; providing special focus on Homegrown Minneapolis Initiative (healthy, sustainable locally grown food), climate and energy strategies, tree canopy improvements, waste and general sustainability issues; and ensuring that work aligns with City's priorities concerning equity and running the city well.

Services provided under the Sustainability program include:

- Implementing the Clean Energy Partnership's work plan in cooperation with other departments and utility staff,
- Continuing implementation of the building disclosure ordinance including work funded by the McKnight Foundation, Energy Foundation and Minnesota Pollution Control Agency (MPCA);
- Implementing Homegrown Minneapolis Initiative – including developing land access policy, revising regulations, expanding Food Council membership, conducting local food economy/access research and supporting farmers markets;
- Successfully staffing four committees (Community Environmental Advisory Commission, Food Council, Clean Energy Partnership and Energy Vision Advisory Committee) acting on clear charge and bi-annual goals, contributing to policy discussions;
- Enhancing and implementing the City Trees program,
- Assisting with the development of the City's Zero Waste initiative.

Living Well

Arts, Culture, & the Creative Economy General Fund: $417,006

The main focus of the Arts, Culture and the Creative Economy program is to leverage the creative sector towards strengthening social and economic growth in the city of Minneapolis. The work of this program is focused on promoting and coordinating City resources to develop the arts as a generator for economic and social growth in alignment with the following City goals:

- One Minneapolis – residents are informed, see themselves represented in City government and have the opportunity to influence decision making.
- A hub of economic activity and innovation – entrepreneurs are supported while sector strengths (such as arts) are leveraged.
- Living well – residents and visitors have ample arts, cultural, entertainment and recreational opportunities.
- Great places - iconic, inviting streets, spaces and buildings create a sense of place and welcome our growing and diversifying population with thoughtful planning and design.

Equity and Inclusion General Fund: $250,000

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

A City that Works

Strategic Management and Administration General Fund: $2,834,141

The strategic advising program includes the continuous improvement and results management team members and overall administration. Services provided under this program include:

- Providing leadership and strategic guidance toward the development and achievement of city vision, values and goals;
- Strategic management for the enterprise: Serving as a leader, convener, problem solver, connector, advisor, etc.;
- Policy guidance to elected officials;
- Administer City's results management system focused on aligning the City's planning; resource allocation, performance monitoring and continuous improvement efforts toward improving operation effectiveness and community results.

Innovation Team (i-team) Other Funds: $900,000

The i-team program serves as an in-house consulting team, providing data analysis and performance measurement, process definition and improvement, project planning and management, and creative/innovative thinking around new and existing resources. The Innovation Team (i-team) is focused on improving the capacity in the City enterprise to effectively design and implement new approaches that improve residents' lives. Specifically, the i-team will assess the equitable distribution, both in terms of race and geography, of our City services and their possible impact on our city's disparities (housing, employment, education, safety, health, etc.). Using Bloomberg Philanthropies' tested Innovation Delivery approach, the Innovation Team will help City department/agency leaders and staffs go through a data-driven process to assess problems, generate responsive new interventions, develop partnerships, and deliver measurable results.

Financial Analysis

Expenditure

The total City Coordinator Department's budget increases from $3.2 million to $5.2 million from 2015 to 2016. This is an increase of $1.9 million, or 59.1%. The City Coordinator Department's 2016 expenditure budget reflects the following changes from 2015: inflationary increases in operation costs, General Fund budgetary enhancements of $1.0 million, and $900,000 increase in special revenue funded expenses reflecting the Bloomberg grant. The FTE count increases by 4 FTE's from 20 in 2015 to 24 in 2016 in this department.

Revenue
Revenues are projected to remain the same in this department due to the award of a multi-year grant received early in 2015 (and therefore not reflected in the 2015 adopted budget). The department's total revenues in 2016 are projected to be $900,000.

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

Mayor's Recommended Budget
The Mayor recommended the following ongoing General Fund allocations: $80,000 to leverage the current initiatives in the Arts and Creative Economy program, $110,000 for Clean Energy Partnership program initiatives (includes 1.0 FTE), and $200,000 (2.0 FTEs) for the Working Families program.

The Mayor also recommended the following one-time General Fund resources: $145,000 for consolidating the City's communication strategies, $160,000 for an Enterprise Continuous Improvement Strategy (includes 1.0 FTE), $70,000 for roll-out of the Arts and Creative Economy Road Map, $90,000 for Clean Energy Partnership programming, $100,000 for City-Wide Partnerships initiatives, $50,000 for the Word Gap program, $20,000 for culturally specific autism awareness, and $20,000 for Bike-Pedestrian education.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed the City Coordinator's department to work with pertinent staff to create a racial equity website by the third quarter of 2016 aimed at both external and internal stakeholders that will:

1. Create a central repository of best practices for City staff to use in defining policy and procedures through a racial equity lens, including racial equity work in other jurisdictions, locally and nationally, to foster learning and to build upon lessons learned by others tackling similar challenges;
2. Provide training and other self-study resources to aid staff in deepening individual understanding of cultural intelligence, race, and equity;
3. Promote existing City equity efforts to enable enterprise-level collaboration and sharing of lessons learned;
4. Provide access to department-level and City-wide racial equity plans, as available;
5. Create a dashboard of progress against department-level goals for racial equity and inclusion; and
6. Provide access to data that residents can use to explore equity-related issues.

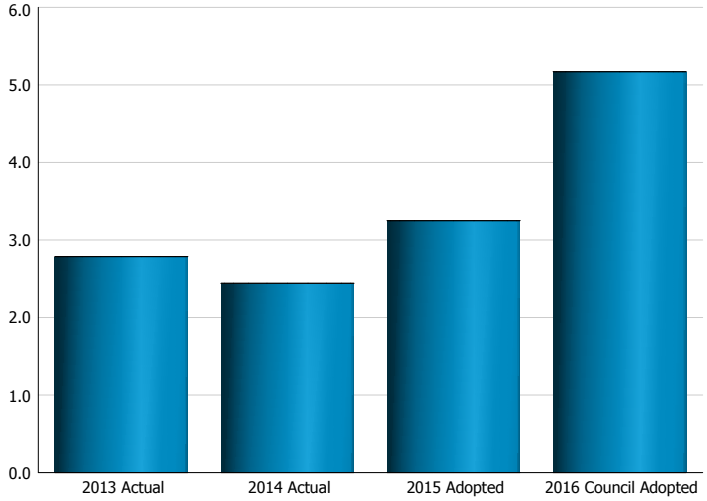
CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	795,303	1,050,590	1,214,615	1,614,556	32.9%	399,940
FRINGE BENEFITS	263,189	318,323	409,559	555,811	35.7%	146,253
CONTRACTUAL SERVICES	1,001,616	897,891	1,465,566	1,961,994	33.9%	496,428
OPERATING COSTS	595,439	119,203	159,271	138,191	-13.2%	(21,080)
CAPITAL	126					0
TOTAL GENERAL	**2,655,672**	**2,386,008**	**3,249,011**	**4,270,552**	**31.4%**	**1,021,541**
SPECIAL REVENUE						
SALARIES AND WAGES	2,428	18,093		459,206		459,206
FRINGE BENEFITS	1,165	4,005		173,220		173,220
CONTRACTUAL SERVICES	125,978	32,976		267,574		267,574
OPERATING COSTS	261					0
TOTAL SPECIAL REVENUE	**129,832**	**55,075**		**900,000**		**900,000**
TOTAL EXPENSE	**2,785,504**	**2,441,083**	**3,249,011**	**5,170,552**	**59.1%**	**1,921,541**

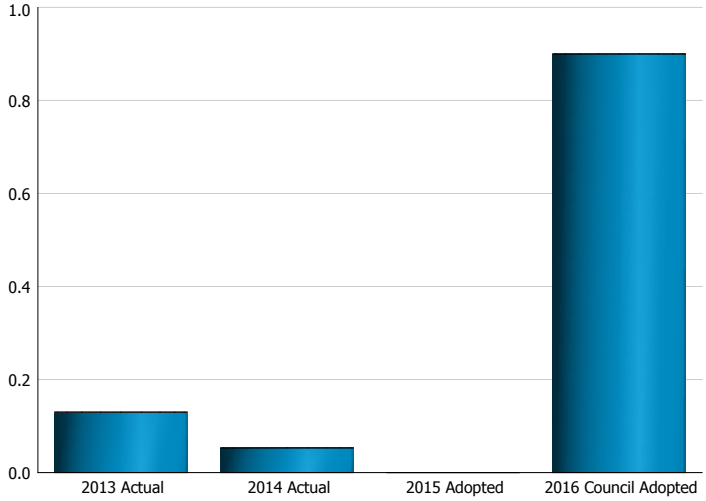
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES	30				0.0%	0
GENERAL	**30**					**0**
SPECIAL REVENUE						
CONTRIBUTIONS	71,541	54,814		900,000	0.0%	900,000
FEDERAL GOVERNMENT	58,291	(1,707)			0.0%	0
SPECIAL REVENUE	**129,832**	**53,108**		**900,000**		**900,000**
TOTAL REVENUE	**129,862**	**53,108**		**900,000**		**900,000**

CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION

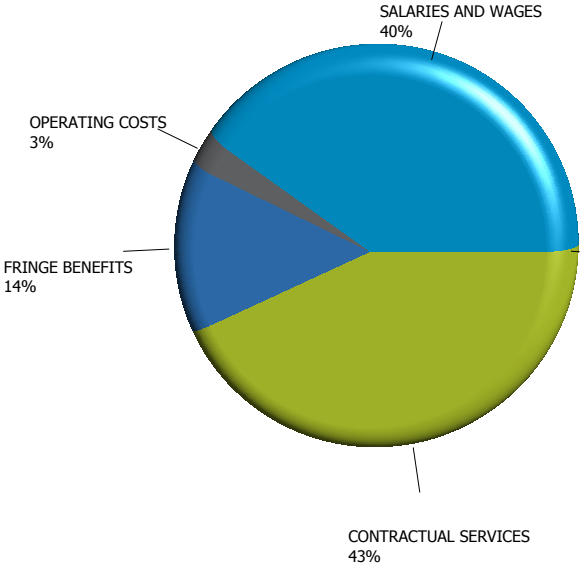
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



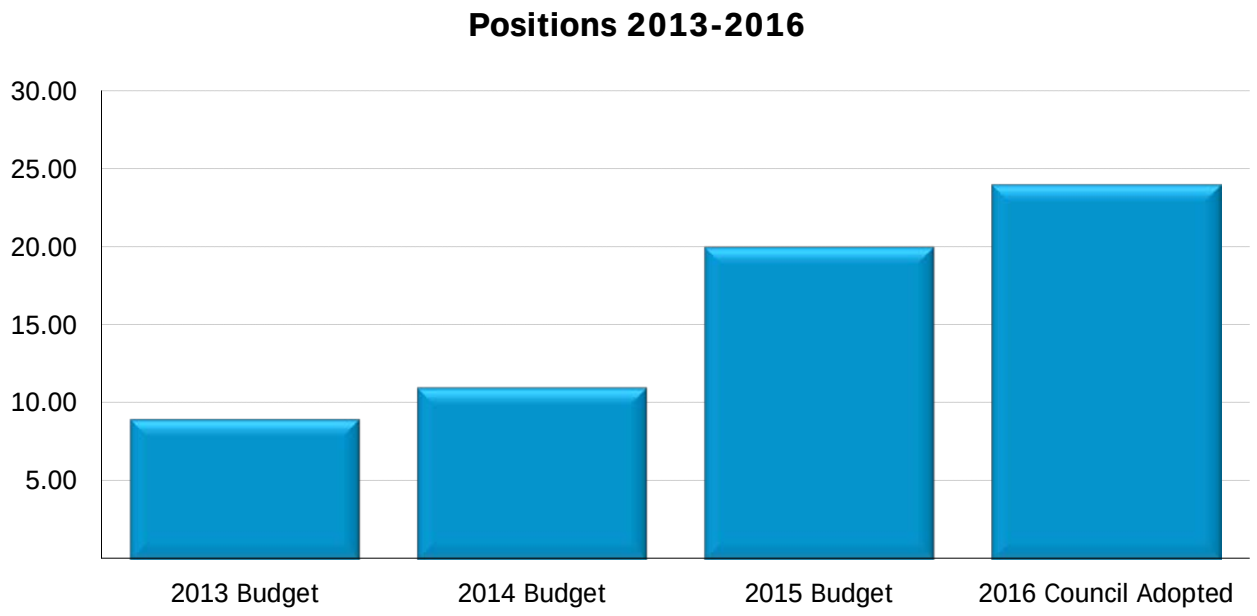
Expense by Category



CITY COORDINATOR

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
ADMINISTRATION	7.00	9.00	17.00	20.00	17.6%	3.00
SUSTAINABILITY	2.00	2.00	3.00	4.00	33.3%	1.00
Overall	9.00	11.00	20.00	24.00	20.0%	4.00



MINNEAPOLIS 311

MISSION

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

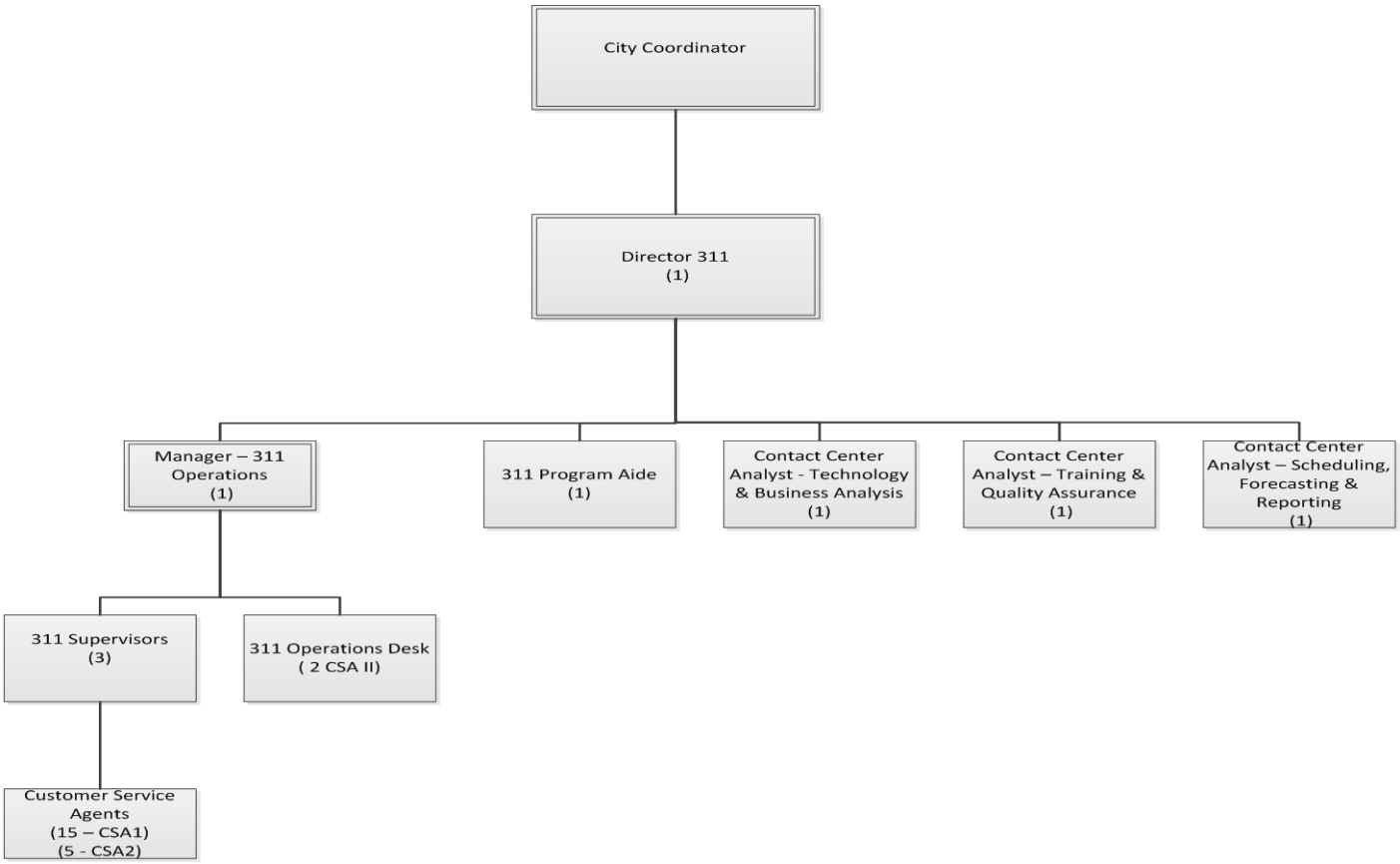
- Simplifying access to information and services
- Enabling organizations to deliver services more effectively
- Tracking requests for service delivery from inception to completion
- Providing process solutions

BUSINESS LINES

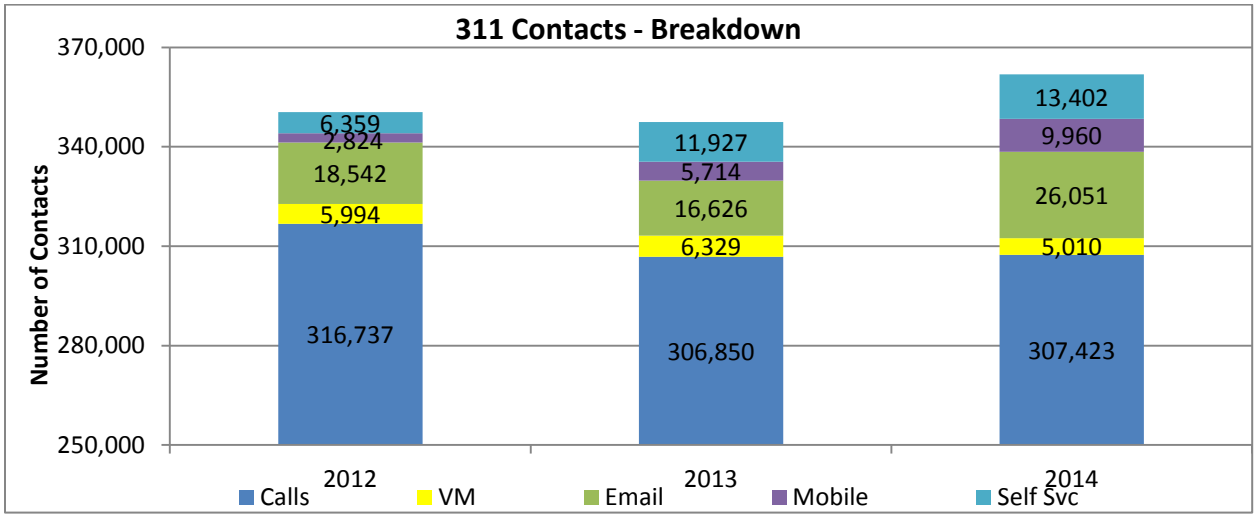
The 311 Department is the primary source of contact for government by providing a single access point for all information and services.

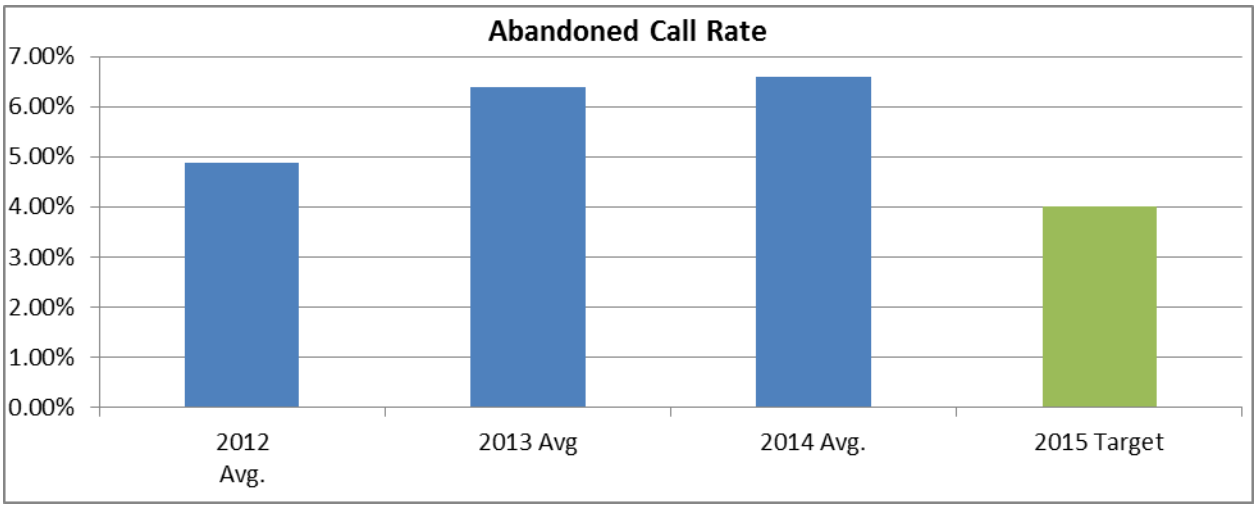
- Answer questions utilizing the department's knowledge tools
- Initiate a Service Request within the Enterprise Case Management (ECM) system for processing by the resolving departments
- When 311 is not able to resolve a customer request or issue, it connects the customer to an expert within the City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

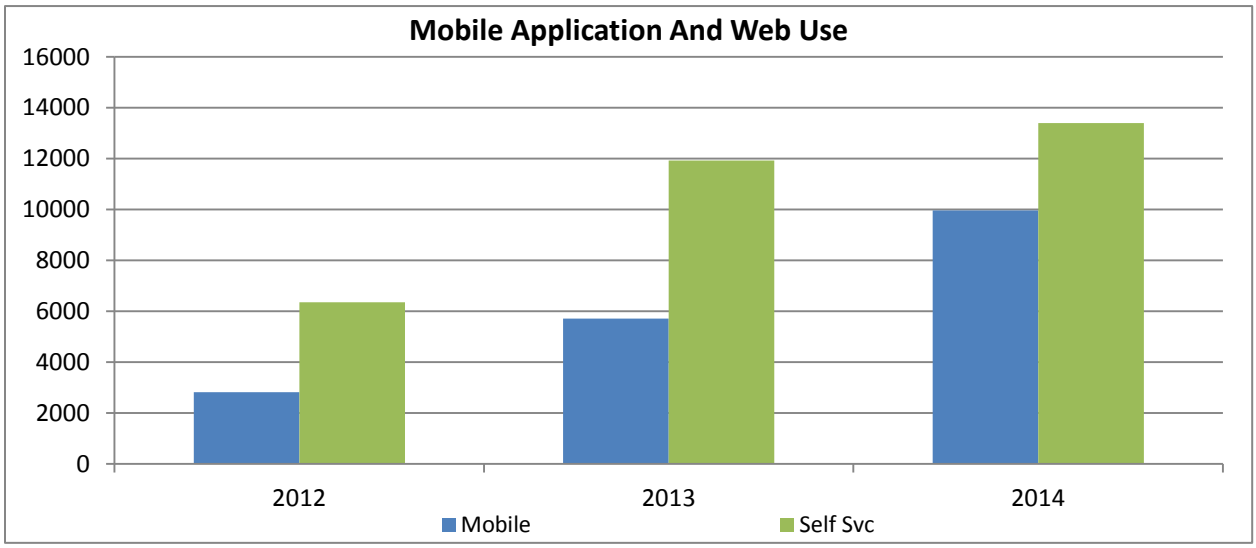
ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES







A City That Works

Minneapolis 311 General Fund: $3,772,825

311 serves as the single point of contact for local government information and services providing accountability and transparency by simplifying access to information and services, enabling organizations to deliver services more effectively, tracking requests for service delivery from inception to completion and providing process solutions. These services are available via email, voicemail, on the internet using self service, or using the mobile application for smart devices. Language translation is available using the language line, or by contacting 311 directly. 311 routes inquiries to the proper city department by creating a request for service, or transferring a call to an expert.

FINANCIAL ANALYSIS

Expenditure
The total Minneapolis 311 Department's budget increases from $3.7 million to $3.8 million from 2015 to 2016. This is an increase of $89,000, or 2.4%. The slight increase in this department's budget primarily due to routine inflationary operating increases is partially offset by the budget rightsizing initiatives mentioned below. FTE count in 2016 is reducing by 1 or 3.2% from 31 FTE's in 2015.

Revenue
This department does not produce revenue.

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

Mayor's Recommended Budget
The Mayor recommended rightsizing the budget by reducing $50,000 of ongoing General Fund resources for personnel with a net effect of a 1.0 FTE reduction in the department's authorized staffing level.

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

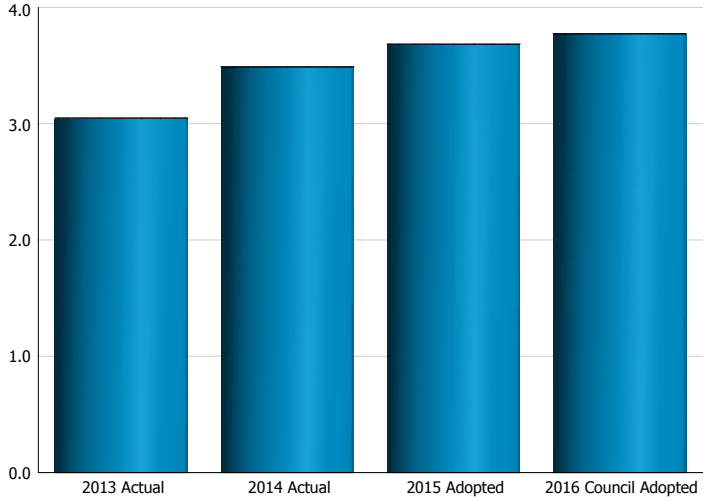
311
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,445,475	1,662,871	1,711,411	1,741,940	1.8%	30,529
FRINGE BENEFITS	618,404	721,362	832,740	827,861	-0.6%	(4,879)
CONTRACTUAL SERVICES	940,385	1,046,787	985,745	1,088,292	10.4%	102,546
OPERATING COSTS	43,763	57,175	106,068	114,732	8.2%	8,664
CAPITAL			47,500		-100.0%	(47,500)
TOTAL GENERAL	**3,048,027**	**3,488,195**	**3,683,465**	**3,772,825**	**2.4%**	**89,361**
TOTAL EXPENSE	**3,048,027**	**3,488,195**	**3,683,465**	**3,772,825**	**2.4%**	**89,361**

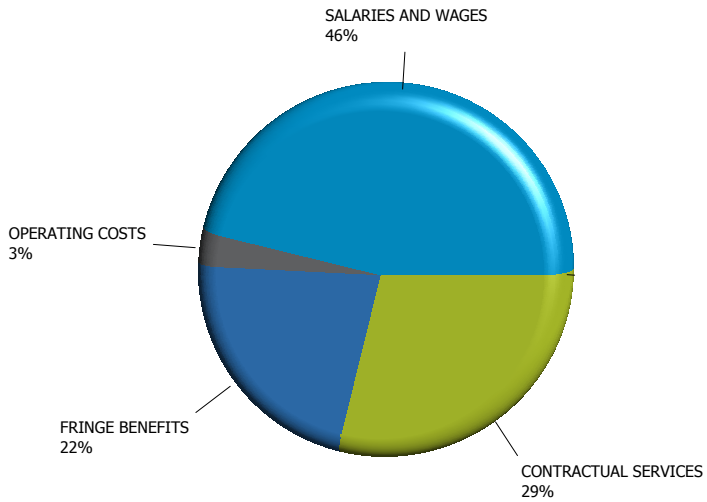
311
EXPENSE AND REVENUE INFORMATION

Expense 2013 - 2016

In Millions



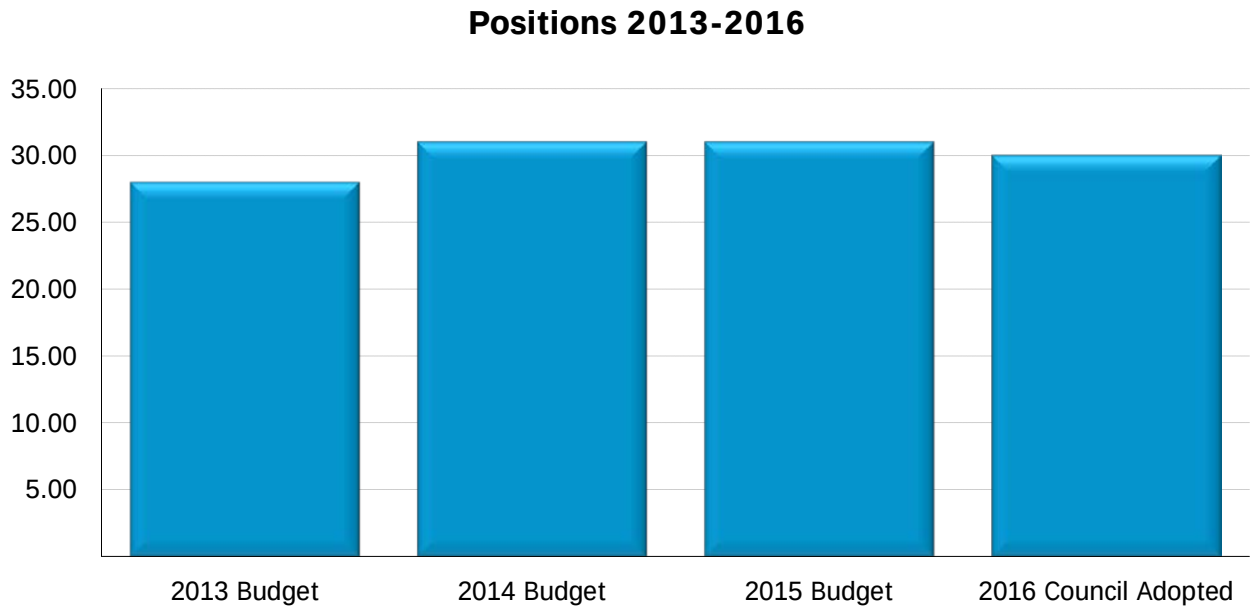
Expense by Category



311

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
311	28.00	31.00	31.00	30.00	-3.2%	(1.00)
Overall	28.00	31.00	31.00	30.00	-3.2%	(1.00)



911

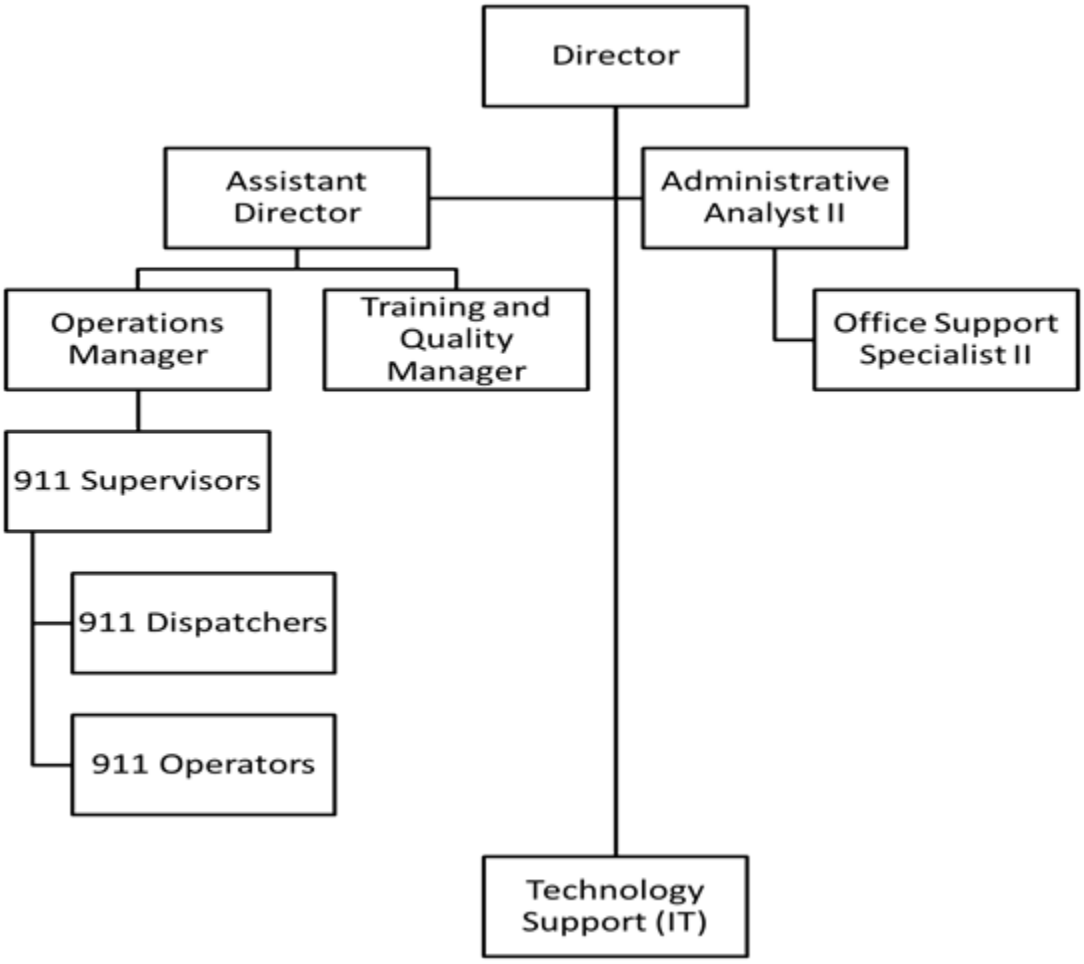
MISSION

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

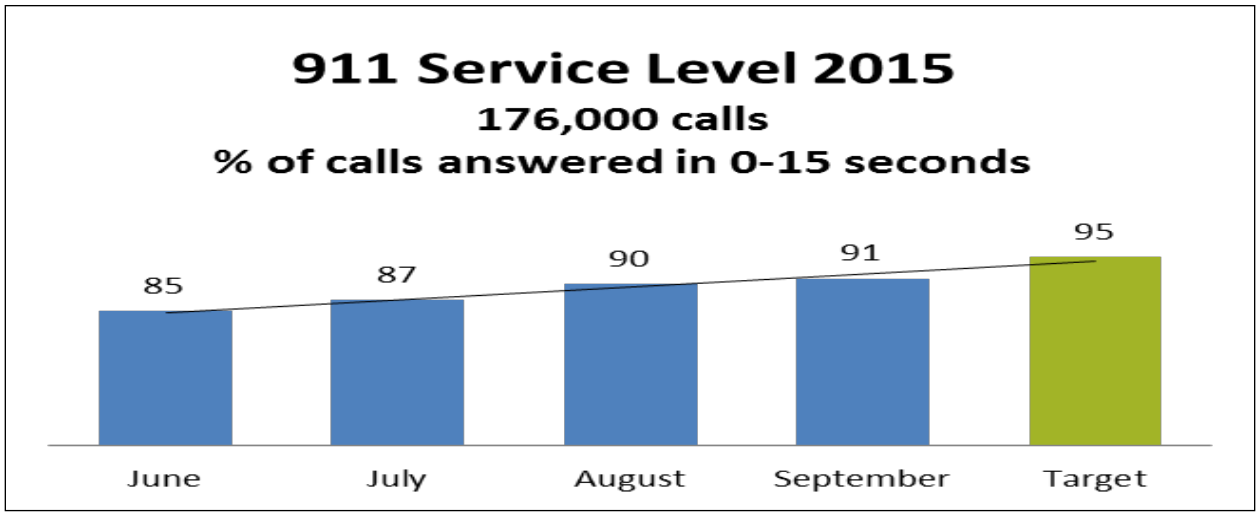
BUSINESS LINES

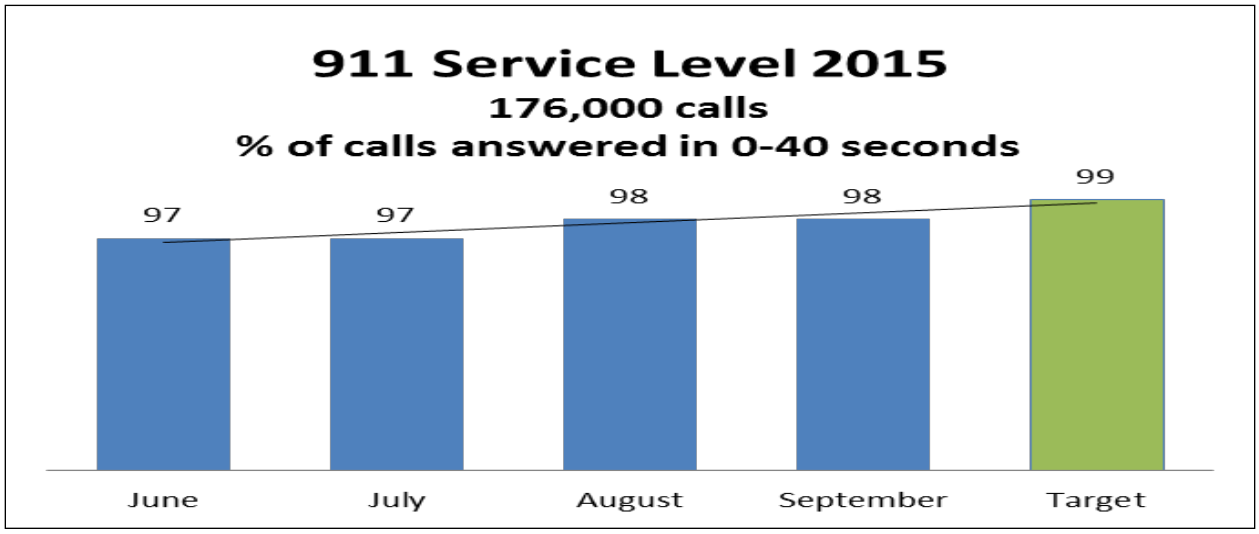
911 Call Handling and Dispatching Operations
911 is the single contact point for emergency services. 911 Department is much more than a call center; it receives, prioritizes, dispatches and manages public safety response throughout the city.

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES





Living Well

911 Call Handling and Dispatch Operations General Fund: $9,212,137
Other Funds: $515,480

The 911 dispatch program is the only link between the public and emergency public safety response. 911 receive, prioritize, dispatches and manages public safety response throughout the city. No police car, fire truck or ambulance responds to any emergency in Minneapolis unless the call has first been answered and processed by the 911 department.

Financial Analysis

Expenditure
The total 911 Department's budget increases from $9.6 to $9.7 million from 2015 to 2016. This is an increase of $160,000, or 1.7% due to routine inflationary operational increases and budgetary enhancements in quality assurance.

Revenue
2016's projected revenues of $515,000 from the State 911 program are projected to remain the same as in 2015.

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

Mayor's Recommended Budget
The Mayor recommended $80,000 ongoing General Fund resources to enhance the quality assurance/accountability activities required for department accreditation.

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

911
EXPENSE AND REVENUE INFORMATION

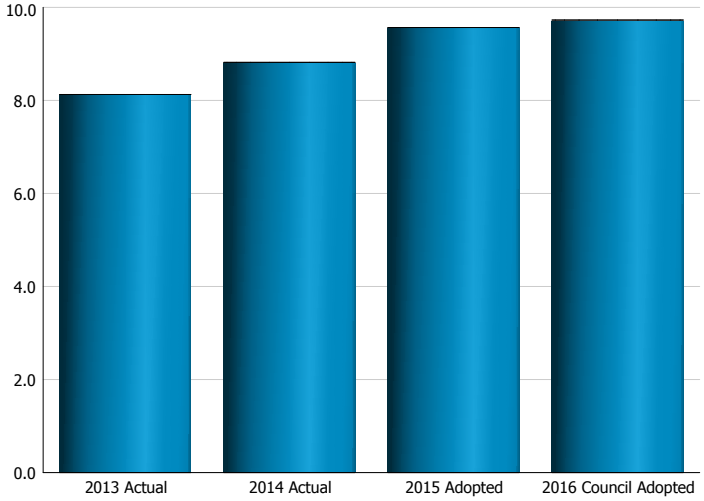
EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	4,962,391	5,177,848	5,396,187	5,710,098	5.8%	313,911
FRINGE BENEFITS	1,703,619	1,886,504	2,237,558	2,316,629	3.5%	79,070
CONTRACTUAL SERVICES	946,540	923,251	1,120,177	1,026,644	-8.3%	(93,533)
OPERATING COSTS	98,722	144,754	137,645	148,141	7.6%	10,496
CAPITAL			160,626	10,626	-93.4%	(150,000)
TOTAL GENERAL	**7,711,272**	**8,132,357**	**9,052,193**	**9,212,137**	**1.8%**	**159,944**
SPECIAL REVENUE						
SALARIES AND WAGES	1,622					0
CONTRACTUAL SERVICES	367,897	649,324	515,480	515,480	0.0%	0
OPERATING COSTS	46,583	36,635				0
TOTAL SPECIAL REVENUE	**416,102**	**685,959**	**515,480**	**515,480**	**0**	**0**
TOTAL EXPENSE	**8,127,375**	**8,818,316**	**9,567,673**	**9,727,617**	**1.7%**	**159,944**

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	705	266			0.0%	0
OTHER MISC REVENUES		40			0.0%	0
GENERAL	**705**	**306**				**0**
SPECIAL REVENUE						
INTEREST	1,717				0.0%	0
STATE GOVERNMENT	412,263	685,959	515,480	515,480	0.0%	0
SPECIAL REVENUE	**413,980**	**685,959**	**515,480**	**515,480**	**0**	**0**
TOTAL REVENUE	**414,685**	**686,265**	**515,480**	**515,480**	**0**	**0**

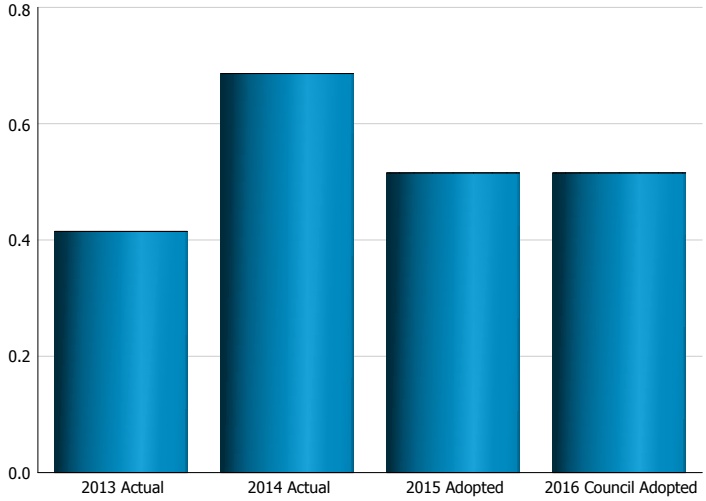
Home

911
EXPENSE AND REVENUE INFORMATION

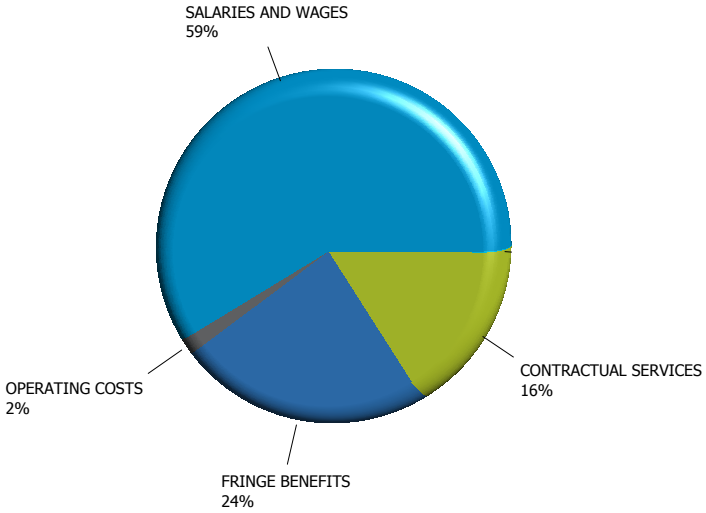
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



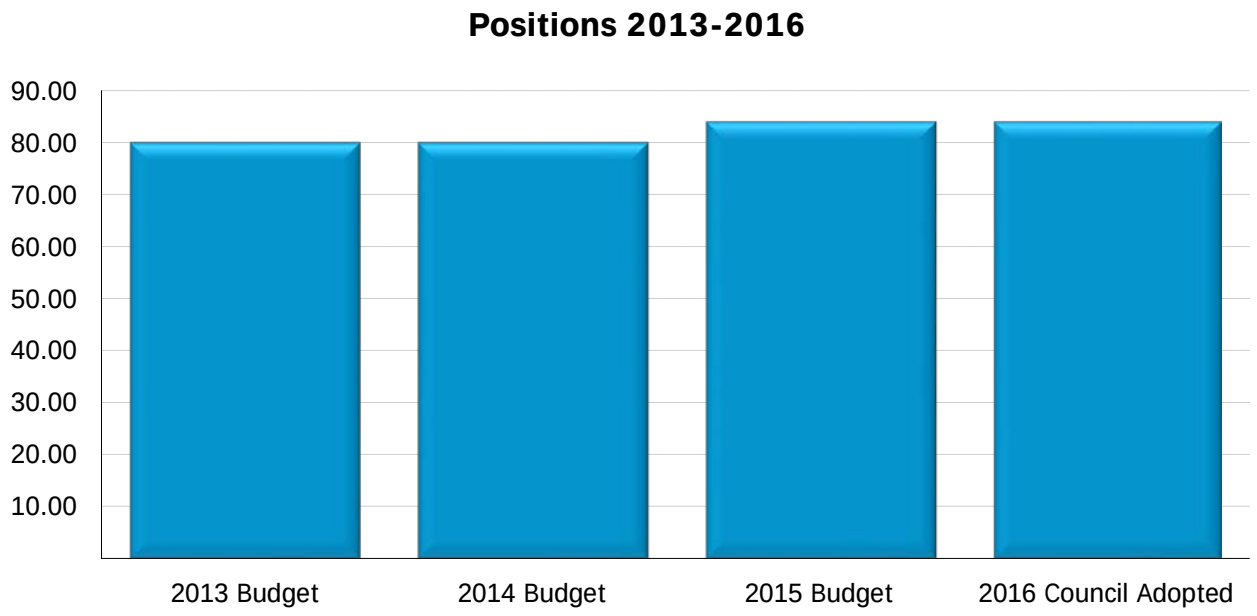
Expense by Category



911

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
911	80.00	80.00	84.00	84.00	0.0%	0
Overall	80.00	80.00	84.00	84.00	0.0%	0

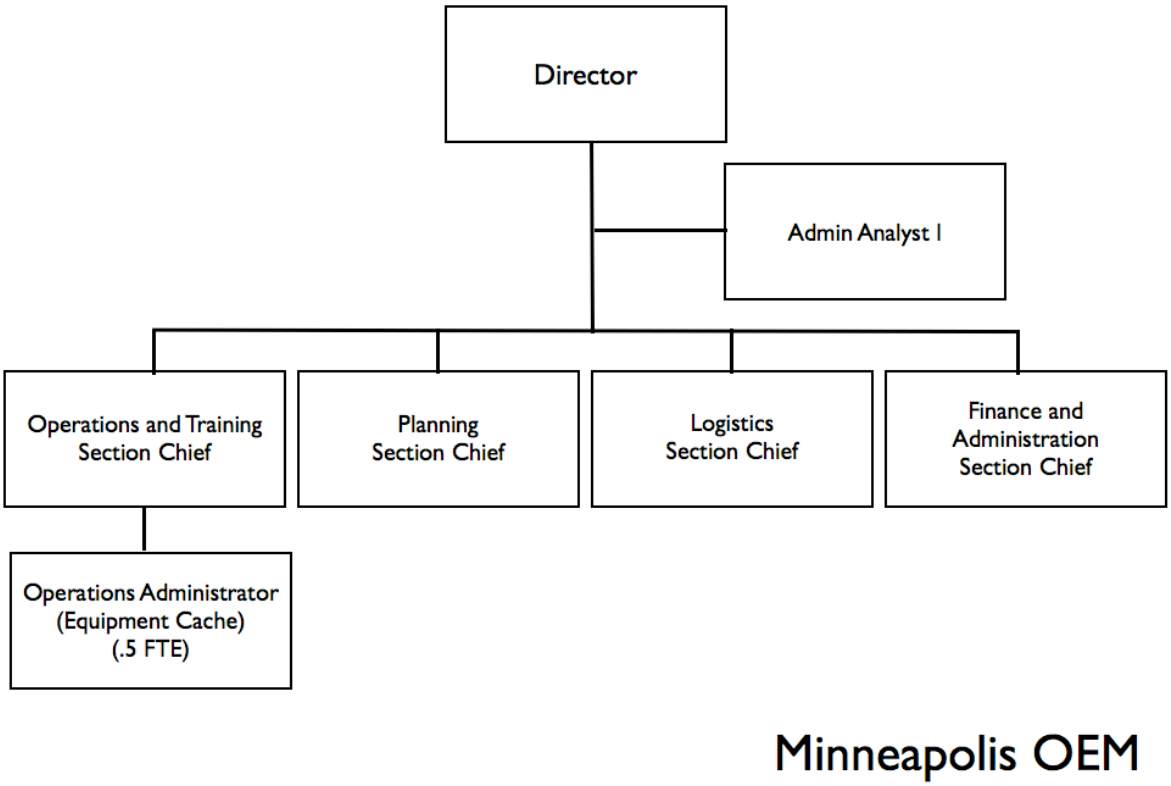


OFFICE OF EMERGENCY MANAGEMENT

MISSION

The Office of Emergency Management (OEM) protects the people who live, work and play in the City of Minneapolis, the State and Nation by building, sustaining and improving the department's capability to mitigate against, prepare for, respond to and recover from threatened or actual disasters, whether natural or man-made and acts of terrorism.

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES

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

Living Well

Office of Emergency Management General Fund: $812,740
Other Funds: $1,000,000

The Office of Emergency Management protects the people who live, work and play in the City of Minneapolis, the State and Nation by building, sustaining and improving our capability to mitigate against, prepare for, respond to and recover from threatened or actual disasters, whether natural, man-made or acts of terrorism. As an enterprise office, the OEM serves other City departments in external emergency management and internal continuity of operations. In order to accomplish its mission, OEM partners with other local, regional, state and federal government as well as the non-profit and private sectors. OEM functions are mandated by Minnesota Statues as well as Minneapolis Ordinances.

Financial Analysis

Expenditure
The total Emergency Management Department's budget decreases from $1.9 million to $1.8 million from 2015 to 2016. This is a decrease of $55,000 or 3%. The General Fund portion reflects $45,000 inflationary increases in operating expenses that are wholly offset by $100,000 decrease in Special Revenue funded activities resulting to a net decrease of $55,000 in the department's expenditure budget.

Revenue
Revenues are projected to decrease by $100,000 or 9.1% in this department due to decreased Federal Government funding. The department's total revenues in 2016 are projected to be $1.0 million.

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

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

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

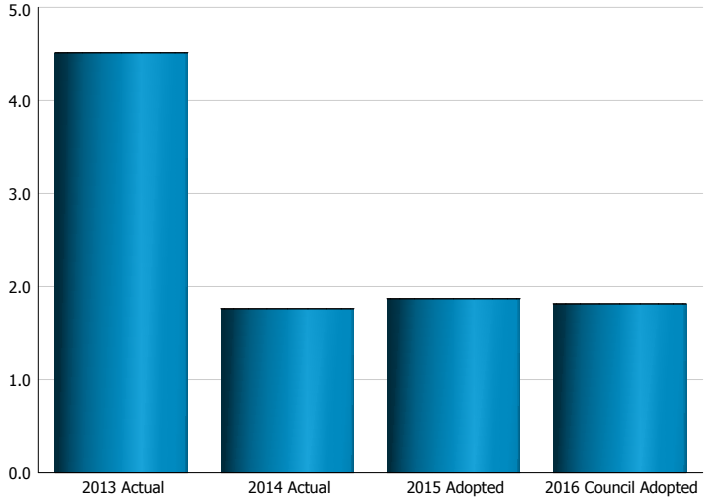
EMERGENCY MANAGEMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	330,929	215,336	350,742	386,970	10.3%	36,227
FRINGE BENEFITS	106,469	65,968	119,095	106,942	-10.2%	(12,153)
CONTRACTUAL SERVICES	254,398	249,367	221,442	268,198	21.1%	46,756
OPERATING COSTS	19,124	36,837	61,689	50,630	-17.9%	(11,059)
CAPITAL	164,766	296,518	15,000		-100.0%	(15,000)
TOTAL GENERAL	**875,688**	**864,025**	**767,969**	**812,740**	**5.8%**	**44,771**
SPECIAL REVENUE						
SALARIES AND WAGES	65,181	182,668	203,000	225,011	10.8%	22,011
FRINGE BENEFITS	19,807	38,852	61,000	77,617	27.2%	16,617
CONTRACTUAL SERVICES	1,597,753	446,288	436,000	436,000	0.0%	0
OPERATING COSTS	1,196,170	228,395				0
CAPITAL	757,879		400,000	261,372	-34.7%	(138,628)
TOTAL SPECIAL REVENUE	**3,636,790**	**896,203**	**1,100,000**	**1,000,000**	**-9.1%**	**(100,000)**
TOTAL EXPENSE	**4,512,477**	**1,760,228**	**1,867,969**	**1,812,740**	**-3.0%**	**(55,229)**

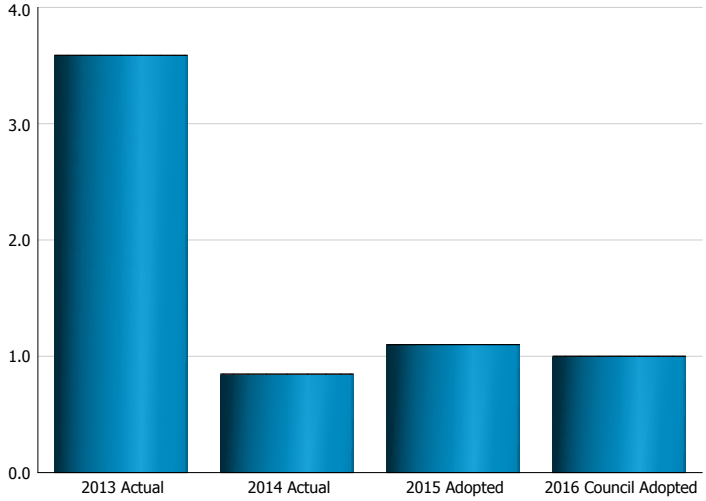
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	(49,000)	(49,000)			0.0%	0
FEDERAL GOVERNMENT	3,636,790	895,535	1,100,000	1,000,000	-9.1%	(100,000)
SPECIAL REVENUE	**3,587,790**	**846,535**	**1,100,000**	**1,000,000**	**-9.1%**	**(100,000)**
TOTAL REVENUE	**3,587,790**	**846,535**	**1,100,000**	**1,000,000**	**-9.1%**	**(100,000)**

EMERGENCY MANAGEMENT
EXPENSE AND REVENUE INFORMATION

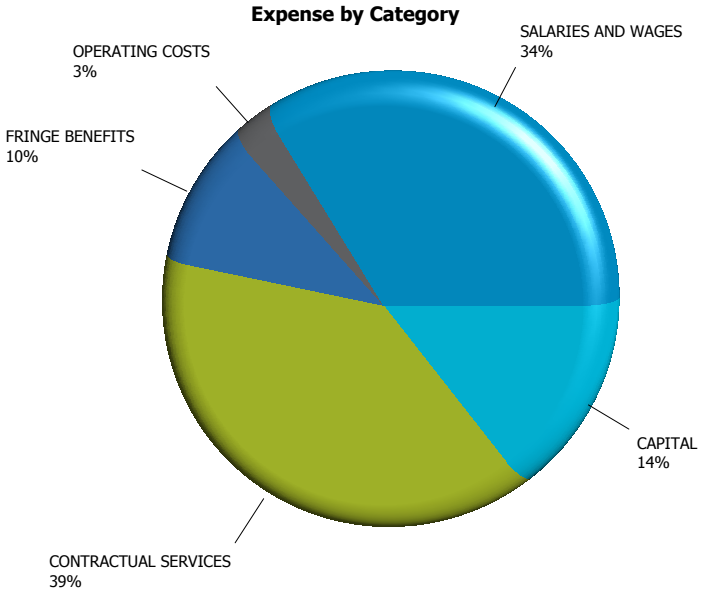
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



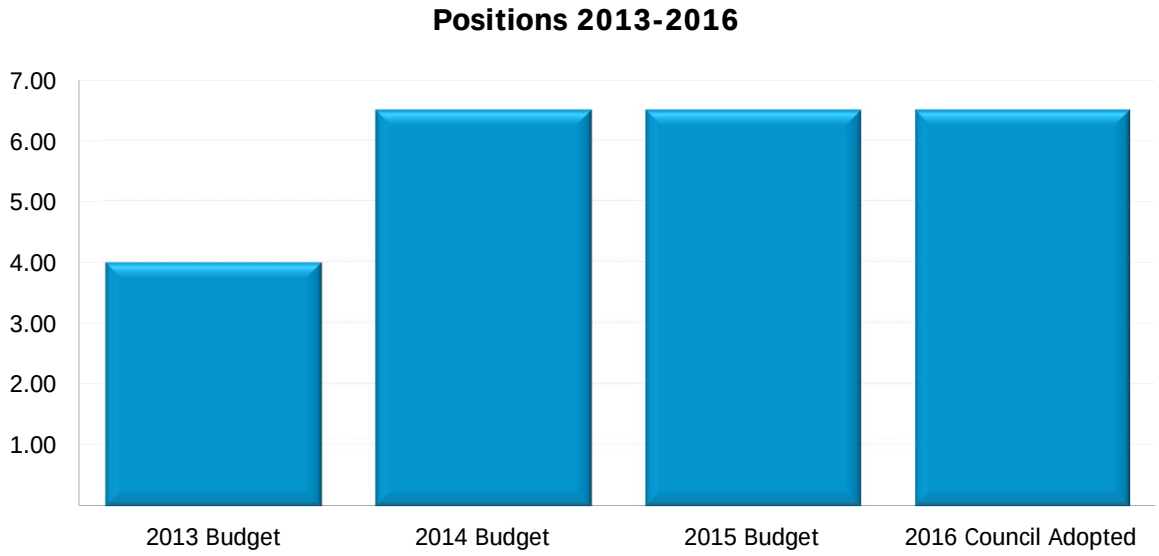
Expense by Category



EMERGENCY MANAGEMENT

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
EMERGENCY MANGEMENT	4.00	6.50	6.50	6.50	0.0%	0
Overall	4.00	6.50	6.50	6.50	0.0%	0



COMMUNICATIONS DEPARTMENT

MISSION

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

BUSINESS LINES

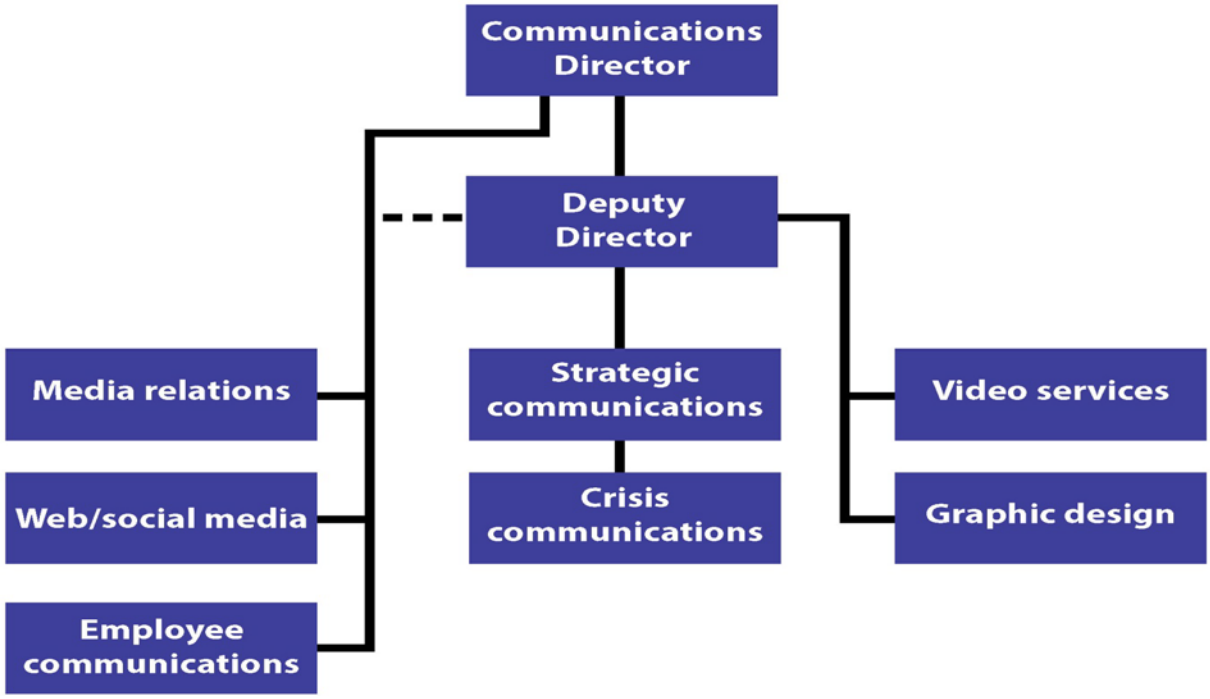
- **Lead Communications planning and execution for the City enterprise (internal and external audiences), and assist elected officials and City departments with their proactive and reactive communications challenges and opportunities.**

  Communications staff provides strategic communications support and planning to all City departments and elected officials, edits and designs print publications and other communications products, manages and oversees Internet and intranet website content and government cable access, and oversees employee communications. It does this through direct staff support, establishing protocols and procedures for departments, conducting trainings and department-specific communications planning efforts.

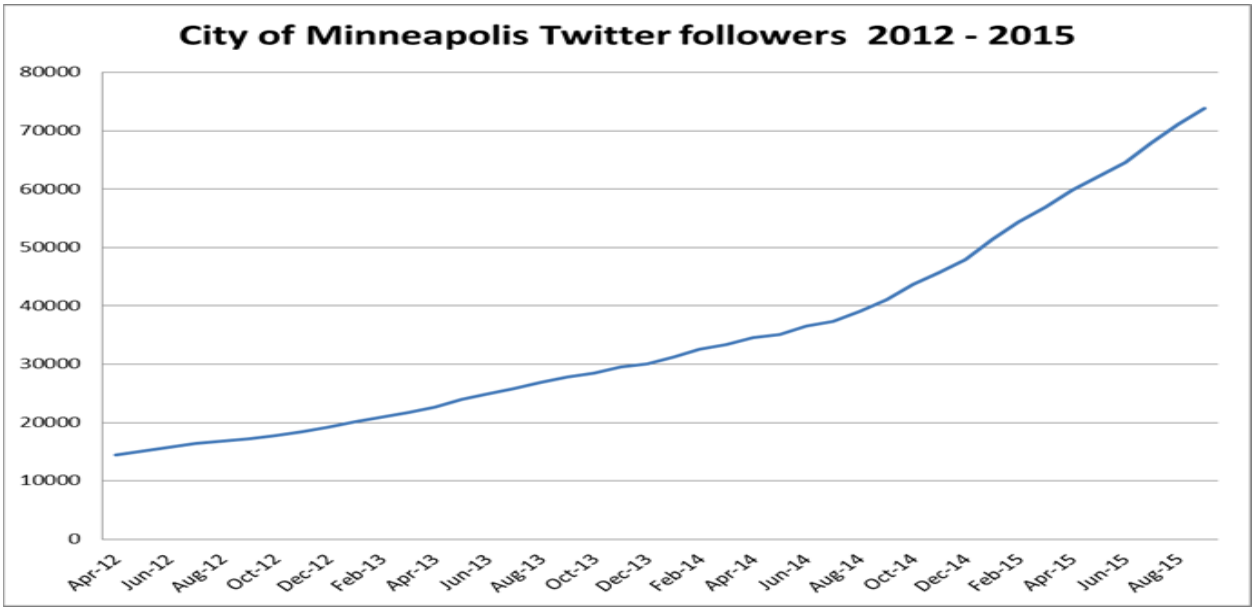
- **Manage the City's cable franchise**

  Communications manages the City's cable franchise, including overseeing the current franchise agreement and handling consumer complaints.

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES



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

Source: 2013 Management Survey

2014 Impact of Press Releases and Advisories

356 Press Releases and Advisories → Audience Reach of 40,034,862,275 → Publicity Ad Value of $20,804,501

2013 Impact of Press Releases and Advisories

331 Press Releases and Advisories → Audience Reach of 42,384,693,318 → Publicity Ad Value of $26,652,035

2012 Impact of Press Releases and Advisories

322 Press Releases and Advisories → Audience Reach of 12,516,803,069 → Publicity Ad Value of $20,350,262

A City That Works

Enterprise Communications General Fund: $1,764,322

The Communications Department drives strategic proactive and reactive communications plans and strategies and provides communications support to City departments so the people of Minneapolis are aware of and have access to City news, information and services. The department's core work includes: media relations, crisis communications, social media, web content, internal communications, video production and graphic design. Communications also produces live and rebroadcast City government meetings and manages the government access TV channels. In addition, Communications oversees the City's cable TV franchises with Comcast and Century Link, and the contract with the Minneapolis Telecommunications Network (MTN) for public access services.

One Minneapolis

Public Access TV General Fund: $472,496

This is direct funding through a contract with Minneapolis Telecommunications Network (MTN) to operate the City's public access TV channels and provide the public with access to television broadcast equipment, training and airtime. MTN serves diverse populations by providing access to all City residents including those who produce programs in languages other than English.

Financial Analysis

Expenditure
The total Communications Department's budget increases from $2.21 million to $2.24 million from 2015 to 2016. This is an increase of $25,000, or 1.1%. The Communications Department's 2016 expenditure budget reflects inflationary increases in operational costs and an offsetting $50,000 reduction of ongoing General Fund resources in rightsizing initiatives.

Revenue
Projected revenues of $1.0 million in 2016 reflect a $948,500 increase since Cable TV PEG fee revenues are back to being reported by Communications department.

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

Mayor's Recommended Budget
The Mayor recommended rightsizing the department's budget by reducing $50,000 of ongoing General Fund allocations.

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

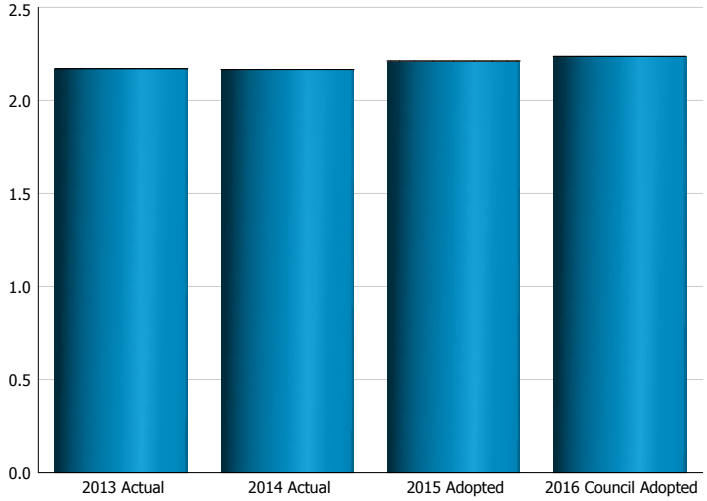
COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	820,152	795,223	850,009	881,348	3.7%	31,339
FRINGE BENEFITS	291,050	281,996	320,580	343,496	7.1%	22,915
CONTRACTUAL SERVICES	811,985	806,956	831,616	790,431	-5.0%	(41,185)
OPERATING COSTS	91,203	105,011	92,883	101,547	9.3%	8,664
CAPITAL	156,225	176,783	116,425	119,996	3.1%	3,571
TOTAL GENERAL	**2,170,614**	**2,165,970**	**2,211,514**	**2,236,818**	**1.1%**	**25,305**
TOTAL EXPENSE	**2,170,614**	**2,165,970**	**2,211,514**	**2,236,818**	**1.1%**	**25,305**

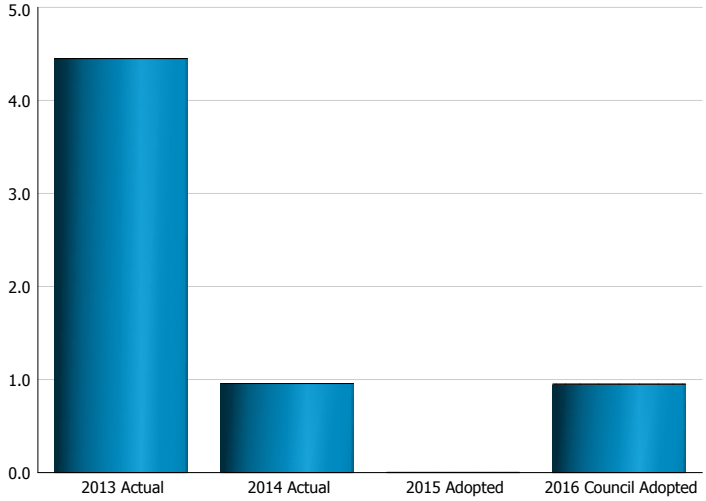
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,052	1,664			0.0%	0
CONTRIBUTIONS	944,831				0.0%	0
FRANCHISE FEES	3,503,201	955,080		950,000	0.0%	950,000
OTHER MISC REVENUES			1,500		-100.0%	(1,500)
RENTS	759	190			0.0%	0
GENERAL	**4,449,842**	**956,934**	**1,500**	**950,000**	**63,233.3%**	**948,500**
TOTAL REVENUE	**4,449,842**	**956,934**	**1,500**	**950,000**	**63,233.3%**	**948,500**

COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION

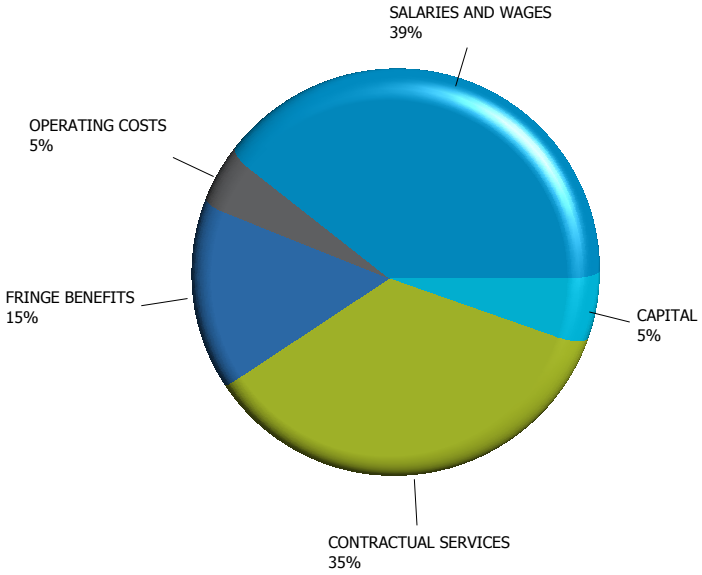
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



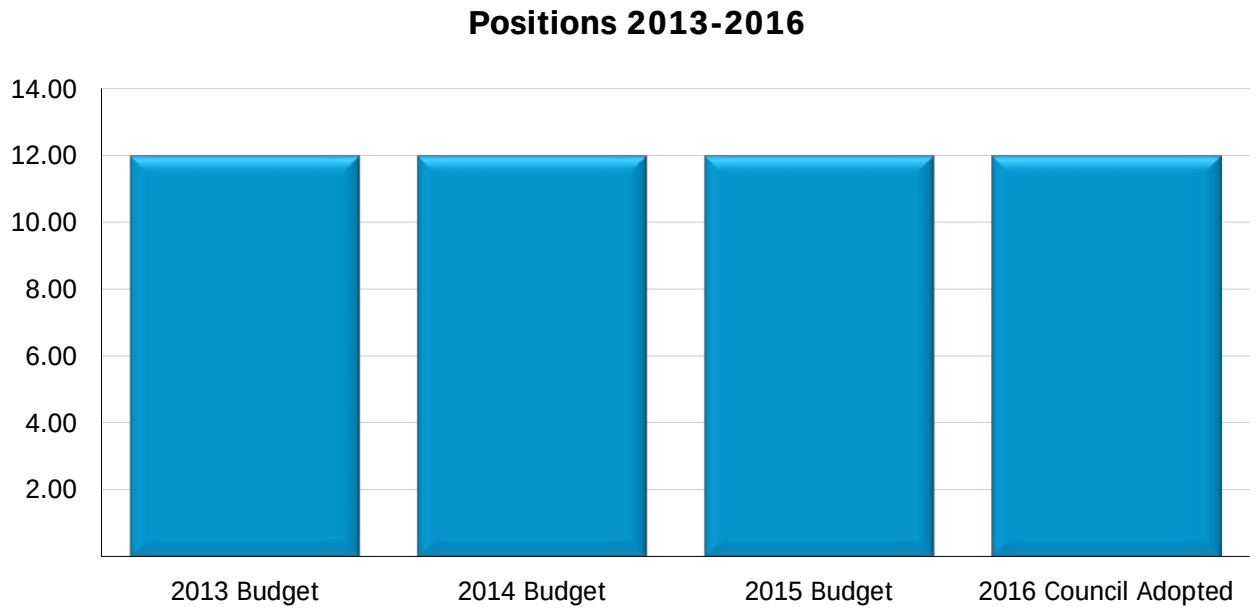
Expense by Category



COMMUNICATIONS

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
COMMUNICATIONS	12.00	12.00	12.00	12.00	0.0%	0
Overall	12.00	12.00	12.00	12.00	0.0%	0



MINNEAPOLIS CONVENTION CENTER

MISSION

The Minneapolis Convention Center will be the best Convention Center by providing an exceptional facility, outstanding internal and external customer service, and responsible use of our resources.

BUSINESS LINES

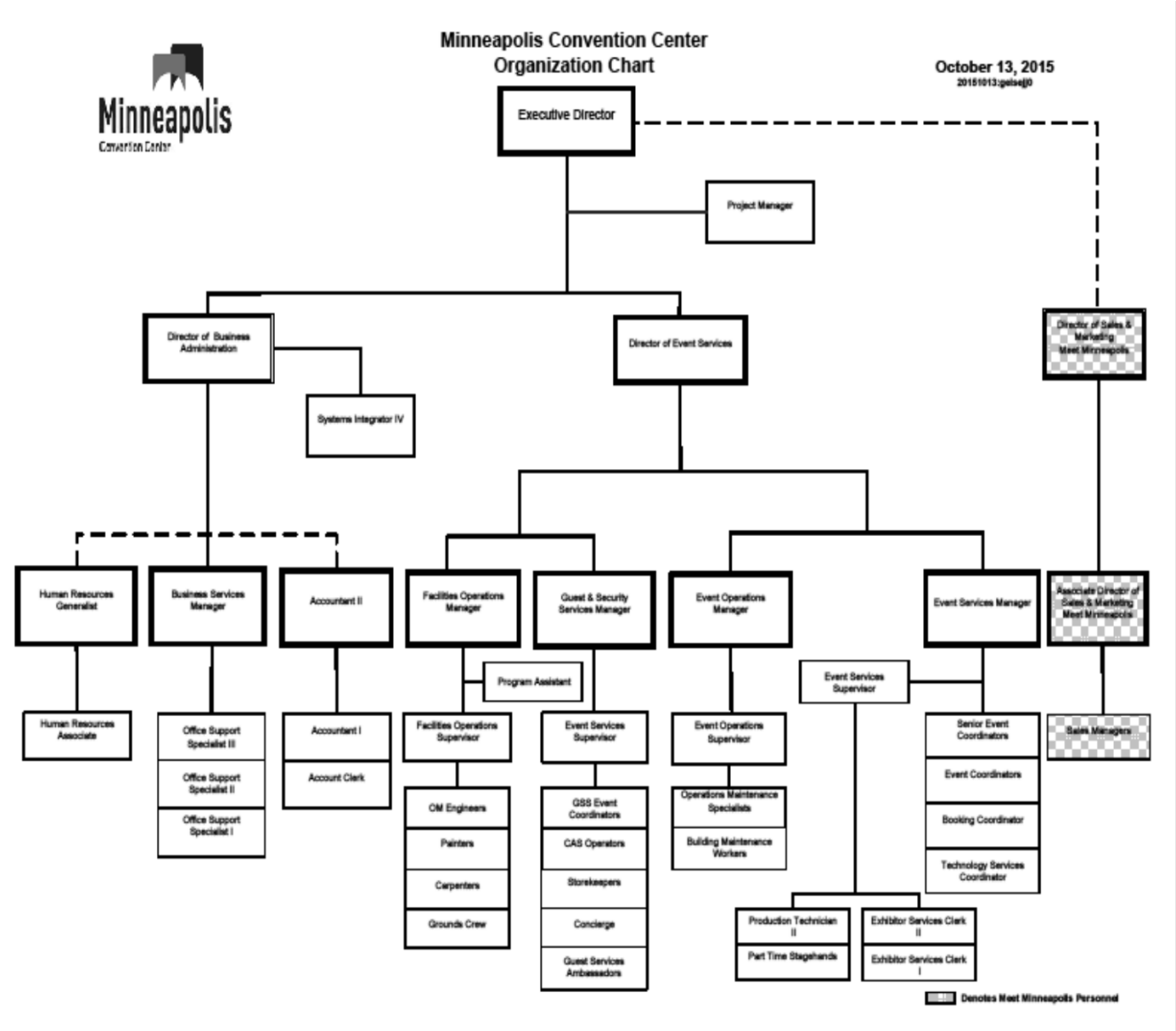
- **Event Services** is responsible for providing an exceptional product through the coordination of both in-house departments and contracted services for these major event activities: Event Services, Event Operations, Custodial Operations and Technology Services. These business units work to address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

- **Facility Services** ensures that sufficient building, safety, and capital resources are available to maintain a world-class facility for our customers. Proper maintenance, contract management, and capital planning are keys to maintaining a world-class facility. Facility Services coordinates the areas of safety and security, guest services, parking and marshaling operations, building and grounds maintenance, and capital project planning and management.

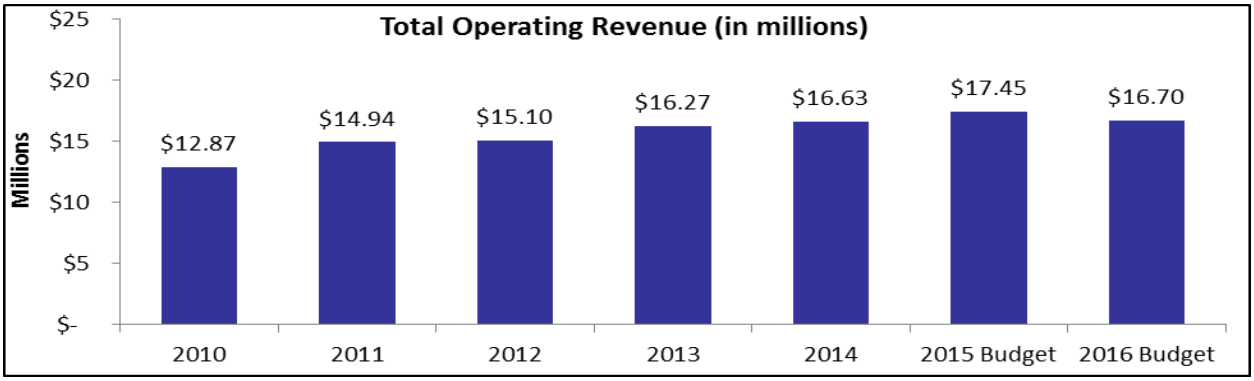
- **Sales and Marketing Services** provide the first point of contact for all business. This group is responsible for providing information about the facility, identifying and attracting events, maintaining relationships, and gathering data on how the MCC serves customers. The majority of these services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

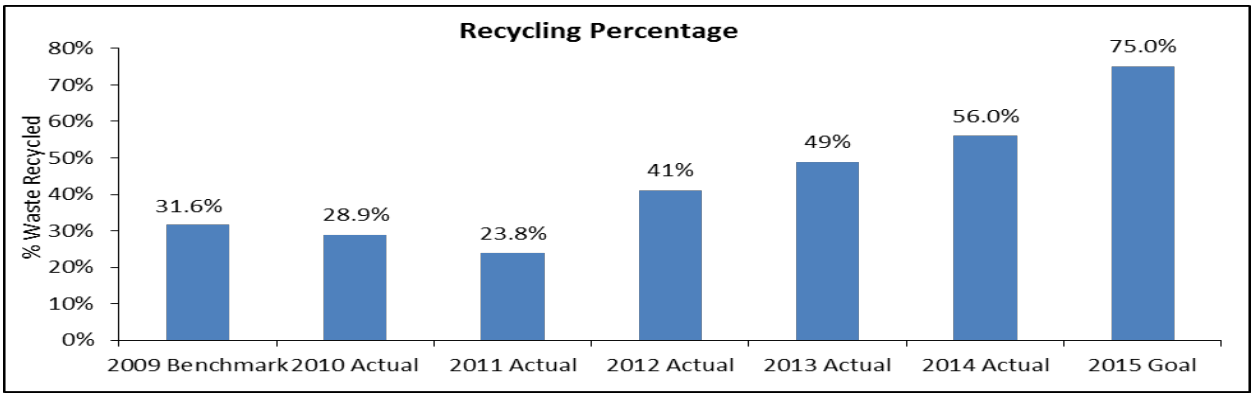
- **Business and Employee Services** addresses the need for depth and sophistication of the business reporting requirements for our Executive Management Team and stakeholders, as well as responds to employee relations and employee development needs. We recognize that the labor force at the Convention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

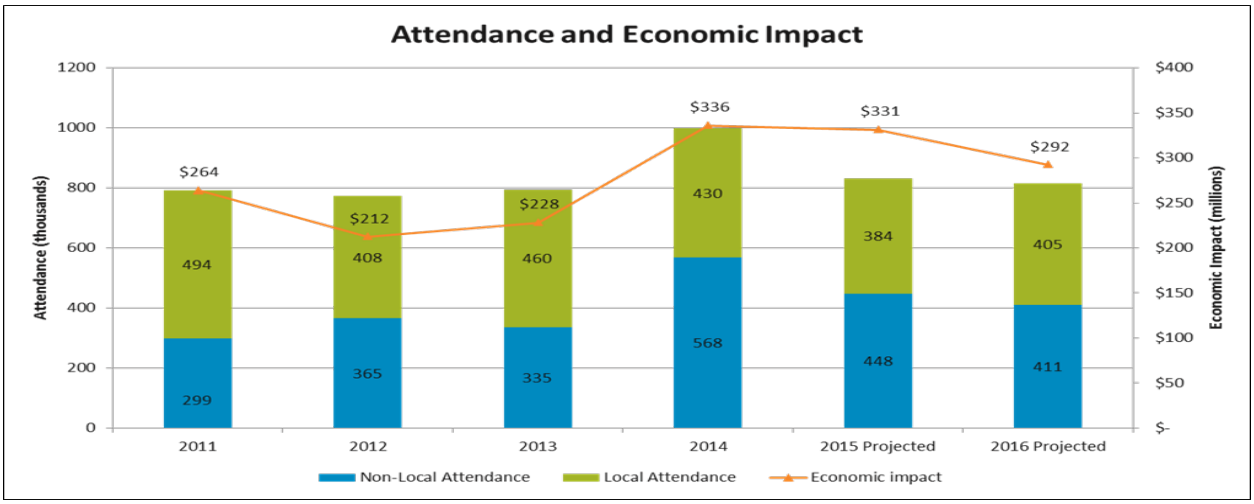
ORGANIZATION CHART

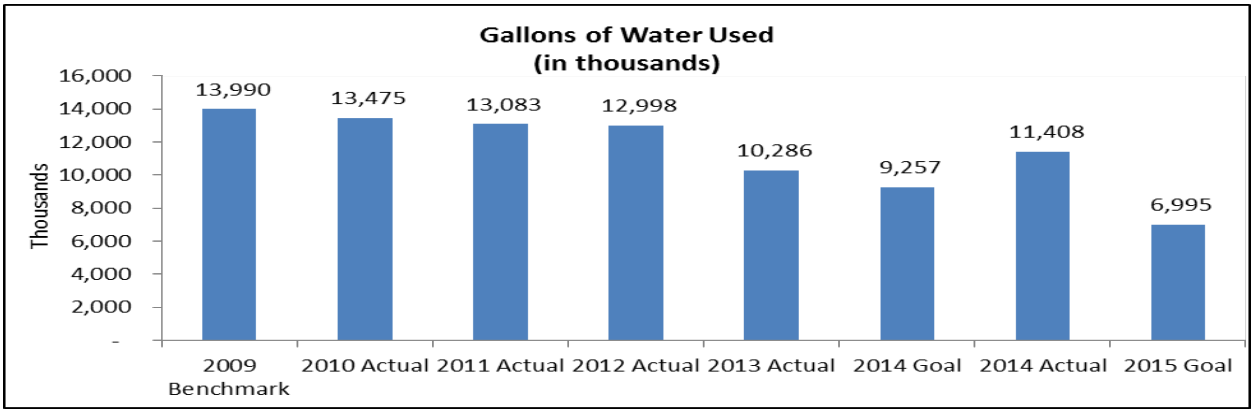


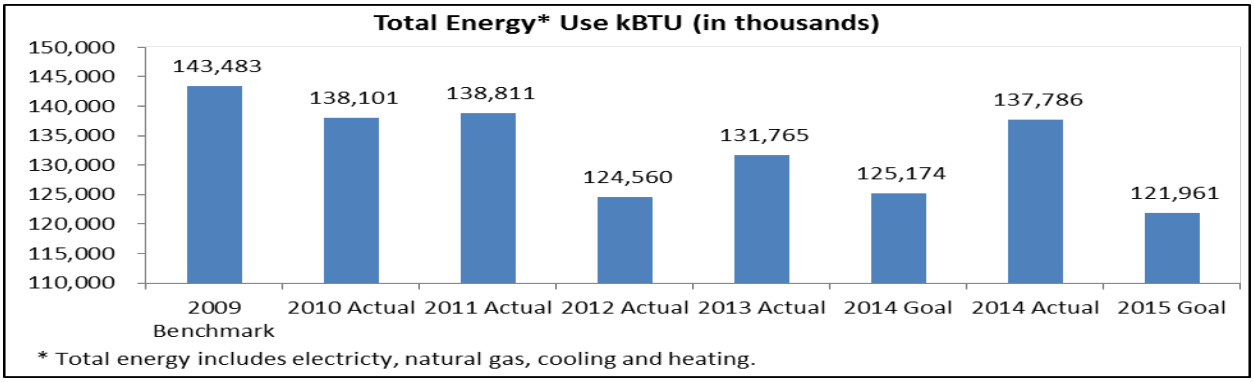
SELECTED RESULTS MINNEAPOLIS MEASURES




Recycling Percentage
% Waste Recycled
80%
70%
60%
50%
40%
30%
20%
10%
0%
31.6%
28.9%
23.8%
41%
49%
56.0%
75.0%
2009 Benchmark
2010 Actual
2011 Actual
2012 Actual
2013 Actual
2014 Actual
2015 Goal


Attendance and Economic Impact
Attendance (thousands)
Economic Impact (millions)
1200
1000
800
600
400
200
0
$400
$350
$300
$250
$200
$150
$100
$50
$-
$264
$212
$228
$336
$331
$292
494
408
460
430
384
405
299
365
335
568
448
411
2011
2012
2013
2014
2015 Projected
2016 Projected
Non-Local Attendance
Local Attendance
Economic impact


Gallons of Water Used
(in thousands)
Thousands
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
-
13,990
13,475
13,083
12,998
10,286
9,257
11,408
6,995
2009 Benchmark
2010 Actual
2011 Actual
2012 Actual
2013 Actual
2014 Goal
2014 Actual
2015 Goal


Total Energy* Use kBTU (in thousands)
150,000
145,000
140,000
135,000
130,000
125,000
120,000
115,000
110,000
143,483
138,101
138,811
124,560
131,765
125,174
137,786
121,961
2009 Benchmark
2010 Actual
2011 Actual
2012 Actual
2013 Actual
2014 Goal
2014 Actual
2015 Goal
* Total energy includes electricty, natural gas, cooling and heating.

A Hub of Economic Activity and Innovation

Minneapolis Convention Center Events Program Other Fund: $23,999,898

The Convention Center Events Program provides sales, event coordination, delivery of audio visual, utility, security and guest services to international, national, regional, state and local clients and their attendees. This program also includes the City's contract with Meet Minneapolis, which provides sales services for the convention center as well as destination marketing for the City of Minneapolis.

Convention Center events drive economic impact to the City as these clients and attendees purchase goods and services from the convention center as well as local businesses contributing to a vibrant downtown. Meet Minneapolis also pursues leisure travelers and sponsorship opportunities.

Minneapolis Convention Center Facilities Other Fund: $22,282,386

The Convention Center Facility Program provides the physical building and grounds of the Convention Center as well as the staff to maintain this City asset. The Events Program utilizes the facility to sell and host events. The Facilities Program includes capital expenditures.

Minneapolis Convention Center Tallmadge Building Other Fund: $175,000

The Convention Center Tallmadge Building is currently operated as an office building that is leased to local businesses. Within the next several years, as lease contracts expire, the Convention Center will implement our long-term competitive strategy to repurpose this building into a visitor center and restaurant to provide amenities and access to cultural and recreational activities to visitors. This will assist in attracting national business and economic impact to our City.

Target Center Other Fund: $8,153,796

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

FINANCIAL ANALYSIS

Expenditure
For 2016, the Convention Center Department's budget is $54.6 million, an increase of 3.8% over the 2015 budget of $52.6 million. The increase reflects the routine inflationary operating increases, internal service charges, and increase in one-time funding.

Revenue
Revenues are projected to increase by 10.3% in this department due to an increase in use of fund balance. The department's total revenues in 2016 are projected to be $25.2 million as compared to $22.9 million in the 2015 budget.

Fund Allocation
This department is funded primarily in the Convention Center and Arena Funds and from funds transferred from the General Fund.

Mayor's Recommended Budget
The Mayor recommended using the fund balance in the Convention Center fund in the amount of $175,000 in one-time funding for the purpose of marketing, events and community engagement programming. The Mayor also recommended $50,000 in one-time funding from the General Fund for the Sister City program.

Council Adopted Budget
The City Council amended the Mayor's recommendations by providing an additional $500,000 for marketing contract incentive intended as part of the base budget.

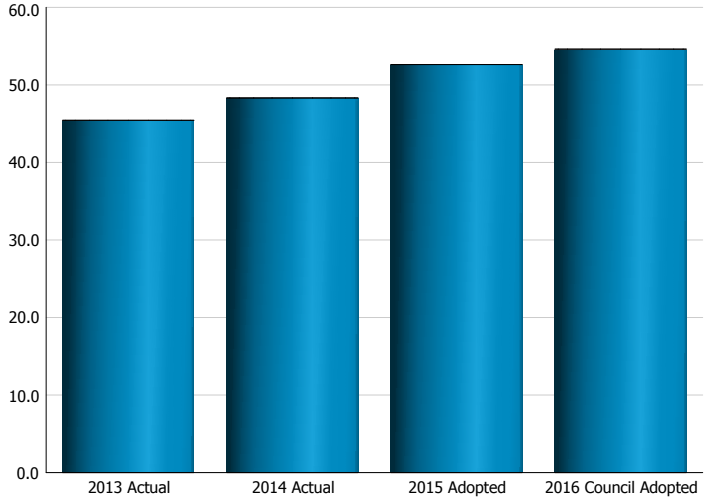
CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	9,003,483	9,320,984	9,803,948	9,719,963	-0.9%	(83,985)
FRINGE BENEFITS	3,220,669	3,501,416	4,607,199	4,552,752	-1.2%	(54,446)
CONTRACTUAL SERVICES	20,688,722	22,176,404	22,137,719	21,876,014	-1.2%	(261,705)
OPERATING COSTS	1,492,963	1,477,674	1,593,700	1,476,301	-7.4%	(117,399)
CAPITAL	11,028,301	11,842,646	14,485,262	16,986,049	17.3%	2,500,787
TOTAL SPECIAL REVENUE	**45,434,138**	**48,319,123**	**52,627,827**	**54,611,080**	**3.8%**	**1,983,252**
TOTAL EXPENSE	**45,434,138**	**48,319,123**	**52,627,827**	**54,611,080**	**3.8%**	**1,983,252**

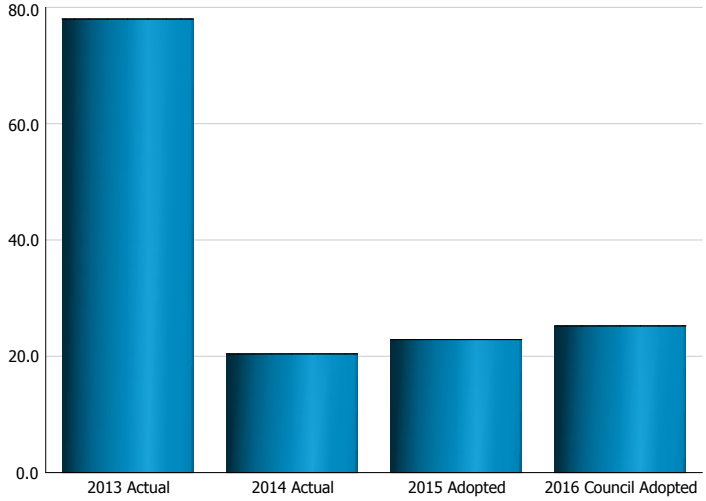
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	3,240				0.0%	0
CHARGES FOR SERVICES	5,788,478	6,048,044	6,200,000	6,000,000	-3.2%	(200,000)
INTEREST	265,132	214,631	164,130	113,628	-30.8%	(50,502)
LONG TERM LIABILITIES PROCEEDS			2,610,126	5,672,939	117.3%	3,062,813
OTHER MISC REVENUES	3,416,376	3,973,399	3,650,000	3,500,000	-4.1%	(150,000)
RENTS	7,238,371	8,202,829	8,947,000	8,547,000	-4.5%	(400,000)
SALES AND OTHER TAXES	57,533,157	1,976,384	1,300,000	1,394,000	7.2%	94,000
TRANSFERS IN	3,766,000				0.0%	0
SPECIAL REVENUE	**78,010,755**	**20,415,287**	**22,871,256**	**25,227,567**	**10.3%**	**2,356,311**
TOTAL REVENUE	**78,010,755**	**20,415,287**	**22,871,256**	**25,227,567**	**10.3%**	**2,356,311**

CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

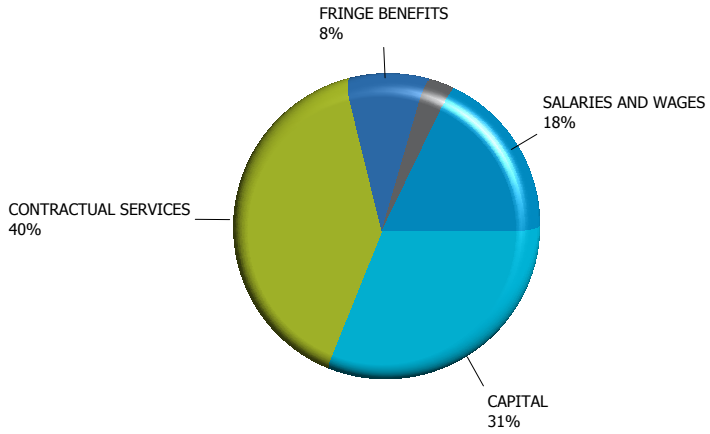
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



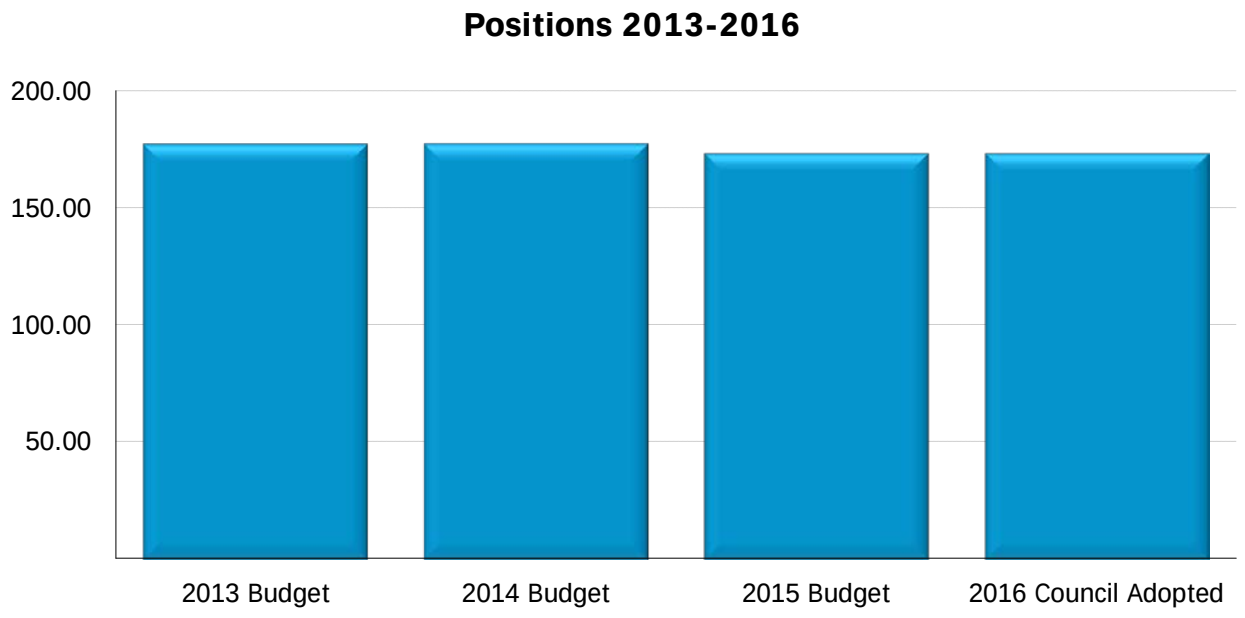
Expense by Category



CONVENTION CENTER

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
CONVENTION CENTER	177.10	177.30	172.10	172.10	0.0%	0
TARGET CENTER			1.20	1.20	0.0%	0
Overall	177.10	177.30	173.30	173.30	0.0%	0



FINANCE & PROPERTY SERVICES DEPARTMENT

MISSION

Provide essential financial services, resource and asset management, and guide decisions to ensure the City's lasting vibrancy and financial strength.

BUSINESS LINES

- **ACCOUNTING AND FINANCIAL REPORTING** – monitor and report department revenues and expenditures to managers and policy-makers; prepare City's quarterly financial report and Comprehensive Annual Financial Report (CAFR); respond to internal and external audits; design and administer rate models that allocate shared costs for internal services; assist managers during the annual budget process; and provide functional support of COMPASS; provide services to City departments that receive grants by tracking and monitoring grant-related revenues and expenses, and reporting this information to grantors so the City remains in compliance and continues to receive and preserve the authority to expend these funds; and provide financial analyses and pertinent information necessary to support City development decisions and investment intended to stimulate tax base growth, job creation/retention and the production of new housing units.

- **BUY, ORDER AND PAY FOR GOODS AND SERVICES** – facilitate the purchase of goods and services on the most favorable terms according to state law and City policies; assure contracts are consistent with good business practices and City policies; create requisitions for goods and services, issue purchase orders, document receipt of goods and services, and pay vendors.

- **ERP APPLICATION AND SYSTEM FUNCTIONAL SUPPORT** – this information technology system also known as COMPASS is used to provide information on the City's financial resources to include tracking of financial transactions on a daily, monthly and annual basis, maintaining historical records and details on how each employee is paid and where their time should be charged and recording contractual information, approvals for purchases, quantity, type and price of goods and services purchased, the department making the purchase, and the financial coding to which charges should be applied.

- **FACILITIES, ENERGY AND SECURITY MANAGEMENT** -- comprehensively and strategically provide for the land, facility, and furnishing needs of City owned, operated and leased facilities through various activities including preventive maintenance and corrective maintenance, routine cleaning and maintenance, construction, tenant improvements, space and asset management, and security and life safety needs. Further provide centralized energy management services that support energy conservation, renewable energy and alternative fuels, and emissions reductions.

- **INVESTING, CASH MANAGEMENT AND RECEIPTING** – invest City funds, monitor bank accounts and cash balances, make electronic fund transfers and payments, and bill and collect revenue for utilities and do citywide receivable work. Issue monthly utility bills that include charges for water, sanitary sewer, stormwater and solid waste.

- **MBC CITY HALL OPERATING COSTS** – mechanism to collect revenue for City operating departments housed in City Hall to be paid to the Municipal Building Commission (MBC) as a reimbursement for the City's pro-rated portion of the operating costs (the remainder is paid by Hennepin County).

- **PAY EMPLOYEES** – pay employees according to labor agreements, state and federal laws, and City policies.

- **RADIO COMMUNICATIONS AND ELECTRONICS** – provide, maintain, and manage public safety radio communications systems to meet the needs of the City during emergencies as well as day-to-day operations. In addition, provide for and support (in partnership with the Information Technology Department) the comprehensive communications, data, video, and electronics needs of the City's Operating Departments.

- **RISK MANAGEMENT AND CLAIMS** – protect City assets, prevent loss of money and injury to City employees, and manage claims for workers' compensation and tort.

- **STRATEGIC FINANCIAL SERVICES** – lead City annual budget and long-term financial planning process, initiate financial analyses on issues impacting the City Enterprise, and provide financial information and advice to policy-makers and City leadership.

- **UTILITY BILLING** – all activities associated with billing, payment collection and processing and call center services for City utilities (sewer, water and waste collection).

ORGANIZATION CHART

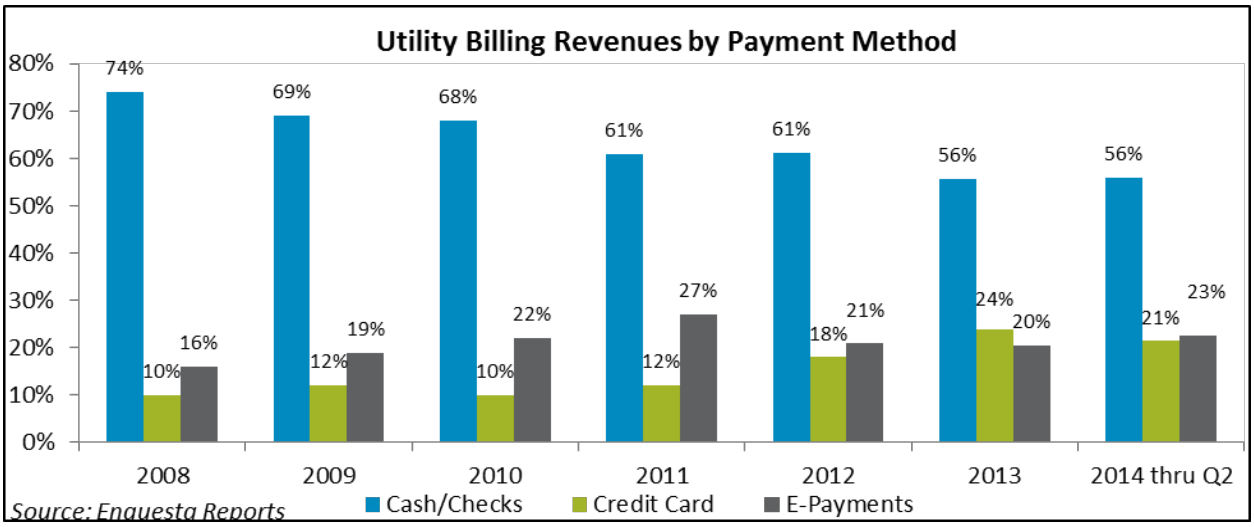
DEPARTMENT ORGANIZATIONAL CHART

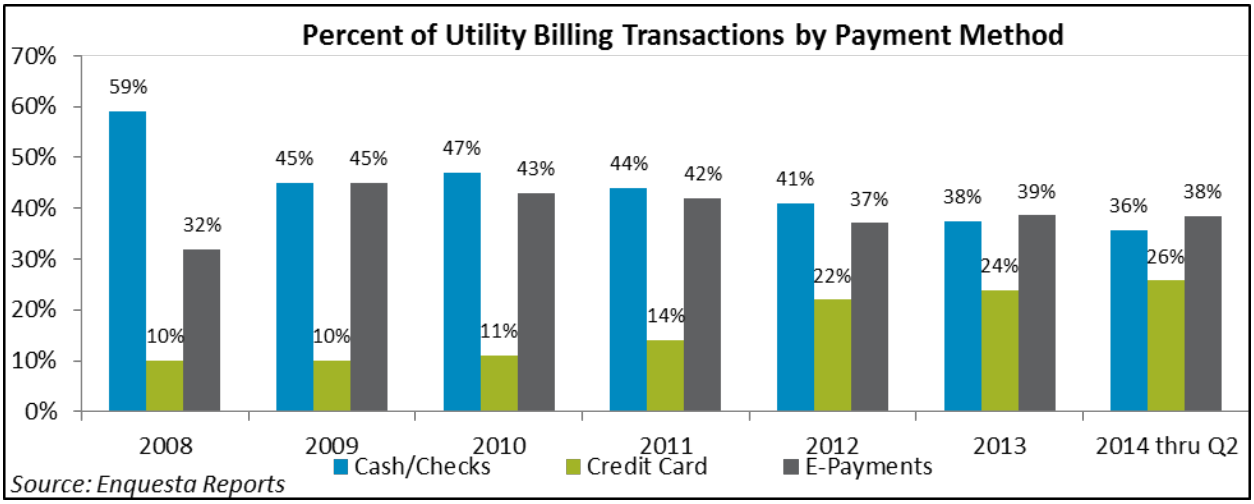
Administrative Services & COMPASS Support

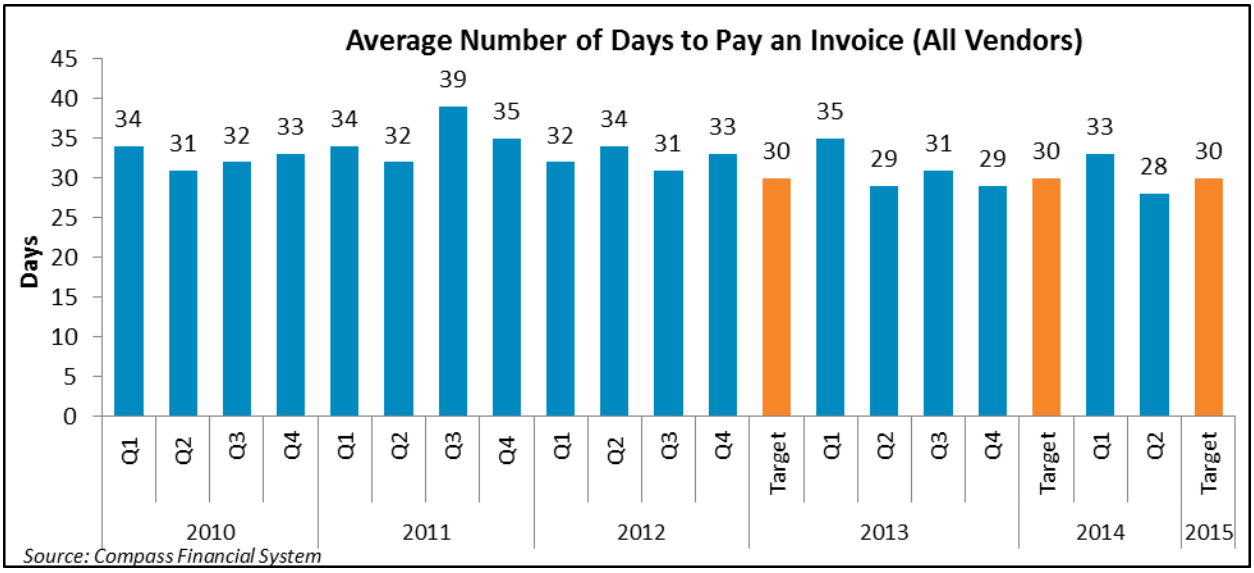
CHIEF FINANCIAL OFFICER

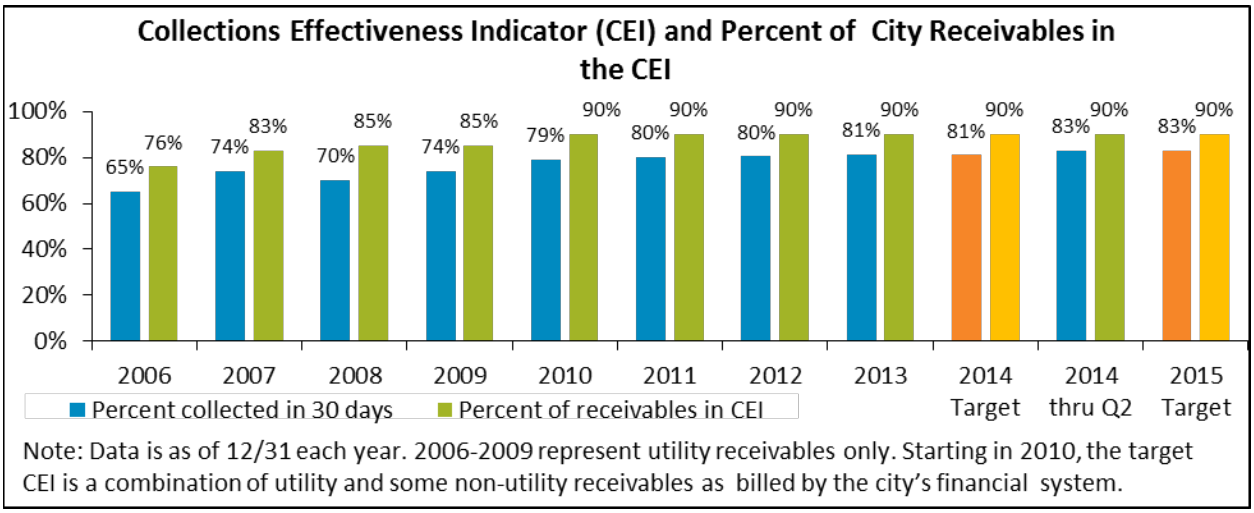
Controller	Enterprise Financial Management	Property Services	Procurement	Treasury
• Central Payroll • Managerial Accounting & Reporting	• Budget • Enterprise Financial Analysis • Capital & Debt Management • Workers' Compensation • Tort Claims • Insurance • Loss Prevention • Subrogation • Risk Analysis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

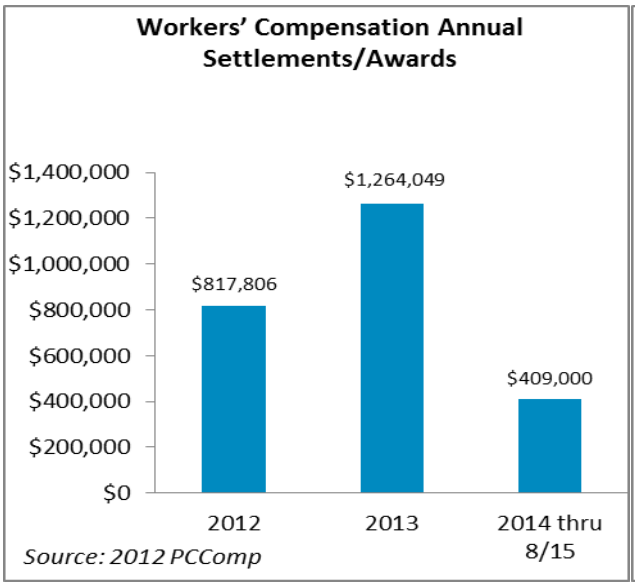
SELECTED RESULTS MINNEAPOLIS MEASURES

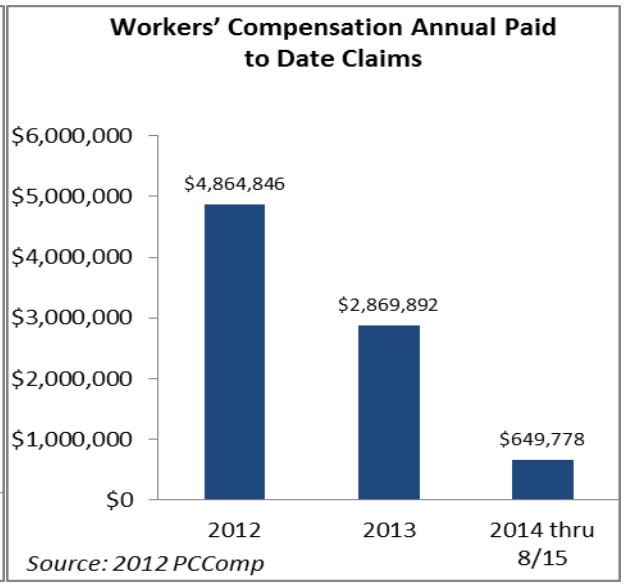


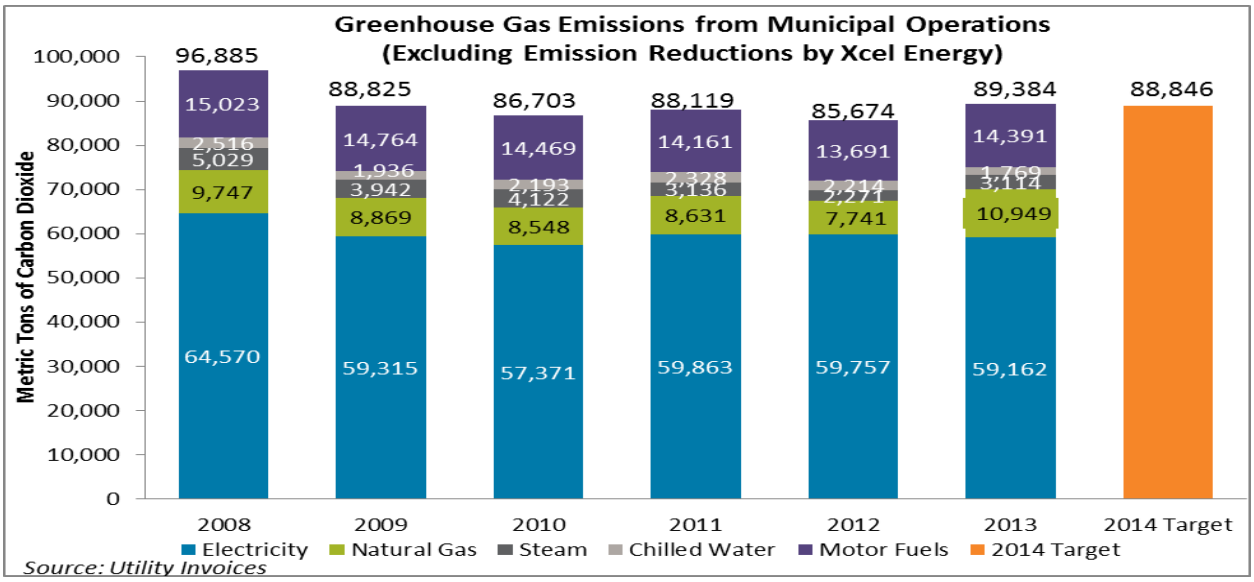





Collections Effectiveness Indicator (CEI) and Percent of City Receivables in the CEI
100%
80%
60%
40%
20%
0%
65%
76%
74%
83%
70%
85%
74%
85%
79%
90%
80%
90%
80%
90%
81%
90%
81%
90%
83%
90%
83%
90%
2006
2007
2008
2009
2010
2011
2012
2013
2014 Target
2014 thru Q2
2015 Target
Percent collected in 30 days
Percent of receivables in CEI
Note: Data is as of 12/31 each year. 2006-2009 represent utility receivables only. Starting in 2010, the target CEI is a combination of utility and some non-utility receivables as billed by the city's financial system.


Workers' Compensation Annual Settlements/Awards
$1,400,000
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
$817,806
$1,264,049
$409,000
2012
2013
2014 thru 8/15
Source: 2012 PCComp


Workers' Compensation Annual Paid to Date Claims
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
$4,864,846
$2,869,892
$649,778
2012
2013
2014 thru 8/15
Source: 2012 PCComp


Greenhouse Gas Emissions from Municipal Operations (Excluding Emission Reductions by Xcel Energy)
Metric Tons of Carbon Dioxide
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
0
96,885
15,023
2,516
5,029
9,747
64,570
88,825
14,764
1,936
3,942
8,869
59,315
86,703
14,469
2,193
4,122
8,548
57,371
88,119
14,161
2,328
3,136
8,631
59,863
85,674
13,691
2,214
2,271
7,741
59,757
89,384
14,391
1,769
3,114
10,949
59,162
88,846
2008
2009
2010
2011
2012
2013
2014 Target
Electricity
Natural Gas
Steam
Chilled Water
Motor Fuels
2014 Target
Source: Utility Invoices

A Hub of Economic Activity and Innovation

Accounting and Financial Reporting General Fund: $6,335,876
Other Funds: $227,560

This program plays a critical role in providing financial information to City policy-makers, City staff and decision-makers enabling them to perform their job more effectively and provide services to City residents. Information also is made accessible for external stakeholders such as the public, City investors, bond rating agencies, the State Auditor and grant agencies. A primary goal of this program is to ensure fiscal responsibility through monitoring and internal controls, and provision of financial information for strategic decision-making among department managers and leadership.

Key services provided by this program includes: monitor and report department revenues and expenditures to managers and policy-makers including grant-related revenues and expenses, and report this information to grantors, prepare City's quarterly financial report and Comprehensive Annual Financial Report (CAFR), respond to internal and external audits, design and administer rate models that allocate shared costs for internal services and assist managers during the annual budget process and to provide financial analyses and pertinent information necessary to support City decisions and investment.

Order, Buy and Pay for Goods and Services General Fund: $2,917,779
Other Funds: $739,520

This program manages, facilitates and oversees bidding and contracting for, purchase of and payment for all goods and services for all City departments and independent boards. City departments and independent boards rely on this program for obtaining goods and services through open, competitive and cost effective processes that reflect City values, safe-guarding against malfeasance and for ensuring that vendors are paid in a prompt manner. Through this program external stakeholders also are invited and encouraged to work with the City and establish procurement relationships. Further, this program supports activities related to green purchases and strives to increase the percentage of green purchases throughout City departments, wherever possible.

One Minneapolis

Utility Billing System General Fund: $5,539,689

This program is mandated by Minneapolis City Ordinance and is collaboration between the Finance and Public Works Department to invoice, collect revenue and provide specific utility customer account information related to the delivery of City water, sewer, solid waste and storm water services. The revenues generated sustain the operations of these departments, so it is imperative that revenues are billed and collected in an efficient manner.

Investment, Cash Management and Receivables General Fund: $1,487,041

This program oversees and manages the City's investment and banking relationships to provide the best return on financial assets and provide customers with the most current banking products and payment channels. This program is further charged with daily monitoring, analysis, and forecasting of cash flow to ensure that the City is able to meet its funding requirements for vendor payments and employee payroll. The functions of receipting, depositing, and reporting

City revenues from all City Departments including revenues received by cash, credit card, and electronic payments are also performed by this program.

A City That Works

Pay Employees General Fund: $1,618,872

This program effectively administers the provisions of twenty-three City labor agreements and labor-related pay work rules, numerous federal and state laws, and detailed chart of accounts coding used by some City departments to efficiently and accurately pay 5,000 to 7,000 City employees every two weeks (the number of City employees on the payroll fluctuates throughout the year). Through this program, the City also pays various benefit-related payments such as health and dental premiums, deferred compensation and mini-flex accounts as well as other payments such as union dues.

Risk Management & Claims General Fund: $35,873
Other Funds: $2,096,502

The goals of this program are the preservation of City assets, prevention of the loss of financial resources and injury to City employees, administration and management of workers' compensation claims and tort claims (liability claims under $25,000), unemployment program administration as well as loss prevention activities, which include safety, OSHA, ergonomic programs and subrogation. This program plays a pivotal role in supporting the City in its ability to provide services to residents, administration of claims, and safety to the work environment, employees, and its citizens.

ERP Application & System Functional Support General Fund: $559,702

This program provides services related to the Enterprise Resource Planning (ERP) system used by both Finance and Human Resources, and technically supported by the Information Technology Department – the Human Resources Information System (HRIS) and the City's "COMPASS" financial system, which through current upgrade efforts will be re-launched late in 2015 as COMET (City of Minneapolis Enterprise Technology). These two systems provide information on the City's human and financial resources. Information from the COMPASS/COMET ERP system is for managing the City's financial resources, long-term planning and making decisions on how these limited resources should be invested or expended. The City shares financial information with external stakeholders such as City residents and businesses, bond rating agencies, investors, State Auditor, and other public and private organizations. This data is used by all parties to inform and empower them, and for planning, making decisions and offering suggestions regarding the ways in which the City does business and invests financial resources. The ERP system provides access to current and historical financial information for the entire City. Using data from the ERP, Finance regularly publishes and makes publicly available financial information on the budget and annual audited financial statements to support transparency and access to quality information.

Living Well

Strategic Financial Services General Fund: $2,863,641

The goal of this program is to support and maintain the City's financial health so the City can continue to provide its array of services to residents, businesses and visitors, and maintain

public health and safety. Through the use of projections and financial analyses, this program strives to provide information to policy-makers and others for making important decisions about the future and stability of the City. In addition, as part of the annual budget process coordinated and administered under this program, City departments are challenged to think of innovative and cost effective ways to provide their services and optimize the use of their resources. Policy-makers, City Department staff, residents and businesses rely on this program for information and direction on City finances, budget development and strategic use of resources.

Radio Communications & Electronics General Fund: $35,873
Other Funds: $2,101,285

The primary purpose of this program is to provide, maintain, and manage public safety radio communications systems to meet the needs of the City during emergencies as well as day-to-day operations. This program also provides for and supports (in partnership with the Information Technology Department) the comprehensive communications, data, video, and electronics needs of the City's Operating Departments.

Facilities, Energy & Security Management General Fund: $182,636
Other Funds: $14,367,063

The primary purpose of this program is to comprehensively and strategically provide for the land, facility, and furnishing needs of City owned, operated and leased facilities through various activities including preventive maintenance and corrective maintenance, routine cleaning and maintenance, construction, tenant improvements, space and asset management, and security and life safety needs. Also to provide centralized energy management services that support energy conservation, renewable energy and alternative fuels, and emissions reductions. Additionally, to provide centralized internal security management services that reduce risk to the City's Operating Departments. The goals of this program are to provide safe working environments for employees, their clients and visiting members of the public.

Great Places

MBC/City Hall Operating Costs Other Funds: $5,076,875

This purpose of this program is to provide a mechanism to collect revenue for operating departments housed in City Hall to be paid to the Municipal Building Commission (MBC) as a reimbursement for the City's pro-rated portion of the building operating costs (the remainder is paid by Hennepin County). The MBC is a four-member independent board consisting of: President - Chair, Hennepin County Board; Vice President - Mayor, City of Minneapolis; County Member - Hennepin County Commissioner; and City Member - City Council Member. A state statute governs the authority and responsibility of the MBC to preserve, maintain and care for one building - the Minneapolis City Hall and Hennepin County Courthouse.

Financial Analysis

Expenditure

The total Finance and Property Services Department's budget increases from $43.7 million to $46.2 million from 2015 to 2016. This is an increase of $2.5 million, or 5.6%. The Finance and Property Services Department's 2016 expenditure budget reflects the following changes from 2015: inflationary increases in operating costs and internal service charges, $3.8 million for capitalized equipment expenditures in Property Services, $700,000 reduction in one-time

General Fund resources related to ERP upgrade in 2015, and $100,000 reduction in ongoing General Fund resources in budget rightsizing initiatives.

Revenue
Projected revenues of $23.2 million in 2016 reflect an increase of $3.7 million or 19.3% from 2015 due to an increase in internal service charges in capital maintenance costs.

Fund Allocation
This department is funded primarily by Internal Service funds (52%), with the remainder of the department's funding found in the General Fund (47%) and Special Revenue grant funds (1%).

Mayor's Recommended Budget
The Mayor recommended rightsizing the budget by reducing $101,000 of ongoing General Fund resources.

Council Adopted Budget
The City Council approved the Mayor's recommendations and directed the department to;

1. Amend budgets, schedules and language changes relating to accounting and technical cost allocation adjustments, and program and capital/operating budget corrections.
2. In conjunction with Community Planning & Economic Development, City Attorney's Office, and other relevant departments to return to both the Community Development & Regulatory Services and Ways & Means Committees by April 1, 2016, with an overview and report on the status of the City's tax increment financing program, including the Common Project and Consolidated TIF Districts. Additionally, staff is directed to provide an overview of City development projects that are foreseeable in the next five years, including potential funding sources and further directed staff to identify and reallocate 1.0 vacant Full-time Equivalent (FTE) position within the City's existing complement to the Office of City Clerk for an analyst position to provide management, policy, and fiscal support to the City Council and its committees.

FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	9,610,670	10,340,991	11,022,063	11,102,366	0.7%	80,303
FRINGE BENEFITS	3,554,647	3,936,596	4,521,418	4,688,185	3.7%	166,767
CONTRACTUAL SERVICES	9,262,197	6,512,392	5,825,516	5,016,678	-13.9%	(808,838)
OPERATING COSTS	705,675	837,503	751,562	762,144	1.4%	10,582
CAPITAL		410,000	49,609	7,609	-84.7%	(42,000)
TOTAL GENERAL	**23,133,188**	**22,037,482**	**22,170,168**	**21,576,983**	**-2.7%**	**(593,186)**
SPECIAL REVENUE						
SALARIES AND WAGES	226,540	161,045	157,345	156,829	-0.3%	(516)
FRINGE BENEFITS	62,910	39,739	57,513	70,731	23.0%	13,218
CONTRACTUAL SERVICES	199,127	182				0
OPERATING COSTS	31,275					0
TOTAL SPECIAL REVENUE	**519,852**	**200,966**	**214,858**	**227,560**	**5.9%**	**12,702**
INTERNAL SERVICE						
SALARIES AND WAGES	4,722,138	5,194,354	5,595,253	5,596,563	0.0%	1,311
FRINGE BENEFITS	2,221,990	1,876,038	2,492,843	2,438,666	-2.2%	(54,176)
CONTRACTUAL SERVICES	12,540,425	13,501,419	11,188,485	10,419,020	-6.9%	(769,465)
OPERATING COSTS	1,390,288	1,368,947	1,603,792	1,603,994	0.0%	202
CAPITAL		0	471,616	4,323,000	816.6%	3,851,384
TOTAL INTERNAL SERVICE	**20,874,842**	**21,940,758**	**21,351,988**	**24,381,244**	**14.2%**	**3,029,255**
TOTAL EXPENSE	**44,527,882**	**44,179,206**	**43,737,015**	**46,185,787**	**5.6%**	**2,448,772**

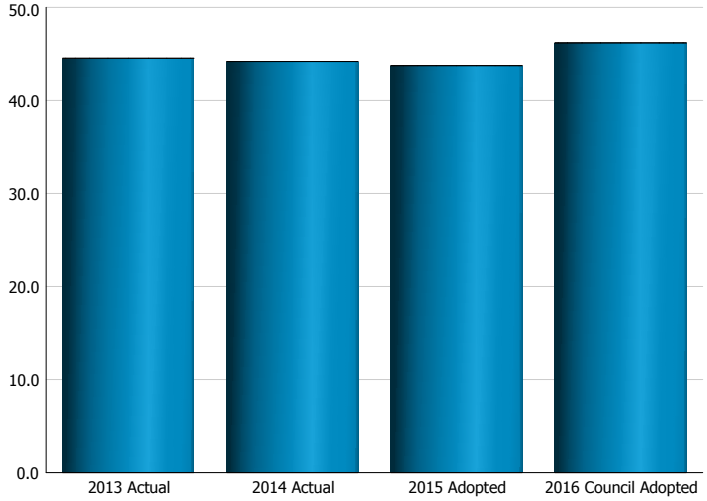
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	41				0.0%	0
CHARGES FOR SERVICES	4,305	3,894			0.0%	0
OTHER MISC REVENUES	5,315	36,020			0.0%	0
GENERAL	**9,661**	**39,914**				**0**
SPECIAL REVENUE						
FEDERAL GOVERNMENT	(16)				0.0%	0
SPECIAL REVENUE	**(16)**					**0**
DEBT SERVICE						
INTEREST		171,161			0.0%	0
DEBT SERVICE		**171,161**				**0**
INTERNAL SERVICE						

FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

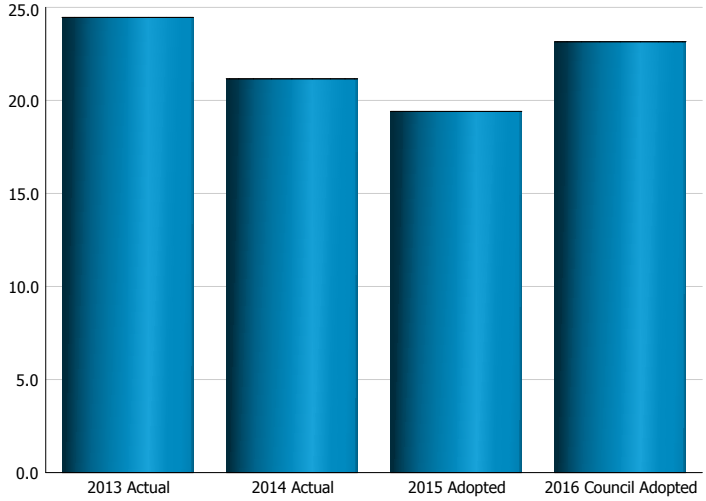
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
CHARGES FOR SALES	586,406	592,898	324,293	324,293	0.0%	0
CHARGES FOR SERVICES	4,947,655	5,593,028	2,781,373	2,695,033	-3.1%	(86,340)
LONG TERM LIABILITIES PROCEEDS	4,844,732	365,914	347,987	350,595	0.7%	2,608
OTHER MISC REVENUES	11,067	11,269	3,000	3,000	0.0%	0
RENTS	14,060,331	14,388,150	15,951,461	19,782,462	24.0%	3,831,001
INTERNAL SERVICE	**24,450,191**	**20,951,259**	**19,408,114**	**23,155,383**	**19.3%**	**3,747,269**
TOTAL REVENUE	**24,459,836**	**21,162,334**	**19,408,114**	**23,155,383**	**19.3%**	**3,747,269**

FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

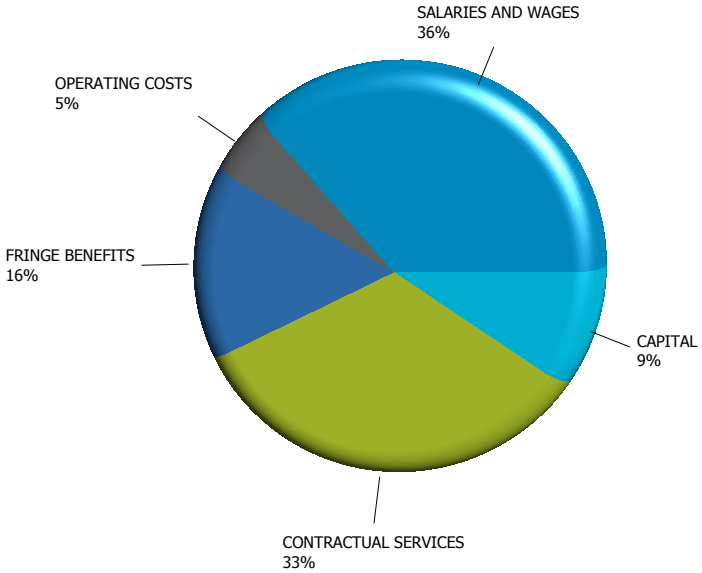
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



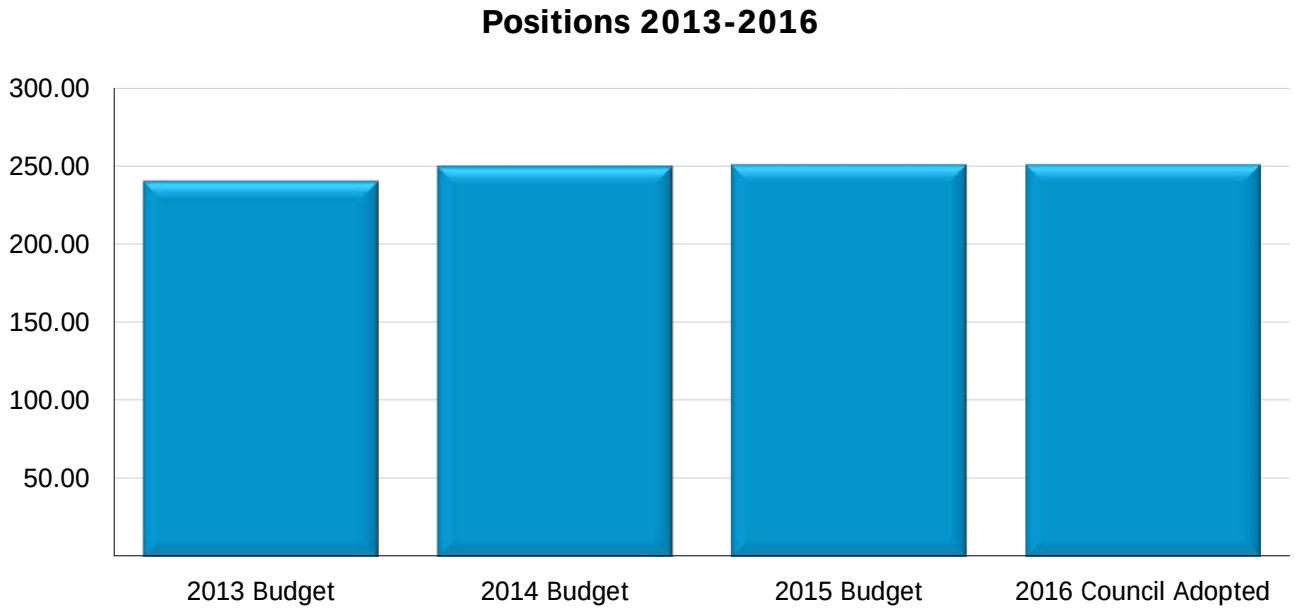
Expense by Category



FINANCE & PROPERTY SERVICES DEPARTMENT

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
CONTROLLER	68.00	68.00	68.00	68.00	0.0%	0
DEVELOPMENT FINANCE	10.00	13.00	13.00	12.00	-7.7%	(1.00)
EXECUTIVE	6.00	6.00	6.00	6.00	0.0%	0
MANAGEMENT & BUDGET	7.00	7.00	7.00	8.00	14.3%	1.00
PROCUREMENT	23.00	24.00	25.00	25.00	0.0%	0
PROPERTY SERVICES	63.50	68.00	68.00	68.00	0.0%	0
RISK MANAGEMENT	9.00	9.00	9.00	9.00	0.0%	0
TREASURY	54.00	55.00	55.00	55.00	0.0%	0
Overall	240.50	250.00	251.00	251.00	0.0%	0



HUMAN RESOURCES DEPARTMENT (HR)

MISSION

Working together in a spirit of continuous improvement, the Human Resources Department provides leadership and guidance that fosters a work environment designed to meet the needs and challenges of a vibrant world-class city.

Human Resources team members demonstrate the following professional qualities, competencies and behaviors:

- **Strategic**. Provide people strategies in alignment with the City's vision and goals.
- **Talent-driven.** Recruit and retain great people to the City and help employees do their best work.
- **Partners.** Work hand in hand with leaders by providing innovative, value-added Human Resource solutions.
- **Ethical and Respectful.** Create policies, practices and processes designed to promote equity and fairness in employee decisions.

BUSINESS LINES: (DIVISIONS)

The Human Resources Department has four divisions: HR Administration, Employee Services, HR Technology Solutions and Strategic Workforce Solutions.

HR Administration – Provides leadership and oversight in the following areas:

- **Strategic Direction** - Ensures HR strategic direction aligns with City values and goals.
- **Civil Service Commission Process** - Ensures fair human resource practices in hiring, selection and promotions.
- **HR Policy Development, EEO/Affirmative Action Leadership** - Ensures affirmative action goals and timelines are developed and integrated into enterprise-wide business plans.
- **Human Resource Racial Equity Leadership** - Ensures integration of racial equity processes into HR programs, policies and practices.
- **Human Resources Results Management**
- **Administration of STAR Awards Recognition Program**
- **Enterprise-wide HR Initiatives**

Employee Services – Provides the following services:

- **Labor Relations** – Provides strategic and operational leadership for all of the City's collective bargaining:
    - Ensures compliance with MN Statute 179A
    - Ensures City has necessary tools to manage its labor related affairs
    - Develops and maintains productive relationships with unions
- **Benefits and Wellness**
    - Recommends benefits policy and strategy
    - Designs, negotiates and implements health and wellness programs
- **Classification Administration**
    - Maintains fair and objective system for valuing positions

- **Compensation Administration**
    - Recommends competitive compensation strategy and results
    - Ensures compliance with State's Pay Equity requirements
- **Employee Complaint Investigations**
    - Ensures discrimination and harassment complaints are investigated in a timely manner

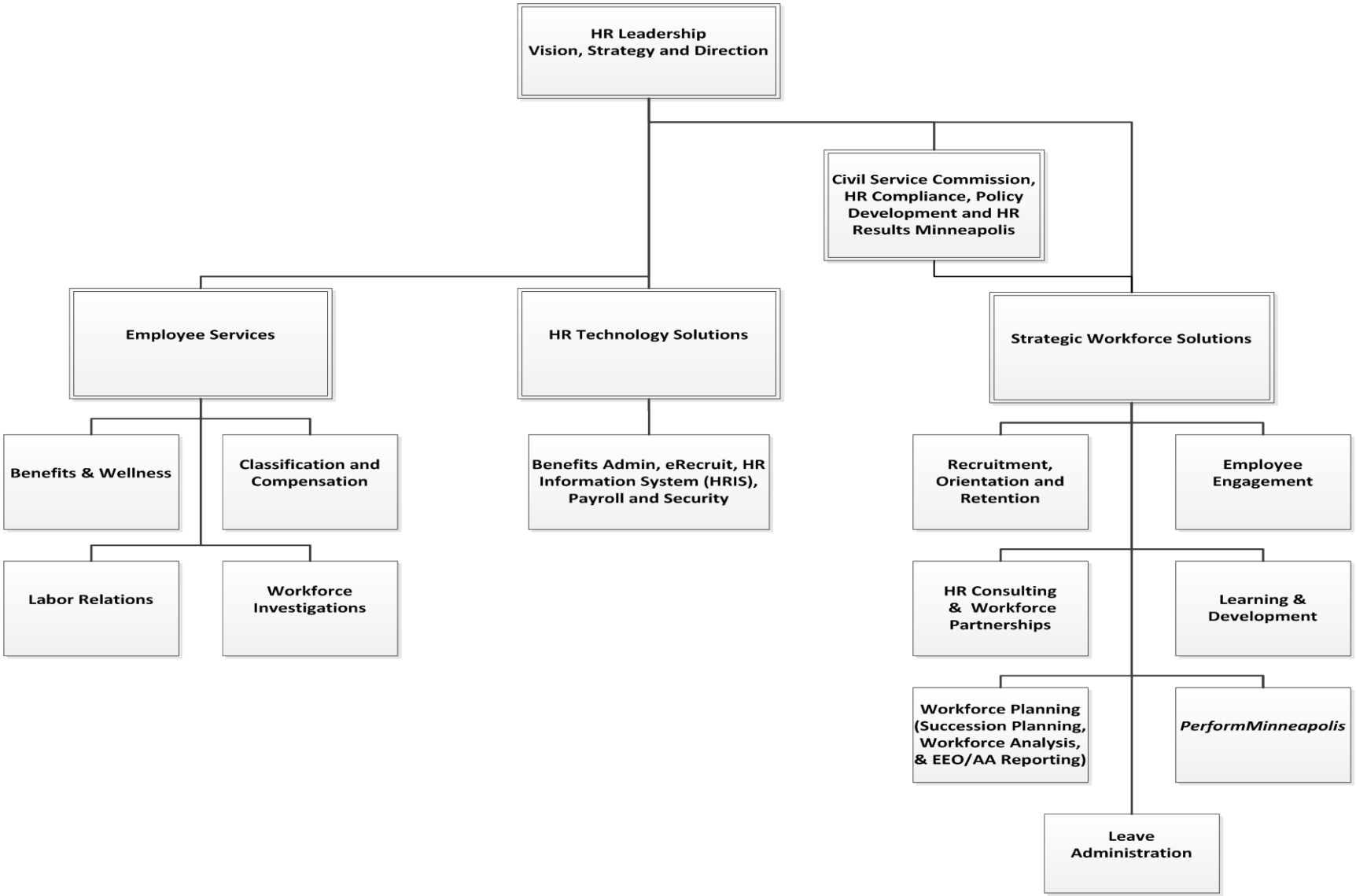
HR Technology Solutions - Provides technology solutions in the following areas:

- **Enterprise-wide applicant and employment information management**
- **Team Minneapolis (NEO GOV) - Applicant tracking, reporting and Management**
- **Enterprise-wide learning information management**
- **Perform Minneapolis - Performance Management System**
- **Reporting – Local, state and federal agencies**
- **Independent Boards and Agencies** - Information Management Support

Strategic Workforce Solutions - Provides employee and organizational opportunities that enable increased employee skills and effective and efficient leadership of the employees who conduct the City's work. Programming is focused on attracting, retaining, leading and managing the City's workforce:

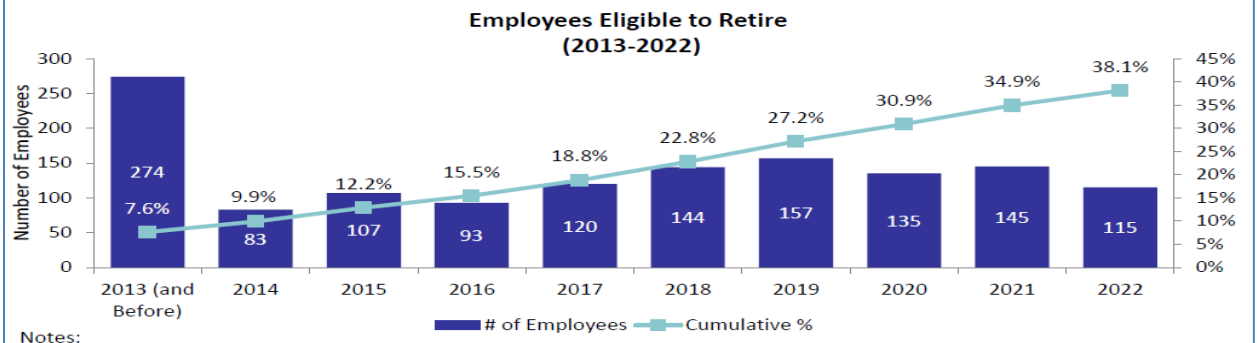
- **Recruitment and Retention**
    - Targeted recruitment
    - Applicant processing
    - Testing and interviewing
- **Performance Management Process**
    - Planning: Goal Setting
    - Monitoring: Ongoing feedback
    - Self-Review
    - Performance Review
- **Employee Engagement**
    - My Minneapolis Employee Engagement Survey: Survey Administration, Results Communication, Action Planning based on results
- **Orientation and Onboarding**
    - New Employee Orientation including access to online information
    - Supervisor's guide to online tools
- **Training and Development:**
    - Skills training for leaders, supervisors and individual contributors
- **Workforce Planning, Succession Management and Knowledge Transfer**
- **Legal Compliance:**
    - Oversight of compliance with Federal/State/Local laws and Civil Service Rules
    - Provides consultation on adherence to labor contracts
    - Leave administration

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES

Hiring and Retention



Notes:
1. Includes 205 employees who were eligible to retire before 2013 (1992 to 2012)
2. Eligibility is projected based on information in HRIS. Service Credit gained with other organizations is not included
3. Includes Full-time Regular and Full-Time Seasonal Employees
4. Cumulative % assumes a workforce of 3600 Employees

Source: HRIS (9.12.13)

A City that Works

HR Administration General Fund: $2,057,998

Provides enterprise-wide HR leadership and oversight by ensuring the HR strategic direction aligns with City values and goals, ensures fair HR practices in hiring, selection and promotions, ensure EEO, Affirmative action goals are developed and integrated into enterprise-wide business plans and ensures the integration of racial equity processes in HR programs, policies and practices. In addition, ensures that HR practices align with local, state and federal laws and Civil Service rules.

HR Technology Solutions (HRTS) General Fund: $403,198
Other Funds: $509,307

HR Technology Solutions (HRTS) is responsible for the HR technology for City, Independent Boards, and Agencies. These technologies provide employees with pay, benefits, and ownership of their data. These technologies allow departments to track and report on key employee information that can support them in meeting their business goals.

Strategic Workforce Solutions General Fund: $3,376,347
Other Funds $233,049

Strategic Workforce Solutions provides employee and organizational opportunities that enable increased employee skills and effective and efficient leadership of the employees who conduct the City's work. Programming is focused on attracting, retaining, leading and managing the City's workforce; and includes: Recruitment and retention, Performance Management, Employee Engagement, Orientation and onboarding, Training and Development, Workforce Planning and Legal Compliance. The program encompasses HR Generalist Teams, Enterprise Learning & Development, *PerformMinneapolis,* Testing and Staffing Services, Workforce Planning and Leave Administration.

Living Well

Employee Services General Fund: $854,746
Other Funds: $1,206,291

Employee Services includes Benefits & Wellness, Classification, Compensation, Complaint Investigation and Labor Relations. The key activities essential in this program are: labor contract negotiation and administration, compensation administration, classification administration, complaint investigation, and benefits administration, including negotiating and implementing employee healthcare, life and long-term disability insurance, dental care, all other benefit plans, and wellness programs.

Financial Analysis

Expenditure
The total Human Resources Department's budget decreases from $9.1 million to $8.6 million from 2015 to 2016. This reduction of $446,000 or 4.9% is attributable to the elimination of one-time expenditures included in the 2015 from the 2016 adopted budget, and decreasing internal service costs for the department.

Revenue
Revenues are projected to increase by $45,000 or 2.9% in this department due to increases in charges for services provided through internal service funding. The department's total revenues in 2016 are projected to be $1.6 million.

Fund Allocation
This department is funded primarily by the General Fund with the remainder of the funding found in the Intergovernmental Services Fund and the Self Insurance Fund.

Mayor's Recommended Budget
The Mayor recommended $60,000 in ongoing General Fund resources to increase the Metro Pass program for City employees from $16 to $26 per month.

Council Adopted Budget
The City Council amended the Mayor's recommendations by making adjustments to reflect the correct budget cost centers in Human Resources department with no net funding/budget impact.

The Council also directed staff to identify and reallocate 1.0 vacant Full-time Equivalent (FTE) position within the City's existing complement to the Office of City Clerk for an analyst position to provide management, policy, and fiscal support to the City Council and its committees.

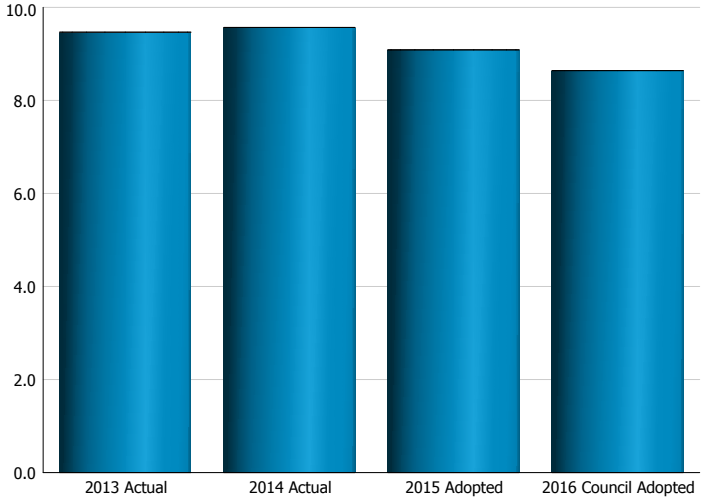
HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,442,984	2,795,925	3,160,006	3,224,747	2.0%	64,740
FRINGE BENEFITS	850,314	999,404	1,281,784	1,313,045	2.4%	31,262
CONTRACTUAL SERVICES	2,648,363	3,217,403	1,895,019	1,523,626	-19.6%	(371,393)
OPERATING COSTS	707,680	780,593	894,185	630,870	-29.4%	(263,315)
CAPITAL						0
TOTAL GENERAL	**6,649,341**	**7,793,323**	**7,230,994**	**6,692,288**	**-7.4%**	**(538,706)**
INTERNAL SERVICE						
SALARIES AND WAGES	1,523,847	715,835	775,358	814,057	5.0%	38,699
FRINGE BENEFITS	241,866	230,716	299,371	308,536	3.1%	9,165
CONTRACTUAL SERVICES	1,015,557	816,936	709,116	766,883	8.1%	57,767
OPERATING COSTS	35,909	12,018	72,586	59,171	-18.5%	(13,415)
TOTAL INTERNAL SERVICE	**2,817,179**	**1,775,506**	**1,856,432**	**1,948,647**	**5.0%**	**92,215**
TOTAL EXPENSE	**9,466,519**	**9,568,829**	**9,087,426**	**8,640,935**	**-4.9%**	**(446,491)**

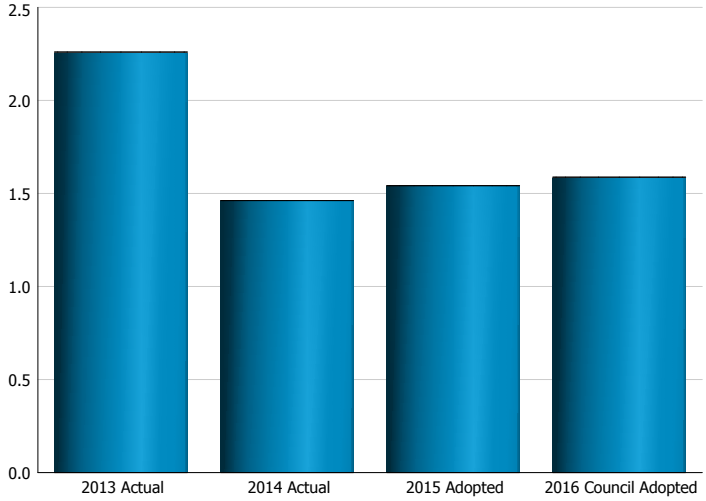
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	250				0.0%	0
OTHER MISC REVENUES	12,040	10,236			0.0%	0
GENERAL	**12,290**	**10,236**				**0**
INTERNAL SERVICE						
CHARGES FOR SERVICES	2,194,379	1,433,235	1,541,914	1,587,394	2.9%	45,480
FINES AND FORFEITS	53,151	18,281			0.0%	0
OTHER MISC REVENUES	23				0.0%	0
INTERNAL SERVICE	**2,247,553**	**1,451,516**	**1,541,914**	**1,587,394**	**2.9%**	**45,480**
TOTAL REVENUE	**2,259,842**	**1,461,752**	**1,541,914**	**1,587,394**	**2.9%**	**45,480**

HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION

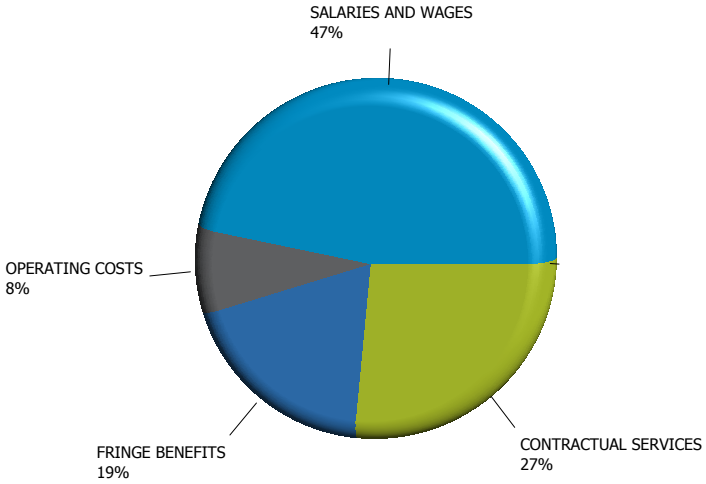
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



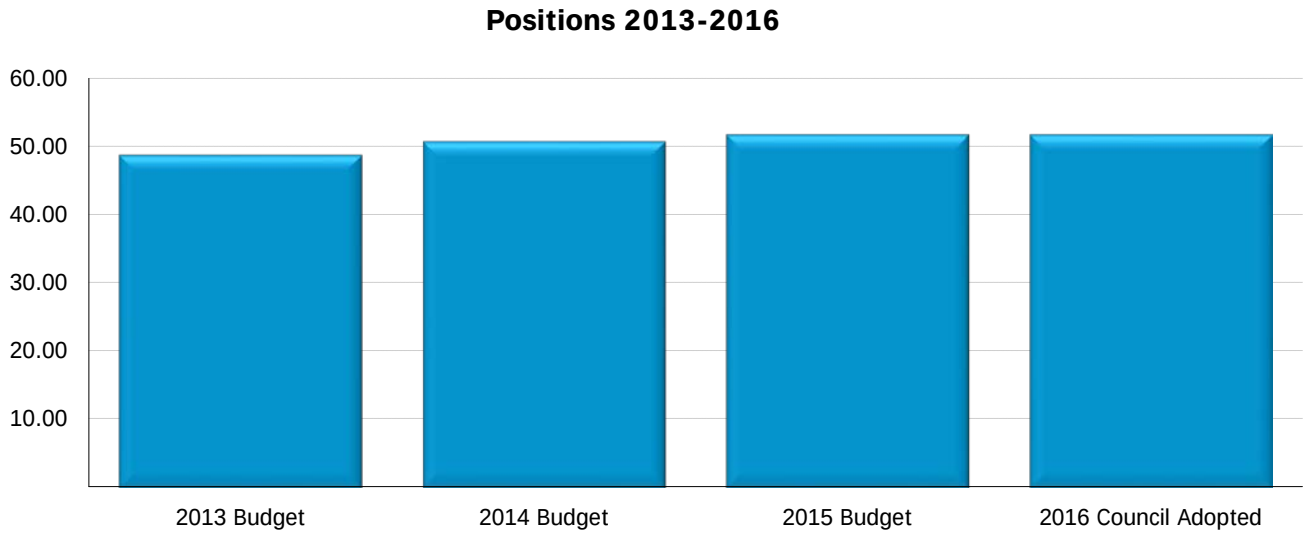
Expense by Category



HUMAN RESOURCES

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
HR ADMINISTRATION	10.00	12.00	3.00	4.00	33.3%	1.00
HR EMPLOYEE SERVICES	11.80	11.80	11.80	11.80	0.0%	0
HR TECHNOLOGY SOLUTIONS	5.00	6.00	7.00	7.00	0.0%	0
STRATEGIC WORKFORCE SOLUTIONS	22.00	21.00	30.00	29.00	-3.3%	(1.00)
Overall	48.80	50.80	51.80	51.80	0.0%	0



INFORMATION TECHNOLOGY

MISSION

The mission of Information Technology (IT) is to deliver innovative, high quality, cost effective civic enablement, decision support, infrastructure and workforce empowerment services to City departments and residents in support of their business goals and objectives. IT strives to be a valued partner to *transform Minneapolis through technology* by providing innovative technology solutions to meet City needs, challenges and opportunities.

BUSINESS LINES

- **Civic Enablement Services**
  As the world becomes increasingly tied to and reliant on digital technology and easy access to information, the City must ensure its residents and businesses are digitally literate so they can engage in important dialogs about their place and interests. Digital technology has the capability to enable residents and businesses to take a greater role in governing and to increase civic participation. Civic Enablement Services will address the digital equity gap by getting households access to the Internet and ensuring an appreciation of the value proposition for embracing the digital society; address the opportunity gap by fostering programs which train adults for professional careers; provide 21st century civic engagement tools and practices; facilitate a strong digital infrastructure; and provide a hi-tech, business friendly environment. IT accomplishes this through professional services contracts and IT staff.

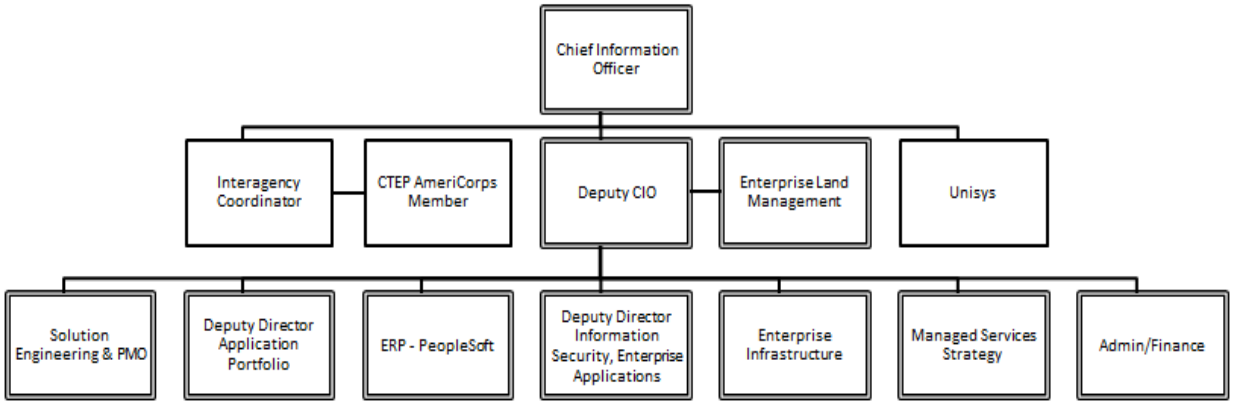
- **Decision Support Services**
  City workers need real-time, integrated information from a digitized city. The City's computing applications make use of electronic data that requires databases and analytic tools to be architected, installed, configured, administered and maintained. IT accomplishes this through managed services contracts, professional services contracts and IT staff.

- **Infrastructure Services**
  City workers need reliable and effective information services to do their job. The City's computing applications run on computers embedded in networks that require architecture, installation, configuration, administration and maintenance services. The City has deployed both commercial and in-house communications networks throughout the city to connect employees with their computing applications, each other, outside networks and the Internet. Data, voice and video are transported through land line and wireless City networks. IT accomplishes this through managed services contracts, telecommunications services contracts and IT staff.

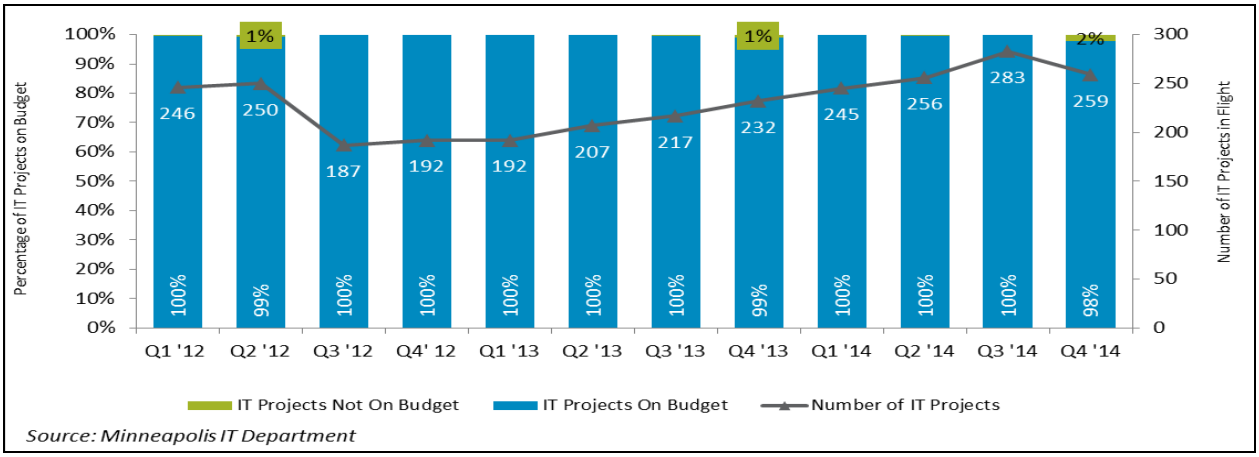
- **Workforce Empowerment Services**
  City workers rely on systems of record applications and other IT to function. Computer software systems and applications require project management, requirements gathering, business and technical architecture, installation, configuration, administration and

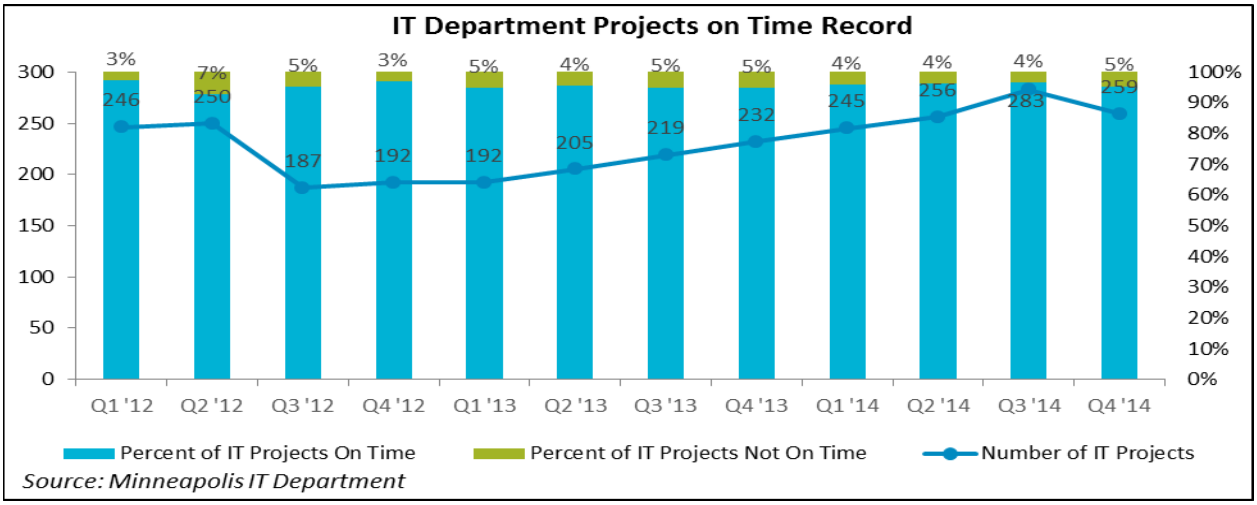
maintenance activities. IT accomplishes this through several professional services contracts and IT staff.

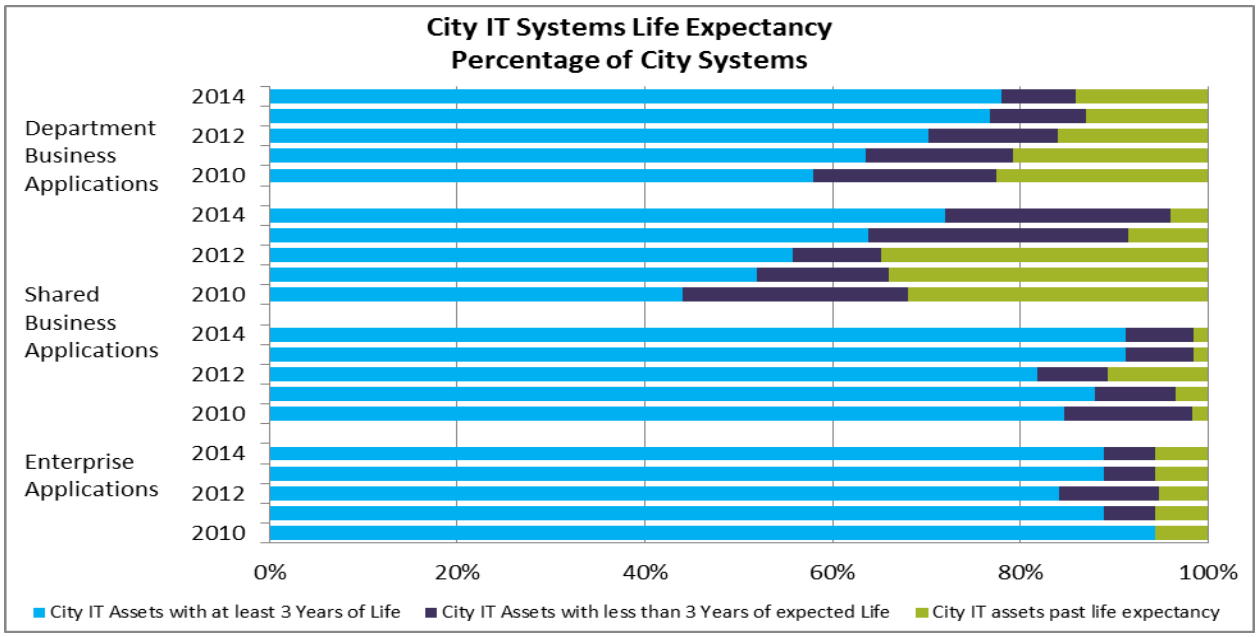
ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES







A City that Works

Workforce Empowerment Services Other Funds: $13,445,254

Workforce empowerment services leverages technology to increase worker productivity. It includes the project management office, contract administration, IT solutions and engineering, and portfolio management for ERP, Public Safety, and Land Management.

Decision Support Services Other Funds: $3,644,295

The Decision support services program utilizes technology to turn the city's data into information and knowledge for better decision making. The program supports enterprise applications for document management, business intelligence, and advanced analytics. It provides solution development and engineering.

Infrastructure Services Other Funds: $15,186,224

The Infrastructure Services program maintains computers and networks for high availability, reliability and performance. It includes architect services, and oversight of managed services and broadband services contracts. Enterprise applications such as email and office applications, telecommunications and network services as well as copiers are also included in this program.

FINANCIAL ANALYSIS

Expenditure

For 2016, the Information Technology Department's budget is $32.3 million, a decrease of $4.3 million or 11.7% from the 2015 budget of $36.6 million. Contractual services charges for service support and contract management systems fees are projected to be $9.8 million less in 2016

than in 2015 due to the elimination of one-time transaction costs associated with the change in managed services. Salaries and wages are expected to increase by $2.1 million due to additional FTEs added administratively in 2015 as a result of insourcing service desk and desk side support services. The department's FTE count is not changing in the 2016 budget, and remains at 94.

Revenue
In 2016, the department anticipates $31.2 million in revenue, a 3.6% decrease from 2015. These revenues result from internal services charges to other departments.

Fund Allocation
This department is funded 100% from the Intergovernmental Services Fund.

Mayor's Recommended Budget
The Mayor recommended $150,000 in one-time funding for Enterprise Application Support, and $50,000 in one-time funding from the General Fund for *Service Now, a* cloud based service management system.

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

INFORMATION TECHNOLOGY
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES		16,580				0
FRINGE BENEFITS		5,435				0
CONTRACTUAL SERVICES	100,406	622,259				0
OPERATING COSTS		3,184				0
TOTAL GENERAL	**100,406**	**647,458**				**0**
INTERNAL SERVICE						
SALARIES AND WAGES	4,088,676	3,742,720	5,794,593	7,921,587	36.7%	2,126,994
FRINGE BENEFITS	1,364,188	1,437,688	1,929,740	2,614,241	35.5%	684,501
CONTRACTUAL SERVICES	18,894,599	21,037,306	27,338,631	17,527,807	-35.9%	(9,810,824)
OPERATING COSTS	2,711,824	2,926,548	1,385,730	1,559,138	12.5%	173,408
CAPITAL			119,105	2,653,000	2,127.4%	2,533,895
TOTAL INTERNAL SERVICE	**27,059,287**	**29,144,261**	**36,567,799**	**32,275,773**	**-11.7%**	**(4,292,026)**
TOTAL EXPENSE	**27,159,693**	**29,791,719**	**36,567,799**	**32,275,773**	**-11.7%**	**(4,292,026)**

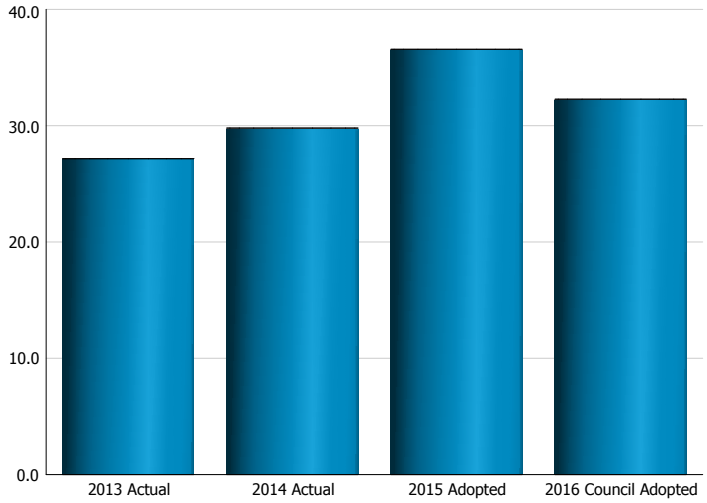
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	4,156	3,472			0.0%	0
CHARGES FOR SERVICES	32,307,625	39,344,162	30,641,631	30,604,604	-0.1%	(37,027)
LONG TERM LIABILITIES PROCEEDS			1,672,832	558,710	-66.6%	(1,114,122)
OTHER MISC REVENUES	34,543	42,843			0.0%	0
TRANSFERS IN		3,580,076			0.0%	0
INTERNAL SERVICE	**32,346,324**	**42,970,553**	**32,314,463**	**31,163,314**	**-3.6%**	**(1,151,149)**
TOTAL REVENUE	**32,346,324**	**42,970,553**	**32,314,463**	**31,163,314**	**-3.6%**	**(1,151,149)**

Home

INFORMATION TECHNOLOGY
EXPENSE AND REVENUE INFORMATION

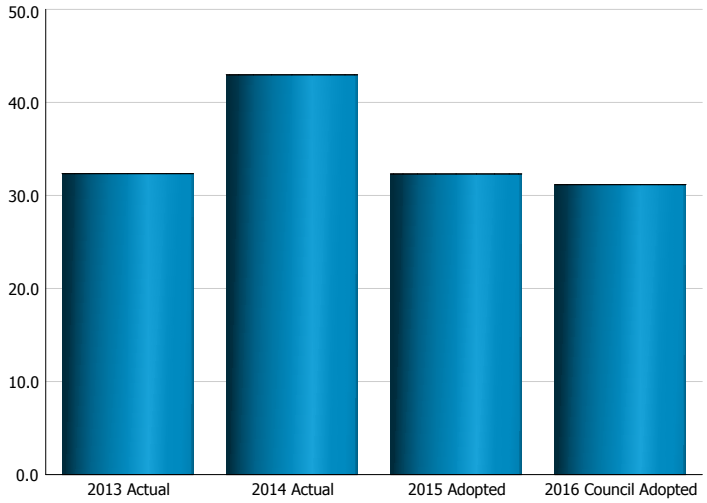
Expense 2013 - 2016

In Millions

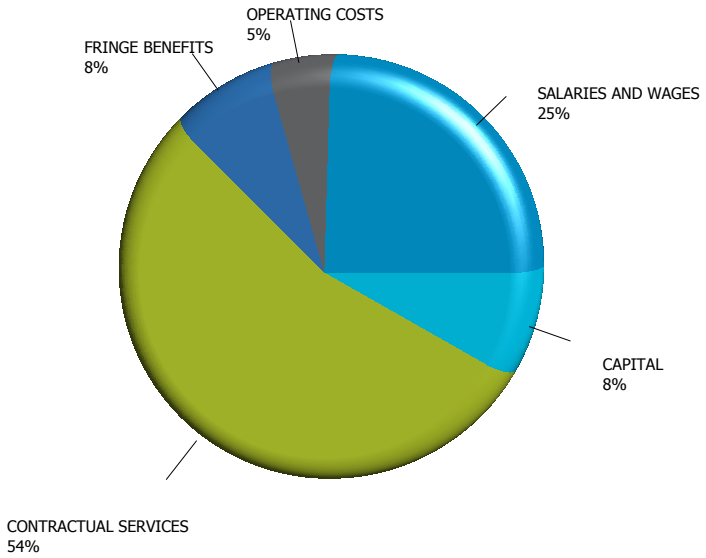


Revenue 2013 - 2016

In Millions



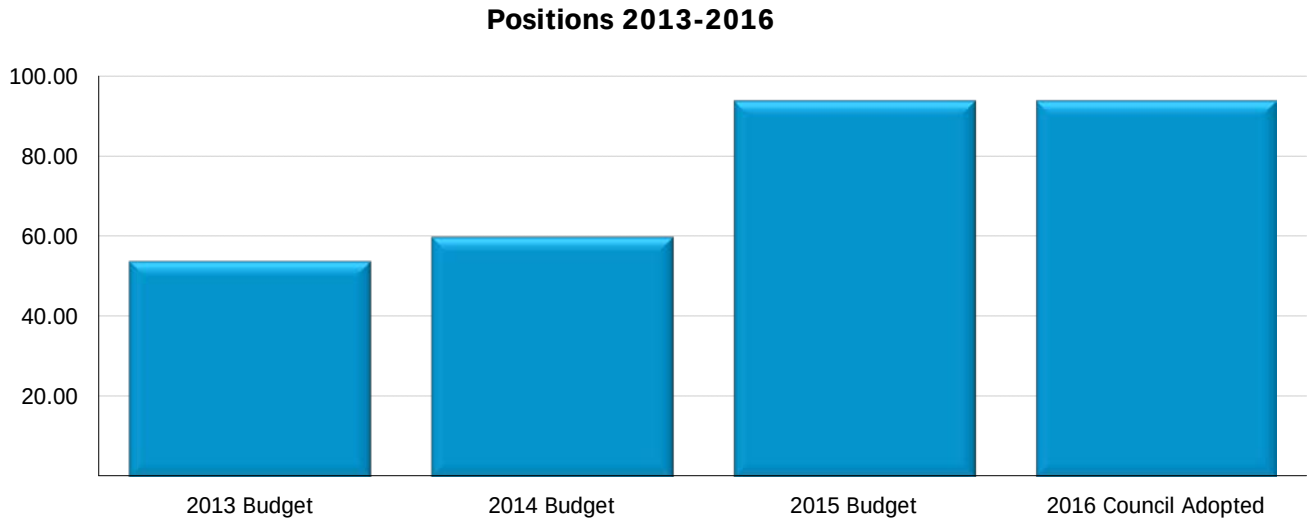
Expense by Category



INFORMATION TECHNOLOGY

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
ADMINISTRATION	7.00	12.00	11.00	8.00	-27.3%	(3.00)
BUSINESS INTELLIGENCE AND DATA SERVICES	8.75	9.75	7.80	5.00	-35.9%	(2.80)
BUSINESS SERVICES	26.90	26.90	26.75	28.25	5.6%	1.50
ENTERPRISE SOLUTION SERVICES	4.60	4.60	7.70	8.90	15.6%	1.20
INFRASTRUCTURE SERVICES	6.75	6.75	15.75	18.85	19.7%	3.10
IT COLLABORATION SERVICES			4.00	4.00	0.0%	0
SECURITY SERVICES			3.00	3.00	0.0%	0
SERVICE DESK			18.00	18.00	0.0%	0
Overall	54.00	60.00	94.00	94.00	0.0%	0



INTERGOVERNMENTAL RELATIONS

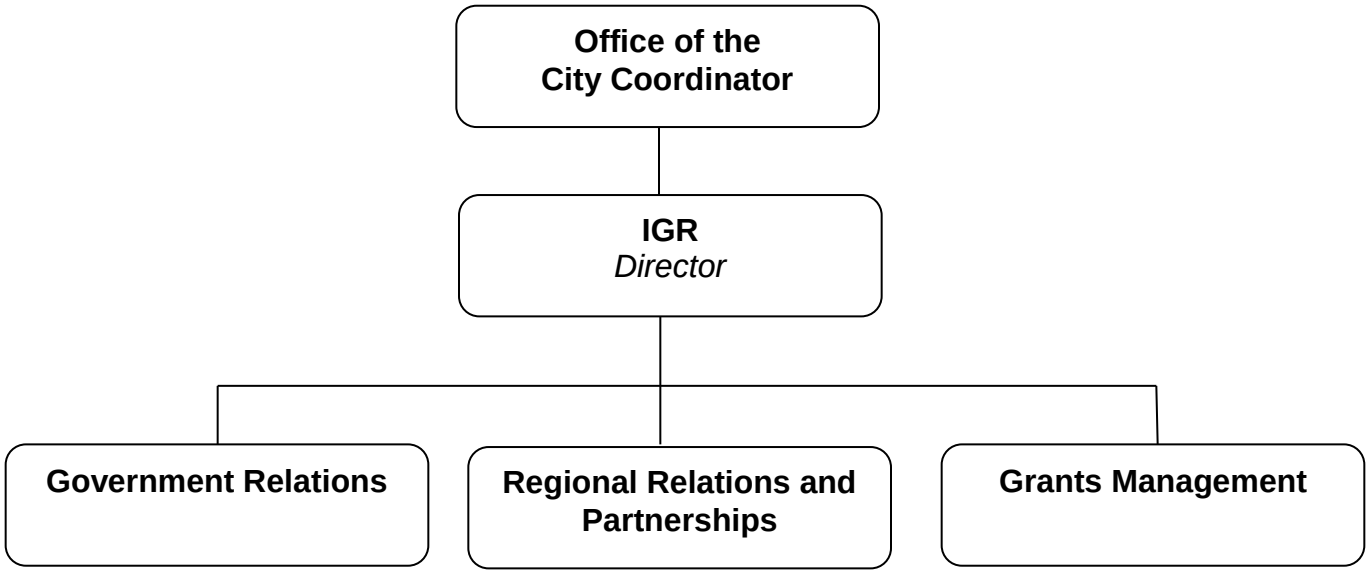
MISSION

Effectively represent the City of Minneapolis with integrity and dedication to its partners at multiple levels of governance: federal, state, regional, and local in order to achieve legislative and program success.

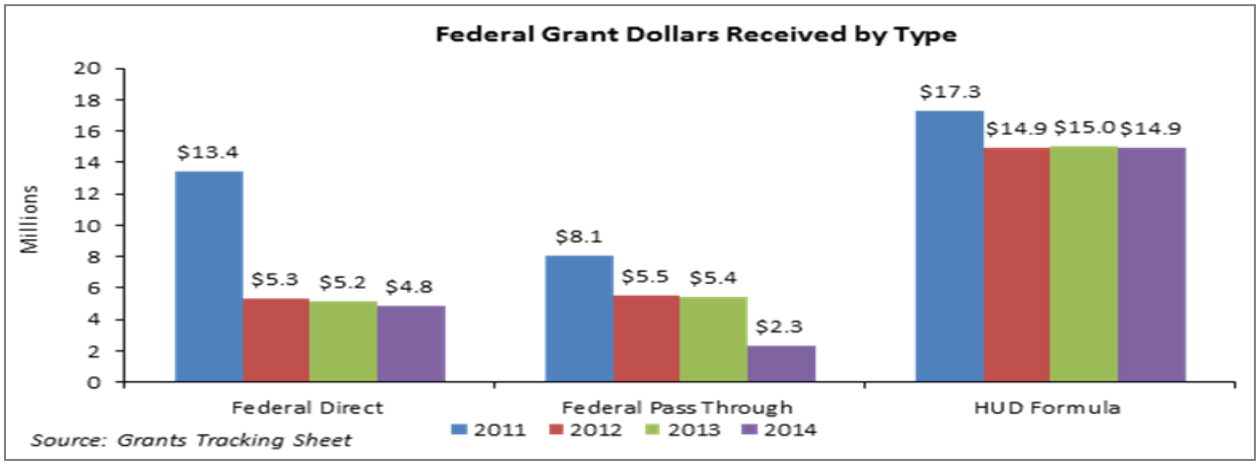
BUSINESS LINES

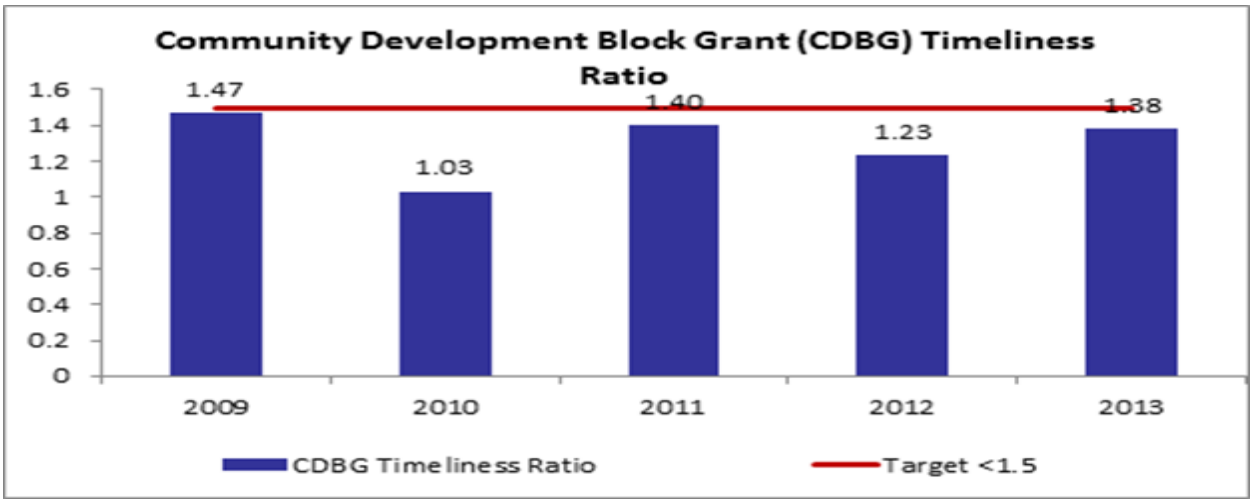
- Consolidated Plan / Federal and Grant Management
- Federal Government Relations
- State Government Relations
- Regional Relations and Partnerships

ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES





Great Places

Grant Management

General Fund: $201,183
Other Funds: $1,081,302

This program provides federal and state resources to support city services and programs including but not limited to community development, housing, economic development, job training, public safety, public health and public infrastructure improvements. The resources obtained are primarily focused on low and moderate income households.

Services provided under this program are: (1) administrating the United States Department of Housing and Urban Development's (HUD) community development programs; (2) technical assistance to city departments regarding federal and state grants; (3) preparation and submission of the annual community development plan and performance report to HUD; (4) issuance of requests for proposals and monitoring and managing of recipients of the federal community development program resources.

One Minneapolis

Federal Government Relations General Fund: $319,281

This program advocates for both legislative and administrative policies on behalf of the City to Congress and federal agencies. The work in Washington, D.C. is completed by contracted firms while IGR administers the program locally. Business plan objectives related to this program include identifying federal funding opportunities that meet City's values and goals.

Services provided under this program include (1) assisting in the development of a city council approved federal agenda; (2) providing information to city officials and staff regarding federal issues; (3) arranging for meetings with Washington-based federal elected officials and staff ; and (4) consulting on city grant applications for federal assistance and proposed federal regulations.

State Government Relations General Fund: $738,293

The objective of this program is to work with the legislative and executive branches of Minnesota state government to foster the development of the city and the state. An annual legislative agenda and policies that include city positions on numerous public policy issues is annually adopted by the city council. In addition to the legislative component of this program is to liaison with state agencies regarding joint projects.

Services provided under this program are: (1) informing city staff in the legislative process; (2) preparation of the legislative agenda; (3) publication of a weekly legislative newsletter; (4) assisting elected officials and staff at legislative meetings; (5) drafting legislation and supporting information including fact sheets; and (6) maintaining communication with state agencies.

Regional Relations and Partnerships General Fund: $282,558

The objective of this program is to represent the interests of the City of Minneapolis at the Metropolitan Council and the Metropolitan Airports Commission (MAC). The program works with city officials and staff to develop responses to and offer recommendations for regional policies and programs. The program also provides assistance to city officials and staff in reviewing Met Council and MAC policies and plans. The program staff monitors Met Council and MAC meetings, serves on work groups, and staffs the city's Airport Working Group. Program staff also serves on policy committees of the Metro Cities.

FINANCIAL ANALYSIS

Expenditure
The total Intergovernmental Relations Department's budget decreases from $2.8 million to $2.6 million from 2015 to 2016. The General Fund portion of the budget reflects $28,000 or 1.9% inflationary increase in operating costs that are offset by a $200,000 decrease in government contracted services in special revenue fund resulting in an overall decrease of $165,000 or 6.0% in the department's 2016 council adopted budget.

Revenue
This department does not generate revenue.

Fund Allocation
This department is funded primarily by the General Fund (59%), with the remainder of the Department's funding found in the Special Revenue grant funds (41%).

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

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

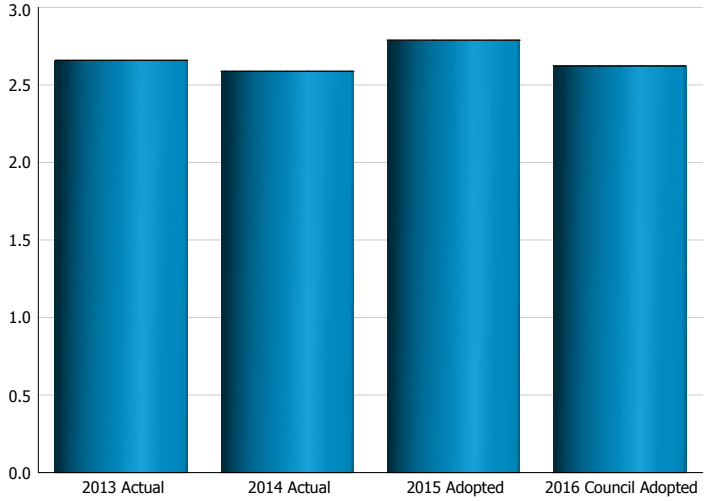
INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	462,488	621,404	570,989	560,595	-1.8%	(10,394)
FRINGE BENEFITS	138,140	184,875	183,909	192,438	4.6%	8,529
CONTRACTUAL SERVICES	417,676	417,736	519,263	541,205	4.2%	21,942
OPERATING COSTS	284,175	294,382	238,413	247,077	3.6%	8,664
TOTAL GENERAL	**1,302,479**	**1,518,397**	**1,512,574**	**1,541,315**	**1.9%**	**28,741**
SPECIAL REVENUE						
SALARIES AND WAGES	170,572	156,270	168,027	174,490	3.8%	6,463
FRINGE BENEFITS	55,391	47,502	58,200	59,802	2.8%	1,601
CONTRACTUAL SERVICES	1,130,022	864,437	1,049,790	847,010	-19.3%	(202,780)
OPERATING COSTS	364	1,700				0
TOTAL SPECIAL REVENUE	**1,356,349**	**1,069,910**	**1,276,017**	**1,081,302**	**-15.3%**	**(194,715)**
TOTAL EXPENSE	**2,658,827**	**2,588,308**	**2,788,592**	**2,622,617**	**-6.0%**	**(165,974)**

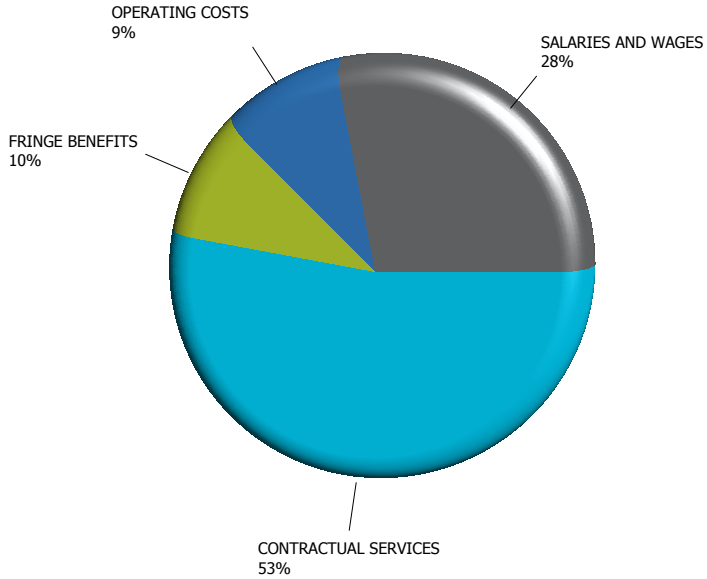
INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION

Expense 2013 - 2016

In Millions



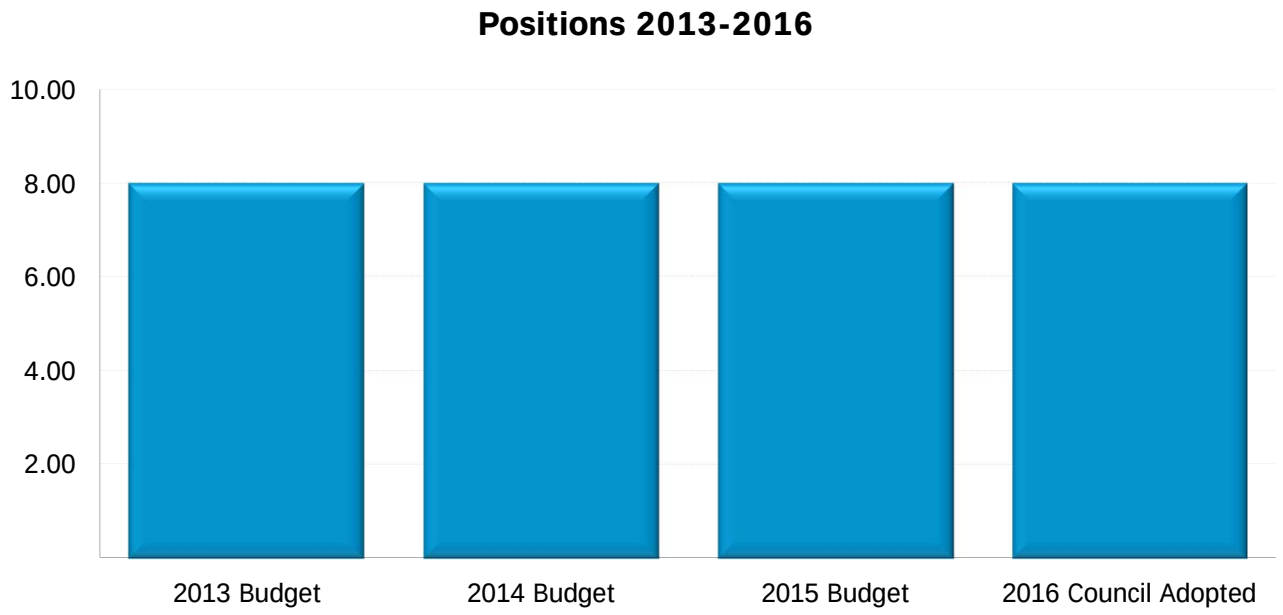
Expense by Category



INTERGOVERNMENTAL RELATIONS

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
G & SP	3.68	3.68	3.25	3.25	0.0%	0
INTERGOVERNMENTAL RELATIONS	4.32	4.32	4.75	4.75	0.0%	0
Overall	8.00	8.00	8.00	8.00	0.0%	0



NEIGHBORHOOD AND COMMUNITY RELATIONS

MISSION

The mission of Neighborhood and Community Relations (NCR) department is to strengthen the City's quality of life through vigorous community participation, resident involvement in neighborhood and community organizations, and supporting clearly defined links between the City, City services, neighborhood and community organizations.

BUSINESS LINES

1. **Access and Outreach Support**

   The Access and Outreach Team provides support for a broad range of engagement activities to cultural communities and under engaged groups in the City enterprise. It also manages various state and federally mandated programs that create equity in accessibility.

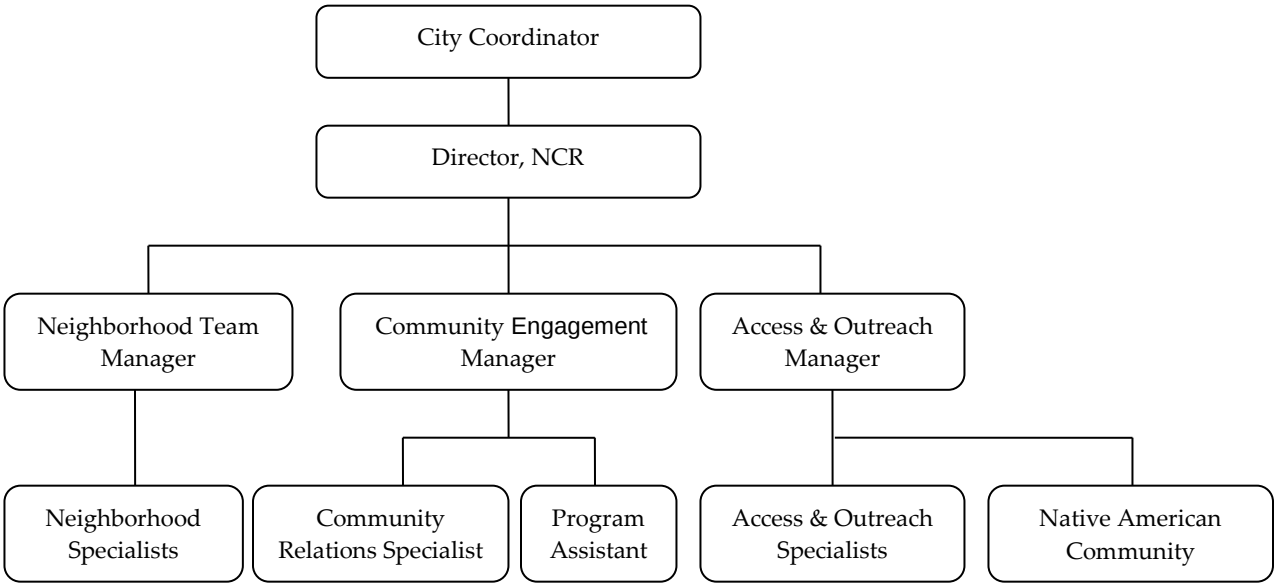
2. **Coordinated Engagement Services**

   The department serves as a resource to all City departments and staff to develop new and dynamic ways to incorporate community participation activities in its work. Through broader and inclusive engagement, City departments are better informed about meeting community needs. The department strives to align the priorities of the City, neighborhoods and community organizations.

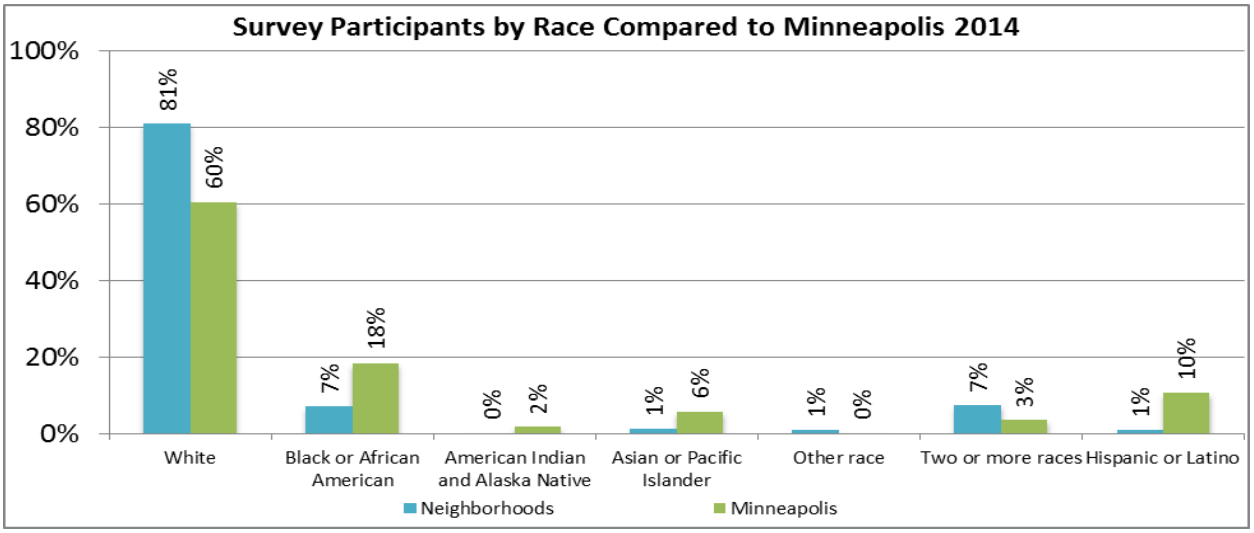
3. **Neighborhood Engagement and Support**

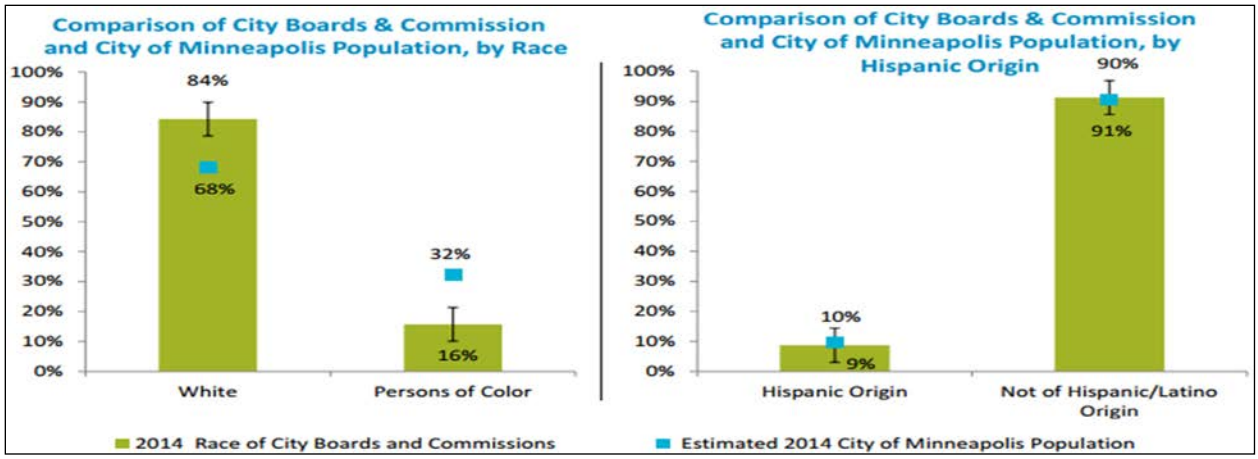
   The department provides logistical and organizational support for neighborhood programs throughout the City.

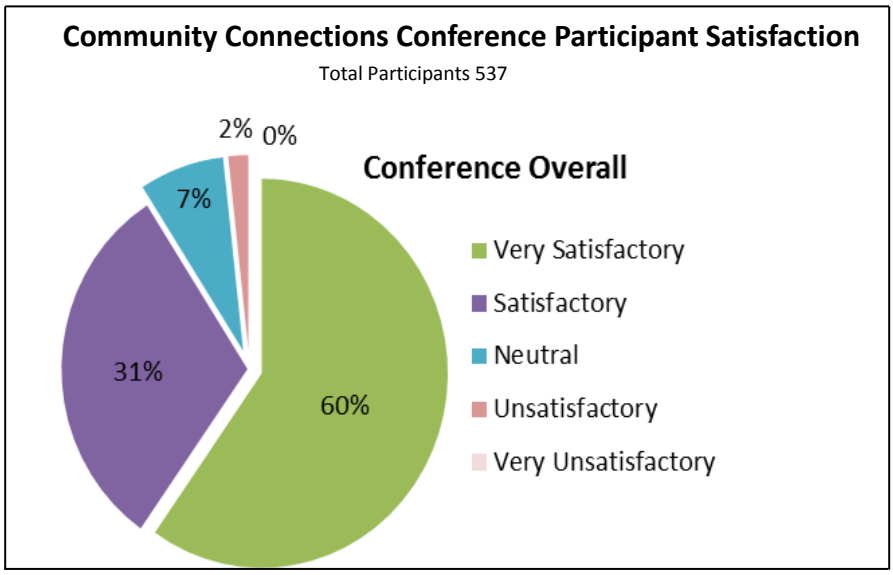
ORGANIZATION CHART

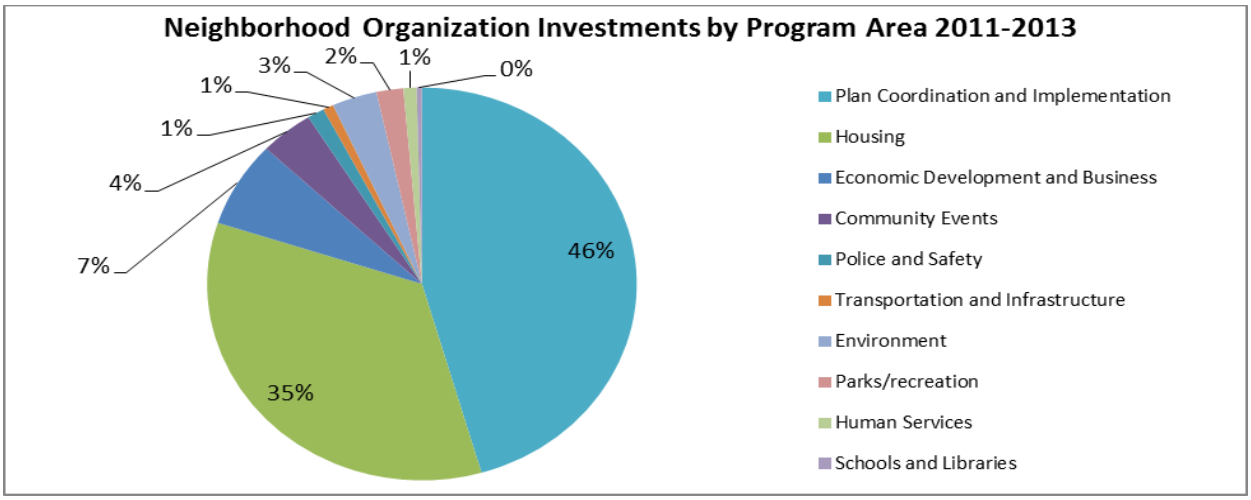


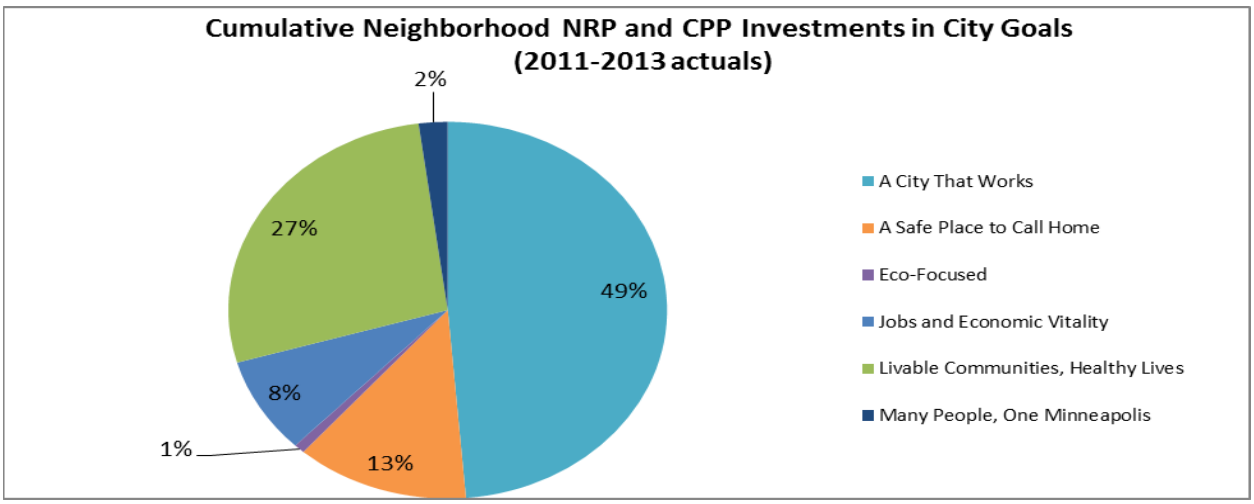
SELECTED RESULTS MINNEAPOLIS MEASURES











One Minneapolis

Access and Outreach Support General Fund: $220,000
Other Funds: $744,230

Access and outreach provides the logistical and office support for cultural engagement services and federally mandated programming. This includes the following services:
Americans with Disabilities Act (ADA) compliance, continuation of Limited English Proficiency planning, interpretation and translation services, administration of the One Minneapolis Fund, the Hello Neighbor program among other activities. The program provides core infrastructure support to eliminating barriers to participation in neighborhood organizations, boards and commissions, and City programing.

Living Well

Coordinated Engagement Services Other Funds: $1,226,933

This program builds a coordinated resident engagement strategy for the City. Following the City's adopted Core Principles of Engagement, this program provides staff support to the City's engagement systems – neighborhood organizations, boards and commissions and enterprise

engagement efforts. The various efforts underway at NCR will be connected to and coordinated with other engagement related activities in the City and with multijurisdictional partners. The program includes work in the following areas: the Blueprint for Equitable Engagement, the American Indian Memorandum of Understanding, the Latino Engagement Task Force, neighborhood engagement, the Senior Initiative, ongoing engagement with cultural communities, work to diversify advisory boards and commissions, organizing the City Academy, and staff support to four advisory commissions.

Neighborhood Engagement and Support Other Funds: $11,240,327

The Department is committed to partnering with neighborhood organizations to build and sustain a world-class community engagement program through neighborhood-based priority setting, planning and implementation; and coordinating this work with the work of the City. The Department supports neighborhood organizations through funding; support for strong oversight and governance of neighborhood organizations; and developing and improving neighborhood capacity through training and networking opportunities. The major programs administered by this initiative include the Community Participation Program (CPP) and the Neighborhood Revitalization Program (NRP). This also includes office support such as contract management, directors and officers insurance, auditing, training, legal support and other related activities.

FINANCIAL ANALYSIS

Expenditure
For 2016, the Neighborhood and Community Relations budget is $13.4 million, an increase of 98.9% over the 2015 budget of $6.8 million. The increase is due to a change in accounting methodology which increases the 2016 amount by $7 million.

Revenue
In 2016, the department anticipates $13.1 million in revenue, and increase of 110.9% over 2015 revenue of $6.2 million. The increase is due to the above mentioned change in accounting methodology which impacts the 2016 amount by $7 million.

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

Mayor's Recommended Budget
The Mayor recommended $75,000 (1.0 FTE) in ongoing funding from the General Fund for Americans with Disabilities Act / Limited English Proficiency support.

Council Adopted Budget
The City Council amended the Mayor's recommendations on a one-time basis by reallocating $25,000 for the Nokomis Healthy Seniors from CPED and adding an additional $20,000 reallocated from the Police budget to be used for cultural community educational programs.

The Council also directed the department to provide $50,000 of existing budgeted resources for senior initiatives as part of the Minneapolis for a Lifetime program, and directed the staff in Neighborhood & Community Relations to return to the Health, Environment & Community Engagement Committee by August 1, 2016, with a summary of outcomes and plan to incorporate these activities into the department's on-going business plan.

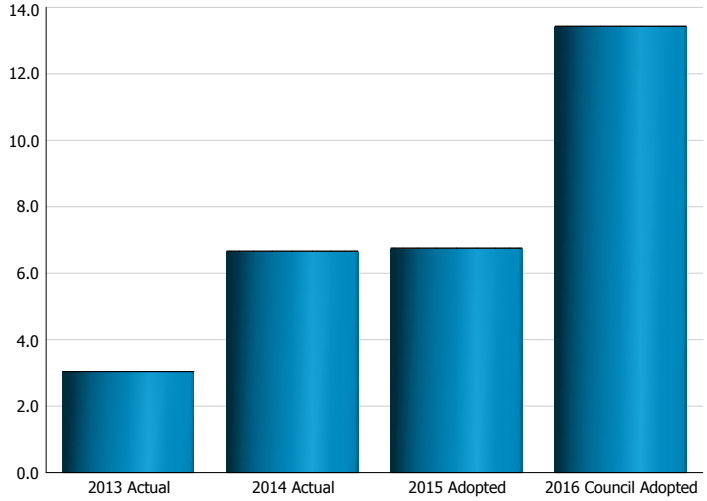
NEIGHBORHOOD & COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	390,917	454,066	157,894	48,852	-69.1%	(109,043)
FRINGE BENEFITS	137,422	179,959	55,540	26,148	-52.9%	(29,392)
CONTRACTUAL SERVICES	357,286	357,933	211,980	145,000	-31.6%	(66,980)
OPERATING COSTS	45,079	47,075				0
CAPITAL	3,110					0
TOTAL GENERAL	**933,813**	**1,039,032**	**425,415**	**220,000**	**-48.3%**	**(205,415)**
SPECIAL REVENUE						
SALARIES AND WAGES	600,976	614,861	880,652	1,176,389	33.6%	295,737
FRINGE BENEFITS	203,779	193,663	390,257	458,153	17.4%	67,896
CONTRACTUAL SERVICES	1,233,726	4,668,180	4,911,962	11,442,272	132.9%	6,530,310
OPERATING COSTS	28,285	98,133	144,512	134,676	-6.8%	(9,836)
CAPITAL	38,562	36,518				0
TRANSFERS		10,961				0
TOTAL SPECIAL REVENUE	**2,105,328**	**5,622,317**	**6,327,384**	**13,211,490**	**108.8%**	**6,884,106**
TOTAL EXPENSE	**3,039,141**	**6,661,349**	**6,752,798**	**13,431,490**	**98.9%**	**6,678,692**

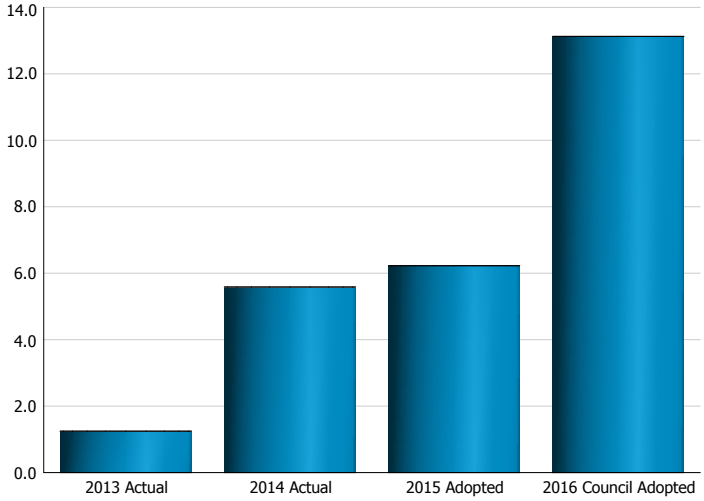
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SERVICES		3,400			0.0%	0
CONTRIBUTIONS	26,390	8,000			0.0%	0
OTHER MISC REVENUES	18,814	52,097		7,000,000	0.0%	7,000,000
TRANSFERS IN	1,200,000	5,520,516	6,225,384	6,127,000	-1.6%	(98,384)
SPECIAL REVENUE	**1,245,204**	**5,584,013**	**6,225,384**	**13,127,000**	**110.9%**	**6,901,616**
TOTAL REVENUE	**1,245,204**	**5,584,013**	**6,225,384**	**13,127,000**	**110.9%**	**6,901,616**

NEIGHBORHOOD & COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION

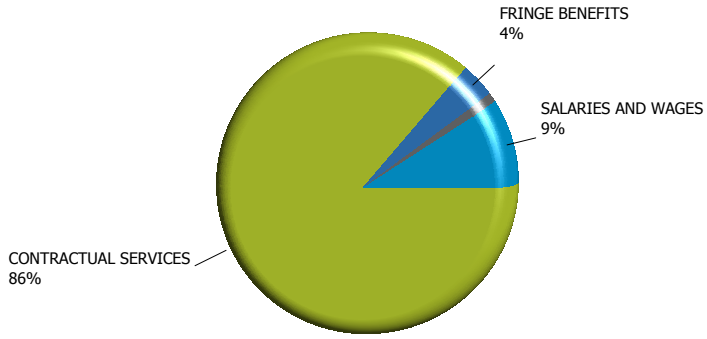
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



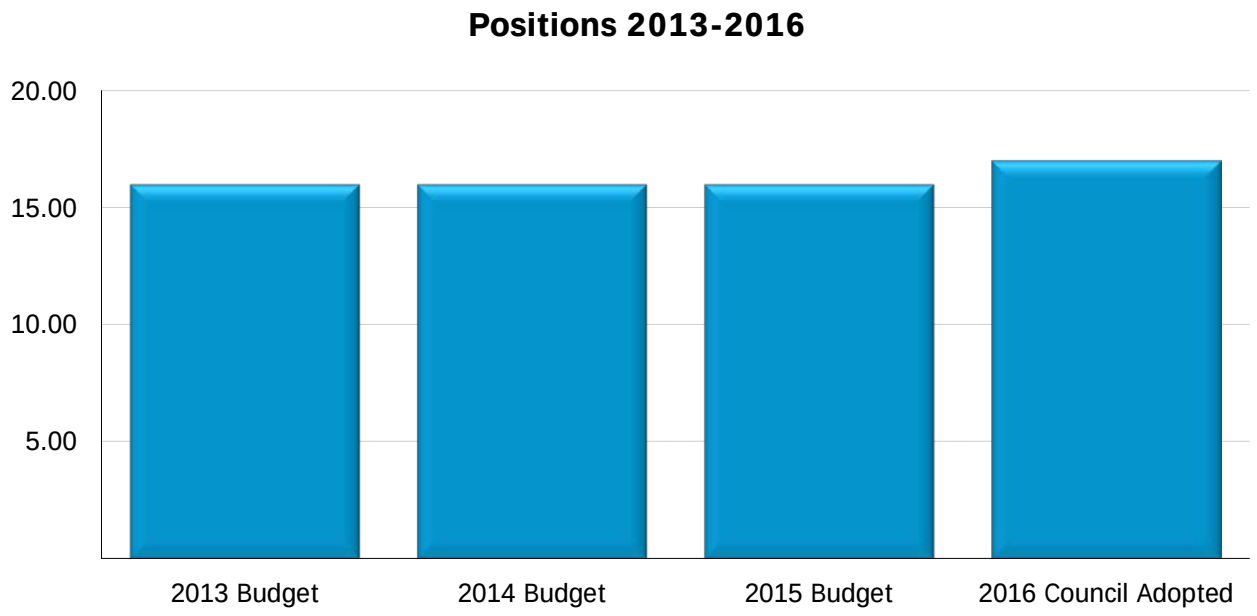
Expense by Category



NEIGHBORHOOD & COMMUNITY RELATIONS

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
ADMINISTRATION	16.00	16.00	16.00	17.00	6.3%	1.00
Overall	16.00	16.00	16.00	17.00	6.3%	1.00



CIVIL RIGHTS

MISSION

The mission of the Minneapolis Department of Civil Rights is to enforce Minneapolis Code of Ordinances Title 7 (non-discrimination); Title 9, Chapter 172 (civilian police review authority) Title 16, Chapter 423 (small and underutilized business programs); Title 23, Chapter 6 (prevailing wage); and to promote understanding of civil rights among residents, business and government.

BUSINESS LINES

The Minneapolis Department of Civil Rights (MDCR) is composed of four business lines: the Complaint Investigations Division; the Contract Compliance Division; the Office of Police Conduct Review; and, the Employment Equity Division.

The Complaint Investigations Division (CID) is required by city ordinance and a federal work share agreement with the US Equal Employment Opportunity Commission (EEOC) to investigate and resolve complaints that allege illegal discrimination. Investigation and outreach work is performed by one division director, three investigators and one administrative support person. The investigators gather and analyze evidence, conduct investigative interviews, and draft legal conclusions. The administrative staff person performs intake on all of the allegations by individuals seeking to file a complaint with the department. The division also provides administrative support to the Minneapolis Commission on Civil Rights. The Commission is comprised of twenty-one Minneapolis residents whose primary function is to serve on administrative hearing panels that make decisions regarding discrimination cases investigated by MDCR. The division director also collaborates with the Commission on outreach and engagement efforts throughout the City. The division also maintains an Alternative Dispute Resolution program which offers complaint resolution services that give parties an opportunity to control the outcome of their charge of discrimination. Approximately twenty percent of cases are resolved through mediation. The division director provides policy expertise and oversight of this service unit.

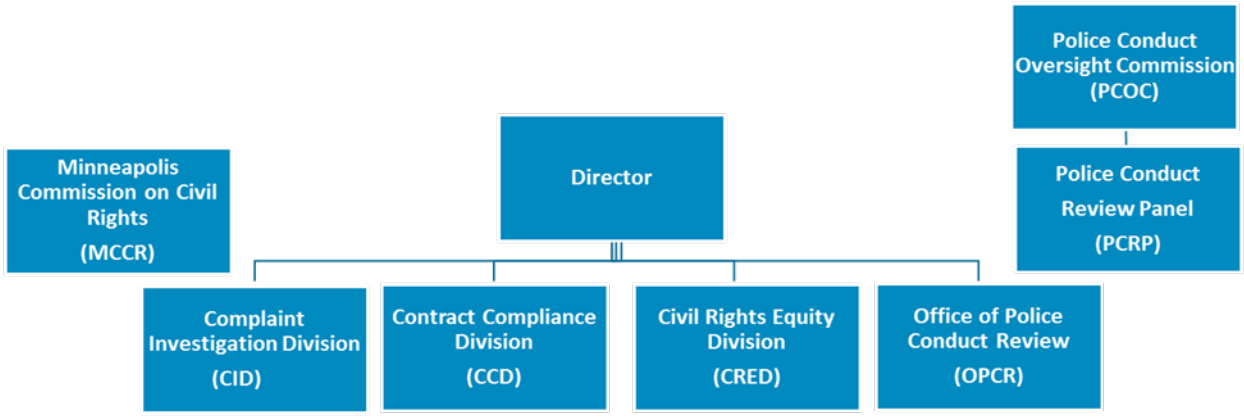
The Contract Compliance Division (CCD) monitors City of Minneapolis construction and development, commodities and supplies, and professional and technical services contracts by enforcing related local and federal civil rights and wage laws and policies. CCD monitors City contracts to ensure that minorities, women and low income business owners and workers have access to employment and contracting opportunities, and ensures that workers are paid appropriate wages. CCD is responsible for ensuring compliance in five primary program areas: affirmative action; minority and women business inclusion; minority and female employment; Davis Bacon and prevailing wage and US Department of Housing and Urban Development Section 3 contracting and employment. CCD is also a certifying agency of the Minnesota Unified Certification Program (MNUCP), a statewide collaboration that evaluates small woman-owned and minority-owned businesses to participate in the City's inclusion programs. CCD work is mandated by Minneapolis City Code of Ordinances Title 7, Chapter 139.50; Title 16, Chapter 423; and Title 23, Chapter 26, and Title 49 of the Code of Federal Regulations, Part 26.

The Office of Police Conduct Review (OPCR) is mandated by Chapter 172 of the Minneapolis City Code of Ordinances to handle claims of police misconduct made to the City of Minneapolis. Civilian and police managers at the office decide what course each case takes. Minor offenses

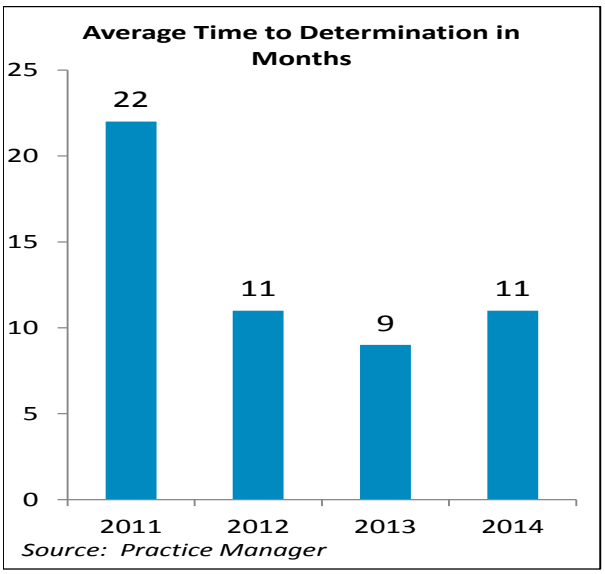
may go straight to the officer's supervisor for action. Cases may also go to mediation, where the complainants and officers meet with mediators to resolve the situations. Allegations of more severe misconduct prompt a full investigation, and the heads of the office decide whether a civilian or a police investigator should handle a particular case. OPCR staff in the Department of Civil Rights includes a division director, a legal analyst, two investigators and a support professional. Completed investigations go to the Police Conduct Review Panel, which is made up of two civilians and two sworn officers. The four members make final recommendations on the merits of the allegations to the Minneapolis Police Chief for action. Additional civilian participation in oversight of police misconduct is guaranteed through the Police Conduct Oversight Commission whose mission is to review policy implications of misconduct. Members have a variety of responsibilities including shaping police policy, auditing cases, engaging the community in discussions of police procedure, and facilitating cultural awareness trainings for the Minneapolis Police Department. The members of the Review Panel and Oversight Commission are residents of Minneapolis appointed by the Mayor and City Council.

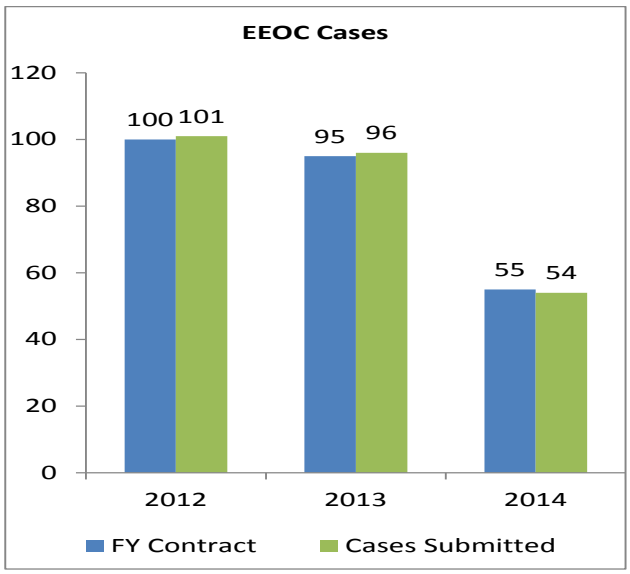
The Employment Equity Division (EED) supports and encourages efforts in the City to hire, retain, and promote people of color, and collaborates intentionally with private, public, and nonprofit partners to close racial disparities in the region. EED operates within regional collaborations to eliminate employment disparities. The division also manages Urban Scholars, the City's leadership development internship program for post-secondary students from diverse racial and ethnic backgrounds. Urban Scholars creates a pipeline of qualified and experienced candidates for entry-level employment in the public sector. Directed by City Council resolution 2012R-456, the division is leading a collaboration of City departments in developing a *Racial Equity Framework* to view City policy, programs, and initiatives through a racial equity lens. The framework will be used to identify and address institutional racism, remedy long-standing inequities and to assess racial equity impacts in hiring, procurement, and community engagement in City boards and commissions. The work in the division is performed by a director and one administrative support employee.

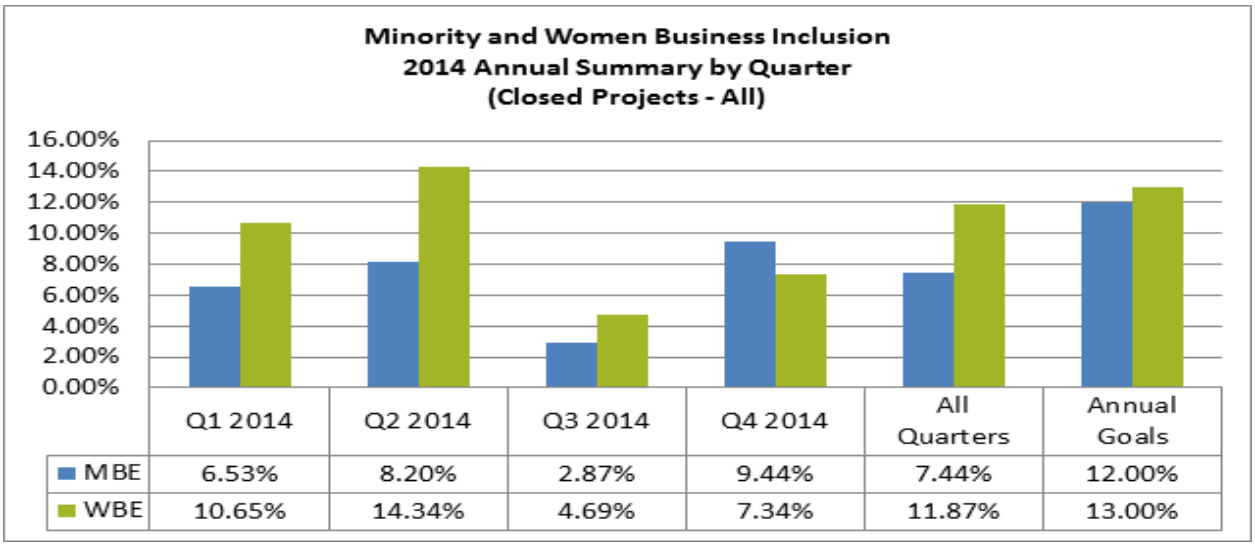
ORGANIZATION CHART



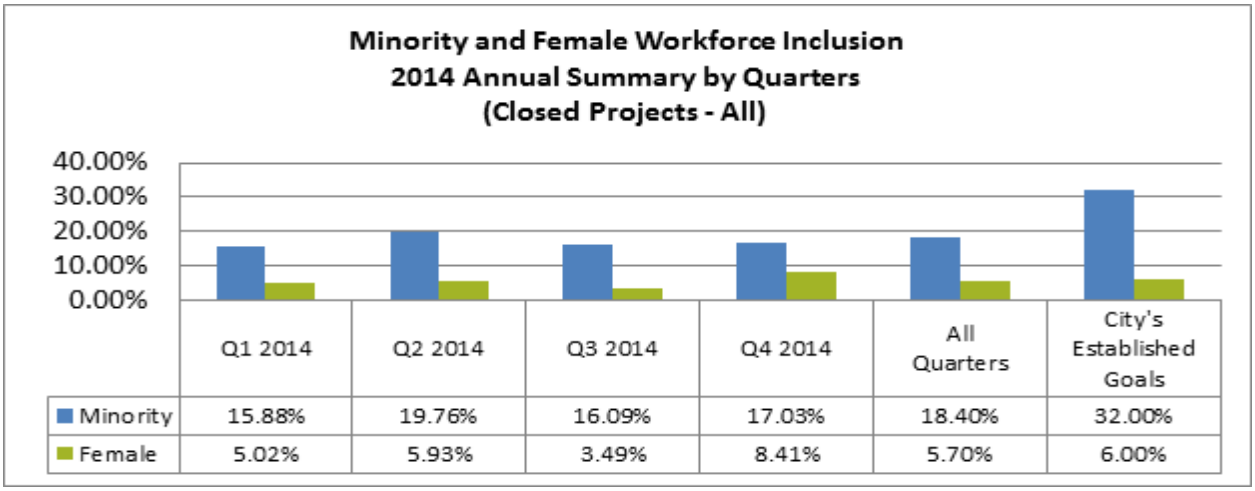
SELECTED RESULTS MINNEAPOLIS MEASURES



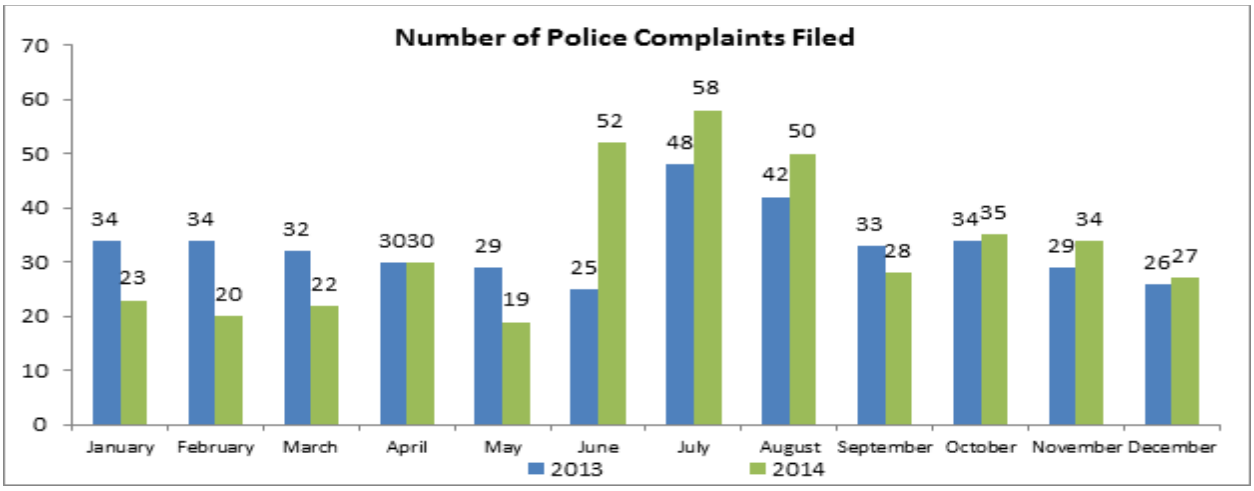


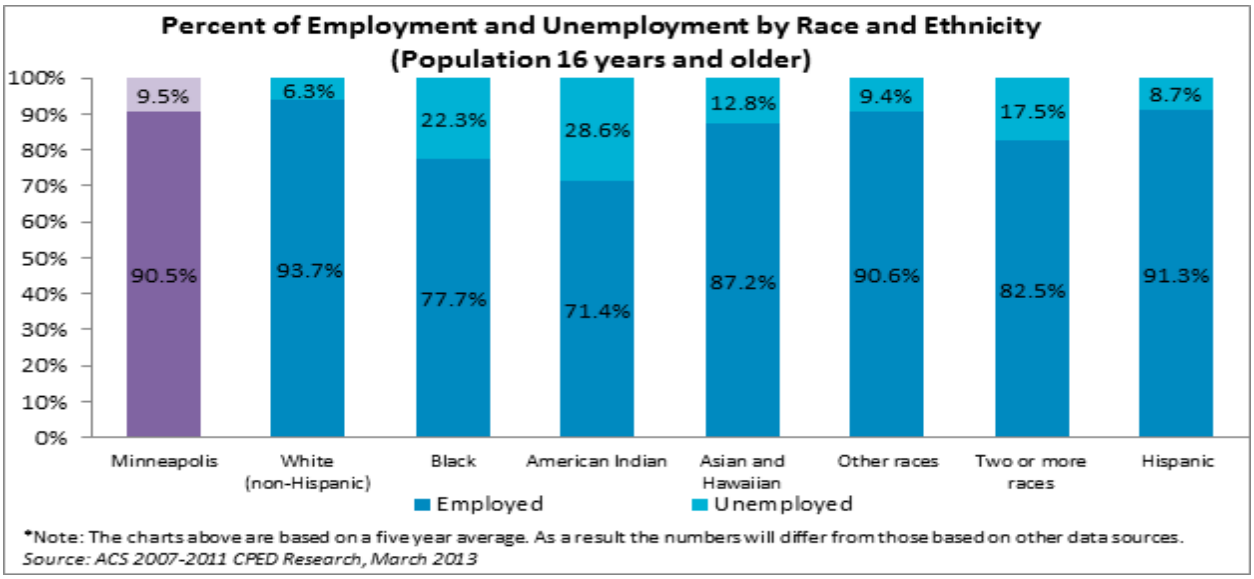


	Q1 2014	Q2 2014	Q3 2014	Q4 2014	All Quarters	Annual Goals
MBE	6.53%	8.20%	2.87%	9.44%	7.44%	12.00%
WBE	10.65%	14.34%	4.69%	7.34%	11.87%	13.00%

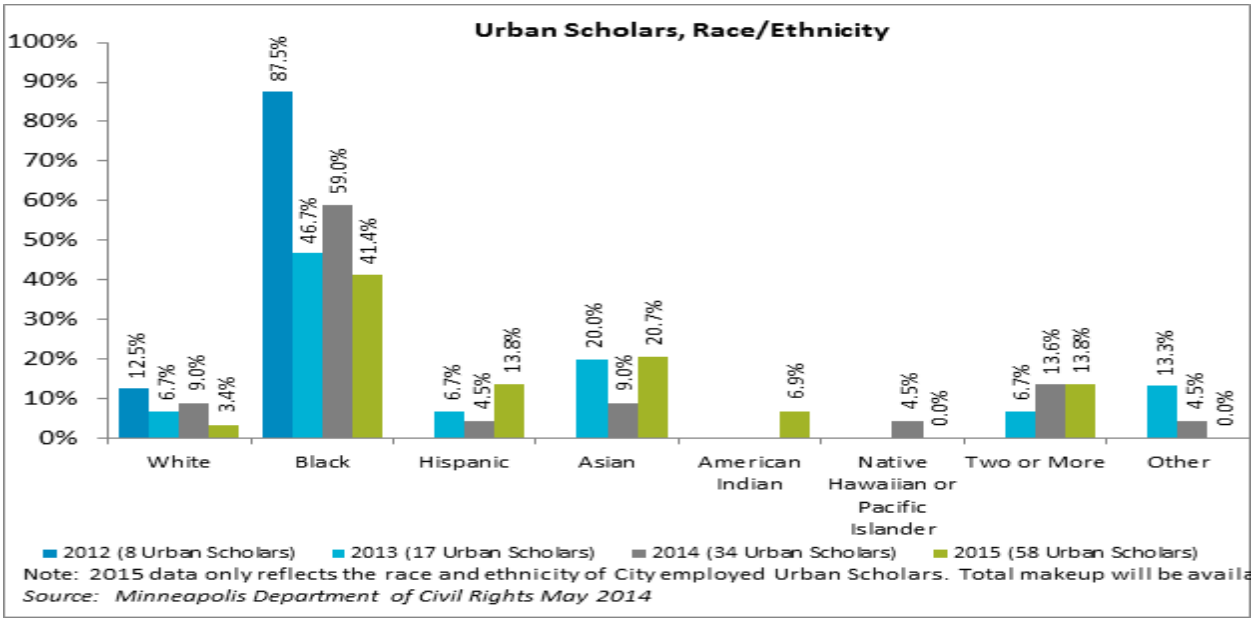


	Q1 2014	Q2 2014	Q3 2014	Q4 2014	All Quarters	City's Established Goals
Minority	15.88%	19.76%	16.09%	17.03%	18.40%	32.00%
Female	5.02%	5.93%	3.49%	8.41%	5.70%	6.00%





*Note: The charts above are based on a five year average. As a result the numbers will differ from those based on other data sources.
Source: ACS 2007-2011 CPED Research, March 2013



Note: 2015 data only reflects the race and ethnicity of City employed Urban Scholars. Total makeup will be availa
Source: Minneapolis Department of Civil Rights May 2014

One Minneapolis

Complaint Investigations General Fund: $544,937
Other Funds: $45,500

This program neutrally enforces the City's anti-discrimination laws and policies by investigating complaints of discrimination. Also, through a work sharing agreement with the U.S. Equal Employment Opportunity Commission (EEOC), the City serves as a Fair Employment Practice Agency (FEPA), investigating employment discrimination claims dual-filed and/or cases transferred from the EEOC. The Complaint Investigations Division (CID) is required by city ordinance and a federal work share agreement with the US Equal Employment Opportunity Commission to investigate and resolve complaints that allege illegal discrimination.

Equity Division General Fund: $629,691

This Civil Rights Equity Division (CRED) program in collaboration with other City departments, support and encourage efforts in the City to develop policies, practices, and strategic investments to reverse racial disparity trends, eliminate institutional racism, and ensure that outcomes and opportunities for all people are no longer predictable by race. In support of the divisions within the Civil Rights Department and in cooperation with its private, public, and nonprofit partners, CRED works to create fair and just opportunities and outcomes for all people. The division also manages Urban Scholars, the City's leadership development internship program for post-secondary students from diverse racial and ethnic backgrounds. The work in the division is performed by a division director and two administrative support employees.

A City that Works

Contract Compliance General Fund: $1,534,904
Other Funds: $277,440

This program ensures that City of Minneapolis procurement of construction and development services, commodities and supplies, and professional and technical services includes women, minorities, and low income workers and businesses. The Division also ensures that workers on construction and development projects are paid in accordance with prevailing wage laws. This division monitors and ensures compliance in four primary program areas that affect the general fund: Affirmative Action, Minority and Women Business Inclusion, Low Income Residents and Business Inclusion, and Prevailing Wage Compliance.

Living Well

Office of Police Conduct Review General Fund: $600,715

This program ensures the processing of police conduct complaints in a fair manner with a civilian-sworn leadership model of oversight; utilizing a hybrid review panel of community members and police officers to issues recommendations that are just; and supporting an all civilian based commission that recommends policy and training that is positioned to change a culture, build community trust and have a lasting impact on the practice of police oversight.
The program provides transparency, citizen engagement, and meaningful participation related to police conduct through the Police Conduct Oversight Commission by advising on police policy, auditing OPCR cases, and engaging the community in discussions and police procedure.

The ultimate goal is to foster mutual respect between the Minneapolis Police Department and all populations of the city of Minneapolis.

Financial Analysis

Expenditure

The total Civil Rights Department's budget increases from $3.56 million to $3.63 million from 2015 to 2016. This is an increase of $70,000, or 2.1%. The Civil Rights Department's 2016 expenditure budget reflects inflationary increases in operation costs, budgetary enhancements and partially offsetting reduction of $50,000 of ongoing General Fund in rightsizing initiatives.

Revenue

Revenues are projected to decline by $11,500 due to a decrease in Equal Employment Opportunities Commission (EEOC) charge resolutions in the City's federal grant fund. The department's total revenues in 2016 are projected to be $45,500.

Fund Allocation

This department is funded primarily by the General Fund, with the remainder of the department's funding found in the Community Development Block Grant (CDBG) funds and other federal grant funds.

Mayor's Recommended Budget

The Mayor recommended $92,000 in ongoing General Fund resources for enhancing the Urban Scholar program, and $150,000 in one-time General Fund resources to conclude the development of the required study of business equity within the City.

The Mayor also recommended rightsizing the department's budget by reducing $50,000 from the ongoing General Fund allocation.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

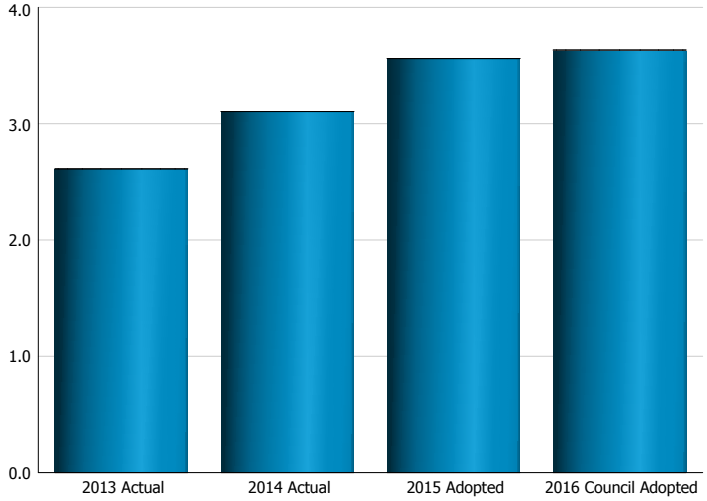
CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,030,580	1,223,387	1,316,156	1,279,806	-2.8%	(36,350)
FRINGE BENEFITS	362,729	441,685	577,498	570,743	-1.2%	(6,755)
CONTRACTUAL SERVICES	476,885	591,088	933,881	1,064,869	14.0%	130,988
OPERATING COSTS	419,348	518,796	340,150	394,828	16.1%	54,678
CAPITAL						0
TOTAL GENERAL	**2,289,542**	**2,774,956**	**3,167,684**	**3,310,246**	**4.5%**	**142,562**
SPECIAL REVENUE						
SALARIES AND WAGES	197,472	209,946	224,633	235,812	5.0%	11,179
FRINGE BENEFITS	77,842	95,733	101,230	41,629	-58.9%	(59,601)
CONTRACTUAL SERVICES	31,608	3,345	66,137	45,500	-31.2%	(20,637)
OPERATING COSTS	14,956	20,532				0
TOTAL SPECIAL REVENUE	**321,877**	**329,556**	**392,000**	**322,940**	**-17.6%**	**(69,059)**
TOTAL EXPENSE	**2,611,419**	**3,104,512**	**3,559,684**	**3,633,187**	**2.1%**	**73,503**

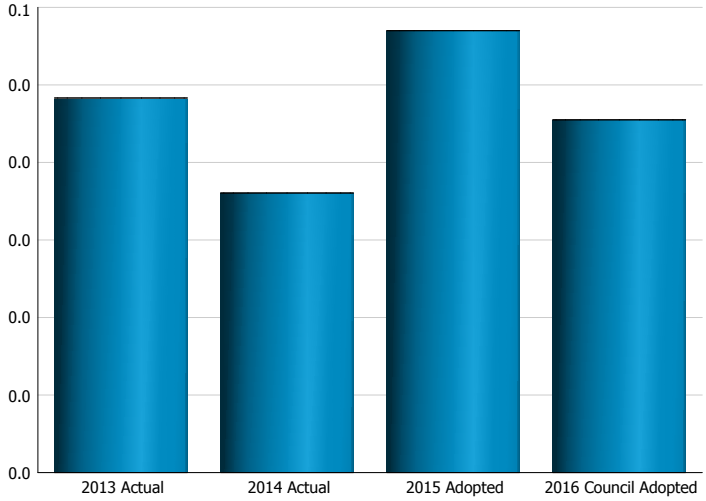
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	179	72			0.0%	0
CHARGES FOR SERVICES	34				0.0%	0
OTHER MISC REVENUES	8	30			0.0%	0
GENERAL	**221**	**102**				**0**
SPECIAL REVENUE						
CONTRIBUTIONS	4,159	5,500			0.0%	0
FEDERAL GOVERNMENT	43,932	30,459	57,000	45,500	-20.2%	(11,500)
SPECIAL REVENUE	**48,091**	**35,959**	**57,000**	**45,500**	**-20.2%**	**(11,500)**
TOTAL REVENUE	**48,312**	**36,061**	**57,000**	**45,500**	**-20.2%**	**(11,500)**

CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION

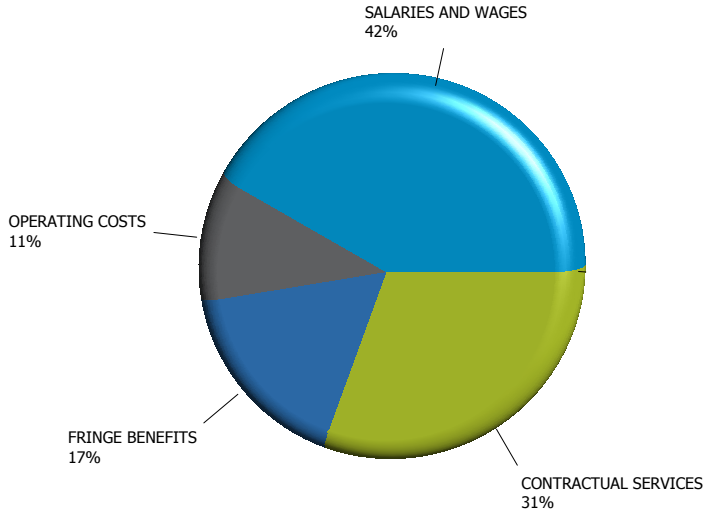
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



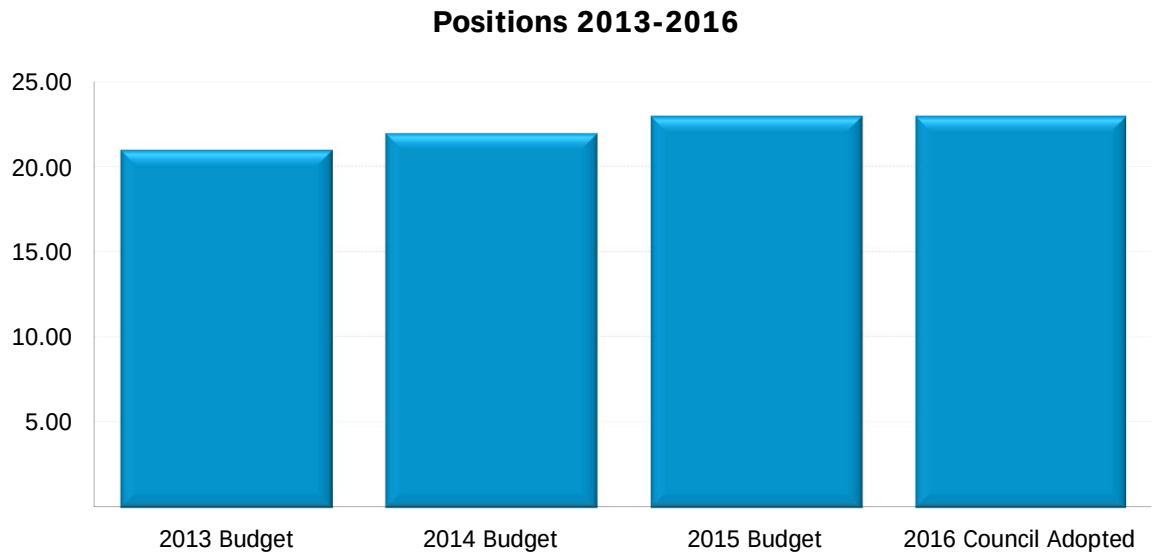
Expense by Category



CIVIL RIGHTS

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
COMPLAINT INVESTIGATION	5.60	5.52	5.52	5.52	0.0%	0
CONTRACT COMPLIANCE	7.80	8.74	9.74	9.74	0.0%	0
EQUITY IN EMPLOYMENT	2.00	2.22	2.22	2.22	0.0%	0
POLICE CONDUCT REVIEW	5.60	5.52	5.52	5.52	0.0%	0
Overall	21.00	22.00	23.00	23.00	0.0%	0



COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

MISSION

The Department of Community Planning and Economic Development (CPED) works to equitably grow a sustainable city with more people and more jobs through thoughtful design and enhanced environment.

As we conduct our work, we strive to be:

- Effective public servants;
- Proactive, innovative, creative problem solvers;
- Responsible stewards of public resources;
- Results orientated;
- Strategic partners within the enterprise and with public and private entities;
- Respectful public administrators who are responsive to the diverse cultures and changing needs of our community and strive for equitable outcomes; and
- Respectful of our history while looking forward to the future.

BUSINESS LINES

The following broad service areas reflect the primary business lines of the department.

- **Long Range Planning** division prepares and maintains the City's comprehensive plan, small area plans, and strategic planning initiatives; conducts research; oversees the Public Art Program; guides public realm and urban design principles; guides development; manages historic preservation studies, and partners in implementation.

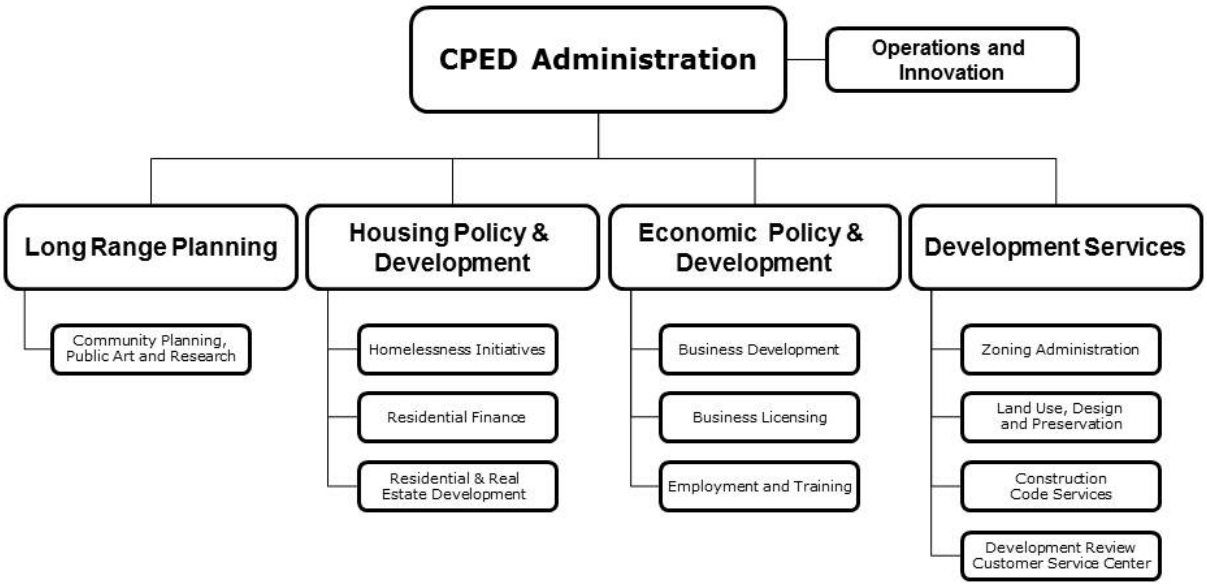
- **Economic Development & Policy** division supports business retention and expansion, creation and attraction in all neighborhoods, including downtown, by providing financing, programmatic and real estate development and expansion tools, and business licensing and compliance guidance.

- **Workforce Development** division manages a network of service provision that prepares Minneapolis residents, both adult and youth, for living-wage jobs and builds partnerships to improve career opportunities in the city.

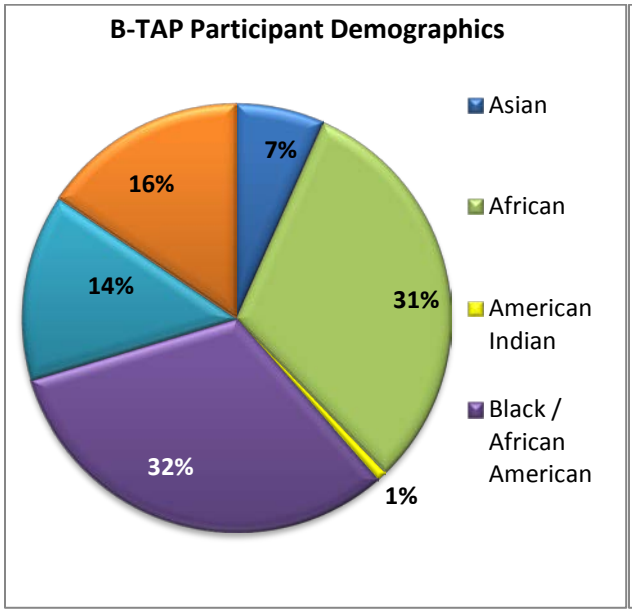
- **Housing Development & Policy** division establishes housing policy, finances and redevelops single and multifamily residential real estate to stimulate private investment, increase the tax base and sustain a healthy housing market.

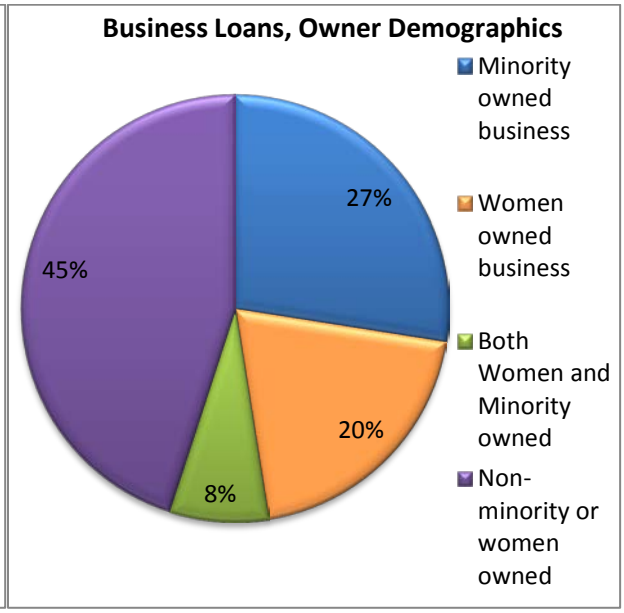
- **Development Services** division manages zoning administration, land use, design and preservation, the customer service center and construction code services and serves as the front door for the City’s consolidated development activities.

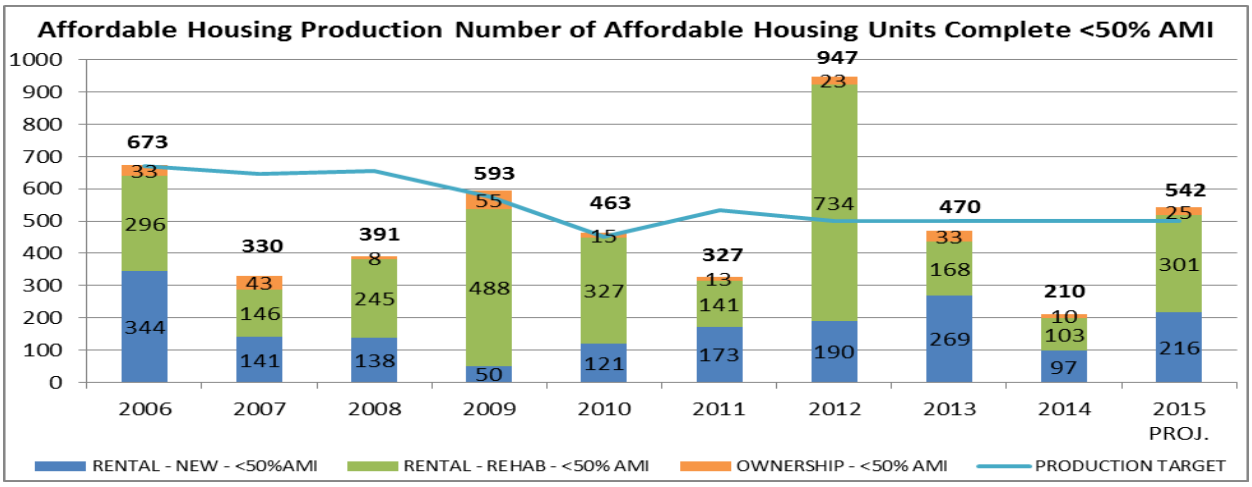
ORGANIZATION CHART

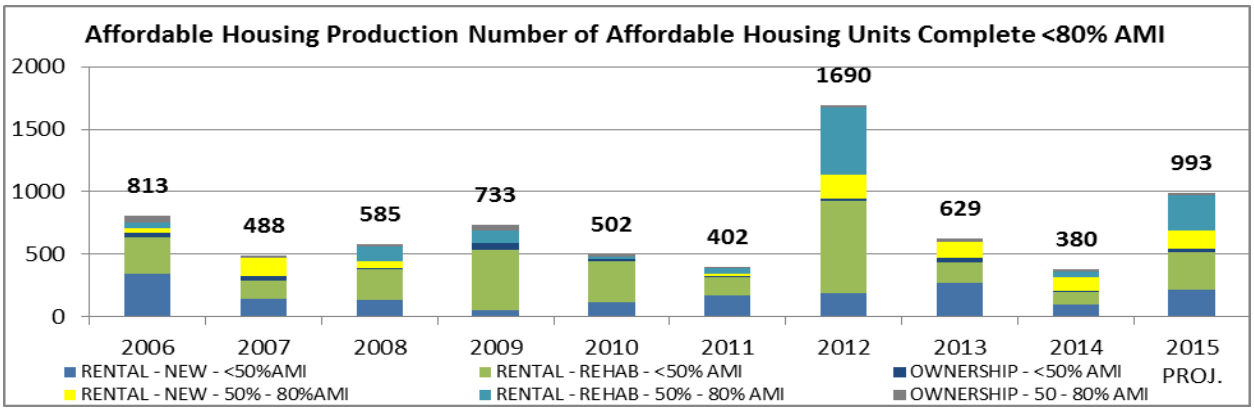


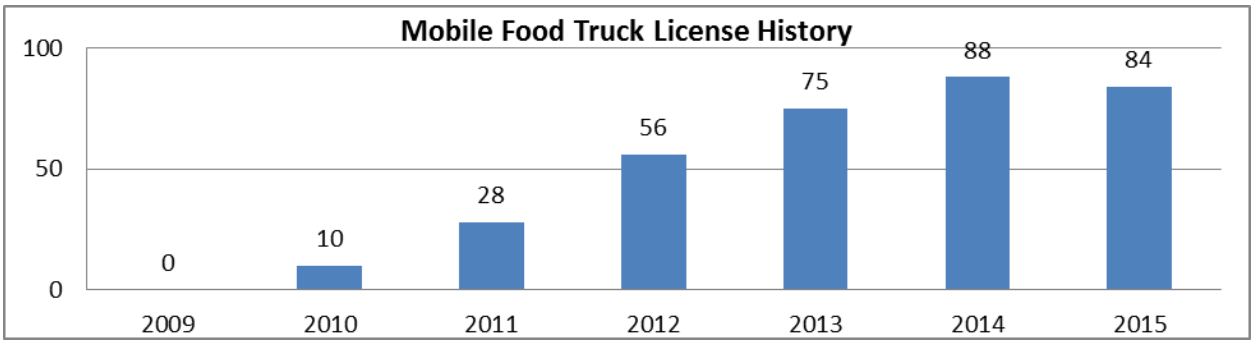
SELECTED RESULTS MINNEAPOLIS MEASURES



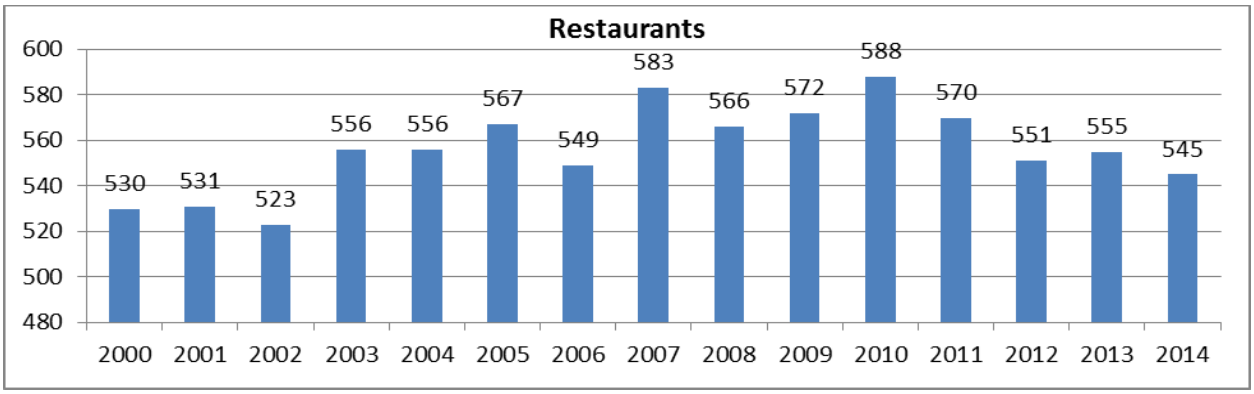


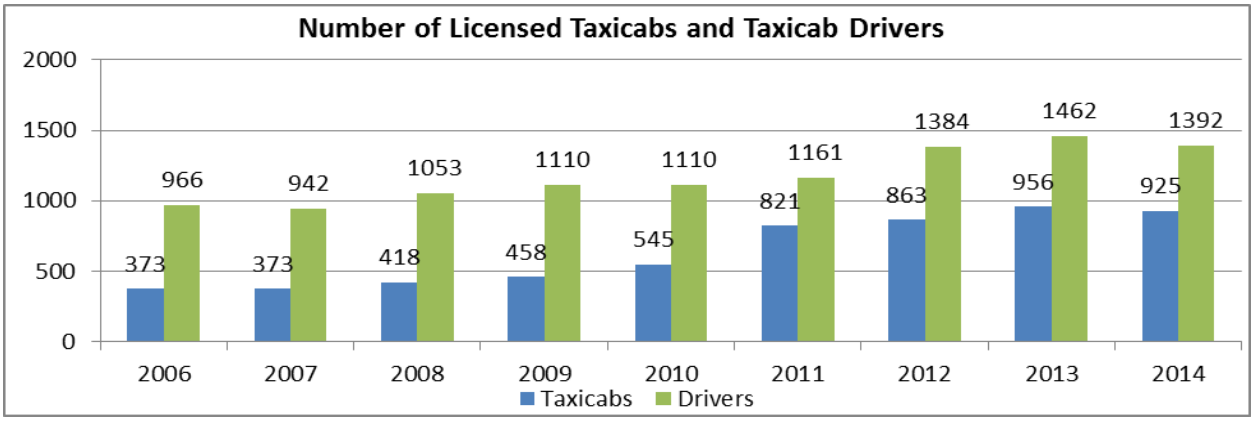

Affordable Housing Production Number of Affordable Housing Units Complete <50% AMI
1000
900
800
700
600
500
400
300
200
100
0
673
330
391
593
463
327
947
470
210
542
33
296
344
43
146
141
8
245
138
55
488
50
15
327
121
13
141
173
23
734
190
33
168
269
10
103
97
25
301
216
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015 PROJ.
RENTAL - NEW - <50%AMI
RENTAL - REHAB - <50% AMI
OWNERSHIP - <50% AMI
PRODUCTION TARGET

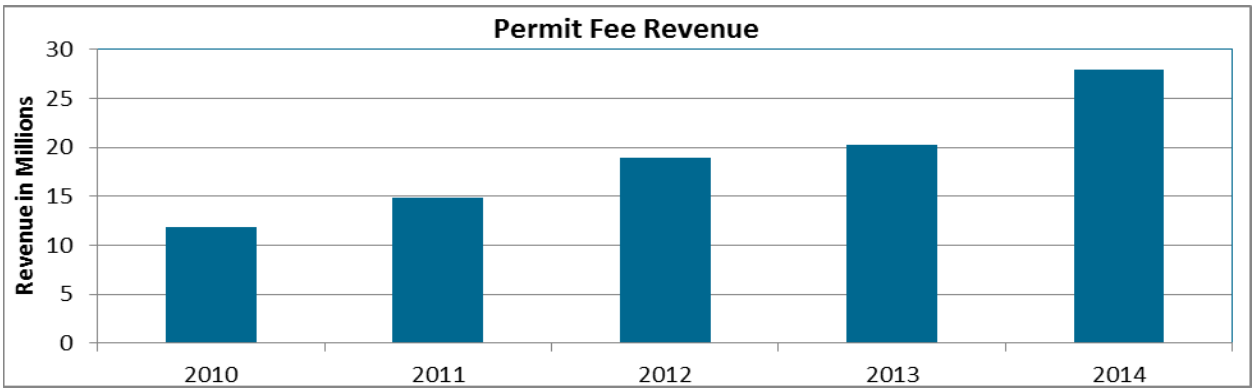

Affordable Housing Production Number of Affordable Housing Units Complete <80% AMI
2000
1500
1000
500
0
813
488
585
733
502
402
1690
629
380
993
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015 PROJ.
RENTAL - NEW - <50%AMI
RENTAL - REHAB - <50% AMI
OWNERSHIP - <50% AMI
RENTAL - NEW - 50% - 80%AMI
RENTAL - REHAB - 50% - 80% AMI
OWNERSHIP - 50 - 80% AMI

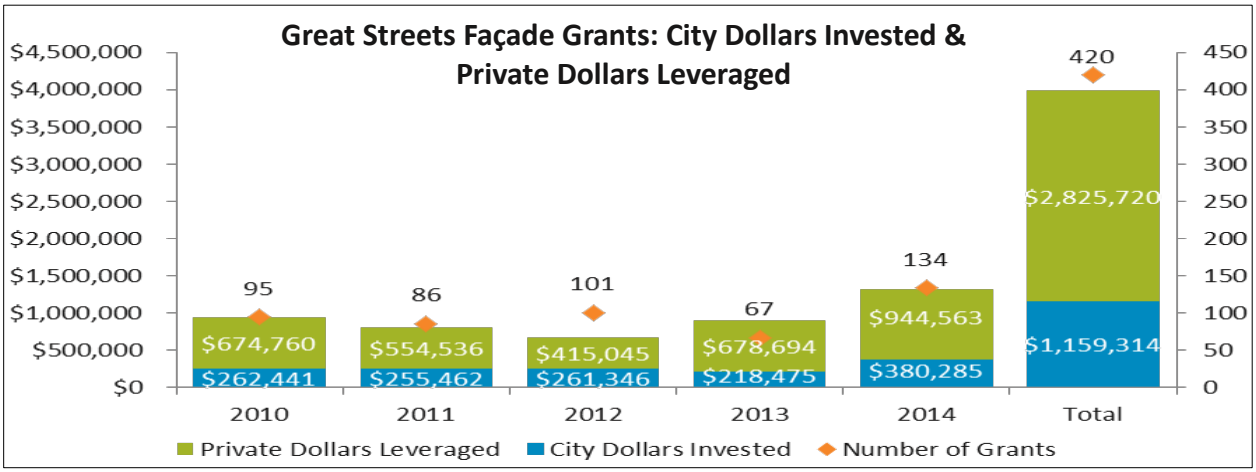

Mobile Food Truck License History
100
50
0
0
10
28
56
75
88
84
2009
2010
2011
2012
2013
2014
2015

On Sale Liquor Establishments
500
400
300
200
100
0
270
303
325
348
370
383
390
363
373
364
362
382
379
426
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014


Restaurants
600
580
560
540
520
500
480
530
531
523
556
556
567
549
583
566
572
588
570
551
555
545
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014


Number of Licensed Taxicabs and Taxicab Drivers
2000
1500
1000
500
0
373
966
373
942
418
1053
458
1110
545
1110
821
1161
863
1384
956
1462
925
1392
2006
2007
2008
2009
2010
2011
2012
2013
2014
Taxicabs
Drivers


Permit Fee Revenue
Revenue in Millions
30
25
20
15
10
5
0
2010
2011
2012
2013
2014


Great Streets Façade Grants: City Dollars Invested & Private Dollars Leveraged
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
450
400
350
300
250
200
150
100
50
0
95
$674,760
$262,441
86
$554,536
$255,462
101
$415,045
$261,346
67
$678,694
$218,475
134
$944,563
$380,285
420
$2,825,720
$1,159,314
2010
2011
2012
2013
2014
Total
Private Dollars Leveraged
City Dollars Invested
Number of Grants

A Hub of Economic Activity and Innovation

CPED Long Range Planning Division General Funds: $2,150,260
Other Funds: $548,003

Long Range Planning Division has four key components:

(1) Comprehensive Planning actively aligns the City's planning, economic development, housing development, and transportation planning functions into a sustainable, regional framework for managed growth over the next generation.
(2) Research includes civic technology initiative, creative financing and applied research.
(3) Art in Public Places is comprised of six areas of regular work activity which include art in public places, conservation, technical assistance to other agencies, public art policy, proposals for art on city property, proposals for art on private property.
(4) Qualitative Urbanism focuses on creating a separated design review track for CPED owned properties, creating public realm strategic plan and guidelines, establishing consistent graphic standards for requests for proposals and requests for qualifications and establishing coordinated governmental framework for all public realm improvements.

Adult Workforce Development General Fund: $1,226,840
Other Funds: $4,616,181

Adult Workforce Development supports Minneapolis residents in gaining employment through three programs; Minneapolis Works and RENEW Minneapolis, both serving low-income Minneapolis job seekers; and the Dislocated Worker Program, helping recently laid off adults return to the workforce. In partnership with fifteen community-based agencies the adult programs provide career counseling, job readiness training, job search assistance, and job placement.

Many of the clients served through the program have multiple barriers to employment, including ex-offender status, lack of consistent work history, unstable housing, low educational attainment, and/or chemical dependency.

In 2013, the Adult Workforce Development programs assisted over 2,000 Minneapolis residents through employment training, career navigation, and job counseling services; where nearly 1,000 gained employment. The remaining 1,000 continue to utilize employment services provided by these programs to secure permanent or temporary employment. The average cost per participant in the adult programs is $2,618, including tuition assistance for nearly 40% of all participants.

Youth Training and Development General Fund: $968,426
Other Funds: $3,490,994

The City of Minneapolis Youth Programs aim to create a strong future workforce by reducing youth unemployment and racial employment disparities. The youth programs provide employment for low-income Minneapolis youth, ages 14-21, are comprised of two distinct but well linked programs; the STEP-UP Program and the Year Round WIA Youth Program. Both programs are designed to give Minneapolis youth from minority communities and low-income families the tools to find their place within the workforce.

STEP-UP, the most recognized Minneapolis youth program, serves close to 2,000 Minneapolis youth every summer, connecting them to real and valuable summer work experiences. STEP-UP interns receive critical work readiness training prior to being placed in a summer job. Through STEP-UP, youth learn good work habits, earn wages, and gain experience while providing valuable services to local businesses. Augmenting the summer job experience is the opportunity to attend camp, participate in workshops, and earn high school credit via classroom training.

The Year Round WIA Youth Program provides over 1,000 youth - all of whom have multiple barriers, including homelessness, high school dropouts, juvenile criminal records, etc. - with year round stabilization programming, including employment placement services. This program increases youths' long-term employability by enhancing educational, occupational, and leadership skills.

Development Services - Customer Service Center General Fund: $2,734,284
Other Funds: $158,073

The Customer Service Center serves as the front door and service center for the City's consolidated development activities and focuses on consistent, streamlined customer service. It ensures high-quality development while requiring that building construction and rehabilitation projects meet the City's standards in terms of safety, livability and health and environmental sensitivity. Business licenses, pet licensing and critical parking permits may also be obtained at this center.

Business Development General Fund: $5,777,974
Other Funds: $4,751,398

CPED works with businesses to start, stay and grow in Minneapolis with the objectives of equitable job growth, tax base growth and community vitality. The toolbox includes business loans and façade grants, business consulting and technical assistance, site search assistance, and commercial real estate development.

Living Well

Homeownership Support & Development General Fund: $1,543,172
Other Funds: $3,858,504

This program is designed to assist with the development and support of ownership housing. The portion of the strategy is critical to return the housing market to a more healthy condition. This program is used to support development through rehabilitation. The main focus of the program is to provide prevention, reinvention, repositioning and property management. The major sub programs include Green Homes North, Home Ownership Works, Minneapolis Advantage program, Senior Citizen Housing Initiative, Owner Occupied Rehab, Vacant and Boarded program and property management of vacant and boarded properties,

Affordable Housing Development General Fund: $3,993,151
Other Funds: $10,595,447

This program provides necessary financing for the development or redevelopment of housing that is safe and affordable with projects that are eco-friendly and create significant construction and property management industry jobs.

Land Use, Design and Preservation General Fund: $2,779,525
Other Funds: $897,281

The Land Use, Design, Preservation and Zoning department guides development as required by law, helping residents and property owners invest in the City in a way that aligns with the City's comprehensive plan and development regulations. The department is responsible for managing, reviewing, and enforcing land use, zoning, preservation, and environmental review applications. The department staffs and administers public processes, including public meetings of the City Planning Commission, Heritage Preservation Commission and Zoning Board of Adjustment. The department performs administrative reviews and preservation permits at the customer service center, as well as guiding ongoing regulatory reform affecting land use and development.

A Safe Place to Call Home

Business Licensing General Fund: $4,026,626
Other Funds: $245,891

This program regulates business licensing for liquor establishments and over 200 other types of businesses and annually licenses 11,000 businesses and individuals. The service includes assisting business owners through various regulatory processes, license application review, background checks, on-site facility inspections, and the collection of license fees with an annual renewal billing system.

Construction Code Services General Fund: $10,583,249
Other Funds: $744,556

Construction Code Services (CCS) ensures the comprehensive application of the Minnesota State Building Code and applicable city ordinances. CCS consists of the three business lines of construction plan review, construction inspections, and programs. Construction plan review accepts all applications for building, elevator, mechanical, and plumbing work that require a plan review and a permit. Plans are reviewed and permits are issued for these projects. Construction inspections performs all required inspections for building, elevator, mechanical, and plumbing work covered by issued permits and respond to complaints regarding construction projects. Programs include elevator registration and annual inspections, code compliance, truth-in-sale-of-housing, certificate of occupancy, and fire escrow.

A City that Works

CPED Debt Service & Transfers Other Funds: $31,785,221

This program relates to the administration and management of certain CPED financial resources, both with external partners and between CPED funds. This program provides for the transfer of revenues necessary to pay annual debt service on bonds and other contractual obligations issued to undertake various CPED activities as well as the internal transfer of eligible revenues to finance CPED development activities.

FINANCIAL ANALYSIS

Expenditure
For 2016, Community Planning and Economic Development's (CPED) budget is $97.5 million, an increase of 5.1% or $4.7 million from the 2015 budget. The increase is attributable to routine inflationary operating increases and the recommended additions.

Revenue
In 2016, the department anticipates $103.8 million in revenue, a decrease of $4.5 million or 4.1% from 2015. Use of Fund Balance decreased by $7.3 million, while department revenues increased by $2.8 million. Revenues in the department exceed expenditures due to the nature of license and permit fees as general fund resources that are used to fund city-wide operations.

Fund Allocation
In 2016, 36.7% of the department's budget is funded from general fund resources, or $35.8 million. The remaining budget is funded from federal and state grants, tax increment property taxes and transfers as well as other resources.

Mayor's Recommended Budget
The Mayor recommended additional ongoing General Fund appropriation of $210,000 (2.0 FTE) for delivery of the required Comprehensive Plan update, $850,000 from CPED special revenue funds for continuation of the Great Streets program, $180,000 (1.0 FTE) for the Next Steps for Disconnected Youth program (along with $320,000 from federal funding), $100,000 (1.0 FTE) for the Work Ready Youth Minneapolis program, $100,000 (1.0 FTE) for the Development Review Customer Service Center largely for the purpose of administering the Sewer Availability Charge (SAC) program, and $112,000 for a Build Leaders Program for Youth Development in conjunction with the Health Department. The Mayor's recommendation also includes a General Fund appropriation of $424,000 (4.0 FTEs) for building inspector positions in the Construction Code Services division.

The Mayor recommended one-time funding from the general fund of $1,000,000 for the City's Affordable Housing Trust Fund and $1,000,000 for other Affordable Housing Programs to meet the needs of family housing. The Mayor's recommendation also includes an additional $850,000 in new federal funding, as well as $150,000 in reallocated resources for the Affordable Housing Trust Fund. The Mayor recommendation additionally includes one-time funding from the general fund of $100,000 for an Opportunity Hub at Cedar Riverside, $175,000 for a minimum wage study, $50,000 for Green Zones, and $25,000 for Nokomis East Senior Center. The Mayor also recommended departmental reorganization to generate cost savings of $150,000 as part of the budget rightsizing efforts.

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

1. Reallocating the $25,000 in one-time General Fund resources for the Nokomis Healthy Seniors to the Neighborhood & Community Relations (NCR) Departments.
2. Providing an additional $1,500,000 for the Affordable Housing Trust Fund to be funded by available tax increment funds restricted for this use to provide for a total of $10,000,000 for the Affordable Housing Trust Fund in 2016.
3. Replacing $129,000 in General Fund funding for eligible Community Planning & Economic Development housing program costs with the additional levy resource from the Special Tax Levy (Chapter 595) and increasing the Department's employment and

training budget by $129,000 for Summit Academy OIC's contextualized GED Program. Summit Academy OIC is required to report back to the Community Development & Regulatory Services Committee on October 1, 2016, to provide an update on number of participants enrolled and number of participants who have successfully completed the program.

4. Reducing $50,000 in General Fund one-time enhancement funding for Green Zones in the Community Planning & Economic Development Department and reallocating $50,000 to the Fire Department. Of the total $50,000; $42,000 will be used for the purpose of partnering with organizations to provide youth technical training and outreach and for identifying and securing a location that will allow Hennepin County Technical College, Roosevelt High School's Multi-Craft Core Curriculum, and Public Works' Fleet Division Mechanic Trainee Program to receive educational equipment that has been leveraged through a Department of Employment and Economic Development (DEED) grant. The remaining $8,000 will be allocated to the Midtown Safety Center.
5. Correcting the original budget recommendation by providing $155,000 in existing resources from for Upper Harbor Terminal planning and $108,007 for short-term operating costs.
6. Correcting the original budget recommendation by providing $500,000 in existing resources for the Capital Acquisition Revolving Fund (CARF).
7. Correcting the original budget recommendation by providing $50,000 for Property Management.

The council also directed the department, in conjunction with Finance & Property Services, City Attorney's Office and other relevant departments, to return to both the Community Development & Regulatory Services and Ways & Means Committees by April 1, 2016, with an overview and report on the status of the City's tax increment financing (TIF) program, including the Common Project and Consolidated TIF Districts. Additionally, staff is directed to provide an overview of City development projects that are foreseeable in the next five years, including potential funding sources.

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	10,406,710	13,825,813	13,486,163	14,676,627	8.8%	1,190,464
FRINGE BENEFITS	3,763,011	4,904,943	5,118,623	5,680,807	11.0%	562,184
CONTRACTUAL SERVICES	3,884,190	5,442,353	8,041,412	7,883,625	-2.0%	(157,787)
OPERATING COSTS	1,573,370	2,452,727	2,430,060	2,846,717	17.1%	416,657
CAPITAL	17,451	2,293,821	3,405,730	4,695,730	37.9%	1,290,000
TOTAL GENERAL	**19,644,732**	**28,919,658**	**32,481,988**	**35,783,507**	**10.2%**	**3,301,518**
DEBT SERVICE						
CONTRACTUAL SERVICES		40				0
DEBT SERVICE	2,523,532	2,562,690		3,184,960		3,184,960
TRANSFERS	638,075	647,458				0
TOTAL DEBT SERVICE	**3,161,606**	**3,210,188**		**3,184,960**		**3,184,960**
CAPITAL PROJECT						
SALARIES AND WAGES	68,681	67,350				0
FRINGE BENEFITS	28,546	24,164				0
CONTRACTUAL SERVICES	450,370	207,501				0
OPERATING COSTS	3,064	1,366				0
TOTAL CAPITAL PROJECT	**550,661**	**300,382**				**0**
ENTERPRISE						
SALARIES AND WAGES	313,541	115,740	111,368	111,005	-0.3%	(363)
FRINGE BENEFITS	108,393	44,713	38,332	37,741	-1.5%	(591)
CONTRACTUAL SERVICES	2,116,698	2,056,832	1,020,800	1,213,507	18.9%	192,707
OPERATING COSTS	8,480	4,037	6,000	1,000	-83.3%	(5,000)
CAPITAL	57,458	5,763				0
DEBT SERVICE	6,538	474				0
TRANSFERS	155,605	45,300				0
TOTAL ENTERPRISE	**2,766,714**	**2,272,858**	**1,176,500**	**1,363,253**	**15.9%**	**186,753**
SPECIAL REVENUE						
SALARIES AND WAGES	5,912,156	3,815,036	3,739,330	3,891,224	4.1%	151,895
FRINGE BENEFITS	1,744,316	1,079,664	1,404,247	1,444,318	2.9%	40,071
CONTRACTUAL SERVICES	22,833,388	13,726,478	17,858,659	20,190,901	13.1%	2,332,242
OPERATING COSTS	5,163,060	4,197,208	1,541,052	716,927	-53.5%	(824,125)
CAPITAL	42,691,578	35,627,095	17,746,232	18,923,852	6.6%	1,177,620
DEBT SERVICE			105,372	104,709	-0.6%	(663)
TRANSFERS	17,176,513	19,555,253	16,691,950	11,871,406	-28.9%	(4,820,544)
TOTAL SPECIAL REVENUE	**95,521,012**	**78,000,735**	**59,086,841**	**57,143,337**	**-3.3%**	**(1,943,504)**
TOTAL EXPENSE	**121,644,726**	**112,703,822**	**92,745,330**	**97,475,056**	**5.1%**	**4,729,727**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	382	4,241	1,000	1,000	0.0%	0
CHARGES FOR SERVICES	813,616	3,376,205	4,196,000	4,153,000	-1.0%	(43,000)
FINES AND FORFEITS	150,376	106,038	163,000	163,000	0.0%	0
INTEREST		175,662			0.0%	0
LICENSE AND PERMITS	28,812,342	37,742,397	29,107,000	32,368,000	11.2%	3,261,000
OTHER MISC REVENUES	1,284	2,448,935	2,155,000	2,977,000	38.1%	822,000
SPECIAL ASSESSMENTS	116,839	29,543	7,000	30,000	328.6%	23,000
STATE GOVERNMENT		1,552			0.0%	0
GENERAL	**29,894,839**	**43,884,574**	**35,629,000**	**39,692,000**	**11.4%**	**4,063,000**
SPECIAL REVENUE						
CHARGES FOR SALES	11,658,645	1,171,865			0.0%	0
CHARGES FOR SERVICES	7,190,353	3,162,629	130,000	180,000	38.5%	50,000
CONTRIBUTIONS	256,364	182,600			0.0%	0
FEDERAL GOVERNMENT	15,558,487	(4,298,135)	5,134,392	4,507,201	-12.2%	(627,191)
FINES AND FORFEITS	22,000	30,000			0.0%	0
GAINS	12,980	86,000			0.0%	0
INTEREST	289,251	96,364	510,540	497,208	-2.6%	(13,332)
LICENSE AND PERMITS	220,492	196,694			0.0%	0
LOCAL GOVERNMENT	1,989,055	1,787,045			0.0%	0
LONG TERM LIABILITIES PROCEEDS			11,597,519	4,290,540	-63.0%	(7,306,979)
OTHER MISC REVENUES	10,531,647	8,349,738	4,438,973	3,481,074	-21.6%	(957,899)
PROPERTY TAXES	37,247,205	43,301,011	42,581,363	40,950,390	-3.8%	(1,630,973)
RENTS	3,948,531	4,130,360	2,587,500	962,500	-62.8%	(1,625,000)
SALES AND OTHER TAXES	73	109			0.0%	0
SPECIAL ASSESSMENTS	67,440	15,724	300,000	300,000	0.0%	0
STATE GOVERNMENT	18,262,392	12,449,774	1,821,500	1,845,000	1.3%	23,500
TRANSFERS IN	7,033,225	10,404,217	2,243,379	2,559,446	14.1%	316,067
SPECIAL REVENUE	**114,288,142**	**81,065,994**	**71,345,166**	**59,573,359**	**-16.5%**	**(11,771,807)**
CAPITAL PROJECT						
LICENSE AND PERMITS	630				0.0%	0
TRANSFERS IN	528,000	297,000			0.0%	0
CAPITAL PROJECT	**528,630**	**297,000**				**0**
DEBT SERVICE						
INTEREST	124	130			0.0%	0
TRANSFERS IN	3,112,346	3,364,711		3,184,960	0.0%	3,184,960
DEBT SERVICE	**3,112,470**	**3,364,841**		**3,184,960**		**3,184,960**
ENTERPRISE						

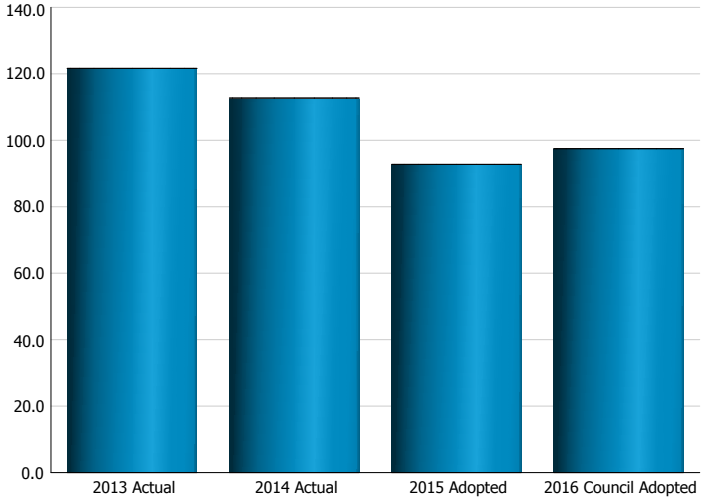
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
CHARGES FOR SALES		75,675			0.0%	0
CHARGES FOR SERVICES	2,100,136	1,721,864	1,270,000	400,000	-68.5%	(870,000)
GAINS		70,675			0.0%	0
INTEREST	27,129	27,740			0.0%	0
LONG TERM LIABILITIES PROCEEDS		(70,675)	26,800	963,253	3,494.2%	936,453
RENTS	206,250	17,217			0.0%	0
TRANSFERS IN	555,605	447,490			0.0%	0
ENTERPRISE	**2,889,119**	**2,289,986**	**1,296,800**	**1,363,253**	**5.1%**	**66,453**
TOTAL REVENUE	**150,713,200**	**130,902,395**	**108,270,966**	**103,813,572**	**-4.1%**	**(4,457,394)**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

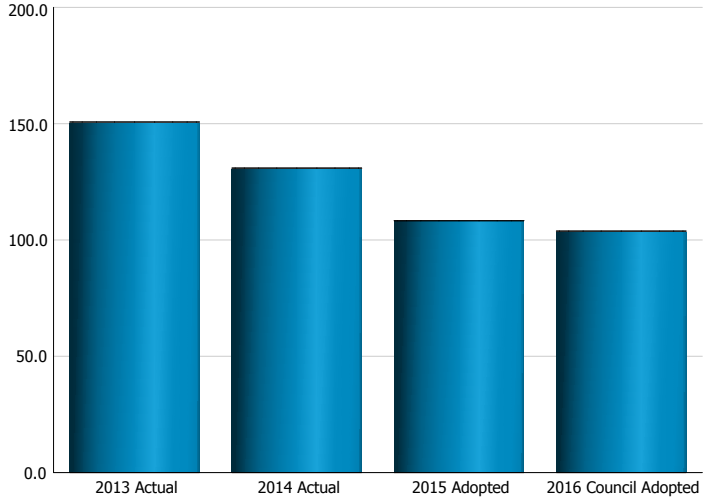
Expense 2013 - 2016

In Millions

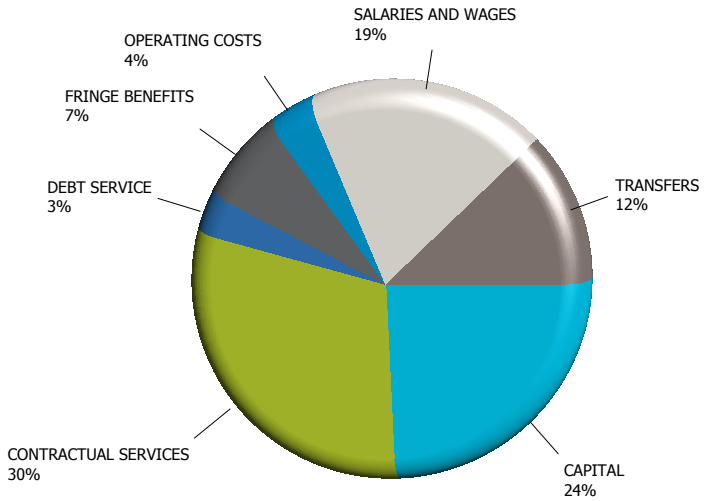


Revenue 2013 - 2016

In Millions



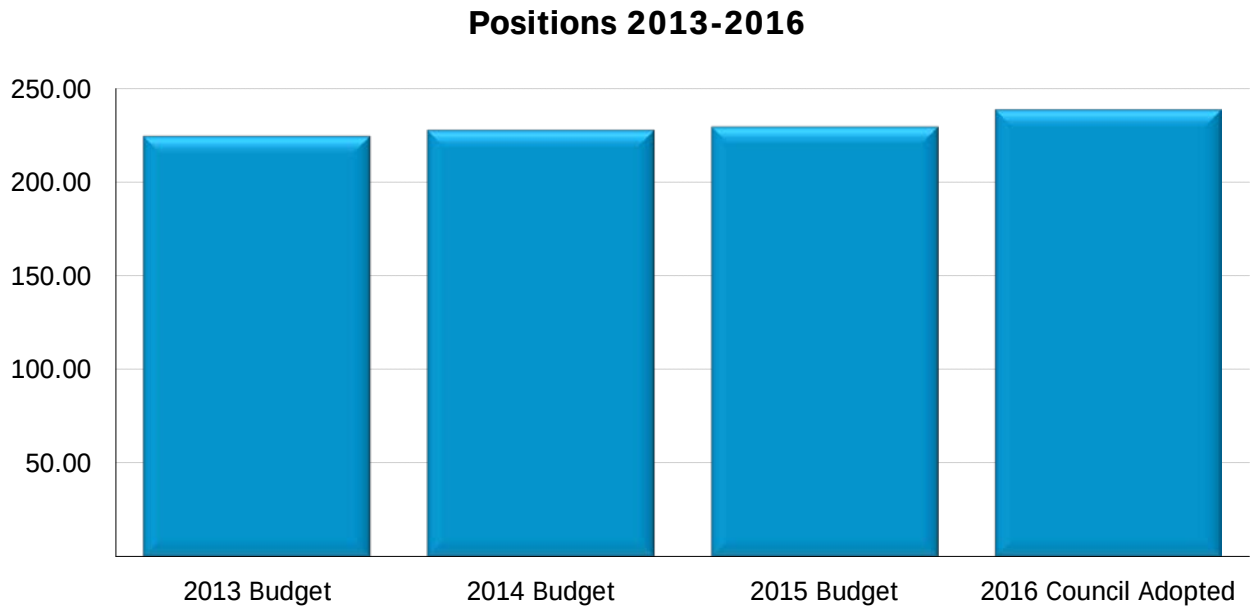
Expense by Category



COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
TOTAL CPED	224.80	228.00	230.00	239.00	3.9%	9.00
Overall	224.80	228.00	230.00	239.00	3.9%	9.00



FIRE

MISSION

The Minneapolis Fire Department is thoroughly trained and ready to protect lives, property and the environment by rapidly responding to emergencies and hazardous situations. The department is committed to prevention by proactively working with the community to reduce risk to life, property and the environment.

BUSINESS LINES

The Minneapolis Fire Department maintains a state of readiness in order to:

1. Respond to minimize loss of life or property and environmental impact

- Provide Emergency Medical Services (EMS), Fire suppression, Technical Rescue and Hazardous Material mitigation for anyone who lives in, works in or visits the City 24 hours per day, 7 days a week

- Provide Regional Emergency Service reciprocal support to others needing help, including deployment of the All Hazard Incident Management Team (AHIMT) and Minnesota Task Force One (MNTF1—a State asset of specially trained personnel in technical rescue), for natural disasters, homeland security, emergency preparedness, high impact incidents, as well as fulfilling the department's mutual aid and automatic aid agreements.

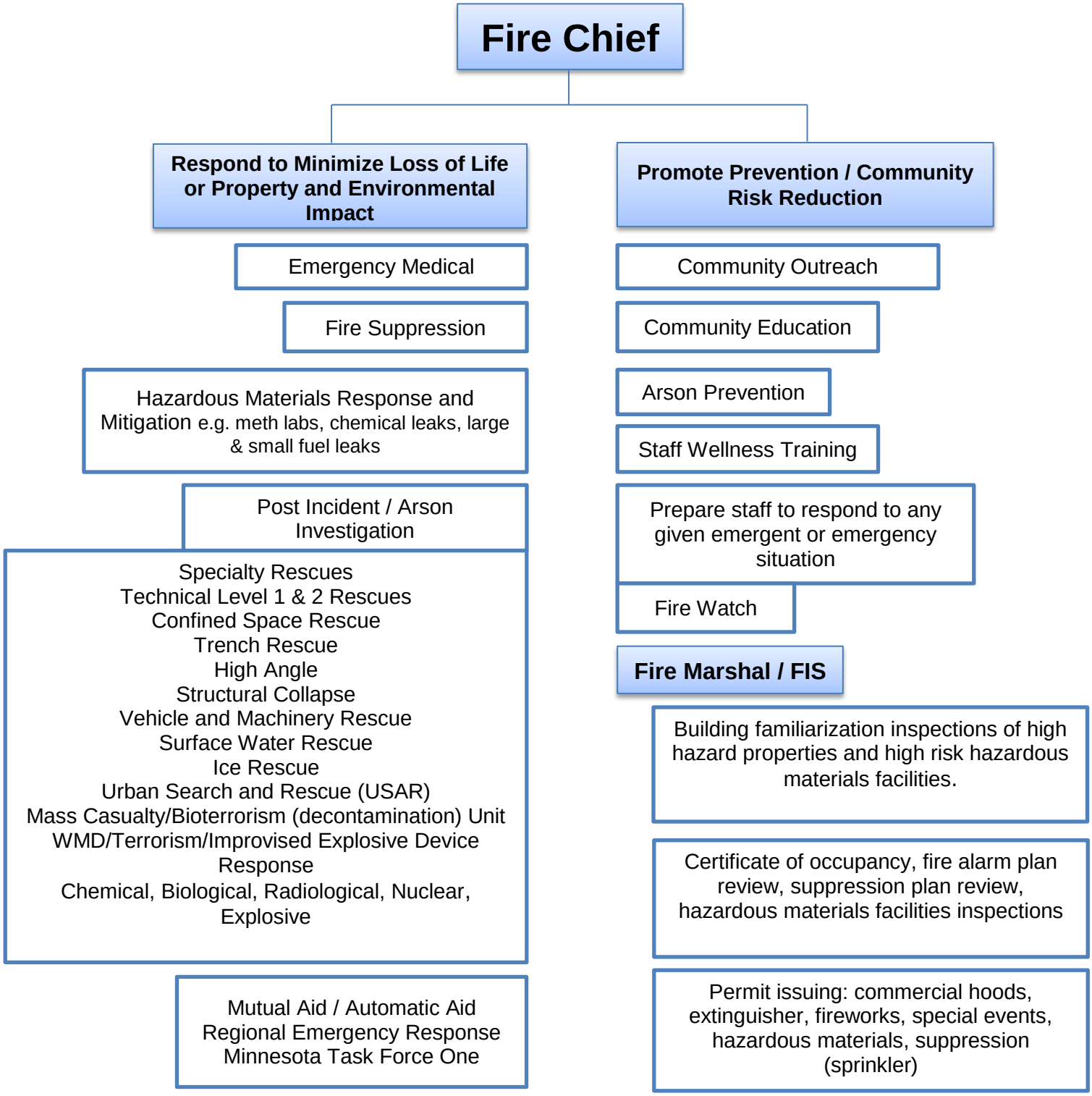
2. Promote prevention/community risk reduction by collaboratively working with and in the community to support changes to help preserve life, property and the environment

- Utilize the department's positive professional reputation to build lasting connections with residents and businesses throughout the community to foster safety education such as:
  Arson Prevention - Safety Awareness School Programs, - Emergency Evacuation Plans and Drills - Public Service Announcements - Community Outreach Programs (e.g. smoke detector give away, blood pressure screening, etc.)

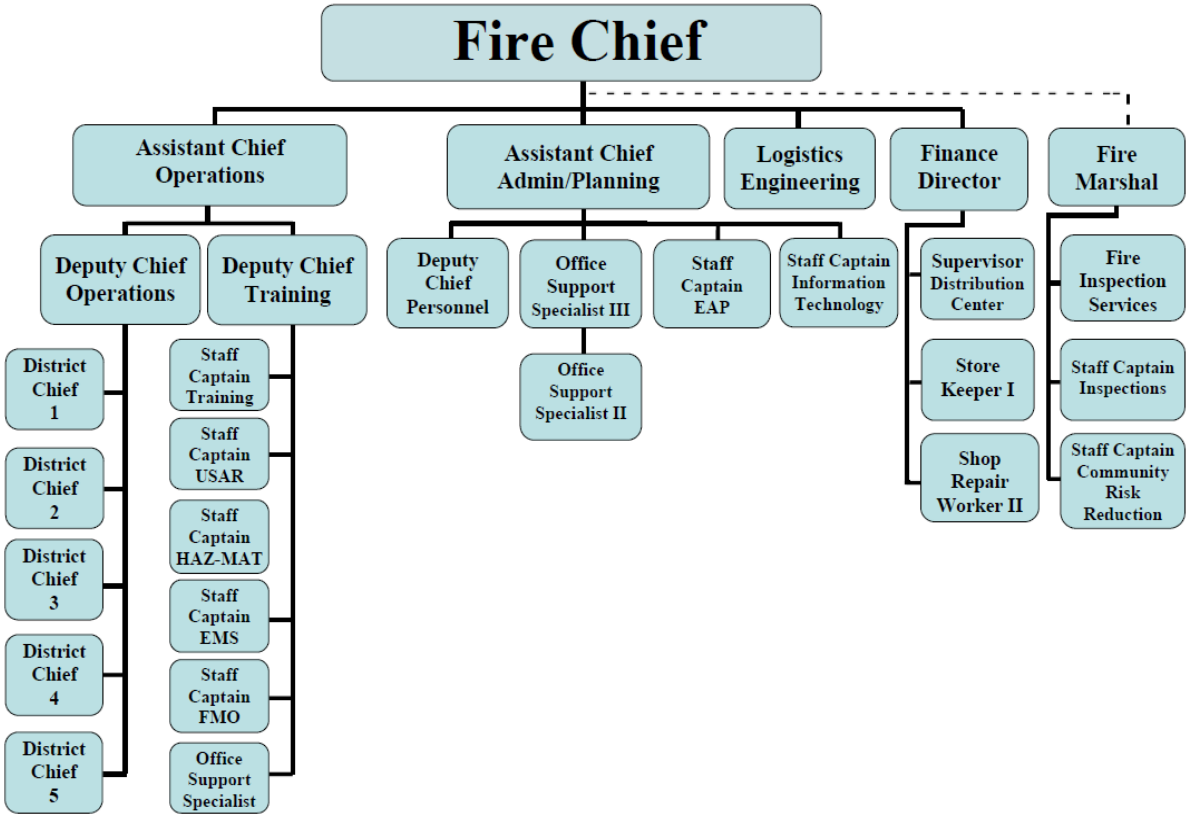
- Provide Fire Watch for Convention Center, sports facilities and other events as required

- Conduct building familiarization of high hazard properties and high risk hazardous materials facilities.

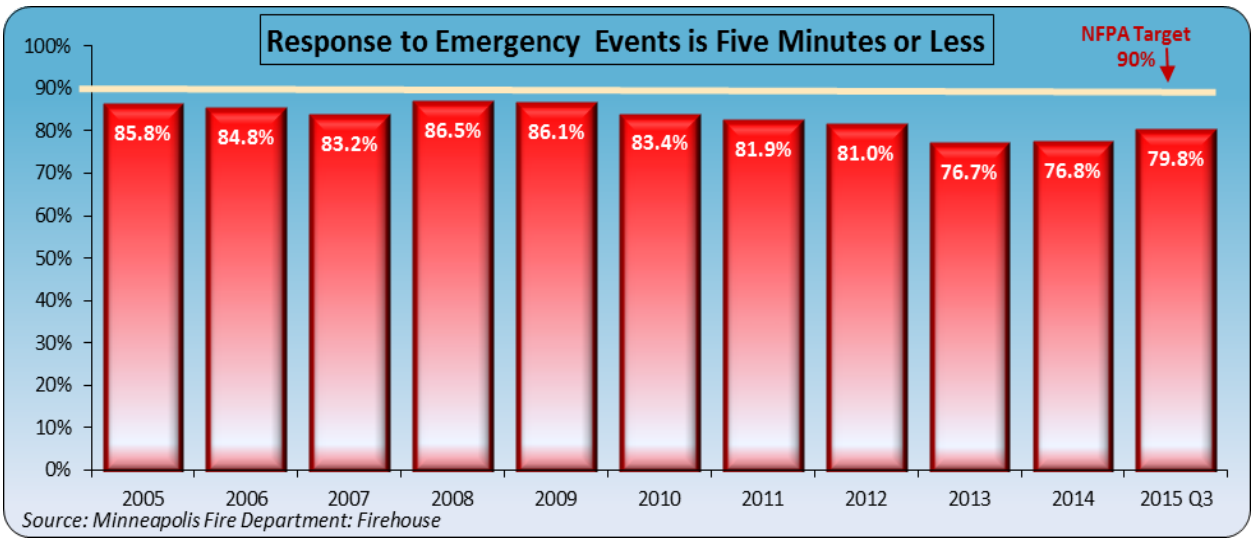
ORGANIZATION CHART

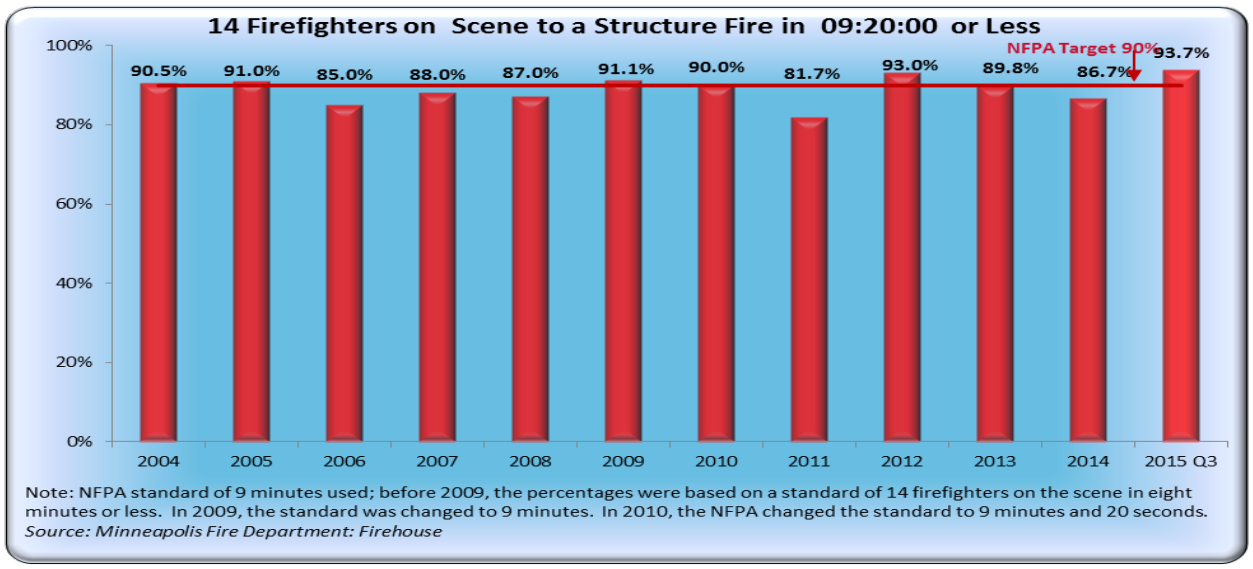


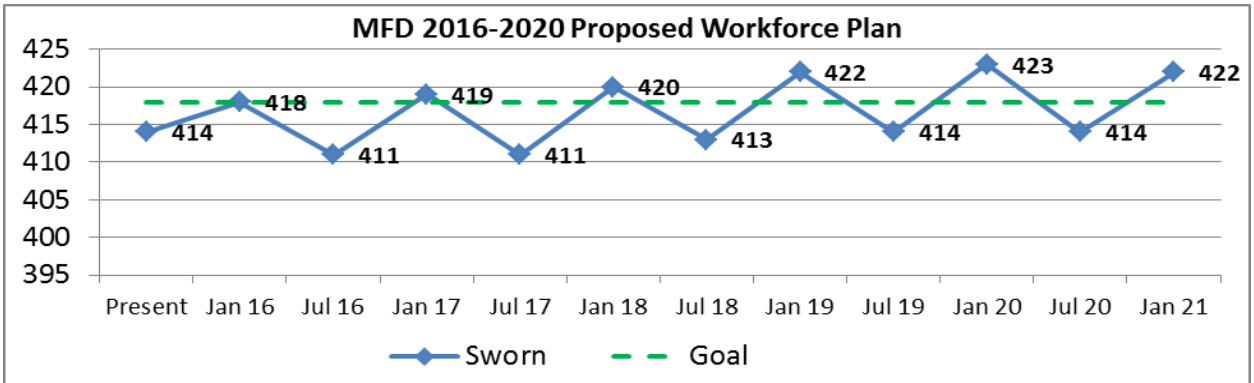
Minneapolis Fire Department
Organizational Chart



SELECTED RESULTS MINNEAPOLIS MEASURES

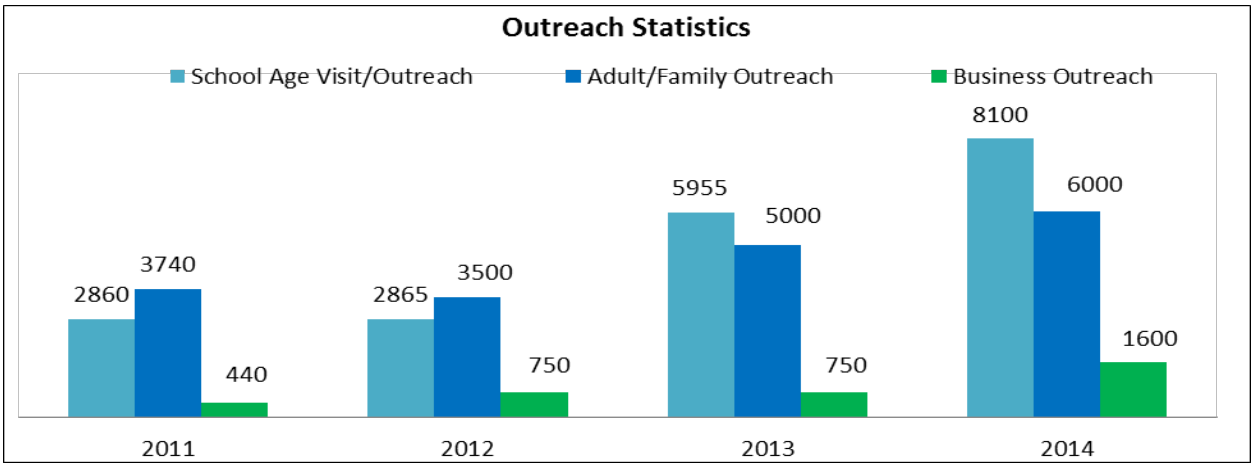


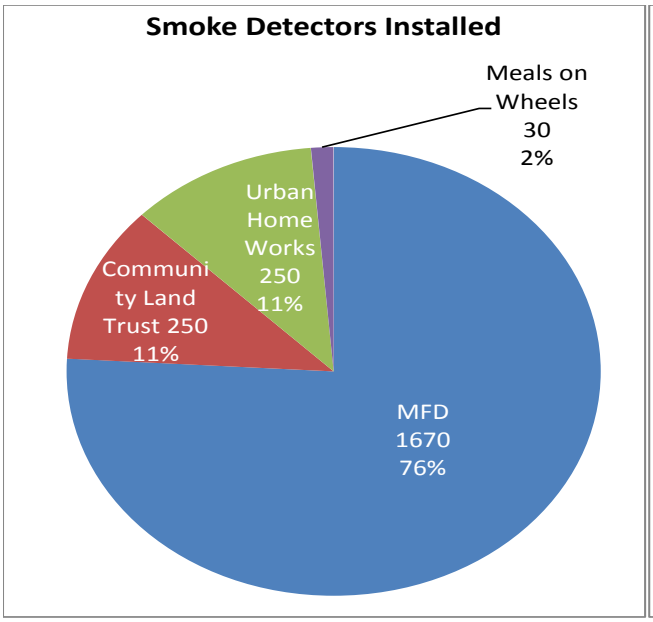


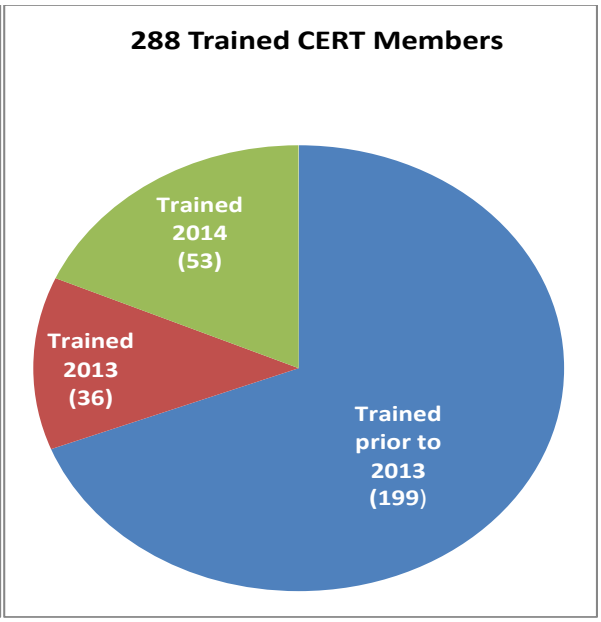


Hiring Assumptions:

1. 10 hires in October 2015
2. 15 hires in July 2016
3. 17 hires every July 2017-20
4. Yearly attrition calculated as all mandatory plus 20% of eligible.







A City That Works

Fire Suppression, Emergency Medical Service and Technical Rescue — General Fund: $44,135,006; Other Funds: $10,000

Fire Suppression, Emergency Medical Service and Technical Rescue describes the increased demand for services by cross-trained personnel who perform multiple functions in a growing range of services, such as Fire Response, Emergency & Medical Services, Hazardous Materials Response (Terrorism/WMD Response), Technical Rescue, Community Outreach and Prevention Education.

One Minneapolis

Training & Recruitment — General Fund: $9,379,558

The Training program is fundamental in building and maintaining firefighter's skills. The program aims at and developing a high-performing diverse workforce where personal strengths are recognized and individual differences are respected. The aim is to create potential career opportunities both internal and external, and cross displinary.

Living Well

Community Risk Reduction and Community Outreach — General Fund: $8,808,987

Prevention is the best form of suppression. The Community Risk Reduction and Community Outreach program promotes prevention/community risk reduction by proactively working with and in the community to support changes that will preserve life, property and the environment. This can be accomplished through community education, coaching organizations, focusing on school age children for early interventions and providing warning equipment to residents. The highest need populations include juveniles, non-English speaking residents, low income and our aging populations.

Financial Analysis

Expenditure
The total Fire Department's budget increases from $60.2 million to $62.3 million from 2015 to 2016. This is an increase of $2.1 million, or 3.5%. The Fire Department's 2016 expenditure budget reflects inflationary increases in operation costs, $1.6 million increase in cost allocations for rent and insurance, $100,000 in the CARS program and $292,000 in budgetary enhancements.

Revenue
Revenues are projected to decline by 6.8% in this department due to a reduction of revenue from the Firewatch program. The department's total revenues in 2016 are projected to be $2.0 million.

Fund Allocation
This department is funded completely in the General Fund with the exception of $10,000 in private donations/contributions.

Mayor's Recommended Budget
The Mayor recommended the following ongoing General Fund allocations: $50,000 for the Community Emergency Medical Technicians (EMT) program, $100,000 for the EMT Pathways Program, $50,000 for the Community Outreach Explorer Program, and $50,000 for the Emergency Medical Services Academy.

Council Adopted Budget
The City Council amended the Mayor's recommendations on a one-time basis by providing an additional $42,000 for the purpose of partnering with organizations to provide youth technical training and outreach and for identifying and securing a location that will allow Hennepin County Technical College, Roosevelt High School's Multi-Craft Core Curriculum, and Public Works' Fleet Division Mechanic Trainee Program to receive educational equipment that has been leveraged through a Department of Employment and Economic Development (DEED) grant.

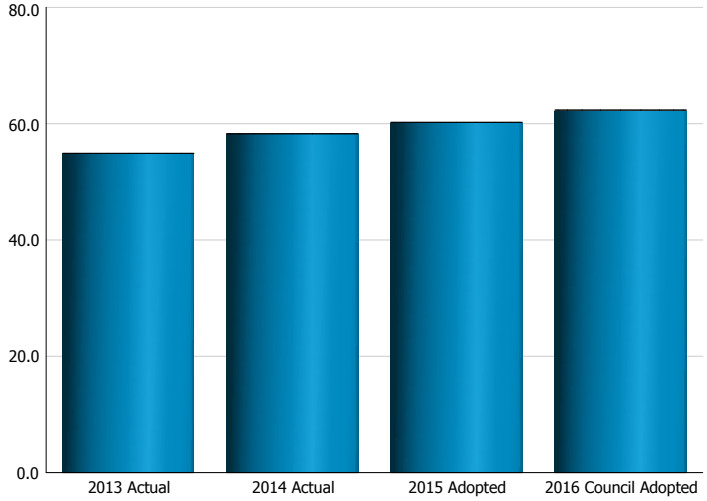
FIRE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	32,381,608	33,823,333	34,946,089	35,213,096	0.8%	267,007
FRINGE BENEFITS	13,385,447	15,067,667	15,051,707	15,753,988	4.7%	702,281
CONTRACTUAL SERVICES	6,032,232	6,603,505	7,234,001	8,490,644	17.4%	1,256,643
OPERATING COSTS	2,180,421	2,039,569	2,307,824	2,622,924	13.7%	315,100
CAPITAL	39,633	267,440	690,899	242,899	-64.8%	(448,000)
TOTAL GENERAL	**54,019,341**	**57,801,515**	**60,230,520**	**62,323,551**	**3.5%**	**2,093,031**
SPECIAL REVENUE						
SALARIES AND WAGES	402,226	329,320				0
FRINGE BENEFITS	168,619	106,063				0
CONTRACTUAL SERVICES	113,746	28,922		10,000		10,000
OPERATING COSTS	189,012	4,575				0
TOTAL SPECIAL REVENUE	**873,603**	**468,881**		**10,000**		**10,000**
TOTAL EXPENSE	**54,892,945**	**58,270,396**	**60,230,520**	**62,333,551**	**3.5%**	**2,103,031**

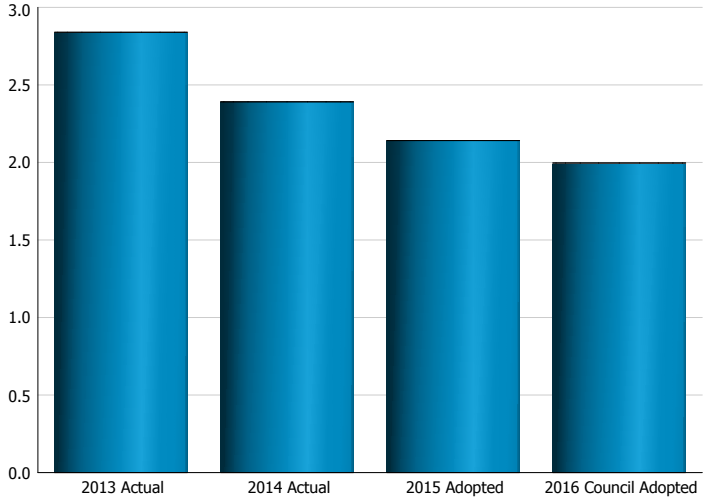
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	521	1,089	250	250	0.0%	0
CHARGES FOR SERVICES	315,817	131,868	201,000	186,000	-7.5%	(15,000)
CONTRIBUTIONS			10,000		-100.0%	(10,000)
LICENSE AND PERMITS	260				0.0%	0
OTHER MISC REVENUES	2,014	40			0.0%	0
RENTS		6			0.0%	0
STATE GOVERNMENT	1,720,274	1,788,352	1,930,000	1,800,000	-6.7%	(130,000)
GENERAL	**2,038,885**	**1,921,355**	**2,141,250**	**1,986,250**	**-7.2%**	**(155,000)**
SPECIAL REVENUE						
CONTRIBUTIONS	17,443	1,245		10,000	0.0%	10,000
FEDERAL GOVERNMENT	625,393	382,415			0.0%	0
STATE GOVERNMENT	157,788	86,150			0.0%	0
SPECIAL REVENUE	**800,625**	**469,811**		**10,000**		**10,000**
TOTAL REVENUE	**2,839,510**	**2,391,166**	**2,141,250**	**1,996,250**	**-6.8%**	**(145,000)**

FIRE
EXPENSE AND REVENUE INFORMATION

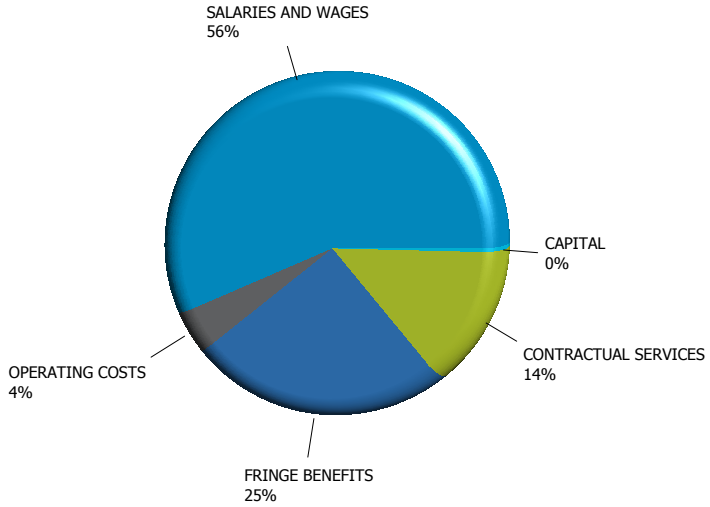
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



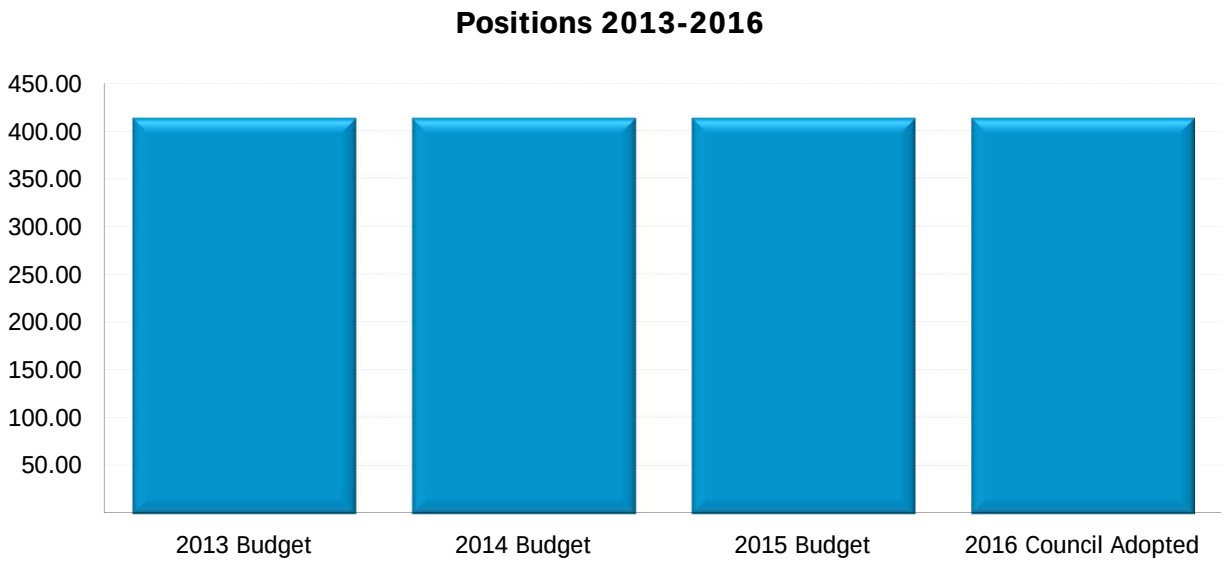
Expense by Category



FIRE

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
FIRE EMERGENCY RESPONSE	283.15	281.25	283.85	288.83	1.8%	4.99
FIRE EMPLOYEE TRAINING AND DEV	45.15	47.05	65.67	60.68	-7.6%	(4.99)
FIRE GRANTS AND DONATIONS	6.00	3.00			0.0%	0
FIRE PREVENTION SERVICES	78.70	81.70	63.48	63.48	0.0%	0
Overall	413.00	413.00	413.00	413.00	0.0%	0



HEALTH DEPARTMENT

MISSION

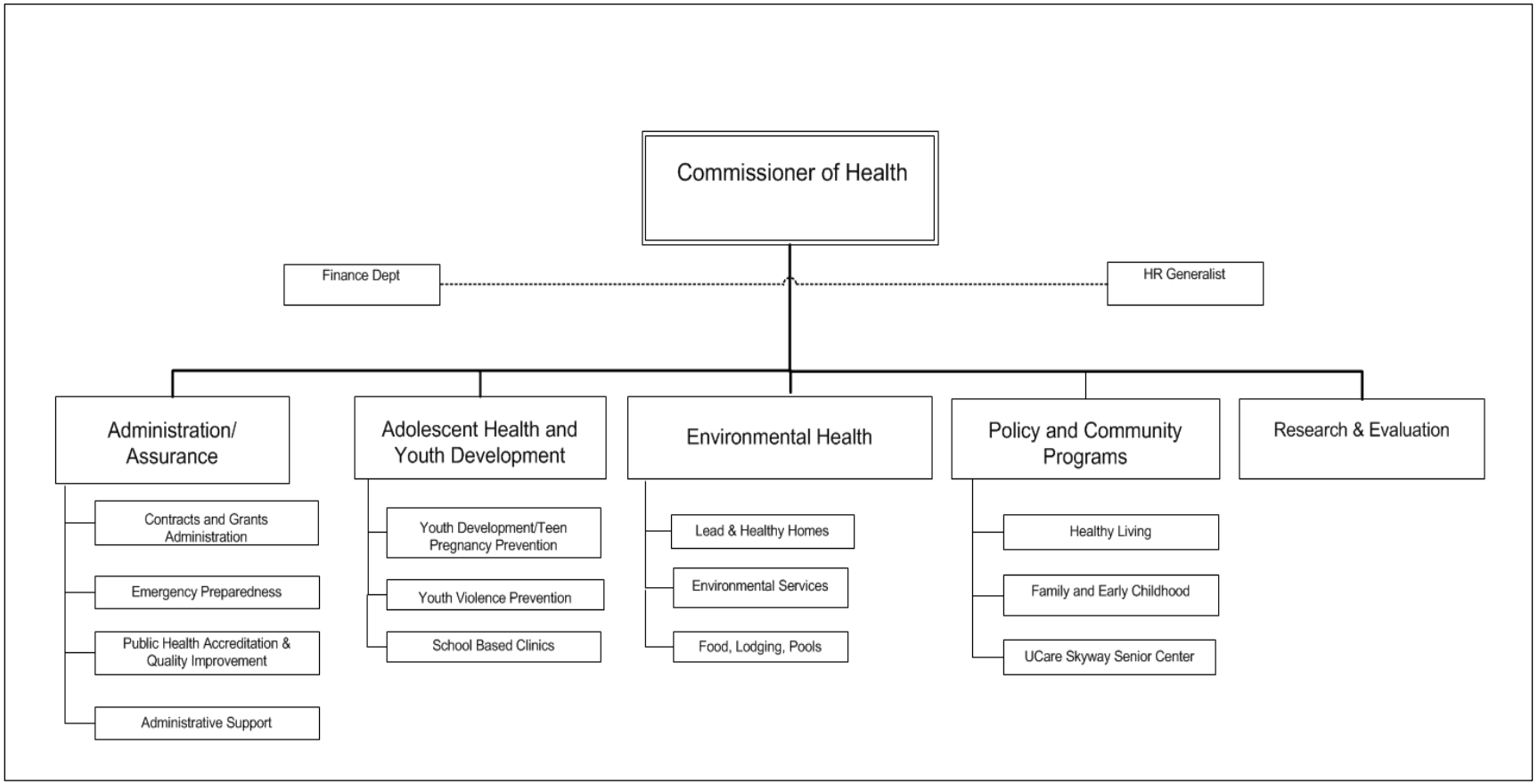
The Minneapolis Health Department improves the quality of life for all people in the city by protecting the environment, preventing disease and injury, promoting healthy behaviors, and creating a city that is a healthy place to live, work, and play

BUSINESS LINES

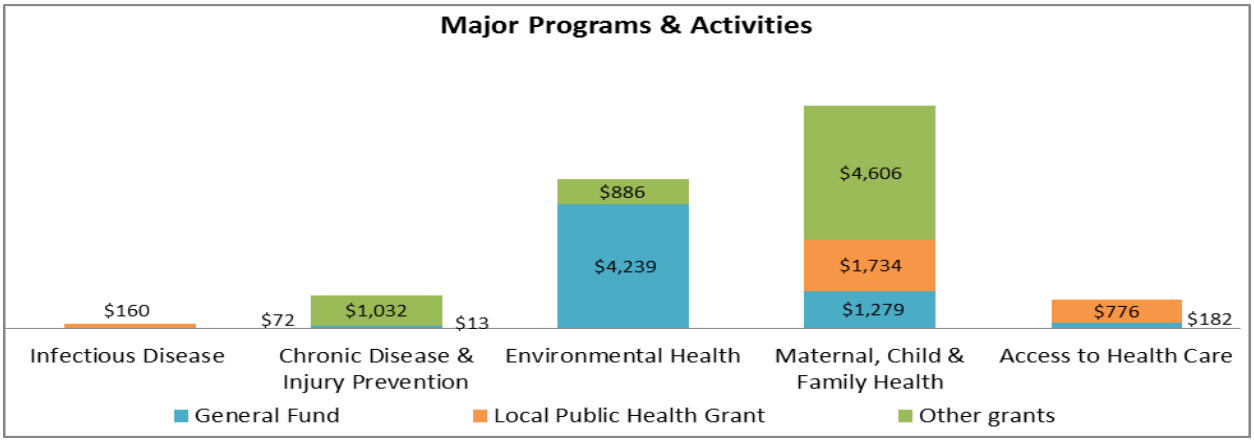
As a local public health entity operating under a Board of Health (City Council), the department is mandated by state statute 145A to provide directly or contract for essential public health services for Minneapolis residents. Per this statute, the department assures an adequate public health infrastructure and promotes healthy communities and healthy behaviors. It is tasked with preventing the spread of infectious disease and protecting against environmental health hazards. In addition, the statute requires the department to prepare for and respond to disasters, assist communities in recovery and, assure the quality and accessibility of health services. The department's major programs are:

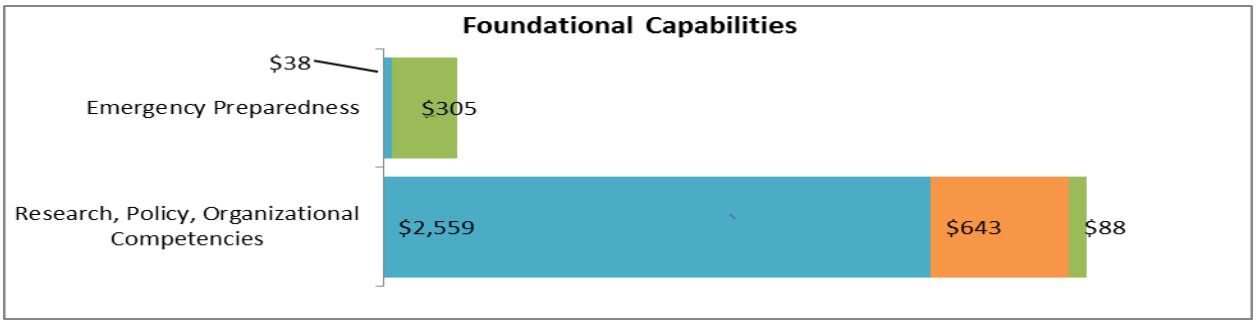
- Adolescent Health and Youth Development
    - School Based Clinics
    - Youth development and teen pregnancy prevention
    - Youth violence prevention
- Environmental Health
    - Food Lodging and Pools
    - Lead and Healthy Homes
    - Environmental Services
- Research and Evaluation
    - Data collection, analysis and dissemination
    - Research projects
- Policy and Community Programs
    - Local, state and federal policy initiatives
    - Maternal/paternal and child health, Healthy Start
    - Healthy Living
    - UCare Skyway Senior Center
- Administration and Assurance
    - Emergency Preparedness
    - Contract management, grants
    - Administrative support
    - Enterprise liaison
    - Accreditation

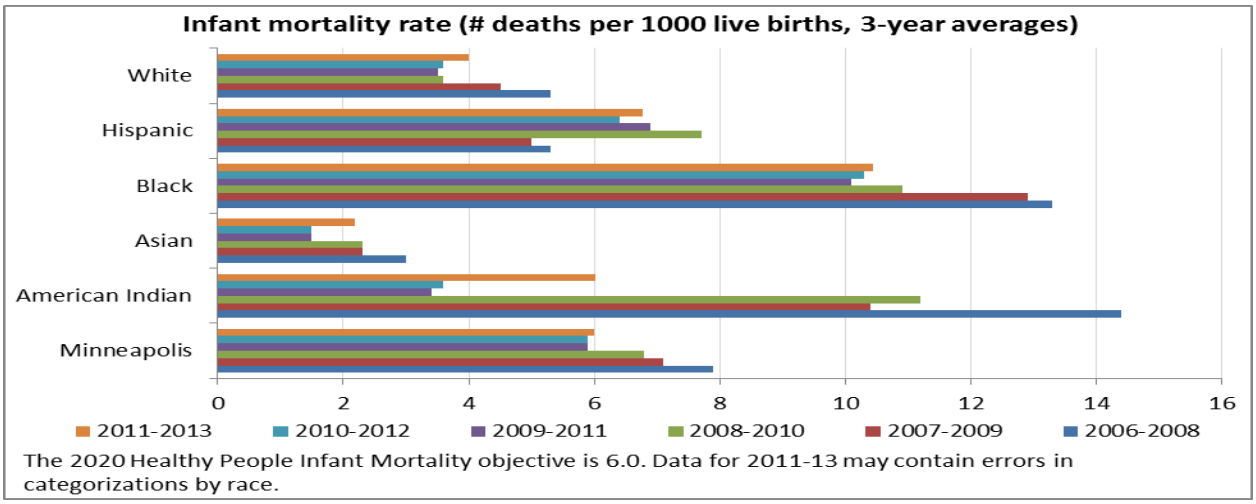
ORGANIZATION CHART

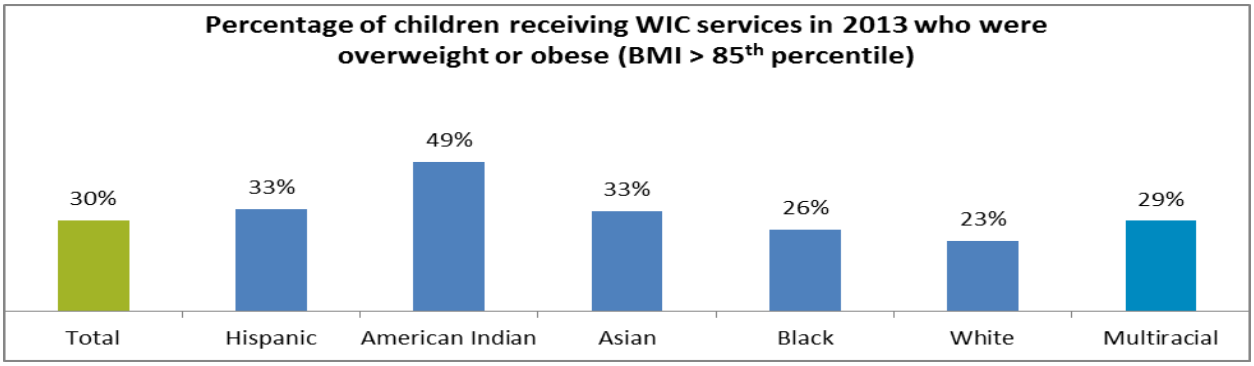


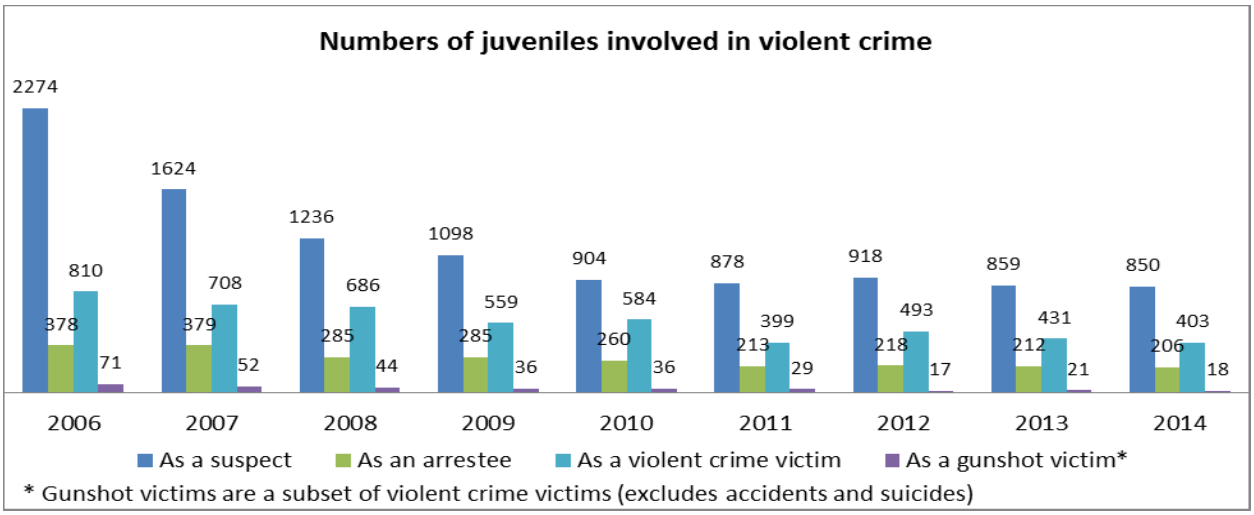
SELECTED RESULTS MINNEAPOLIS MEASURES

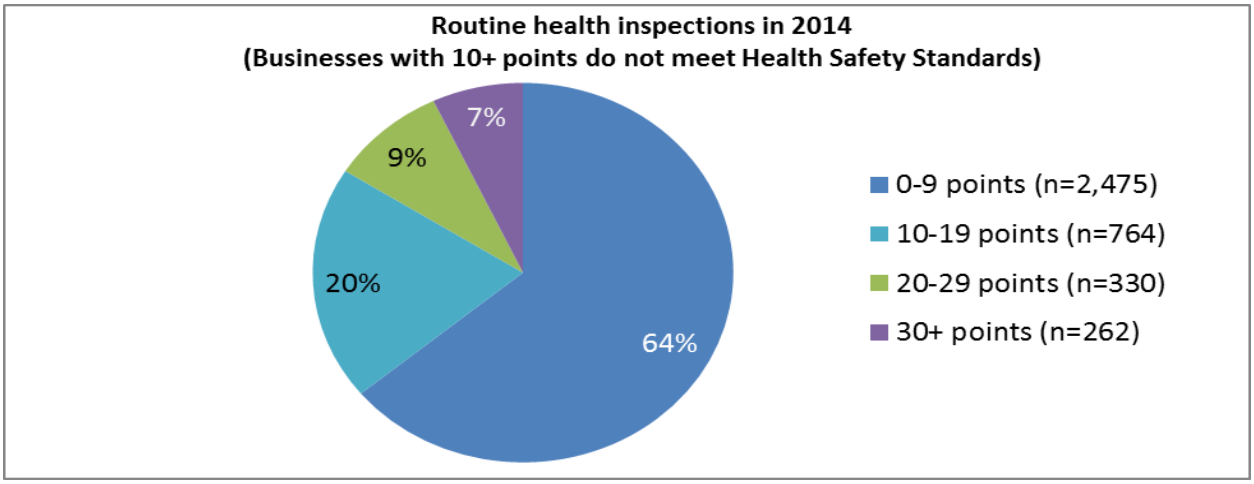


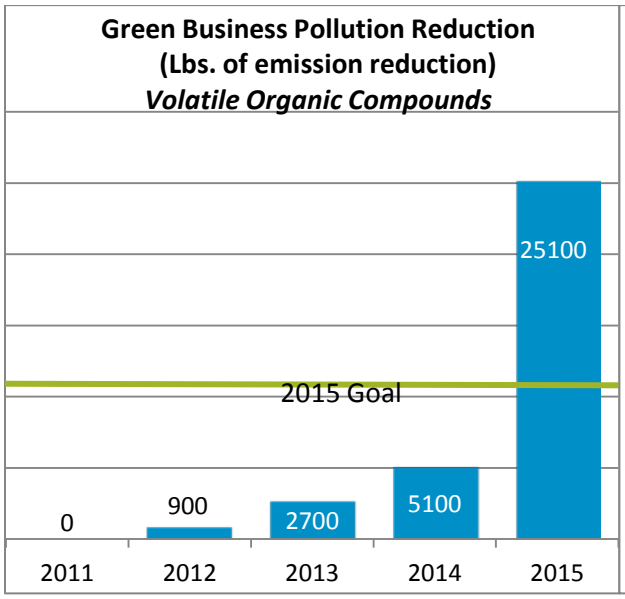


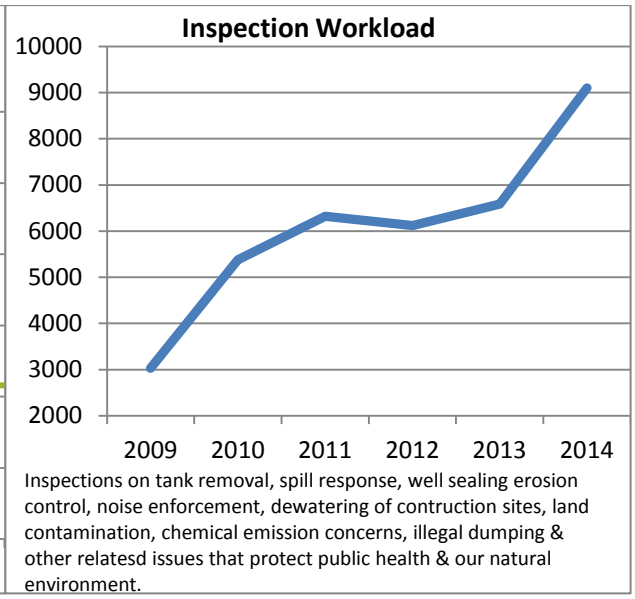


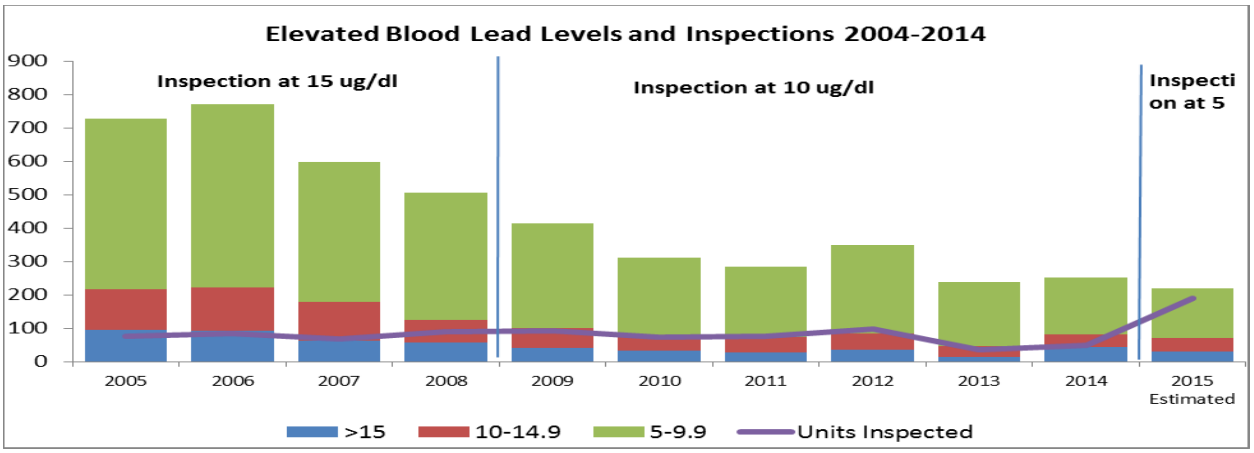


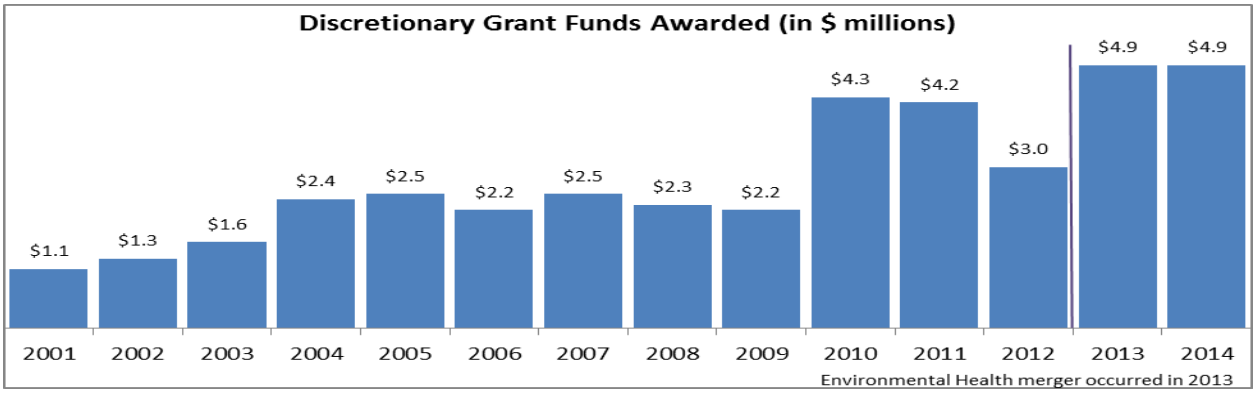

Numbers of juveniles involved in violent crime
2274
810
378
71
1624
708
379
52
1236
686
285
44
1098
559
285
36
904
584
260
36
878
399
213
29
918
493
218
17
859
431
212
21
850
403
206
18
2006
2007
2008
2009
2010
2011
2012
2013
2014
As a suspect
As an arrestee
As a violent crime victim
As a gunshot victim*
* Gunshot victims are a subset of violent crime victims (excludes accidents and suicides)


Routine health inspections in 2014
(Businesses with 10+ points do not meet Health Safety Standards)
7%
9%
20%
64%
0-9 points (n=2,475)
10-19 points (n=764)
20-29 points (n=330)
30+ points (n=262)


Green Business Pollution Reduction
(Lbs. of emission reduction)
Volatile Organic Compounds
2015 Goal
0
900
2700
5100
25100
2011
2012
2013
2014
2015


Inspection Workload
10000
9000
8000
7000
6000
5000
4000
3000
2000
2009
2010
2011
2012
2013
2014
Inspections on tank removal, spill response, well sealing erosion control, noise enforcement, dewatering of contruction sites, land contamination, chemical emission concerns, illegal dumping & other relatesd issues that protect public health & our natural environment.





Many People, One Minneapolis

Family and Early Childhood General Fund: $511,930
Other Funds: $2,385,348

Several programs and services promote healthy birth outcomes, positive parent-child interaction, child growth and development, family self sufficiency, nutrition education, and family planning and connection to early childhood education. Additonal programs promote school ready children.

School Based Clinic Program General Fund: $287,015
Other Funds: $2,681,363

The Department operates School Based Clinics (SBC) in seven Minneapolis public high schools. All clinic services are provided by medical and behavioral health professionals, focus on adolescent health services including acute illness care, well-teen exams, reproductive care, nutrition education, immunizations, and mental health screenings, diagnostic assessments and counseling.

Youth Development and Sexual Health General Fund: $609,034
Other Funds: $1,033,194

This program includes policy work and out-of-school time services for low income youth; collaborative partnerships with schools, county and community based agencies; technical

assistance and training to youth workers, teachers and volunteers; culturally competent sexuality education; and coordination of the City's prevention response to the Safe Harbors Act.

Youth Violence Prevention General Fund: $244,603
Other Funds: $628,322

The Health Department leads and coordinates citywide efforts to implement the Youth Violence Blueprint for Action through policy, planning, community support, and programming. Activities include: planning and service coordination with jurisdictional partners, technical assistance to community-based agencies, oversight of the Juvenile Supervision Center for curfew, truancy, and low-level offenders, and individualized case management and mentoring for youth at risk of involvement with violence.

Senior Services General Fund: $70,000
Other Funds: $187,801

UCare Skyway Senior Center is a safe, friendly, and comfortable place for people age 50 and older to gather in downtown Minneapolis to participate in a variety of activities, such as physical fitness, health and wellness, learning opportunities and socialization events. The Center serves more than 15,500 seniors annually with an average daily visitor count of 73.

The Minnesota Visiting Nurse Agency provides home health care/therapeutic services for eligible high-risk and low-income seniors age 60 and older who lack medical reimbursement. Eligible seniors receive skilled nursing and therapy visits and home health aide/ homemaker visits; a significant number require interpreter services.

Living Well

Lead Poisoning and Healthy Homes General Fund: $580,673
Other Funds: $1,255,906

The Lead Poisoning Prevention and Healthy Homes initiative assures residential homes are safe from lead hazards by conducting inspections for children with diagnosed lead poisoning. Repairs lead hazards to protect children from exposure to lead which interferes with brain development during a critical stage. Minneapolis currently inspects homes of children with a blood lead level of 10 ug/dl of blood. A Federal grant supports efforts to address other hazards such as mold, radon, and falls among the elderly.

Emergency Preparedness and Infectious Disease Prevention General Fund: $38,419
Other Funds: $453,073

The Minneapolis Health Department is required by Minnesota statute and City Charter to assure the health and safety of residents and visitors from infectious disease. The Department does so through collaboration, contracts, and participation in a community-wide continuum of care. That response includes routine prevention and intervention activities (provided through contract by Hennepin County); responses to small events, such as tuberculosis and food borne illness; support for residents affected by natural or other disasters, such as the Northside tornado, and responses to large public health emergencies such as a flu epidemic.

Food Lodging and Pools General Fund: $2,655,306

The Food Lodging and Pools program ensures commercial and institutional foods are safe and in compliance with state and local health codes by conducting more than 7,000 inspections a year of over 5,000 facilities including restaurants, schools, board and lodging facilities, hotels, pools, tanning and body arts establishments, day care centers, farmers markets, groceries, and food vendors.

Eco-Focused

Environmental Services General Fund: $1,449,913

Environmental Services protects environmental and public health from the adverse effects of pollution through two state delegated well programs, one federally mandated storm water program, nine local environmental permits, and immediate response to spills and citizen concern. The Health Department has become a progressive leader in local environmental work with the most comprehensive air quality study of any major city, managing the Midwest's first energy disclosure policy, and the most aggressive partnership programs with local businesses to improve neighborhood environmental quality in the country.

Livable Communities, Healthy Lives

Minneapolis Healthy Living Initiative Other Funds: $1,371,971

The Healthy Living Initiative is a collection of 23 strategies implemented with community partners to increase opportunities for healthy eating, physical activity and tobacco-free living in public housing, schools, neighborhoods, clinics, food shelves, stores, restaurants, worksites and other settings. The goal of these strategies is to reduce the burden of tobacco- and obesity-related chronic diseases on individuals, communities, employers, and the health care system.

A City that Works

Core Public Health Infrastructure General Fund: $2,466,950
Other Funds: $1,088,321

As a local public health entity operating under a Board of Health (City Council), the department is mandated by Minnesota Statutes, chapter 145A, to provide directly or contract for essential public health services for Minneapolis residents. An adequate public health infrastructure includes a governance structure, assessing community health needs, setting health priorities, meeting state reporting requirements, engaging the community, advocating for policy changes, fostering healthy environments, and ensuring that staffing reflects the diversity of the Minneapolis community. In Minneapolis, grant writing to address priority needs is also an essential component of the Public health infrastructure.

Financial Analysis

Expenditure

For 2016, the Minneapolis Health Department budget is $20.0 million, an increase of 7.9% over the 2015 budget of $18.5 million. The General Fund portion of the department's budget is increasing by 5.6%, or $475,000, reflecting routine inflationary operating increases and internal

service charges, as well as budgetary enhancements. Special revenue-funded expenditures are increasing by $1.0 million or 9.8% reflecting increasing service delivery in grant funded activities.

Revenue
Total revenue for the Minneapolis Health Department is projected to increase by 9.5% to $13.0 million in 2016. The increase is primarily associated with an increase in federal grants, while the funding from the General Fund remains relatively stable.

Fund Allocation
This department is funded partially by the General Fund (45%), with the remaining funding from in State and Other Funds and Federal Funds (55%).

Mayor's Recommended Budget
The Mayor recommended additional ongoing General Fund appropriation of $30,000 to invest in the Cradle-to-K Initiative, $75,000 for a parental support program for youth development, $40,000 for lead hazard control and healthy homes activities, $75,000 to expand training and outreach for licensed businesses, $60,000 (1.0 FTE) for a customer service representative to support permitting, licensure, citation and annual registration activities, $75,000 to continue the Green Business Matching Grant Program supporting business' efforts to improve local air quality, and $34,000 (.25 FTE) to provide community outreach supporting the City's comprehensive air quality program.

The Mayor also recommended one-time funding of $25,000 for youth violence prevention, $114,000 (1.0 FTE) for lead hazard control and healthy homes activities, and $50,000 to support creation of a 4H program for the Somali community. The Mayor also directed the Health Department to work in conjunction with Public Works, Regulatory Services and the Police Departments to provide services to support up to eight events associated with the Open Streets program within existing budgetary resources.

Council Adopted Budget
The City Council amended the Mayor's recommendations by decreasing the department's Capital Asset Request budget by $12,500 for furnishings at the skyway senior center and increasing the General Fund allocation by $75,000 on a one-time basis.

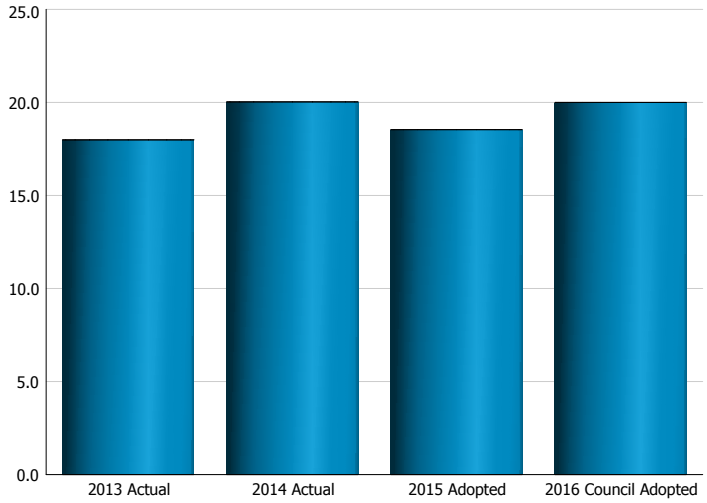
MINNEAPOLIS HEALTH DEPARTMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,756,213	2,972,569	3,331,950	3,542,415	6.3%	210,465
FRINGE BENEFITS	871,932	1,155,820	1,380,419	1,436,134	4.0%	55,715
CONTRACTUAL SERVICES	2,746,452	2,912,217	3,371,101	3,038,762	-9.9%	(332,339)
OPERATING COSTS	594,846	480,060	130,312	896,531	588.0%	766,219
CAPITAL			225,000		-100.0%	(225,000)
TOTAL GENERAL	**6,969,443**	**7,520,666**	**8,438,782**	**8,913,842**	**5.6%**	**475,060**
SPECIAL REVENUE						
SALARIES AND WAGES	2,793,414	3,427,362	3,598,093	3,897,976	8.3%	299,883
FRINGE BENEFITS	1,065,990	1,210,560	1,485,584	1,539,168	3.6%	53,584
CONTRACTUAL SERVICES	6,784,734	7,600,452	4,949,260	4,220,900	-14.7%	(728,360)
OPERATING COSTS	340,371	267,116	64,696	1,427,255	2,106.1%	1,362,559
CAPITAL	33,994	3,189				0
TOTAL SPECIAL REVENUE	**11,018,502**	**12,508,680**	**10,097,633**	**11,085,299**	**9.8%**	**987,666**
TOTAL EXPENSE	**17,987,945**	**20,029,345**	**18,536,415**	**19,999,142**	**7.9%**	**1,462,726**

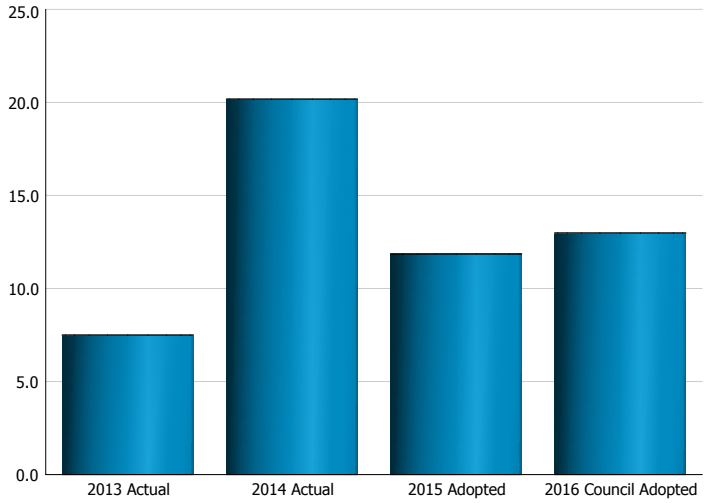
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	30,100				0.0%	0
FINES AND FORFEITS	112,634	84,117	78,000	80,000	2.6%	2,000
LICENSE AND PERMITS	2,185,265	2,210,708	2,272,226	2,190,474	-3.6%	(81,752)
OTHER MISC REVENUES	103,822	141,660	83,000	125,000	50.6%	42,000
SPECIAL ASSESSMENTS	15,400	5,477			0.0%	0
GENERAL	**2,447,222**	**2,441,962**	**2,433,226**	**2,395,474**	**-1.6%**	**(37,752)**
SPECIAL REVENUE						
CHARGES FOR SALES	117	3,183			0.0%	0
CHARGES FOR SERVICES	698,568	697,725	709,210	763,833	7.7%	54,623
CONTRIBUTIONS	222,775	280,156	186,000	186,000	0.0%	0
FEDERAL GOVERNMENT	222,440	12,685,076	4,269,008	5,282,817	23.7%	1,013,809
INTEREST	226	79			0.0%	0
LOCAL GOVERNMENT	263,837	150,685	176,666	188,668	6.8%	12,002
LONG TERM LIABILITIES PROCEEDS				249,535	0.0%	249,535
OTHER MISC REVENUES	51,898	112,502	2,500	1,800	-28.0%	(700)
SALES AND OTHER TAXES		44,371	7,000		-100.0%	(7,000)
STATE GOVERNMENT	3,588,874	3,761,780	4,074,405	3,912,808	-4.0%	(161,597)
SPECIAL REVENUE	**5,048,736**	**17,735,557**	**9,424,789**	**10,585,461**	**12.3%**	**1,160,672**
TOTAL REVENUE	**7,495,957**	**20,177,519**	**11,858,015**	**12,980,935**	**9.5%**	**1,122,920**

MINNEAPOLIS HEALTH DEPARTMENT
EXPENSE AND REVENUE INFORMATION

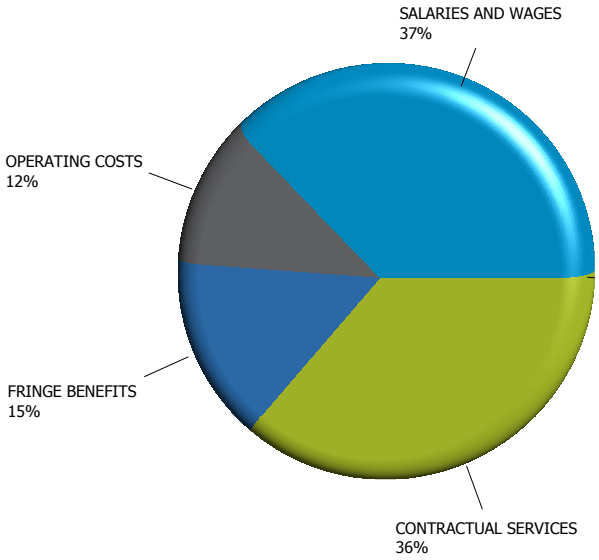
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



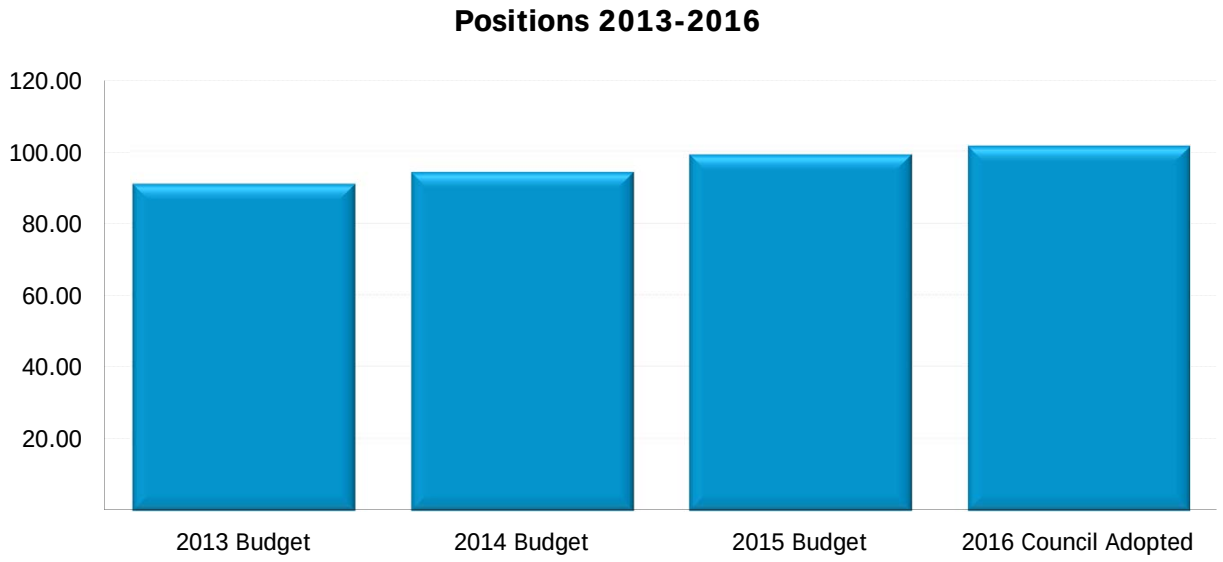
Expense by Category



MINNEAPOLIS HEALTH DEPARTMENT

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
ADMIN/INTERNAL SERVICES CHARGE	1.00				0.0%	0
CORE INFRASTRUCTURE	13.00	13.10	14.55	15.09	3.7%	0.54
EMERGENCY PREP & INFECTIOUS DISEASE	2.85	2.60	2.70	2.70	0.0%	0
ENVIRONMENTAL SERVICES	10.50	10.50	11.50	11.75	2.2%	0.25
FOOD LODGING AND POOLS	19.00	21.00	22.00	22.00	0.0%	0
HEALTHY HOMES AND ENVIRONMENT	1.00				0.0%	0
HEALTHY LIVING	4.55	6.55	7.35	8.63	17.4%	1.28
LEAD AND HEALTHY HOMES	9.00	9.30	9.00	10.00	11.1%	1.00
PERINATAL EARLY CHILDHOOD/FAMILY	2.25	2.35	4.00	2.55	-36.3%	(1.45)
SCHOOL BASED CLINICS	22.50	23.30	22.30	23.38	4.8%	1.08
SENIOR SERVICES	1.00	1.00	1.10	1.00	-9.1%	(0.10)
YOUTH DEVEL- TEEN PREG PREV	1.35	1.20	1.30	0.90	-30.8%	(0.40)
YOUTH VIOLENCE PREVENTION	3.00	3.40	3.50	3.55	1.4%	0.05
Overall	91.00	94.30	99.30	101.55	2.3%	2.25



INTERNAL AUDIT

MISSION

Internal Audit serves the City of Minneapolis and the public interest by providing the Mayor, City Council, and other City leaders and management with objective services to help minimize risks, improve internal controls, maximize efficiencies and effectiveness of operations, reduce cost, and strengthen accountability.

BUSINESS LINES

Powers and duties of the Internal Auditor:

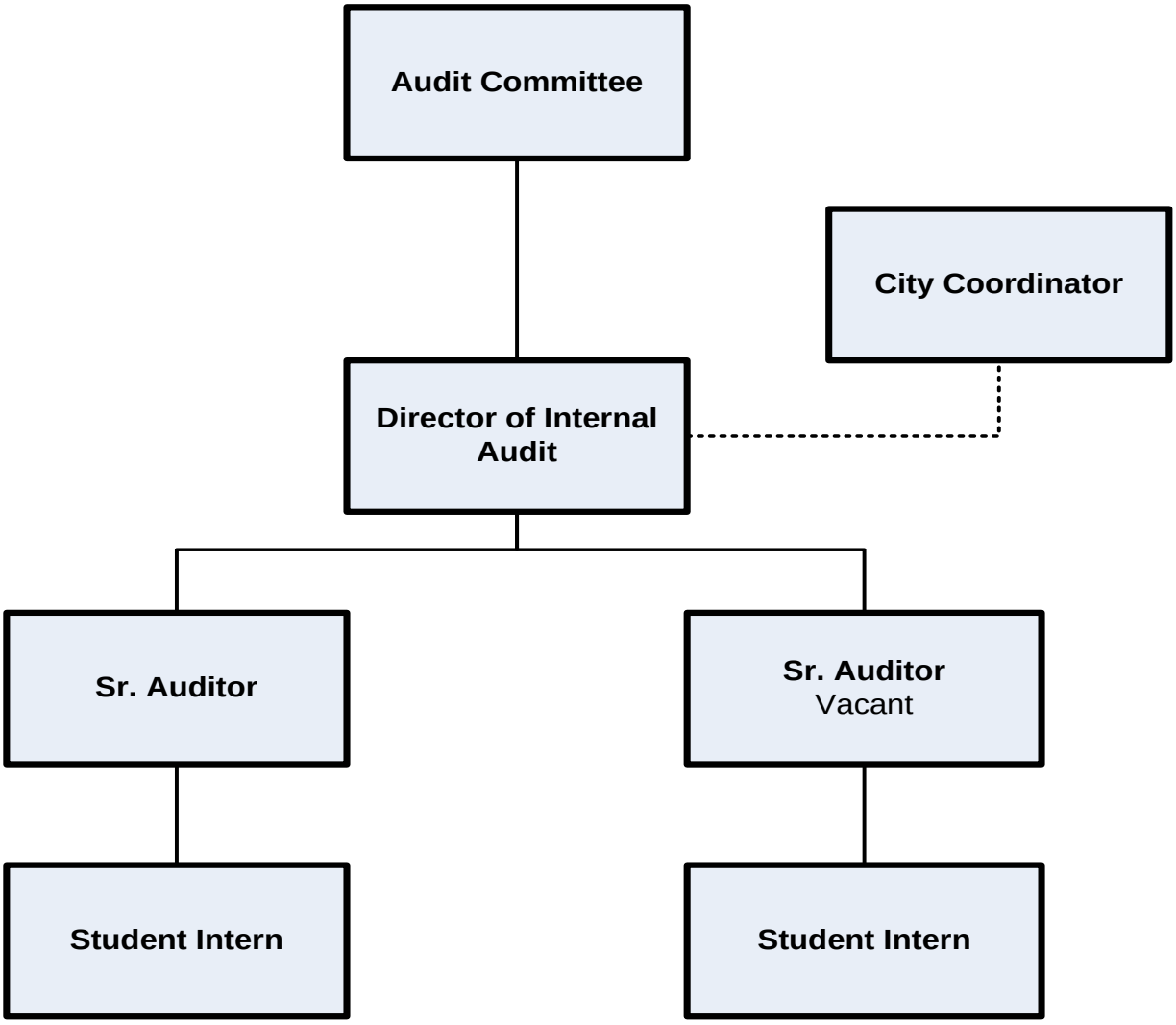
a) The internal auditor shall:

1) Establish guidelines, policies, and procedures for the conduct of periodic internal audits.
2) Develop an annual audit plan to be submitted to the Audit Committee for approval.
3) Conduct investigations of alleged or suspected impropriety, fraud, misappropriation, or other misuse of City funds, shall seek advice from the City attorney as appropriate and report any suspected criminal activity to appropriate law enforcement authorities.
4) Appraise the audit committee on the adequacy of action taken by departments to correct report deficiencies.
5) Implement a comprehensive audit plan to review and evaluate the adequacy and effectiveness of the City's internal system of financial controls to ensure:
   - The reliability and integrity of financial records and reports.
   - Compliance with policies, procedures, ordinances, rules and statues related to expenditures and financial controls.
   - The assets are safeguarded from loss.
6) Coordinate with external auditors and assist in the implementation of corrective actions recommended by external auditors as appropriate.
7) Submit an annual report to the mayor and City Council indicating audits completed, major findings, corrective actions taken by administrative managers, and significant findings which have not been fully addressed by management.

b) The internal auditor may:

1) Subject to the approval of the audit committee, conduct special reviews and programmatic reviews at the request of the mayor, City Council, finance officer, City departments, boards and commissions.
2) Provide assistance to City departments, boards and commissions for evaluation of financial controls. (2009-Or-190, § 4, 12-18-09)

ORGANIZATION CHART



A City that Works

Internal Audit General Fund: $592,261

This program provides independent, objective, timely and reliable information to City Departments, Residents and Policy Makers regarding risk management and opportunities to improve the City's ability to efficiently and effectively meet its objectives. The Internal Audit department is in a unique position to help functions within the City evaluate high-risk activities or programs and provide insights into opportunities to improve processes or controls to align with an appropriate and reasonable level of risk management. The outcome of this program will enable the City manage financial, operational, technological, reputational and regulatory risks in the achievement of its goals while exemplifying its values. Services provided under this program include audits, consultations, performance audits and Ad Hoc Projects.

Financial Analysis

Expenditure
The total Internal Audit Department's budget increases from $507,000 to $592,000 from 2015 to 2016. This is an increase of $85,000 or 16.8% primarily due to routine increases in operational costs and enhancement of $75,000 in ongoing General Fund resources.

Revenue
This Department does not produce revenue.

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

Mayor's Recommended Budget
The Mayor recommended $75,000 ongoing General Fund resources to allow the department to contract for professional IT audit services.

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

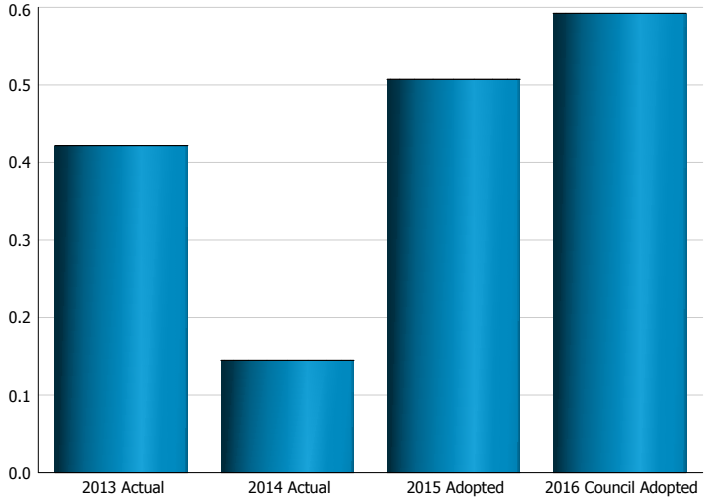
INTERNAL AUDIT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	173,806	55,258	262,126	274,994	4.9%	12,868
FRINGE BENEFITS	49,484	15,034	100,774	94,698	-6.0%	(6,076)
CONTRACTUAL SERVICES	166,376	67,246	133,905	212,138	58.4%	78,233
OPERATING COSTS	32,088	7,128	10,431	10,431	0.0%	0
CAPITAL						0
TOTAL GENERAL	**421,754**	**144,666**	**507,236**	**592,261**	**16.8%**	**85,025**
TOTAL EXPENSE	**421,754**	**144,666**	**507,236**	**592,261**	**16.8%**	**85,025**

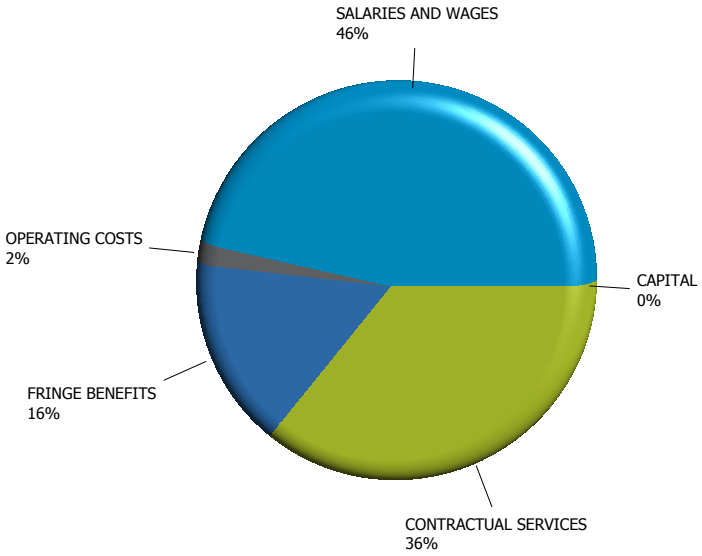
INTERNAL AUDIT
EXPENSE AND REVENUE INFORMATION

Expense 2013 - 2016

In Millions



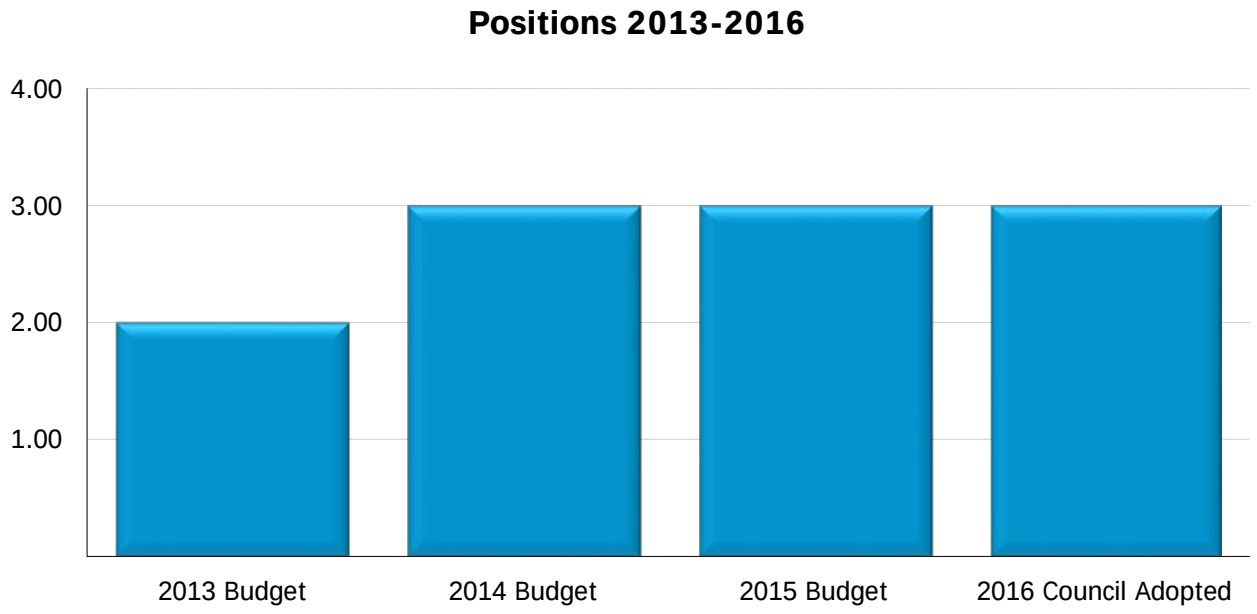
Expense by Category



INTERNAL AUDIT

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
INTERNAL AUDIT	2.00	3.00	3.00	3.00	0.0%	0
Overall	2.00	3.00	3.00	3.00	0.0%	0



MAYOR

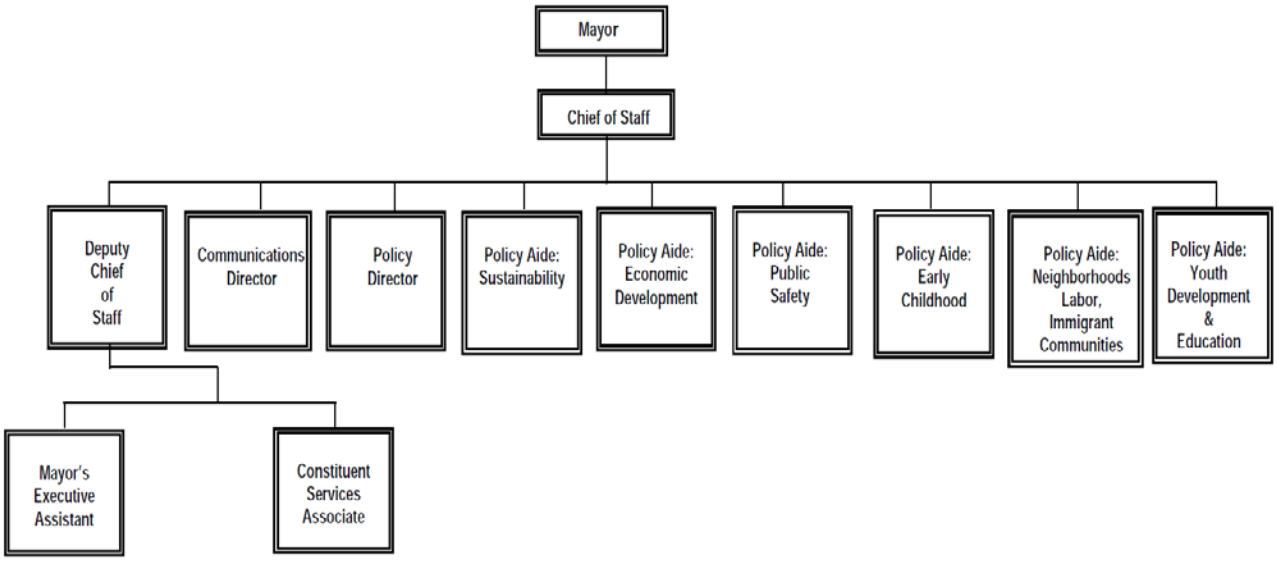
MISSION

Dedicated to making Minneapolis a vibrant, safe city that offers opportunity for all.

BUSINESS LINES

- **Policy Development**
  - Lead and support policy development that reflects the City's five-year goals.
  - Partner with the City Council to develop and lead the strategic direction for the City.
  - Develop responsible fiscal policies and an annual budget that reflects City's goals.
  - Support the work of the City to provide better, more coordinated and responsive services.
  - Ensure that the community is actively engaged as an active partner in City work.
- **Policy & Program Promotion**
  - Champion the innovations and successes of Minneapolis as a premier destination, a growing economic and cultural leader.
  - Promote education excellence as the lynchpin to a successful city.
- **Policy & Program Implementation**
  - Nominate and support strong City department heads.
  - Oversee the performance and accountability of the Police and Civil Rights departments.
  - Through *Results Minneapolis* as well as department head evaluations, ensure that the City enterprise is accountable for results.

ORGANIZATIONAL CHART



Mayor's Policy & Operations General Fund: $1,987,715

This program leads strategic policy development and supports policy implementation based on the five City goals. This program assists in developing and leading the strategic direction for the city and support functions needed to do this. The program is also in charge of nominating and supporting strong department heads, overseeing the performance and accountability of the Police and Civil Rights department, and developing responsible fiscal policies and an annual budget that reflects the City's goals.

FINANCIAL ANALYSIS

Expenditure
The total Mayors' Department's budget increases from $1.9 million to $2.0 million from 2015 to 2016. This is an increase of $70,000, or 3.7%. The Mayors' Department's 2016 expenditure budget reflects inflationary increases in personnel costs and funding of additional policy resources.

Revenue
This department does not produce revenue.

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

Mayor's Recommended Budget
The Mayor recommended $50,000 (1.0 FTE) in ongoing General Fund resources to provide a match for grant funding for of a policy aide position.

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

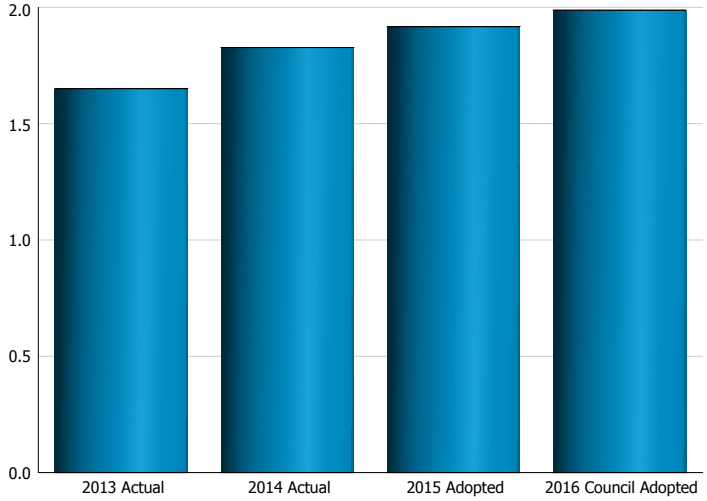
MAYOR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	715,195	881,461	935,335	1,019,673	9.0%	84,339
FRINGE BENEFITS	229,342	293,672	345,930	388,844	12.4%	42,914
CONTRACTUAL SERVICES	276,506	282,338	315,664	349,834	10.8%	34,170
OPERATING COSTS	365,100	369,897	320,364	229,363	-28.4%	-91,001
TOTAL GENERAL	**1,586,143**	**1,827,368**	**1,917,292**	**1,987,715**	**3.7%**	**70,422**
SPECIAL REVENUE						
SALARIES AND WAGES	52,458					0
FRINGE BENEFITS	7,524					0
OPERATING COSTS	4,600					0
TOTAL SPECIAL REVENUE	**64,583**					**0**
TOTAL EXPENSE	**1,650,726**	**1,827,368**	**1,917,292**	**1,987,715**	**3.7%**	**70,422**

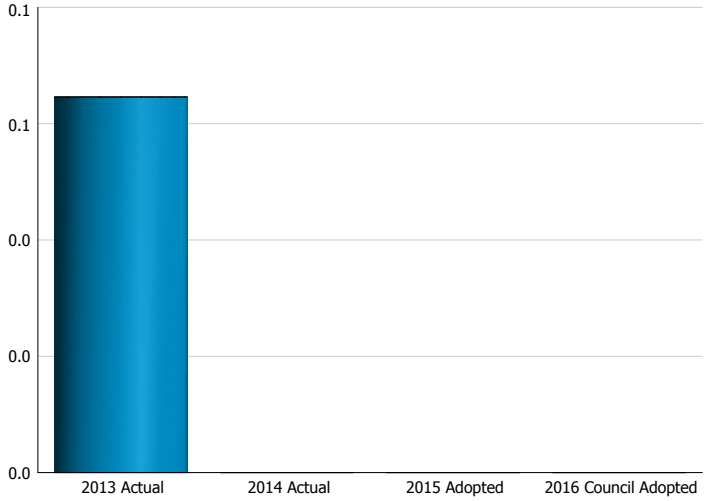
REVENUE	2012 Actual	2014 Actual	2015 Adopted	2015 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	64,600					
SPECIAL REVENUE	**64,600**					
TOTAL REVENUE	**64,600**					

MAYOR
EXPENSE AND REVENUE INFORMATION

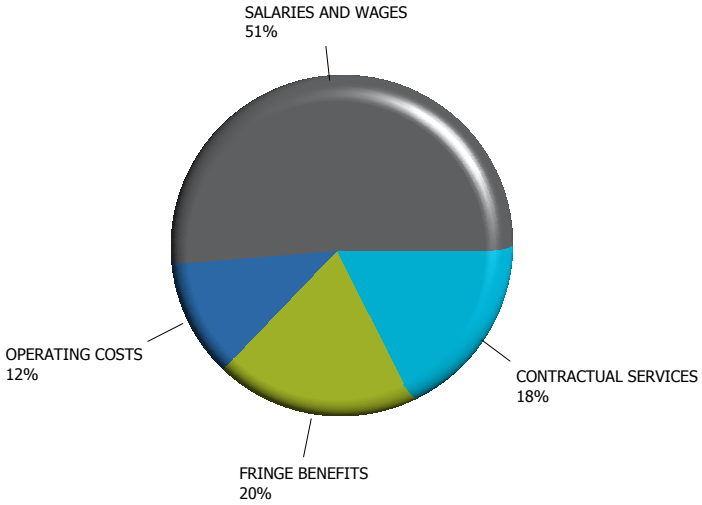
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



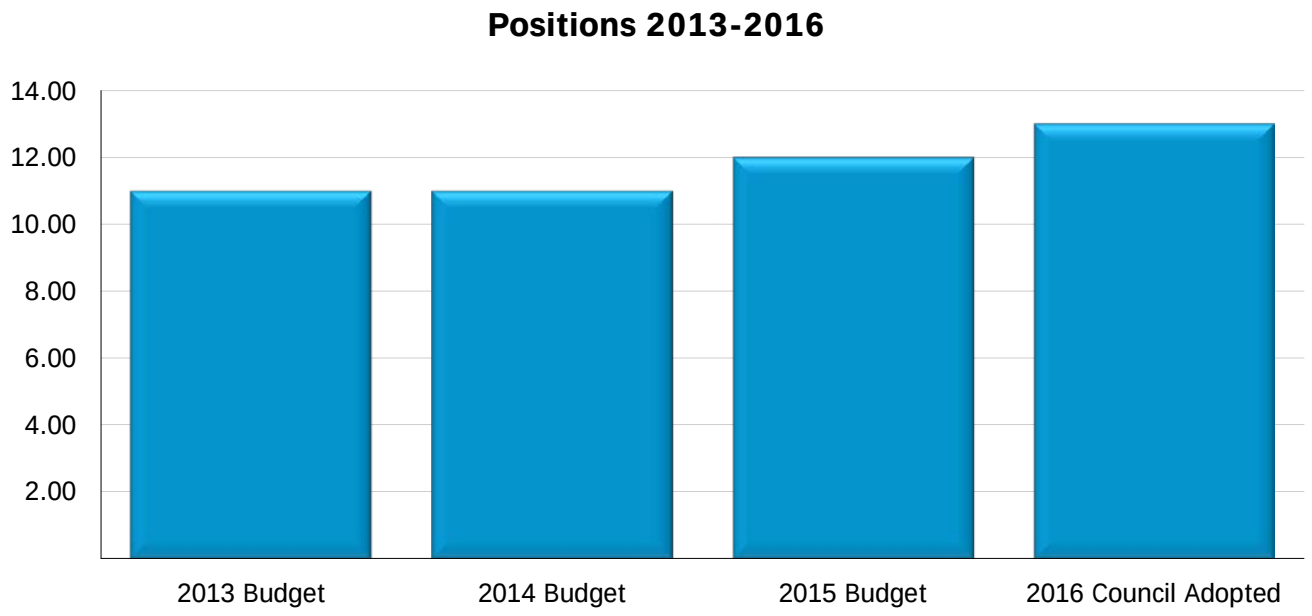
Expense by Category



MAYOR

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
MAYOR - ADMINISTRATION	11.00	11.00	12.00	13.00	8.3%	1.00
Overall	11.00	11.00	12.00	13.00	8.3%	1.00



MINNEAPOLIS POLICE DEPARTMENT

MISSION

The Minneapolis Police Department is committed to providing quality and professional service in partnership with all communities to continue to advance the City's safety, growth and viability. The department is committed to excellence through the development, accountability and support of its employees to achieve their full potential.

BUSINESS LINES

Patrol Bureau

- Precincts
  - Patrol (911 Response, Directed Patrol), Investigations, Community Response Teams (CRT), Canine, Mounted Patrol, and Crime Prevention Specialists.

Investigations Bureau

- Violent Crimes
  - Assault, Violent Chronic Offender, Homicide, Violent Criminal Apprehension Team, Joint Terrorism Task Force, Robbery, Safe Streets, Weapons Investigations
- Special Crimes Investigations Division
  - Juvenile Investigations, Crimes Against Children, Juvenile Trafficking, Juvenile Outreach and Diversion, PAL, and School Resource Officer Program, Licensing Investigations, Auto Theft Prevention, Financial Crimes Unit, Sex Crimes, Predatory Registration Section, Traffic Investigations
- Forensics Division
  - Crime Lab, Field Operations, Firearms/Tool mark, Forensic Garage, Photo Lab, MAFIN, Computer Forensics, Video Forensics

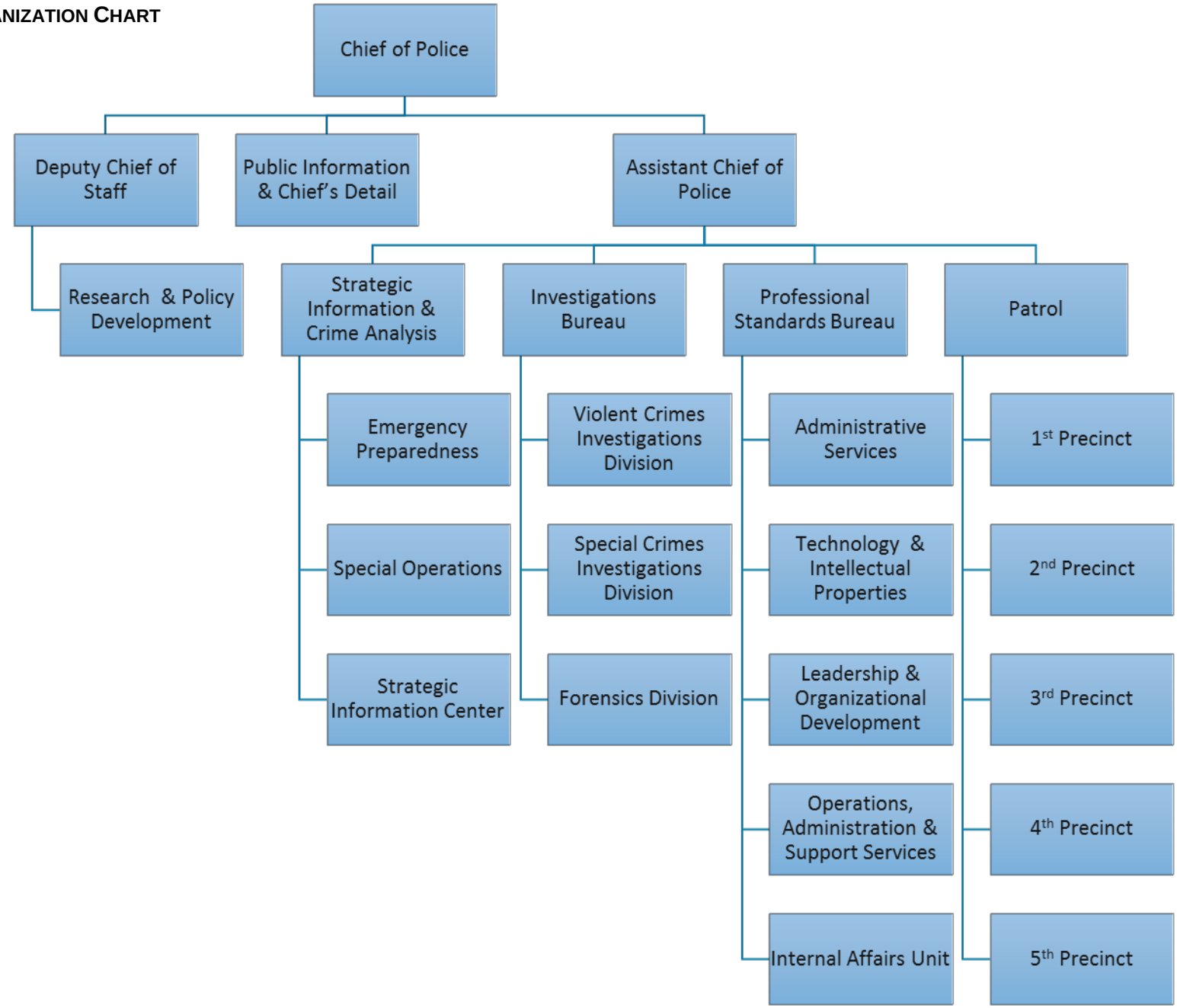
Strategic Information and Crime Analysis Division

- Special Operations Unit
  - Bomb/Arson, Crisis Negotiations, Mobile Command, SWAT
- Emergency Preparedness Unit
  - Community Engagement Team, and Special Events
- Strategic Information Center
  - Crime Analysis, Gang Interdiction Team, Strategic Information Unit

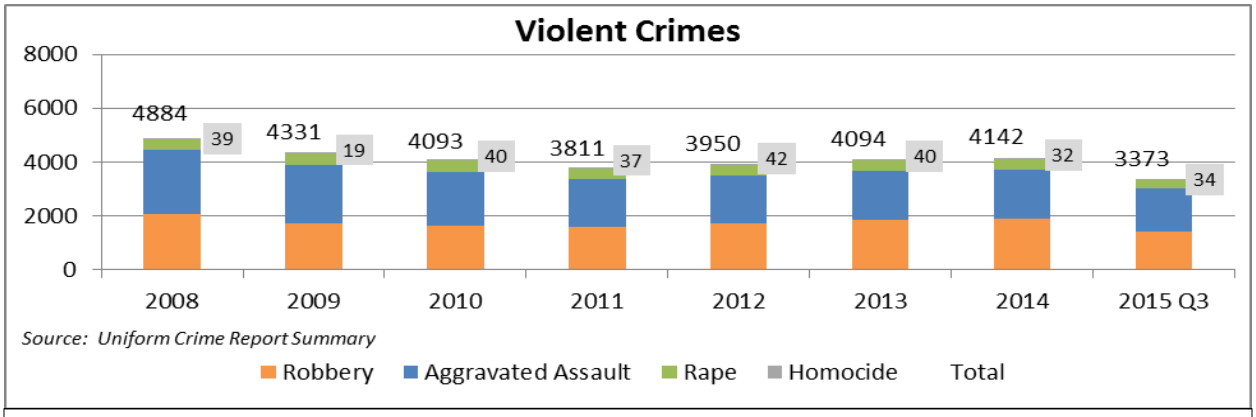
Office of Professional Standards

- Administrative Services
- Technology and Support Services
- Internal Affairs Unit
- Operations and Administration
  - Support Services, Fleet, Police Stores, Property and Evidence, Records, Transcriptions
  - Recruitment and Hiring, Community Service Officers Program, Backgrounds
- Leadership and Organizational Development
  - Academy, In-Service Training, Pre-Service Training

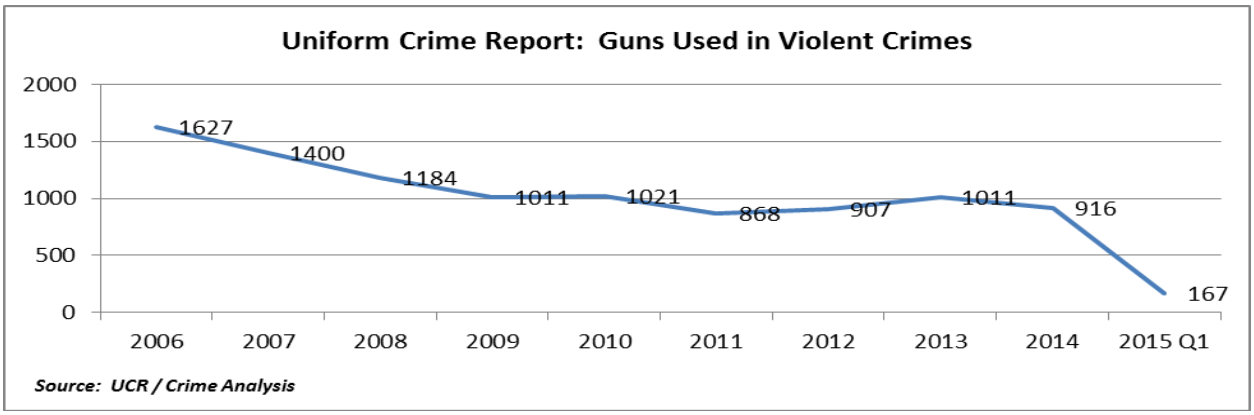
ORGANIZATION CHART

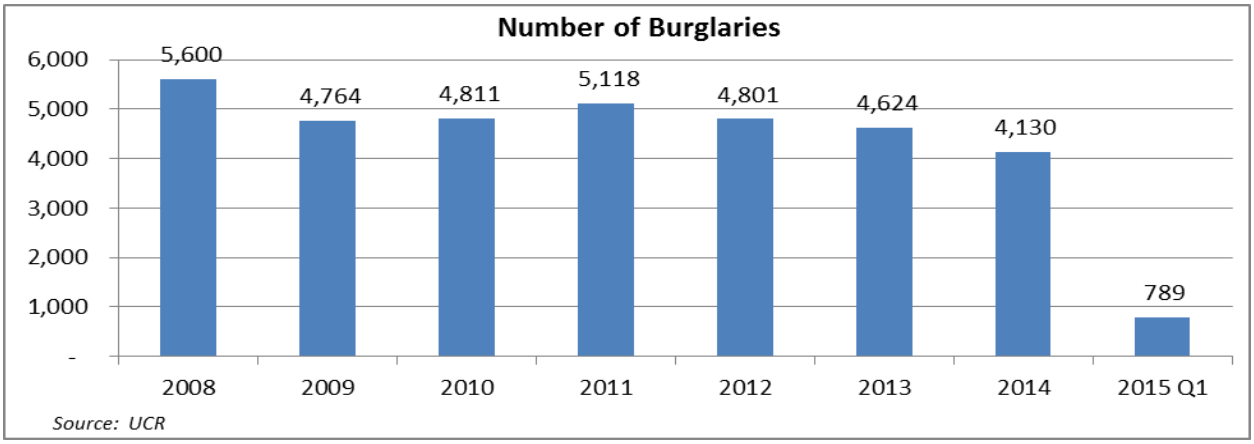


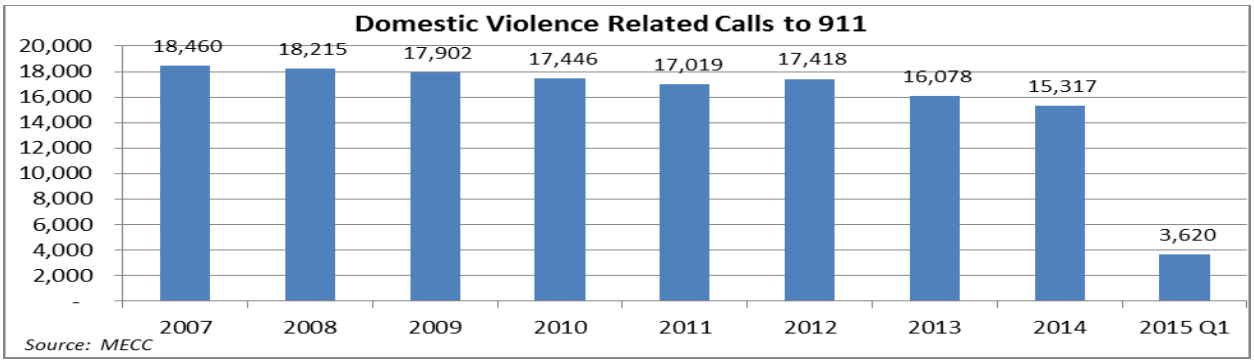
SELECTED RESULTS MINNEAPOLIS MEASURES

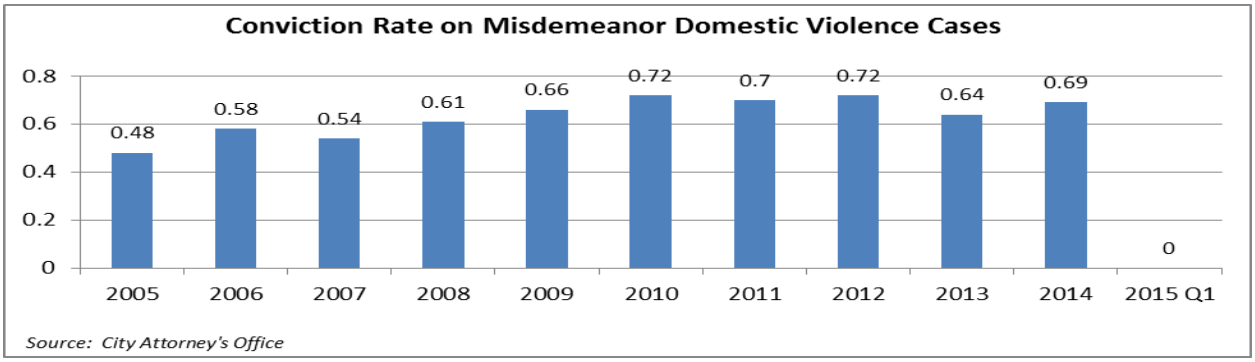


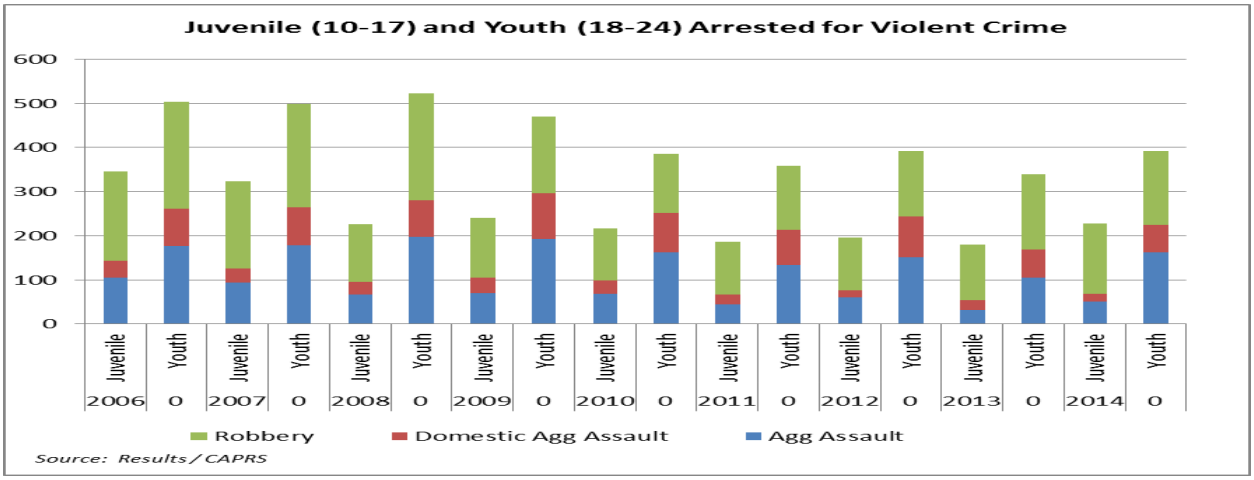
- Assault - 1186 assigned, 315 charged.
- Homicide – 33 homicides, 18 closed with charges or exceptionally (death of offender or deemed justifiable (self-defense) or accidental.
- Safe Streets Task Force – 85 arrests with 12 charged in Federal Court and 49 charged in State Court.
- VCAT – Made 208 arrests.
- Robbery – 564 cases assigned, 119 charged.
- Weapons – 18 cases charged in Federal Court and 101 cases charged in State Court. Recovered 73 firearms.



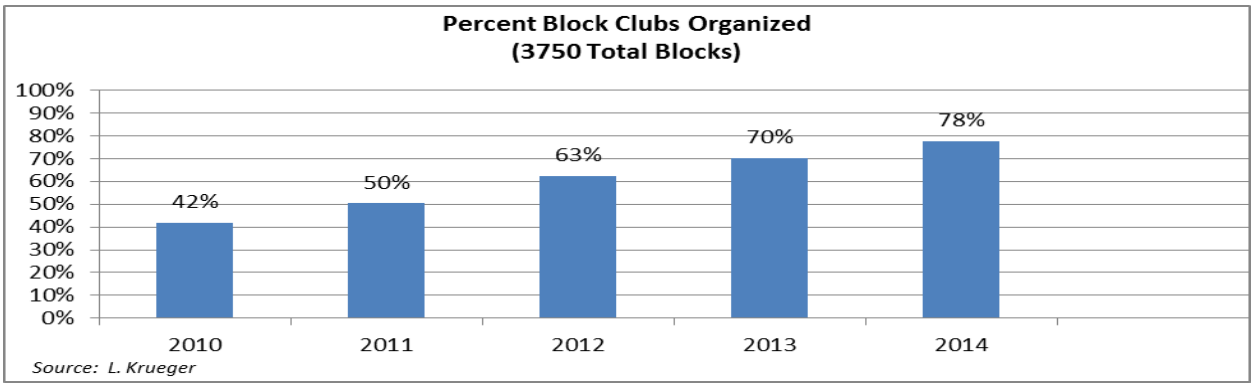


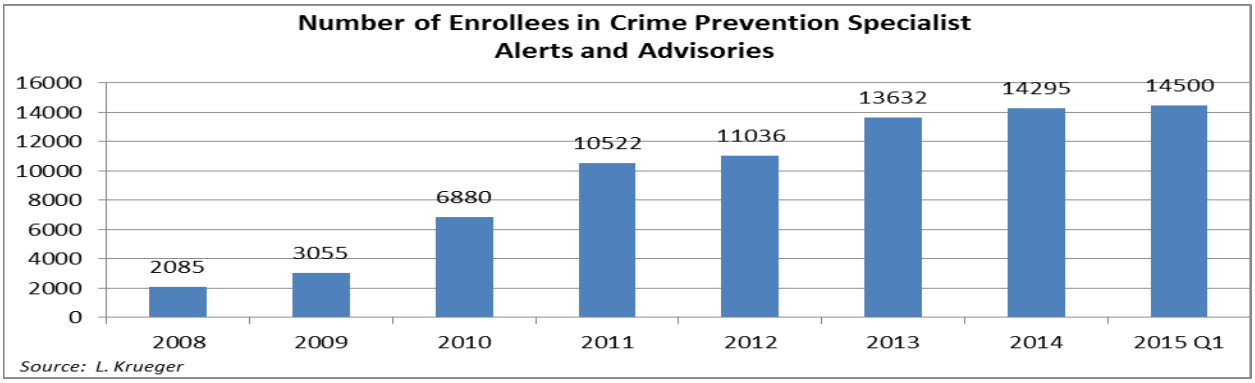


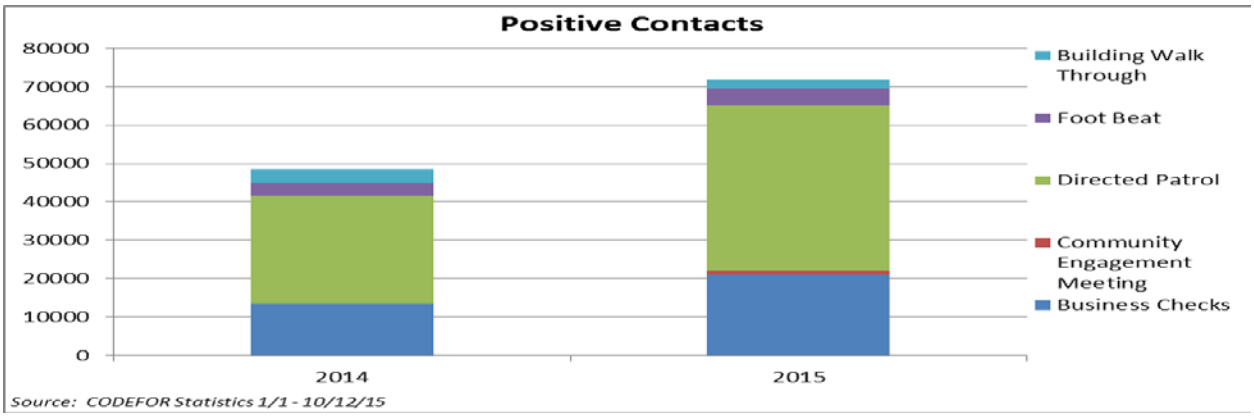


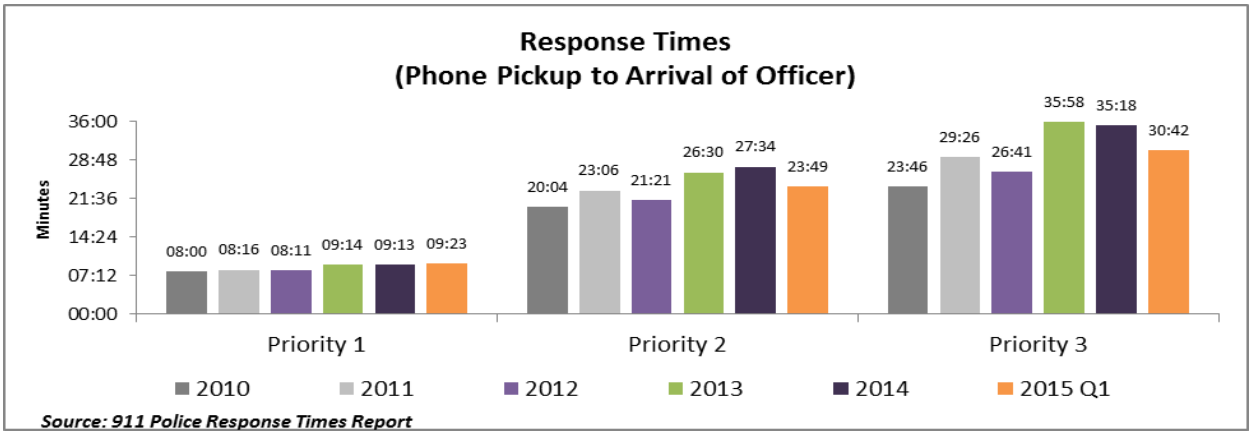


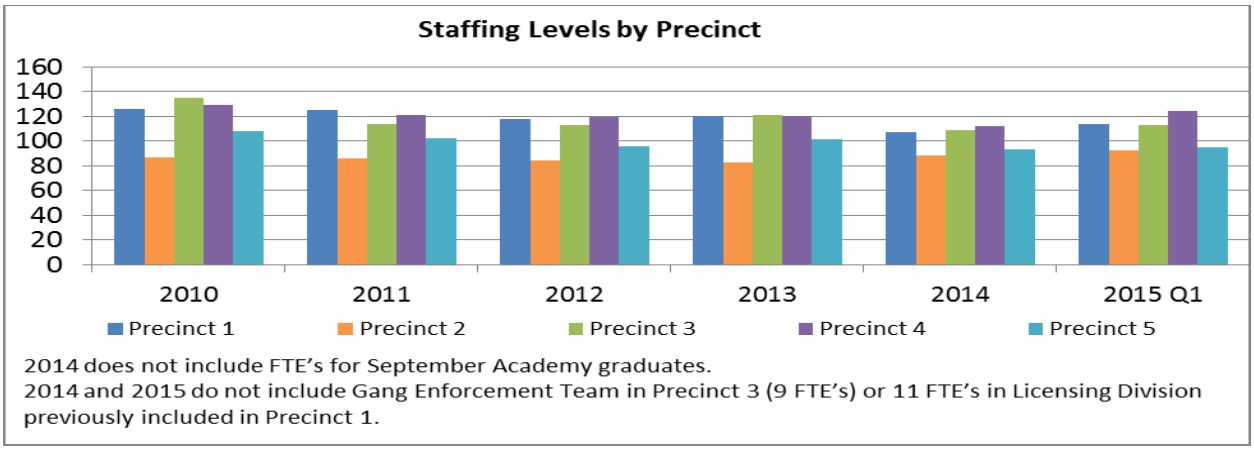
Cross-Sector Partnerships (Partial list):
Homeland Security Investigations
CID – Human trafficking and sexual exploitation youth
Hennepin County Court Drug Court
Joint Powers Agreement – Juvenile Supervision Center
Domestic Violence Response with City Attorney's Office
Towards Zero Death Grant –fiscal agent for grant partnering with multiple police departments within Minnesota
Domestic Abuse Project
Univ. of Minnesota (Sex Trafficking Research Collaboration)
Sexual Violence Center
Conflict Resolution Center – Juvenile Diversion Programming
Hennepin County Adult / Child Protection

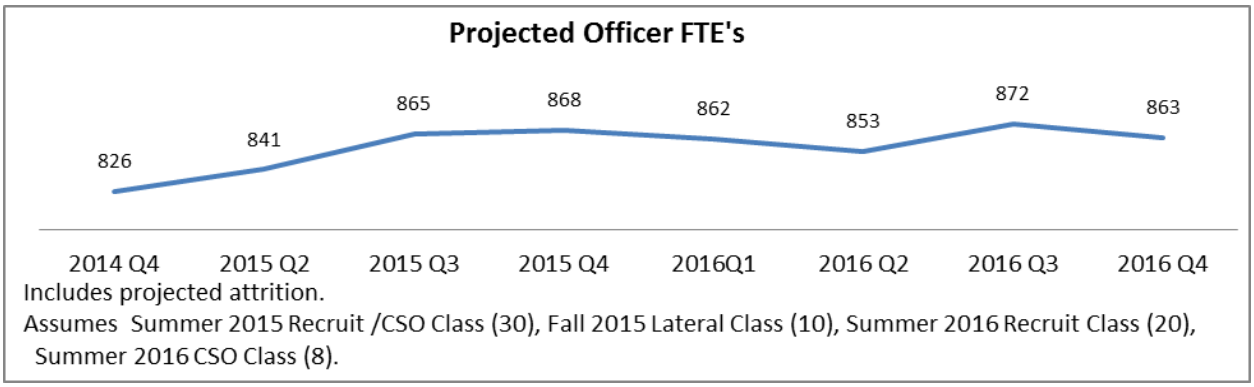

Percent Block Clubs Organized
(3750 Total Blocks)
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
42%
50%
63%
70%
78%
2010
2011
2012
2013
2014
Source: L. Krueger

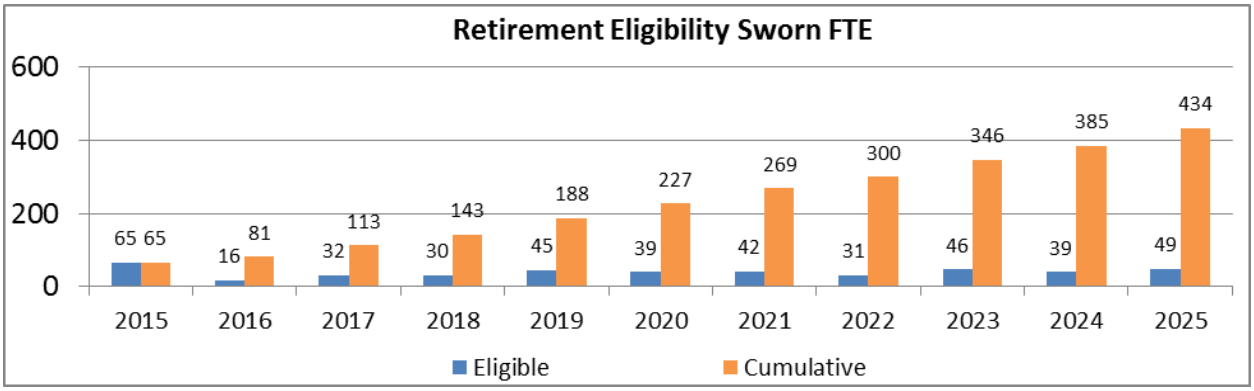

Number of Enrollees in Crime Prevention Specialist
Alerts and Advisories
16000
14000
12000
10000
8000
6000
4000
2000
0
2085
3055
6880
10522
11036
13632
14295
14500
2008
2009
2010
2011
2012
2013
2014
2015 Q1
Source: L. Krueger

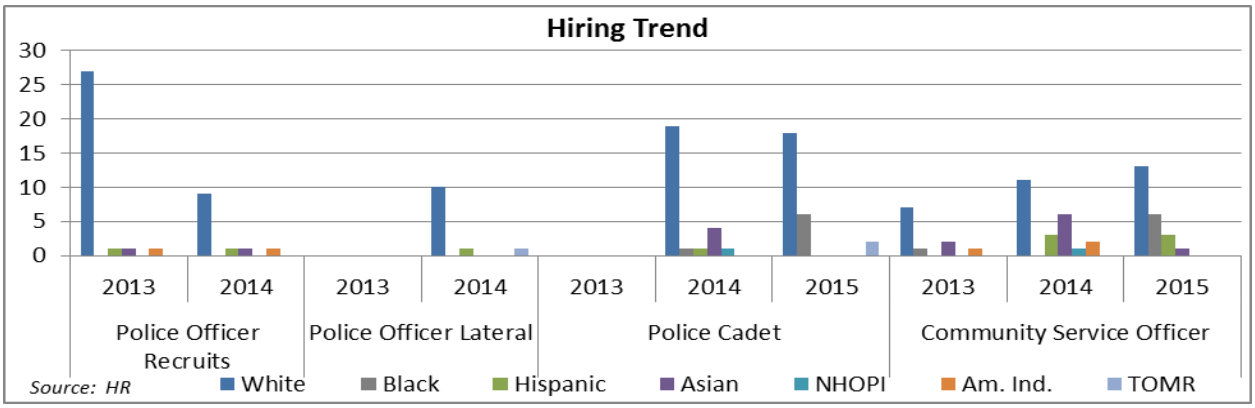

Positive Contacts
80000
70000
60000
50000
40000
30000
20000
10000
0
2014
2015
Building Walk Through
Foot Beat
Directed Patrol
Community Engagement Meeting
Business Checks
Source: CODEFOR Statistics 1/1 - 10/12/15


Response Times
(Phone Pickup to Arrival of Officer)
Minutes
36:00
28:48
21:36
14:24
07:12
00:00
08:00
08:16
08:11
09:14
09:13
09:23
20:04
23:06
21:21
26:30
27:34
23:49
23:46
29:26
26:41
35:58
35:18
30:42
Priority 1
Priority 2
Priority 3
2010
2011
2012
2013
2014
2015 Q1
Source: 911 Police Response Times Report


Staffing Levels by Precinct
160
140
120
100
80
60
40
20
0
2010
2011
2012
2013
2014
2015 Q1
Precinct 1
Precinct 2
Precinct 3
Precinct 4
Precinct 5
2014 does not include FTE's for September Academy graduates.
2014 and 2015 do not include Gang Enforcement Team in Precinct 3 (9 FTE's) or 11 FTE's in Licensing Division previously included in Precinct 1.


Projected Officer FTE's
826
841
865
868
862
853
872
863
2014 Q4
2015 Q2
2015 Q3
2015 Q4
2016Q1
2016 Q2
2016 Q3
2016 Q4
Includes projected attrition.
Assumes Summer 2015 Recruit /CSO Class (30), Fall 2015 Lateral Class (10), Summer 2016 Recruit Class (20), Summer 2016 CSO Class (8).


Retirement Eligibility Sworn FTE
600
400
200
0
65 65
16 81
32 113
30 143
45 188
39 227
42 269
31 300
46 346
39 385
49 434
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Eligible
Cumulative


Hiring Trend
30
25
20
15
10
5
0
2013
2014
2013
2014
2013
2014
2015
2013
2014
2015
Police Officer Recruits
Police Officer Lateral
Police Cadet
Community Service Officer
Source: HR
White
Black
Hispanic
Asian
NHOPI
Am. Ind.
TOMR

A City That Works

MPD Emergency Response Services General Fund: $3,525,957

The Emergency Response Services Program is designed to deliver specialized response assets to support the patrol mission. Officers assigned to this program have undergone specialized training and are equipped with state of the art equipment which allows them to effectively respond to rapidly evolving, unexpected police emergencies which might otherwise result in substantial loss of life and/or property damage. Emergency Response Services personnel are the first group to be called in the event of a large-scale disaster or event. Services provided under this program include crisis negotiation, mobile command, SWAT response team and special events/dignitary protection.

MPD Public Safety Services General Fund: $94,358,082
Other Funds: $1,610,818

The chief responsibility of MPD is maintaining law and order and restoring peace when public safety is threatened. The Public Safety Services program is comprised of several components: 911 Responders from five precincts which include regular Patrol, Directed Patrol, Traffic Enforcement, Mounted Patrol and Canine Unit, and the Investigative Units from the precincts which include Accident Investigations, Property Crimes, Community Response Teams (CRT), Indian Crime Awareness Research & Evaluation, and Licensing. Services provided within this program are truly the "backbone" of the Minneapolis Police Department.

Living Well

MPD Administration, Training, and Crime Lab General Fund: $24,315,718
Other Funds: 1,071,699

The Executive arm of the MPD is the foundation for all MPD activities. The Administration determines resource allocation and how to best leverage the various programs and external resources to address needs and emerging public safety issues. This program includes the Chief's Detail, Finance, Internal Affairs, Leadership and Organizational Development Training, Crime Lab, Research & Policy Development, Property & Evidence, Business Technology, Fleet, and other Support Services.

MPD Violent Crimes Investigations General Fund: $10,866,350
Other Funds: $675,413

Violent Crimes Investigations is responsible for investigating violent crimes, weapons, and gang cases as well as some narcotics offenses. Investigators work with multiple task forces leveraging federal, state, local and private resources and skills to bring focus to high priority community issues and to investigate and hold offenders accountable. The program includes: Homicide, Robbery, Assault, Weapons Unit, and the Task Forces (FBI Joint Terrorism, DEA, VCAT, and Safe Streets).

MPD Criminal Intelligence and Analysis General Fund: $3,975,918
Other Funds: $504,452

The MPD Criminal Intelligence Program is comprised of the Strategic Information and Crime Analysis Division which includes the Crime Analysis Unit and the Strategic Information Center.

The program combines real-time intelligence, deep data mining and link analysis, and crime analysis to aid in the deployment of department resources and maximize effectiveness. To assist in operations, incidents and arrests are reviewed for criminal patterns, threats, gang involvement, and criminal associations.

Special Crimes Investigations General Fund: $14,024,455
Other Funds: $419,077

The program works collaboratively with criminal justice partners and community stakeholders to investigate and hold those who commit crimes accountable. Works proactively through multi-agency partnerships, to reduce juvenile and other crime, provide stability and respond quickly to threats to public safety. These crimes includes: Domestic Assault, Crimes Against Children (child abuse and juvenile sex trafficking, absent/missing children), Sex Crimes, Traffic Investigations, Licensing, Juvenile Investigations, Juvenile Outreach and Diversion (PAL, School Resource Officer, Juvenile Diversion).

One Minneapolis

MPD Community Engagement General Fund: $1,706,828
Other Funds: $742,983

This program is engineered to develop working relationships within the Citizen and Business Community to reduce fear of crime, improve community/police cooperation, provide education and communication, and improve the quality of life in Minneapolis. The Community Engagement Program is comprised of two components – Community Crime Prevention and a Community Engagement Team. The Crime Prevention Specialists (CPS) develop working relationships with neighborhoods to reduce the fear of crime, improve community and police cooperation and improve the quality of life in Minneapolis by recruiting and training block leaders, teaching crime identifcation and prevention techniques, presenting safety and educational materials, publishing and distributing crime alerts, promoting National Night Out, resolving complaints about problem properties, and responding to crime trends.

FINANCIAL ANALYSIS

Expenditure
The total Minneapolis Police Department's budget increases from $153.4 million to $157.8 million from 2015 to 2016. This is an increase of $4.4 million, or 2.9%. The Minneapolis Police Department's 2016 expenditure budget reflects the following changes from 2015: enhancements of $1.3 million and $300,000 in ongoing and one-time General Fund resources respectively, $1.6 million funding in CARS program funding and inflationary increases in operation costs. The FTE count increases by 9 FTEs or 0.9% from 2015 to 2016.

Revenue
The projected revenue of $14.3 million reflects a decrease of $400,000 or 2.4% from 2015. This is primarily due to a decrease in citation revenue.

Fund Allocation
This department is funded primarily in the General Fund, with the remainder of the department's funding found in the Special Revenue, Federal Grant, Other Grant funds and the CDBG fund.

Mayor's Recommended Budget
The Mayor recommended the following ongoing General Fund allocations: $200,000 for raising the total number of authorized sworn positions by 2.0 FTE's, $173,000 for additional 2.0 FTE's to assist in implementation of the body cameras system, $400,000 for body camera technology (in addition to $600,000 in one-time funding provided as a match to anticipated Federal grant funding), $124,000 for funding Office of Justice Programs (OJP) recommendations to implement an automated software data system to operationalize the Early Intervention System which includes 1.0 FTE, $221,000 to enhance the Police Administration, Training and Crime Lab program including 2.0 forensic scientist FTEs), and $214,000 for 2.0 analyst FTEs in the Crime Intelligence unit.

The Mayor also recommended the following one-time General Fund resources: $300,000 to supplement funding for hiring a recruit class, $20,000 for E. 24th St. Sub-Station, and $600,000 in grant match as noted above.

The Mayor also directed the Minneapolis Police Departments to work in conjunction with Public Works, Regulatory Services and Health departments to provide services to support up to eight events associated with the Open Streets program using existing budget resources.

Council Adopted Budget
The City Council amended the Mayor's recommendations on a one-time basis by

1. Reallocating $105,000 from Public Works LED lighting replacements and utilizing $200,000 in cost savings from the timing of hiring new positions to be used for Crisis Intervention Training (CIT) and Procedural Justice Training within the Police Department in addition to the Department's existing training budget for a total of $305,000 added to the program.
2. Decreasing the E 24th St Sub-Station allocation by $20,000 and increasing Neighborhood & Community Relations' budget by $20,000 to be used for cultural community educational programs.
3. Providing $8,000 to be allocated to the Midtown Safety Center.

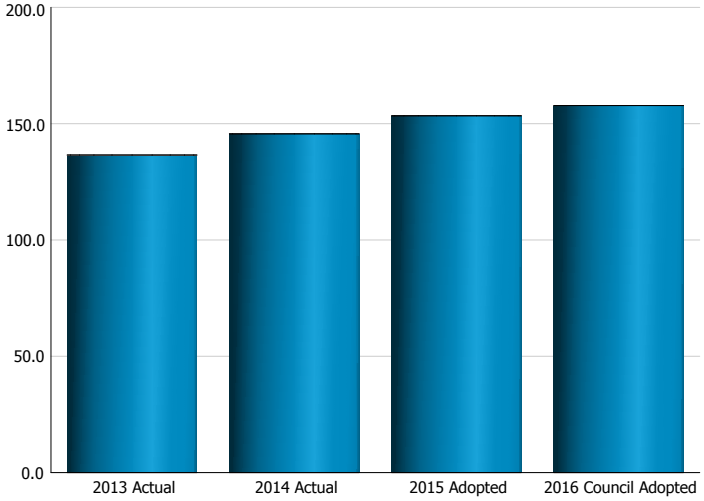
POLICE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	75,261,682	79,057,456	81,412,339	83,050,830	2.0%	1,638,490
FRINGE BENEFITS	28,108,848	29,947,196	33,287,698	34,339,675	3.2%	1,051,977
CONTRACTUAL SERVICES	18,215,847	20,003,920	20,794,378	21,977,548	5.7%	1,183,170
OPERATING COSTS	10,307,718	10,806,573	11,748,717	11,369,551	-3.2%	(379,166)
CAPITAL	61,345	1,049,076	1,097,800	2,035,705	85.4%	937,905
TOTAL GENERAL	**131,955,439**	**140,864,221**	**148,340,932**	**152,773,308**	**3.0%**	**4,432,376**
SPECIAL REVENUE						
SALARIES AND WAGES	2,404,270	2,559,891	2,531,942	2,671,284	5.5%	139,342
FRINGE BENEFITS	582,637	610,893	711,238	760,459	6.9%	49,221
CONTRACTUAL SERVICES	1,007,303	1,122,124	1,217,552	1,074,950	-11.7%	(142,602)
OPERATING COSTS	455,924	434,869	610,384	517,749	-15.2%	(92,635)
CAPITAL	112,072	49,236				0
TOTAL SPECIAL REVENUE	**4,562,207**	**4,777,014**	**5,071,116**	**5,024,442**	**-0.9%**	**(46,674)**
TOTAL EXPENSE	**136,517,646**	**145,641,234**	**153,412,048**	**157,797,751**	**2.9%**	**4,385,703**

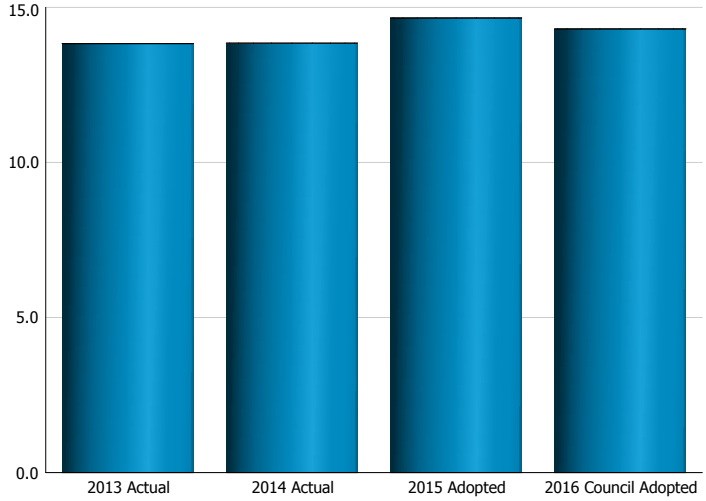
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	833	868			0.0%	0
CHARGES FOR SERVICES	1,172,556	1,233,544	1,098,238	1,300,000	18.4%	201,762
FINES AND FORFEITS	2,042,354	1,817,342	1,915,000	1,750,000	-8.6%	(165,000)
LICENSE AND PERMITS	23,463	24,546			0.0%	0
OTHER MISC REVENUES	2,409	2,826	3,270		-100.0%	(3,270)
STATE GOVERNMENT	6,521,380	6,650,647	7,140,000	6,700,000	-6.2%	(440,000)
GENERAL	**9,762,994**	**9,729,774**	**10,156,508**	**9,750,000**	**-4.0%**	**(406,508)**
SPECIAL REVENUE						
CHARGES FOR SERVICES	496,909	615,205	395,000	1,564,932	296.2%	1,169,932
CONTRIBUTIONS	63,716	64,359			0.0%	0
FEDERAL GOVERNMENT	1,704,452	1,489,966	2,076,495	2,114,144	1.8%	37,649
FINES AND FORFEITS	362,011	463,645	400,000	400,000	0.0%	0
LICENSE AND PERMITS	984,665	1,049,533	1,160,000		-100.0%	(1,160,000)
SALES AND OTHER TAXES	156,686	131,216	177,438	182,250	2.7%	4,812
STATE GOVERNMENT	300,519	302,377	293,199	294,295	0.4%	1,096
SPECIAL REVENUE	**4,068,957**	**4,116,301**	**4,502,132**	**4,555,621**	**1.2%**	**53,489**
TOTAL REVENUE	**13,831,951**	**13,846,075**	**14,658,640**	**14,305,621**	**-2.4%**	**(353,019)**

POLICE
EXPENSE AND REVENUE INFORMATION

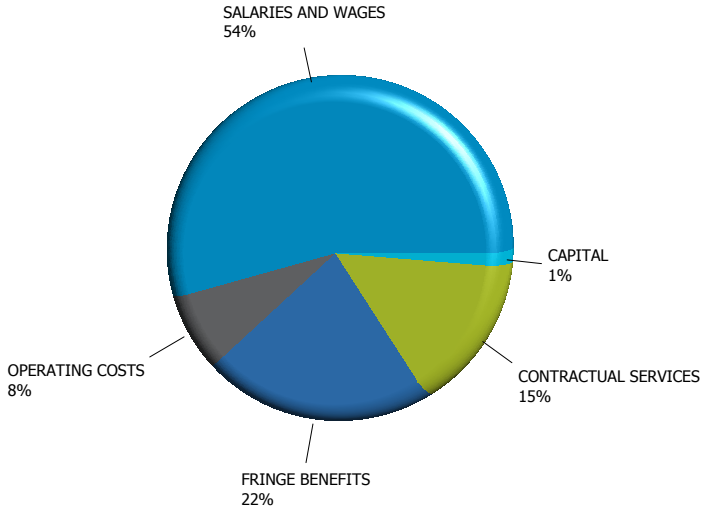
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



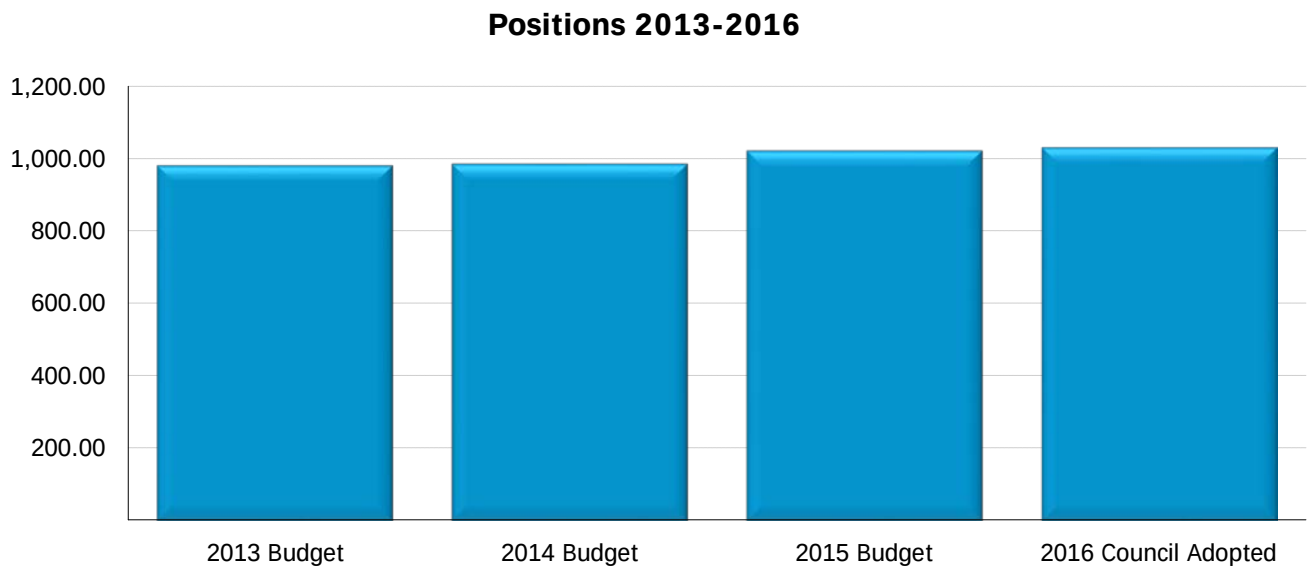
Expense by Category



MINNEAPOLIS POLICE DEPARTMENT

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
INVESTIGATIONS	212.00	155.00	201.00	206.00	2.5%	5.00
PATROL	667.50	646.00	642.00	615.00	-4.2%	(27.00)
POLICE ADMINISTRATION	10.00	14.50	12.50	18.50	48.0%	6.00
PROFESSIONAL STANDARDS	91.00	147.00	138.00	140.00	1.4%	2.00
STRATEGIC INFORMATION MNGMT		23.00	27.00	50.00	85.2%	23.00
Overall	980.50	985.50	1,020.50	1,029.50	0.9%	9.00



PUBLIC WORK DEPARTMENTS

MISSION

To be effective stewards of the public infrastructure, and provide valued city services those contribute to public safety, economic vitality and neighborhood livability in Minneapolis.

BUSINESS LINES

- Internal Services

  The Internal Services business line is comprised of services that are provided primarily to internal City departments and are funded mostly within formal Internal Service funds. Fees for these services are intended to recover the costs incurred for providing each service. Fleet Services is the only division in the Internal Services business line.

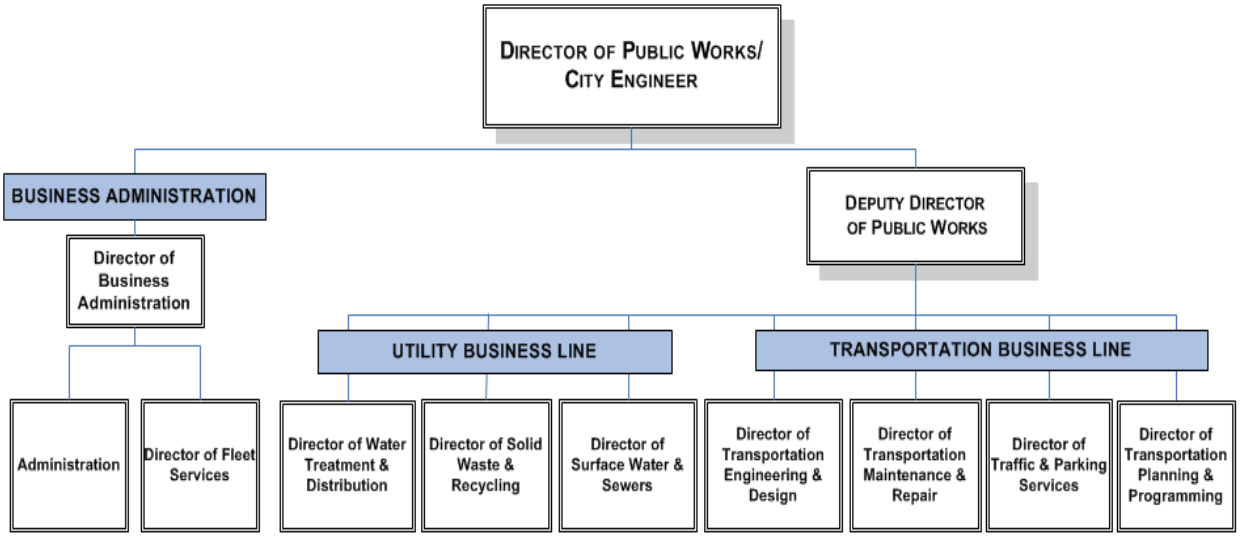
- Utilities

  This business line provides services that promote the health and safety of people and property by providing potable water, managing non-potable water, and maintaining a clean city through the collection and disposal of solid waste, recyclables, problem materials, yard waste, and coordination of Clean City activities. The three divisions of the Utilities business line are Surface Water and Sewers, Water Treatment and Distribution, and Solid Waste and Recycling Services.

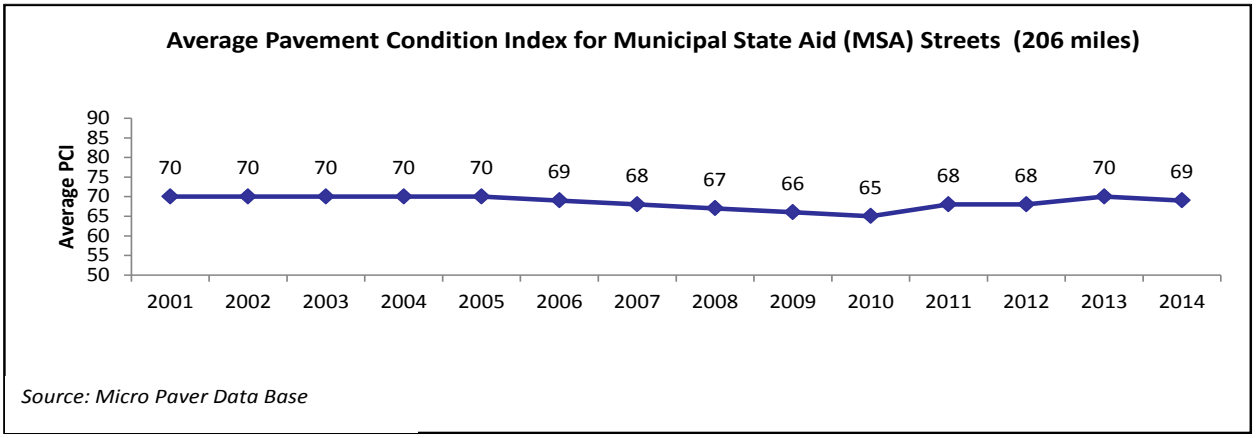
- Transportation

  The Transportation Business Line exists to offer people a variety of safe, convenient options for moving throughout the City and within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people and goods. The four divisions in the Transportation business line are Traffic and Parking Services, Transportation Engineering and Design, Transportation Planning and Programming, and Transportation Maintenance and Repair.

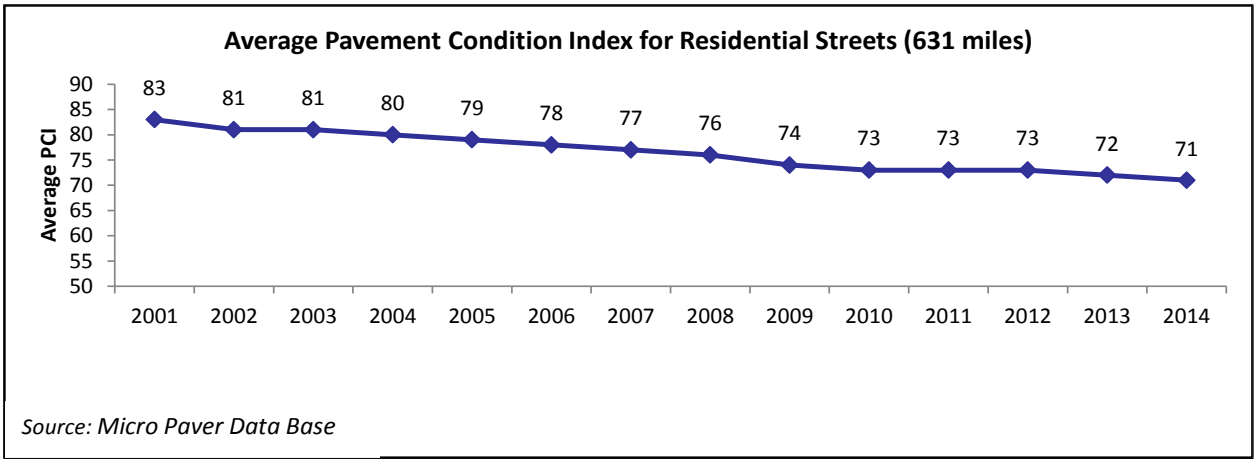
ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES



Source: Micro Paver Data Base



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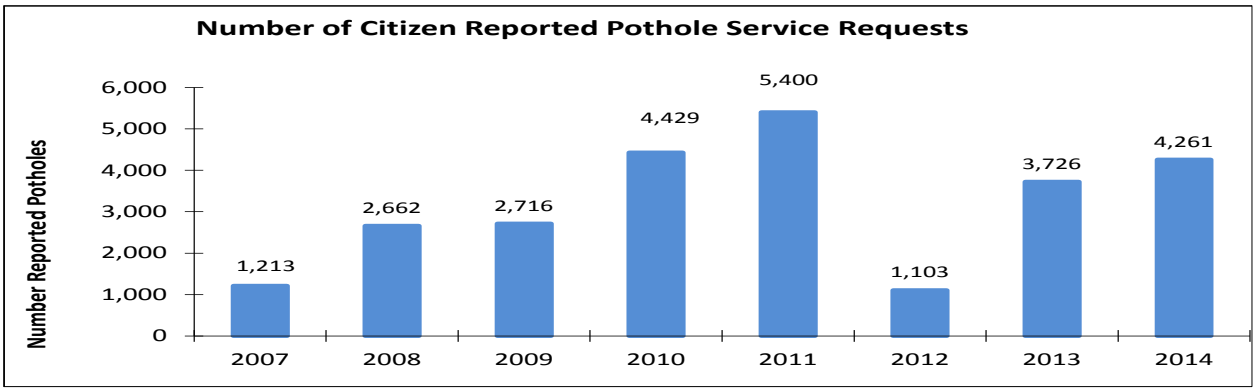
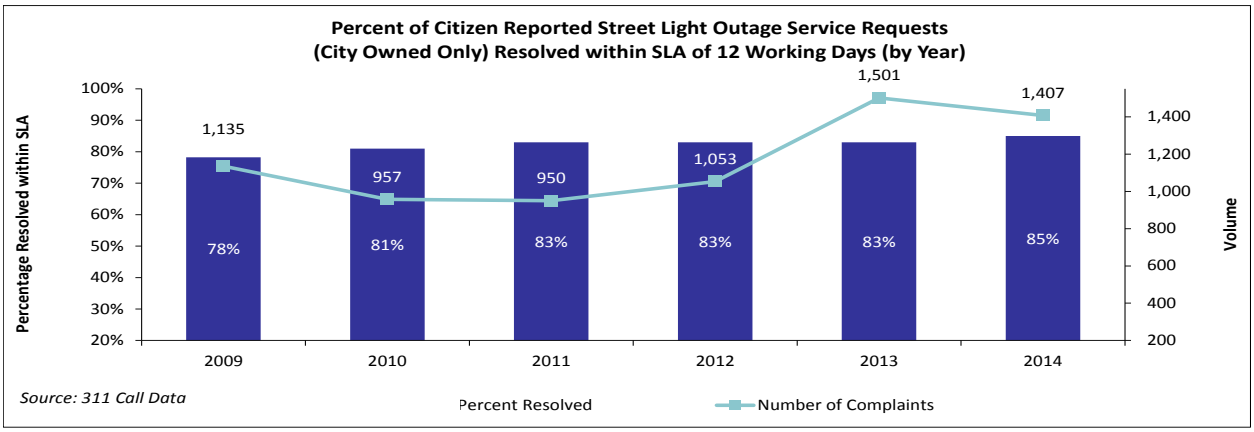
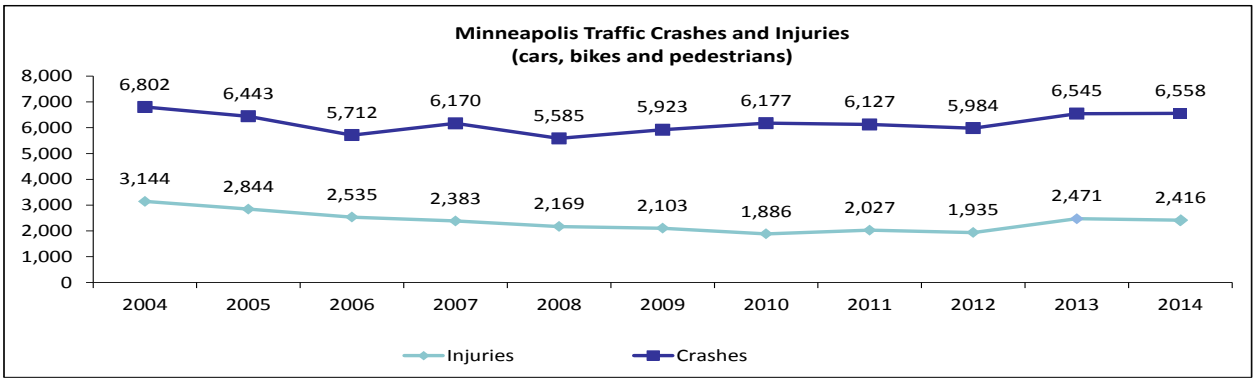
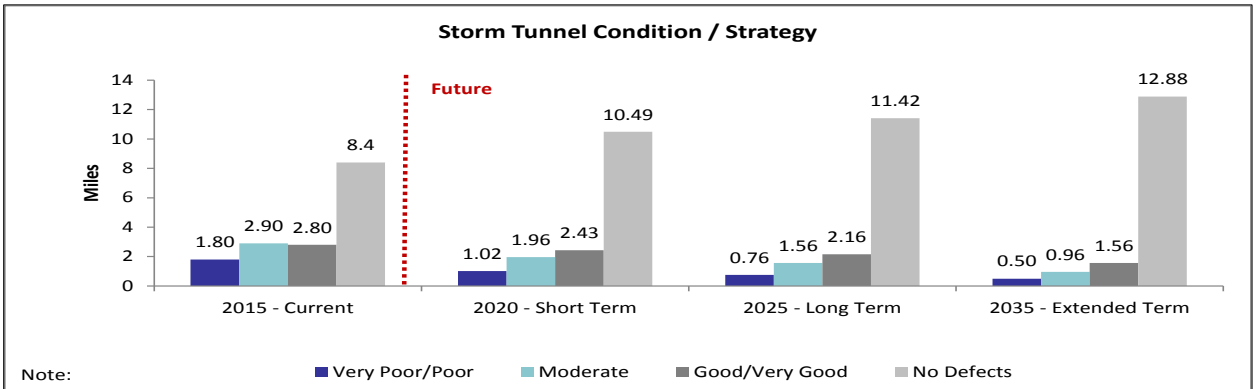


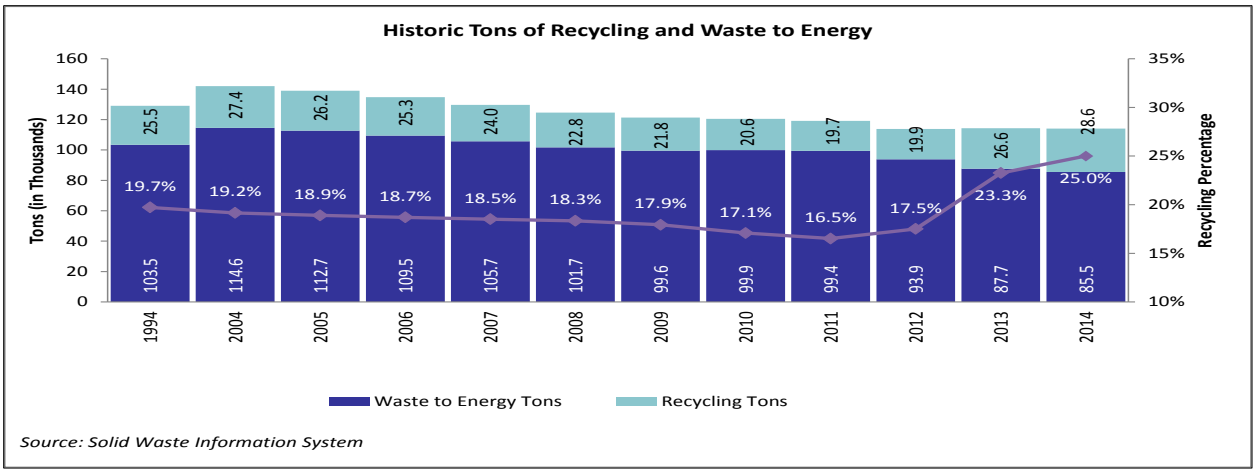






Note:
1. Definition: PACP means "Pipe Assessment Certification Program" from National Assoc. of Sewer Service Companies (NASSCO)
2. Minneapolis has 15.9 miles of storm tunnels that are comprised of tunnels in very poor/poor, moderate, good/very good condition or has no defects.

Source: Sewer Inspection Data and Proposed Stormwater Tunnel Rehabilitation



A City that Works

Fleet Management Other Funds: $13,581,957

Fleet Management develops fleet replacement programs for all vehicles and equipment to meet the needs of using departments. Fleet Management also monitors and reports on fleet utilization, registers and licenses all City vehicles, and re-markets units through several outlets to maximize return.

Public Works Administration General Fund: $3,282,491

Public Works Administration provides leadership to its divisions and works with City leaders in maintaining and preserving its public infrastructure, delivering related essential services as efficiently as possible with the financial resources provided and ensuring that public safety is not compromised. The program strives to improve and facilitate accountability and innovation throughout its divisions, providing analysis and long-range thinking that supports responsible decisionmaking.

Field Coordination Other Funds: $2,227,952

Field Coordination is responsible for providing task labor and equipment for construction and maintenance work on the City's infrastructure, including street sweeping, repair of streets, sewer and water systems, snow and ice removal and street paving. Field Coordination exchanges information with Public Works divisions and other City of Minneapolis departments and agencies to support the planning and scheduling of construction and maintenance activities as well as requests to support special events. This information includes project requirements and requests for services, equipment status, and qualified personnel. This section also coordinates training for field employees (City and Park Board) to meet federal, state and local law, rules, and policies.

Maintenance Operations Other Funds: $18,175,349

Maintenance Operations is responsible for set-up, maintenance, repair, and decommissioning of all vehicles and equipment in the City's fleet. This operation also manages fueling sites at City-

owned facilities and environmental compliance with federal, state, and local laws, rules, and policies.

Traffic General Fund: $9,753,099
Other Funds: $331,158

This division operates and maintains the existing traffic control devices (800 signals, 100,000 traffic signs and numerous pavement markings), their related infrastructure components and the necessary traffic management and safety equipment. Key activities include maintenance of fixtures and poles, response to and repair of crash damages, the central traffic signal computer and its communication system, traffic crash databases, Gopher One-Call locating, traffic safety analyses and studies, monitoring the traffic flow and operations, and the managing traffic related to events. These efforts are accomplished for all modes of travel (pedestrian, bike, transit, rail, truck and automobile).

Construction Management Other Funds: $1,929,276

This program provides varying degrees of construction management and oversight of construction requirements for all roadways, bridges, streetscapes, and bike paths within the City of Minneapolis. This oversight includes projects with the State of Minnesota (with and without Federal participation) and Hennepin County, and is accomplished utilizing both internal and external resources. These activities include, but are not limited to, field surveying activities, geotechnical analysis, field inspection, material inspection and research, and overall quality control including a significant amount of the actual lab testing being performed by the City's in-house facility.

Additionally, Construction Management takes the lead on construction-related environmental contamination issues associated with construction projects, including a fully-trained staff to deal with site-specific construction contingency and remedial action plans, as well as managing the necessary contracts and consultants.

Street Maintenance and Repair General Fund: $9,875,241

This program provides basic maintenance and repair services on over 1,000 miles of City streets and parkways as well as 400 miles of alleys. This program also includes general pothole patch and repair, preventative maintenance such as crack sealing and sealcoating, utility cut restoration, and other pavement-related repairs.

Snow and Ice Control General Fund: $13,211,069

This program provides snow and ice control as well as other winter maintenance services on City streets, alleys, bridges and public sidewalks.

Malls and Plazas Maintenance General Fund: $1,767,279

This program provides for basic maintenance and repair services on all greenspaces, minimalls and plazas, and bike trails in the public right-of-way throughout the City. It includes both summer mowing and turf care, cleaning and litter/debris collection, landscape maintenance, and any structural, lighting and other maintenance needs as appropriate, as well as winter snow and ice control services. It encompasses180 acres of greenspace requiring various levels of service from high- end plazas to boulevards, medians and open areas along streets and highways.

Ramp Maintenance and Repair General Fund: $3,103,670

This program supports the operations of a group of State and City-owned parking ramps and lots including minor concrete patching, crack sealing, caulking, concrete surface sealing and other preventative maintenance. The program also provides for basic summer maintenance and and winter sidewalk snow and ice control on some City-owned properties managed by the Property Services Division.

Great Places

Solid Waste and Recycling Other Funds: $40,100,505

The purpose of this program is to manage collection of solid waste, recyclables, white goods, and yard waste for 100,000 residential customers as well as support clean city programs such as graffiti abatement. Services provided by this program include collection and disposal of solid waste, collection of recyclable materials including household organics and household electronics, collection and disposal of large items such as appliances, and collection of yard waste.

Street Cleaning Other Funds: $8,562,781

The Street Cleaning program mitigates surface water runoff pollution and addresses general cleanliness of streets and alleys and overall neighborhood livability. Street and alley sweeping helps to remove pollutants before they enter the City's water bodies, protecting these important natural resources. This program also supports storm response debris removal and cleaning from streets and alleys, parade and other event cleanup from streets and the public right-of-way, and responding to general trash, debris or other materials that are illegally left or dumped in the public right-of-way.

Potable Water Supply Other Funds: $57,754,014

This program provides for the distribution of clean and reliable drinking water to every residential and non-residential City customer. The program also provides water for fire-fighting and maintains a system to bill and collect for the water used to provide sustainability of the water system.

Sanitary - Collection and Treatment Other Funds: $59,929,908

The sanitary program meets regulatory requirements while collecting sanitary flow data within the City of Minneapolis for Metropolitan Council Environmental Service (MCES) treatment and discharge to the Mississippi River. Maintaining system flow is critical in minimizing the risk of sanitary backups and combined sewer overflows to the Mississippi River. Activities in this program include the design and analysis of the sanitary system for self-cleaning velocity in pipes and identifying sources of clear water. It also includes daily cleaning and operation of the system as well as emergency responses and payments to MCES for the treatment of the sanitary discharge.

Stormwater - Collection and Treatment Other Funds: $20,550,292

The stormwater program meets regulatory requirements while collecting stormwater and treating it prior to entering the lakes, creeks and rivers in the City of Minneapolis. Maintaining

stormwater in the system is essential to control the flow of stormwater and minimize flooding risks while protecting water quality. Activities range from the design and analysis of the stormwater system including pipes and water quality infrastructure components to implementation and completion of regulatory activities, as well as daily cleaning and ongoing operation of the system.

Living Well

Minneapolis Impound Lot Other Funds: $5,289,917

The Minneapolis Impound Lot, operated by the Public Works Department, is responsible for towing, storing and processing vehicles removed by law enforcement in accordance to applicable City ordinances and State statutes. It also auctions off unclaimed vehicles through public and dealer auctions and offers such services to other City departments and divisions whenever needed.

Sidewalk Other Funds: $1,181,218

This program supports pedestrian passage on the 2,000 miles of sidewalks in the public right-of-way. It is composed of two parts: Sidewalk maintenance and repair during the summer construction season, and enforcement of the City's sidewalk shoveling ordinances in the winter season. The Sidewalk Section also manages the occasional installation of new sidewalk, orders temporary repairs on a complaint basis, and monitors the installation of sidewalk intersection pedestrian ramps for compliance with the Americans with Disabilities Act.

Street Lighting General Fund: $6,974,721

This program encompasses the operation and maintainance of the existing 40,000 streetlights including both city metal pole lights (15,000) and Xcel wood pole lights (25,000). Key components include electricity, replacing bulbs and ballasts, infrastructure maintenance of fixtures and poles, and responding to crash damages.

Transportation Planning and Programming General Fund: $2,443,428

Transportation Planning and Programming develops and coordinates policies and actions to promote a safe, efficient and integrated multi-modal transportation system, safe and well-maintained public infrastructure, and community connectedness. Transportation planning involves long-range planning, participation in local and regional transportation planning initiatives such as light rail, local bus, streetcar and bus rapid transit corridors along with representing the City on policy boards and technical and advisory committees. This program also encompasses Minneapolis' advisory efforts and planning analysis related to the Minneapolis-St. Paul International Airport.

Bridge Maintenance and Repair General Fund: $3,038,480

This program encompasses basic maintenance and repair services on over 600 City vehicular, pedestrian and other bridges and provides support for the bridge inspections and the construction unit of the Public Works Transportation Planning and Engineering Division. It also provides for water rescue support. This group also plays a key role as a first responder for bridge and storm-related emergency response.

Surface Transportation and Management General Fund: $2,005,055
Other Funds: $7,875,124

This program encompasses the oversight of all programming and design for Minneapolis roadways, bridges, streetscapes, and bike trails. This oversight is a combination of internal design as well as consultant design work.

Surface Transportation Capital Other Funds: $402,595

The Surface Transportation Capital group is responsible for the coordination of work associated with State of Minnesota and Hennepin County projects within Minneapolis such as the 35W expansion and Lake Street Reconstruction.

A Hub of Economic Activity and Innovation

On-Street Parking Other Funds: $3,390,592

The On-Street Parking program is designed to leverage existing public right-of-ways to provide safe, accessible and affordable short-term parking in a manner that encourages economic growth while protecting the interest of local residents. The program utilizes parking meters and special permits to achieve its goals.

Off-Street Parking Other Funds: $30,207,511

The Off-Street program is responsible for managing a portfolio of City and State-owned and leased parking ramps and parking lots. As an integral part of the City's transportation infrastructure, these parking facilities promote the City's multi-modal vision. Designed, in part, on a hub-and-spoke model, the system leverages a network of skyways, bike paths and transit routes to offer a multimodal transportation solution to residents, visitors and commuters while reducing traffic congestion in the downtown core. Additionally, several facilities were built as part of development agreements and continue to play an important role in the area of economic development.

Special Service Districts General Fund: $1,576,601
Other Funds: $6,203,796

This program provides for service delivery and administrative support for 16 Council-adopted Special Service Districts in Mineapolis. This includes the Downtown Improvement District Special Service District, commonly called the DID.

FINANCIAL ANALYSIS

Expenditure
The total expenditure budget for all Public Works divisions combined is $334.7 million for 2016. This is an increase of 2.5% over the 2015 appropriation. The largest appropriation increases are found in the general fund, with a budgeted increase of 5.9% from 2015. The 2016 budget does not add any FTE's.

Revenue
Total revenue for all Public Works divisions combined is projected to be $362.8 million, a 3.8% or $13.4 million, increase over the 2015 budget.

Fund Allocation
The department is funded from a variety of sources including enterprise funds (67%), the General Fund (17%), internal service funds (11%), capital project funds (3%) and special revenue funds (2%).

Mayor's Recommended Budget
Please refer to the individual divisional sections for the Mayor's recommendations.

Council Adopted Budget
Please refer to the individual divisional sections for the Council's changes to the Mayor's recommendations.

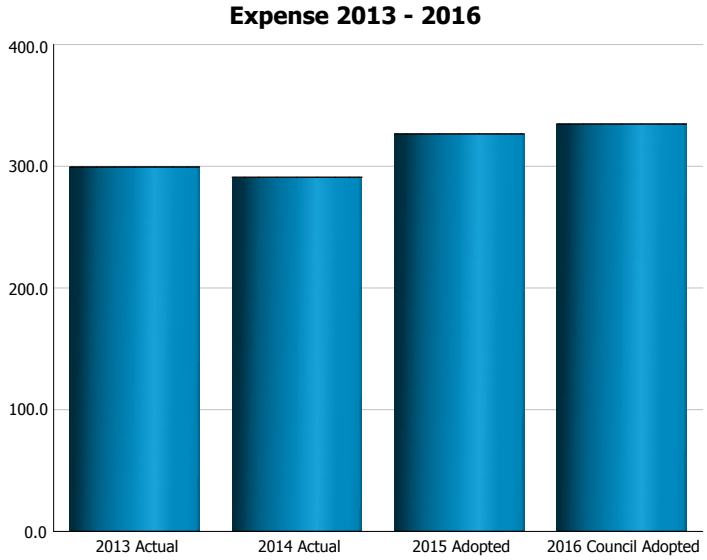
EXPENSE AND REVENUE INFORMATION

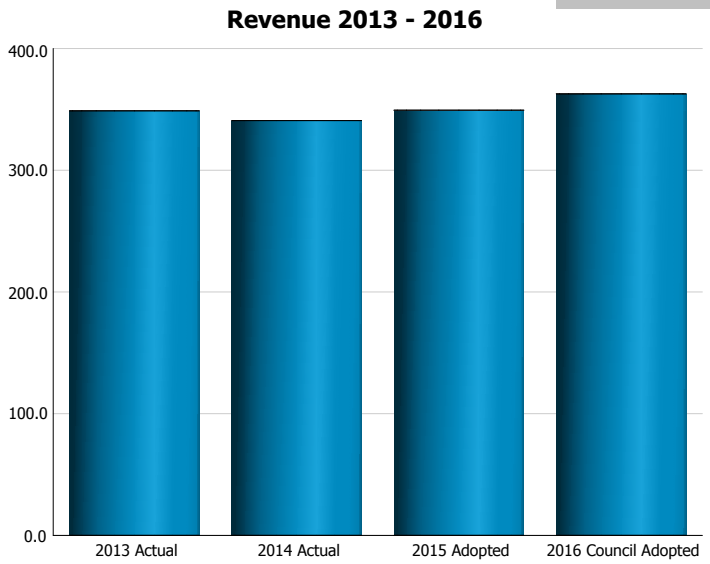
EXPENSE		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change	Change
CAPITAL PROJECT	CAPITAL		268	80,000	80,000	0.0%	
	CONTRACTUAL SERVICES	2,334,035	4,223,690	3,939,128	4,110,590	4.4%	171,462
	FRINGE BENEFITS	1,148,149	1,156,438	1,421,951	1,445,428	1.7%	23,478
	OPERATING COSTS	135,338	86,700	136,879	112,485	-17.8%	(24,394)
	SALARIES AND WAGES	3,056,014	3,070,814	3,551,600	3,710,433	4.5%	158,833
CAPITAL PROJECT		**6,673,536**	**8,537,910**	**9,129,558**	**9,458,936**	**3.6%**	**329,379**
ENTERPRISE	CAPITAL	527,243	311,409	6,917,634	4,583,769	-33.7%	(2,333,865)
	CONTRACTUAL SERVICES	95,329,874	97,208,502	104,455,825	107,818,072	3.2%	3,362,247
	FRINGE BENEFITS	14,633,601	13,852,737	16,859,288	17,430,068	3.4%	570,780
	OPERATING COSTS	58,322,728	52,556,113	58,465,018	61,046,428	4.4%	2,581,411
	SALARIES AND WAGES	29,446,452	30,865,401	34,218,910	34,907,183	2.0%	688,273
ENTERPRISE		**198,259,899**	**194,794,162**	**220,916,675**	**225,785,521**	**2.2%**	**4,868,846**
GENERAL	CAPITAL	268,932	202,941	160,554	234,054	45.8%	73,500
	CONTRACTUAL SERVICES	22,348,555	21,324,110	19,622,788	20,624,425	5.1%	1,001,637
	FRINGE BENEFITS	7,066,008	8,425,435	8,217,938	8,805,515	7.1%	587,577
	OPERATING COSTS	7,735,697	7,670,065	9,238,898	9,582,946	3.7%	344,048
	SALARIES AND WAGES	13,944,581	17,280,458	16,615,856	17,784,193	7.0%	1,168,338
GENERAL		**51,363,772**	**54,903,009**	**53,856,035**	**57,031,134**	**5.9%**	**3,175,099**
INTERNAL SERVICE	CAPITAL			11,619,226	11,159,083	-4.0%	(460,143)
	CONTRACTUAL SERVICES	10,676,239	8,994,853	6,364,446	6,480,427	1.8%	115,981
	FRINGE BENEFITS	5,015,242	2,493,235	3,140,117	3,238,683	3.1%	98,566
	OPERATING COSTS	11,140,363	9,766,233	9,699,580	9,497,138	-2.1%	(202,442)
	SALARIES AND WAGES	9,453,439	5,237,160	5,748,216	5,870,361	2.1%	122,145
INTERNAL SERVICE		**36,285,283**	**26,491,480**	**36,571,586**	**36,245,692**	**-0.9%**	**(325,894)**
SPECIAL REVENUE	CONTRACTUAL SERVICES	6,156,485	6,225,554	6,100,000	6,203,796	1.7%	103,796
	FRINGE BENEFITS		7,004				
	OPERATING COSTS	648,591					
	SALARIES AND WAGES	26,449	20,115				
SPECIAL REVENUE		**6,831,526**	**6,252,673**	**6,100,000**	**6,203,796**	**1.7%**	**103,796**
TOTAL EXPENSE		**299,414,016**	**290,979,234**	**326,573,853**	**334,725,079**	**2.5%**	**8,151,226**

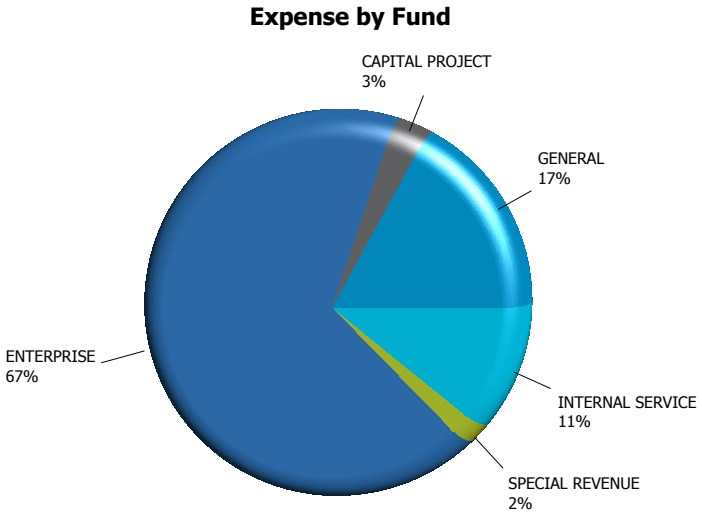
REVENUE		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change	Change
CAPITAL PROJECT	CHARGES FOR SALES	6	3				
	CHARGES FOR SERVICES	6,078,034	3,603,359	6,100,000	5,500,000	-9.8%	(600,000)
	FEDERAL GOVERNMENT	45,226	(45,226)				
	LICENSE AND PERMITS	324,947	323,836	260,000	310,000	19.2%	50,000
	LOCAL GOVERNMENT	182,760					
	LONG TERM LIABILITIES PROCEEDS			2,709,557	3,558,937	31.3%	849,380
	SPECIAL ASSESSMENTS	50,918	137,753	60,000	90,000	50.0%	30,000
	STATE GOVERNMENT	(509,431)					
	TRANSFERS IN		700,000				

EXPENSE AND REVENUE INFORMATION

REVENUE		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change	Change
CAPITAL PROJECT		**6,172,459**	**4,719,726**	**9,129,557**	**9,458,937**	**3.6%**	**329,380**
ENTERPRISE	CHARGES FOR SALES	2,354,107	1,979,471	1,244,000	1,018,000	-18.2%	(226,000)
	CHARGES FOR SERVICES	258,071,564	257,682,010	268,868,371	280,770,650	4.4%	11,902,279
	FEDERAL GOVERNMENT	687,161	88,138				
	FINES AND FORFEITS	24,733	92,884	45,000	45,000	0.0%	
	GAINS	99,549	173,374				
	LICENSE AND PERMITS	433,928	571,178	495,000	416,000	-16.0%	(79,000)
	LOCAL GOVERNMENT	1,155,765	1,183,271	1,191,663	1,453,275	22.0%	261,612
	LONG TERM LIABILITIES PROCEEDS			3,810,328	2,227,967	-41.5%	(1,582,361)
	OTHER MISC REVENUES	244,802	86,164				
	RENTS	2,200	2,105				
	SPECIAL ASSESSMENTS	2,049,809	1,917,879	1,383,481	1,993,231	44.1%	609,750
	STATE GOVERNMENT	1,332,710	1,203,906	1,187,112	1,404,601	18.3%	217,489
	TRANSFERS IN		1,156,681				
ENTERPRISE		**266,456,326**	**266,137,061**	**278,224,955**	**289,328,724**	**4.0%**	**11,103,769**
GENERAL	CHARGES FOR SALES	100,048	86,327	60,000	75,140	25.2%	15,140
	CHARGES FOR SERVICES	11,796,224	11,336,127	9,249,420	11,118,930	20.2%	1,869,510
	FRANCHISE FEES	209,695	43,479				
	LICENSE AND PERMITS	2,224,118	2,848,759	1,485,000	2,240,000	50.8%	755,000
	LOCAL GOVERNMENT	713,640	623,305	698,860	698,860	0.0%	
	OTHER MISC REVENUES	190,251	224,874	101,000	186,000	84.2%	85,000
	SPECIAL ASSESSMENTS	2,036,276	1,992,488	2,264,992	2,376,601	4.9%	111,609
	STATE GOVERNMENT	4,402,791	4,561,937	4,561,936	4,937,709	8.2%	375,773
	TRANSFERS IN	700,000					
GENERAL		**22,373,044**	**21,717,296**	**18,421,208**	**21,633,240**	**17.4%**	**3,212,032**
INTERNAL SERVICE	CHARGES FOR SALES	9,907,420	9,089,695	11,631,151	9,785,380	-15.9%	(1,845,771)
	CHARGES FOR SERVICES	10,782,329	10,918,868	11,426,788	11,671,110	2.1%	244,322
	GAINS	340,385	215,973	10,000		-100.0%	(10,000)
	LONG TERM LIABILITIES PROCEEDS	1,602,041	(1,644)	1,120,418	506,362	-54.8%	(614,056)
	OTHER MISC REVENUES	869,302	285,855		10,000		10,000
	RENTS	24,417,951	21,175,349	13,287,144	14,176,277	6.7%	889,133
INTERNAL SERVICE		**47,919,428**	**41,684,097**	**37,475,501**	**36,149,129**	**-3.5%**	**(1,326,372)**
SPECIAL REVENUE	CONTRIBUTIONS		91,310				
	FEDERAL GOVERNMENT	16					
	OTHER MISC REVENUES	2,577	2,300				
	SPECIAL ASSESSMENTS	5,935,871	6,462,188	6,100,000	6,203,796	1.7%	103,796
	STATE GOVERNMENT		13,102				
SPECIAL REVENUE		**5,938,464**	**6,568,899**	**6,100,000**	**6,203,796**	**1.7%**	**103,796**
TOTAL REVENUE		**348,859,720**	**340,827,080**	**349,351,221**	**362,773,826**	**3.8%**	**13,422,605**


Expense 2013 - 2016
400.0
300.0
200.0
100.0
0.0
2013 Actual
2014 Actual
2015 Adopted
2016 Council Adopted

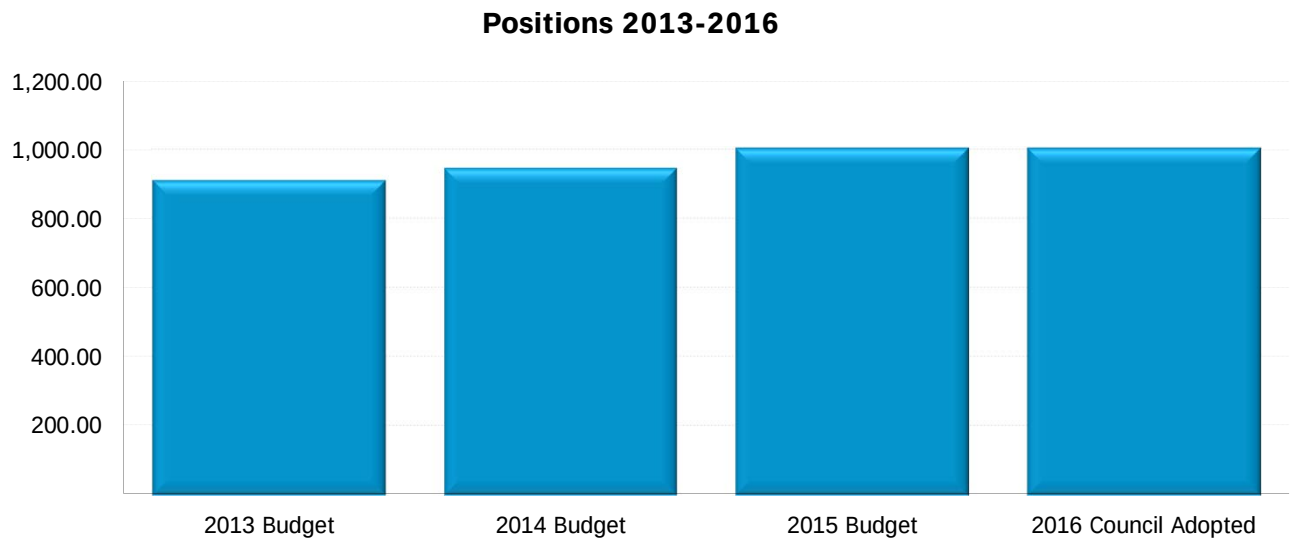

Revenue 2013 - 2016
400.0
300.0
200.0
100.0
0.0
2013 Actual
2014 Actual
2015 Adopted
2016 Council Adopted


Expense by Fund
CAPITAL PROJECT
3%
GENERAL
17%
ENTERPRISE
67%
INTERNAL SERVICE
11%
SPECIAL REVENUE
2%

PUBLIC WORKS

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
PW - ADMINISTRATIVE SERVICES	16.00	16.00	16.00	16.00	0.0%	0
PW - FLEET	156.00	78.00	75.00	75.00	0.0%	0
PW - SOLID WASTE	134.33	134.33	151.00	151.00	0.0%	0
PW - SURFACE WATER & SEWERS-SANITARY	39.50	45.00	47.50	47.50	0.0%	0
PW - SURFACE WATER & SEWERS-STORMWATR	52.40	48.50	50.75	50.75	0.0%	0
PW - TRAFFIC AND PARKING SERVICES	95.40	98.10	104.10	104.10	0.0%	0
PW - TRANSPORTATION MAINTENANCE & REPAIR	146.95	206.95	216.15	216.15	0.0%	0
PW - TRANSPORTATION PLAN/PROGRAMING			15.00	15.00	0.0%	0
PW - TRANSPORTATION PLANNING & ENGINEERING	73.00	78.50	75.00	75.00	0.0%	0
PW - WATER TREATMENT & DISTR.	158.50	192.50	193.00	193.00	0.0%	0
PW - CAPITAL	39.57	49.10	61.00	61.00	0.0%	0
Overall	911.65	946.98	1,004.50	1,004.50	0.0%	0



Financial Analysis – Public Works Administration

Expenditure
The total Administration Division's budget increased from $3.1 million to $3.3 million from 2015 to 2016. This is an increase of $162,000, or 5.2%.

Revenue
Revenues are projected to increase by 6.3% in this division due to increases in plan exam fees. The division's total revenues in 2016 are projected to be $3.1 million.

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

Mayor's Recommended Budget
The Mayor recommended $500,000 in one-time funding for the Development Infrastructure Program previously funded through the City's net debt bond program. In addition, the Mayor recommended rightsizing the budget by reducing the base budget appropriation by $50,000 for anticipated cost savings. The Mayor also directed Public Works to work in conjunction with Regulatory Services, Public Works, Health and the Police Departments to provide services to support up to eight events associated with the Open Streets program within existing budget resources.

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

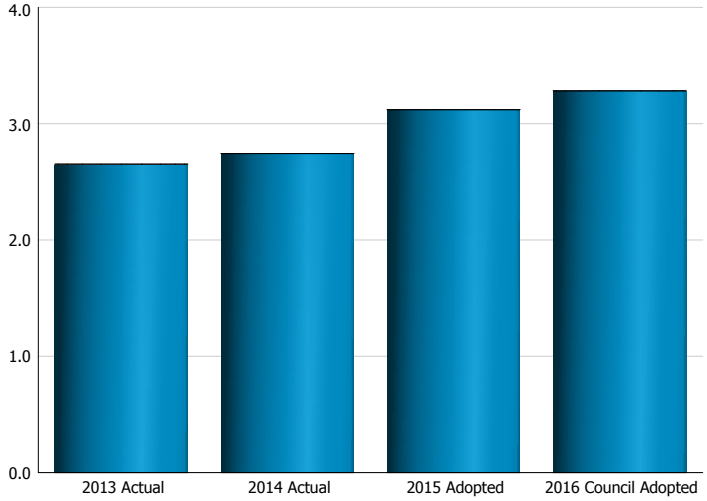
PW - ADMINISTRATIVE SERVICES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,151,887	1,196,695	1,224,610	1,361,087	11.1%	136,476
FRINGE BENEFITS	345,053	369,696	477,968	487,256	1.9%	9,288
CONTRACTUAL SERVICES	635,096	601,880	664,477	676,020	1.7%	11,543
OPERATING COSTS	519,886	573,977	751,313	690,077	-8.2%	(61,236)
CAPITAL		819	2,052	68,052	3,216.4%	66,000
TOTAL GENERAL	**2,651,922**	**2,743,067**	**3,120,420**	**3,282,491**	**5.2%**	**162,071**
TOTAL EXPENSE	**2,651,922**	**2,743,067**	**3,120,420**	**3,282,491**	**5.2%**	**162,071**

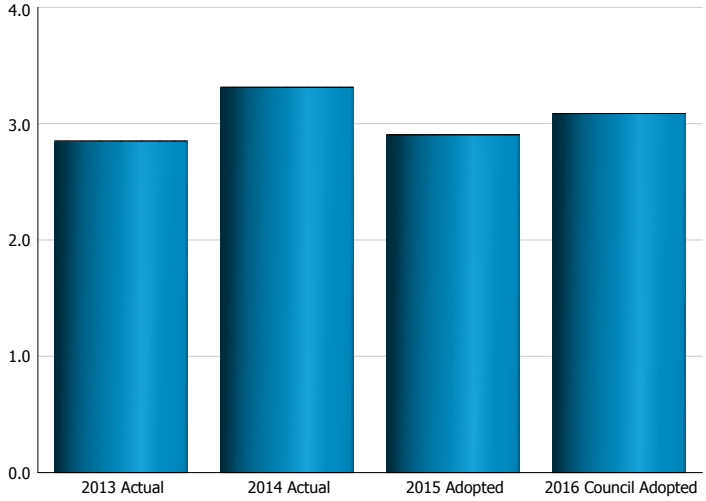
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES		60			0.0%	0
CHARGES FOR SERVICES	2,285,488	2,387,511	2,554,674	2,487,400	-2.6%	(67,274)
LICENSE AND PERMITS	564,626	925,505	350,000	600,000	71.4%	250,000
OTHER MISC REVENUES	357				0.0%	0
GENERAL	**2,850,471**	**3,313,076**	**2,904,674**	**3,087,400**	**6.3%**	**182,726**
TOTAL REVENUE	**2,850,471**	**3,313,076**	**2,904,674**	**3,087,400**	**6.3%**	**182,726**

PW - ADMINISTRATIVE SERVICES
EXPENSE AND REVENUE INFORMATION

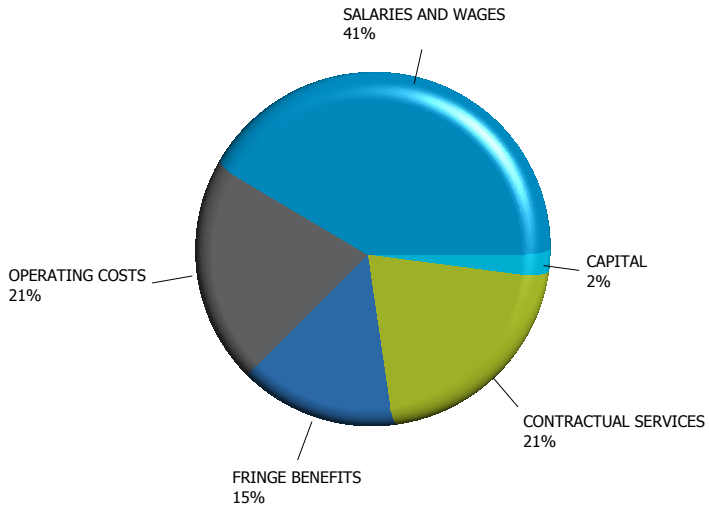
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



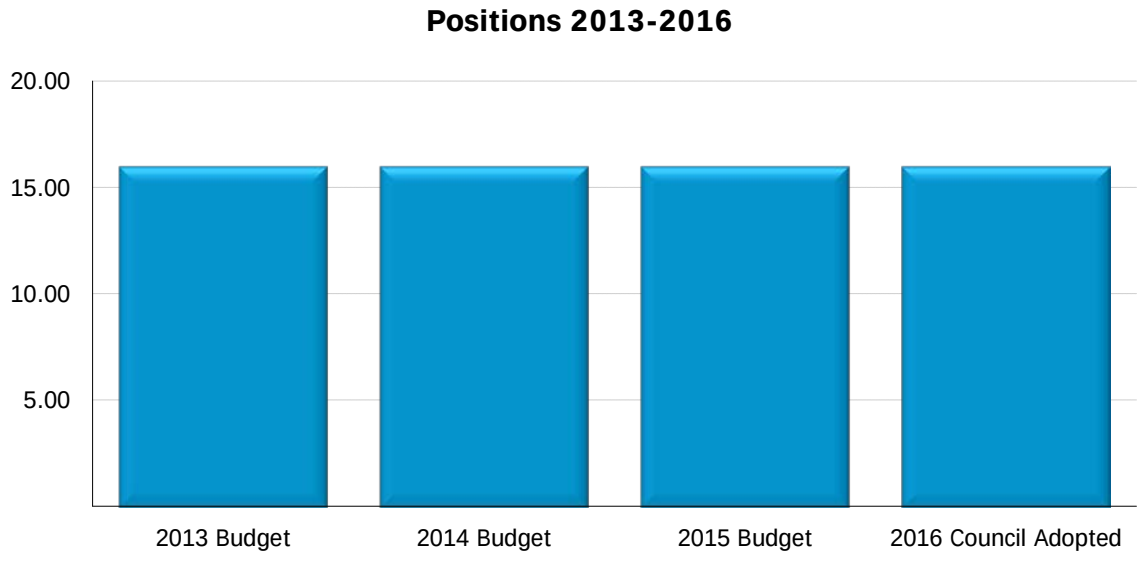
Expense by Category



PW - ADMINISTRATIVE SERVICES

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
MANAGEMENT SERVICES	13.00	13.00	13.00	13.00	0.0%	0
SAFETY/RISK MANAGEMENT	3.00	3.00	3.00	3.00	0.0%	0
Overall	16.00	16.00	16.00	16.00	0.0%	0



Financial Analysis – Public Works Fleet Services

Expenditure
The total Fleet Services Division's budget decreases from $34.4 million to $34.0 million from 2015 to 2016. This is a reduction of $367,000, or 1.1%.

Revenue
Revenues are projected to decline by 3.2% in this division due to a projected decrease in revenue received from the sale of parts and fuel. The division's total revenues in 2016 are projected to be $33.9 million.

Fund Allocation
This division is funded completely by the Fleet Services Fund, which consists of resources accumulated through charges to other departments.

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

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

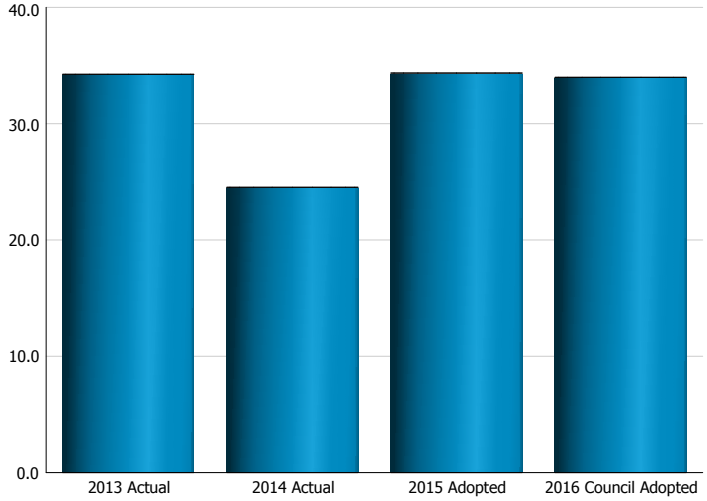
PW - FLEET
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
SALARIES AND WAGES	8,521,893	4,226,966	4,664,149	4,788,377	2.7%	124,228
FRINGE BENEFITS	4,644,447	2,157,882	2,697,458	2,786,428	3.3%	88,970
CONTRACTUAL SERVICES	10,181,560	8,491,488	5,833,282	5,865,298	0.5%	32,016
OPERATING COSTS	10,897,899	9,654,333	9,586,884	9,386,071	-2.1%	(200,813)
CAPITAL			11,570,226	11,159,083	-3.6%	(411,143)
TOTAL INTERNAL SERVICE	**34,245,799**	**24,530,668**	**34,351,999**	**33,985,258**	**-1.1%**	**(366,742)**
TOTAL EXPENSE	**34,245,799**	**24,530,668**	**34,351,999**	**33,985,258**	**-1.1%**	**(366,742)**

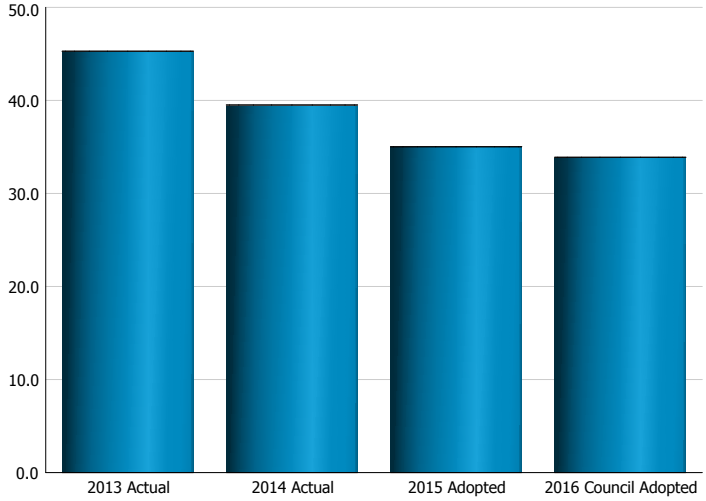
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	9,419,080	8,799,543	11,221,151	9,625,380	-14.2%	(1,595,771)
CHARGES FOR SERVICES	8,639,290	9,289,376	9,490,662	9,589,046	1.0%	98,384
GAINS	340,385	214,329	10,000		-100.0%	(10,000)
LONG TERM LIABILITIES PROCEEDS	1,602,041		1,010,649	487,992	-51.7%	(522,657)
OTHER MISC REVENUES	869,282	27,108		10,000	0.0%	10,000
RENTS	24,417,951	21,175,349	13,287,144	14,176,277	6.7%	889,133
INTERNAL SERVICE	**45,288,029**	**39,505,705**	**35,019,606**	**33,888,695**	**-3.2%**	**(1,130,911)**
TOTAL REVENUE	**45,288,029**	**39,505,705**	**35,019,606**	**33,888,695**	**-3.2%**	**(1,130,911)**

PW - FLEET
EXPENSE AND REVENUE INFORMATION

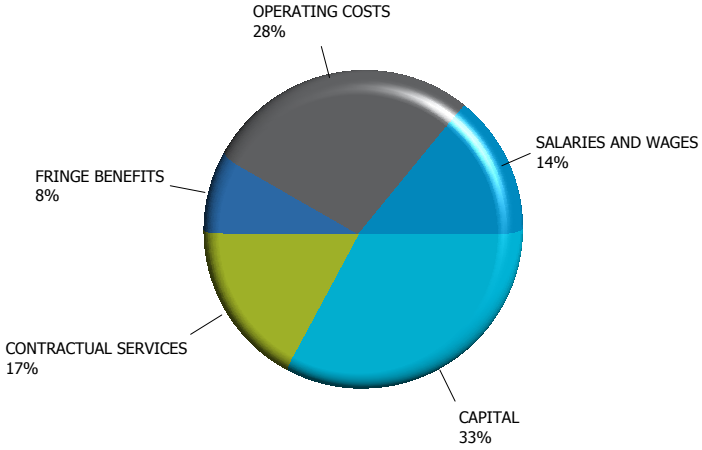
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



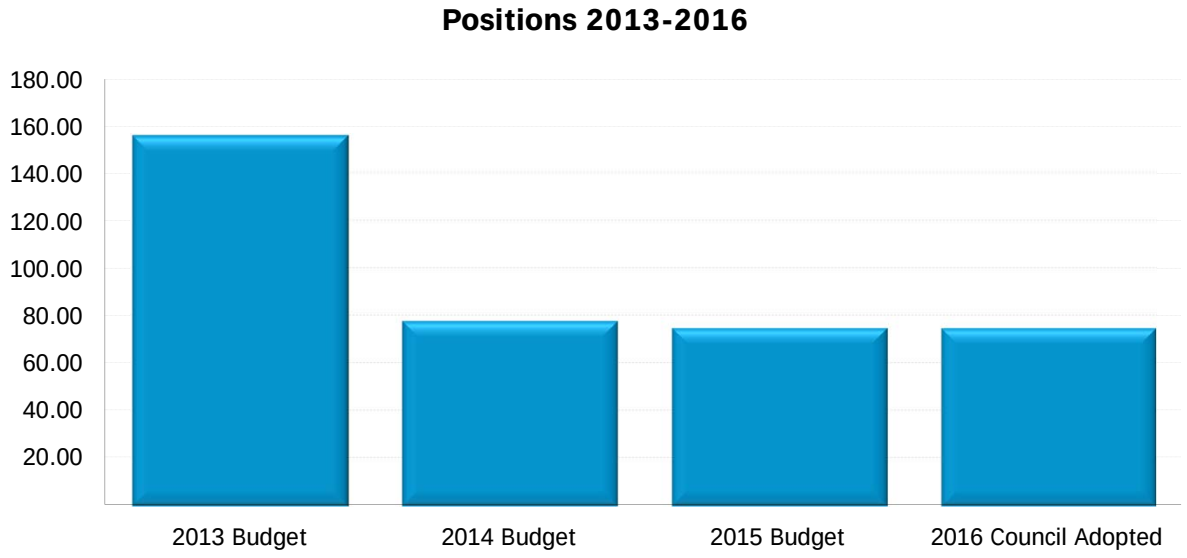
Expense by Category



PW - FLEET

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
FSD ADMINISTRATION	10.00	10.00	10.00	10.00	0.0%	0
FSD OPERATIONS	87.00	8.00	5.00	5.00	0.0%	0
MAINTENANCE	59.00	60.00	60.00	60.00	0.0%	0
Overall	156.00	78.00	75.00	75.00	0.0%	0



Financial Analysis – Public Works Solid Waste & Recycling

Expenditure
The Solid Waste & Recycling Division's budget decreased by 1.1% in 2016, to $40.1 million. The 2015 budget included one-time capital expenditures for the organics recycling program rollout.

Revenue
In 2016, revenues are projected to be $39.5 million versus $40.1 million in 2015, a decrease of 1.4%. An increase of $1.8 million in charges for services is more than offset by $2.3 million in use of fund balance in 2015 associated with one-time capital expenditures for the organics recycling program rollout.

Fund Allocation
This division is funded completely by the Solid Waste & Recycling Fund, which is an enterprise activity.

Mayor's Recommended Budget
The Mayor recommended $50,000 in one-time funding for Zero Waste initiatives.

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

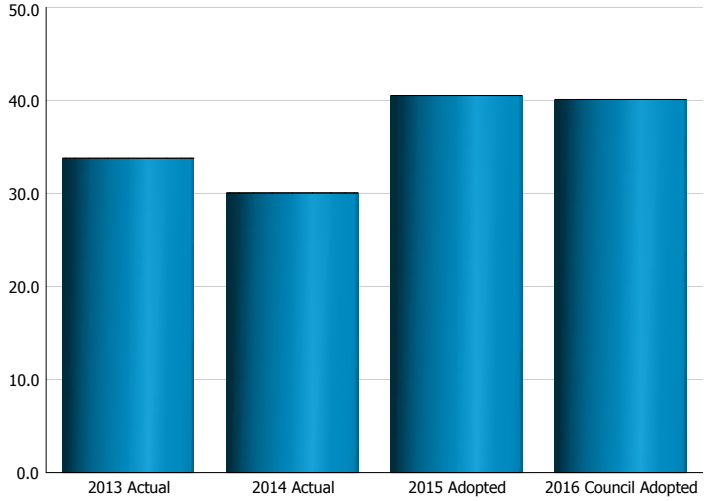
PW - SOLID WASTE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	6,874,988	7,068,253	8,273,444	8,735,895	5.6%	462,451
FRINGE BENEFITS	3,862,967	3,690,179	4,601,461	4,879,363	6.0%	277,902
CONTRACTUAL SERVICES	16,879,575	17,327,340	20,868,595	21,536,658	3.2%	668,063
OPERATING COSTS	6,166,648	1,973,577	2,194,946	2,856,682	30.1%	661,736
CAPITAL	0		4,589,045	2,091,907	-54.4%	(2,497,138)
TOTAL ENTERPRISE	**33,784,178**	**30,059,349**	**40,527,491**	**40,100,506**	**-1.1%**	**(426,986)**
TOTAL EXPENSE	**33,784,178**	**30,059,349**	**40,527,491**	**40,100,506**	**-1.1%**	**(426,986)**

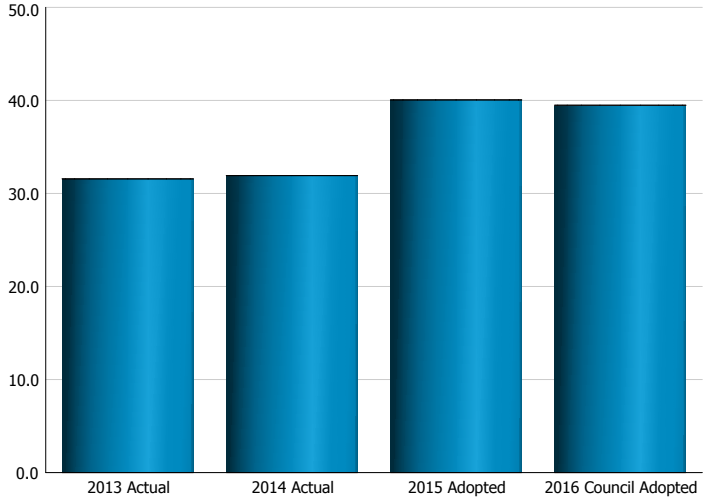
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	793,663	386,260	244,000	18,000	-92.6%	(226,000)
CHARGES FOR SERVICES	29,440,140	30,181,240	35,383,700	37,143,947	5.0%	1,760,247
FEDERAL GOVERNMENT	8,015				0.0%	0
FINES AND FORFEITS		36			0.0%	0
GAINS	99,549	173,374			0.0%	0
LOCAL GOVERNMENT	864,545	871,608	880,000	1,080,000	22.7%	200,000
LONG TERM LIABILITIES PROCEEDS			3,339,491	1,029,736	-69.2%	(2,309,755)
OTHER MISC REVENUES	1,233	12,282			0.0%	0
SPECIAL ASSESSMENTS	343,432	275,620	190,000	190,000	0.0%	0
STATE GOVERNMENT	17,488	19,283	19,300	19,823	2.7%	523
ENTERPRISE	**31,568,064**	**31,919,703**	**40,056,491**	**39,481,506**	**-1.4%**	**(574,985)**
TOTAL REVENUE	**31,568,064**	**31,919,703**	**40,056,491**	**39,481,506**	**-1.4%**	**(574,985)**

PW - SOLID WASTE
EXPENSE AND REVENUE INFORMATION

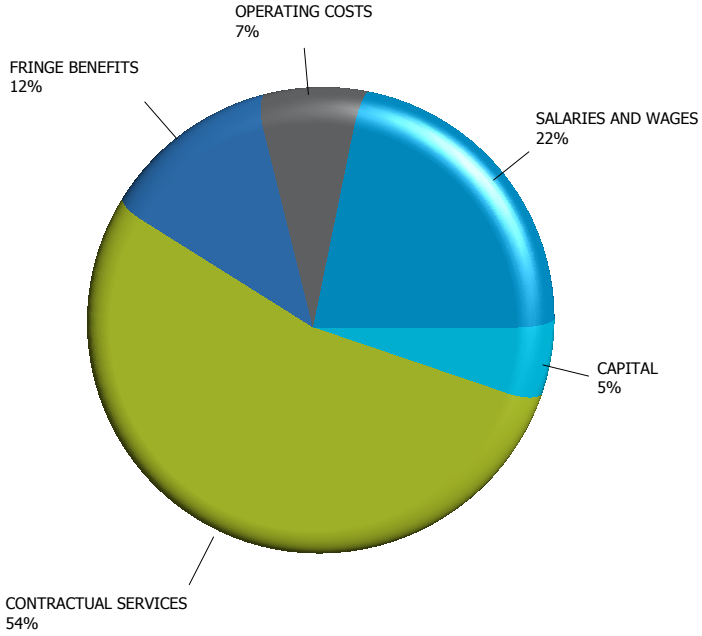
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



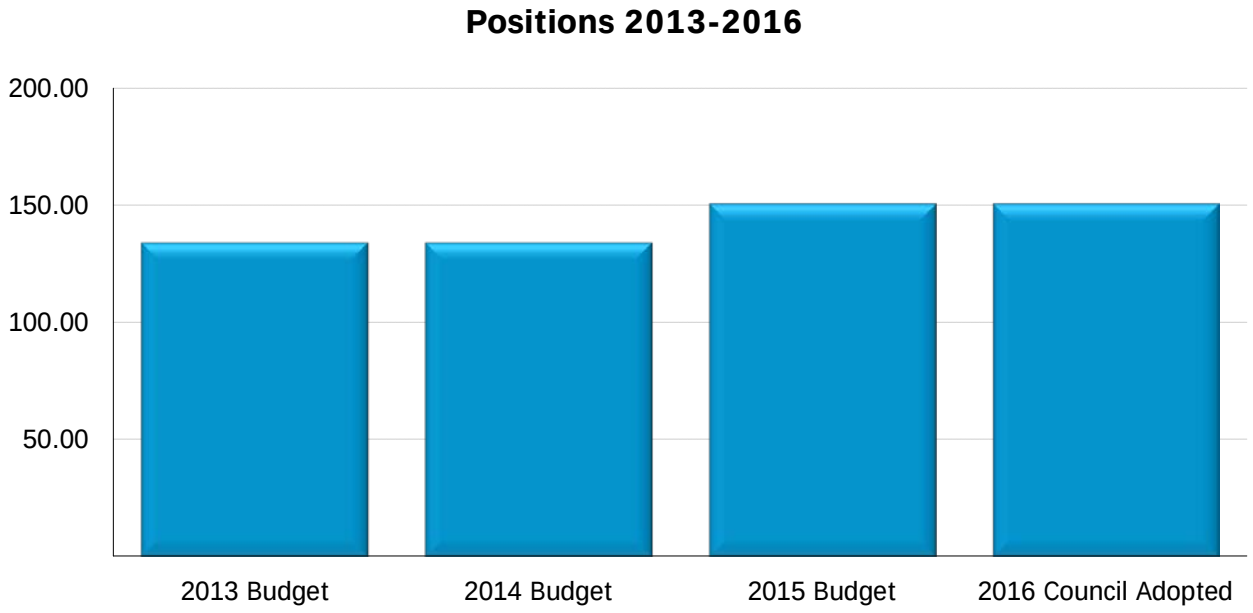
Expense by Category



PW - SOLID WASTE

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
ADMINISTRATION	11.33	11.33	16.00	16.00	0.0%	0
CLEAN CITY	21.00	21.00	19.00	19.00	0.0%	0
COLLECTION	38.00	38.00	38.00	38.00	0.0%	0
CUSTOMER SERVICE	8.00	8.00	8.00	8.00	0.0%	0
EQUIPMENT	10.00	10.00	12.00	12.00	0.0%	0
LARGE ITEM/PROBLEM MATERIAL	7.00	7.00	8.00	8.00	0.0%	0
ORGANICS	3.00	3.00	17.00	17.00	0.0%	0
RECYCLING	20.00	20.00	20.00	20.00	0.0%	0
TRANSFER STATIONS	1.00	1.00	1.00	1.00	0.0%	0
YARD WASTE PROGRAM	15.00	15.00	12.00	12.00	0.0%	0
Overall	134.33	134.33	151.00	151.00	0.0%	0



Financial Analysis – Public Works Sanitary Sewer

Expenditure
The total Sanitary Sewer Division's budget increased from $56.8 million to $59.9 million from 2015 to 2016. This is an increase of $3.1 million, or 5.4%. The increase is due to an estimated rate increase in Met Council fees of $1.9 million, and $800,000 in additional personnel costs and $400,000 in software costs associated with supplemental cleaning and maintenance.

Revenue
Revenues are projected to increase by 14.9% in this division due to a rate increase in both variable and fixed charges in monthly utility billings. The division's total revenues in 2016 are projected to be $65.5 million.

Fund Allocation
This division is funded completely in the Sanitary Sewer Fund, which is an enterprise activity.

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

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

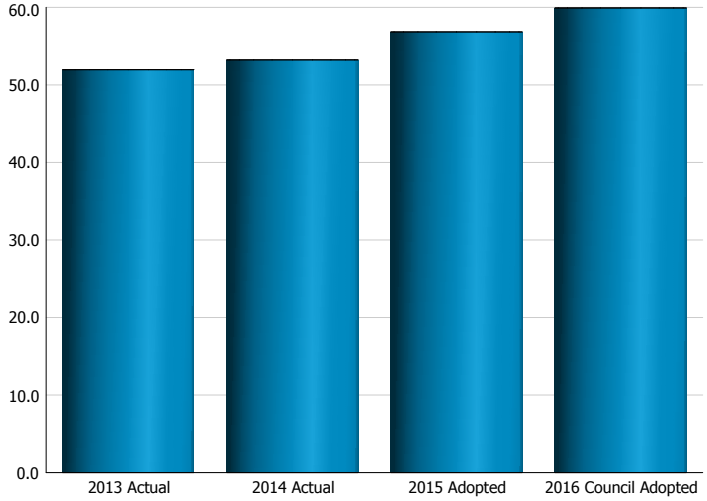
PW - SURFACE WATER & SEWERS-SANITARY
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	2,692,062	3,015,184	2,507,845	3,016,091	20.3%	508,246
FRINGE BENEFITS	1,307,382	1,485,891	1,303,263	1,634,959	25.5%	331,696
CONTRACTUAL SERVICES	13,522,941	14,602,339	15,174,381	15,614,991	2.9%	440,610
OPERATING COSTS	34,447,891	34,132,181	37,012,194	38,832,790	4.9%	1,820,596
CAPITAL			835,697	831,077	-0.6%	(4,620)
TOTAL ENTERPRISE	**51,970,276**	**53,235,594**	**56,833,381**	**59,929,908**	**5.4%**	**3,096,528**
TOTAL EXPENSE	**51,970,276**	**53,235,594**	**56,833,381**	**59,929,908**	**5.4%**	**3,096,528**

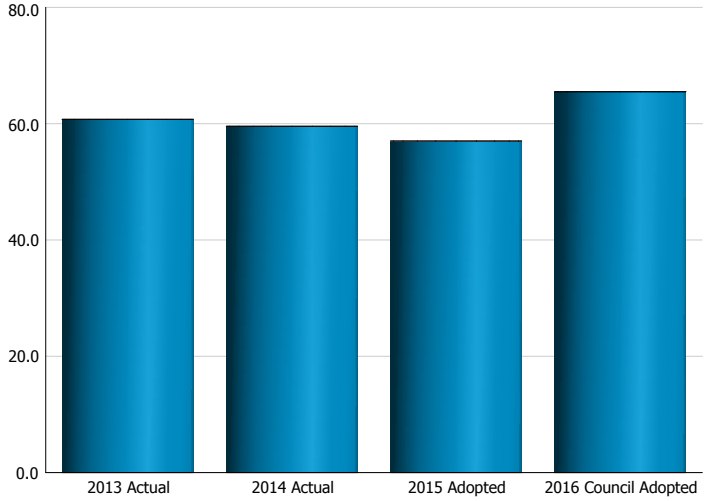
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	6,776	10,002			0.0%	0
CHARGES FOR SERVICES	60,561,072	59,233,777	56,320,072	65,649,950	16.6%	9,329,878
FEDERAL GOVERNMENT		630			0.0%	0
LICENSE AND PERMITS	83,146	180,325	220,000	100,000	-54.5%	(120,000)
LONG TERM LIABILITIES PROCEEDS			470,837	(253,045)	-153.7%	(723,882)
OTHER MISC REVENUES	5	70			0.0%	0
SPECIAL ASSESSMENTS	96,986	127,221			0.0%	0
STATE GOVERNMENT		210			0.0%	0
ENTERPRISE	**60,747,985**	**59,552,234**	**57,010,909**	**65,496,905**	**14.9%**	**8,485,996**
TOTAL REVENUE	**60,747,985**	**59,552,234**	**57,010,909**	**65,496,905**	**14.9%**	**8,485,996**

PW - SURFACE WATER & SEWERS-SANITARY
EXPENSE AND REVENUE INFORMATION

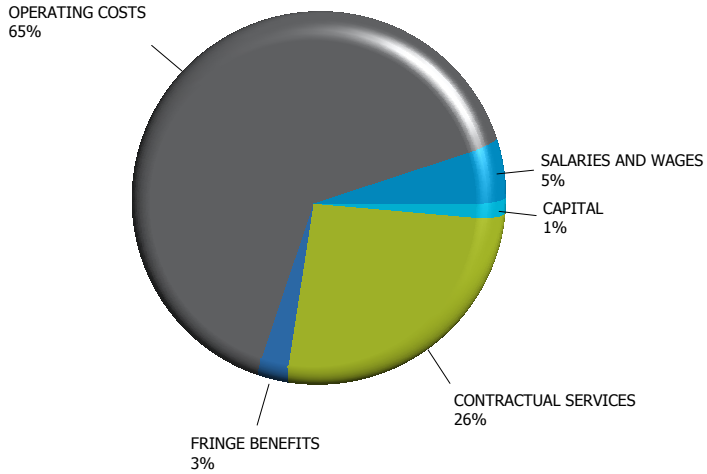
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



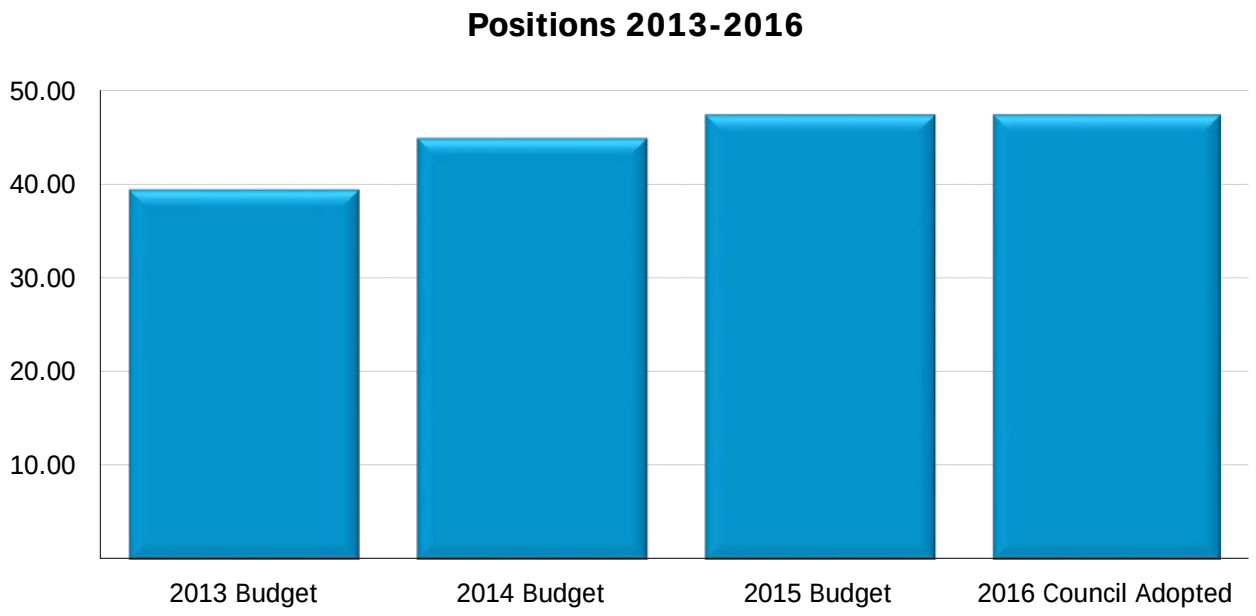
Expense by Category



PW - SURFACE WATER & SEWERS-SANITARY

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
DESIGN	5.50	6.50	5.50	5.50	0.0%	0
SANITARY SEWER	34.00	38.50	38.75	38.75	0.0%	0
SEWER ADMINISTRATION			3.25	3.25	0.0%	0
Overall	39.50	45.00	47.50	47.50	0.0%	0



Financial Analysis – Public Works Stormwater

Expenditure
The Stormwater Division's budget increases by $1.2 million from 2015 to 2016. The increase can be attributed to an increase in repair and maintenance projects. The 2016 budget is $20.6 million.

Revenue
Revenues are projected to increase by $1.9 million, or 4.8%, in this division in 2016. The increase is due to an increase in use of fund balance of $3.1 million, which more than offsets a projected decrease of $1.2 million in fees due to a projected decline in overall surface units.

Fund Allocation
This division is funded completely in the Stormwater Fund, which is an enterprise activity.

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

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

PW - SURFACE WATER & SEWERS-STORMWATR
EXPENSE AND REVENUE INFORMATION

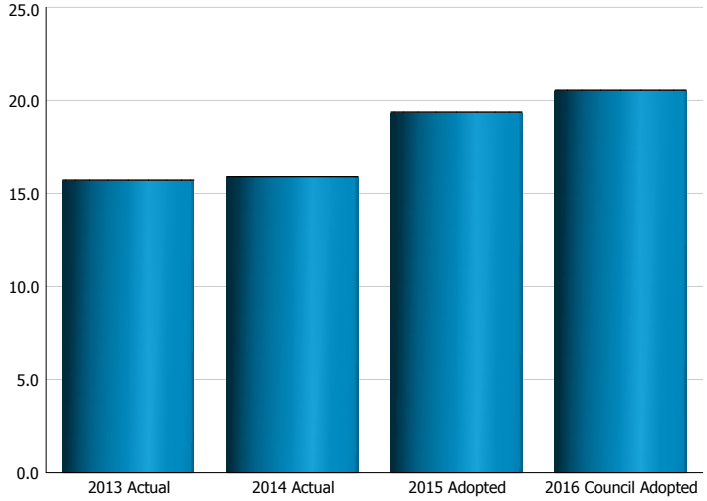
EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	2,655,459	2,825,153	3,866,238	3,503,335	-9.4%	(362,904)
FRINGE BENEFITS	1,334,479	1,171,522	1,860,406	1,760,255	-5.4%	(100,151)
CONTRACTUAL SERVICES	8,946,948	9,254,183	9,693,045	11,383,220	17.4%	1,690,175
OPERATING COSTS	2,778,779	2,652,565	3,150,856	3,300,905	4.8%	150,049
CAPITAL			800,892	602,577	-24.8%	(198,315)
TOTAL ENTERPRISE	**15,715,665**	**15,903,423**	**19,371,437**	**20,550,292**	**6.1%**	**1,178,855**
TOTAL EXPENSE	**15,715,665**	**15,903,423**	**19,371,437**	**20,550,292**	**6.1%**	**1,178,855**

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	49,206				0.0%	0
CHARGES FOR SERVICES	37,796,929	39,898,040	40,577,356	39,348,870	-3.0%	(1,228,486)
FEDERAL GOVERNMENT	6,870	10,857			0.0%	0
FINES AND FORFEITS	24,733	92,847	45,000	45,000	0.0%	0
LICENSE AND PERMITS	75	1,550			0.0%	0
LOCAL GOVERNMENT	74,914	75,000	75,000	76,500	2.0%	1,500
LONG TERM LIABILITIES PROCEEDS				3,161,149	0.0%	3,161,149
OTHER MISC REVENUES	500				0.0%	0
SPECIAL ASSESSMENTS	275,931	269,269			0.0%	0
STATE GOVERNMENT	145,218	164,540	163,516	176,820	8.1%	13,304
ENTERPRISE	**38,374,376**	**40,512,103**	**40,860,872**	**42,808,339**	**4.8%**	**1,947,467**
TOTAL REVENUE	**38,374,376**	**40,512,103**	**40,860,872**	**42,808,339**	**4.8%**	**1,947,467**

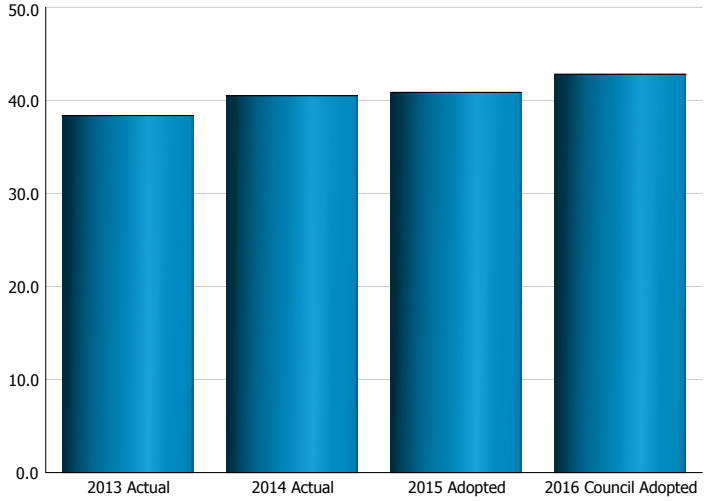
Home

PW - SURFACE WATER & SEWERS-STORMWATR
EXPENSE AND REVENUE INFORMATION

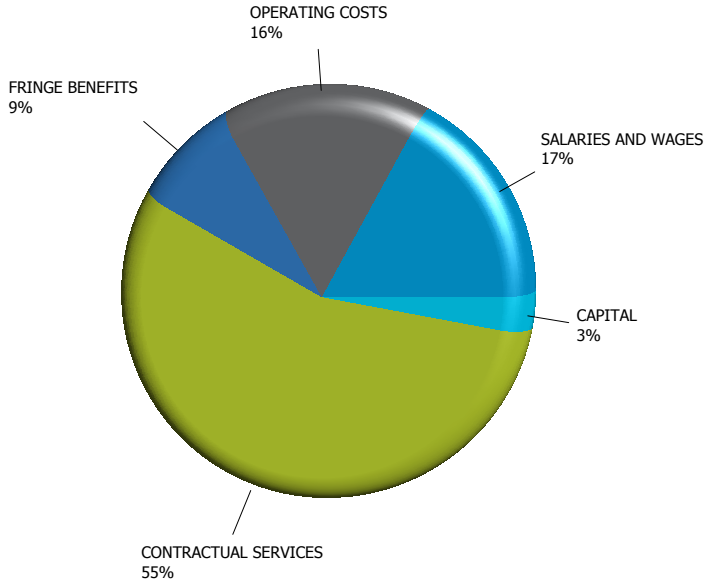
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



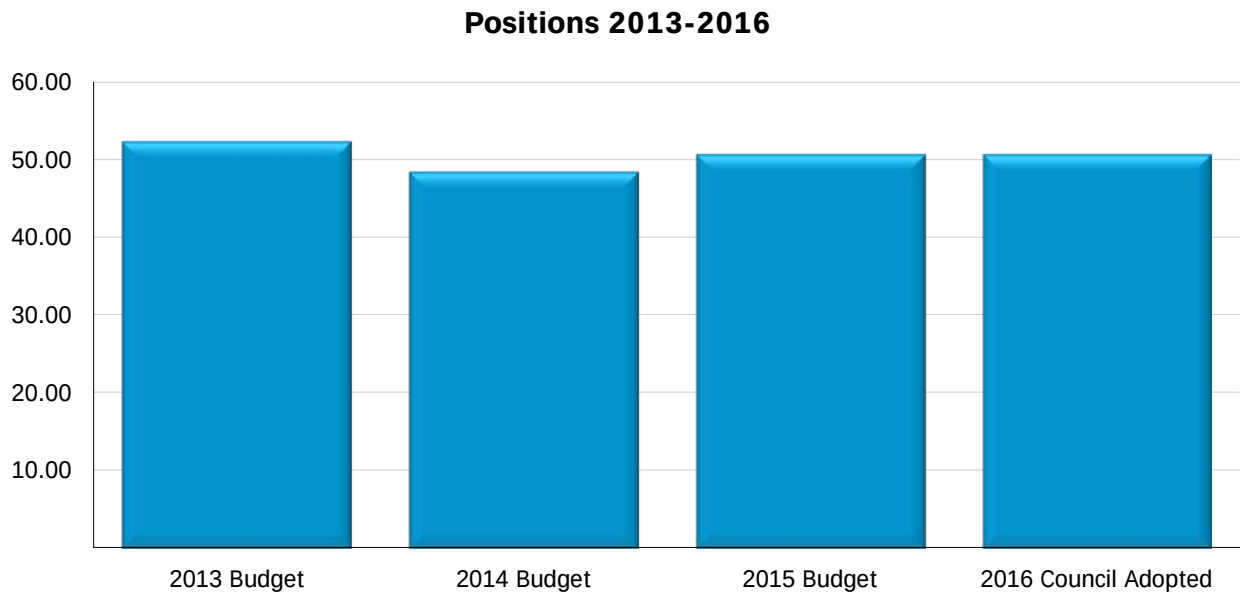
Expense by Category



PW - SURFACE WATER & SEWERS-STORMWATR

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
CSO PHASE II	6.00	6.00	2.00	2.00	0.0%	0
SANITARY_STORMWATER DESIGN	21.00	20.00	22.00	22.00	0.0%	0
SEWER MAINTENANCE	25.40	22.50	22.50	22.50	0.0%	0
STORMWATER ADMINISTRATION			4.25	4.25	0.0%	0
Overall	52.40	48.50	50.75	50.75	0.0%	0



Financial Analysis – Public Works Traffic & Parking

Expenditure
Traffic & Parking Division's budget increases from $55.5 million to $55.9 million in 2016. This is an increase of $472,000, or 0.9%. The 2016 budget includes a one-time $295,000 enhancement for street lights using LED technology.

Revenue
Revenues are projected to decrease by 2.3% in this division due to a $2.6 million reduction in use of fund balance, which more than offsets upward trends in parking and lane use fee revenue. The division's total revenues in 2016 are projected to be $63.5 million.

Fund Allocation
This division is funded primarily by the Parking Fund (69%), with the remainder of the division's funding found in the General Fund (30%) and Internal Services (Traffic Stores) fund (1%).

Mayor's Recommended Budget
The Mayor's recommended budget includes $400,000 in one-time General Fund appropriation to accelerate the replacement of the city owned 30 foot street lights to LED technology.

Council Adopted Budget
The City Council amended the Mayor's recommendations on a one-time basis by

1. Transferring $75,000 from the Parking Fund to Regulatory Services.
2. Decreasing $105,000 from the LED lighting initiative and increasing the Police budget by $105,000.

PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	3,384,165	3,861,901	4,047,436	3,916,566	-3.2%	(130,870)
FRINGE BENEFITS	1,579,420	1,902,352	1,784,493	1,685,985	-5.5%	(98,507)
CONTRACTUAL SERVICES	7,400,794	7,334,074	7,442,668	7,627,510	2.5%	184,842
OPERATING COSTS	1,360,115	2,235,798	2,840,365	3,497,759	23.1%	657,394
CAPITAL	125,575	16,842				0
TOTAL GENERAL	**13,850,069**	**15,350,967**	**16,114,961**	**16,727,820**	**3.8%**	**612,859**
SPECIAL REVENUE						
SALARIES AND WAGES	13,216					0
CONTRACTUAL SERVICES	1,939					0
OPERATING COSTS	648,591					0
TOTAL SPECIAL REVENUE	**663,746**					**0**
INTERNAL SERVICE						
SALARIES AND WAGES	207,082	208,437	175,286	177,478	1.3%	2,193
FRINGE BENEFITS	121,181	85,179	77,750	83,880	7.9%	6,130
CONTRACTUAL SERVICES	84,515	120,354	48,894	43,038	-12.0%	(5,856)
OPERATING COSTS	153,550	57,379	26,762	26,762	0.0%	0
TOTAL INTERNAL SERVICE	**566,327**	**471,348**	**328,691**	**331,158**	**0.8%**	**2,467**
ENTERPRISE						
SALARIES AND WAGES	2,798,397	2,748,143	3,129,526	3,106,454	-0.7%	(23,072)
FRINGE BENEFITS	1,060,194	939,008	1,310,852	1,330,442	1.5%	19,590
CONTRACTUAL SERVICES	31,214,780	31,363,329	31,860,300	31,986,827	0.4%	126,527
OPERATING COSTS	2,611,428	2,601,691	2,731,078	2,464,297	-9.8%	(266,781)
CAPITAL	153,549	11,663				0
TOTAL ENTERPRISE	**37,838,348**	**37,663,835**	**39,031,755**	**38,888,020**	**-0.4%**	**(143,735)**
TOTAL EXPENSE	**52,918,490**	**53,486,149**	**55,475,407**	**55,946,998**	**0.9%**	**471,591**

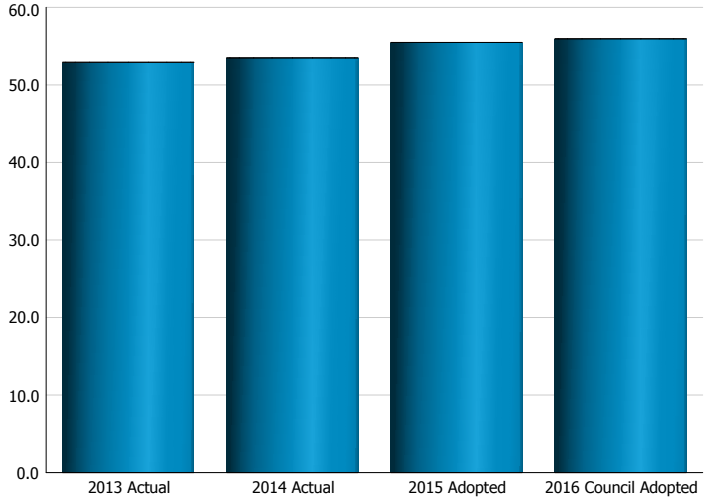
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	83,418	57,570	50,000	50,000	0.0%	0
CHARGES FOR SERVICES	933,454	1,004,820	680,000	725,000	6.6%	45,000
LICENSE AND PERMITS	1,636,517	1,885,314	1,115,000	1,615,000	44.8%	500,000
LOCAL GOVERNMENT	567,424	479,408	554,963	554,963	0.0%	0
OTHER MISC REVENUES	189,807	224,874	100,000	185,000	85.0%	85,000
SPECIAL ASSESSMENTS	198,650	194,442	190,000	190,000	0.0%	0
STATE GOVERNMENT	1,156,525	1,298,040	1,298,039	1,298,039	0.0%	0
GENERAL	**4,765,795**	**5,144,467**	**3,988,002**	**4,618,002**	**15.8%**	**630,000**

PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

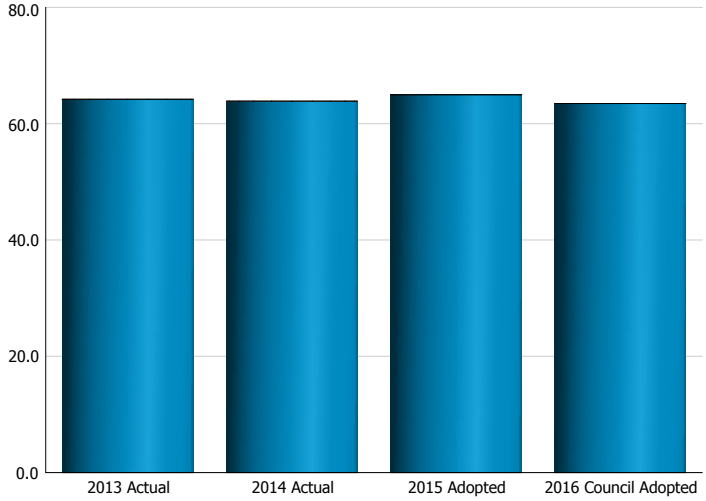
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	4,254		10,000	10,000	0.0%	0
CHARGES FOR SERVICES	761,858	622,528	555,000	460,000	-17.1%	(95,000)
LONG TERM LIABILITIES PROCEEDS				(138,842)	0.0%	(138,842)
OTHER MISC REVENUES		258,747			0.0%	0
INTERNAL SERVICE	**766,113**	**881,275**	**565,000**	**331,158**	**-41.4%**	**(233,842)**
ENTERPRISE						
CHARGES FOR SALES	1,289,693	1,462,018	1,000,000	1,000,000	0.0%	0
CHARGES FOR SERVICES	56,347,736	55,981,462	58,606,500	59,249,326	1.1%	642,826
FEDERAL GOVERNMENT	137,771	29,920			0.0%	0
LICENSE AND PERMITS	330,919	349,534	275,000	316,000	14.9%	41,000
LONG TERM LIABILITIES PROCEEDS				(2,591,526)	0.0%	(2,591,526)
OTHER MISC REVENUES	11,990	20,388			0.0%	0
RENTS	2,200	2,105			0.0%	0
SPECIAL ASSESSMENTS	543,481		543,481	543,481	0.0%	0
ENTERPRISE	**58,663,789**	**57,845,428**	**60,424,981**	**58,517,281**	**-3.2%**	**(1,907,700)**
TOTAL REVENUE	**64,195,697**	**63,871,170**	**64,977,983**	**63,466,441**	**-2.3%**	**(1,511,542)**

PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

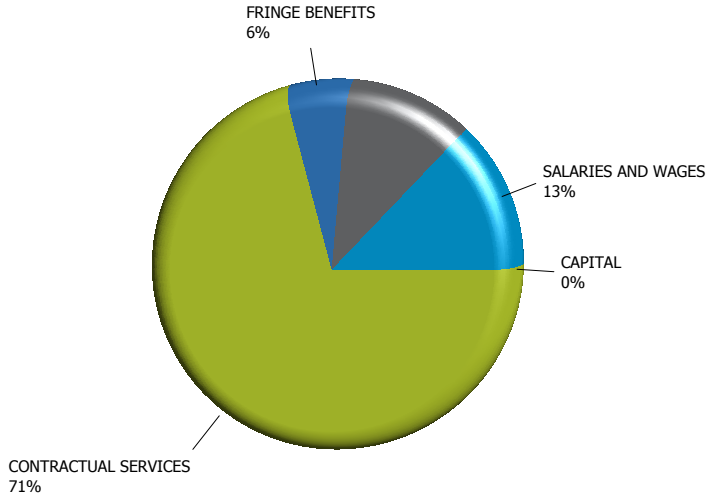
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



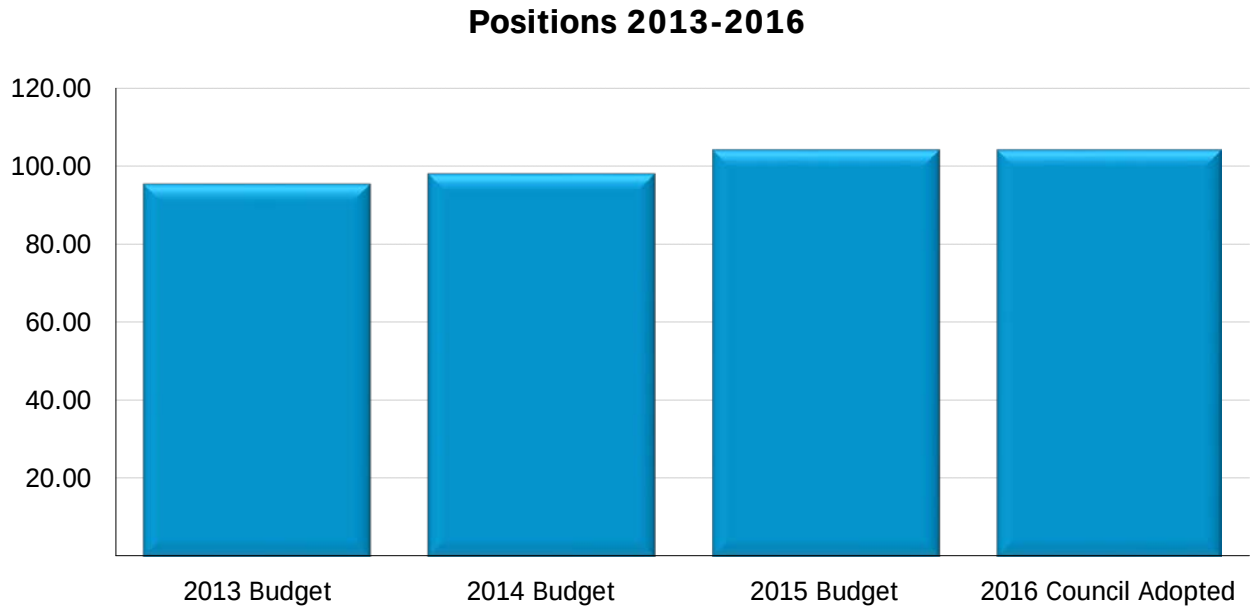
Expense by Category



PW - TRAFFIC AND PARKING SERVICES

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
FIELD OPERATIONS	35.40	38.50	39.55	39.55	0.0%	0
INVENTORY	3.00	3.00	3.00	3.00	0.0%	0
OFF-STREET PARKING	11.10	11.10	11.50	11.50	0.0%	0
ON-STREET PARKING	14.35	13.95	15.05	15.05	0.0%	0
PLANNING & DESIGN	4.45	4.95	5.65	5.65	0.0%	0
STREET LIGHTING	5.65	5.65	6.45	6.45	0.0%	0
TOWING AND IMPOUND	21.45	20.95	22.90	22.90	0.0%	0
Overall	95.40	98.10	104.10	104.10	0.0%	0



Financial Analysis – Public Works Transportation Maintenance & Repair

Expenditure
The total budget for the Transportation Maintenance and Repair Division increased from $47.7 million in 2015 to $48.5 million in 2016, an increase of 1.8%.

Revenue
Revenues are projected to increase by 14.7% in this division due primarily to increases in state and county intergovernmental aids, as well as increasing revenues from Special Service Districts (SSDs) including the Downtown Improvement District's assessment revenue. The division's total revenue in 2016 is projected to be $22.2 million.

Fund Allocation
This division is funded primarily by the General Fund (67%), with the remainder of the division's funding found in the Special Revenue Funds (13%), Enterprise Funds (18%), and Capital Project Funds (2%).

Mayor's Recommended Budget
The Mayor's recommended budget includes $298,176 in ongoing General Fund appropriation for bikeway summer and winter maintenance. The Mayor's recommended budget also includes one-time funding of $10 million for the 10th Avenue Bridge project, and $250,000 for the Downtown East Commons.

Council Adopted Budget
The City Council Approved the Mayor's recommendations and directed the department to report to the Transportation & Public Works Committee by January 31, 2016, with proposed specific projects for the 2016 Paving Program within the capital budget.

PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	7,961,371	10,657,992	9,474,643	10,146,413	7.1%	671,769
FRINGE BENEFITS	4,591,402	5,561,293	5,197,643	5,727,566	10.2%	529,923
CONTRACTUAL SERVICES	14,050,755	13,000,510	10,984,633	11,241,028	2.3%	256,395
OPERATING COSTS	5,801,622	4,807,695	5,539,426	5,301,330	-4.3%	(238,097)
CAPITAL	143,356	185,280	148,502	156,002	5.1%	7,500
TOTAL GENERAL	**32,548,506**	**34,212,771**	**31,344,848**	**32,572,339**	**3.9%**	**1,227,491**
SPECIAL REVENUE						
SALARIES AND WAGES	13,234					0
CONTRACTUAL SERVICES	6,154,546	6,160,314	6,100,000	6,203,796	1.7%	103,796
TOTAL SPECIAL REVENUE	**6,167,780**	**6,160,314**	**6,100,000**	**6,203,796**	**1.7%**	**103,796**
CAPITAL PROJECT						
SALARIES AND WAGES	273,059	347,000	342,551	369,516	7.9%	26,965
FRINGE BENEFITS	108,193	130,213	152,265	155,332	2.0%	3,067
CONTRACTUAL SERVICES	268,090	292,801	522,373	649,695	24.4%	127,322
OPERATING COSTS	8,957	10,866	11,193	6,675	-40.4%	(4,518)
CAPITAL		268				0
TOTAL CAPITAL PROJECT	**658,299**	**781,149**	**1,028,382**	**1,181,218**	**14.9%**	**152,835**
ENTERPRISE						
SALARIES AND WAGES	1,392,821	1,917,544	2,668,465	2,362,074	-11.5%	(306,391)
FRINGE BENEFITS	645,034	661,559	1,225,735	1,105,603	-9.8%	(120,132)
CONTRACTUAL SERVICES	5,241,353	4,108,234	4,420,306	4,274,731	-3.3%	(145,575)
OPERATING COSTS	588,650	485,404	875,678	820,372	-6.3%	(55,305)
TOTAL ENTERPRISE	**7,867,859**	**7,172,742**	**9,190,184**	**8,562,781**	**-6.8%**	**(627,403)**
TOTAL EXPENSE	**47,242,445**	**48,326,975**	**47,663,414**	**48,520,133**	**1.8%**	**856,719**

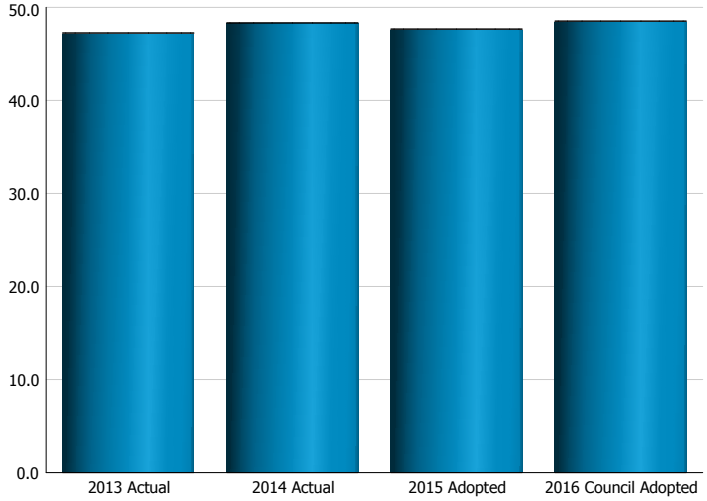
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	16,630	28,697	10,000	25,140	151.4%	15,140
CHARGES FOR SERVICES	7,928,986	7,215,963	5,464,746	7,281,530	33.2%	1,816,784
FRANCHISE FEES	209,695	43,479			0.0%	0
LOCAL GOVERNMENT	146,216	143,897	143,897	143,897	0.0%	0
OTHER MISC REVENUES	87		1,000	1,000	0.0%	0
SPECIAL ASSESSMENTS	1,837,626	1,798,046	2,074,992	2,186,601	5.4%	111,609
STATE GOVERNMENT	3,246,266	3,263,897	3,263,897	3,639,670	11.5%	375,773
TRANSFERS IN	700,000				0.0%	0
GENERAL	**14,085,506**	**12,493,979**	**10,958,532**	**13,277,838**	**21.2%**	**2,319,306**

PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

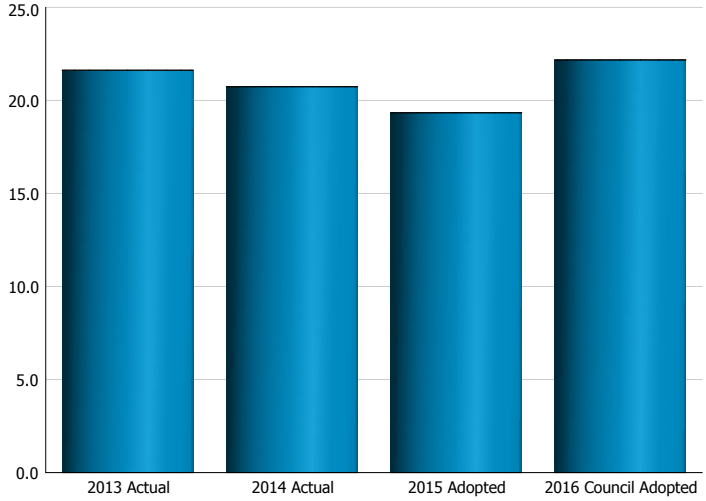
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
OTHER MISC REVENUES	2,577	2,300			0.0%	0
SPECIAL ASSESSMENTS	5,935,871	6,462,188	6,100,000	6,203,796	1.7%	103,796
STATE GOVERNMENT		13,102			0.0%	0
SPECIAL REVENUE	**5,938,448**	**6,477,589**	**6,100,000**	**6,203,796**	**1.7%**	**103,796**
CAPITAL PROJECT						
CHARGES FOR SERVICES		(2,730)			0.0%	0
LICENSE AND PERMITS	324,947	323,836	260,000	310,000	19.2%	50,000
LONG TERM LIABILITIES PROCEEDS			708,382	781,218	10.3%	72,836
SPECIAL ASSESSMENTS	50,918	137,753	60,000	90,000	50.0%	30,000
CAPITAL PROJECT	**375,865**	**458,859**	**1,028,382**	**1,181,218**	**14.9%**	**152,836**
ENTERPRISE						
CHARGES FOR SALES	475	1,056			0.0%	0
CHARGES FOR SERVICES	9,256	2,512	10,000	10,000	0.0%	0
FEDERAL GOVERNMENT		46,730			0.0%	0
LOCAL GOVERNMENT	216,306	236,663	236,663	296,775	25.4%	60,112
STATE GOVERNMENT	997,577	1,019,873	1,004,296	1,207,958	20.3%	203,662
ENTERPRISE	**1,223,614**	**1,306,834**	**1,250,959**	**1,514,733**	**21.1%**	**263,774**
TOTAL REVENUE	**21,623,433**	**20,737,262**	**19,337,873**	**22,177,585**	**14.7%**	**2,839,712**

PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

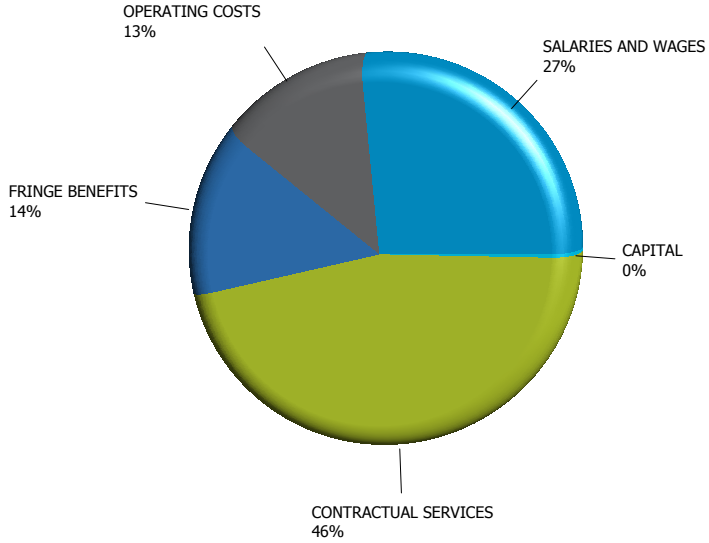
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



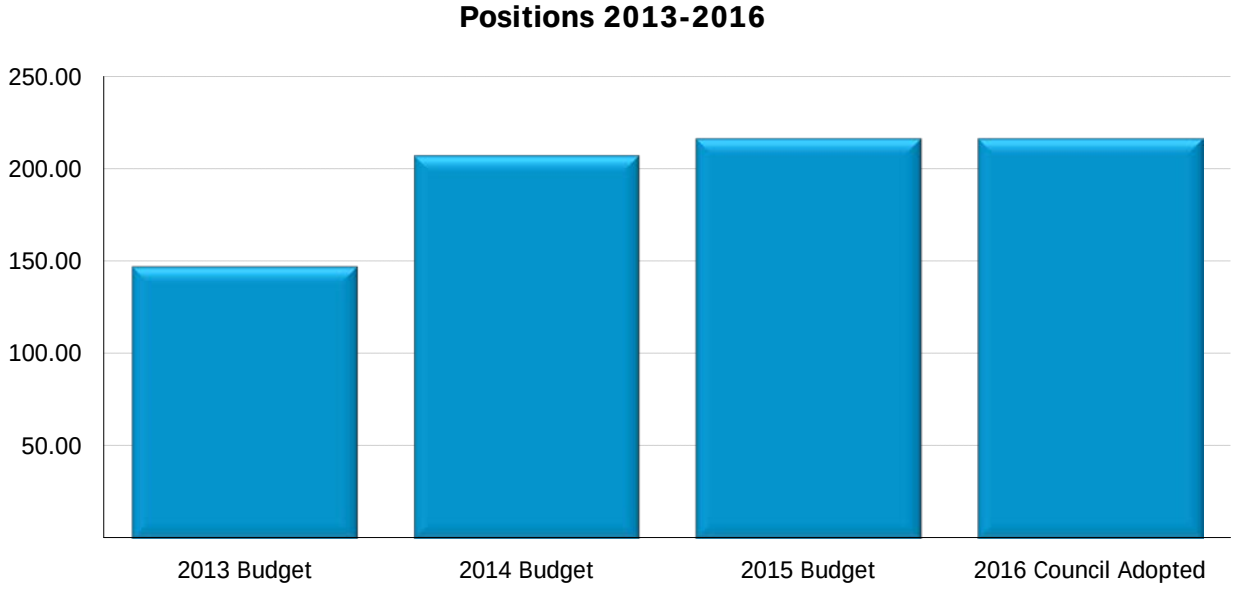
Expense by Category



PW - TRANSPORTATION MAINTENANCE AND REPAIR

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
BRIDGE MAINTENANCE & REPAIR	12.00	17.00	17.00	17.00	0.0%	0
MALLS & PLAZAS - MAINTENANCE	10.40	10.40	10.20	10.20	0.0%	0
Ramp Maintenance	17.00	17.00	17.00	17.00	0.0%	0
SIDEWALK INSPECTION	6.00	6.00	6.00	6.00	0.0%	0
SNOW & ICE CONTROL	26.00	50.00	52.40	52.40	0.0%	0
STREET ADMINISTRATION	8.50	8.50	10.50	10.50	0.0%	0
STREET CLEANING	28.05	46.05	46.05	46.05	0.0%	0
STREET MAINTENANCE & REPAIR	39.00	52.00	57.00	57.00	0.0%	0
Overall	146.95	206.95	216.15	216.15	0.0%	0



Financial Analysis – Public Works Transportation Planning & Engineering

Expenditure
The total budget for the Transportation Planning & Engineering Division decreased from $13.3 million to $12.2 million from 2015 to 2016. The decrease is caused by expenses and resources shifting to the newly created Transportation Planning and Programming division.

Revenue
Revenues are projected to increase by 2.8% in this division due to increased use of fund balance. The division's total revenues in 2016 are projected to be $10.9 million.

Fund Allocation
This division is funded primarily by the Capital Transportation Planning & Engineering Fund (68%), with the remainder of the division's funding found in the General Fund (16%) and internal service funds (16%).

Mayor's Recommended Budget
The Mayor's recommended budget includes $75,000 in one-time General Fund appropriation for specialized technical bridge inspections.

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

PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,447,158	1,563,869	1,869,166	1,091,566	-41.6%	(777,601)
FRINGE BENEFITS	550,133	592,094	757,835	444,418	-41.4%	(313,416)
CONTRACTUAL SERVICES	261,910	387,646	531,010	414,469	-21.9%	(116,541)
OPERATING COSTS	54,074	52,596	107,794	47,102	-56.3%	(60,692)
CAPITAL			10,000	7,500	-25.0%	(2,500)
TOTAL GENERAL	**2,313,275**	**2,596,204**	**3,275,805**	**2,005,055**	**-38.8%**	**(1,270,750)**
SPECIAL REVENUE						
SALARIES AND WAGES		20,115				0
FRINGE BENEFITS		7,004				0
CONTRACTUAL SERVICES		65,239				0
TOTAL SPECIAL REVENUE		**92,359**				**0**
CAPITAL PROJECT						
SALARIES AND WAGES	2,782,954	2,723,814	3,209,049	3,340,917	4.1%	131,868
FRINGE BENEFITS	1,039,956	1,026,225	1,269,685	1,290,096	1.6%	20,411
CONTRACTUAL SERVICES	2,065,945	3,930,889	3,416,755	3,460,896	1.3%	44,141
OPERATING COSTS	126,381	75,833	125,686	105,810	-15.8%	(19,876)
CAPITAL			80,000	80,000	0.0%	0
TOTAL CAPITAL PROJECT	**6,015,237**	**7,756,761**	**8,101,175**	**8,277,719**	**2.2%**	**176,544**
INTERNAL SERVICE						
SALARIES AND WAGES	724,465	801,758	908,782	904,505	-0.5%	(4,277)
FRINGE BENEFITS	249,613	250,174	364,909	368,375	0.9%	3,465
CONTRACTUAL SERVICES	410,164	383,011	482,270	572,091	18.6%	89,821
OPERATING COSTS	88,914	54,521	85,934	84,305	-1.9%	(1,629)
CAPITAL			49,000		-100.0%	(49,000)
TOTAL INTERNAL SERVICE	**1,473,156**	**1,489,464**	**1,890,895**	**1,929,276**	**2.0%**	**38,381**
TOTAL EXPENSE	**9,801,668**	**11,934,789**	**13,267,876**	**12,212,050**	**-8.0%**	**(1,055,826)**

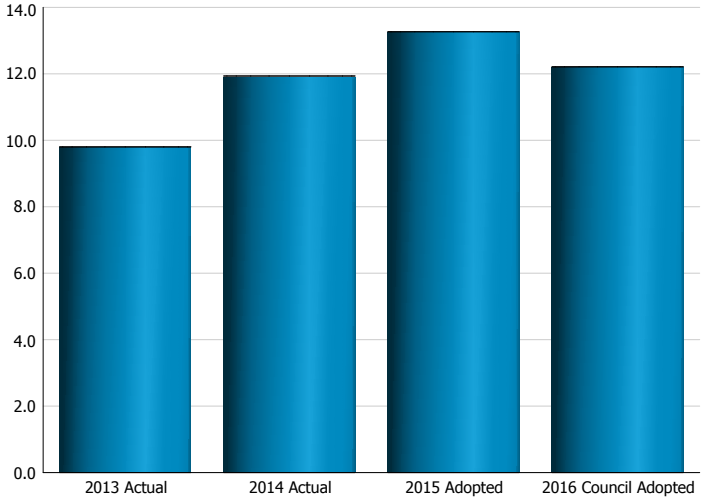
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	648,297	727,834	550,000	625,000	13.6%	75,000
LICENSE AND PERMITS	22,975	37,940	20,000	25,000	25.0%	5,000
GENERAL	**671,272**	**765,774**	**570,000**	**650,000**	**14.0%**	**80,000**
SPECIAL REVENUE						
CONTRIBUTIONS		91,310			0.0%	0
SPECIAL REVENUE		**91,310**				**0**

PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION

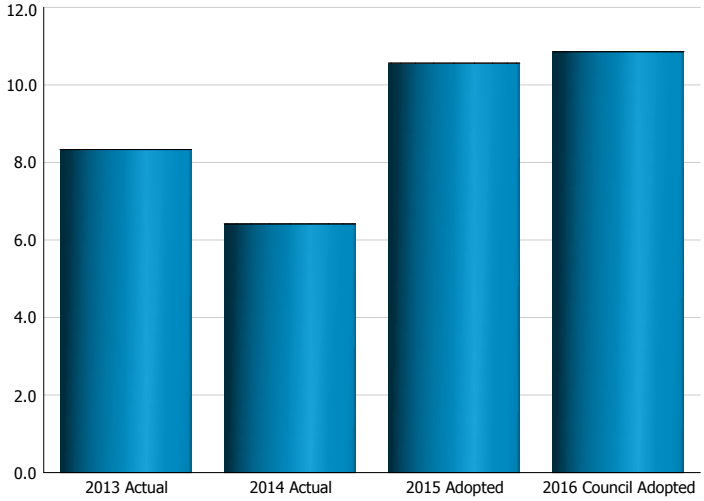
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
CAPITAL PROJECT						
CHARGES FOR SALES	6	3			0.0%	0
CHARGES FOR SERVICES	6,078,034	3,606,089	6,100,000	5,500,000	-9.8%	(600,000)
FEDERAL GOVERNMENT	45,226	(45,226)			0.0%	0
LOCAL GOVERNMENT	182,760				0.0%	0
LONG TERM LIABILITIES PROCEEDS			2,001,175	2,777,719	38.8%	776,544
STATE GOVERNMENT	(509,431)				0.0%	0
TRANSFERS IN		700,000			0.0%	0
CAPITAL PROJECT	**5,796,594**	**4,260,867**	**8,101,175**	**8,277,719**	**2.2%**	**176,544**
INTERNAL SERVICE						
CHARGES FOR SALES	484,086	290,153	400,000	150,000	-62.5%	(250,000)
CHARGES FOR SERVICES	1,381,180	1,006,964	1,381,126	1,622,064	17.4%	240,938
LONG TERM LIABILITIES PROCEEDS			109,769	157,212	43.2%	47,443
OTHER MISC REVENUES	20				0.0%	0
INTERNAL SERVICE	**1,865,286**	**1,297,117**	**1,890,895**	**1,929,276**	**2.0%**	**38,381**
TOTAL REVENUE	**8,333,152**	**6,415,067**	**10,562,070**	**10,856,995**	**2.8%**	**294,925**

PW - TRANSPORTATION PLANNING AND ENGINEERING
EXPENSE AND REVENUE INFORMATION

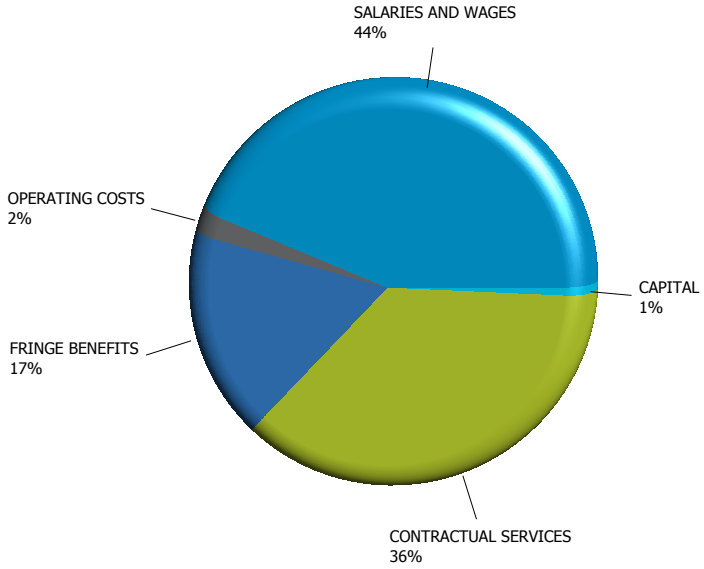
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



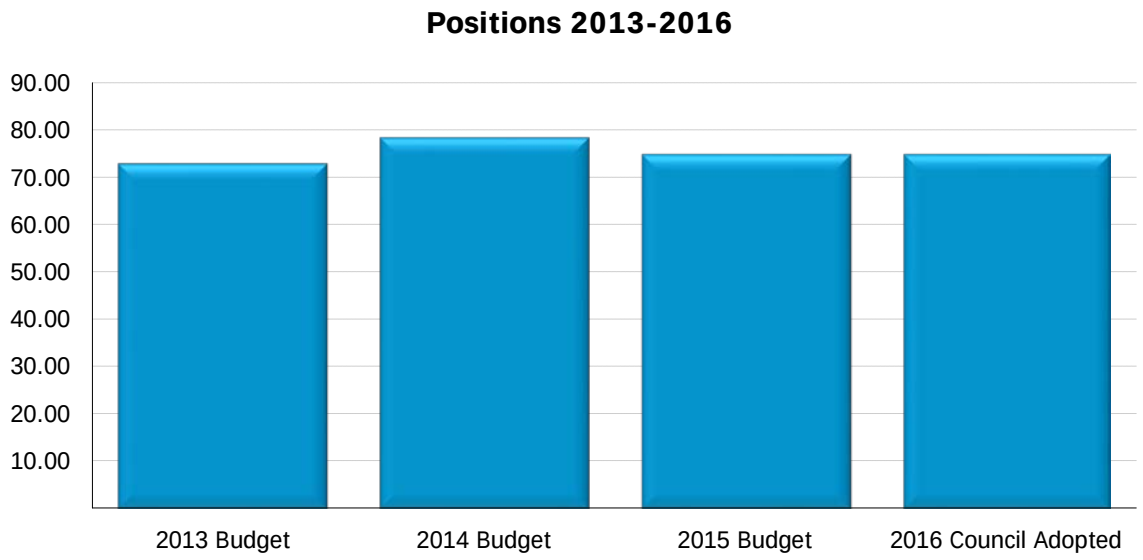
Expense by Category



PW - TRANSPORTATION PLANNING AND ENGINEERING

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
Bridge Inspections	2.50	2.50	2.50	2.50	0.0%	0
ENGINEERING LABORATORY	9.50	11.50	13.50	13.50	0.0%	0
PLANNING AND DESIGN	42.00	44.00	46.00	46.00	0.0%	0
SP ASSESS & ROW MGNT	12.00	13.50	6.00	6.00	0.0%	0
Utility Connections	7.00	7.00	7.00	7.00	0.0%	0
Overall	73.00	78.50	75.00	75.00	0.0%	0



Financial Analysis – Public Works Transportation Planning & Programming

Expenditure
The total budget for the newly created Transportation Planning & Programming Division is $2.4 million.

Revenue
The division does not generate any revenue.

Fund Allocation
This division is funded entirely by the general fund.

Mayor's Recommended Budget
The Mayor's recommended budget includes $127,500 in ongoing General Fund appropriation for specialized technical assistance and $46,500 to fund memberships and support bike and walk week. The Mayor's recommended budget also includes a one-time $360,000 appropriation for a comprehensive automated pavement assessment.

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

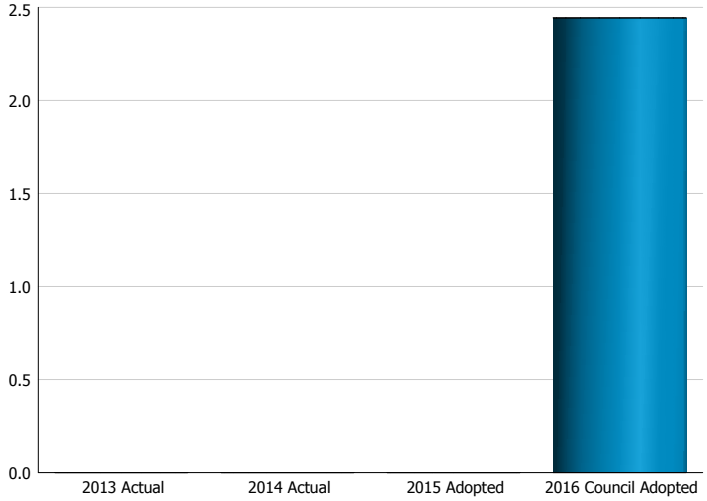
PW - TRANSPORTATION PLAN/PROGRAMING
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES				1,268,562		1,268,562
FRINGE BENEFITS				460,290		460,290
CONTRACTUAL SERVICES				665,398		665,398
OPERATING COSTS				46,678		46,678
CAPITAL				2,500		2,500
TOTAL GENERAL				**2,443,428**		**2,443,428**
TOTAL EXPENSE				**2,443,428**		**2,443,428**

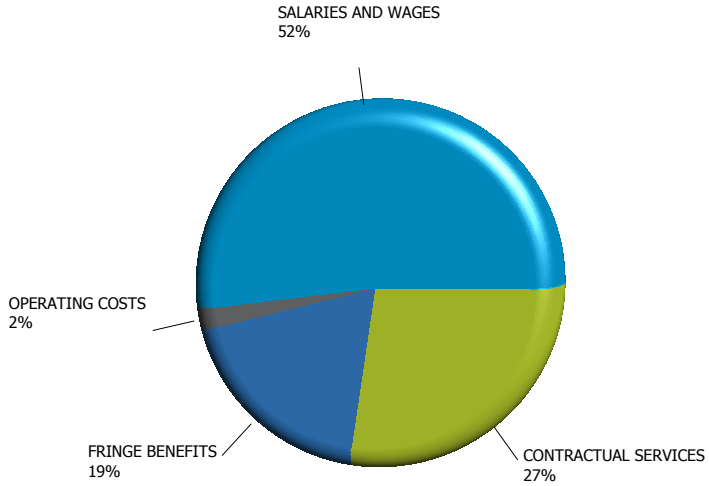
PW - TRANSPORTATION PLAN/PROGRAMING
EXPENSE AND REVENUE INFORMATION

Expense 2013 - 2016

In Millions



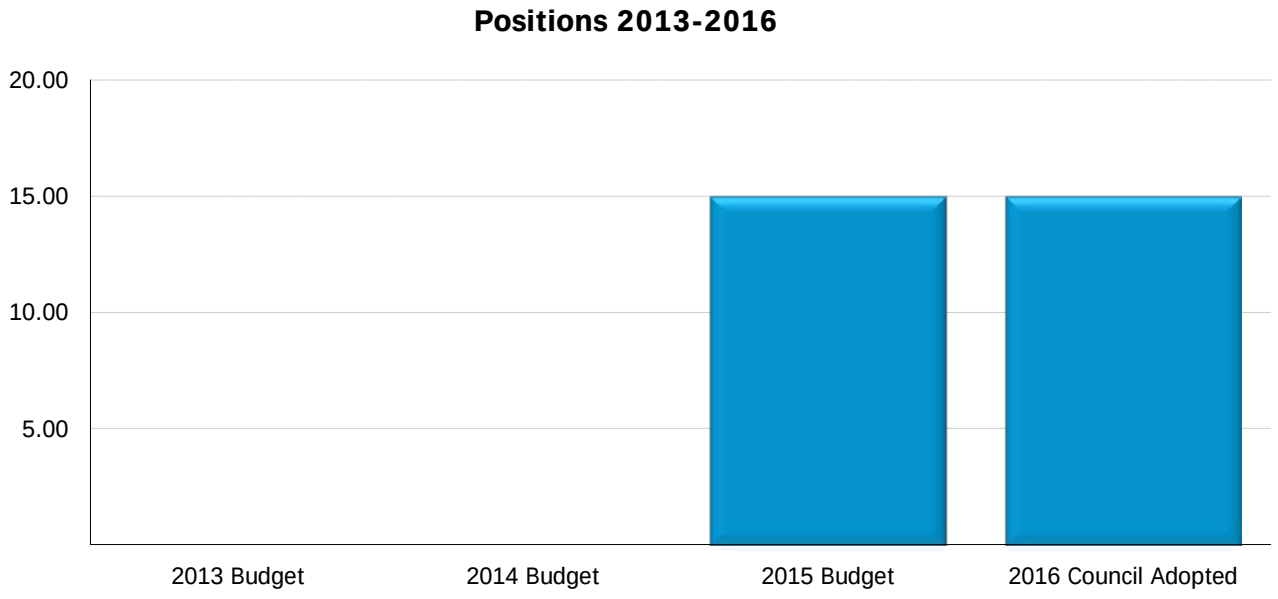
Expense by Category



PW - TRANSPORTATION PLAN/PROGRAMING

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
TRANSPORTATION PLAN/PROGRAMING			15.00	15.00	0.0%	0
Overall	0	0	15.00	15.00	0.0%	0



Financial Analysis – Public Works Water Treatment & Distribution Services

Expense
The total Water Treatment and Distribution Services Department's budget increases from $56.0 million to $57.8 million from 2015 to 2016. This is an increase of $1.8 million, or 3.2%, including $600,000 for water line repairs and $228,000 for software purchases to meet expanding technology needs.

Revenue
Revenues are projected to increase by 3.7% in this division due to a fixed charge rate increase of 50 cents per month and a volume charge rate increase of 5 cents per unit. The division's total revenues in 2016 are projected to be $81.5 million.

Fund Allocation
This division is funded completely in the Water Treatment and Distribution Services Fund, which is an enterprise activity.

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

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

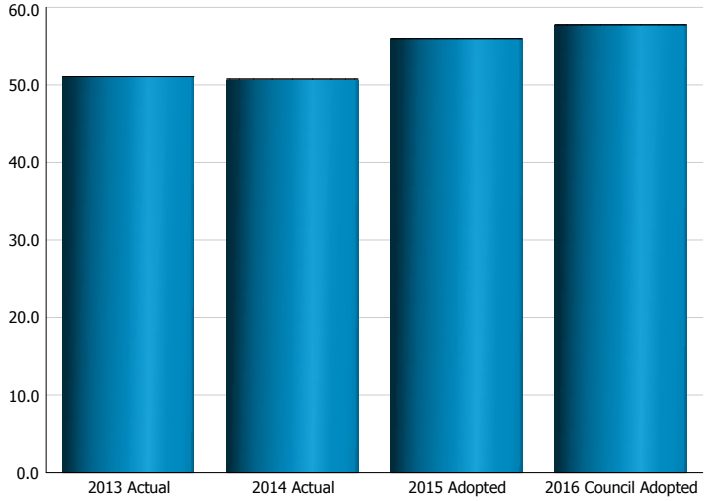
PW - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	13,032,725	13,291,124	13,773,392	14,183,333	3.0%	409,942
FRINGE BENEFITS	6,423,545	5,904,578	6,557,570	6,719,446	2.5%	161,875
CONTRACTUAL SERVICES	19,524,277	20,553,078	22,439,198	23,021,645	2.6%	582,447
OPERATING COSTS	11,729,332	10,710,695	12,500,266	12,771,382	2.2%	271,116
CAPITAL	373,694	299,746	692,000	1,058,208	52.9%	366,208
TOTAL ENTERPRISE	**51,083,573**	**50,759,221**	**55,962,426**	**57,754,014**	**3.2%**	**1,791,588**
TOTAL EXPENSE	**51,083,573**	**50,759,221**	**55,962,426**	**57,754,014**	**3.2%**	**1,791,588**

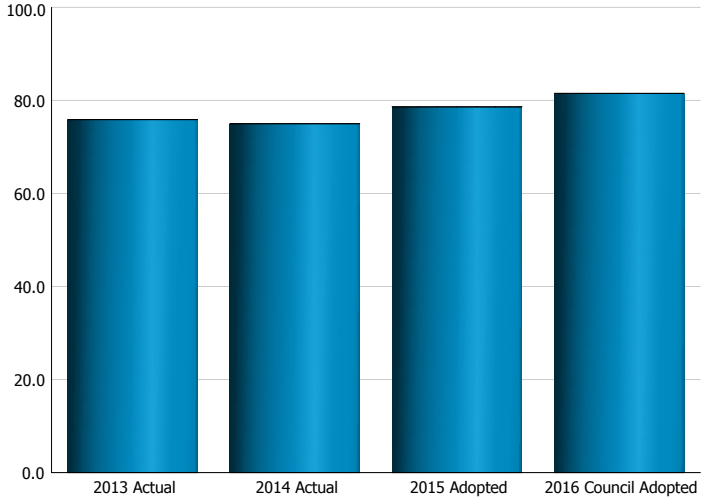
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	214,294	120,135			0.0%	0
CHARGES FOR SERVICES	73,916,431	72,384,980	77,970,743	79,368,557	1.8%	1,397,814
FEDERAL GOVERNMENT	534,505	0			0.0%	0
LICENSE AND PERMITS	19,788	39,769			0.0%	0
LONG TERM LIABILITIES PROCEEDS				881,653	0.0%	881,653
OTHER MISC REVENUES	231,074	53,424			0.0%	0
SPECIAL ASSESSMENTS	789,980	1,245,770	650,000	1,259,750	93.8%	609,750
STATE GOVERNMENT	172,426				0.0%	0
TRANSFERS IN		1,156,681			0.0%	0
ENTERPRISE	**75,878,497**	**75,000,759**	**78,620,743**	**81,509,960**	**3.7%**	**2,889,217**
TOTAL REVENUE	**75,878,497**	**75,000,759**	**78,620,743**	**81,509,960**	**3.7%**	**2,889,217**

PW - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION

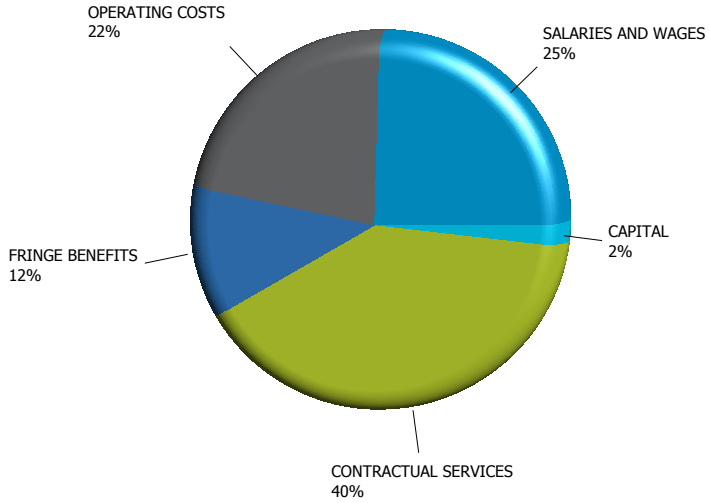
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



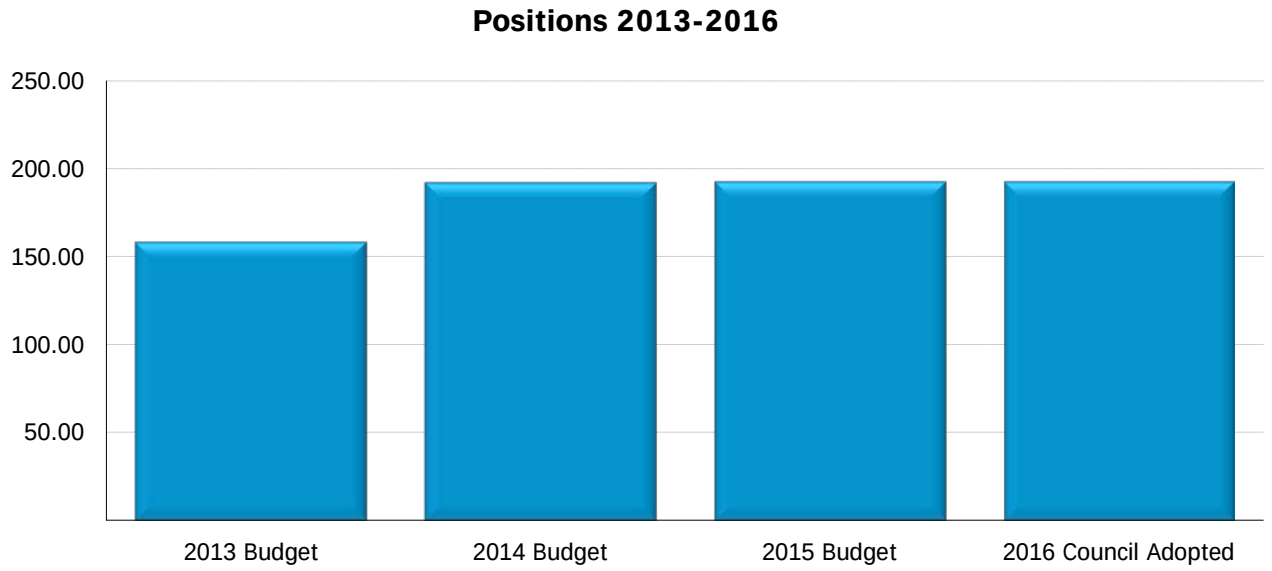
Expense by Category



PW - WATER TREATMENT & DISTR.

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
DISTRIBUTION	68.00	67.00	59.50	59.50	0.0%	0
METER SHOP	20.00	20.00	20.00	20.00	0.0%	0
OPERATIONS - WATER	20.00	85.00	89.50	89.50	0.0%	0
REIMBURSABLE ALTERATIONS	3.00	3.00	9.00	9.00	0.0%	0
TREATMENT MAINTENANCE	29.50				0.0%	0
WATER ADMINISTRATION & PERMITS	3.50	3.50	6.00	6.00	0.0%	0
WATER ENGINEERING	14.50	14.00	9.00	9.00	0.0%	0
Overall	158.50	192.50	193.00	193.00	0.0%	0



REGULATORY SERVICES

MISSION

The Minneapolis Regulatory Services Department strengthens communities by partnering with residents, neighborhoods and businesses to make the city safer, healthier and more inviting for all.

BUSINESS LINES

Housing Inspection Services

Housing Inspection Services provides quality and consistent enforcement of the Minneapolis Housing Maintenance and other applicable codes to maintain, improve, and preserve the city's existing housing stock and promote neighborhood stabilization. The services include the Problem Properties Unit which identifies and resolves problem properties, conducts emergency board ups, and manages condemned, boarded, and vacant buildings in a multi-departmental, multi-agency case management approach.

Fire Inspections Services

Fire Inspections Services delivers quality and consistent enforcement of the fire code, conducts life safety and housing inspections of residential buildings with greater than three units, and administers the Commercial Building Registration and Commercial Vacant Building Registration programs.

Traffic Control & Parking Enforcement Services

Traffic Control & Parking Enforcement Services maintains traffic flow management for events, emergencies and other traffic situations and city-wide parking enforcement, promoting safety and access in downtown and commercial corridors as well as removing residential hazards and nuisances.

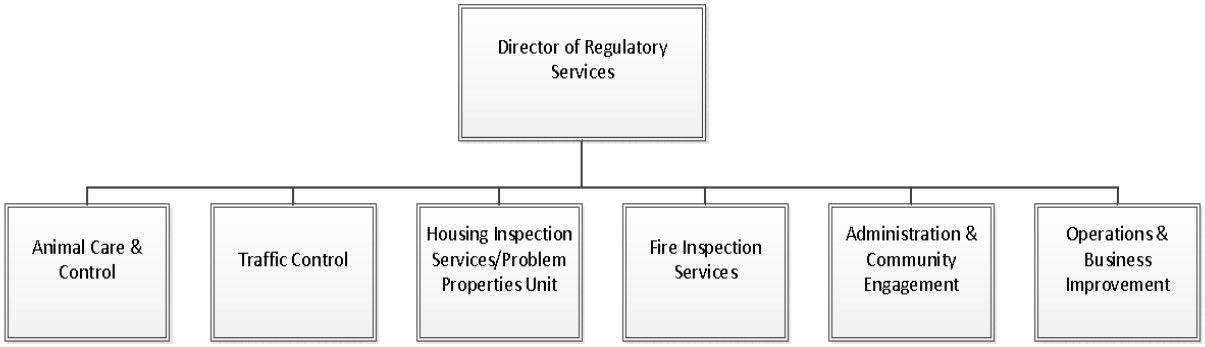
Animal Care and Control

Minneapolis Animal Care and control creates safe and healthy communities for people and animals through shelter care and adoption, investigation of dangerous animal and animal cruelty cases, public education, issuance of agricultural permits and pet licenses, and enforcement of statutes and local ordinances.

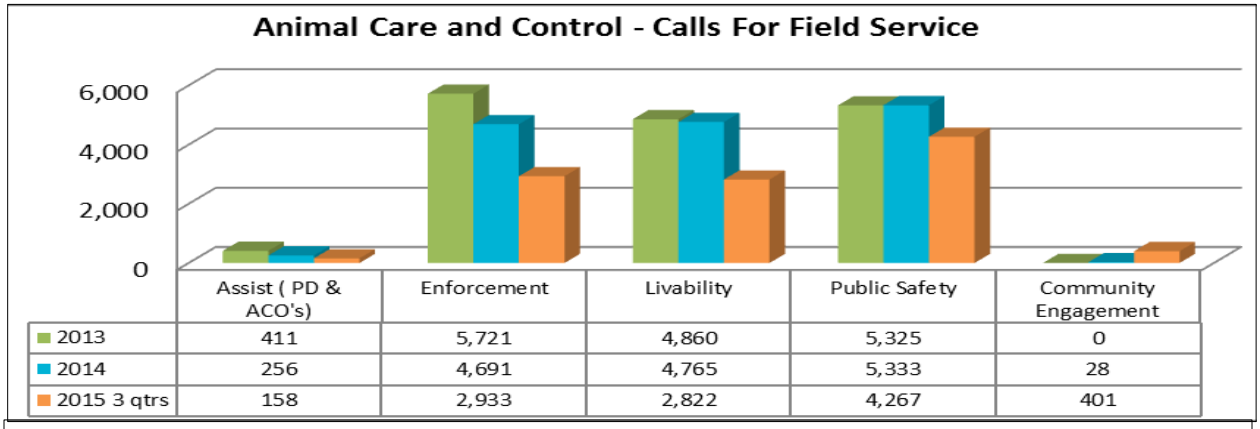
Administration

Regulatory Services administration includes both the Administration & Community Engagement division and Operations & Business Improvements division. These divisions manage general administrative and operational policies and functions including customer services, community engagement, enterprise initiatives and data analysis functions for the department.

ORGANIZATION CHART

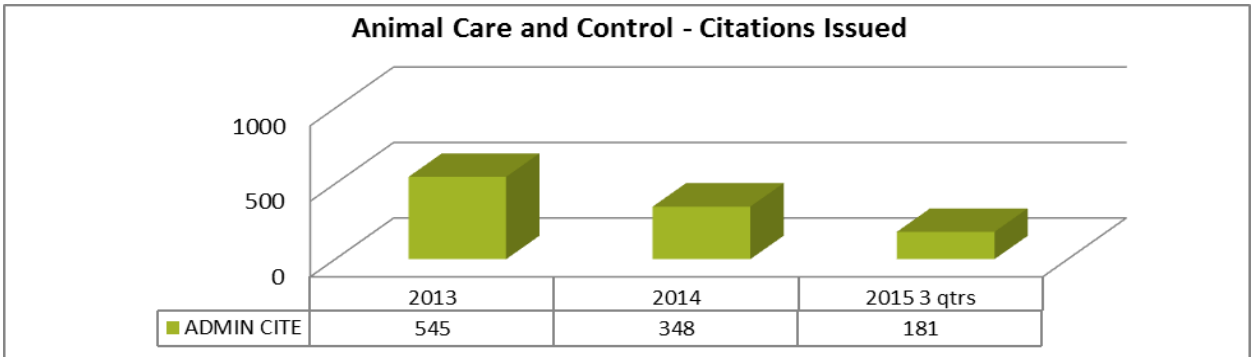


SELECTED RESULTS MINNEAPOLIS MEASURES



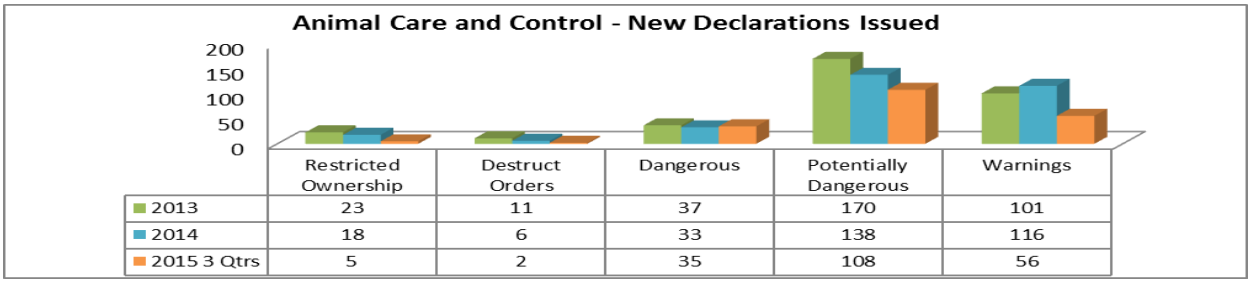
	Assist (PD & ACO's)	Enforcement	Livability	Public Safety	Community Engagement
2013	411	5,721	4,860	5,325	0
2014	256	4,691	4,765	5,333	28
2015 3 qtrs	158	2,933	2,822	4,267	401

Footnotes: In June 2015, Animal Control updated call for service codes, added community engagement call type and discontinued generating service calls for over the counter / shelter activities (which will affect Enforcement and Livability field counts).
Assist includes MPD requests for MACC assistances, MACC requests of MPD assistance and ACO requests for ACO assistance.
Enforcement includes calls regarding injured, abandoned, welfare and cruelty complaints, Permit complaints, and inspections, Investigations including criminal investigations, and Warrants.
Livability includes calls regarding Barking, crowing and feces complaints, deceased animal pickup request, feral cats, non-aggressive stray animals, and citizens holding found animals in their home for pickup.
Public Safety includes calls regarding Bits and aggressive incidents involving humans and or animal victims, exposure to bats, wild and or exotic animals, dogs running at large, compliance checks and follow-ups on declared animals, transporting rabies specimens for testing
Community Engagement includes Animal Control involvement in a variety of community meetings and events, school educational programs.

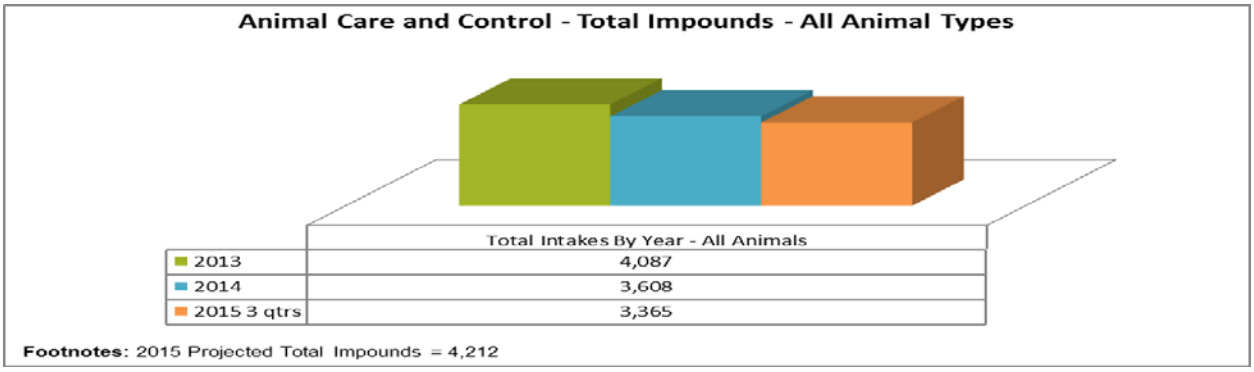


	2013	2014	2015 3 qtrs
ADMIN CITE	545	348	181

Footnotes: In 2015, Animal Control Officers have adopted a focus of educating the public on ordinance in addition to citations as an enforcement measure. Providing awareness to ordinance requirements reduces recidivism, improves awareness, and enhances community relationships.

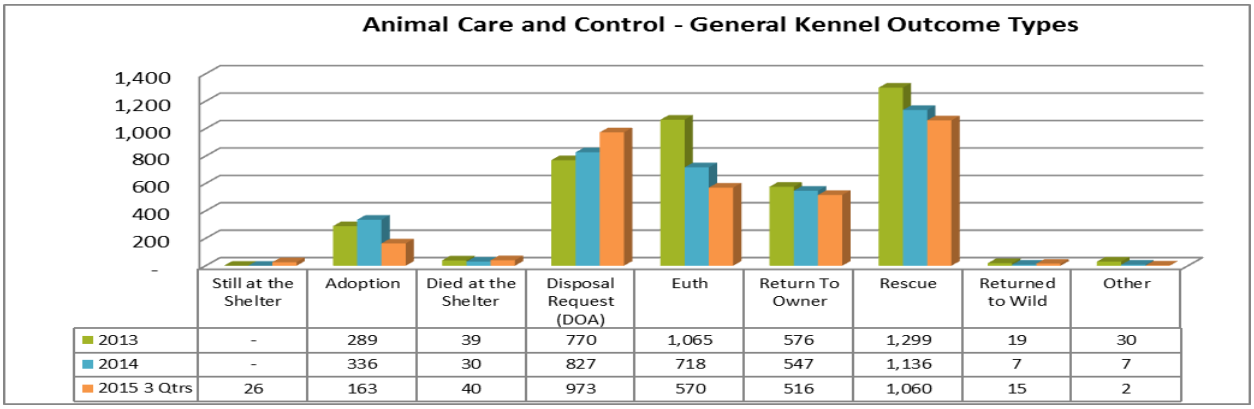


	Restricted Ownership	Destruct Orders	Dangerous	Potentially Dangerous	Warnings
2013	23	11	37	170	101
2014	18	6	33	138	116
2015 3 Qtrs	5	2	35	108	56

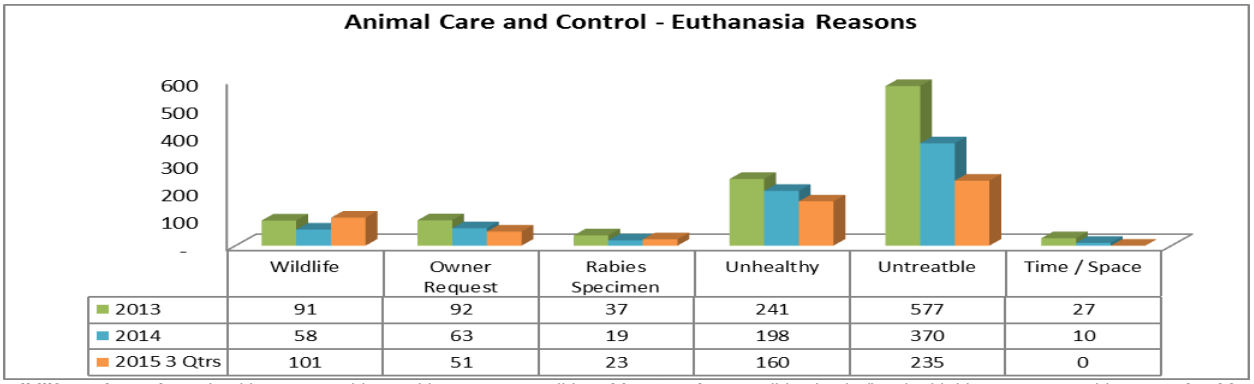


	Total Intakes By Year - All Animals
2013	4,087
2014	3,608
2015 3 qtrs	3,365

Footnotes: 2015 Projected Total Impounds = 4,212

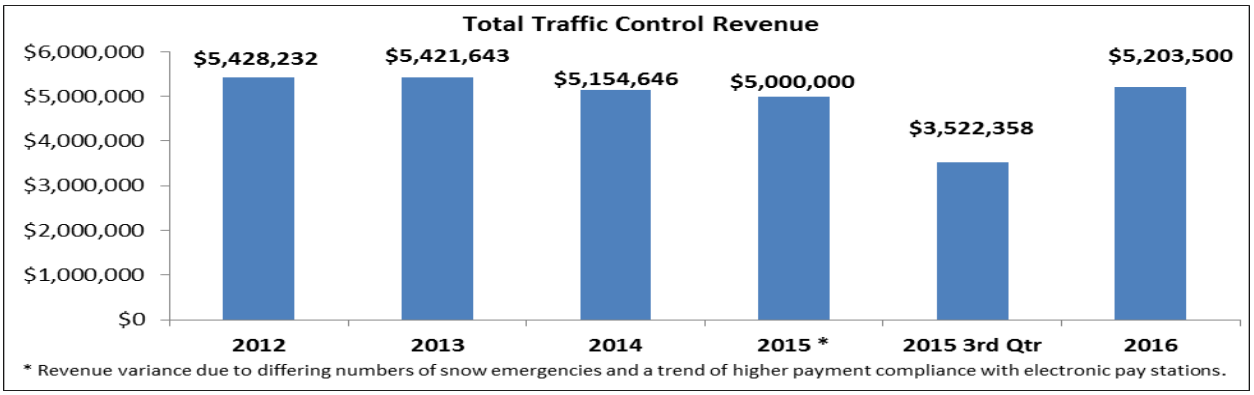


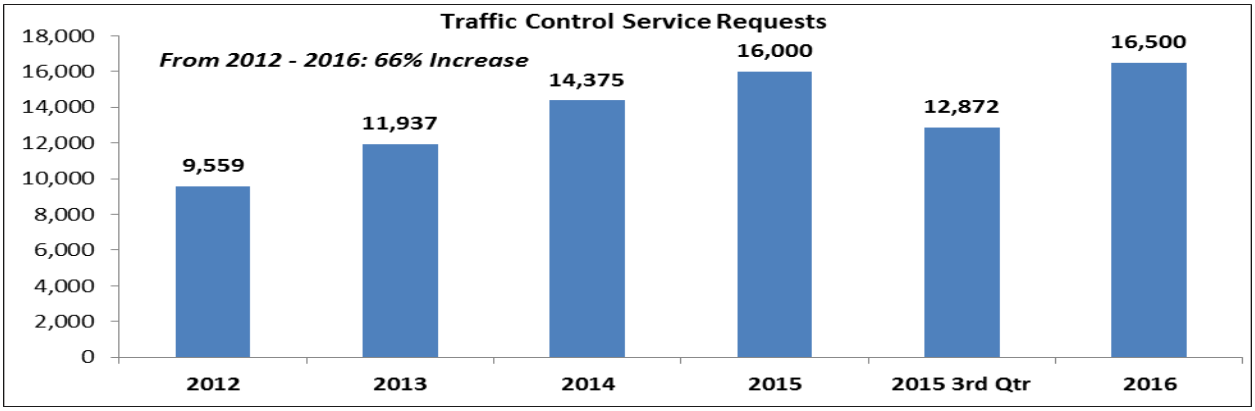
	Still at the Shelter	Adoption	Died at the Shelter	Disposal Request (DOA)	Euth	Return To Owner	Rescue	Returned to Wild	Other
2013	-	289	39	770	1,065	576	1,299	19	30
2014	-	336	30	827	718	547	1,136	7	7
2015 3 Qtrs	26	163	40	973	570	516	1,060	15	2

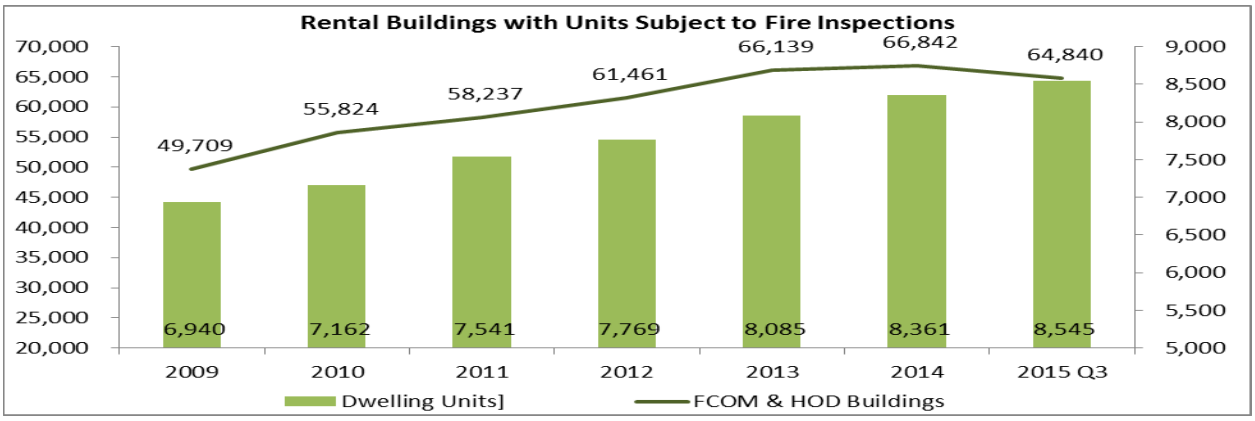


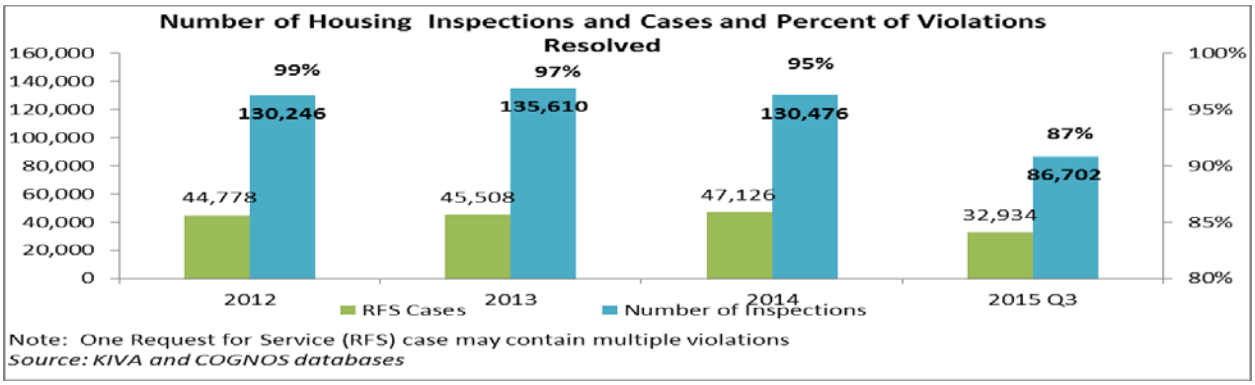
	Wildlife	Owner Request	Rabies Specimen	Unhealthy	Untreatble	Time / Space
2013	91	92	37	241	577	27
2014	58	63	19	198	370	10
2015 3 Qtrs	101	51	23	160	235	0

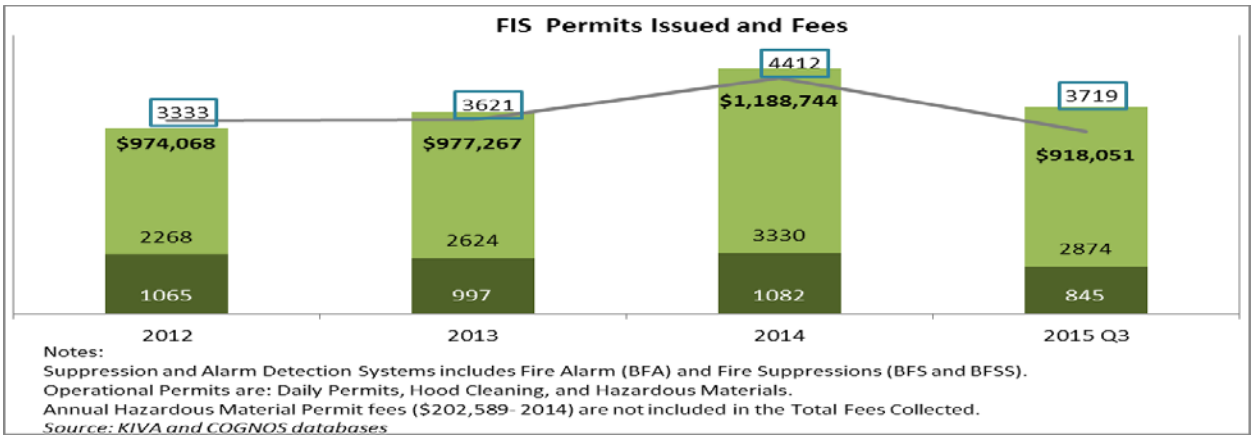
Wildlife Euthanasia: Unhealthy, Untreatable, unable to return to wild. **Rabies Specimen:** Wild animals (bats) with bite or exposure history. **Unhealthy and Untreatable:** The term "unhealthy and untreatable" means and includes all dogs and cats who, at or subsequent to the time they are taken into possession, (1) Have a behavioral or temperamental characteristic that poses a health or safety risk or otherwise makes the animal unsuitable for placement as a pet, and are not likely to become "healthy" or "treatable" even if provided the care typically provided to pets by reasonable and caring pet owners/guardians in the community; or (2) Are suffering from a disease, injury, or congenital or hereditary condition that adversely affects the animal's health or is likely to adversely affect the animal's health in the future, and are not likely to become "healthy" or "treatable" even if provided the care typically provided to pets by reasonable and caring pet owners/guardians in the community; or (3) Are under the age of eight weeks and are not likely to become "healthy" or "treatable," even if provided the care typically provided to pets by reasonable and caring pet owners/guardians in the community. **Time / Space:** Time Cats and Dogs that have exceeded the required stray hold period (7 days). Space in the shelter for cats and / or dogs is near or at capacity


Total Traffic Control Revenue
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
$5,428,232
$5,421,643
$5,154,646
$5,000,000
$3,522,358
$5,203,500
2012
2013
2014
2015 *
2015 3rd Qtr
2016
* Revenue variance due to differing numbers of snow emergencies and a trend of higher payment compliance with electronic pay stations.


Traffic Control Service Requests
From 2012 - 2016: 66% Increase
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
9,559
11,937
14,375
16,000
12,872
16,500
2012
2013
2014
2015
2015 3rd Qtr
2016


Rental Buildings with Units Subject to Fire Inspections
70,000
65,000
60,000
55,000
50,000
45,000
40,000
35,000
30,000
25,000
20,000
9,000
8,500
8,000
7,500
7,000
6,500
6,000
5,500
5,000
49,709
55,824
58,237
61,461
66,139
66,842
64,840
6,940
7,162
7,541
7,769
8,085
8,361
8,545
2009
2010
2011
2012
2013
2014
2015 Q3
Dwelling Units]
FCOM & HOD Buildings


Number of Housing Inspections and Cases and Percent of Violations Resolved
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
100%
95%
90%
85%
80%
99%
97%
95%
87%
130,246
135,610
130,476
86,702
44,778
45,508
47,126
32,934
2012
2013
2014
2015 Q3
RFS Cases
Number of Inspections
Note: One Request for Service (RFS) case may contain multiple violations
Source: KIVA and COGNOS databases



Living Well

Minneapolis Animal Care & Control (MACC) General Fund: $2,951,644
Other Funds: $75,000

Minneapolis Animal Care & Control (MACC) has a dual focus on public safety and shelter care that allows for a holistic view of animal welfare. MACC works with MPD, City Attorney, and non-profit partners to address criminal conduct involving animals. MACC promotes sound animal welfare policies such as pet licenses and spay and neuter programs, impounding, kenneling and providing proper veterinary care for injured, stray or surrendered animals, and adopting out pets in search of forever homes. MACC also conducts rabies quarantines for all bites to humans involving animals.

Fire Inspection Services (FIS) General Fund: $2,516,418

Fire Inspection Services is a Division of Housing Inspection Services. Fire Inspection Services (FIS) is responsible for managing all Fire Suppression/Protection Permits including plan review and site inspections, conducting commercial and residential inspections in partnership with the Minneapolis Fire Department and managing the City's Hazardous Materials facilities inventory and inspections. The Fire Inspection Services Division also reviews and inspects thousands of fire suppression systems and supports and answers complex fire code questions. Fire Inspection Services inspect high-occupancy residential dwelling units and conducts hundreds of commercial inspections annually. This service was previously provided by the Minneapolis Fire Department.

Housing Inspections Services General Fund: $5,718,195
Other Funds: $4,355,845

Housing Inspections provides a range of programs and activities designed to ensure safe and quality properties. Mandated activities include enforcement of those portions of the International Property Maintenance Code pertaining to rental licensing, removal of hazardous structures, and legal due process requirements for special assessments. The Housing Inspections Division is responsible for managing the City's housing stock through enforcement of licensing standards and consistent enforcement of the Housing Maintenance Code. It is also responsible for code enforcement in rental properties, all vacant buildings enforcement, and removing substandard housing through demolition activity as well as creating incentives to rehab vacant properties by

using and managing redevelopment thorough restoration agreements. This division conducted approximately 100,000 inspections in 2012.

Traffic Control General Fund: $6,101,862

This program provides for on-site traffic control to assist traffic flow at intersections by providing for additional throughput on lights, allow for additional turns and pedestrian movement. This allows for safer, more efficient traffic flow during rush hour, special events, around construction sites and during emergencies and natural disasters. It also coordinates with public works for street cleaning operations and snow emergencies. Traffic control also responds to 311- reported parking violation and abandoned vehicle service requests both of which are always in the City's Top 10 in terms of volume.

Administration and Community Engagement General Fund: $811,033
Other Funds: $387,398

This program is responsible for oversight and management of data quality, administrative enforcement, employee engagement and professional development, and effective and equitable community outreach/ engagement. This includes our Homeowner Navigation program (successfully piloted this year in partnership with Neighborhood and Community Relations) that works to identify the unique needs of our senior, disabled and low-income population as they work to meet compliance goals.

Operations and Business Improvement General Fund: $618,012
Other Funds: $215,194

This program provides department-wide support for business planning, process improvement, performance measurement and workforce planning. It oversees data analysis program and administrative hearing program, and is responsible for coordination of projects, public policy process and implementation, committee actions and council process.

FINANCIAL ANALYSIS

Expenditure

For 2016, the Department of Regulatory Services budget is $23.8 million, an increase of 4.3% over the 2015 budget of $22.8 million. The General Fund portion of the department's budget is increasing by 6.5%, or $1.1 million, reflecting routine inflationary operating increases and internal service charges, as well as additional staffing resources added as part of the Mayor's budget recommendation. Special revenue funded expenditures are budgeted to decrease by 3.1% for community engagement activities.

Revenue

Total revenues associated with Regulatory Services' activities are budgeted to increase by 0.2% or $45,000 over the 2015 level. Nearly all of this increase may be attributed to increased activity levels in housing and licensing-related activities associated with the need for additional housing inspection staff. The projected General Fund revenue for 2016 is $13.8 million. The department's Special Revenue Funds revenues are projected to decline by 4.5%, primarily due to a projected reduction in special assessments. Special Revenue Fund revenue is projected at $4.9 million.

Fund Allocation
This department is funded primarily by the General Fund, with the remainder of the department's funding found in the special revenue funds.

Mayor's Recommended Budget
The Mayor recommended an additional ongoing General Fund appropriation of $275,000 (3.0 FTE), additional $275,000 (3.0 FTE's) appropriation from the Regulatory Services Special Revenue Fund for Housing Inspection Services, and $100,000 (1.0 FTE) from the General Fund for a data analyst. The Mayor also recommended a one-time general fund appropriation of $148,000 to train a reserve pool of temporary traffic control agents, and $100,000 for HOME-Line service and interpreters for non-English speaking tenants. In addition, the Mayor recommends reorganization with a cost savings of $100,000 as part of the budget rightsizing exercise. The Mayor also directed Regulatory Services to work in conjunction with Public Works, Health and the Police Departments to provide services to support up to eight events associated with the Open Streets program within existing budget resources.

Council Adopted Budget
The City Council amended the Mayor's recommendations on a one-time basis by replacing the General Fund Capital Asset Request budget of $75,000 with $75,000 from the Parking Fund to implement traffic and parking citation software.

REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	6,571,676	7,780,076	8,124,962	9,044,751	11.3%	919,790
FRINGE BENEFITS	2,566,883	3,230,763	3,663,017	3,941,403	7.6%	278,386
CONTRACTUAL SERVICES	2,784,770	2,912,724	3,429,708	3,858,714	12.5%	429,006
OPERATING COSTS	1,378,512	1,700,775	2,179,723	1,097,296	-49.7%	(1,082,427)
CAPITAL	18,131	113,000	175,000	775,000	342.9%	600,000
TOTAL GENERAL	**13,319,973**	**15,737,337**	**17,572,410**	**18,717,164**	**6.5%**	**1,144,754**
SPECIAL REVENUE						
SALARIES AND WAGES	1,705,053	1,698,425	2,340,025	2,278,942	-2.6%	(61,083)
FRINGE BENEFITS	605,673	621,154	678,602	752,007	10.8%	73,405
CONTRACTUAL SERVICES	948,356	1,191,119	1,583,333	1,531,558	-3.3%	(51,774)
OPERATING COSTS	168,886	42,670	103,383	45,929	-55.6%	(57,454)
CAPITAL	148,369	201,295	491,745	425,000	-13.6%	(66,745)
TRANSFERS	168					0
TOTAL SPECIAL REVENUE	**3,576,505**	**3,754,663**	**5,197,088**	**5,033,437**	**-3.1%**	**(163,652)**
TOTAL EXPENSE	**16,896,478**	**19,492,000**	**22,769,498**	**23,750,601**	**4.3%**	**981,102**

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	10				0.0%	0
CHARGES FOR SERVICES	584,278	550,537	625,000	596,000	-4.6%	(29,000)
CONTRIBUTIONS		15			0.0%	0
FINES AND FORFEITS	5,362,585	5,171,464	5,092,000	5,319,500	4.5%	227,500
LICENSE AND PERMITS	5,977,334	6,438,550	6,180,000	6,612,000	7.0%	432,000
OTHER MISC REVENUES	135,447	197,164	285,000	286,000	0.4%	1,000
SPECIAL ASSESSMENTS	1,313,436	922,078	1,297,500	941,000	-27.5%	(356,500)
GENERAL	**13,373,090**	**13,279,809**	**13,479,500**	**13,754,500**	**2.0%**	**275,000**
SPECIAL REVENUE						
CHARGES FOR SERVICES	98,300	147,003	147,000	146,000	-0.7%	(1,000)
CONTRIBUTIONS	38,698	77,897	25,000	25,000	0.0%	0
FEDERAL GOVERNMENT	(23,147)				0.0%	0
FINES AND FORFEITS	6,948	3,052	5,000	3,000	-40.0%	(2,000)
LICENSE AND PERMITS		156,801			0.0%	0
LONG TERM LIABILITIES PROCEEDS			1,512,988	2,020,155	33.5%	507,167
OTHER MISC REVENUES	16,232	4,763			0.0%	0
SPECIAL ASSESSMENTS	3,513,368	3,042,201	3,419,000	2,684,000	-21.5%	(735,000)
STATE GOVERNMENT	3,151	(6,899)			0.0%	0
TRANSFERS IN	168				0.0%	0
SPECIAL REVENUE	**3,653,717**	**3,424,817**	**5,108,988**	**4,878,155**	**-4.5%**	**(230,833)**

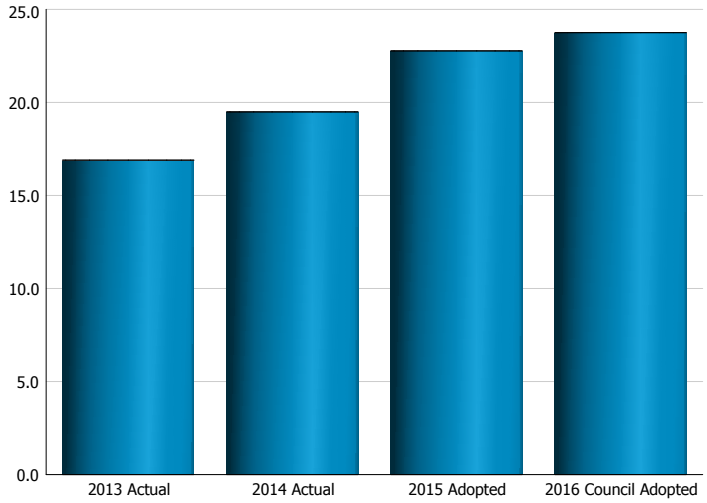
REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	Percent Change	Change
TOTAL REVENUE	**17,026,807**	**16,704,627**	**18,588,488**	**18,632,655**	**0.2%**	**44,167**

REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

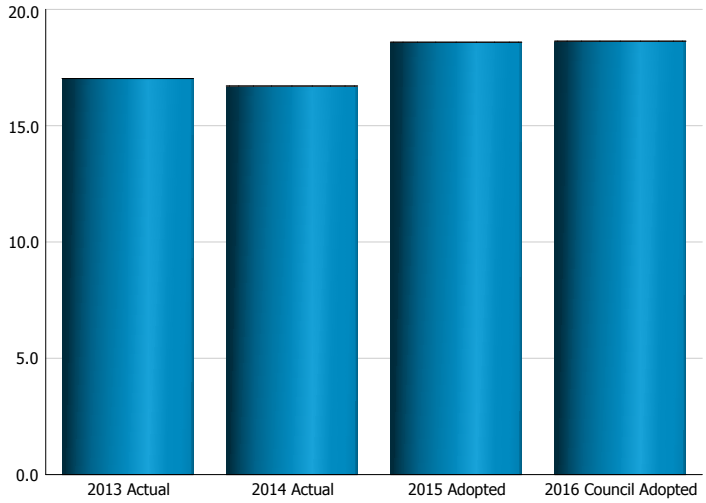
Expense 2013 - 2016

In Millions

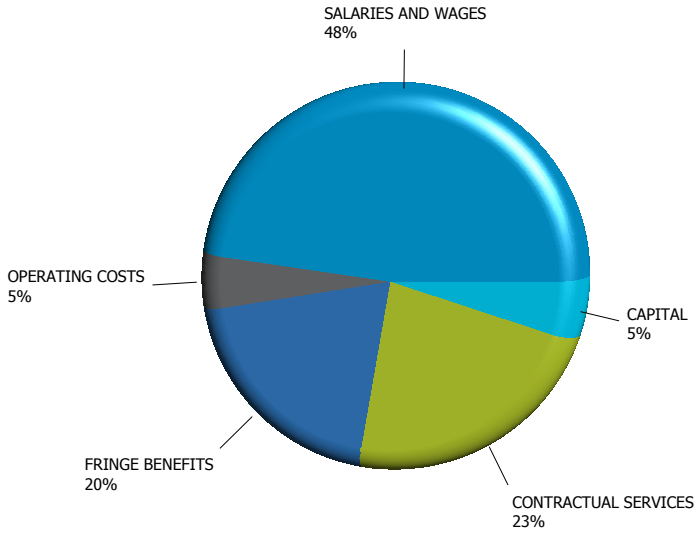


Revenue 2013 - 2016

In Millions



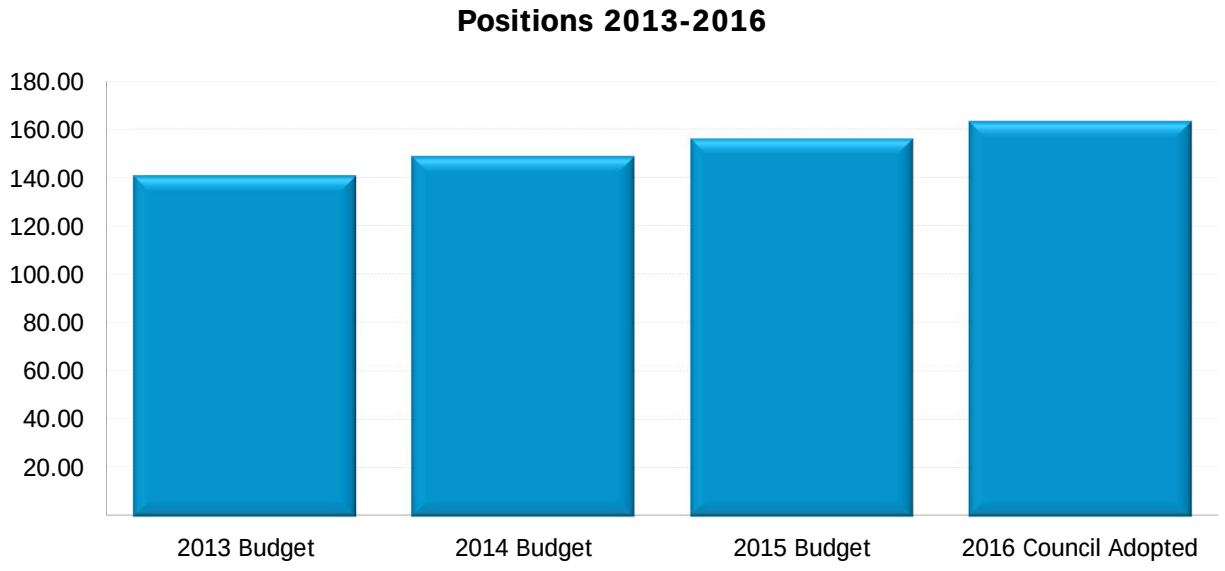
Expense by Category



REGULATORY SERVICES

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Council Adopted	% Change	Change
ADMIN AND COMMUNITY ENGAGEMENT			11.50	11.50	0.0%	0
ADMINISTRATION	6.00	7.00	6.00		-100.0%	(6.00)
ANIMAL CONTROL	20.00	21.00	23.00	23.00	0.0%	0
FIRE INSPECTIONS	13.00	15.00	18.00	18.00	0.0%	0
HOUSING INSPECTIONS	58.00	49.00	36.00	42.00	16.7%	6.00
OPS & BUSINESS PROCESS IMPROVEMENT			8.00	14.00	75.0%	6.00
PROBLEM PROPERTIES		13.00	10.00	10.00	0.0%	0
TRAFFIC CONTROL	44.00	44.00	44.00	45.00	2.3%	1.00
Overall	141.00	149.00	156.50	163.50	4.5%	7.00



City of Minneapolis
2016 Budget

Table of Contents

Capital Program	Pages 408-468
Capital Budget Narrative Overview	409
Five-Year Capital Investment Allocation	422
Five-Year Capital Funding Summary	423
Five-Year PW Capital Summary (Public Works)	424
2016-2020 Council Adopted Capital Resources	425
2016 Bond Redemption Levy	425
Net Debt Bond Allocation	426
Capital Budget Summary	427
Capital Budget Detail for Funded Projects	430
2016-2020 Capital Program Descriptions	438
Operating Cost Implications for 2016 Projects	446
Capital Budget Decision Summary	459

City of Minneapolis

2016 – 2020 Capital Program

Capital Budget Narrative Overview

CAPITAL IMPROVEMENT BUDGET DEVELOPMENT

The City adopts a five-year capital improvement program (CIP) that is updated annually. Each year, City departments & independent boards and commissions prepare new and/or modify existing capital budget requests (CBRs). The CBRs are then reviewed by the Capital Long-Range Improvement Committee (CLIC) which is a citizen advisory committee to the Mayor and City Council. The CLIC process is facilitated by Finance & Property Services staff.

CLIC is comprised of 33 appointed members, including two members per Council Ward and seven at-large members appointed by the Mayor. The overall committee elects a Chair and Vice Chair. The committee functions with two programmatic task forces of approximately the same number of members. Each task force, “Transportation” and “Human Development”, elects a Chair and Vice Chair. Collectively, these six elected members form the Executive Committee and represent CLIC in meetings with the Mayor and City Council. The task force members receive and review all CBRs for their program areas as submitted by the various City departments, independent boards and commissions.

During several half-day or full-day meetings, departments and boards formally present their requests and offer explanations. Task force members then rate all proposals using a rating system with specific criteria and create a numerical ranking for each project. Highest-ranking projects are then balanced against proposed available resources by year to arrive at a five-year capital improvement program recommendation to the Mayor and City Council.

CLIC’s recommendations serve as the starting point from which the Mayor and City Council’s decisions are made. The Mayor makes recommendations on the capital budget as well as the operating budget. The Council adopts the five-year capital plan simultaneously with the operating budget, although appropriation is only adopted for the first year.

For this five-year plan covering years 2016 - 2020, there were 89 CBRs reviewed and rated. The total requested capital budget for the five years was $701.50 million.

HIGHLIGHTS OF THE 2016-2020 COUNCIL ADOPTED CAPITAL IMPROVEMENT PROGRAM

Five-Year Capital Program Totals: For 2016 – 2020, the five-year capital program for City departments, independent boards and commissions totals $668.90 million including all funding sources. The 2016 portion of this program is $134.77 million. This budget continues the commitment to improving the City’s infrastructure.

The table below provides a high level summary of the Council Adopted five-year capital program. The amounts in this table and all documents and reports in the capital section incorporate the final changes adopted by the Minneapolis Park Board. For 2016, the Park Board changes resulted in a reduction of ($.41) million for Neighborhood Parks and for the five-year capital plan, the reductions totaled ($3.32) million. These reductions were partly offset by an increase of $.92 million in the Public Works Parkway Street Light Replacement program. The reductions resulted from a reduction of park levy funds dedicated to capital improvements. Funding for individual projects can be found in the "Capital Budget Detail for Funded Projects" report later in this document.

Submitting Agency	Infrastructure Category	2016	2017	2018	2019	2020	Total	Percent of Total
					Budget in Thousands			
PARK BOARD	NEIGHBORHOOD PARKS*	4,452	2,980	3,235	5,558	4,076	20,301	3.03%
PUBLIC WORKS	TRANSPORTATION INFRASTRUCTURE	64,005	44,718	49,901	63,876	51,355	273,855	40.94%
	UTILITY FEE BASED ENTERPRISES	46,550	77,998	75,010	58,200	49,650	307,408	45.96%
	Public Works Department Totals	**110,555**	**122,716**	**124,911**	**122,076**	**101,005**	**581,263**	**86.90%**
OTHER AGENCIES	CITY HALL, PUBLIC BLDGS, IT, MISC.	19,760	25,655	10,785	9,560	1,580	67,340	10.07%
COUNCIL ADOPTED FIVE-YEAR CAPITAL PROGRAM		**134,767**	**151,351**	**138,931**	**137,194**	**106,661**	**668,904**	**100.00%**

* Includes amendments adopted by the Minneapolis Park Board

Property Tax Supported Net Debt Bond Program:
The Net Debt Bond (NDB) program is funded by property tax revenue. As a result of increasing the base NDB program for additional infrastructure improvements over the last several years, the bond redemption levy will show an increase for 2016 and smaller increases in future years to support the additional debt service that will be incurred. These increases are possible due to completion of the internal service fund workout plans in 2015 and lower overall debt levels. These property tax supported bonds help to leverage many other funding sources in the five-year plan. Below are highlights of certain NDB totals (in millions) – individual project funding details are presented later in this document.

NDB Resources for Capital Improvements: The base NDB funding levels have been increasing from the 2011 – 2015 capital program level of $89.40 million to $155.00 million in the current five-year plan. The 2016 – 2020 NDB program continues this higher base level of funding to continue significant improvements to the City's infrastructure. This capital infusion will improve all classes of City infrastructure with a greater emphasis on paving projects, pedestrian and bikeway connections, safety and lighting improvements, traffic safety and signage improvements and bridge improvements. These additional resources are combined with municipal state aid, special assessments and grant funds. Total funding for individual projects can be found in the "Capital Budget Detail for Funded Projects" report later in this document.

$ millions	2016	2017	2018	2019	2020	TOTAL
NDB funding totals	$ 32.83	$ 27.90	$ 29.55	$ 34.49	$ 30.23	$ 155.00

Public Works – NDB funding: The 2016 capital budget includes $19.07 million in NDB funding for Public Works projects. The 2016 program includes $3.00 million to redesign and repave 3rd Ave from 1st to 16th St to include protected bike lanes and more greenspace. Below is a summary of the 2016 - 2020 NDB allocation for Public Works infrastructure programs.

$ millions	2016	2017	2018	2019	2020	TOTAL
NDB – Public Works	$ 19.07	$ 16.85	$ 19.35	$ 23.04	$ 27.26	$ 105.57

Neighborhood Parks NDB and other funding sources: The 2016 capital budget includes $4.15 million for Park improvements including $2.5 million of net debt bonds, and $1.65 million of Park capital levy. Below is a summary of the total 2016 – 2020 funding for neighborhood parks capital improvements, excluding the Diseased Tree Program.

$ millions	2016	2017	2018	2019	2020	TOTAL
NDB – Park Board	$ 2.50	$ 1.50	$ 1.00	$ 3.32	$ 1.84	$ 10.16
Park Capital Levy	$ 1.65	$ 1.18	$ 1.94	$ 1.94	$ 1.94	$ 8.65
Total Neighborhood Parks	$ 4.15	$ 2.68	$ 2.94	$ 5.26	$ 3.78	$ 18.81

In addition to the neighborhood parks funding mentioned above, the Park Board also allocated an additional $.92 million of Park Capital Levy funding for Parkway Street Light Replacement in this five-year capital plan. This project will be managed by the Public Works Department and will also utilize additional net debt bond funding.

NDB funding for Municipal Building Commission (MBC), Information Technology, Public Grounds & Facilities, and Miscellaneous Projects: The 2016 capital budget includes $11.26 million in NDB funding for these categories. Projects include technology related improvements and physical building, office space and security improvements for Police, Fire and other City buildings, including City Hall. These categories comprise 25.3% of the available NDB resources in the five-year plan. Below is a summary of the 2016 - 2020 NDB funding for MBC, Information Technology, Public Grounds & Facilities, and Miscellaneous projects, including Public Art.

$ millions	2016	2017	2018	2019	2020	TOTAL
NDB - Other	$ 11.26	$ 9.55	$ 9.20	$ 8.13	$ 1.13	$ 39.27

Utility Fee/Rate Supported Capital: The 2016 - 2020 capital budget includes funding for sanitary and storm sewers and water infrastructure improvements which are supported by utility rates. Long-term financial plans are used to determine utility fees required to support operations and infrastructure costs. The table below does not include utility fund contributions of $3.78 million over the five-year period for utility work performed as part of certain paving or bridge projects. Utility Fees can be found in the Financial Schedules section of this book. Below is a summary of the Council Adopted capital program for these enterprises:

Submitting Agency	Infrastructure Category	2016	2017	2018	2019	2020	Total	Percent of Total
					Budget in Thousands			
PUBLIC WORKS	Utility Fee/Rate Based Enterprises							
	SANITARY SEWERS	10,550	9,250	9,250	9,250	9,250	47,550	15.47%
	STORM SEWERS	13,750	21,378	22,330	16,750	15,750	89,958	29.26%
	WATER INFRASTRUCTURE	22,250	47,370	43,430	32,200	24,650	169,900	55.27%
	Public Works Utility Totals	**46,550**	**77,998**	**75,010**	**58,200**	**49,650**	**307,408**	**100.00%**

Relationship between the Capital and Operating Budgets: As part of each capital budget request, submitting agencies identify whether the capital request will result in an increase or decrease in annual operating costs. Departments are instructed to manage operating cost increases or decreases within existing operating budget funding levels. More information about operating costs can be found in the "Operating Cost Implications for Approved 2016 Projects" report later in this document.

CITY DEBT

Minneapolis' total general obligation debt decreased from $731 million at 12/31/2014 to $643 million at 12/31/2015.

In 2015, the City of Minneapolis issued bonds and notes totaling $42.71 million. Of this amount, $22.71 million of bonds were issued to refund existing debt and $20 million of general obligation notes were issued to finance new capital improvements. Below are details of the 2015 debt issuances.

2015 Bond Refunding Transactions

In March 2015, the City issued $8.245 million of Tax Increment Revenue Refunding Bonds (Village at St. Anthony Falls Project) Series 2015. The City received net proceeds of $8.16 million including a $.039 million bond premium offset by a $.124 million underwriter discount. These net proceeds were used on April 6, 2015 along with $1.20 million of cash on hand to redeem the remaining $5.46 million of Tax Increment Revenue Refunding Bonds (Village at St. Anthony Falls Project), Series 2004 and remaining $3.37 million of Tax Increment Revenue Refunding Bonds (Village at St. Anthony Falls Project), Series 2005 and to pay the costs of issuing the bonds and establishing a $.405 million debt service reserve fund. The refunding bonds were issued in fixed rate mode and had interest rates ranging from 1.60% to 4.00% and a final maturity date of March 1, 2027. As a result of this refunding, the City realized aggregate debt service savings of $1.625 million and an economic gain of $1.343 million or 11.79% net present value savings on the refunded bonds debt service.

In March 2015, the City also issued $7.46 million of Tax Increment Revenue Refunding Bonds (Grant Park Project) Series 2015. The City received net proceeds of $7.337 million including a $.022 million reoffering discount and a $.101 million underwriter discount. These net proceeds were used on April 13, 2015 along with $1.259 million of cash on hand to redeem the remaining $8.16 million of Tax Increment Revenue Refunding Bonds (Grant Park Project), Series 2006 and to pay the costs of issuing the bonds and establishing a $.310 million debt service reserve fund. The refunding bonds were issued in fixed rate mode and had interest rates ranging from 1.55% to 4.00% and a final maturity date of March 1, 2030. As a result of this refunding, the City realized aggregate debt service savings of $1.624 million and an economic gain of $1.411 million or 10.70% net present value savings on the refunded bonds debt service.

In September 2015, the City issued $.920 million of Tax Increment Revenue Refunding Bonds (East River/Unocal Site Project) Series 2015. The City received net proceeds of $.904 million including a $.016 million underwriter discount. These net proceeds were used on October 26, 2015 along with $.564 million of cash on hand to redeem the remaining $1.36 million of Tax Increment Revenue Refunding Bonds (East River/Unocal Site Project), Series 2007 and to pay the costs of issuing the bonds and establishing a $.055 million debt service reserve fund. The refunding bonds were issued in fixed rate mode and had interest rates ranging from 1.25% to 4.00% and a final maturity date of March 1, 2025. As a result of this refunding, the City realized

aggregate debt service savings of $.881 million and an economic gain of $.584 million or 9.93% net present value savings on the refunded bonds debt service.

In September 2015, the City also issued $6.085 million of Tax-Exempt Tax Increment Revenue Refunding Bonds (Ivy Tower Project) Series 2015. The City received net proceeds of $6.096 million including a bond premium of $.118 million offset by an underwriter discount of $.107 million. These net proceeds were used on October 26, 2015 along with $.804 million of cash on hand to redeem the remaining $4.155 million of Tax Increment Revenue Refunding Bonds (Ivy Tower Condo Project), Series 2005 and $2.338 million Tax-Exempt Tax Increment Revenue Note (Ivy Tower Hotel Project), Series 2006 and to pay the costs of issuing the bonds and establishing a $.284 million debt service reserve fund. The refunding bonds were issued in fixed rate mode and had interest rates ranging from 1.25% to 5.00% and a final maturity date of March 1, 2029. As a result of this refunding, the City realized aggregate debt service savings of $1.110 million and an economic gain of $1.078 million or 9.74% net present value savings on the refunded bonds debt service.

2015 Note Transactions

In December 2015, the City issued a $25.00 million Tax-Exempt General Obligation Note, Series 2015A to US Bank to finance a portion of the costs of a complete renovation of the Nicollet Mall roadway and streetscape in downtown Minneapolis. The note was issued on December 18, 2015 and will provide up to 24 months of drawdown flexibility for the project to reimburse expenses on a monthly basis during construction. Upon completion, or no later than December 18, 2017, this note will be taken out with a general obligation fixed rate bond financing. The fixed rate bonds will be paid for with special assessments levied on benefitting property owners in a broad section of the downtown area. The special assessments are currently planned to begin in 2017. The tax-exempt note is in variable rate mode and accrues interest based on the weekly SIFMA index plus a bank spread. Upon closing on December 18th, 2015, the City completed the first reimbursement draw for $5.00 million which will be the liability recorded on the City's books as of December 31, 2015.

In December 2015, the City also issued a $18.70 million Tax-Exempt General Obligation Note, Series 2015B to US Bank to finance a variety of capital construction projects such as streets, bridges, traffic control, park projects, and municipal building projects. The note was issued on December 18, 2015 and has a maximum three-year term. It is the City's intent to complete all draws within 24 months to reimburse project expenses on a monthly basis during construction. The tax-exempt note is in variable rate mode and accrues interest based on the weekly SIFMA index plus a bank spread. Upon closing on December 18th, 2015, the City completed the first reimbursement draw for $15.00 million which will be the liability recorded on the City's books as of December 31, 2015.

In December 2015, the City also issued a $6.30 million Tax-Exempt General Obligation Note, Series 2015C to US Bank. The proceeds of this note will be received on January 19, 2016 and will be used on this same day to refund the 2018 – 2021 callable maturities of the City's General Obligation Various Purpose Refunding Bonds, Series 2005B totaling $6.24 million. A portion of the proceeds will be used to pay the accrued interest on the callable maturities from December 1, 2015 to January 19, 2016 and to pay costs of issuing the note. The tax-exempt note is in variable rate mode and will accrue interest based on the weekly SIFMA index plus a bank spread. This note will have a three-year term expiring on December 18, 2018 and may be extended. The note will have maturities structured from 2018 – 2021 corresponding to the refunded bonds. Since this note will be drawn on January 19, 2016, there will be no liability reflected on the City's books as of December 31, 2015.

Minnesota Public Facilities Authority Notes

The City has entered into six general obligation notes with the Minnesota Public Facilities Authority (PFA) to finance the City's drinking water ultra-filtration project and new filter presses project. The notes are part of a federally sponsored below market financing program related to the Safe Drinking Water Act and the City saves 1.5% on interest costs by participating in the program. The interest rates on the six notes range from 1.00% - 2.83% and the final maturity dates range from 8/20/19 to 8/20/27. The City received proceeds totaling $104.188 million over the years and at December 31, 2015, the outstanding debt balance of the six general obligation notes in this program is $75.87 million.

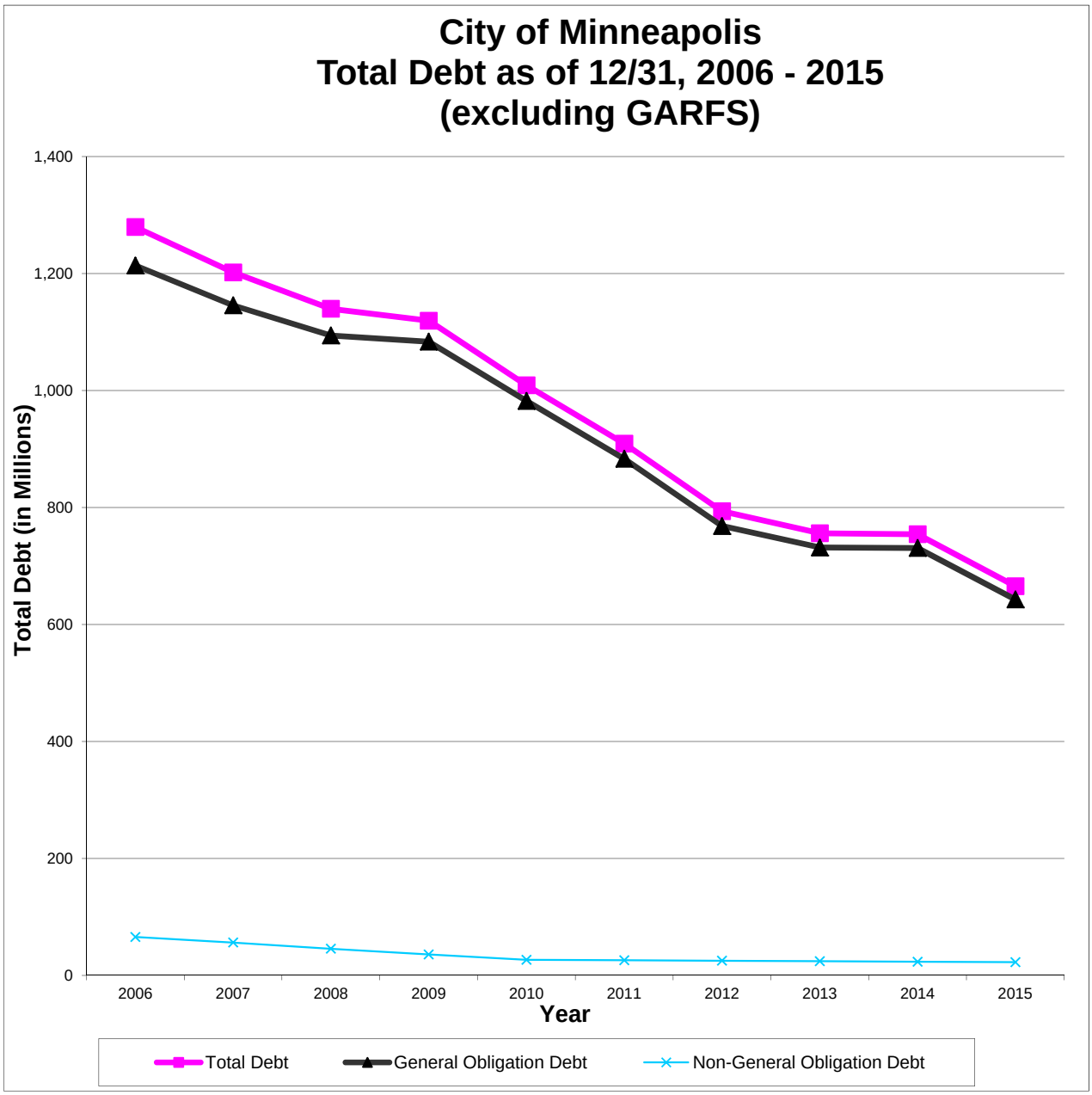
Discrete Component Unit Debt

Due to current debt issuance policies, the City issues debt on behalf of the Minneapolis Park & Recreation Board and the Municipal Building Commission and previously issued debt for the Minneapolis Library Board. The Minneapolis Public Library System was merged into the Hennepin County Library System on January 1, 2008. As of December 31, 2015, $87.07 million of the outstanding governmental debt is related to activities of these discretely presented component units and is reported within the debt balances of the primary government. Of this balance, $73.745 million is related to library improvements transferred to the Hennepin County Library System. The capital assets purchased with funds obtained from this debt issuance are held by the respective discrete component units and are reported with their capital assets on the Statement of Net Position, with the exception of the library assets now held by Hennepin County.

DEBT TRENDS

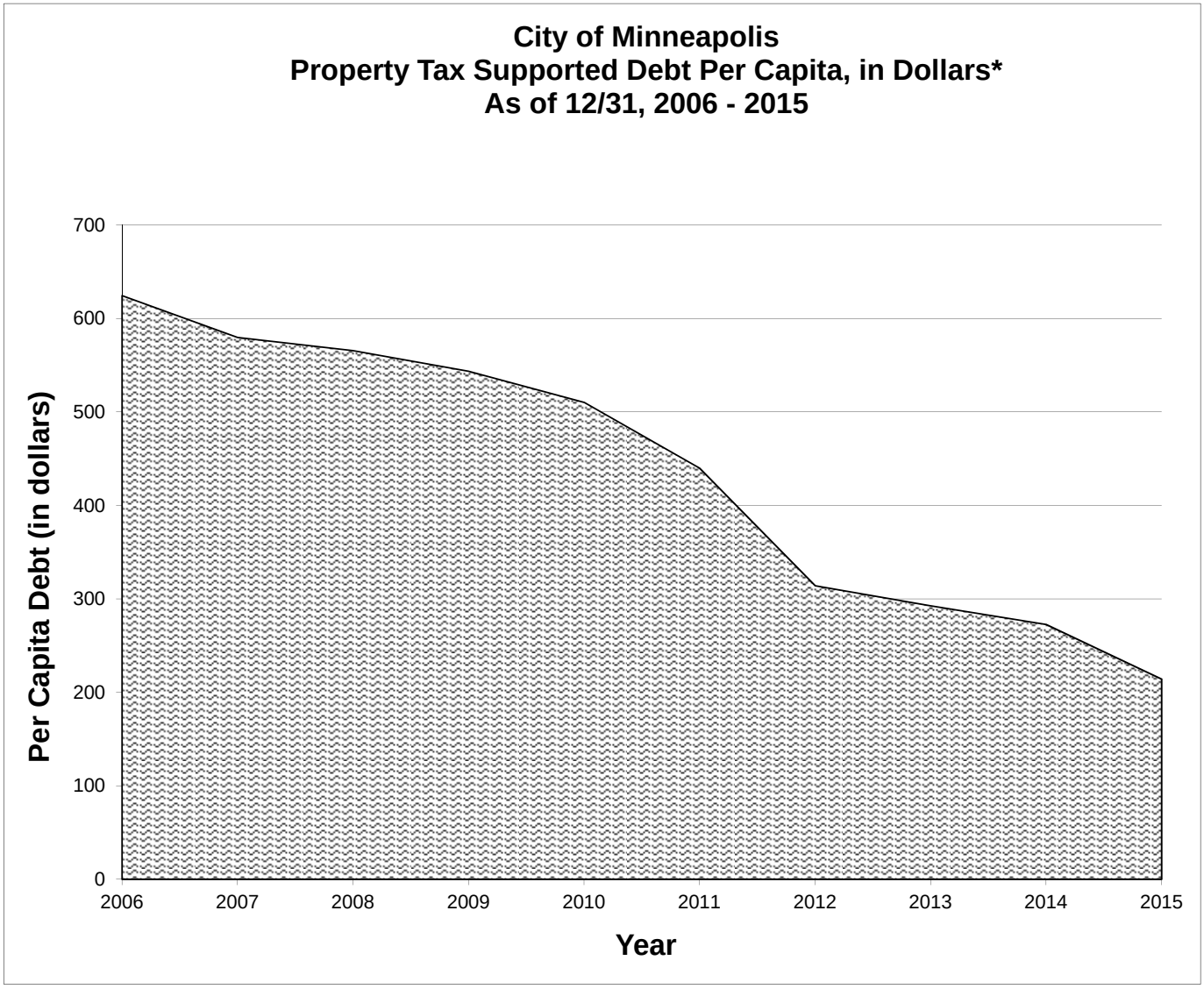
Management of the City's debt involves consideration not only of the absolute amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures. For purposes of the charts below, $84.8 million of General Agency Reserve Fund System (GARFS or common bond fund) bonds are not included as City Debt.

The accompanying chart shows a ten-year history of the total City debt level for years 2006 – 2015. The total includes general obligation debt, backed by the full faith and credit of the City, and non-general obligation debt, which includes tax increment backed revenue bonds and notes.



PER CAPITA DEBT

The chart below shows changes in general obligation debt per capita over the past decade for the portion of the City's debt paid for with property taxes. From 2002 to 2006, the City issued significant property tax supported debt to fund the Library Referendum capital program and to pay unfunded pension obligations for the City's three closed pension funds - the Minneapolis Police Relief Association (MPRA), Minneapolis Fire Relief Association (MFRA) and Minneapolis Employee Retirement Fund (MERF) resulting in a spike in the debt per capita. The reductions from 2006 to 2013 are partially due to the City using one-time resources to accelerate the pay down of all categories of property tax supported debt including infrastructure, library referendum and pension bonds. All pension bonds were paid off in 2012 and in 2015 the MERF plan was merged into the State of Minnesota's Public Employee Retirement Association (PERA) plan.

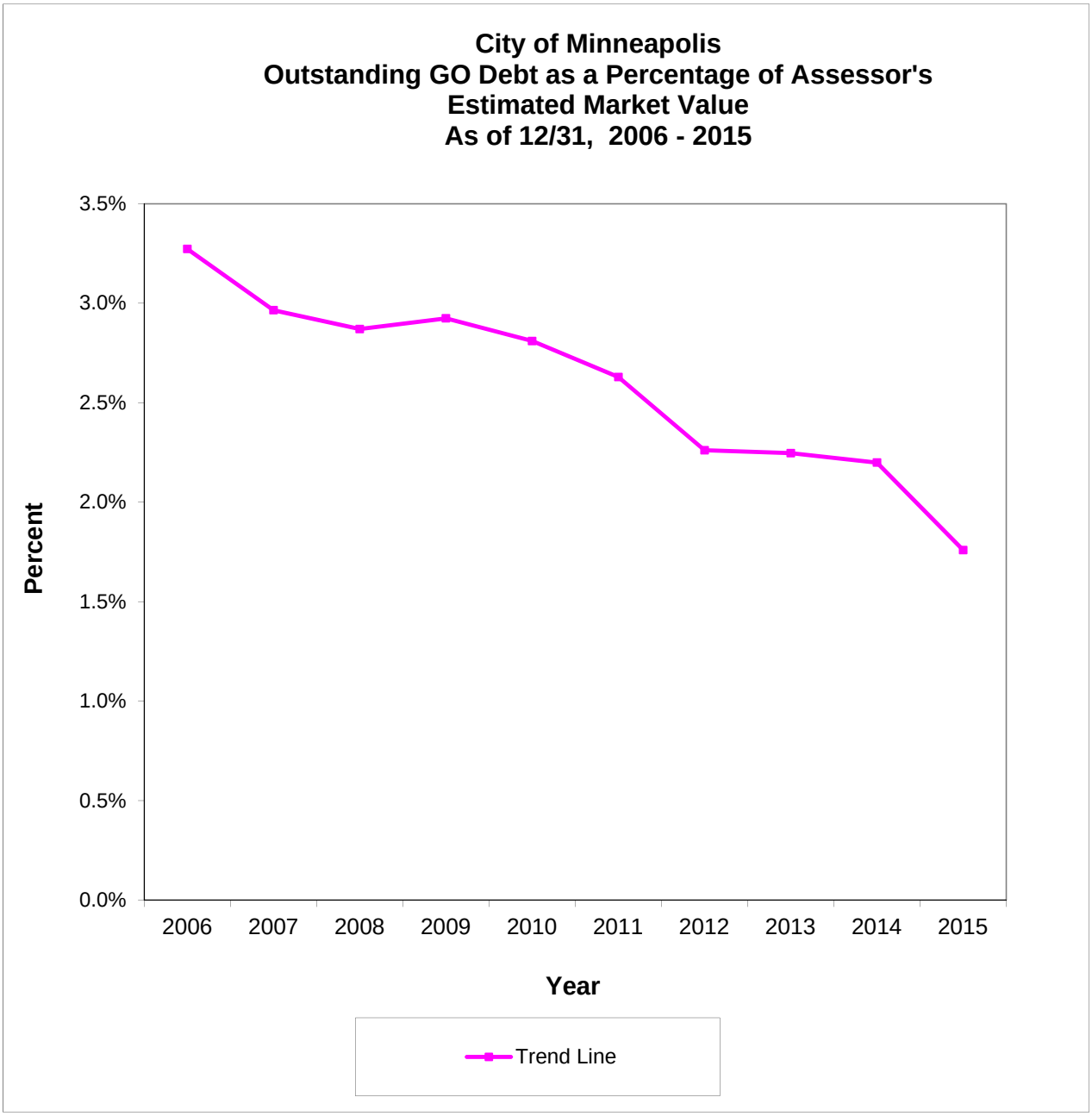


* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the City less that indebtedness supported by revenues other than general property taxes. Funding from self-supporting enterprises of the City offset a portion of the property tax supported pension related debt included above. Population figures used in this graph come from the official census in 2010 or from data provided by the Metropolitan Council for the later years.

DEBT CAPACITY – TOTAL DEBT

A primary goal of the City's debt management effort is to maintain the ability to incur debt at low interest rates without endangering the ability to finance essential City services.

One key management ratio used in monitoring the City's debt is total general obligation (GO) debt outstanding as a percent of estimated market value of Minneapolis' taxable property. The ratio of outstanding GO debt to taxable market value has remained below three percent since 2007 even though property values declined over $6 billion from 2008 to 2013. During this difficult period, the trend line benefitted from a reduction of $414 million in Total Debt applicable to the calculation. Property values have now recovered from the recession and new development has created significant additional market value while debt has continued to be reduced which is contributing to the large improvement in the ratio in 2015.



COMPUTATION OF THE CITY'S LEGAL DEBT MARGIN

The following is the computation of the estimated legal debt margin as of December 31, 2015. This calculation determines the maximum statutory limit of general obligation debt that can be issued by the City and be funded by property taxes.

		Dollars in Thousands
Real Property (2015 Market Value)	$	36,134,709
Personal Property (2015 Market Value)		409,105
Adjustment for Exempt Personal Property (1966 Market Value)		298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution		(37,784)
Total Assessed Value		36,804,060
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	$	1,226,802
General Obligation Bonds Subject to Debt Limit:		
Supported by Property Tax Levy		105,165
Supported by Special Assessments:		
Park Diseased Trees		80
Self-Supporting (Supported by Internal User Charges):		
Park Board - Land for athletic fields & energy efficiency		12,820
Public Works Fleet and Equipment		13,545
Property Fund		2,460
Total General Obligation Bonds Subject to Debt Limit		134,070
Less: Assets in Debt Service Fund at 12/31/15		(19,223)
Total Debt Applicable to Debt Limit		114,847
Legal Margin for New Bonds Subject to Debt Limit	$	1,111,955

SUMMARY OF OUTSTANDING CITY DEBT

Long-term liabilities (in thousands) at December 31, 2015 are detailed below.

	Balance 1/1/2015	Additions	Retirements	Balance 12/31/2015	Amounts Due Within One Year
Governmental activities:					
Bonds and Notes					
Property Tax Supported GO Bonds*	$ 128,530	$ -	$ 38,365	$ 90,165	$ 21,725
Property Tax Supported GO Notes*	-	15,000	-	15,000	-
Self-Supporting GO Bonds	211,770	-	20,995	190,775	21,920
GO Improvement Bonds	49,213	-	14,920	34,293	6,796
GO Improvement Notes	-	5,000	-	5,000	-
Tax Increment GO Bonds	84,180	-	7,825	76,355	4,955
Tax Increment GO Notes	4,060	-	410	3,650	440
Revenue Bonds	23,500	22,710	23,500	22,710	1,085
Revenue Notes	14,055	-	360	13,695	380
Internal Service Fund Related GO Bonds	21,630	-	5,625	16,005	3,035
Total Governmental Bonds and Notes	536,938	42,710	112,000	467,648	60,336
Business-type activities:					
Bonds and Notes					
Stormwater Fund GO Bonds	4,736	-	2,236	2,500	2,500
Sanitary Sewer Fund GO Bonds	9,300	-	3,500	5,800	2,000
Water Fund GO Bonds	25,769	-	4,294	21,475	5,030
Water Fund GO Note	80,230	-	4,360	75,870	4,350
Municipal Parking Fund GO Bonds	72,822	-	5,335	67,487	4,594
Municipal Parking Fund GO Notes	38,650	-	105	38,545	1,375
CPED Related Non-GO Bonds					
General Agency Reserve Fund System Bonds	90,100	-	5,310	84,790	4,035
Total Bonds and Notes	321,607	-	25,140	296,467	23,884
Grand Total Bonds & Notes	$ 858,545	$ 42,710	$ 137,140	$ 764,115	$ 84,220

* This category includes debt issued for the City's general infrastructure capital program and the library referendum.

AMORTIZATION OF OUTSTANDING GOVERNMENTAL CITY DEBT

As of December 31, 2015, annual debt service requirements for Governmental activities* (in thousands) to maturity follows:

Year Ending	Bonds		Notes	
Dec 31:	Principal	Interest	Principal	Interest
2016	$ 56,481	$ 13,102	$ 820	$ 1,407
2017	48,756	11,964	5,870	1,365
2018	50,976	10,819	15,925	1,071
2019	60,780	9,359	985	274
2020	42,950	7,575	1,045	224
2021 – 2025	80,505	24,392	3,500	364
2026 – 2030	25,290	13,441	-	-
2031 – 2035	13,445	9,632	9,200	-
2036 – 2040	16,855	6,286	-	-
2041 – 2044	18,260	1,759	-	-
Total	$ 414,298	$ 108,329	$ 37,345	$ 4,705

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
Dec 31:	Principal	Interest	Principal	Interest
2016	$ 3,035	$ 474	$ 60,336	$ 14,983
2017	3,160	386	57,786	13,715
2018	9,810	294	76,711	12,184
2019	-	-	61,765	9,633
2020	-	-	43,995	7,799
2021 – 2025	-	-	84,005	24,756
2026 – 2030	-	-	25,290	13,441
2031 – 2035	-	-	22,645	9,632
2036 – 2040	-	-	16,855	6,286
2041 – 2044	-	-	18,260	1,759
Total	$ 16,005	$ 1,154	$ 467,648	$ 114,188

* Governmental activities include the basic infrastructure assets required to provide services to the residents such as parks, libraries, streets, roads, bridges, traffic signals, street lighting, police and fire stations, public buildings, technology platforms, fleet equipment, etc. Governmental activities are supported by property taxes, other governmental aids and other general revenues.

AMORTIZATION OF OUTSTANDING BUSINESS TYPE CITY DEBT

As of December 31, 2015, annual debt service requirements for Business-type activities* (in thousands) to maturity follows:

Year Ending	Bonds		Notes		Total	Total
Dec 31:	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 18,159	$ 7,934	$ 5,725	$ 3,915	$ 23,884	$ 11,849
2017	13,354	7,327	8,005	3,741	21,359	11,068
2018	12,124	6,816	9,550	3,504	21,674	10,320
2019	12,655	6,393	9,845	3,221	22,500	9,614
2020	10,315	5,918	10,240	2,927	20,555	8,845
2021 – 2025	62,430	22,700	33,340	10,951	95,770	33,651
2026 – 2030	20,845	12,330	28,690	5,048	49,535	17,378
2031 – 2035	17,915	7,367	9,020	907	26,935	8,274
2036 – 2040	14,255	2,300	-	-	14,255	2,300
Total	$ 182,052	$ 79,085	$ 114,415	$ 34,214	$ 296,467	$ 113,299

* Business-type activities include those City functions that operate similar to a private business such as Water, Stormwater and Sanitary Sewer Services, Solid Waste and Recycling and Parking Ramps. Business-type activities are supported by user fees charged for services provided. Business activities also include some economic development activities that help spur private development, the debt of which is paid for by the private businesses benefited.

Five-Year Capital Investment Allocation
Council Adopted Budget

Budget in Thousands		2016	2017	2018	2019	2020	Total	Percent of Total
MUNICIPAL BUILDING COMMISSION		2,970	2,205	2,965	2,920	920	11,980	1.8%
PARK BOARD		4,452	2,980	3,235	5,558	4,076	20,301	3.0%
PUBLIC WORKS DEPARTMENT	STREET PAVING	38,710	30,041	30,245	45,580	17,855	162,431	24.3%
	SIDEWALKS	3,675	3,830	4,040	4,250	4,460	20,255	3.0%
	BRIDGES	10,400	3,065	7,910	5,685	20,180	47,240	7.1%
	TRAFFIC CONTROL & STREET LIGHTING	10,460	6,532	6,706	7,221	6,920	37,839	5.7%
	BIKE TRAILS	760	1,250	1,000	1,140	1,940	6,090	0.9%
	SANITARY SEWERS	10,550	9,250	9,250	9,250	9,250	47,550	7.1%
	STORM SEWERS	13,750	21,378	22,330	16,750	15,750	89,958	13.4%
	WATER INFRASTRUCTURE	22,250	47,370	43,430	32,200	24,650	169,900	25.4%
	Public Works Department Total	**110,555**	**122,716**	**124,911**	**122,076**	**101,005**	**581,263**	**86.9%**
INFORMATION TECHNOLOGY		3,300	1,500	200	0	0	5,000	0.7%
PUBLIC GROUNDS & FACILITIES		12,910	21,350	1,000	0	0	35,260	5.3%
MISCELLANEOUS PROJECTS		580	600	6,620	6,640	660	15,100	2.3%
Grand Total		**134,767**	**151,351**	**138,931**	**137,194**	**106,661**	**668,904**	**100.0%**

Five-Year Capital Funding Summary

Council Adopted Budget

General Infrastructure Improvements Funding Summary by Year	2016	2017	2018	2019	2020	Total
Federal Government Grants	6,210	1,575	990	12,700		**21,475**
Hennepin County Grants	2,335	1,355	2,030	2,185	795	**8,700**
Municipal State Aid	10,000	9,900	9,900	9,070	6,920	**45,790**
Net Debt Bonds	32,830	27,900	29,555	34,490	30,225	**155,000**
Other Local Governments		121	1,000	1,000		**2,121**
Park Capital Levy	1,652	1,242	2,466	2,274	1,936	**9,570**
Reimbursements	4,100	4,100	4,100	4,100	4,100	**20,500**
Special Assessments	12,300	11,730	12,170	12,580	9,015	**57,795**
State Government Grants					4,020	**4,020**
Transfer from General Fund	10,750					**10,750**
Total General Infrastructure Improvements	**80,177**	**57,923**	**62,211**	**78,399**	**57,011**	**335,721**

Enterprise Fund Capital Funding Summary by Year	2016	2017	2018	2019	2020	Total
Other Local Governments		6,783	5,525			**12,308**
Reimbursements	5,000	5,000	5,000	5,000	5,000	**25,000**
Sanitary Bonds	8,550	7,250	7,250	7,250	7,250	**37,550**
Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	**5,000**
Solid Waste Bonds	7,000	15,000				**22,000**
Stormwater Bonds			2,500	3,500	1,000	**7,000**
Stormwater Revenue	12,500	12,950	14,015	11,825	12,750	**64,040**
Water Bonds	8,200	31,320	28,580	15,750	8,100	**91,950**
Water Revenue	12,340	14,125	12,850	14,470	14,550	**68,335**
Total Enterprise Fund Capital	**54,590**	**93,428**	**76,720**	**58,795**	**49,650**	**333,183**

Consolidated City-Wide Capital Funding Summary by Year	2016	2017	2018	2019	2020	Total Budget	Overall Funding Breakdown
Enterprise Bonds	23,750	53,570	38,330	26,500	16,350	**158,500**	**23.70%**
Enterprise Revenue	25,840	28,075	27,865	27,295	28,300	**137,375**	**20.54%**
Municipal State Aid	10,000	9,900	9,900	9,070	6,920	**45,790**	**6.85%**
Net Debt Bonds	32,830	27,900	29,555	34,490	30,225	**155,000**	**23.17%**
Other	30,047	20,176	21,111	27,259	15,851	**114,444**	**17.11%**
Special Assesments	12,300	11,730	12,170	12,580	9,015	**57,795**	**8.64%**
Total City Wide Capital Program	**134,767**	**151,351**	**138,931**	**137,194**	**106,661**	**668,904**	**100.00%**

Minneapolis
City of Lakes

Five-Year Capital Funding Summary (Public Works)
Council Adopted Budget

General Infrastructure Improvements Funding Summary by Year	2016	2017	2018	2019	2020	Total
Federal Government Grants	6,210	1,575	990	12,700	0	**21,475**
Hennepin County Grants	835	255	445	760	345	**2,640**
Municipal State Aid	10,000	9,900	9,900	9,070	6,920	**45,790**
Net Debt Bonds	19,070	16,845	19,355	23,040	27,255	**105,565**
Other Local Governments	0	121	1,000	1,000	0	**2,121**
Park Capital Levy	0	62	531	331	0	**924**
Reimbursements	4,100	4,100	4,100	4,100	4,100	**20,500**
Special Assessments	12,000	11,430	11,870	12,280	8,715	**56,295**
State Government Grants	0	0	0	0	4,020	**4,020**
Transfer from General Fund	10,750					**10,750**
Total General Infrastructure Improvements	**62,965**	**44,288**	**48,191**	**63,281**	**51,355**	**270,080**

Enterprise Fund Capital Funding Improvements by Year	2016	2017	2018	2019	2020	Total
Other Local Governments	0	6,783	5,525	0	0	**12,308**
Reimbursements	5,000	5,000	5,000	5,000	5,000	**25,000**
Sanitary Bonds	8,550	7,250	7,250	7,250	7,250	**37,550**
Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	**5,000**
Stormwater Bonds	0	0	2,500	3,500	1,000	**7,000**
Stormwater Revenue	12,500	12,950	14,015	11,825	12,750	**64,040**
Water Bonds	8,200	31,320	28,580	15,750	8,100	**91,950**
Water Revenue	12,340	14,125	12,850	14,470	14,550	**68,335**
Total Enterprise Fund Capital	**47,590**	**78,428**	**76,720**	**58,795**	**49,650**	**311,183**

Consolidated Public Works Capital Summary by Year	2016	2017	2018	2019	2020	Total Budget	Overall Funding Breakdown
Enterprise Bonds	16,750	38,570	38,330	26,500	16,350	**136,500**	**23.48%**
Enterprise Revenue	25,840	28,075	27,865	27,295	28,300	**137,375**	**23.63%**
Municipal State Aid	10,000	9,900	9,900	9,070	6,920	**45,790**	**7.88%**
Net Debt Bonds	19,070	16,845	19,355	23,040	27,255	**105,565**	**18.16%**
Other	26,895	17,896	17,591	23,891	13,465	**99,738**	**17.16%**
Special Assessments	12,000	11,430	11,870	12,280	8,715	**56,295**	**9.68%**
Total Public Works Department	**110,555**	**122,716**	**124,911**	**122,076**	**101,005**	**581,263**	**100.00%**

Represents the Five-Year Council Adopted Budget from City and Park Board funding sources for projects where the City is the lead agency.

2016 - 2020 Council Adopted Capital Resources
For Property Tax Supported (Net Debt) Bond Program

Recommended Resources by Category	2016	2017	2018	2019	2020	Totals (000's)
Available Resources:						
2016 - 2020 Council Adopted NDB Resources	32,830	27,900	29,555	34,490	30,225	**155,000**

This resource summary represents the City's commitment for General Infrastructure assets which includes parks, public buildings, streets, bridges, bike trails, traffic signals and any other capital assets used for providing basic city services. These resources also leverage significant additional funding from special assessments, municipal state aid, other government grants, etc.

2016 Bond Redemption Levy for Capital Program

	Amount (000's)	
Tax Levy Certified for Bond Redemption in 2015	35,900	
Bond Redemption Levy Adjustment	1,900	Per Five-Year Financial Direction 2015 - 2019
Tax Levy Certified for Bond Redemption in 2016	**37,800**	For supporting ongoing Capital Programs

Net Debt Bond Allocation
Council Adopted Budget
Summarized by Major Type of Infrastructure

Description of Category		2016	2017	2018	2019	2020	Total
MUNICIPAL BUILDING COMMISSION		1,470	1,105	1,380	1,495	470	**5,920**
Percentage Allocated to MBC		*4.5%*	*4.0%*	*4.7%*	*4.3%*	*1.6%*	***3.8%***
Park Board Capital Program*		2,500	1,500	1,000	3,315	1,840	**10,155**
Percentage allocated to Park Board		*7.6%*	*5.4%*	*3.4%*	*9.6%*	*6.1%*	***6.6%***
PUBLIC WORKS DEPARTMENT	STREET PAVING	13,135	9,630	9,800	11,090	6,740	**50,395**
	SIDEWALKS	315	325	335	345	355	**1,675**
	BRIDGES	400	2,285	4,330	5,685	13,660	**26,360**
	TRAFFIC CONTROL & STREET LIGHTING	4,460	3,355	3,890	4,780	4,560	**21,045**
	BIKE TRAILS	760	1,250	1,000	1,140	1,940	**6,090**
Public Works Sub-Total		**19,070**	**16,845**	**19,355**	**23,040**	**27,255**	**105,565**
Percentage allocated to Public Works		*58.1%*	*60.4%*	*65.5%*	*66.8%*	*90.2%*	***68.1%***
INFORMATION TECHNOLOGY		3,300	1,500	200			**5,000**
Percentage allocated to Information Technology		*10.1%*	*5.4%*	*0.7%*			***3.2%***
PUBLIC GROUNDS & FACILITIES		5,910	6,350	1,000			**13,260**
Percentage allocated to Public Grounds & Facilities		18.0%	22.8%	3.4%			**8.6%**
MISCELLANEOUS PROJECTS		580	600	6,620	6,640	660	**15,100**
Percentage allocated to Miscellaneous Projects		*1.8%*	*2.2%*	*22.4%*	*19.3%*	*2.2%*	***9.7%***
Percentage Allocated to City Departments		*87.9%*	*90.7%*	*91.9%*			***89.6%***
Total Net Debt Bond Allocation (in thousands)		**32,830**	**27,900**	**29,555**	**34,490**	**30,225**	**155,000**

** This amount is only the net debt bond portion of Park Board Capital funding. They also dedicate a portion of their tax levy to capital projects.*

Minneapolis City of Lakes

Capital Budget Summary
Council Adopted Budget

		Budget in Thousands	2016	2017	2018	2019	2020	Total
MUNICIPAL BUILDING COMMISSION		MBC01 Life Safety Improvements	0	50	205	100	100	455
		MBC02 Mechanical Systems Upgrade	0	0	505	925	820	2,250
		MBC04 MBC Elevators	1,280	0	0	0	0	1,280
		MBC09 Critical Power Capital Project	410	0	0	0	0	410
		MBC10 Exterior Improvements	1,280	2,155	2,255	1,895	0	7,585
		Total	2,970	2,205	2,965	2,920	920	11,980
PARK BOARD		PRK02 Playground and Site Improvements Program	0	350	813	1,483	1,681	4,327
		PRK03 Shelter - Pool - Site Improvements Program	461	0	695	1,355	0	2,511
		PRK04 Athletic Fields and Site Improvements Program	150	700	0	0	0	850
		PRK30 Service Area Improvement Program	0	400	400	400	0	1,200
		PRK31 Bossen Park Field Improvements	2,500	450	0	0	0	2,950
		PRK33 Bryn Mawr Meadows Field Improvements	0	0	0	640	700	1,340
		PRKCP Neighborhood Parks Capital Infrastructure	1,041	780	1,027	1,380	1,395	5,623
		PRKDT Diseased Tree Removal	300	300	300	300	300	1,500
		Total	4,452	2,980	3,235	5,558	4,076	20,301
PUBLIC WORKS DEPARTMENT	STREET PAVING	PV001 Parkway Paving Program	750	871	750	1,750	750	4,871
		PV006 Alley Renovation Program	250	250	0	0	0	500
		PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	2,920	1,780	0	0	0	4,700
		PV027 Hennepin/Lyndale	5,025	0	0	0	0	5,025
		PV054 8th St S (Hennepin Ave to Chicago Ave)	0	0	0	9,825	0	9,825
		PV056 Asphalt Pavement Resurfacing Program	6,915	6,915	6,915	6,915	5,925	33,585
		PV059 Major Pavement Maintenance Program	250	250	250	250	250	1,250
		PV063 Unpaved Alley Construction	200	200	0	0	0	400
		PV072 Pedestrian Improvement Project	2,790	0	0	0	0	2,790
		PV074 CSAH & MnDOT Cooperative Projects	3,990	3,490	3,070	500	500	11,550
		PV075 Development Infrastructure Program	500	0	0	0	0	500
		PV076 38th St E (Hiawatha to Minnehaha)	2,025	0	0	0	0	2,025
		PV080 18th Ave NE (Monroe to Johnson St NE)	0	4,340	1,570	0	0	5,910
		PV084 54th St W (Penn to Lyndale Ave S)	3,280	4,760	0	0	0	8,040
		PV086 26th Ave N (Wirth Pkwy to Mississippi River)	1,920	0	0	0	0	1,920
		PV087 34th Ave S (54th St E to Minnehaha Pkwy)	0	0	1,970	0	0	1,970
		PV094 4th St SE (25th to 29th Ave SE)	0	2,200	0	0	0	2,200
		PV095 4th St N & S (2nd Ave N to 4th Ave S)	0	0	4,370	2,005	0	6,375
		PV096 42nd Ave N (Xerxes to Lyndale Ave N)	0	0	5,785	5,780	0	11,565
		PV097 18th Ave NE Trail Gap	0	0	300	0	0	300
		PV098 Hiawatha Trail Gap (28th to 32nd St E)	0	0	765	0	0	765
		PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	0	0	0	440	0	440
		PV104 ADA Ramp Replacement Program	745	500	500	500	500	2,745
		PV108 Concrete Streets Rehabilitation Program	400	500	500	500	500	2,400
		PV111 46th Ave S (46th St S to Godfrey Parkway)	0	485	0	0	0	485
		PV113 29th St W Phase 2	0	0	0	0	1,400	1,400
		PV114 U of M Protected Bikeways	0	0	0	1,850	0	1,850
		PV115 Emerson & Fremont Aves N Pedestrian Enhancements	0	0	0	2,765	0	2,765
		PV116 North Loop Pedestrian Improvements	0	0	0	2,900	0	2,900
		PV117 Broadway St NE (Stinson Blvd to City Limits)	0	0	0	6,100	0	6,100
		PV118 Hennepin Ave (Washington Ave N to 12th St S)	0	0	0	0	4,530	4,530
		PV128 3rd Ave Redesign (1st to 16th St)	3,000	0	0	0	0	3,000
		PV129 Vineland Place Paving Redesign	0	0	0	0	0	0
		PV130 Downtown East Commons Paving	250	0	0	0	0	250
		PV99R Reimbursable Paving Projects	3,500	3,500	3,500	3,500	3,500	17,500
		Total for STREET PAVING	38,710	30,041	30,245	45,580	17,855	162,431
	SIDEWALKS	SWK01 Defective Hazardous Sidewalks	3,675	3,830	4,040	4,250	4,460	20,255
		Total for SIDEWALKS	3,675	3,830	4,040	4,250	4,460	20,255

Minneapolis City of Lakes

Capital Budget Summary
Council Adopted Budget

		Budget in Thousands	2016	2017	2018	2019	2020	Total
PUBLIC WORKS DEPARTMENT	BRIDGES	BR101 Major Bridge Repair and Rehabilitation	400	400	400	400	400	2,000
		BR106 1st Ave S over HCRRA	0	0	4,125	0	0	4,125
		BR111 10th Ave SE Bridge Arch Rehabilitation	10,000	0	0	0	0	10,000
		BR112 Nicollet Avenue Reopening	0	0	0	0	0	0
		BR117 1st St N Bridge over Bassett's Creek	0	0	1,385	0	0	1,385
		BR123 28th Ave S over Minnehaha Creek	0	2,665	0	0	0	2,665
		BR126 40th St Pedestrian & Bicycle Bridge over 35W	0	0	2,000	0	0	2,000
		BR127 Nicollet Ave over Minnehaha Creek	0	0	0	5,285	19,780	25,065
		Total for BRIDGES	10,400	3,065	7,910	5,685	20,180	47,240
	TRAFFIC CONTROL & STREET LIGHTING	TR008 Parkway Street Light Replacement	350	372	801	681	350	2,554
		TR010 Traffic Management Systems	1,050	435	350	1,300	650	3,785
		TR011 City Street Light Renovation	550	445	625	1,000	1,000	3,620
		TR021 Traffic Signals	1,975	1,570	1,575	1,750	2,000	8,870
		TR022 Traffic Safety Improvements	5,435	1,870	1,585	670	925	10,485
		TR024 Pedestrian Street Lighting Corridors	500	445	450	500	500	2,395
		TR025 Sign Replacement Program	0	795	720	720	895	3,130
		TR99R Reimbursable Transportation Projects	600	600	600	600	600	3,000
		Total for TRAFFIC CONTROL & STREET LIGHTING	10,460	6,532	6,706	7,221	6,920	37,839
	BIKE TRAILS	BIK28 Protected Bikeways Program	760	1,250	1,000	1,140	1,940	6,090
		Total for BIKE TRAILS	760	1,250	1,000	1,140	1,940	6,090
	SANITARY SEWERS	SA001 Sanitary Tunnel & Sewer Rehabilitation Program	7,050	3,750	3,750	3,750	3,750	22,050
		SA036 Infiltration & Inflow Removal Program	2,500	4,500	4,500	4,500	4,500	20,500
		SA99R Reimbursable Sanitary Sewer Projects	1,000	1,000	1,000	1,000	1,000	5,000
		Total for SANITARY SEWERS	10,550	9,250	9,250	9,250	9,250	47,550
	STORM SEWERS	SW004 Implementation of US EPA Storm Water Regulations	250	250	250	250	250	1,250
		SW005 Combined Sewer Overflow Improvements	1,500	1,500	1,500	1,500	1,500	7,500
		SW011 Storm Drains and Tunnels Rehabilitation Program	8,000	6,500	9,000	10,000	8,000	41,500
		SW018 Flood Area 29 & 30 - Fulton Neighborhood	0	3,288	6,580	0	0	9,868
		SW032 I-35W Storm Tunnel Reconstruction	0	0	0	0	1,000	1,000
		SW034 Flood Area 21 - Bloomington Pond	0	4,840	0	0	0	4,840
		SW039 Flood Mitigation with Alternative Stormwater Mgmt	2,000	3,000	3,000	3,000	3,000	14,000
		SW99R Reimbursable Sewer & Storm Drain Projects	2,000	2,000	2,000	2,000	2,000	10,000
		Total for STORM SEWERS	13,750	21,378	22,330	16,750	15,750	89,958
	WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	6,300	7,250	7,350	7,450	7,550	35,900
		WTR18 Water Distribution Facility	1,500	7,500	7,500	0	0	16,500
		WTR23 Treatment Infrastructure Improvements	3,000	3,000	4,000	5,000	5,000	20,000
		WTR24 Fridley Filter Plant Rehabilitation	6,700	18,000	14,000	9,500	0	48,200
		WTR25 Ground Water Supply	1,000	1,500	1,500	2,000	2,000	8,000
		WTR26 Recarbonation System Replacement	1,500	3,000	0	0	0	4,500
		WTR27 Remote Meter Reading Technology Upgrade	250	2,620	700	1,800	1,700	7,070
		WTR28 Ultrafiltration Module Replacement	0	2,200	2,200	2,200	2,200	8,800
		WTR29 Columbia Heights Campus Upgrades	0	300	4,180	2,250	4,200	10,930
		WTR9R Reimbursable Watermain Projects	2,000	2,000	2,000	2,000	2,000	10,000
		Total for WATER INFRASTRUCTURE	22,250	47,370	43,430	32,200	24,650	169,900
	Total Public Works		110,555	122,716	124,911	122,076	101,005	581,263
INFORMATION TECHNOLOGY		IT004 Enterprise Infrastructure Modernization	500	200	200	0	0	900
		IT033 Police Report Management System Upgrade	2,800	1,300	0	0	0	4,100
		Total	3,300	1,500	200	0	0	5,000
PUBLIC GROUNDS & FACILITIES		FIR11 New Fire Station No. 11	1,910	3,350	1,000	0	0	6,260
		FIR12 Fire Station No. 1 Renovation & Expansion	3,000	3,000	0	0	0	6,000
		MPD02 Property & Evidence Warehouse	0	0	0	0	0	0
		MPD03 Hamilton School Facility Improvements	1,000	0	0	0	0	1,000
		PSD15 Traffic Maintenance Facility Improvement	0	0	0	0	0	0
		PSD16 Farmer's Market Improvements	0	0	0	0	0	0

Minneapolis City of Lakes

Capital Budget Summary
Council Adopted Budget

	Budget in Thousands	2016	2017	2018	2019	2020	Total
PUBLIC GROUNDS & FACILITIES	**PSD17 New Solid Waste & Recycling Facility**	7,000	15,000	0	0	0	**22,000**
	Total	**12,910**	**21,350**	**1,000**	**0**	**0**	**35,260**
MISCELLANEOUS PROJECTS	**ART01 Art in Public Places**	580	600	620	640	660	**3,100**
	RAD01 Public Safety Radio System Replacement	0	0	6,000	6,000	0	**12,000**
	Total	**580**	**600**	**6,620**	**6,640**	**660**	**15,100**
Grand Total		**134,767**	**151,351**	**138,931**	**137,194**	**106,661**	**668,904**

Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2016	2017	2018	2019	2020	Total
MUNICIPAL BUILDING COMMISSION	**MBC01 Life Safety Improvements**	Net Debt Bonds	0	0	105	50	50	**205**
		Hennepin County Grants	0	50	100	50	50	**250**
		Total	**0**	**50**	**205**	**100**	**100**	**455**
	MBC02 Mechanical Systems Upgrade	Net Debt Bonds	0	0	120	475	420	**1,015**
		Hennepin County Grants	0	0	385	450	400	**1,235**
		Total	**0**	**0**	**505**	**925**	**820**	**2,250**
	MBC04 MBC Elevators	Net Debt Bonds	605	0	0	0	0	**605**
		Hennepin County Grants	675	0	0	0	0	**675**
		Total	**1,280**	**0**	**0**	**0**	**0**	**1,280**
	MBC09 Critical Power Capital Project	Net Debt Bonds	210	0	0	0	0	**210**
		Hennepin County Grants	200	0	0	0	0	**200**
		Total	**410**	**0**	**0**	**0**	**0**	**410**
	MBC10 Exterior Improvements	Net Debt Bonds	655	1,105	1,155	970	0	**3,885**
		Hennepin County Grants	625	1,050	1,100	925	0	**3,700**
		Total	**1,280**	**2,155**	**2,255**	**1,895**	**0**	**7,585**
	Total for Municipal Building Commission		**2,970**	**2,205**	**2,965**	**2,920**	**920**	**11,980**
PARK BOARD	**PRK02 Playground and Site Improvements Program**	Net Debt Bonds	0	350	305	1,320	1,140	**3,115**
		Park Capital Levy	0	0	508	163	541	**1,212**
		Total	**0**	**350**	**813**	**1,483**	**1,681**	**4,327**
	PRK03 Shelter - Pool - Site Improvements Program	Net Debt Bonds	0	0	695	1,355	0	**2,050**
		Park Capital Levy	461	0	0	0	0	**461**
		Total	**461**	**0**	**695**	**1,355**	**0**	**2,511**
	PRK04 Athletic Fields and Site Improvements Program	Net Debt Bonds	0	700	0	0	0	**700**
		Park Capital Levy	150	0	0	0	0	**150**
		Total	**150**	**700**	**0**	**0**	**0**	**850**
	PRK30 Service Area Improvement Program	Park Capital Levy	0	400	400	400	0	**1,200**
		Total	**0**	**400**	**400**	**400**	**0**	**1,200**
	PRK31 Bossen Park Field Improvements	Net Debt Bonds	2,500	450	0	0	0	**2,950**
		Total	**2,500**	**450**	**0**	**0**	**0**	**2,950**
	PRK33 Bryn Mawr Meadows Field Improvements	Net Debt Bonds	0	0	0	640	700	**1,340**
		Total	**0**	**0**	**0**	**640**	**700**	**1,340**
	PRKCP Neighborhood Parks Capital Infrastructure	Park Capital Levy	1,041	780	1,027	1,380	1,395	**5,623**
		Total	**1,041**	**780**	**1,027**	**1,380**	**1,395**	**5,623**
	PRKDT Diseased Tree Removal	Special Assessments	300	300	300	300	300	**1,500**
		Total	**300**	**300**	**300**	**300**	**300**	**1,500**
	Total for Park Board		**4,452**	**2,980**	**3,235**	**5,558**	**4,076**	**20,301**
PUBLIC WORKS DEPARTMENT — **STREET PAVING**	**PV001 Parkway Paving Program**	Net Debt Bonds	700	700	700	700	700	**3,500**
		Special Assessments	50	50	50	50	50	**250**
		Other Local Governments	0	121	0	1,000	0	**1,121**
		Total	**750**	**871**	**750**	**1,750**	**750**	**4,871**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

			Budget in Thousands	2016	2017	2018	2019	2020	Total
PUBLIC WORKS DEPARTMENT	**STREET PAVING**	**PV006 Alley Renovation Program**	Net Debt Bonds	200	200	0	0	0	**400**
			Special Assessments	50	50	0	0	0	**100**
			Total	**250**	**250**	**0**	**0**	**0**	**500**
		PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Net Debt Bonds	25	25	0	0	0	**50**
			Municipal State Aid	1,370	1,365	0	0	0	**2,735**
			Special Assessments	315	310	0	0	0	**625**
			Stormwater Revenue	45	40	0	0	0	**85**
			Water Revenue	45	40	0	0	0	**85**
			Federal Government Grants	1,120	0	0	0	0	**1,120**
			Total	**2,920**	**1,780**	**0**	**0**	**0**	**4,700**
		PV027 Hennepin/Lyndale	Net Debt Bonds	1,090	0	0	0	0	**1,090**
			Municipal State Aid	3,355	0	0	0	0	**3,355**
			Special Assessments	195	0	0	0	0	**195**
			Stormwater Revenue	250	0	0	0	0	**250**
			Water Revenue	135	0	0	0	0	**135**
			Total	**5,025**	**0**	**0**	**0**	**0**	**5,025**
		PV054 8th St S (Hennepin Ave to Chicago Ave)	Net Debt Bonds	0	0	0	1,180	0	**1,180**
			Municipal State Aid	0	0	0	390	0	**390**
			Special Assessments	0	0	0	1,340	0	**1,340**
			Stormwater Revenue	0	0	0	450	0	**450**
			Water Revenue	0	0	0	20	0	**20**
			Federal Government Grants	0	0	0	6,445	0	**6,445**
			Total	**0**	**0**	**0**	**9,825**	**0**	**9,825**
		PV056 Asphalt Pavement Resurfacing Program	Net Debt Bonds	1,000	1,000	1,000	1,000	1,000	**5,000**
			Municipal State Aid	1,000	1,000	1,000	1,000	1,000	**5,000**
			Special Assessments	4,915	4,915	4,915	4,915	3,925	**23,585**
			Total	**6,915**	**6,915**	**6,915**	**6,915**	**5,925**	**33,585**
		PV059 Major Pavement Maintenance Program	Net Debt Bonds	250	250	250	250	250	**1,250**
			Total	**250**	**250**	**250**	**250**	**250**	**1,250**
		PV063 Unpaved Alley Construction	Net Debt Bonds	150	150	0	0	0	**300**
			Special Assessments	50	50	0	0	0	**100**
			Total	**200**	**200**	**0**	**0**	**0**	**400**
		PV072 Pedestrian Improvement Project	Municipal State Aid	1,380	0	0	0	0	**1,380**
			Federal Government Grants	1,410	0	0	0	0	**1,410**
			Total	**2,790**	**0**	**0**	**0**	**0**	**2,790**
		PV074 CSAH & MnDOT Cooperative Projects	Net Debt Bonds	3,240	2,990	3,070	500	500	**10,300**

Capital Budget Detail for Funded Projects
Council Adopted Budget

			Budget in Thousands	2016	2017	2018	2019	2020	Total
PUBLIC WORKS DEPARTMENT	STREET PAVING	PV074 CSAH & MnDOT Cooperative Projects	Special Assessments	750	500	0	0	0	**1,250**
			Total	**3,990**	**3,490**	**3,070**	**500**	**500**	**11,550**
		PV075 Development Infrastructure Program	Transfer from General Fund	500	0	0	0	0	**500**
			Total	**500**	**0**	**0**	**0**	**0**	**500**
		PV076 38th St E (Hiawatha to Minnehaha)	Net Debt Bonds	595	0	0	0	0	**595**
			Municipal State Aid	1,160	0	0	0	0	**1,160**
			Special Assessments	170	0	0	0	0	**170**
			Stormwater Revenue	100	0	0	0	0	**100**
			Total	**2,025**	**0**	**0**	**0**	**0**	**2,025**
		PV080 18th Ave NE (Monroe to Johnson St NE)	Net Debt Bonds	0	1,595	260	0	0	**1,855**
			Municipal State Aid	0	2,020	685	0	0	**2,705**
			Special Assessments	0	630	625	0	0	**1,255**
			Stormwater Revenue	0	75	0	0	0	**75**
			Water Revenue	0	20	0	0	0	**20**
			Total	**0**	**4,340**	**1,570**	**0**	**0**	**5,910**
		PV084 54th St W (Penn to Lyndale Ave S)	Net Debt Bonds	1,740	945	0	0	0	**2,685**
			Municipal State Aid	760	3,035	0	0	0	**3,795**
			Special Assessments	640	640	0	0	0	**1,280**
			Stormwater Revenue	125	125	0	0	0	**250**
			Water Revenue	15	15	0	0	0	**30**
			Total	**3,280**	**4,760**	**0**	**0**	**0**	**8,040**
		PV086 26th Ave N (Wirth Pkwy to Mississippi River)	Municipal State Aid	90	0	0	0	0	**90**
			Special Assessments	1,505	0	0	0	0	**1,505**
			Stormwater Revenue	230	0	0	0	0	**230**
			Water Revenue	95	0	0	0	0	**95**
			Total	**1,920**	**0**	**0**	**0**	**0**	**1,920**
		PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Net Debt Bonds	0	0	355	0	0	**355**
			Municipal State Aid	0	0	1,205	0	0	**1,205**
			Special Assessments	0	0	410	0	0	**410**
			Total	**0**	**0**	**1,970**	**0**	**0**	**1,970**
		PV094 4th St SE (25th to 29th Ave SE)	Net Debt Bonds	0	295	0	0	0	**295**
			Municipal State Aid	0	1,015	0	0	0	**1,015**
			Special Assessments	0	775	0	0	0	**775**
			Stormwater Revenue	0	115	0	0	0	**115**
			Total	**0**	**2,200**	**0**	**0**	**0**	**2,200**
		PV095 4th St N & S (2nd Ave N to 4th Ave S)	Net Debt Bonds	0	0	1,990	0	0	**1,990**
			Municipal State Aid	0	0	1,460	2,005	0	**3,465**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT

		Budget in Thousands	2016	2017	2018	2019	2020	Total
STREET PAVING	PV095 4th St N & S (2nd Ave N to 4th Ave S)	Special Assessments	0	0	720	0	0	**720**
		Stormwater Revenue	0	0	200	0	0	**200**
		Total	**0**	**0**	**4,370**	**2,005**	**0**	**6,375**
	PV096 42nd Ave N (Xerxes to Lyndale Ave N)	Net Debt Bonds	0	0	110	105	0	**215**
		Municipal State Aid	0	0	4,105	4,105	0	**8,210**
		Special Assessments	0	0	1,445	1,445	0	**2,890**
		Stormwater Revenue	0	0	125	125	0	**250**
		Total	**0**	**0**	**5,785**	**5,780**	**0**	**11,565**
	PV097 18th Ave NE Trail Gap	Net Debt Bonds	0	0	300	0	0	**300**
		Total	**0**	**0**	**300**	**0**	**0**	**300**
	PV098 Hiawatha Trail Gap (28th to 32nd St E)	Net Debt Bonds	0	0	765	0	0	**765**
		Total	**0**	**0**	**765**	**0**	**0**	**765**
	PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	Net Debt Bonds	0	0	0	440	0	**440**
		Total	**0**	**0**	**0**	**440**	**0**	**440**
	PV104 ADA Ramp Replacement Program	Net Debt Bonds	745	500	500	500	500	**2,745**
		Total	**745**	**500**	**500**	**500**	**500**	**2,745**
	PV108 Concrete Streets Rehabilitation Program	Net Debt Bonds	400	500	500	500	500	**2,400**
		Total	**400**	**500**	**500**	**500**	**500**	**2,400**
	PV111 46th Ave S (46th St S to Godfrey Parkway)	Net Debt Bonds	0	480	0	0	0	**480**
		Special Assessments	0	5	0	0	0	**5**
		Total	**0**	**485**	**0**	**0**	**0**	**485**
	PV113 29th St W Phase 2	Net Debt Bonds	0	0	0	0	1,340	**1,340**
		Special Assessments	0	0	0	0	60	**60**
		Total	**0**	**0**	**0**	**0**	**1,400**	**1,400**
	PV114 U of M Protected Bikeways	Net Debt Bonds	0	0	0	895	0	**895**
		Federal Government Grants	0	0	0	955	0	**955**
		Total	**0**	**0**	**0**	**1,850**	**0**	**1,850**
	PV115 Emerson & Fremont Aves N Pedestrian Enhancements	Net Debt Bonds	0	0	0	1,765	0	**1,765**
		Federal Government Grants	0	0	0	1,000	0	**1,000**
		Total	**0**	**0**	**0**	**2,765**	**0**	**2,765**
	PV116 North Loop Pedestrian Improvements	Net Debt Bonds	0	0	0	1,900	0	**1,900**
		Federal Government Grants	0	0	0	1,000	0	**1,000**
		Total	**0**	**0**	**0**	**2,900**	**0**	**2,900**
	PV117 Broadway St NE (Stinson Blvd to City Limits)	Net Debt Bonds	0	0	0	1,355	0	**1,355**
		Municipal State Aid	0	0	0	820	0	**820**
		Special Assessments	0	0	0	625	0	**625**
		Federal Government Grants	0	0	0	3,300	0	**3,300**
		Total	**0**	**0**	**0**	**6,100**	**0**	**6,100**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT

		Budget in Thousands	2016	2017	2018	2019	2020	Total
STREET PAVING	**PV118 Hennepin Ave (Washington Ave N to 12th St S)**	Net Debt Bonds	0	0	0	0	1,950	**1,950**
		Municipal State Aid	0	0	0	0	2,005	**2,005**
		Special Assessments	0	0	0	0	575	**575**
		Total	**0**	**0**	**0**	**0**	**4,530**	**4,530**
	PV128 3rd Ave Redesign (1st to 16th St)	Net Debt Bonds	3,000	0	0	0	0	**3,000**
		Total	**3,000**	**0**	**0**	**0**	**0**	**3,000**
	PV130 Downtown East Commons Paving	Transfer from General Fund	250	0	0	0	0	**250**
		Total	**250**	**0**	**0**	**0**	**0**	**250**
	PV99R Reimbursable Paving Projects	Reimbursements	3,500	3,500	3,500	3,500	3,500	**17,500**
		Total	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**17,500**
	Total for STREET PAVING		**38,710**	**30,041**	**30,245**	**45,580**	**17,855**	**162,431**
SIDEWALKS	**SWK01 Defective Hazardous Sidewalks**	Net Debt Bonds	315	325	335	345	355	**1,675**
		Special Assessments	3,360	3,505	3,705	3,905	4,105	**18,580**
		Total	**3,675**	**3,830**	**4,040**	**4,250**	**4,460**	**20,255**
	Total for SIDEWALKS		**3,675**	**3,830**	**4,040**	**4,250**	**4,460**	**20,255**
BRIDGES	**BR101 Major Bridge Repair and Rehabilitation**	Net Debt Bonds	400	400	400	400	400	**2,000**
		Total	**400**	**400**	**400**	**400**	**400**	**2,000**
	BR106 1st Ave S over HCRRA	Net Debt Bonds	0	0	2,930	0	0	**2,930**
		Municipal State Aid	0	0	1,195	0	0	**1,195**
		Total	**0**	**0**	**4,125**	**0**	**0**	**4,125**
	BR111 10th Ave SE Bridge Arch Rehabilitation	Transfer from General Fund	10,000	0	0	0	0	**10,000**
		Total	**10,000**	**0**	**0**	**0**	**0**	**10,000**
	BR117 1st St N Bridge over Bassett's Creek	Stormwater Revenue	0	0	1,385	0	0	**1,385**
		Total	**0**	**0**	**1,385**	**0**	**0**	**1,385**
	BR123 28th Ave S over Minnehaha Creek	Net Debt Bonds	0	1,885	0	0	0	**1,885**
		Municipal State Aid	0	780	0	0	0	**780**
		Total	**0**	**2,665**	**0**	**0**	**0**	**2,665**
	BR126 40th St Pedestrian & Bicycle Bridge over 35W	Net Debt Bonds	0	0	1,000	0	0	**1,000**
		Other Local Governments	0	0	1,000	0	0	**1,000**
		Total	**0**	**0**	**2,000**	**0**	**0**	**2,000**
	BR127 Nicollet Ave over Minnehaha Creek	Net Debt Bonds	0	0	0	5,285	13,260	**18,545**
		Municipal State Aid	0	0	0	0	2,500	**2,500**
		State Government Grants	0	0	0	0	4,020	**4,020**
		Total	**0**	**0**	**0**	**5,285**	**19,780**	**25,065**
	Total for BRIDGES		**10,400**	**3,065**	**7,910**	**5,685**	**20,180**	**47,240**
TRAFFIC CONTROL & STREET LIGHTING	**TR008 Parkway Street Light Replacement**	Net Debt Bonds	350	310	270	350	350	**1,630**
		Park Capital Levy	0	62	531	331	0	**924**
		Total	**350**	**372**	**801**	**681**	**350**	**2,554**
	TR010 Traffic Management Systems	Net Debt Bonds	400	30	35	165	25	**655**
		Municipal State Aid	400	305	110	500	625	**1,940**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT

		Budget in Thousands	2016	2017	2018	2019	2020	Total
TRAFFIC CONTROL & STREET LIGHTING	**TR010 Traffic Management Systems**	Hennepin County Grants	250	100	205	635	0	**1,190**
		Total	**1,050**	**435**	**350**	**1,300**	**650**	**3,785**
	TR011 City Street Light Renovation	Net Debt Bonds	550	445	625	1,000	1,000	**3,620**
		Total	**550**	**445**	**625**	**1,000**	**1,000**	**3,620**
	TR021 Traffic Signals	Net Debt Bonds	1,725	1,335	1,340	1,500	1,550	**7,450**
		Municipal State Aid	125	110	110	125	325	**795**
		Hennepin County Grants	125	125	125	125	125	**625**
		Total	**1,975**	**1,570**	**1,575**	**1,750**	**2,000**	**8,870**
	TR022 Traffic Safety Improvements	Net Debt Bonds	935	265	450	545	545	**2,740**
		Municipal State Aid	360	0	30	125	160	**675**
		Federal Government Grants	3,680	1,575	990	0	0	**6,245**
		Hennepin County Grants	460	30	115	0	220	**825**
		Total	**5,435**	**1,870**	**1,585**	**670**	**925**	**10,485**
	TR024 Pedestrian Street Lighting Corridors	Net Debt Bonds	500	445	450	500	500	**2,395**
		Total	**500**	**445**	**450**	**500**	**500**	**2,395**
	TR025 Sign Replacement Program	Net Debt Bonds	0	525	720	720	590	**2,555**
		Municipal State Aid	0	270	0	0	305	**575**
		Total	**0**	**795**	**720**	**720**	**895**	**3,130**
	TR99R Reimbursable Transportation Projects	Reimbursements	600	600	600	600	600	**3,000**
		Total	**600**	**600**	**600**	**600**	**600**	**3,000**
	Total for TRAFFIC CONTROL & STREET LIGHTING		**10,460**	**6,532**	**6,706**	**7,221**	**6,920**	**37,839**
BIKE TRAILS	**BIK28 Protected Bikeways Program**	Net Debt Bonds	760	1,250	1,000	1,140	1,940	**6,090**
		Total	**760**	**1,250**	**1,000**	**1,140**	**1,940**	**6,090**
	Total for BIKE TRAILS		**760**	**1,250**	**1,000**	**1,140**	**1,940**	**6,090**
SANITARY SEWERS	**SA001 Sanitary Tunnel & Sewer Rehabilitation Program**	Sanitary Bonds	7,050	3,750	3,750	3,750	3,750	**22,050**
		Total	**7,050**	**3,750**	**3,750**	**3,750**	**3,750**	**22,050**
	SA036 Infiltration & Inflow Removal Program	Sanitary Bonds	1,500	3,500	3,500	3,500	3,500	**15,500**
		Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	**5,000**
		Total	**2,500**	**4,500**	**4,500**	**4,500**	**4,500**	**20,500**
	SA99R Reimbursable Sanitary Sewer Projects	Reimbursements	1,000	1,000	1,000	1,000	1,000	**5,000**
		Total	**1,000**	**1,000**	**1,000**	**1,000**	**1,000**	**5,000**
	Total for SANITARY SEWERS		**10,550**	**9,250**	**9,250**	**9,250**	**9,250**	**47,550**
STORM SEWERS	**SW004 Implementation of US EPA Storm Water Regulations**	Stormwater Revenue	250	250	250	250	250	**1,250**
		Total	**250**	**250**	**250**	**250**	**250**	**1,250**
	SW005 Combined Sewer Overflow Improvements	Stormwater Revenue	1,500	1,500	1,500	1,500	1,500	**7,500**
		Total	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**7,500**
	SW011 Storm Drains and Tunnels Rehabilitation Program	Stormwater Bonds	0	0	2,500	3,500	0	**6,000**
		Stormwater Revenue	8,000	6,500	6,500	6,500	8,000	**35,500**
		Total	**8,000**	**6,500**	**9,000**	**10,000**	**8,000**	**41,500**
	SW018 Flood Area 29 & 30 - Fulton Neighborhood	Stormwater Revenue	0	900	1,055	0	0	**1,955**

Capital Budget Detail for Funded Projects
Council Adopted Budget

			Budget in Thousands	2016	2017	2018	2019	2020	Total
PUBLIC WORKS DEPARTMENT	STORM SEWERS	SW018 Flood Area 29 & 30 - Fulton Neighborhood	Other Local Governments	0	2,388	5,525	0	0	**7,913**
			Total	**0**	**3,288**	**6,580**	**0**	**0**	**9,868**
		SW032 I-35W Storm Tunnel Reconstruction	Stormwater Bonds	0	0	0	0	1,000	**1,000**
			Total	**0**	**0**	**0**	**0**	**1,000**	**1,000**
		SW034 Flood Area 21 - Bloomington Pond	Stormwater Revenue	0	445	0	0	0	**445**
			Other Local Governments	0	4,395	0	0	0	**4,395**
			Total	**0**	**4,840**	**0**	**0**	**0**	**4,840**
		SW039 Flood Mitigation with Alternative Stormwater Mgmt	Stormwater Revenue	2,000	3,000	3,000	3,000	3,000	**14,000**
			Total	**2,000**	**3,000**	**3,000**	**3,000**	**3,000**	**14,000**
		SW99R Reimbursable Sewer & Storm Drain Projects	Reimbursements	2,000	2,000	2,000	2,000	2,000	**10,000**
			Total	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**10,000**
		Total for STORM SEWERS		**13,750**	**21,378**	**22,330**	**16,750**	**15,750**	**89,958**
	WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	Water Revenue	6,300	7,250	7,350	7,450	7,550	**35,900**
			Total	**6,300**	**7,250**	**7,350**	**7,450**	**7,550**	**35,900**
		WTR18 Water Distribution Facility	Water Bonds	1,500	7,500	7,500	0	0	**16,500**
			Total	**1,500**	**7,500**	**7,500**	**0**	**0**	**16,500**
		WTR23 Treatment Infrastructure Improvements	Water Revenue	3,000	3,000	4,000	5,000	5,000	**20,000**
			Total	**3,000**	**3,000**	**4,000**	**5,000**	**5,000**	**20,000**
		WTR24 Fridley Filter Plant Rehabilitation	Water Bonds	6,700	17,000	14,000	9,500	0	**47,200**
			Water Revenue	0	1,000	0	0	0	**1,000**
			Total	**6,700**	**18,000**	**14,000**	**9,500**	**0**	**48,200**
		WTR25 Ground Water Supply	Water Revenue	1,000	1,500	1,500	2,000	2,000	**8,000**
			Total	**1,000**	**1,500**	**1,500**	**2,000**	**2,000**	**8,000**
		WTR26 Recarbonation System Replacement	Water Bonds	0	2,000	0	0	0	**2,000**
			Water Revenue	1,500	1,000	0	0	0	**2,500**
			Total	**1,500**	**3,000**	**0**	**0**	**0**	**4,500**
		WTR27 Remote Meter Reading Technology Upgrade	Water Bonds	0	2,620	700	1,800	1,700	**6,820**
			Water Revenue	250	0	0	0	0	**250**
			Total	**250**	**2,620**	**700**	**1,800**	**1,700**	**7,070**
		WTR28 Ultrafiltration Module Replacement	Water Bonds	0	2,200	2,200	2,200	2,200	**8,800**
			Total	**0**	**2,200**	**2,200**	**2,200**	**2,200**	**8,800**
		WTR29 Columbia Heights Campus Upgrades	Water Bonds	0	0	4,180	2,250	4,200	**10,630**
			Water Revenue	0	300	0	0	0	**300**
			Total	**0**	**300**	**4,180**	**2,250**	**4,200**	**10,930**
		WTR9R Reimbursable Watermain Projects	Reimbursements	2,000	2,000	2,000	2,000	2,000	**10,000**
			Total	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**10,000**
		Total for WATER INFRASTRUCTURE		**22,250**	**47,370**	**43,430**	**32,200**	**24,650**	**169,900**
INFORMATION TECHNOLOGY		IT004 Enterprise Infrastructure Modernization	Net Debt Bonds	500	200	200	0	0	**900**
			Total	**500**	**200**	**200**	**0**	**0**	**900**
		IT033 Police Report Management System Upgrade	Net Debt Bonds	2,800	1,300	0	0	0	**4,100**
			Total	**2,800**	**1,300**	**0**	**0**	**0**	**4,100**
		Total for Information Technology		**3,300**	**1,500**	**200**	**0**	**0**	**5,000**

Minneapolis City of Lakes

Capital Budget Detail for Funded Projects
Council Adopted Budget

		Budget in Thousands	2016	2017	2018	2019	2020	Total
PUBLIC GROUNDS & FACILITIES	**FIR11 New Fire Station No. 11**	Net Debt Bonds	1,910	3,350	1,000			**6,260**
		Total	**1,910**	**3,350**	**1,000**			**6,260**
	FIR12 Fire Station No. 1 Renovation & Expansion	Net Debt Bonds	3,000	3,000				**6,000**
		Total	**3,000**	**3,000**				**6,000**
	MPD03 Hamilton School Facility Improvements	Net Debt Bonds	1,000					**1,000**
		Total	**1,000**					**1,000**
	PSD17 New Solid Waste & Recycling Facility	Solid Waste Bonds	7,000	15,000				**22,000**
		Total	**7,000**	**15,000**				**22,000**
	Total for Public Grounds & Facilities		**12,910**	**21,350**	**1,000**			**35,260**
MISCELLANEOUS PROJECTS	**ART01 Art in Public Places**	Net Debt Bonds	580	600	620	640	660	**3,100**
		Total	**580**	**600**	**620**	**640**	**660**	**3,100**
	RAD01 Public Safety Radio System Replacement	Net Debt Bonds	0	0	6,000	6,000	0	**12,000**
		Total	**0**	**0**	**6,000**	**6,000**	**0**	**12,000**
	Total for Miscellaneous Projects		**580**	**600**	**6,620**	**6,640**	**660**	**15,100**
Grand Total			**134,767**	**151,351**	**138,931**	**137,194**	**106,661**	**668,904**

2016 - 2020 Capital Program Descriptions

MUNICIPAL BUILDING COMMISSION

MBC01 Life Safety Improvements

The MBC life safety program includes installation of building sprinkler, fire alarm, smoke detection, and public address systems.

MBC02 Mechanical Systems Upgrade

The MBC Mechanical Systems Upgrade includes renovation and upgrade of the heating, ventilating and air conditioning (HVAC) systems in City Hall.

MBC04 MBC Elevators

Upgrade of 5 Elevators in City Hall.

MBC09 Critical Power Capital Project

The project will upgrade emergency power systems in the City Hall.

MBC10 Exterior Improvements

This project will include replacing waterproofing at various locations around the building that have been in place for nearly 40 years. It also addresses masonry issues at various locations around the exterior perimeter and at the interior court and repairing or replacing exterior windows.

PARK BOARD

PRK02 Playground and Site Improvements Program

This project will reconfigure and replace worn out play equipment and additional amenities where budget allows.

PRK03 Shelter - Pool - Site Improvements Program

Wading pool upgrades at parks throughout the city.

PRK04 Athletic Fields and Site Improvements Program

Improvements include soil amendments, re-grading, re-seeding, irrigation, lighting, drainage, amenities and parking.

PRK30 Service Area Improvement Program

Capital improvements to service areas throughout Minneapolis.

PRK31 Bossen Park Field Improvements

Renovation and possible redesign for ball diamonds and soccer fields at Bossen Park.

PRK33 Bryn Mawr Meadows Field Improvements

Renovation and possible redesign for athletic fields at Bryn Mawr Meadows.

PRKCP Neighborhood Parks Capital Infrastructure

ADA improvements, artificial turf, grant match, sidewalk replacement, Riverfront / Grand Rounds Missing Link development, and projects at Painter Park, Smith Triangle, and The Mall.

PRKDT Diseased Tree Removal

Removing diseased trees from private property.

2016 - 2020 Capital Program Descriptions

PUBLIC WORKS DEPARTMENT

PV001 Parkway Paving Program

The objective is to re-evaluate the pavement condition and annual maintenance expenditures of all parkway paving areas that were constructed with a bituminous surface 30 years ago. The program will renovate rather than totally reconstruct the roadways.

PV006 Alley Renovation Program

Repair and overlay existing alleys and repair or replace retaining walls that are currently in poor condition.

PV019 6th Ave N (5th St N to dead end north of Wash Ave N)

Reconstruction of a deteriorated roadway in the North Loop Historic District.

PV027 Hennepin/Lyndale

Reconstruction of existing roadway.

PV054 8th St S (Hennepin Ave to Chicago Ave)

Reconstruction of existing roadway.

PV056 Asphalt Pavement Resurfacing Program

The objective of this program is to resurface approximately 15 to 20 miles of streets each year to extend their useful life. Resurfacing will help to slow the deterioration of the city's aging street network and delay the cost of reconstructing the roadway by at least 10 years.

PV059 Major Pavement Maintenance Program

This project will upgrade pavement conditions and/or extend the life of the roadways in the City.

PV063 Unpaved Alley Construction

Place concrete pavement and any necessary storm drain and retaining walls in existing dirt or oiled dirt surfaced alleys.

PV072 Pedestrian Improvement Project

Addition of pedestrian improvements to 6th, 7th, 8th and 9th Streets.

PV074 CSAH & MnDOT Cooperative Projects

Project funding to be used for City's share of cooperative paving/bridge projects with Hennepin County and MnDOT.

PV075 Development Infrastructure Program

This project would provide funding for various City wide development projects.

PV076 38th St E (Hiawatha to Minnehaha)

Reconstruction of existing roadway.

PV080 18th Ave NE (Monroe to Johnson St NE)

Reconstruction of existing roadway with an off street bicycle trail.

PV084 54th St W (Penn to Lyndale Ave S)

Reconstruction of existing concrete pavement with parking and bicycle lanes.

2016 - 2020 Capital Program Descriptions

PV086 26th Ave N (Wirth Pkwy to Mississippi River)

Renovation of existing roadway to accommodate construction of off street bicycle trail.

PV087 34th Ave S (54th St E to Minnehaha Pkwy)

Rehabilitation or reconstruction of existing roadway.

PV094 4th St SE (25th to 29th Ave SE)

Reconstruct existing concrete roadway.

PV095 4th St N & S (2nd Ave N to 4th Ave S)

Reconstruction of existing roadway.

PV096 42nd Ave N (Xerxes to Lyndale Ave N)

Reconstruction of existing roadway.

PV097 18th Ave NE Trail Gap

Complete existing facility from 6th St NE to Washington St NE.

PV098 Hiawatha Trail Gap (28th to 32nd St E)

Extend existing trail to fill gap along LRT/Hiawatha Corridor.

PV103 61st St W (Lyndale Ave S to Nicollet Ave S)

Reconstruct existing street.

PV104 ADA Ramp Replacement Program

Replace pedestrian ramps to meet new standards set by the Americans with Disabilities Act.

PV108 Concrete Streets Rehabilitation Program

This program would repair and rehabilitate various existing concrete streets in the City.

PV111 46th Ave S (46th St S to Godfrey Parkway)

Reconstruction of roadway with new sidewalk and asphalt pavement.

PV113 29th St W Phase 2

Reconstruction of existing roadway to be replaced with woonerf concept.

PV114 U of M Protected Bikeways

Construction of protected bike lanes on several streets in the vicinity of the University of Minnesota.

PV115 Emerson & Fremont Aves N Pedestrian Enhancements

Implementation of pedestrian enhancements on the project corridor.

PV116 North Loop Pedestrian Improvements

Implementation of Bump Outs, Enhanced Pedestrian Crossings and Signal Modifications.

2016 - 2020 Capital Program Descriptions

PV117 Broadway St NE (Stinson Blvd to City Limits)

Reconstruction of existing roadway to include pedestrian and bicycle amenities.

PV118 Hennepin Ave (Washington Ave N to 12th St S)

Reconstruction of existing roadway with pedestrian and bicycle amenities.

PV128 3rd Ave Redesign (1st to 16th St)

This project will encompass a new layout of 3rd Avenue incorporating protected bike lanes, more greenspace and new pavement.

PV129 Vineland Place Paving Redesign

This project will incorporate paving improvements to enhance pedestrian safety around the Walker Art Center and Minneapolis Park Board property along Vineland Place.

PV130 Downtown East Commons Paving

This project will improve and repave various paving segments around the new Downtown East project area.

PV99R Reimbursable Paving Projects

Work to be done for others with 100% recovery from requesting agency.

SWK01 Defective Hazardous Sidewalks

To provide a hazard free pedestrian passage over approximately 2,000 miles of public sidewalk by inspecting and replacing defective public sidewalks and adding ADA compliant curb ramps where needed.

BR101 Major Bridge Repair and Rehabilitation

Major repair and rehabilitation of existing city bridges to extend the operational life.

BR106 1st Ave S over HCRRA

Reconstruction of the existing bridge over the Midtown Greenway.

BR111 10th Ave SE Bridge Arch Rehabilitation

This project will rehabilitate the 10th Ave SE Bridge over the Mississippi River by reinforcing the concrete arches and replacing the bridge deck.

BR112 Nicollet Avenue Reopening

Replacement of existing bridge in conjuction with the reopening of Nicollet Ave through the KMart site.

BR117 1st St N Bridge over Bassett's Creek

Reconstruction of a structurally deficient bridge.

BR123 28th Ave S over Minnehaha Creek

Replace existing Bridge over Minnehaha Creek.

BR126 40th St Pedestrian & Bicycle Bridge over 35W

Rehabilitation of the existing pedestrian bridge to accommodate a shared use function for pedestrians and bicycles.

2016 - 2020 Capital Program Descriptions

BR127 Nicollet Ave over Minnehaha Creek

Bridge Rehabilitation.

TR008 Parkway Street Light Replacement

This project consists of replacement of deteriorated services, poles, fixtures and electrical wiring associated with the lighting systems in place along the parkways throughout the City.

TR010 Traffic Management Systems

This project consists of updating and retiming all the traffic signal systems within the City.

TR011 City Street Light Renovation

This project consists of renovating the City's existing decorative street lighting facilities.

TR021 Traffic Signals

This project consists of replacing old and outdated traffic signal equipment.

TR022 Traffic Safety Improvements

This project consists of seven traffic related improvements: 1) Overhead Signal Additions, 2) Operational and Safety Improvements, 3) Signal and Delineation, 4) Mastarm Mounted Street Name Signing, 5) Street & Bridge Navigation Lighting, 6) Pedestrian Safety, and 7) Railroad Crossing Safety.

TR024 Pedestrian Street Lighting Corridors

Construct pedestrian level lighting on various pedestrian corridors throughout the City.

TR025 Sign Replacement Program

Replace deficient signs with new signs that meet current reflectivity standards.

TR99R Reimbursable Transportation Projects

Work for others funding to be reimbursed by department, business or individuals requesting the work.

BIK28 Protected Bikeways Program

This project will begin a program to create a network of bikeways which provide bikers with a physical means of protection from motor vehicles on roadways as recommended in the Bicycle Master Plan. For 2016, these funds may be a source of funding for the Northside Greenway, which is a project being considered to serve residents in North Minneapolis.

SA001 Sanitary Tunnel & Sewer Rehabilitation Program

This program will rehabilitate and repair sanitary sewer pipes, lift stations & tunnels.

SA036 Infiltration & Inflow Removal Program

The focus of this program is to remove inflow and infiltration of water from the sanitary sewer system and redirect this clear water to the storm sewer system and/or other best management practices.

SA99R Reimbursable Sanitary Sewer Projects

Work to be done for others with 100% recovery from requesting agency.

SW004 Implementation of US EPA Storm Water Regulations

This project provides solutions for Stormwater pollution mitigation measures.

2016 - 2020 Capital Program Descriptions

SW005 Combined Sewer Overflow Improvements

Construction of stormwater systems so that catch basins and drains in public ROW can be disconnected from the sanitary sewer and reconnected to a storm sewer.

SW011 Storm Drains and Tunnels Rehabilitation Program

The rehab and repair of storm pipes, pump stations and tunnels throughout the City.

SW018 Flood Area 29 & 30 - Fulton Neighborhood

The goal of this project is to protect Fulton neighborhood homes and businesses from flooding by using runoff volume and runoff rate control.

SW032 I-35W Storm Tunnel Reconstruction

Construction of 19 new relief tunnels along the existing St. Mary's Tunnel.

SW034 Flood Area 21 - Bloomington Pond

Project will increase runoff by disconnecting combined sewer overflow areas from the sanitary sewer and then use storm water volume reduction to protect homes near Bloomington Pond from flooding as a result of the increased runoff.

SW039 Flood Mitigation with Alternative Stormwater Mgmt

The purpose of this program is to address localized flooding and drainage problems City-wide. Where practical, environmentally friendly "green infrastructure" stormwater practices such as rain gardens, bioswales, constructed wetlands, pervious pavements and hard surface reduction will be utilized.

SW99R Reimbursable Sewer & Storm Drain Projects

Work to be done for others with 100% recovery from requesting agency.

WTR12 Water Distribution Improvements

Maintain and sustain existing water distribution system infrastructure citywide.

WTR18 Water Distribution Facility

Site acquisition, planning, design, and construction of a new Water Distribution Maintenance Facility.

WTR23 Treatment Infrastructure Improvements

Maintain viability of existing water infrastructure through regular upgrades.

WTR24 Fridley Filter Plant Rehabilitation

Renovate many parts of the Fridley Filtration Plant (1925 vintage) to improve finished water quality and reliability.

WTR25 Ground Water Supply

Construction of alternative water source using wells.

WTR26 Recarbonation System Replacement

Replace carbon dioxide storage and feed system.

WTR27 Remote Meter Reading Technology Upgrade

Implementation of Advanced Metering Infrastructure.

2016 - 2020 Capital Program Descriptions

WTR28 Ultrafiltration Module Replacement

Replace membrane modules in Ultrafiltration plant.

WTR29 Columbia Heights Campus Upgrades

Improve or replace century-old structures on Columbia Heights campus.

WTR9R Reimbursable Watermain Projects

This project provides working capital for watermain projects reimbursable by other City Departments or private businesses.

INFORMATION TECHNOLOGY

IT004 Enterprise Infrastructure Modernization

This project will refresh failing and end-of-life technology, while increasing capacity of resource-constrained technology.

IT033 Police Report Management System Upgrade

The Minneapolis Police Department uses a custom built police report management system (RMS) called CAPRS (Computer Assisted Police Reporting System).

PUBLIC GROUNDS & FACILITIES

FIR11 New Fire Station No. 11

Planning, design, and construction of a new Fire Station #11 at an existing City-owned site.

FIR12 Fire Station No. 1 Renovation & Expansion

The project would plan, design, renovate and expand the current Fire Station #1 at its current location.

MPD02 Property & Evidence Warehouse

Acquire and modify an existing warehouse facility.

MPD03 Hamilton School Facility Improvements

This project is envisioned to make improvements to the Hamilton School, located at 4119 Dupont Avenue North, for the long term needs of the Police Department.

PSD15 Traffic Maintenance Facility Improvement

The scope of the project is to complete the final phase of the of the renovation and modernization of the Traffic Maintenance Facility.

PSD16 Farmer's Market Improvements

This project will provide for the long term capital improvement plan for the Farmer's Market site and facilities.

PSD17 New Solid Waste & Recycling Facility

The project will design and construct a new facility (on a new site) for the long term operational needs of the Solid Waste and Recycling division of Public Works.

2016 - 2020 Capital Program Descriptions

MISCELLANEOUS PROJECTS

ART01 Art in Public Places

This ongoing program incorporates public art into the City's capital program as stand alone artworks or as integrated into public infrastructure.

RAD01 Public Safety Radio System Replacement

Replace hardware and update infrastructure of the ARMER interoperable radio system.

Operating Cost Implications for Approved 2016 Projects

ART01 Art in Public Places

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 3,300

Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

During design development for each public art project, a design assessment is conducted by an art conservator with input from the people who maintain the project site. This assessment outlines the annual maintenance needs and costs, as well as the costs of periodic treatments, such as repainting. After this assessment, staff work with the artist to identify design changes which could decrease maintenance costs and make the artwork more durable. This process has resulted in a 67% decrease in maintenance costs since 2003. The above figure is based on the average annual cost of maintaining an artwork.

Basic annual maintenance, such as cleaning and debris removal is provided by project partners and property owners. In 2015, more complex maintenance procedures, such as graffiti removal and new coatings are being funded through the general fund.

Each spring (since 2004) the entire collection is examined, and an art conservator provides an extensive report with annual maintenance recommendations to CPED. The Public Art Advisory Panel and the Minneapolis Arts Commission review this report and approve the annual maintenance plan, based on the budget for that year. Due to this comprehensive oversight and care, the vast majority of the 60 artworks in the Art in Public Places collection are in good condition.

BIK28 Protected Bikeways Program

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 1,100,000

Year Increase/(Decrease)Takes effect: 2019

Describe Operating Cost Impacts and How Increases Will Be Funded:

Public Works is still assessing the costs of maintenance for protected bikeways. To date, we have limited experience with protected bikeway maintenance costs as follows: 0.4 miles of trails at $10,560/centerline mile; 3.7 miles of two-way protected bike lanes on one side of the street at $52,800/centerline mile, 5.3 miles of one-way protected bike lanes in each direction of travel on two-way streets at $68,640/centerline mile, and 16.2 miles of one-way protected bike lanes in one direction of travel on one-way streets at $34,320/mile. Public Works is having ongoing discussions regarding the appropriate level of maintenance for protected bikeways, particularly for winter operations including plowing.

BR101 Major Bridge Repair and Rehabilitation

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -20,000

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Cost impacts represent an analysis of "Routine Bridge Maintenance" expenses.

BR111 10th Ave SE Bridge Arch Rehabilitation

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -65,000

Year Increase/(Decrease)Takes effect: 2018

Describe Operating Cost Impacts and How Increases Will Be Funded:

The amount is an average based on actual costs tracked in the finance system for maintenance work on the bridge which were provided by Bridge Maintenance Foreman. These costs will be paid for out of the operating funds of the Bridge Maintenance Department.

Operating Cost Implications for Approved 2016 Projects

FIR11 New Fire Station No. 11

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 20,000

Year Increase/(Decrease)Takes effect: 2018

Describe Operating Cost Impacts and How Increases Will Be Funded:

Newly constructed fire stations have more complex mechanical, electrical, and life-safety systems than the buildings they replace. The advantage is that the systems provide for a healthier and safer environment for the firefighters. Although the systems are more energy efficient (approximately 30%) the savings are offset by bringing more fresh air, exhausting harmful pollutants, and controlling temperature and humidity with more precision. Similarly, the maintenance savings of having new systems is offset by having more systems to maintain. The stations will be designed to be more efficient and effective to clean on a daily basis. The Firefighters self-perform the cleaning of the station therefore there will not be any financial offset.

The end result is there will not be any operational savings with the new building. It is anticipated that the costs may actually be $20,000 a year higher based on comparative stations. The average maintenance costs (3-year average)(2012- 2014) for the current Fire Station #11 was $53,144 and the average maintenance costs for the newly constructed FS #14 for the same period of time was $66,263. Energy costs in 2014 for FS#11 were $26,409 ($1.87 per square foot) and were $26,800 ($1.87 per square foot) for Fire Station #14.

IT004 Enterprise Infrastructure Modernization

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Infrastructure and telephony upgrades are not expected to increase operating costs. Increased operating costs generated by improved solutions will be added to the enterprise allocation model that supports IT services.

IT033 Police Report Management System Upgrade

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 500,000

Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

Vendors responding to the City's RFP provided estimates for ongoing costs with their proposals.

MBC04 MBC Elevators

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Costs for the MBC will be slightly reduced upon completion of the project. It is projected that elevator maintenance bids will be reduced slightly when elevator equipment is upgraded. There will be a slight reduction in energy consumption when the inefficient direct current equipment on the freight elevator is replaced. Please also note the discussion in Additional Supplemental Information.

Operating Cost Implications for Approved 2016 Projects

MBC09 Critical Power Capital Project

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Costs for the MBC will be unchanged by the project. The addition of an electrical generator will slightly increase contract maintenance costs. Replacement of failing electrical equipment will reduce future maintenance costs. No cost has been assigned for the reduced risk to government operations or the public during a future natural disaster or homeland security event.

MBC10 Exterior Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

The window replacement will reduce the annual operating expenses slightly based on energy savings. The amount is described in the Braun Intertec report. Eliminating costs related to building repairs and equipment replacement will also reduce the operating costs. The greatest impact will be improved occupant comfort.

MPD03 Hamilton School Facility Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -162,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Annual rent paid will be adjusted to reflect the City's capital investment.

PRK03 Shelter - Pool - Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

The current facilities are very old and use outdated mechanical systems. New equipment and facilities will use less water and energy. Final figures for cost savings will be determined as part of the design and engineering of the projects.

PRK04 Athletic Fields and Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 5,000

Year Increase/(Decrease)Takes effect: 2018

Describe Operating Cost Impacts and How Increases Will Be Funded:

This is based on costs of maintaining other upgraded neighborhood park fields, such as the field at Rev. Dr. Martin Luther King Jr Park. Costs are associated with irrigation, aeration and fertilization of the turf.

Operating Cost Implications for Approved 2016 Projects

PRK31 Bossen Park Field Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

This is based on costs of maintaining other upgraded neighborhood park fields, such as the field at Rev. Dr. Martin Luther King Jr Park. Costs are associated with irrigation, aeration and fertilization of the turf.

PRKCP Neighborhood Parks Capital Infrastructure

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

The sidewalk/interior path replacement, operational facilities rehabilitation, synthetic turf rehabilitation, recreation center rehabilitation and neighborhood rehabilitation funds will be a direct replacement and will reduce the need for emergency fixes or temporary fixes.

The operating cost impacts of the grant match will depend on the projects that are selected for funding. If the project will result in an increase in operating cost, the grant request will require Park Board approval.

Riverfront master plans and the Grand Rounds Missing Link master plans will require a full analysis of the potential operating cost increases. This work is in progress and will need to be complete prior to finishing master plan updates for both future park areas.

ADA improvements will be applied to existing infrastructure and are not expected to increase operating costs.

The Painter Building, Smith Triangle, and The Mall projects are renovations of existing park areas and facilities that are in decline. Therefore, operational costs may be reduced through these capital improvements.

PRKDT Diseased Tree Removal

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

N/A

PSD17 New Solid Waste & Recycling Facility

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

The project will need to be further developed to determine if there are any operating cost impacts. Project does not include the costs for a CNG fleet, these purchases would be part of a regular fleet replacement schedule. A decision to implement a CNG fleet has yet to be made by the City.

Public Works has included $25 million dollars of debt service into their proforma that determines future rates for service.

Operating Cost Implications for Approved 2016 Projects

PV001 Parkway Paving Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -21,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current estimate is approximately $7,000 per mile saved annually on a Parkway/Local roadway.

PV006 Alley Renovation Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -1,380

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

The continuation of this program will reduce ongoing maintenance needs for the overlaid alleys and the improved retaining walls in the Alley Renovation program. These improvements will release maintenance money for other alleys and retaining walls where additional maintenance is needed. The current street maintenance expenditure for alleys in "poor" or "very poor" condition is estimated at approximately $500 per alley per year. Over the five years of this program, 48 alleys will be improved. Annually this program decreases maintenance costs by approximately $4,800.

PV019 6th Ave N (5th St N to dead end north of Wash Ave N)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -2,800

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately $10,000 for a commercial/MSA type of roadway.

PV027 Hennepin/Lyndale

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -9,000

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current street maintenance expenditure is estimated at approximately $10,000 per mile for a commercial/MSA type of roadway.

PV056 Asphalt Pavement Resurfacing Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -125,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by replacing an aged driving surface with a new one. The current maintenance estimate for streets with a pavement condition in the resurfacing range is $5,000 per mile. This program attempts to resurface approximately 25 miles of streets per year.

Operating Cost Implications for Approved 2016 Projects

PV059 Major Pavement Maintenance Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -2,500

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating cost impacts are based on historical data from the Transportation Repair and Maintenance Division for this type of work.

PV063 Unpaved Alley Construction

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -500

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

The current maintenance expenditure for unpaved alleys is estimated at $1,900 per mile. The estimate is that this program will complete the construction of one to three alleys per year with an average length of 357' per alley, or 0.15 miles of alleys, and the annual maintenance savings is estimated at $385 per year.

PV072 Pedestrian Improvement Project

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Not applicable, this project will be maintained through the Downtown Improvement District.

PV074 CSAH & MnDOT Cooperative Projects

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

There will be no relative increase or decrease. Hennepin County provides Minneapolis funds to complete maintenance on their roads. Rebuilding a road releases maintenance money to other county roadways where additional maintenance is needed.

PV075 Development Infrastructure Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Guidelines are:
- 60 years for reconstructed roadway
- 10 years for reconditioned or resurfaced roadway
- 75 years for new bridge
- Varies for bridge rehabilitation based on condition and scope of work
- 100 years for new storm, sanitary, water utilities
- 50 years for rehabilitated storm, sanitary, water utilities

Operating costs will be compiled in consultation with the responsible department, in most cases Public Works. It is likely that any proposed new public infrastructure will need to be maintained through the existing operation and maintenance budget.

Operating Cost Implications for Approved 2016 Projects

PV076 38th St E (Hiawatha to Minnehaha)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -2,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current annual street maintenance expenditure is estimated at approximately $10,000 per mile for a commercial/MSA type of roadway.

PV084 54th St W (Penn to Lyndale Ave S)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -6,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current annual street maintenance expenditure is estimated at approximately $10,000 per mile for a commercial/MSA type of roadway.

PV086 26th Ave N (Wirth Pkwy to Mississippi River)

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -12,000

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by improving the quality of the existing pavement by replacing an aged driving surface with a new one. The current annual street maintenance expenditure is estimated at approximately $10,000 per mile for a commercial/MSA type of roadway.

PV104 ADA Ramp Replacement Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

No increase in annual operating costs.

PV108 Concrete Streets Rehabilitation Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project decreases maintenance expenses by repairing the pavement distresses in the concrete streets, sealing the concrete joints, and grinding the surface smooth, thereby reducing further deterioration caused by traffic and snow plow impact. The current estimate of annual street maintenance costs for concrete streets with pavement in the condition range for concrete rehabilitation projects is $5,000 per mile. This program attempts to rehabilitate 3/8 mile of concrete streets per year.

Operating Cost Implications for Approved 2016 Projects

PV128 3rd Ave Redesign (1st to 16th St)

Existing or New Infrastructure: Existing
Operating Cost Implication: No Change
Increase/(Decrease)Amount: 0
Year Increase/(Decrease)Takes effect: 2020

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating costs have not yet been determined as the design is not finalized. Upon completion, this project will be maintained using normal operating maintenance funds of the Street and Traffic Control Divisions of the Public Works Department.

PV130 Downtown East Commons Paving

Existing or New Infrastructure: Existing
Operating Cost Implication: (Decrease)
Increase/(Decrease)Amount: -2,500
Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

Since this whole area of downtown is being rehabilitated in conjunction with the new Vikings Stadium, office towers and the new Commons Park, it is not possible to determine the operating costs at this time. The Street Maintenance budget will be the source of funding once repairs and maintenance become necessary.

PV99R Reimbursable Paving Projects

Existing or New Infrastructure: New
Operating Cost Implication: No Change
Increase/(Decrease)Amount: 0
Year Increase/(Decrease)Takes effect: 2020

Describe Operating Cost Impacts and How Increases Will Be Funded:

This work is for various small projects for outside agencies and sometimes for other divisions of public works and the operating cost impacts cannot really be determined. The Street Maintenance Department would cover any routine costs that would result from the improvements made by this program.

SA001 Sanitary Tunnel & Sewer Rehabilitation Program

Existing or New Infrastructure: Existing
Operating Cost Implication: (Decrease)
Increase/(Decrease)Amount: -100,000
Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

The decreased amount of operating costs represents savings in labor, equipment and material expenses associated with the ongoing maintenance and small repair of the areas in most need of rehabilitation within the sanitary sewer system. Clear water can also be removed with these projects, potentially reducing MCES treatment costs.

SA036 Infiltration & Inflow Removal Program

Existing or New Infrastructure: Existing
Operating Cost Implication: No Change
Increase/(Decrease)Amount: 0
Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Costs were determined with past practices, and this work does not result in a change in operating costs.

Operating Cost Implications for Approved 2016 Projects

SA99R Reimbursable Sanitary Sewer Projects

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2020

Describe Operating Cost Impacts and How Increases Will Be Funded:

This work is for various small projects for outside agencies and sometimes for other divisions of public works and the operating cost impacts cannot really be determined. The Sanitary Sewer Maintenance Department would cover any routine costs that would result from the improvements made by this program.

SW004 Implementation of US EPA Storm Water Regulations

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Construction of new stormwater best management practices (BMPs) may require additional maintenance costs which will be paid for from the stormwater utility maintenance funding depending on the BMP constructed. Maintenance costs will be highly dependent on the BMP selected. Many of these BMPs do not have enough data to determine annual maintenance costs. The department is working towards tracking and identifying these costs.

SW005 Combined Sewer Overflow Improvements

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating Costs were determined with past practices, and this work does not result in increased operating costs.

SW011 Storm Drains and Tunnels Rehabilitation Program

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -300,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

The decreased amount of operating costs represents savings in labor, equipment and material expenses associated with the ongoing maintenance and small repair of the areas in most need of rehabilitation within the storm drain tunnel system.

SW039 Flood Mitigation with Alternative Stormwater Mgmt

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

This project may increase annual operating and maintenance costs of the Surface Water & Sewers Division of Public Works for maintenance of the BMPs. However, this project may decrease annual operating and maintenance costs of the same division for addressing localized flooding issues. Any increase would be paid from the Stormwater Utility enterprise fund.

Operating Cost Implications for Approved 2016 Projects

SW99R Reimbursable Sewer & Storm Drain Projects

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2020

Describe Operating Cost Impacts and How Increases Will Be Funded:

This work is for various small projects for outside agencies and sometimes for other divisions of public works and the operating cost impacts cannot really be determined. The Storm Sewer Maintenance Department would cover any routine costs that would result from the improvements made by this program.

SWK01 Defective Hazardous Sidewalks

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

This proposal has no effect on annual operating/maintenance costs. Funds for the operation of the Sidewalk Inspection office are provided by: 1) the Sidewalk Construction Permit fees paid by contractors, 2) administrative fees paid by property owners when they are notified by the Sidewalk Inspections office and are required by ordinance to repair public sidewalk defects, or, when they request to use the City hired sidewalk contractor to make needed repairs to defective public sidewalk, and 3) administrative fees paid by other City of Minneapolis departments when the sidewalk portion of their project work is constructed by the City hired sidewalk contractor. The cost of maintenance of the public sidewalks is required by ordinance (City Charter, Chapter 8, Section 12 and 13) to be paid for by the adjacent property owner.

TR008 Parkway Street Light Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -6,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

It's estimated that personnel cost would be reduced by $4,500 and equipment rental by $1,500. As LED lights are installed savings of $100 in maintenance and $25 in electricity per fixture can be anticipated.

TR010 Traffic Management Systems

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Since many individual improvements will be made each year for this project, individual operating cost impacts are not determined. The operating budget of the Traffic Control Division will pay the ongoing costs for the improvements made by this project.

TR011 City Street Light Renovation

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -7,500

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

It's estimated that personnel cost would be reduced by $6,000 and equipment rental by $1,500. The replacement of existing lights results in decreased maintenance costs, while wattage will be reduced in some locations as a result in an electrical savings. LED light fixtures typically save $50 per year, per fixture in energy and approximately $50 per year in amortized maintenance savings due to fewer bulb changes.

Operating Cost Implications for Approved 2016 Projects

TR021 Traffic Signals

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -20,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

The replacement of aging and obsolete traffic signal system equipment will reduce the amount of money spent on maintenance for the replacement of failing equipment, while also reducing personnel time spent maintaining the aging and obsolete traffic signal system equipment. This would free up more time that can be used on previously understaffed work activities.

TR022 Traffic Safety Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 6,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Overhead signal additions would increase operating costs by $15.00 per unit per year. There are 55 overhead signal structures proposed for construction from 2015 to 2019. The Safe Routes To School Program will replace some of the existing infrastructure, but it's expected that potential increases may be realized with future infrastructure additions. The increased maintenance costs will be paid through the existing maintenance budget.

TR024 Pedestrian Street Lighting Corridors

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Ongoing costs include electricity, pole knockdowns, and bulb replacements. New poles will utilize LED technology, which are highly efficient both in terms of electrical usage and ongoing maintenance. Public Works will adjust operating expense requests as the number of street light poles increases, but expects future operational savings in the existing street lighting system as existing fixtures are converted to LED.

TR99R Reimbursable Transportation Projects

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2020

Describe Operating Cost Impacts and How Increases Will Be Funded:

This work is for various small projects for outside agencies and sometimes for other divisions of public works and the operating cost impacts cannot really be determined. The Traffic Control Maintenance Department would cover any routine costs that would result from the improvements made by this program.

WTR12 Water Distribution Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -10,000

Year Increase/(Decrease)Takes effect: 2016

Describe Operating Cost Impacts and How Increases Will Be Funded:

Reduced maintenance needed for rehabilitated pipes.

Operating Cost Implications for Approved 2016 Projects

WTR18 Water Distribution Facility

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2017

Describe Operating Cost Impacts and How Increases Will Be Funded:

The proposed project will result in decreased operating costs that are directly related to a modern design standards, including being equal to a Silver Rating, based on the criteria of Leadership in Energy and Environmental Design (LEED). A specific dollar amount can be projected after the building has been designed utilizing energy modeling concepts.

Newly constructed industrial facilities have more complex mechanical, electrical, and life-safety systems than the buildings they replace. The advantage is that the systems provide for a healthier and safer environment for the staff. Although the systems are more energy efficient (approximately 30%) the savings are offset by bringing more fresh air, exhausting harmful pollutants, and controlling temperature and humidity with more precision. Similarly, the maintenance savings of having new systems is offset by having more systems to maintain. The end result is there may not be any operational savings with the new building. The true savings will be with the effectivenes of the operation.

However, due to the pending replacement of the existing facilities, the City has deferred maintenance at the current facility for the past several years. If this Project is not approved, a considerable amount of deferred maintenance work will need to be performed on the existing buildings, thereby increasing the current annual operating costs.

WTR23 Treatment Infrastructure Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Planning for neutral change or decrease in operating costs. Attempts to improve efficiency are pursued wherever possible.

WTR24 Fridley Filter Plant Rehabilitation

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Generally plan for neutral change in operating cost. Attempt to improve efficiency wherever possible.

WTR25 Ground Water Supply

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase/(Decrease)Amount: 50,000

Year Increase/(Decrease)Takes effect: 2015

Describe Operating Cost Impacts and How Increases Will Be Funded:

There will be increased cost to pump from the ground water and through the piping to the treatment compared with pumping from the river. The pumping equipment, as does all equipment, will require some maintenance labor time. Operational plans have not yet been identified, so costs have not been specifically estimated.

Operating Cost Implications for Approved 2016 Projects

WTR26 Recarbonation System Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect:

Describe Operating Cost Impacts and How Increases Will Be Funded:

Operating cost will be equal or less than the costs of operating the existing system.

WTR27 Remote Meter Reading Technology Upgrade

Existing or New Infrastructure: New

Operating Cost Implication: (Decrease)

Increase/(Decrease)Amount: -100,000

Year Increase/(Decrease)Takes effect: 2018

Describe Operating Cost Impacts and How Increases Will Be Funded:

At present time, most of the remote meter readings for billing are collected by a receiver in a van that drives every street in the City once a month. The new automated meter reading systems use a fixed network with receivers that serve a several block range that convey the signal to the City's billing system. This would eliminate the need for the equipped van and the employee to drive it. However, some of these savings will be offset by costs associated with maintaining the AMI software and related infrastructure.

WTR9R Reimbursable Watermain Projects

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase/(Decrease)Amount: 0

Year Increase/(Decrease)Takes effect: 2020

Describe Operating Cost Impacts and How Increases Will Be Funded:

This work is for various small projects for outside agencies and sometimes for other divisions of public works and the operating cost impacts cannot really be determined. The Water Maintenance Department would cover any routine costs that would result from the improvements made by this program. Generally plan for neutral change or decrease in operating cost. Attempt to improve efficiency wherever possible.

Minneapolis City of Lakes

2016 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	580	580	580	580
BIK28 Protected Bikeways Program	Public Works	1,640	1,640	760	760
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR111 10th Ave SE Bridge Arch Rehabilitation	Public Works			10,000	10,000
FIR11 New Fire Station No. 11	Fire Department	1,910	1,910	1,910	1,910
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	3,000	3,000	3,000	3,000
IT004 Enterprise Infrastructure Modernization	IT Department	750	750	500	500
IT033 Police Report Management System Upgrade	IT Department	2,800	2,800	2,800	2,800
MBC04 MBC Elevators	MBC	1,280	675	1,280	1,280
MBC09 Critical Power Capital Project	MBC	410	410	410	410
MBC10 Exterior Improvements	MBC	1,280	1,280	1,280	1,280
MPD02 Property & Evidence Warehouse	Police Department	4,200			
MPD03 Hamilton School Facility Improvements	Police Department	1,000	1,000	1,000	1,000
PRK02 Playground and Site Improvements Program	Park Board	662	662	662	
PRK03 Shelter - Pool - Site Improvements Program	Park Board	171	171	171	461
PRK04 Athletic Fields and Site Improvements Program	Park Board				150
PRK31 Bossen Park Field Improvements	Park Board	2,500	2,500	2,500	2,500
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,234	1,234	1,234	1,041
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD16 Farmer's Market Improvements	Other Departments	700			
PSD17 New Solid Waste & Recycling Facility	Public Works	7,000	7,000	7,000	7,000
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV006 Alley Renovation Program	Public Works	250		250	250
PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Public Works	2,920	2,920	2,920	2,920
PV027 Hennepin/Lyndale	Public Works	5,025	5,025	5,025	5,025
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	6,915	6,915
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200		200	200
PV072 Pedestrian Improvement Project	Public Works	2,790	2,790	2,790	2,790
PV074 CSAH & MnDOT Cooperative Projects	Public Works	3,990	3,990	3,990	3,990
PV075 Development Infrastructure Program	CPED	750		500	500
PV076 38th St E (Hiawatha to Minnehaha)	Public Works	2,025	2,025	2,025	2,025
PV084 54th St W (Penn to Lyndale Ave S)	Public Works	3,280	3,280	3,280	3,280
PV086 26th Ave N (Wirth Pkwy to Mississippi River)	Public Works	1,920	1,920	1,920	1,920
PV104 ADA Ramp Replacement Program	Public Works	745	745	745	745
PV108 Concrete Streets Rehabilitation Program	Public Works				400
PV128 3rd Ave Redesign (1st to 16th St)	Public Works			3,000	3,000
PV129 Vineland Place Paving Redesign	Public Works			400	
PV130 Downtown East Commons Paving	Public Works			250	250
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	7,050	7,050	7,050	7,050
SA036 Infiltration & Inflow Removal Program	Public Works	2,500	2,500	2,500	2,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500

Minneapolis City of Lakes

2016 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	8,000	8,000	8,000	8,000
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	2,000	2,000	2,000	2,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	3,675	3,675	3,675	3,675
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR010 Traffic Management Systems	Public Works	1,050	1,050	1,050	1,050
TR011 City Street Light Renovation	Public Works	550	550	550	550
TR021 Traffic Signals	Public Works	1,975	1,975	1,975	1,975
TR022 Traffic Safety Improvements	Public Works	5,435	5,435	5,435	5,435
TR024 Pedestrian Street Lighting Corridors	Public Works	500	500	500	500
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	6,300	6,300	6,300	6,300
WTR18 Water Distribution Facility	Public Works	1,500	1,500	1,500	1,500
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	3,000	3,000	3,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	6,700	6,700	6,700	6,700
WTR25 Ground Water Supply	Public Works	1,000		1,000	1,000
WTR26 Recarbonation System Replacement	Public Works	1,500	1,500	1,500	1,500
WTR27 Remote Meter Reading Technology Upgrade	Public Works	250	250	250	250
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**127,812**	**120,107**	**135,182**	**134,767**

Minneapolis City of Lakes

2017 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	600	600	600	600
BIK28 Protected Bikeways Program	Public Works	1,250	1,250	1,250	1,250
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR123 28th Ave S over Minnehaha Creek	Public Works	2,665	2,665	2,665	2,665
FIR11 New Fire Station No. 11	Fire Department	3,350	3,350	3,350	3,350
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	3,000	3,000	3,000	3,000
IT004 Enterprise Infrastructure Modernization	IT Department	750	300	200	200
IT033 Police Report Management System Upgrade	IT Department	1,300	1,300	1,300	1,300
MBC01 Life Safety Improvements	MBC	50	50	50	50
MBC04 MBC Elevators	MBC		605		
MBC10 Exterior Improvements	MBC	2,155	2,155	2,155	2,155
PRK02 Playground and Site Improvements Program	Park Board	879	879	879	350
PRK03 Shelter - Pool - Site Improvements Program	Park Board	459	459	459	
PRK04 Athletic Fields and Site Improvements Program	Park Board	700	700	700	700
PRK30 Service Area Improvement Program	Park Board	1,000			400
PRK31 Bossen Park Field Improvements	Park Board	862	862	862	450
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	950	950	950	780
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD16 Farmer's Market Improvements	Other Departments	1,200			
PSD17 New Solid Waste & Recycling Facility	Public Works	15,000	15,000	15,000	15,000
PV001 Parkway Paving Program	Public Works	870	870	870	871
PV006 Alley Renovation Program	Public Works	250		250	250
PV019 6th Ave N (5th St N to dead end north of Wash Ave N)	Public Works	1,780	1,780	1,780	1,780
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	6,915	6,915
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200		200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	3,490	3,490	3,490	3,490
PV075 Development Infrastructure Program	CPED	150			
PV080 18th Ave NE (Monroe to Johnson St NE)	Public Works	4,340	4,340	4,340	4,340
PV084 54th St W (Penn to Lyndale Ave S)	Public Works	4,760	4,760	4,760	4,760
PV094 4th St SE (25th to 29th Ave SE)	Public Works	2,200	2,200	2,200	2,200
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	500	500	500	500
PV111 46th Ave S (46th St S to Godfrey Parkway)	Public Works	485	485	485	485
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,750	3,750	3,750	3,750
SA036 Infiltration & Inflow Removal Program	Public Works	4,500	4,500	4,500	4,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	6,500	6,500	6,500	6,500
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	3,288	3,288	3,288	3,288
SW034 Flood Area 21 - Bloomington Pond	Public Works	4,840	4,840	4,840	4,840
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000

Minneapolis City of Lakes

2017 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SWK01 Defective Hazardous Sidewalks	Public Works	3,830	3,830	3,830	3,830
TR008 Parkway Street Light Replacement	Public Works	310	310	310	372
TR010 Traffic Management Systems	Public Works	435	435	435	435
TR011 City Street Light Renovation	Public Works	445	445	445	445
TR021 Traffic Signals	Public Works	1,570	1,570	1,570	1,570
TR022 Traffic Safety Improvements	Public Works	1,870	1,870	1,870	1,870
TR024 Pedestrian Street Lighting Corridors	Public Works	445	445	445	445
TR025 Sign Replacement Program	Public Works	795	795	795	795
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	7,250	7,250	7,250	7,250
WTR18 Water Distribution Facility	Public Works	7,500	7,500	7,500	7,500
WTR23 Treatment Infrastructure Improvements	Public Works	3,000	3,000	3,000	3,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	18,000	18,000	18,000	18,000
WTR25 Ground Water Supply	Public Works	1,500		1,500	1,500
WTR26 Recarbonation System Replacement	Public Works	3,000	3,000	3,000	3,000
WTR27 Remote Meter Reading Technology Upgrade	Public Works	2,620	700	2,620	2,620
WTR28 Ultrafiltration Module Replacement	Public Works	2,200	2,200	2,200	2,200
WTR29 Columbia Heights Campus Upgrades	Public Works	300		300	300
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**155,358**	**148,993**	**152,458**	**151,351**

Minneapolis City of Lakes 2018 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	620	620	620	620
BIK28 Protected Bikeways Program	Public Works	1,000	1,000	1,000	1,000
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR106 1st Ave S over HCRRA	Public Works	4,125	4,125	4,125	4,125
BR117 1st St N Bridge over Bassett's Creek	Public Works	1,385	1,385	1,385	1,385
BR126 40th St Pedestrian & Bicycle Bridge over 35W	Public Works	2,645	2,645	2,000	2,000
FIR11 New Fire Station No. 11	Fire Department	1,000	1,000	1,000	1,000
IT004 Enterprise Infrastructure Modernization	IT Department	850	300	200	200
MBC01 Life Safety Improvements	MBC	205	205	205	205
MBC02 Mechanical Systems Upgrade	MBC	505	505	505	505
MBC10 Exterior Improvements	MBC	2,255	2,255	2,255	2,255
PRK02 Playground and Site Improvements Program	Park Board	1,555	1,555	1,555	813
PRK03 Shelter - Pool - Site Improvements Program	Park Board	695	695	695	695
PRK30 Service Area Improvement Program	Park Board	500			400
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,100	1,100	1,100	1,027
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD15 Traffic Maintenance Facility Improvement	Public Works	2,000			
PSD16 Farmer's Market Improvements	Other Departments	2,000			
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV006 Alley Renovation Program	Public Works	250			
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	6,915	6,915
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200			
PV074 CSAH & MnDOT Cooperative Projects	Public Works	4,070	4,070	3,070	3,070
PV075 Development Infrastructure Program	CPED	150			
PV080 18th Ave NE (Monroe to Johnson St NE)	Public Works	1,570	1,570	1,570	1,570
PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Public Works	1,970	1,970	1,970	1,970
PV095 4th St N & S (2nd Ave N to 4th Ave S)	Public Works	4,370	4,370	4,370	4,370
PV096 42nd Ave N (Xerxes to Lyndale Ave N)	Public Works	5,785	5,785	5,785	5,785
PV097 18th Ave NE Trail Gap	Public Works	300	300	300	300
PV098 Hiawatha Trail Gap (28th to 32nd St E)	Public Works	765	765	765	765
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	500	500	500	500
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RAD01 Public Safety Radio System Replacement	Other Departments	6,000	6,000	6,000	6,000
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,750	3,750	3,750	3,750
SA036 Infiltration & Inflow Removal Program	Public Works	4,500	4,500	4,500	4,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	9,000	9,000	9,000	9,000
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	6,580	6,580	6,580	6,580
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	4,040	4,040	4,040	4,040

Minneapolis City of Lakes

2018 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
TR008 Parkway Street Light Replacement	Public Works	270	270	270	801
TR010 Traffic Management Systems	Public Works	350	350	350	350
TR011 City Street Light Renovation	Public Works	625	625	625	625
TR021 Traffic Signals	Public Works	1,575	1,575	1,575	1,575
TR022 Traffic Safety Improvements	Public Works	1,585	1,585	1,585	1,585
TR024 Pedestrian Street Lighting Corridors	Public Works	450	450	450	450
TR025 Sign Replacement Program	Public Works	720	720	720	720
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	7,350	7,350	7,350	7,350
WTR18 Water Distribution Facility	Public Works	7,500	7,500	7,500	7,500
WTR23 Treatment Infrastructure Improvements	Public Works	4,000	4,000	4,000	4,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	14,000	14,000	14,000	14,000
WTR25 Ground Water Supply	Public Works	1,500		1,500	1,500
WTR27 Remote Meter Reading Technology Upgrade	Public Works	700	700	700	700
WTR28 Ultrafiltration Module Replacement	Public Works	2,200	2,200	2,200	2,200
WTR29 Columbia Heights Campus Upgrades	Public Works	4,180		4,180	4,180
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**146,210**	**134,880**	**138,815**	**138,931**

Minneapolis City of Lakes

2019 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	640	640	640	640
BIK28 Protected Bikeways Program	Public Works	1,140	1,140	1,140	1,140
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR127 Nicollet Ave over Minnehaha Creek	Public Works	5,285	5,285	5,285	5,285
IT004 Enterprise Infrastructure Modernization	IT Department	750	300		
MBC01 Life Safety Improvements	MBC	103	100	100	100
MBC02 Mechanical Systems Upgrade	MBC	925	925	925	925
MBC10 Exterior Improvements	MBC	1,895	1,895	1,895	1,895
PRK02 Playground and Site Improvements Program	Park Board	2,645	2,196	2,196	1,483
PRK03 Shelter - Pool - Site Improvements Program	Park Board	1,826	1,355	1,355	1,355
PRK30 Service Area Improvement Program	Park Board				400
PRK33 Bryn Mawr Meadows Field Improvements	Park Board	1,329	1,064	1,064	640
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,250	1,250	1,250	1,380
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PSD15 Traffic Maintenance Facility Improvement	Public Works	2,000			
PSD16 Farmer's Market Improvements	Other Departments	250			
PV001 Parkway Paving Program	Public Works	1,750	1,750	1,750	1,750
PV006 Alley Renovation Program	Public Works	250			
PV054 8th St S (Hennepin Ave to Chicago Ave)	Public Works	9,825	9,825	9,825	9,825
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	6,915	6,915
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200			
PV074 CSAH & MnDOT Cooperative Projects	Public Works	2,500		500	500
PV075 Development Infrastructure Program	CPED	150			
PV095 4th St N & S (2nd Ave N to 4th Ave S)	Public Works	2,005	2,005	2,005	2,005
PV096 42nd Ave N (Xerxes to Lyndale Ave N)	Public Works	5,780	5,780	5,780	5,780
PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	Public Works	3,735	440	440	440
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	500	500	500	500
PV114 U of M Protected Bikeways	Public Works	1,850	1,850	1,850	1,850
PV115 Emerson & Fremont Aves N Pedestrian Enhancements	Public Works	2,765	2,765	2,765	2,765
PV116 North Loop Pedestrian Improvements	Public Works	2,900	2,900	2,900	2,900
PV117 Broadway St NE (Stinson Blvd to City Limits)	Public Works	6,100	6,100	6,100	6,100
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
RAD01 Public Safety Radio System Replacement	Other Departments	6,000	6,000	6,000	6,000
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,750	3,750	3,750	3,750
SA036 Infiltration & Inflow Removal Program	Public Works	4,500	4,500	4,500	4,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	10,000	10,000	10,000	10,000
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	4,250	4,250	4,250	4,250
TR008 Parkway Street Light Replacement	Public Works	350	350	350	681

Minneapolis City of Lakes

2019 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
TR010 Traffic Management Systems	Public Works	1,300	1,300	1,300	1,300
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR021 Traffic Signals	Public Works	1,750	1,750	1,750	1,750
TR022 Traffic Safety Improvements	Public Works	670	670	670	670
TR024 Pedestrian Street Lighting Corridors	Public Works	500	500	500	500
TR025 Sign Replacement Program	Public Works	720	720	720	720
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	7,450	7,450	7,450	7,450
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	9,500	9,500	9,500	9,500
WTR25 Ground Water Supply	Public Works	2,000		2,000	2,000
WTR27 Remote Meter Reading Technology Upgrade	Public Works	1,800	1,800	1,800	1,800
WTR28 Ultrafiltration Module Replacement	Public Works	2,200	2,200	2,200	2,200
WTR29 Columbia Heights Campus Upgrades	Public Works	2,250		2,250	2,250
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
	Total	**147,553**	**133,020**	**137,470**	**137,194**

Minneapolis City of Lakes 2020 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
ART01 Art in Public Places	CPED	660	660	660	660
BIK28 Protected Bikeways Program	Public Works	1,940	1,940	1,940	1,940
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR112 Nicollet Avenue Reopening	Public Works	4,200	2,065		
BR127 Nicollet Ave over Minnehaha Creek	Public Works	19,780	19,780	19,780	19,780
IT004 Enterprise Infrastructure Modernization	IT Department	750	300		
MBC01 Life Safety Improvements	MBC	102	100	100	100
MBC02 Mechanical Systems Upgrade	MBC	820	820	820	820
PRK02 Playground and Site Improvements Program	Park Board	2,039	1,140	1,140	1,681
PRK33 Bryn Mawr Meadows Field Improvements	Park Board	1,910	1,649	1,649	700
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	1,701	1,701	1,701	1,395
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV006 Alley Renovation Program	Public Works	250			
PV056 Asphalt Pavement Resurfacing Program	Public Works	7,655	5,925	5,925	5,925
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200			
PV074 CSAH & MnDOT Cooperative Projects	Public Works	6,415		500	500
PV075 Development Infrastructure Program	CPED	500			
PV104 ADA Ramp Replacement Program	Public Works	1,000	1,000	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	1,350	500	500	500
PV113 29th St W Phase 2	Public Works	1,400	1,400	1,400	1,400
PV118 Hennepin Ave (Washington Ave N to 12th St S)	Public Works	4,915	4,915	4,530	4,530
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SA001 Sanitary Tunnel & Sewer Rehabilitation Program	Public Works	3,750	3,750	3,750	3,750
SA036 Infiltration & Inflow Removal Program	Public Works	4,500	4,500	4,500	4,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regulations	Public Works	250	250	250	250
SW005 Combined Sewer Overflow Improvements	Public Works	1,500	1,500	1,500	1,500
SW011 Storm Drains and Tunnels Rehabilitation Program	Public Works	8,000	8,000	8,000	8,000
SW032 I-35W Storm Tunnel Reconstruction	Public Works	1,000	1,000	1,000	1,000
SW039 Flood Mitigation with Alternative Stormwater Mgmt	Public Works	3,000	3,000	3,000	3,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
SWK01 Defective Hazardous Sidewalks	Public Works	4,460	4,460	4,460	4,460
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR010 Traffic Management Systems	Public Works	650	650	650	650
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	1,000
TR021 Traffic Signals	Public Works	2,000	2,000	2,000	2,000
TR022 Traffic Safety Improvements	Public Works	1,675	925	925	925
TR024 Pedestrian Street Lighting Corridors	Public Works	500	500	500	500
TR025 Sign Replacement Program	Public Works	895	895	895	895
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
WTR12 Water Distribution Improvements	Public Works	7,550	7,550	7,550	7,550
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR25 Ground Water Supply	Public Works	2,000		2,000	2,000

Minneapolis City of Lakes

2020 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
WTR27 Remote Meter Reading Technology Upgrade	**Public Works**	1,700	1,700	1,700	1,700
WTR28 Ultrafiltration Module Replacement	**Public Works**	2,200	2,200	2,200	2,200
WTR29 Columbia Heights Campus Upgrades	**Public Works**	4,200		4,200	4,200
WTR9R Reimbursable Watermain Projects	**Public Works**	2,000	2,000	2,000	2,000
	Total	**124,567**	**103,925**	**107,375**	**106,661**

City of Minneapolis
2016 Budget

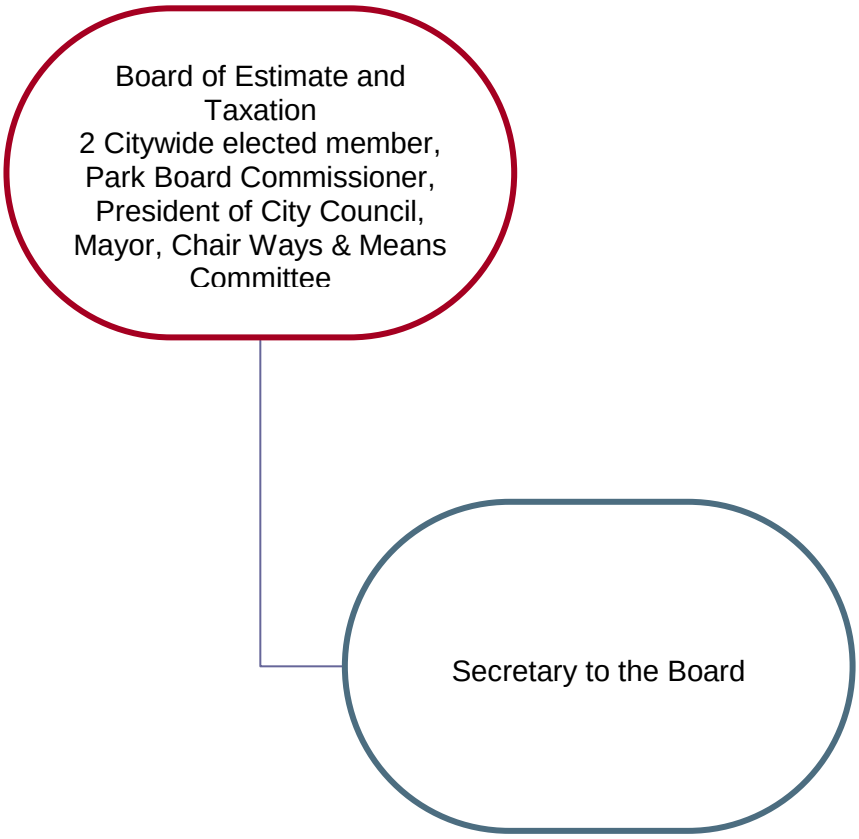
Table of Contents

Independent Boards and Agencies	Pages 469-485
Board of Estimate and Taxation	470
Municipal Building Commission	475
Park and Recreation Board	480

BOARD OF ESTIMATE AND TAXATION

MISSION

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



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

FINANCIAL ANALYSIS

Expenditure
The 2016 expense budget for BET is $214,000, a 14.1% increase from 2015. Personnel related costs comprise 85 percent of the budget, with contractual and operating expenses representing the remaining 15%.

Revenue
The revenue budget is $210,000, an increase of 14.4 percent from the 2015 adopted budget. The Board receives all its revenue from property tax.

Mayor's Recommended Budget
The Mayor made no changes to the Board's proposed budget.

Adopted Budget
The Board approved the Mayor's recommendation.

BOARD OF ESTIMATE & TAXATION
EXPENSE AND REVENUE INFORMATION

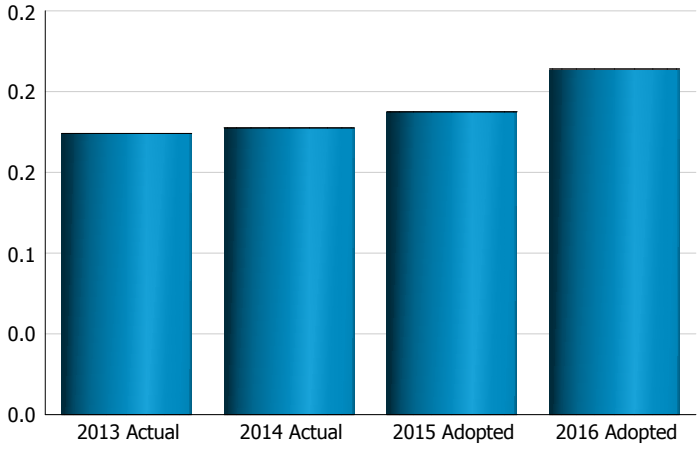
EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	130,469	133,842	126,068	145,996	15.8%	19,928
FRINGE BENEFITS	20,002	20,244	34,038	35,035	2.9%	997
CONTRACTUAL SERVICES	15,066	20,896	20,760	16,997	-18.1%	(3,763)
OPERATING COSTS	8,543	2,572	6,634	15,972	140.8%	9,338
TOTAL SPECIAL REVENUE	**174,081**	**177,554**	**187,500**	**214,000**	**14.1%**	**26,500**
TOTAL EXPENSE	**174,081**	**177,554**	**187,500**	**214,000**	**14.1%**	**26,500**

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Adopted	Percent Change	Change
SPECIAL REVENUE						
LONG TERM LIABILITIES PROCEEDS			26,700	40,000	49.8%	13,300
PROPERTY TAXES	177,507	171,752	156,800	170,000	8.4%	13,200
SALES AND OTHER TAXES	9	5			0.0%	0
STATE GOVERNMENT	5	210			0.0%	0
SPECIAL REVENUE	**177,522**	**171,967**	**183,500**	**210,000**	**14.4%**	**26,500**
TOTAL REVENUE	**177,522**	**171,967**	**183,500**	**210,000**	**14.4%**	**26,500**

BOARD OF ESTIMATE & TAXATION
EXPENSE AND REVENUE INFORMATION

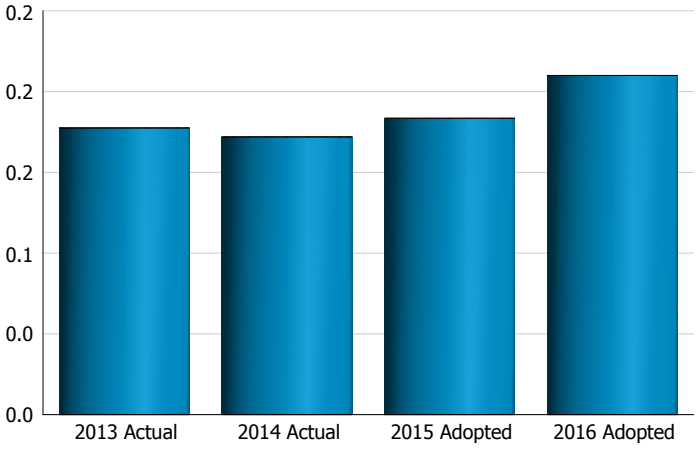
Expense 2013 - 2016

In Millions

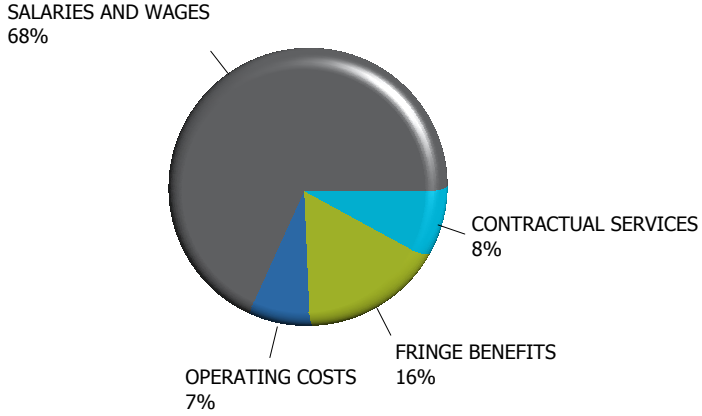


Revenue 2013 - 2016

In Millions



Expense by Category

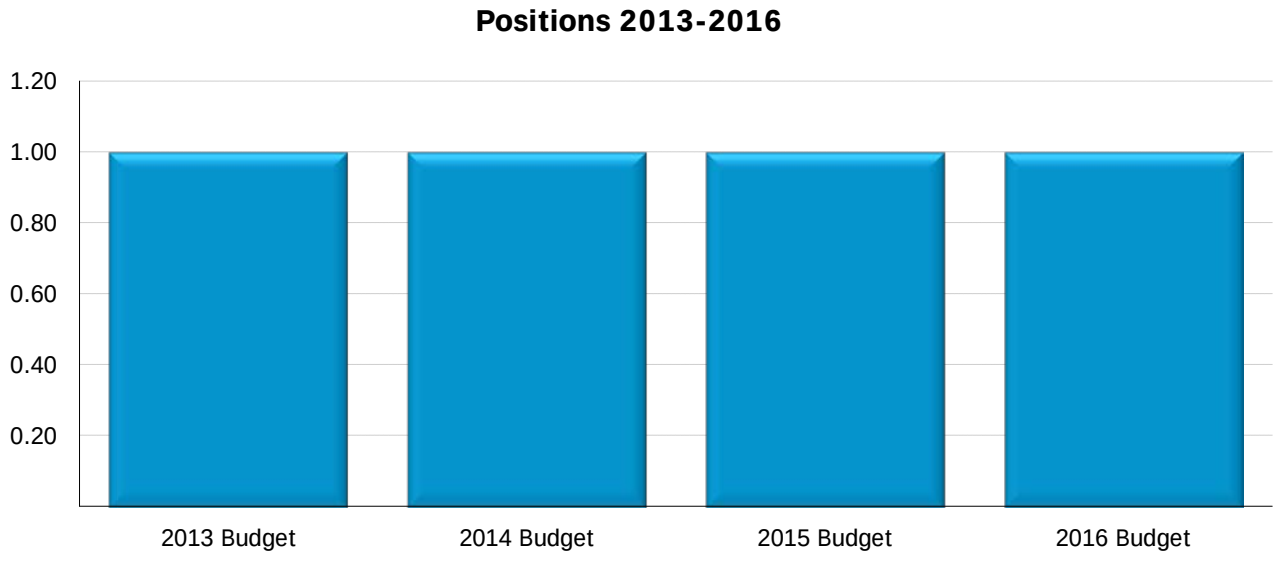


Home

BOARD OF ESTIMATE & TAXATION

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Budget	% Change	Change
BOARD STAFF & ADMIN	1.00	1.00	1.00	1.00	0.0%	0
Overall	1.00	1.00	1.00	1.00	0.0%	0



MUNICIPAL BUILDING COMMISSION

MISSION

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

BUSINESS LINES

Care for Minneapolis City Hall and Hennepin County Courthouse Building:
The MBC is responsible for maintaining the building operating systems including mechanical, electrical, fire/life/safety, and elevators. In addition, the MBC is responsible for providing custodial, utility, security, repair, and maintenance services.

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

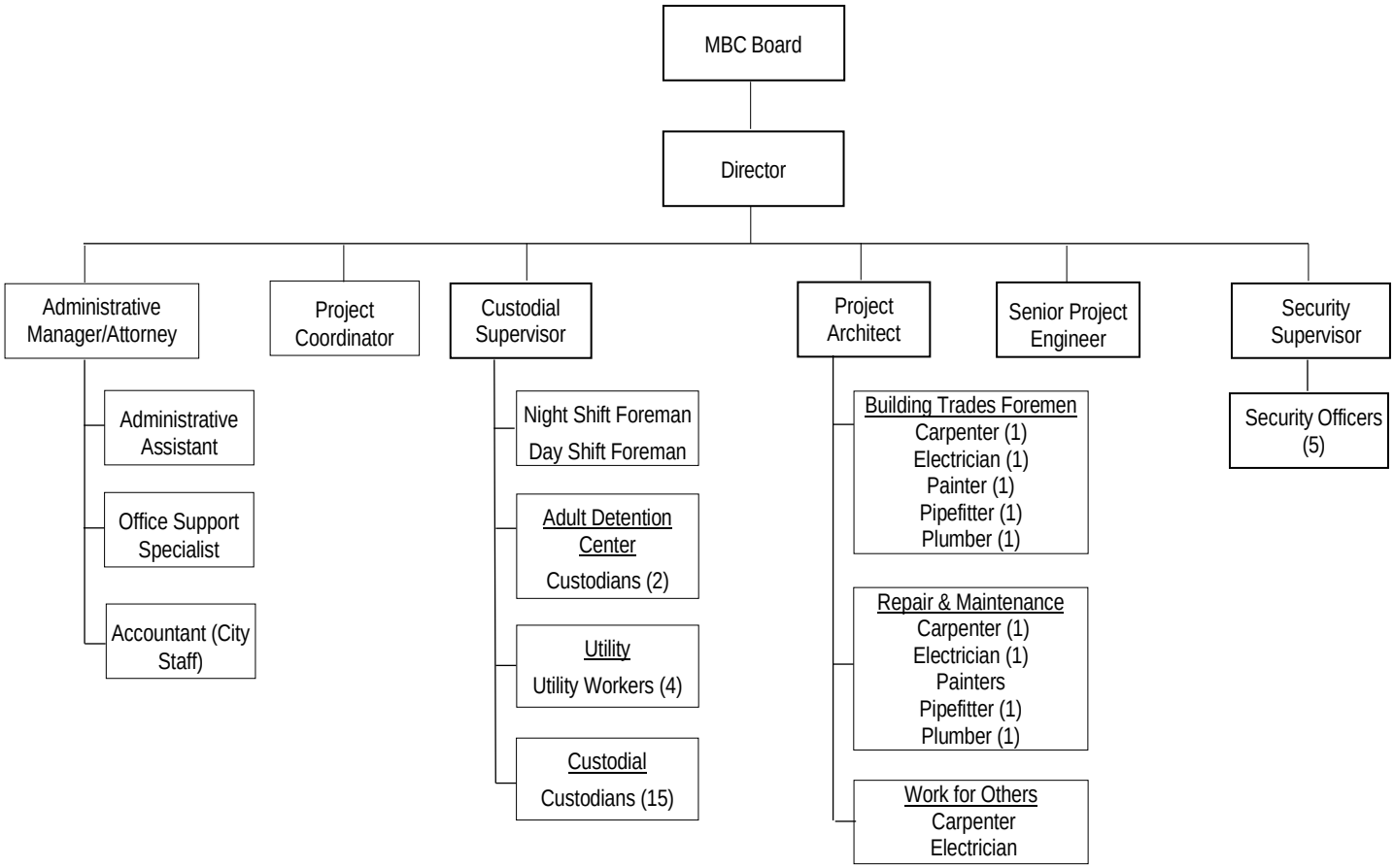
Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse Building:
The MBC is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activity, both operating and capital, in keeping with the agency's mission to provide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

Significant Budget Changes

MBC Administrative, Custodial & Security, and Repair & Improvement program costs are divided between the City (60%) and County (40%). The County funds all of the Adult Detention Center costs. Significant operating budget changes are:

- A 2.0% (2.5% for Building Trades) increase in personnel salaries, which conforms to City and County budget guidelines. Insurance premiums reflect City of Minneapolis estimates.
- A 23.2% ($20,000) increase in the General Fund Overhead charge as negotiated with the City of Minneapolis.
- Repair and Maintenance contractual services are budgeted 6% ($80,000) less in 2016, primarily due to filling internal vacancies.
- MBC project staff are projecting a 13.3% ($107,000) decrease in the 2016 Work for Others budget; a decrease in tenant work is anticipated related to the mechanical/electrical/life safety Stages work.

MBC ORGANIZATION CHART



FINANCIAL ANALYSIS

Expense
Municipal Building Commission's 2016 budget of $9.1 million is $146,786 or 1.6% more than the 2015 budget. Personnel costs and contractual services represent 56 percent and 36 percent of the expenditure budget, respectively.

Revenue
The revenue budget for MBC is $9.1 million, a 1.6% increase from 2015. The board will receive nearly all of its revenues from charges for services.

Mayor's Recommended Budget
The Mayor recommended a 2.9 percent (or $135,000) levy increase that is payable to MBC.

Adopted Budget
The Board approved the Mayor's recommendations.

MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION

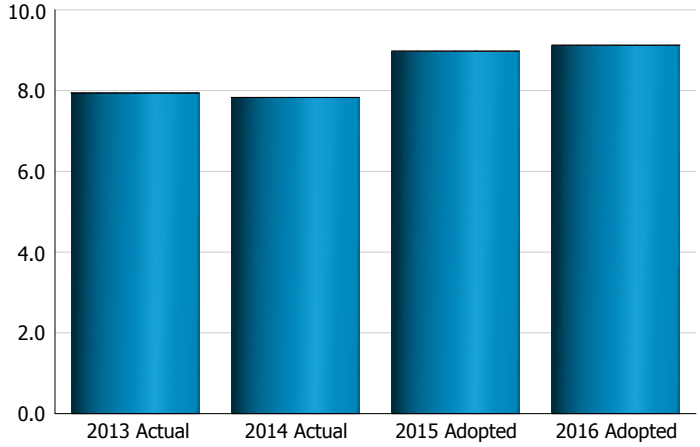
EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	2,455,937	2,300,222	3,462,736	3,542,567	2.3%	79,832
FRINGE BENEFITS	1,064,859	1,053,162	1,444,281	1,522,129	5.4%	77,848
CONTRACTUAL SERVICES	3,606,144	3,501,502	3,280,352	3,285,749	0.2%	5,397
OPERATING COSTS	814,232	975,777	789,820	773,529	-2.1%	(16,291)
TOTAL SPECIAL REVENUE	**7,941,172**	**7,830,663**	**8,977,189**	**9,123,974**	**1.6%**	**146,786**
TOTAL EXPENSE	**7,941,172**	**7,830,663**	**8,977,189**	**9,123,974**	**1.6%**	**146,786**

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SERVICES	8,044,491	7,914,131	8,744,251	8,889,781	1.7%	145,530
OTHER MISC REVENUES	13,081	3,586			0.0%	0
RENTS	115,819	75,529			0.0%	0
STATE GOVERNMENT	193,067	228,957	232,938	234,193	0.5%	1,255
SPECIAL REVENUE	**8,366,458**	**8,222,204**	**8,977,189**	**9,123,974**	**1.6%**	**146,785**
TOTAL REVENUE	**8,366,458**	**8,222,204**	**8,977,189**	**9,123,974**	**1.6%**	**146,785**

MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION

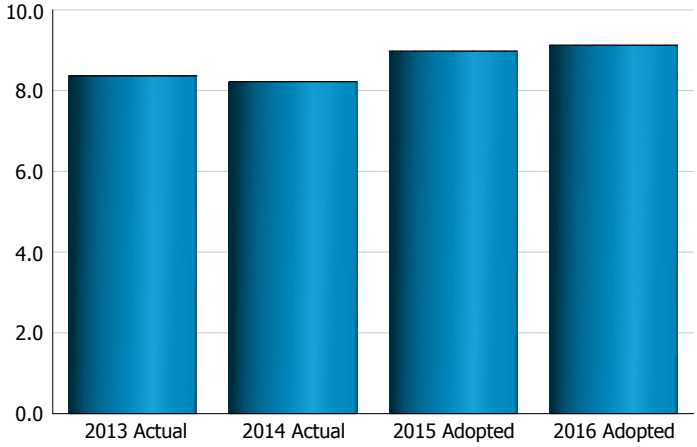
Expense 2013 - 2016

In Millions

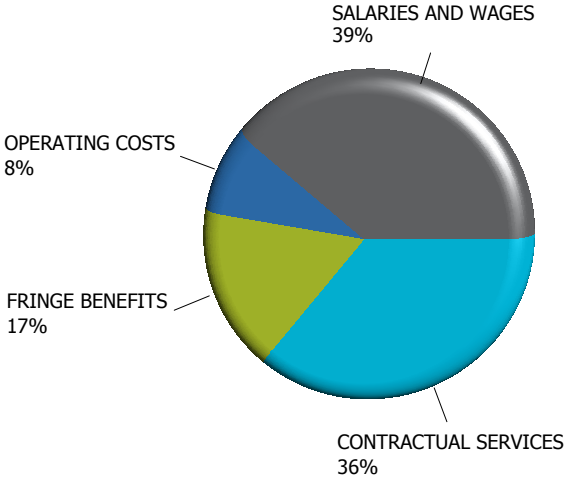


Revenue 2013 - 2016

In Millions



Expense by Category

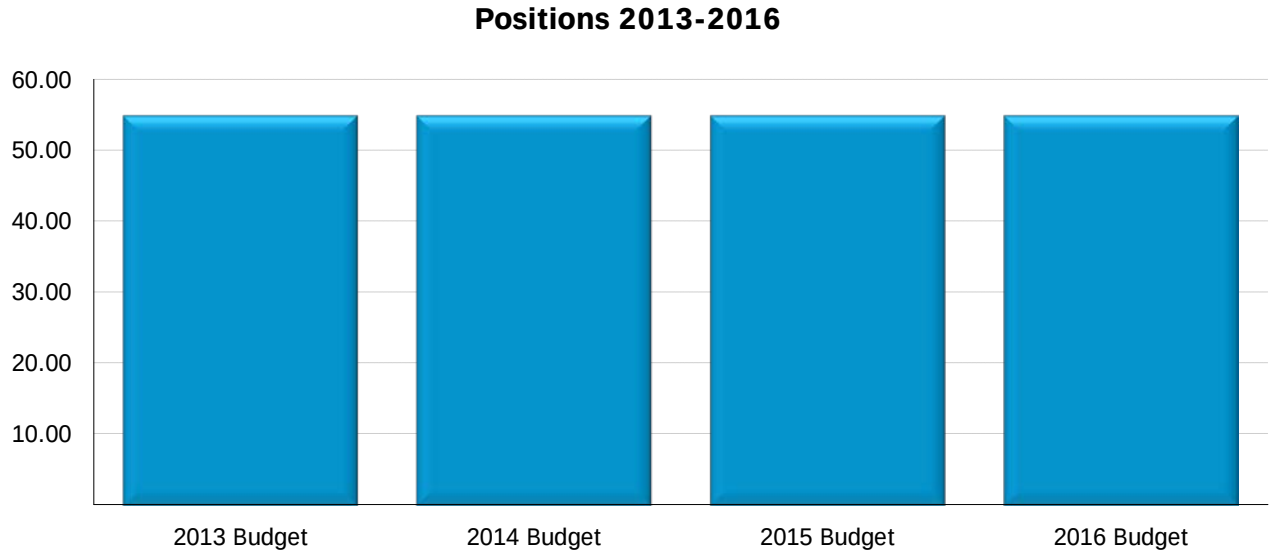


Home

MUNICIPAL BUILDING COMMISSION

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Budget	% Change	Change
ADMINISTRATION	6.00	6.00	6.00	6.00	0.0%	0
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	0
CUSTODIAL AND SECURITY	29.00	29.00	29.00	29.00	0.0%	0
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	0
REPAIRS AND IMPROVEMENTS	15.00	15.00	15.00	15.00	0.0%	0
Overall	55.00	55.00	55.00	55.00	0.0%	0



MINNEAPOLIS PARK AND RECREATION BOARD

MISSION

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

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

BUSINESS LINES

- Park Administrative Services
- Asset Management
- Community Outreach
- Environmental Management
- Forestry
- Information Technology Services
- Park Police
- Planning
- Recreation

2014-2018 MPRB Strategic Direction

Strategic directions guide annual budget, budget goal and work plan development, and are meant to guide short-term implementation of the 2007 – 2020 Comprehensive Plan. In January and February of 2014, the Commissioners of the Minneapolis Park and Recreation Board shared and discussed vision, issues/challenges, strength/opportunities, organization effectiveness, and desired accomplishments. This information was used to guide the development of the strategic directions and implementation plan to be utilized over the term of this Board. The 2014-2018 Strategic Direction and Implementation Plan represents Board and Superintendent priorities that are aligned with comprehensive plan goals and objectives. The 2014-2018 Strategic Direction and Implementation Plan was adopted by the Board on June 4, 2014.

What we do

Strategic Direction A: Create and implement sustainable and equitable development and maintenance plans for the built infrastructure.

Strategic Direction B: Assess and deliver programs, services, and facilities that equitably meet the community's park and recreation needs, leveraging relationships with partners.

Strategic Direction C: Develop and implement a strategic, sustainable, and equitable approach to the management and protection of the system's land, air and water resources.

How we do our work

Strategic Direction 1: Address equity and access issues within the organization and across the park and recreation system.

Strategic Direction 2: Be measurable and accountable; ensure organization decisions are data driven and customer focused.

Strategic Direction 3: Engage all users. Communicate well and often. Listen and empower.

Strategic Direction 4: Build capacity – financial, staffing, partnerships, volunteers - to achieve MPRB's mission, vision, and goals.

The 2014-2018 MPRB Implementation Plan can be found in the Board's published budget book.

Minneapolis Park and Recreation Board 2016 Annual Budget

More information regarding the Minneapolis Park and Recreation Board (MPRB) 2016 Annual Budget, and the Board's published budget book can be found at www.minneapolisparks.org.

FINANCIAL ANALYSIS

Expense
The Board's 2016 expense budget is $103.8 million, a 4.5% increase over 2015. Special Revenue funded activities accounts for most of this increase ($3.9 million) with the remainder found in enterprise and internal service charges. The Park Board expenditure budget reflects additional 27.26 FTE's in 2016.

Revenue
The Board's 2016 revenue budget is $103.8 million, a 4.2% increase over 2015. Special revenues account for approximately 82% of the MPRB revenues with internal service and enterprise fees accounting for 9% each.

Mayor's Recommended Budget
The Mayor recommended a 4.0% (or $2.0 million) levy increase that is payable to the Park Board general revenues.

Board Adopted Budget
The Board approved the Mayor's recommendations.

PARK BOARD
EXPENSE AND REVENUE INFORMATION

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Adopted	Percent Change	Change
CAPITAL PROJECT						
CONTRACTUAL SERVICES		24				0
TOTAL CAPITAL PROJECT		**24**				**0**
DEBT SERVICE						
OPERATING COSTS		0				0
TOTAL DEBT SERVICE		**0**				**0**
INTERNAL SERVICE						
SALARIES AND WAGES	1,693,765	1,661,364	1,788,422	1,935,761	8.2%	147,339
FRINGE BENEFITS	3,390,446	2,984,753	2,665,016	2,519,987	-5.4%	(145,029)
CONTRACTUAL SERVICES	618,491	841,163	786,414	807,381	2.7%	20,967
OPERATING COSTS	1,607,586	1,459,905	1,827,820	1,806,256	-1.2%	(21,564)
CAPITAL	1,047,697	1,109,545	1,843,223	2,007,600	8.9%	164,377
TOTAL INTERNAL SERVICE	**8,357,985**	**8,056,730**	**8,910,895**	**9,076,985**	**1.9%**	**166,090**
SPECIAL REVENUE						
SALARIES AND WAGES	29,454,329	30,874,646	33,486,267	35,098,617	4.8%	1,612,350
FRINGE BENEFITS	11,582,004	12,049,149	13,544,602	14,125,915	4.3%	581,313
CONTRACTUAL SERVICES	15,610,064	16,223,120	15,360,160	15,928,005	3.7%	567,845
OPERATING COSTS	14,683,504	15,088,254	14,643,794	15,436,378	5.4%	792,584
CAPITAL	168,082	1,507,807	2,874,999	2,974,393	3.5%	99,394
TRANSFERS	6,798,857	5,409,162	1,430,000	1,660,000	16.1%	230,000
TOTAL SPECIAL REVENUE	**78,296,839**	**81,152,138**	**81,339,822**	**85,223,308**	**4.8%**	**3,883,486**
ENTERPRISE						
SALARIES AND WAGES	3,166,972	3,473,746	3,065,776	3,421,210	11.6%	355,434
FRINGE BENEFITS	1,260,574	1,228,615	1,196,751	1,179,598	-1.4%	(17,153)
CONTRACTUAL SERVICES	3,317,542	3,393,798	3,476,592	3,043,704	-12.5%	(432,888)
OPERATING COSTS	1,577,397	1,482,849	1,156,565	1,259,351	8.9%	102,786
CAPITAL	48,241	17,834	83,903	539,583	543.1%	455,680
DEBT SERVICE	22,649	20,367	67,799		-100.0%	(67,799)
TRANSFERS	745,528	5,230	25,000	25,250	1.0%	250
TOTAL ENTERPRISE	**10,138,903**	**9,622,440**	**9,072,386**	**9,468,696**	**4.4%**	**396,310**
TOTAL EXPENSE	**96,793,727**	**98,831,332**	**99,323,103**	**103,768,989**	**4.5%**	**4,445,886**

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	(7,645)	13,960			0.0%	0
CHARGES FOR SERVICES	5,764,060	6,107,396	6,388,637	6,889,836	7.8%	501,199
CONTRIBUTIONS	66,015	197,465	172,276	89,454	-48.1%	(82,822)

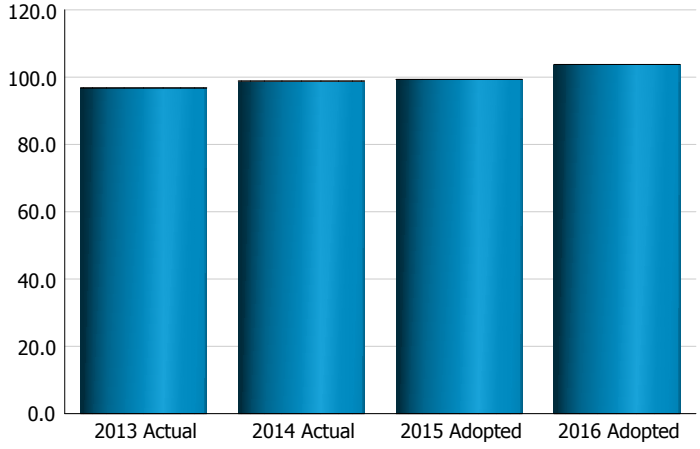
PARK BOARD
EXPENSE AND REVENUE INFORMATION

REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Adopted	Percent Change	Change
FEDERAL GOVERNMENT	1,563,156	178,633			0.0%	0
FINES AND FORFEITS	342,957	1,815,139	6,000	347,000	5,683.3%	341,000
INTEREST		531			0.0%	0
LICENSE AND PERMITS	444,172	313,886	315,000	290,000	-7.9%	(25,000)
LOCAL GOVERNMENT	1,381,902	1,777,981	1,939,851	1,314,910	-32.2%	(624,941)
LONG TERM LIABILITIES PROCEEDS	60			28,739	0.0%	28,739
OTHER MISC REVENUES	66,241	50,585	37,470	28,000	-25.3%	(9,470)
PROPERTY TAXES	59,465,286	60,476,481	61,317,015	64,938,694	5.9%	3,621,679
RENTS	1,119,448	1,084,058	1,191,444	1,075,563	-9.7%	(115,881)
SALES AND OTHER TAXES	2,462	1,584	3,000	263,675	8,689.2%	260,675
STATE GOVERNMENT	8,734,512	9,870,112	9,944,129	9,932,437	-0.1%	(11,692)
TRANSFERS IN	(15,513)	7,330	25,000	25,000	0.0%	0
SPECIAL REVENUE	**78,927,114**	**81,895,142**	**81,339,822**	**85,223,308**	**4.8%**	**3,883,486**
INTERNAL SERVICE						
CHARGES FOR SALES	10,370	13,284	33,000	33,000	0.0%	0
CHARGES FOR SERVICES	1,160,025	1,483,235	1,551,080	1,718,122	10.8%	167,042
GAINS	153,575	54,952			0.0%	0
LONG TERM LIABILITIES PROCEEDS	127,172	695,007	253,780	(80,000)	-131.5%	(333,780)
OTHER MISC REVENUES	2,084,679	2,113,538	2,087,802	2,163,359	3.6%	75,557
RENTS	4,074,668	4,462,890	4,985,233	5,242,504	5.2%	257,271
INTERNAL SERVICE	**7,610,490**	**8,822,905**	**8,910,895**	**9,076,985**	**1.9%**	**166,090**
ENTERPRISE						
CHARGES FOR SALES	52		400	1,000	150.0%	600
CHARGES FOR SERVICES	8,688,359	7,597,668	8,463,380	8,620,215	1.9%	156,835
CONTRIBUTIONS	53,054	46,270	30,000		-100.0%	(30,000)
LICENSE AND PERMITS	10,000	10,650			0.0%	0
LONG TERM LIABILITIES PROCEEDS		163,550		(698,057)	0.0%	(698,057)
OTHER MISC REVENUES	18,906	53,807	16,000	16,000	0.0%	0
RENTS	2,136,361	2,078,586	795,175	1,529,538	92.4%	734,363
TRANSFERS IN	6,958,130	2,851,181			0.0%	0
ENTERPRISE	**17,864,862**	**12,801,713**	**9,304,955**	**9,468,696**	**1.8%**	**163,741**
TOTAL REVENUE	**104,402,466**	**103,519,760**	**99,555,672**	**103,768,989**	**4.2%**	**4,213,317**

PARK BOARD
EXPENSE AND REVENUE INFORMATION

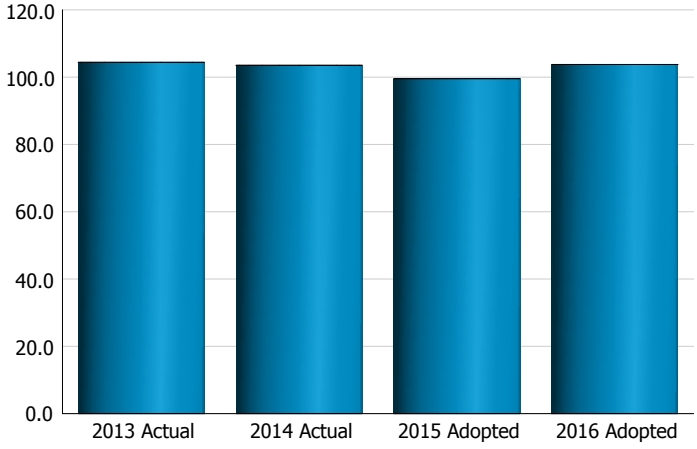
Expense 2013 - 2016

In Millions

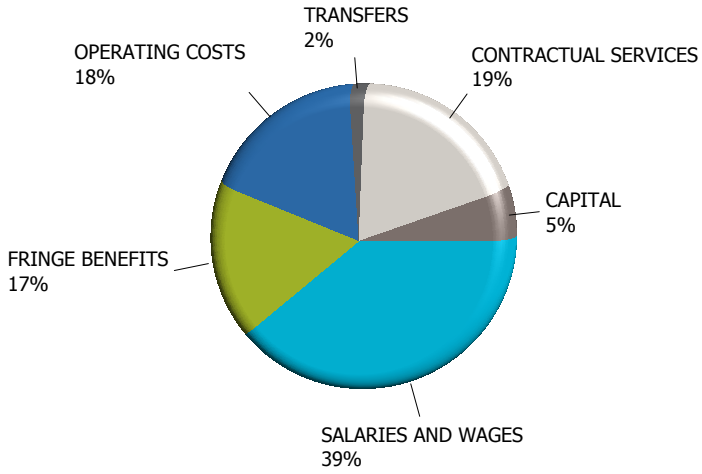


Revenue 2013 - 2016

In Millions



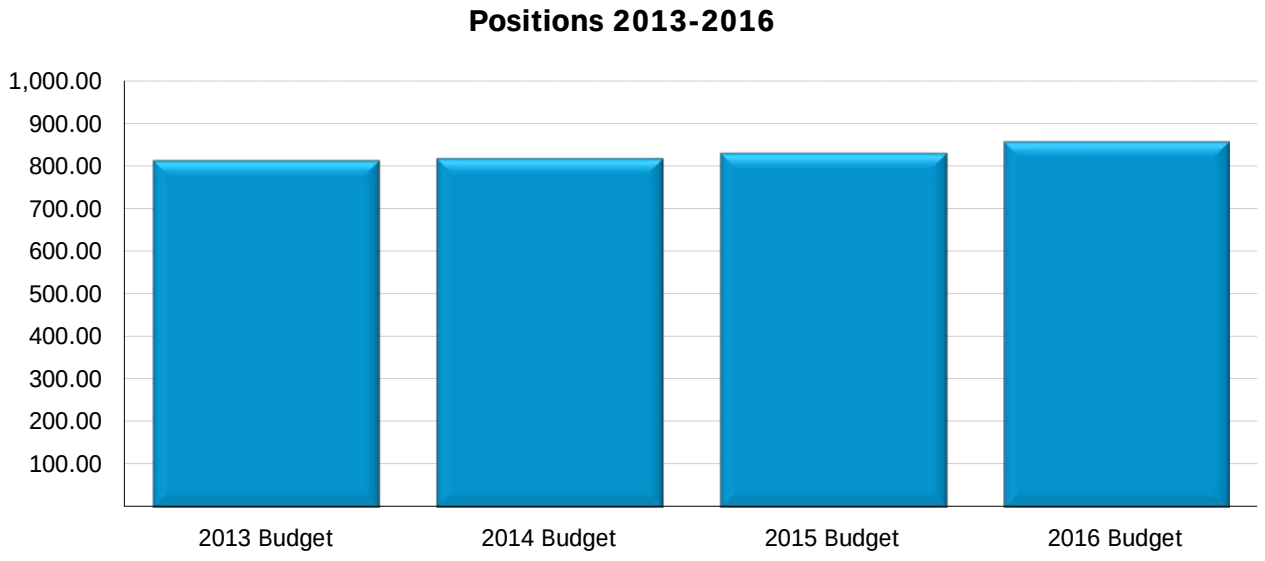
Expense by Category



PARK BOARD

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Budget	% Change	Change
Park Board	814.72	819.24	832.00	859.26	3.3%	27.26
Overall	814.72	819.24	832.00	859.26	3.3%	27.26



City of Minneapolis
2016 Budget

Table of Contents

Financial Schedules	Pages 486-528
Schedule 1 – Fund Summary and Changes to Fund Balance	487
Schedule 2 – Revenues by Fund and Type	488
Schedule 3 – Expenditures by Fund & Department	490
Schedule 4 – Community Development Block Grant Program	492
Schedule 5 – Staffing Information	496
Schedule 6 – CPED Program Allocations by Fund	499
Schedule 7 – Capital Asset Request System (CARS) Allocations	500
Schedule 8 – Interfund Transfers	520
Schedule 9 – Utility Fees	522
Schedule 9 – Scorecard	526

SCHEDULE ONE

FUND SUMMARY - CHANGES TO FUND BALANCE

		Total Revenue	Total Expense	Change in Fund Balance
GENERAL	GENERAL FUND	464,226,031	488,248,415	(24,022,384)
	GENERAL FUND - FUND BALANCE USES	24,022,384	0	
TOTAL GENERAL & USE OF FUND BALANCE		488,248,415	488,248,415	0
SPECIAL REVENUE	TAX INCREMENT ADMINISTRATION	55,000	55,000	0
	ECONOMIC DEVELOPMENT	57,085,084	57,085,084	0
	BOARD OF ESTIMATE AND TAXATION	214,000	214,000	0
	DOWNTOWN IMPROVEMENT DISTRICT	6,203,796	6,203,796	0
	POLICE DEPT - SPECIAL REVENUE	2,147,182	2,147,182	(0)
	ARENA - RESERVE	8,153,796	8,153,796	(0)
	GRANTS - FEDERAL	11,289,558	11,289,558	0
	CDBG & UDAG FUNDS	13,611,337	13,611,337	0
	HOME	1,660,104	1,660,104	0
	GRANTS - OTHER	8,892,884	8,892,884	0
	CONVENTION CENTER OPERATIONS	71,069,408	71,069,408	(0)
	NCR - SPECIAL REVENUE	6,127,000	6,127,000	(0)
	REGULATORY SERVICES SPECIAL REVENUE	5,103,155	5,103,155	0
	EMPLOYEE RETIREMENT	38,673,800	38,673,800	0
	PARK	83,693,308	83,693,308	0
	MUNICIPAL BUILDING COMMISSION	9,123,974	9,123,974	(0)
TOTAL SPECIAL REVENUE		323,103,386	323,103,386	0
CAPITAL PROJECT	CAPITAL IMPROVEMENTS	70,455,000	70,455,000	0
	CAPITAL TP & E	8,277,719	8,277,719	0
	CAPITAL SIDEWALK INSPECTIONS	1,181,218	1,181,218	0
	PARK - CAPITAL IMPROVEMENTS	4,452,000	4,452,000	0
	MBC - CAPITAL IMPROVEMENTS	2,970,000	2,970,000	0
TOTAL CAPITAL PROJECT		87,335,937	87,335,937	0
DEBT SERVICE	IMPROVEMENT BONDS	8,670,763	8,670,763	0
	DECEASED TREE ASSESSMENT D/S	21,200	21,200	0
	BOND REDEMPTION - DEBT SERVICE	37,044,000	37,044,000	0
	OTH SELF SUPPORTING DEBT SERVC	1,149,888	1,149,888	0
	MIDTOWN EXCH 108 LOAN ACCOUNT	604,399	604,399	0
	CPED DEBT SERVICE	3,184,960	3,184,960	0
	DOWNTOWN EAST	2,665,308	2,665,308	0
	LIBRARY REF DEBT SERVICE	8,326,000	8,326,000	0
	CONVENTION CENTER-DEBT SERVICE	24,612,125	24,612,125	0
	TARGET CENTER	4,739,711	4,739,711	0
	TAX INCREMENT - DEBT SERVICE	3,996,983	3,996,983	0
TOTAL DEBT SERVICE		95,015,337	95,015,337	0
INTERNAL SERVICE	MATERIALS & LAB-INTERNAL SVC	1,929,276	1,929,276	0
	EQUIPMENT - INTERNAL SERVICE	25,209,855	25,209,855	0
	EQUIPMENT ACQUISITION FUND	11,390,753	11,390,753	0
	PROPERTY SERVICES	22,765,185	22,765,185	0
	STORES - INTERNAL SERVICE	1,070,678	1,070,678	0
	INFO TECH - INTERNAL SERVICE	39,267,714	39,267,714	(0)
	SELF INSURANCE-INTERNAL SVC	29,829,337	29,829,337	(0)
	PARK - INTERNAL SERVICE	6,783,626	6,783,626	0
	PARK-SELF INSURE-INTERNAL SVC	2,163,359	2,163,359	0
TOTAL INTERNAL SERVICE		140,409,783	140,409,783	0
ENTERPRISE	RIVER TERMINAL	1,100,000	1,100,000	0
	GARFS	263,253	263,253	0
	SURFACE WATER & SEWER-SANITARY	75,046,905	75,046,905	(0)
	SURFACE WATER & SEWER-STORMWATER	46,323,073	46,323,073	0
	WATER - ENTERPRISE	93,062,360	93,062,360	(0)
	MUNICIPAL PARKING-ENTERPRISE	59,053,231	59,053,231	0
	SOLID WASTE - ENTERPRISE	47,100,506	47,100,506	0
	PARK - OPERATIONS - ENTERPRISE	9,468,446	9,468,446	0
TOTAL ENTERPRISE		331,417,774	331,417,774	0
TOTAL ALL FUNDS		1,465,530,632	1,465,530,633	0

SHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change
GENERAL	PROPERTY TAXES	175,485,461	163,648,202	156,478,620	160,575,000	2.6%
	SALES AND OTHER TAXES	13,109,952	74,320,785	73,625,186	76,000,000	3.2%
	FRANCHISE FEES	29,619,985	33,530,799	28,977,500	31,450,000	8.5%
	LICENSE AND PERMITS	39,227,495	49,267,609	39,045,226	43,411,474	11.2%
	STATE GOVERNMENT	69,569,206	80,653,654	82,419,010	82,674,393	0.3%
	LOCAL GOVERNMENT	713,640	623,305	698,860	698,860	0.0%
	CHARGES FOR SERVICES	42,424,923	46,496,540	44,265,830	47,339,813	6.9%
	CHARGES FOR SALES	105,136	96,056	61,750	77,190	25.0%
	FINES AND FORFEITS	7,667,948	7,178,961	7,248,000	7,312,500	0.9%
	SPECIAL ASSESSMENTS	3,481,950	3,084,571	3,569,492	3,347,601	-6.2%
	INTEREST	(607,375)	1,862,388	2,300,000	2,200,000	-4.3%
	RENTS	759	196	-	-	
	CONTRIBUTIONS	944,831	215	960,000	-	-100.0%
	OTHER MISC REVENUES	551,195	3,244,136	5,628,770	5,110,200	-9.2%
	USE OF FUND BALANCE	-	-	13,521,347	24,022,384	77.7%
	TOTAL GENERAL FUND	382,295,105	464,007,417	458,799,591	484,219,415	5.5%
SPECIAL REVENUE	PROPERTY TAXES	124,361,937	133,776,836	138,079,898	135,072,884	-2.2%
	SALES AND OTHER TAXES	57,693,771	2,154,617	1,487,438	1,839,925	23.7%
	LICENSE AND PERMITS	1,649,328	1,716,913	1,487,000	290,000	-80.5%
	FEDERAL GOVERNMENT	38,207,327	24,897,946	25,297,788	23,530,390	-7.0%
	STATE GOVERNMENT	35,760,538	32,167,225	21,081,651	21,591,213	2.4%
	LOCAL GOVERNMENT	4,922,384	4,901,429	2,341,517	403,578	-82.8%
	CHARGES FOR SERVICES	28,112,059	24,695,534	22,714,098	24,434,382	7.6%
	CHARGES FOR SALES	11,654,358	1,189,008	-	-	
	FINES AND FORFEITS	733,916	2,311,836	411,000	750,000	82.5%
	SPECIAL ASSESSMENTS	9,516,678	9,520,113	9,819,000	9,187,796	-6.4%
	INTEREST	159,756	1,682,598	1,111,486	828,096	-25.5%
	GAINS	12,980	86,000	-	-	
	RENTS	12,434,168	13,504,776	12,725,944	10,585,063	-16.8%
	CONTRIBUTIONS	1,463,478	1,286,942	383,276	1,210,454	215.8%
	OTHER MISC REVENUES	18,774,315	17,130,617	8,128,943	18,813,874	131.4%
	USE OF FUND BALANCE	-	-	(15,747,333)	12,071,908	-176.7%
	LONG TERM LIABILITIES PROCEEDS	60	-	15,747,333	-	-100.0%
	TOTAL SPECIAL REVENUE	345,457,053	271,022,391	245,069,039	260,609,563	6.3%
CAPITAL PROJECT	PROPERTY TAXES	1,015,202	1,258,473	-	1,000,000	
	SALES AND OTHER TAXES	51	32	-	-	
	LICENSE AND PERMITS	325,764	323,836	260,000	310,000	19.2%
	FEDERAL GOVERNMENT	11,115,989	3,745,089	11,935,000	6,210,000	-48.0%
	STATE GOVERNMENT	11,114,910	6,624,816	19,746,000	10,000,000	-49.4%
	LOCAL GOVERNMENT	3,355,435	39,340	2,980,000	2,335,000	-21.6%
	CHARGES FOR SERVICES	12,825,478	8,689,666	10,200,000	9,600,000	-5.9%
	CHARGES FOR SALES	292,551	337,524	-	-	
	SPECIAL ASSESSMENTS	1,443,711	1,580,053	13,405,000	12,290,000	-8.3%
	INTEREST	(8,702)	13,956	-	-	
	CONTRIBUTIONS	13,536	391,876	-	-	
	OTHER MISC REVENUES	1,018,733	1,224,934	2,529,371	1,652,000	-34.7%
	USE OF FUND BALANCE	-	-	(6,209,557)	3,558,937	-157.3%
	LONG TERM LIABILITIES PROCEEDS	13,358,096	-	39,501,605	29,630,000	-25.0%
	TOTAL CAPITAL PROJECT	55,870,753	24,229,596	94,347,419	76,585,937	-18.8%
DEBT SERVICE	PROPERTY TAXES	30,790,954	39,107,258	44,296,000	46,914,000	5.9%
	SALES AND OTHER TAXES	1,074	935	-	-	
	STATE GOVERNMENT	-	36,179	-	-	
	SPECIAL ASSESSMENTS	9,936,529	11,345,205	10,692,154	8,691,963	-18.7%
	INTEREST	(158,475)	432,429	-	-	
	RENTS	181,384	181,384	-	-	
	OTHER MISC REVENUES	662,900	971,079	1,145,738	393,888	-65.6%
	USE OF FUND BALANCE	-	-	2,644,878	1,877,308	-29.0%
	LONG TERM LIABILITIES PROCEEDS	18,621,954	97,461,258	20,430	-	-100.0%
	TOTAL DEBT SERVICE	60,036,320	149,535,728	58,799,200	57,877,159	-1.6%

SHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change
INTERNAL SERVICE	FEDERAL GOVERNMENT	-	-	-	-	
	CHARGES FOR SERVICES	78,391,222	87,583,834	77,267,450	77,524,790	0.3%
	CHARGES FOR SALES	10,508,352	9,699,349	11,988,444	10,142,673	-15.4%
	FINES AND FORFEITS	53,151	18,281	-	-	
	GAINS	493,960	270,926	10,000	-	-100.0%
	RENTS	42,552,950	40,026,389	34,223,838	39,071,243	14.2%
	OTHER MISC REVENUES	4,781,821	8,180,634	3,100,802	3,186,359	2.8%
	USE OF FUND BALANCE	-	-	(3,395,017)	(252,656)	-92.6%
	LONG TERM LIABILITIES PROCEEDS	6,573,946	1,109,277	6,245,017	3,300,000	-47.2%
	TOTAL INTERNAL SERVICE	143,355,402	146,888,690	129,440,534	132,972,409	2.7%
ENTERPRISE	LICENSE AND PERMITS	443,928	581,828	495,000	416,000	-16.0%
	FEDERAL GOVERNMENT	1,090,517	239,840	-	-	
	STATE GOVERNMENT	1,918,876	1,457,921	1,187,112	1,404,601	18.3%
	LOCAL GOVERNMENT	1,186,483	1,638,823	1,191,663	1,453,275	22.0%
	CHARGES FOR SERVICES	268,941,829	267,254,297	289,695,393	294,790,865	1.8%
	CHARGES FOR SALES	2,366,808	2,057,276	1,244,400	1,019,000	-18.1%
	FINES AND FORFEITS	24,733	92,884	45,000	45,000	0.0%
	SPECIAL ASSESSMENTS	2,031,958	1,516,877	1,383,481	1,993,231	44.1%
	INTEREST	12,607	41,923	-	-	
	GAINS	99,549	244,049	-	-	
	RENTS	2,344,811	2,097,909	795,175	1,529,288	92.3%
	CONTRIBUTIONS	53,054	46,270	30,000	-	
	OTHER MISC REVENUES	263,707	173,155	16,000	16,000	0.0%
	USE OF FUND BALANCE	-	-	(3,837,128)	2,493,163	-165.0%
	LONG TERM LIABILITIES PROCEEDS	-	92,875	23,772,128	23,750,000	-0.1%
	TOTAL ENTERPRISE	280,778,858	277,535,925	316,018,224	328,910,423	4.1%
TOTAL ALL FUNDS		1,267,793,491	1,333,219,749	1,302,474,007	1,341,174,906	3.0%

For 2016 Council Adopted, transfers in the amount of $112,459,318 are detailed in Schedule 8.

SHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change
GENERAL	311	3,048,027	3,488,195	3,683,465	3,772,825	2.4%
	911	7,711,272	8,132,357	9,052,193	9,212,137	1.8%
	ASSESSOR	3,780,182	4,499,647	4,869,380	5,027,275	3.2%
	ATTORNEY	7,960,888	8,213,096	9,001,847	9,575,487	6.4%
	CITY CLERK	3,827,179	4,714,388	4,337,929	5,023,561	15.8%
	CITY COORDINATOR	2,655,672	2,386,008	3,249,011	4,270,552	31.4%
	CITY COUNCIL	4,351,516	4,785,018	4,893,499	4,881,494	-0.2%
	CIVIL RIGHTS	2,289,542	2,774,956	3,167,684	3,310,246	4.5%
	COMMUNICATIONS	2,170,614	2,165,970	2,211,514	2,236,818	1.1%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	19,644,732	28,919,658	32,481,988	35,783,507	10.2%
	EMERGENCY MANAGEMENT	875,688	864,025	767,969	812,740	5.8%
	FINANCE AND PROPERTY SERV	23,133,189	22,037,482	22,170,168	21,576,983	-2.7%
	FIRE	54,019,341	57,801,515	60,230,520	62,323,551	3.5%
	GENERAL FUND CONTINGENCY	540	-	4,007,139	4,000,000	-0.2%
	HUMAN RESOURCES	6,649,341	7,793,323	7,230,994	6,692,288	-7.4%
	INFORMATION TECHNOLOGY	100,406	647,458	-	-	
	INTERGOVERNMENTAL RELATIONS	1,302,479	1,518,397	1,512,574	1,541,315	1.9%
	INTERNAL AUDIT	421,754	144,666	507,236	592,261	16.8%
	LIBRARY BOARD	-	3,238,244	2,363,000	1,560,000	-34.0%
	MAYOR	1,586,143	1,827,368	1,917,292	1,987,715	3.7%
	MINNEAPOLIS HEALTH DEPARTMENT	6,969,443	7,520,666	8,438,782	8,913,842	5.6%
	NEIGHBORHOOD & COMMUNITY RELATIONS	933,813	1,039,032	425,415	220,000	-48.3%
	POLICE	131,955,439	140,864,221	148,340,932	152,773,308	3.0%
	PW - ADMINISTRATIVE SERVICES	2,651,922	2,743,067	3,120,420	3,282,491	5.2%
	PW - TRAFFIC AND PARKING SERVICES	13,850,069	15,350,967	16,114,961	16,727,820	3.8%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	32,548,507	34,212,771	31,344,848	32,572,339	3.9%
	PW - TRANSPORTATION PLAN/PROGRAMING	-	-	-	2,443,428	
	PW - TRANSPORTATION PLANNING AND ENGINEERING	2,313,275	2,596,205	3,275,805	2,005,055	-38.8%
	REGULATORY SERVICES	13,319,973	15,737,337	17,572,410	18,717,164	6.5%
	TOTAL GENERAL FUND	350,070,944	386,016,038	406,288,979	421,836,204	3.8%
SPECIAL REVENUE	911	416,102	685,959	515,480	515,480	0.0%
	ATTORNEY	412,894	461,919	523,016	474,161	-9.3%
	BOARD OF ESTIMATE & TAXATION	174,081	177,554	187,500	214,000	14.1%
	CAPITAL IMPROVEMENTS	3,245,246	1,164,775	-	-	
	CITY COORDINATOR	129,832	55,075	-	900,000	
	CIVIL RIGHTS	321,877	329,556	392,000	322,940	-17.6%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	78,344,499	58,445,482	42,456,929	45,271,931	6.6%
	CONVENTION CENTER	45,434,138	48,319,123	52,627,827	54,611,080	3.8%
	EMERGENCY MANAGEMENT	3,636,790	896,203	1,100,000	1,000,000	-9.1%
	FINANCE AND PROPERTY SERV	519,852	200,966	214,858	227,560	5.9%
	FIRE	873,603	468,881	-	10,000	
	INTERGOVERNMENTAL RELATIONS	1,356,349	1,069,910	1,276,017	1,081,302	-15.3%
	MAYOR	64,583	-	-	-	
	MINNEAPOLIS HEALTH DEPARTMENT	11,018,502	12,508,680	10,097,633	11,085,299	9.8%
	MPHA	45,064	(149,639)	-	-	
	MPLS EMPLOYEE RETIREMT FD	32,760,628	34,919,676	35,638,210	38,673,800	8.5%
	MUNICIPAL BUILDING COMMISSION	7,941,172	7,830,663	8,977,189	9,123,974	1.6%
	NEIGHBORHOOD & COMMUNITY RELATIONS	2,105,328	5,611,356	6,327,384	13,211,490	108.8%
	NON DEPARTMENTAL	64,803	64,803	64,803	64,803	0.0%
	NON-CPED	19,758	2,059	-	-	
	PARK BD - CAP IMPROV	110,332	116,573	37,000	-	-100.0%
	PARK BOARD	71,497,982	75,742,976	79,909,822	83,563,308	4.6%
	POLICE	4,562,207	4,777,014	5,071,116	5,024,442	-0.9%
	PW - TRAFFIC AND PARKING SERVICES	663,746	-	-	-	
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	6,167,780	6,160,314	6,100,000	6,203,796	1.7%
	REGULATORY SERVICES	3,576,337	3,754,663	5,197,088	5,033,437	-3.1%
	YOUTH COORDINATING BOARD	1,695,231	1,666,871	-	-	
	TOTAL SPECIAL REVENUE	277,158,715	265,281,414	256,713,872	276,612,805	7.8%

		2013 Actual	2014 Actual	2015 Adopted	2016 Council Adopted	% Change
CAPITAL PROJECT/ GOVERNMENTAL FUNDS	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	550,661	300,382	-	-	
	CAPITAL IMPROVEMENTS	64,436,966	49,232,616	80,265,000	73,425,000	-8.5%
	DEBT SERVICE	96,618	-	-	-	
	PARK BD - CAP IMPROV	14,186,386	14,732,873	11,462,000	4,452,000	-61.2%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	658,299	781,149	1,028,382	1,181,218	14.9%
	PW - TRANSPORTATION PLANNING AND ENGINEERING	6,015,237	7,756,761	8,101,175	8,277,719	2.2%
	TOTAL CAPITAL PROJECT/ GOVERNMENTAL FUNDS	85,944,167	72,803,782	100,856,558	87,335,936	-13.4%
DEBT SERVICE	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,523,532	2,562,730	-	3,184,960	
	DEBT SERVICE	91,005,174	92,174,110	91,077,714	89,830,377	-1.4%
	TOTAL DEBT SERVICE	93,528,706	94,736,840	91,077,714	93,015,337	2.1%
INTERNAL SERVICE	ATTORNEY	6,289,440	6,276,175	7,185,495	7,340,639	2.2%
	CAPITAL IMPROVEMENTS	(7,330)	(29,655)	2,850,000	3,300,000	15.8%
	CITY CLERK	1,356,599	1,473,148	1,349,198	1,383,892	2.6%
	DEBT SERVICE	753,074	428,749	6,229,938	5,509,150	-11.6%
	FINANCE AND PROPERTY SERV	20,874,842	21,940,758	21,351,988	24,381,244	14.2%
	HEALTH AND WELFARE	1,097,227	1,243,924	2,530,110	2,593,363	2.5%
	HUMAN RESOURCES	2,817,179	1,775,506	1,856,432	1,948,647	5.0%
	INFORMATION TECHNOLOGY	27,059,287	29,144,261	36,567,799	32,275,773	-11.7%
	LIABILITY	7,076,070	(0)	8,789,677	7,551,027	-14.1%
	PARK BOARD	8,357,985	8,056,730	8,910,895	9,076,985	1.9%
	PW - FLEET	34,245,799	24,530,668	34,351,999	33,985,258	-1.1%
	PW - TRAFFIC AND PARKING SERVICES	566,327	471,348	328,691	331,158	0.8%
	PW - TRANSPORTATION PLANNING AND ENGINEERING	1,473,156	1,489,464	1,890,895	1,929,276	2.0%
	WORKERS COMPENSATION	10,984,938	12,258,088	7,469,045	8,607,208	15.2%
	TOTAL INTERNAL SERVICE	122,944,593	109,059,164	141,662,163	140,213,621	-1.0%
ENTERPRISE	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	2,611,109	2,227,558	1,176,500	1,363,253	15.9%
	CAPITAL IMPROVEMENTS	176,921	142,374	45,540,000	56,790,000	24.7%
	DEBT SERVICE	7,349,039	5,229,606	29,194,160	28,778,777	-1.4%
	PARK BOARD	9,393,375	9,617,210	9,047,386	9,443,446	4.4%
	PW - SOLID WASTE	33,784,178	30,059,349	40,527,491	40,100,506	-1.1%
	PW - TRAFFIC AND PARKING SERVICES	37,838,348	37,663,835	39,031,755	38,888,020	-0.4%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	7,867,859	7,172,742	9,190,184	8,562,781	-6.8%
	PW - WATER TREATMENT & DISTR.	51,083,573	50,759,221	55,962,426	57,754,014	3.2%
	SURFACE WATER & SEWERS-SANITARY	51,970,276	53,235,594	56,833,381	59,929,908	5.4%
	SURFACE WATER & SEWERS-STORMWATR	15,715,665	15,903,423	19,371,437	20,550,292	6.1%
	TOTAL ENTERPRISE	217,790,343	212,010,910	305,874,721	322,160,997	5.3%
TOTAL FUNDS		1,147,437,467	1,139,908,147	1,302,474,006	1,341,174,899	3.0%

For 2016 Council Adopted, transfers in the amount of $112,459,318 are detailed in Schedule 8.

City of Minneapolis
2016 Budget
Community Development Block Grant (CDBG)

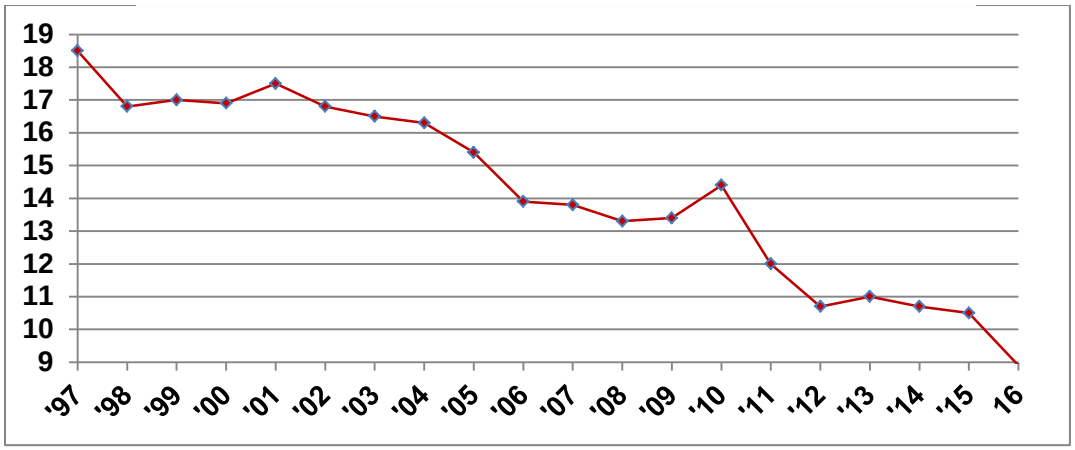
Background

This fund is used to account for the Federal grants received under the Community Development Block Grant (CDBG) provision authorized by Title I of the Housing and Community Development Act of 1974. Included in this entitlement are the CDBG, HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). Based on the City's Consolidated Plan submitted to the U.S. Department of Housing and Urban Development (HUD), annual direct grants can be used by the City of Minneapolis to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low-and moderate-income persons.

Historical Financial Performance

The Consolidated Plan funds are budgeted to coincide with the City's annual calendar year budgeting process, although the funds are not available until June 1 of each year. The programs are managed on a cost reimbursement basis and therefore the CDBG fund balance amount at any given time is the result of timing differences between entitlement grant revenue receipts and grant expenditure disbursements. The graph below reflects the trend in CDBG funding for the past 19 years. After several years of declining funding levels, 2009 and 2010 were the first years the actual funding had exceeded the anticipated funding by approximately 2%. Those two years were followed by more than a 16% reduction in 2011 with the actual HUD award of approximately $12 million. From 2012 through 2015, the funding level has remained around $10 million. For 2016, the City is anticipating a 15% reduction from the 2015 funding of $10.5 million for an estimated $8.9 million.

CDBG Entitlement 1997 – 2016



2016 Budget

Revenues

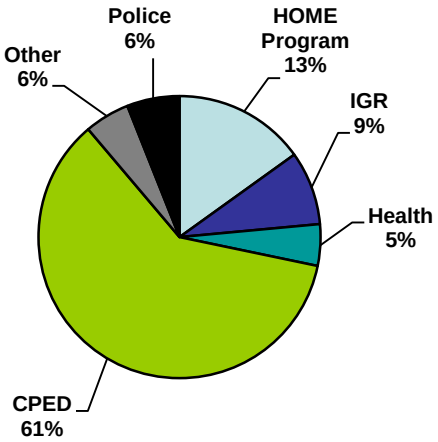
The entitlement funds drawn from HUD are budgeted based on the past relationship between national appropriations and local entitlement amounts. Amounts are based on the most recent actions of Congress.

The other HUD Consolidated Plan programs, HOME, ESG, and HOPWA are also projected to have a 15% reduction from the 2015 funding levels. Final award numbers from Congress should be available in early 2016. The HUD appropriation formula, which changed in 2002, includes variable factors based on 2010 American Community Survey (ACS) and the 2010 Census information. The Census information includes population changes among all the cities within the total HUD appropriation.

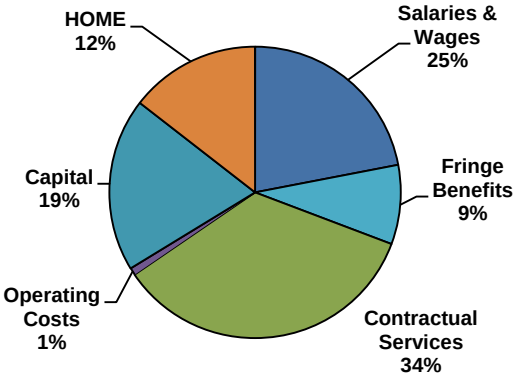
Expenditures

The City distributes its entitlement funds received through the HUD Consolidated Plan to various departments to carry out program activities, and awards funds to private and public not-for-profit organizations. The graphs below reflect the distribution of the budgeted Consolidated Plan by department and by cost category.

Consolidated Plan
Use of Funds by Department
$12 million



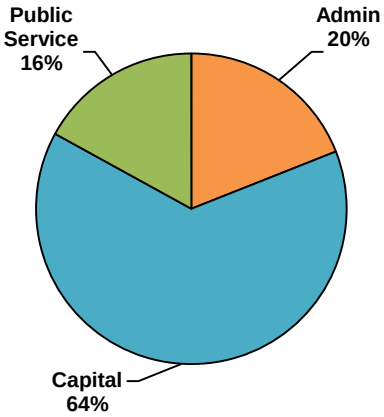
Consolidated Plan
Use of Funds by Cost Category
$12 million



CDBG Allocations

The graph below shows the distribution of the CDBG allocation in 2016. The public service and administration categories have a 15% and a 20% cap, respectively. The calculation for the caps in based on the expenditures during the grant program year from June 1 to May 31.

Use CDBG of Funds $9.2 million



Debt Service
The CDBG entitlement is obligated over and above the current grant budgets by $4 million. This amount reflects what the City borrowed against its entitlement to fund the Block E economic development project. The original over-obligation was $7.4 million. Since 2001 unspent CDBG funds and a percentage of program income has been applied to reduce the over obligation. During the 2014 budget process, eligible tax increment revenues were identified to pay down this remaining deficit in 2015 and future years.

Mayor Recommended Budget
The Mayor recommended estimated funding level for 2016 reflecting a 15% reduction from the actual 2015 Consolidated Plan amounts across all programs. Included in the Mayor recommended is a new initiative, Build Leaders. The program will serve youth ages 16-24 to create new opportunities for Minneapolis youth that are the most disconnected and will be funded with prior year CDBG program income.

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

SCHEDULE FOUR
Year 42 (2016) - Community Development Block Grant

Organization	Project	2014 Consolidated Plan	2015 Consolidated Plan	2016 Council Adopted
Capital /Other---CDBG				
Community Planning & Economic Development	Adult Training, Placement and Retention	$ 1,247,500	$ 1,215,600	$ 1,033,260
	High Density Corridor Initiative	579,000	564,200	479,570
	Multi-Family/Affordable Housing	3,277,540	3,193,840	2,714,764
	NEDF/CEDF (Great Streets)	123,000	119,900	101,915
	Vacant and Boarded Building Program	1,753,000	1,708,200	1,451,970
Subtotal CPED capital		6,980,040	6,801,740	5,781,479
Health Department	Lead Reduction	61,000	59,500	50,575
Total Capital/Other (65%)		**7,041,040**	**6,861,240**	**5,832,054**
Public Service---CDBG				
Community Planning & Economic Development	Youth Employment	253,000	247,303	210,208
	Build Leaders			320,000
Police Department	Community Crime Prevention Specialists	897,000	874,100	742,985
Health Department	Way to Grow	212,000	206,600	163,218
	Juvenile Supervision Center (Curfew Truancy Program)	100,000	100,000	100,000
	Domestic Abuse Project	75,000	73,100	59,527
Total Public Service (15%)		**1,537,000**	**1,501,103**	**1,595,938**
Public Service - 15% Cap		**1,608,383**	**1,567,928**	**1,512,739**
Administration---CDBG				
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance/Monitoring	335,000	326,400	277,440
Community Planning & Economic Development	Planning - Administration	899,807	876,807	745,286
Health Department	Mid-Minnesota Legal Aid	24,700	24,000	20,400
	Grant Administration	62,000	60,400	51,340
	Way to Grow Administration	15,000	14,600	12,410
	Youth Violence Prevention	158,000	154,000	130,900
Finance Department	Program Administration	180,000	175,000	139,030
Intergovernmental Relations	Grants & Special Projects	175,000	170,300	144,755
	Mid-Minnesota Legal Aid	40,100	39,000	33,150
Youth Coordinating Board	Administration	64,803	64,803	64,803
Neighborhood & Community Relations	Access & Outreach (Multicultural Affairs)	102,000	99,400	84,490
Regulatory Services	New Problem Properties Strategy	88,100	85,800	72,930
Total Administration (20%)		**2,144,510**	**2,090,510**	**1,776,934**
Administration 20% cap		**2,144,510**	**2,090,571**	**1,840,985**
CDBG Total of Requests (100%)		**10,722,550**	**10,452,853**	**9,204,926**
CDBG Revenue		**10,722,550**	**10,452,853**	**9,204,926**
Other Consolidated Plan Entitlement Funds				
HOME Investment Partnerships				
Community Planning & Economic Development	Affordable Housing Trust Fund (AHTF)	1,618,842	1,406,189	1,195,261
	Home Ownership Works (HOW)	404,711	351,547	298,815
	CPED Administration	209,839	180,303	151,008
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000	15,000
Emergency Solutions Grant (ESG)				
Community Planning & Economic Development	Emergency Solutions Grant Programs	680,119	734,089	623,976
	Street Outreach	150,000	150,000	127,500
	CPED Administration	62,306	66,683	55,931
Neighborhood & Community Relations	Street Outreach			
Intergovernmental Relations	Grants & Special Projects Administration	5,000	5,000	5,000
Housing Opportunities for Persons with AIDS (HOPWA)	Third Party Contractors/Subrecipients/Subgrantees	1,040,917	1,039,291	883,397
Grand Total Consolidated Plan		**$ 14,909,284**	**$ 14,400,955**	**$ 12,560,814**

SCHEDULE FIVE
SUMMARY OF POSITIONS BY DEPARTMENT

	2013 Budget	2014 Budget	2015 Budget *	2016 Council Adopted	Change	% change
CITY COORDINATOR						
311	28.00	31.00	31.00	30.00	(1.00)	-3.2%
911	80.00	80.00	84.00	84.00	-	0.0%
CITY COORDINATOR	9.00	11.00	20.00	24.00	4.00	20.0%
COMMUNICATIONS	12.00	12.00	12.00	12.00	-	0.0%
CONVENTION CENTER	177.10	177.30	173.30	173.30	-	0.0%
EMERGENCY MANAGEMENT	4.00	6.50	6.50	6.50	-	0.0%
FINANCE AND PROPERTY SERV	240.50	250.00	251.00	251.00	-	0.0%
HUMAN RESOURCES	48.80	50.80	51.80	51.80	-	0.0%
INFORMATION TECHNOLOGY	54.00	60.00	94.00	94.00	-	0.0%
INTERGOVERNMENTAL RELATIONS	8.00	8.00	8.00	8.00	-	0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	16.00	16.00	16.00	17.00	1.00	6.3%
CITY COORDINATOR	**677.40**	**702.60**	**747.60**	**751.60**	**4.00**	**0.5%**
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT						
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	224.80	228.00	230.00	239.00	9.00	3.9%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	**224.80**	**228.00**	**230.00**	**239.00**	**9.00**	**3.9%**
OTHER CHARTER DEPARTMENTS						
ASSESSOR	35.00	36.00	36.00	37.00	1.00	2.8%
ATTORNEY	102.00	108.00	110.00	112.00	2.00	1.8%
CITY CLERK	27.00	27.00	31.00	31.00	-	0.0%
CITY COUNCIL	39.00	39.00	39.00	39.00	-	0.0%
CIVIL RIGHTS	21.00	22.00	23.00	23.00	-	0.0%
FIRE	413.00	413.00	413.00	413.00	-	0.0%
INTERNAL AUDIT	2.00	3.00	3.00	3.00	-	0.0%
MAYOR	11.00	11.00	12.00	13.00	1.00	8.3%
MINNEAPOLIS HEALTH DEPARTMENT	91.00	94.30	99.30	101.55	2.25	2.3%
POLICE	980.50	985.50	1,020.50	1,029.50	9.00	0.9%
REGULATORY SERVICES	141.00	149.00	156.50	163.50	7.00	4.5%
OTHER CHARTER DEPARTMENTS	**1,862.50**	**1,887.80**	**1,943.30**	**1,965.54**	**22.25**	**1.1%**
PUBLIC WORKS						
PW - ADMINISTRATIVE SERVICES	16.00	16.00	16.00	16.00	-	0.0%
PW - FLEET	156.00	78.00	75.00	75.00	-	0.0%
PW - SOLID WASTE	134.33	134.33	151.00	151.00	-	0.0%
PW - TRAFFIC AND PARKING SERVICES	95.40	98.10	104.10	104.10	-	0.0%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	146.95	206.95	216.15	216.15	-	0.0%
PW - TRANSPORTATION PLANNING AND ENGINEERING	73.00	78.50	75.00	75.00	-	0.0%
PW - WATER TREATMENT & DISTR.	158.50	192.50	193.00	193.00	-	0.0%
PW - SURFACE WATER & SEWERS-SANITARY	39.50	45.00	47.50	47.50	-	0.0%
PW - SURFACE WATER & SEWERS-STORMWATR	52.40	48.50	50.75	50.75	-	0.0%
PW - TRANSPORTATION PLAN/PROGRAMING	-	-	15.00	15.00	-	0.0%
PW - CAPITAL	39.57	49.10	61.00	61.00	-	0.0%
PUBLIC WORKS	**911.65**	**946.98**	**1,004.50**	**1,004.50**	**-**	**0.0%**
CITY	**3,676.36**	**3,765.38**	**3,925.40**	**3,960.65**	**35.25**	**0.9%**
INDEPENDENT BOARDS						
MINNEAPOLIS PARK AND RECREATION BOARD	814.72	819.24	832.00	859.26	27.26	3.3%
BOARD OF ESTIMATE & TAXATION	1.00	1.00	1.00	1.00	-	0.0%
MUNICIPAL BUILDING COMMISSION	55.00	55.00	55.00	55.00	-	0.0%
INDEPENDENT BOARDS	**870.72**	**875.24**	**888.00**	**915.26**	**27.26**	**3.1%**
TOTAL CITY	**4,547.08**	**4,640.62**	**4,813.40**	**4,875.91**	**62.51**	**1.3%**

* 2015 FTE counts may differ from 2015 adopted budget due to mid year adjustments, including funding and organizational changes.

SCHEDULE FIVE
2016 FOOTNOTES

Note: *The 2015 budgeted numbers may differ from 2015 Council Adopted Budget due to mid-year adjustments, including funding and organizational changes during the fiscal year 2015.*

The following department's staffing level remains unchanged from 2015;

- ✓ 911
- ✓ Communications
- ✓ Convention Center
- ✓ Emergency Management
- ✓ Finance and Property Services
- ✓ Human Resources
- ✓ Information Technology
- ✓ Intergovernmental Relations
- ✓ City Clerk
- ✓ City Council
- ✓ Civil Rights
- ✓ Internal Audit

311: The department's staffing levels reduce by one FTE from 2015, to right size the budget.

City Coordinator Administration: The department's staffing levels increase by four FTEs from 2015.

Neighborhood and Community Relations: The department's staffing levels increase by one FTE from 2015.

Community Planning and Economic Development: The department's staffing levels increase by nine FTE from 2015.

Assessor: The department's staffing levels increase by one FTE from 2015.

Attorney: The department's staffing levels increase by two FTEs from 2015.

Fire: The department's staffing levels remain level from 2015. The total FTE count for this department does not reflect cadet hiring as they are not considered in the FTE count until they become full-time staff.

Mayor: The department's staffing levels increase by one FTE from 2015.

Health: The department's staffing levels increase by 2.25 FTEs from 2015.

Police: The department's staffing levels increase by nine FTEs from 2015. CSO's /Cadets/ Recruits are placed in Professional standards/training division of MPD until after they are sworn in, after which most of them are allocated to Patrol division.

Regulatory Services: The department's staffing levels increase by seven FTEs from 2015.

Public Works: The staffing levels of Public Works remain unchanged from 2015, however 2015 budget numbers is different from 2015 Council Adopted Budget due to reclassification and reorganization of job titles in Public Works department in 2015.

Independent Boards:

- ✓ **Minneapolis Parks and Recreation Board (MPRB)** – Staffing levels increase by 27.26 FTE's from 2015
- ✓ **Board of Estimate and Taxation (BET)** - Staffing levels remain unchanged from 2015
- ✓ **Minneapolis Building Commission (MBC)** – Staffing levels remain unchanged from 2015

Schedule 6

2016 CPED PROGRAM ALLOCATION BY FUNDING SOURCE

	2014	2014	2014	2015	2015	2015	2016	Sources									
	Adopted Budget	Final Budget	Actual Expenditures	Adopted Budget	Revised Budget	Expenditures	Adopted Budget	General Fund	1400 CDBG & ESG Prog Income	01500 (HOME)	State and Federal Grants	Reg Services Special Rev Fund	Development Funds	TIF for Affordable Hsg	GARFS	Restricted Dev Funds & TIF Funds	Other Funds
Prog #1 - LONG RANGE PLANNING	**3,150,118**	**4,214,936**	**2,552,454**	**2,445,982**	**3,771,532**	**2,125,892**	**2,698,263**	**2,150,260**	**411,121**	**-**	**-**	**-**	**31,500**	**-**	**-**	**-**	**105,382**
ADMINISTRATION AND OPERATIONS	2,670,118	2,997,081	2,252,072	2,420,982	2,829,119	1,890,291	**2,698,263**	2,150,260	411,121	-	-	-	31,500	-	-	-	105,382
ART IN PUBLIC PLACES (8900420)	480,000	1,217,855	300,382	25,000	942,413	235,601	-	-	-	-	-	-	-	-	-	-	-
Prog #2 - AFFORDABLE HOUSING	**12,039,522**	**30,448,854**	**16,391,036**	**11,864,045**	**26,926,505**	**17,238,135**	**14,588,599**	**3,993,152**	**5,379,362**	**1,316,087**	**-**	**-**	**-**	**3,500,000**	**-**	**277,051**	**122,947**
ADMINISTRATION AND OPERATIONS	1,814,031	3,142,155	2,879,404	1,978,366	2,617,368	1,508,999	3,393,150	2,993,152	-	-	-	-	-	-	-	277,051	122,947
STATE/LOCAL GRANT AWARDS	-	10,842,308	7,400,668		6,947,898	5,045,776	-	-	-	-	-	-	-	-	-	-	-
AFFORDABLE HSG TRUST FUND	8,462,591	13,699,058	5,094,125	8,064,254	8,064,254	6,059,992	9,788,039	1,000,000	3,971,952	1,316,087	-	-	-	3,500,000	-	-	-
AFFORDABLE HOUSING PROGRAMS	-	-	-	-	7,475,560	2,843,444	1,000,000	1,000,000	-	-	-	-	-	-	-	-	-
AHTF - MSDA003	-	160,467	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AHTF (2013) Chapter 595 Levy	-	393,000	393,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IT'S ALL ABOUT KIDS - 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IT'S ALL ABOUT KIDS	-	-	121,847	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NON-PROFIT DEVELOPMENT ASSISTANCE	-	-	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EMERGENCY SOLUTIONS GRANT PROG	-	-	0	742,425	742,425	895,110	903,119	-	903,119	-	-	-	-	-	-	-	-
HIGH DENSITY CORRIDOR HOUSING	492,000	492,000	144,405	579,000	579,000	468,147	504,291	-	504,291	-	-	-	-	-	-	-	-
OWNER OCCUPIED REHAB	305,000	305,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SENIOR CITIZEN HOUSING INITIATIVE	810,000	810,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HOMELESSNESS INITIATIVE	155,900	155,900	-	500,000	500,000	416,667	-	-	-	-	-	-	-	-	-	-	-
TIF TORNADO	-	1,002,433	872,434	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prog #3 - HOMEOWNERSHIP SUPPORT & DEV	**6,006,566**	**14,171,375**	**9,233,053**	**5,902,492**	**8,390,052**	**6,877,810**	**5,401,675**	**1,543,171**	**1,900,751**	**329,017**	**-**	**-**	**745,000**	**-**	**-**	**795,918**	**87,818**
ADMINISTRATION AND OPERATIONS	1,300,055	2,005,719	1,658,458	1,359,465	1,815,894	893,505	1,130,007	696,271	-	-	-	-	50,000	-	-	295,918	87,818
NSP GRANT	-	4,799,645	2,034,512	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CRV GRANT	-	104,350	425,653	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GREEN HOMES NORTH	603,000	965,009	527,440	728,900	728,900	468,618	596,900	596,900	-	-	-	-	-	-	-	-	-
VACANT & BOARDED HOUSING PROG	2,289,400	2,326,548	1,383,113	1,753,000	1,753,000	1,537,906	1,400,751	-	1,400,751	-	-	-	-	-	-	-	-
HOM (Homeownership Opportunity in Minneapolis)	-	-	-	839,450	839,450	534,616	395,000	-	-	-	-	-	395,000	-	-	-	-
HOMEOWNERSHIP COUNSELING AND OUTREACH	-	-	-	275,000	275,000	60,000	250,000	250,000	-	-	-	-	-	-	-	-	-
MORTGAGE FORECLOSURE PREVENTION PROG	250,000	503,090	320,244	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HOW - HOME OWERSHIP WORKS	1,065,592	1,564,042	2,091,791	946,678	946,678	732,668	829,017	-	-	329,017	-	-	-	-	-	500,000	-
AFFORDABLE OWNERSHIP COMBINED PROGRAM	-	882,368	265,217	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HOME IMPROVEMENT PROGRAM	-	234,151	148,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RESIDENTIAL FINANCE	498,519	786,453	378,525	-	2,031,130	2,650,497	-	-	-	-	-	-	-	-	-	-	-
HOMEOWNER REHABILITATION PROGRAMS	-	-	-	-	-	-	800,000	-	500,000	-	-	-	300,000	-	-	-	-
Prog #4 - BUSINESS DEVELOPMENT	**9,731,429**	**19,392,118**	**15,284,726**	**8,418,367**	**14,689,566**	**11,347,105**	**10,529,372**	**5,777,974**	**138,006**	**-**	**200,000**	**-**	**2,275,287**	**-**	**263,253**	**1,681,652**	**193,200**
ADMINISTRATION AND OPERATIONS	2,170,697	2,463,126	3,055,476	3,227,429	4,231,576	2,885,986	3,746,461	2,902,974	-	-	-	-	650,287	-	-	-	193,200
STATE/LOCAL GRANT AWARDS	-	7,669,272	4,881,432		5,267,053	4,062,461	-	-	-	-	-	-	-	-	-	-	-
SMALL BUSINESS REVOLVING LOAN PROG	2,492,794	2,492,794	2,013,204	2,212,000	2,212,000	2,032,745	2,200,000	2,200,000	-	-	-	-	-	-	-	-	-
GREATER MSP	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	-	-	-	-	-	-	-	-	-
INDUSTRIAL LAND SCARCITY ISSUES	-	-	-	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	-
UPPER HARBOR TERMINAL PLANNING	-	-	-	250,000	250,000	66,784	-	-	-	-	-	-	-	-	-	-	-
SMALL BUSINESS PARTNERSHIP	132,503	132,503	162,500	100,000	100,000	190,585	100,000	100,000	-	-	-	-	-	-	-	-	-
OPPORTUNITY HUB - CEDAR RIVERSIDE	-	-	-	-	-	-	100,000	100,000	-	-	-	-	-	-	-	-	-
GREEN ZONES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NOKOMIS EAST SR CENTER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GREAT STREETS PROGRAM	948,100	3,194,431	2,143,349	123,000	123,000	529,482	988,006	-	138,006	-	-	-	850,000	-	-	-	-
TECHNICAL ASSISTANCE PROG	250,000	303,405	141,124	350,000	350,000	133,732	350,000	350,000	-	-	-	-	-	-	-	-	-
GROW NORTH	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ENERGY EFFECIENCY REVOLVING LOAN PROG	258,812	258,812	75,000	250,000	250,000	-	200,000	-	-	-	200,000	-	-	-	-	-	-
SEWARD BIKE WALK CENTER	-		47,834	-	-	24,900	-	-	-	-	-	-	-	-	-	-	-
HOLLYWOOD THEATER	307,000	307,000	36,792	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CEDAR RIVERSIDE PARKING LOTS	38,700	38,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PEAVEY PLAZA	146,000	146,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CAPITAL ACQUISATION REVOLVING FUND	-	500,000	-	-	-	-	500,000	-	-	-	-	-	500,000	-	-	-	-
COMMERCIAL PROPERTY MANAGEMENT	311,000	311,000	113,487	100,000	100,000	-	120,000	-	-	-	-	-	120,000	-	-	-	-
COMMON PROJECTS UNCERTIFIED	1,759,502	526,166	331,086	404,437	404,437	21,187	581,652	-	-	-	-	-	-	-	-	581,652	-
RIVER TERMINAL	320,968	370,968	1,836,306	896,800	896,800	1,064,906	1,255,000	-	-	-	-	-	155,000	-	-	1,100,000	-
GARFS	270,353	352,941	322,136	279,700	279,700	209,337	263,253	-	-	-	-	-	-	-	263,253	-	-
Prog #5 - BUSINESS LICENSING	**4,154,170**	**4,136,092**	**3,835,492**	**4,273,488**	**4,203,958**	**3,171,302**	**4,272,516**	**4,026,625**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**245,891**
Prog #6 - ADULT WORKFORCE DEVELOPMENT	**5,223,221**	**5,963,130**	**5,638,848**	**5,355,001**	**5,627,881**	**5,505,737**	**5,843,020**	**1,226,839**	**1,224,829**	**-**	**2,321,097**	**-**	**1,000,000**	**-**	**-**	**-**	**70,255**
Prog #7 - YOUTH TRAINING AND DEVELOPMENT	**3,909,570**	**3,952,107**	**3,938,561**	**3,956,672**	**3,949,904**	**3,696,166**	**4,459,420**	**968,426**	**567,303**	**-**	**2,171,000**	**-**	**700,000**	**-**	**-**	**-**	**52,691**
Prog #8 - LAND USE, DESIGN & PRESERVATION	**3,517,792**	**3,501,478**	**3,472,189**	**3,572,223**	**3,509,626**	**2,812,482**	**3,676,806**	**2,779,525**	**704,082**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**193,199**
Prog #9 - DEVELOPMENT SERVICES - CSC	**2,860,532**	**2,848,442**	**2,610,190**	**2,861,680**	**2,806,974**	**2,116,232**	**2,892,356**	**2,734,283**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**158,073**
Prog #10 - CONSTRUCTION CODE SERVICES	**11,016,064**	**10,971,668**	**11,052,764**	**10,964,912**	**11,025,760**	**9,058,157**	**11,327,808**	**10,583,252**	**-**	**-**	**-**	**217,648**	**-**	**-**	**-**	**-**	**526,908**
CPED ADMINISTRATION AND OPERATIONS	**879,141**	**876,459**	**194,452**	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-
TOTAL CPED OPERATIONS	**62,488,125**	**100,476,659**	**74,203,765**	**59,614,862**	**84,901,758**	**63,949,018**	**65,689,835**	**35,783,507**	**10,325,454**	**1,645,104**	**4,692,097**	**217,648**	**4,751,787**	**3,500,000**	**263,253**	**2,754,621**	**1,756,364**
Prog #11 - TRANSFER AND DEBT SERVICES	**36,399,289**	**46,379,553**	**38,913,319**	**33,195,505**	**39,402,708**	**41,572,065**	**31,785,221**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**31,785,221**	**-**
TOTAL CPED BUDGET	**98,887,414**	**146,856,212**	**113,117,084**	**92,810,368**	**124,304,466**	**105,521,083**	**97,475,056**	**35,783,507**	**10,325,454**	**1,645,104**	**4,692,097**	**217,648**	**4,751,787**	**3,500,000**	**263,253**	**34,539,842**	**1,756,364**

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2016 Section													
2016	311	Web Self Service Case Management and Knowledge Management Modules	Addition	60,000	-	-	-	60,000	60,000	6 years	17,000			-
2016	311	New methods to contact 311 using web chat, request voice call back, schedule voice call back with a 311 call center agent.	Addition	30,000	-	-	-	30,000	30,000	6 years	30,000			-
2016	Office of the City Clerk	Election Management System (EMS)	Replacement	500,000	-	-	-	500,000	912,000	10 Years	TBD			-
2016	Office of the City Clerk	e-Poll Book acquisition, implementation, and ongoing maintenance	Addition	740,000	-	-	-	740,000	1,062,400	10 Years	TBD			-
2016	Office of the City Clerk	Voting Booths	Replacement	40,000	-	-	-	40,000	200,000	20 years	TBD	40,000		40,000
2016	Office of the City Clerk	Precinct Additions	Addition	323,980	-	-	-	323,980	947,980	Unknown minimum to	TBD	175,000		175,000
2016	Civil Rights	Contract Compliance Management System Software to to manage and monitor affirmative action and prevailing wage compliance on City procurement of construction and development services, professional and technical services, and commodities and supplies.	Addition	256,000	-	-	-	256,000	866,662	0	TBD			-
2016	Civil Rights	Encrypted Portal for Review Panelist	Addition	50,000	-	-	-	50,000	100,000	8 years	3,000			-
2016	Civil Rights	Televised meetings	Addition	30,000	-	-	-	30,000	30,000	7 years	1,000			-
2016	Communications	on-screen message center and broadcast system for City TV channels	Replacement	50,000	-	-	-	50,000	50,000	4 years	-	50,000		50,000
2016	Communications	Update lighting system in council chambers and associated gear.	Replacement	40,000	-	-	-	40,000	40,000	15 years	-	40,000		40,000
2016	Communications	City Council Chambers audio engineering, update EQ software and replace DVD recorder in chambers.	Replacement	16,000	-	-	-	16,000	16,000	15 years	-	16,000		16,000
2016	Comm Planning/Econ Development	TISH -- Construction Code Services	Replacement	25,000	-	-	-	25,000	25,000	10 years	-			-
2016	Comm Planning/Econ Development	Qmatic -- Development Review	Replacement	112,000	-	-	-	112,000	163,710	8 years	12,000			-
2016	Comm Planning/Econ Development	MINS - CPED	Replacement	2,200,000	-	-	-	2,200,000	2,974,400	5 years	121,000	200,000		200,000
2016	Comm Planning/Econ Development	CRM System	Replacement	10,000	-	-	-	10,000	50,000	5 years	-			-
2016	Comm Planning/Econ Development	Anticipated hardware requirements in anticipation of the rollout of ELMS.	Replacement	187,000	-	-	-	187,000	187,000	5 years	-	187,000		187,000
2016	Comm Planning/Econ Development	Adjustable work stations in Construction Code Services	Addition	10,000	-	-	-	10,000	10,000	10 years	-			-
2016	Comm Planning/Econ Development	Long Range Planning Staff work load / project management tool.	Replacement	11,000	-	-	-	11,000	55,000	5 years	TBD			-
2016	Comm Planning/Econ Development	Subscription data sources for Long Range Planning / Research and comprehensive plan development.	Replacement	30,000	-	-	-	30,000	150,000	5 years	TBD			-
2016	Comm Planning/Econ Development	Anticipated replacement of office furniture and related ergonomic services required.	Replacement	25,000	-	-	-	25,000	50,000	5 years	-			-
2016	Finance & Property Svcs	Security Camera Surveillance System	Replacement	360,000	-	-	-	360,000	360,000	8 years	-	360,000		360,000
2016	Finance & Property Svcs	Security Camera Surveillance System	Replacement	125,000	-	-	-	125,000	125,000	8 years	TBD	125,000		125,000
2016	Finance & Property Svcs	Facilities Key Management (Traka) System	Addition	90,000	-	-	-	90,000	90,000	10 years	-			-
2016	Finance & Property Svcs	City Facilities Access Control System	Replacement	35,000	-	-	-	35,000	35,000	15 years	TBD	35,000		35,000

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2016	Finance & Property Svcs	Payment kiosks. Utility Billing customers could self-serve payment with cash, credit card or check. Kiosk could also be programmed to accept payments for other City services. One time cost of 30,000 and estimated one going cost per transaction fees	Addition	42,000	-	-	-	42,000	90,000	5 years	TBD			-
2016	Finance & Property Svcs	Purchase of credit card terminals that are enabled to process credit cards that use chip technology.	Replacement	19,000	-	-	-	19,000	19,000	5 years	-			-
2016	Minneapolis Health Department	Space reconfiguration in room 510 PSC to accommodate additional positions contingent upon number of FTEs approved as part of the 2016 budget.	Replacement	254,513	-	-	-	254,513	254,513	5 years	-			-
2016	Minneapolis Health Department	Furniture replacements for the U-Care Skyway Senior Center	Replacement	12,500	-	-	-	12,500	12,500	5 years	-	-		-
2016	Human Resources	Annual license fees for HR ticket system software. Leveraging the same product as IT, ServiceNow, but need a separate instance, or some other alternative, to ensure HIPAA compliance and protection of PHI - Patient Health Information	Replacement	6,600	-	-	-	6,600	35,040	5 years	6,600			-
2016	Human Resources	Annual license fees for onboarding system software.	Addition	51,500	-	-	-	51,500	273,420	5 years	51,500			-
2016	Human Resources	Annual license fees for succession planning software.	Addition	128,750	-	-	-	128,750	683,551	5 years	128,750			-
2016	Enterprise-Wide	Licensing, configuration, and implementation of Infor Rhythm as a public facing portal for permits, licenses, and service requests. The Rhythm for Civics product will augment the work of the Enterprise Land Management System project allowing for greater public self-service capability and involvement.	Addition	480,000	-	-	-	480,000	480,000	10 years	16,000	480,000		480,000
2016	Information Technology	IT Outsourcing Transition: Activities and IT system additions related to the Outsourced IT Services project and the next outsourcing/insourcing arrangements, including the implementation of the ServiceNow tool for contract/vendor and project/portfolio management activities.	Addition	50,000	50,000	-	-	-	250,000	5 years	50,000		-	-
2016	Information Technology	Enterprise Content Management System The City of Minneapolis Enterprise Content Management services program provides tools and services that support unstructured data management, collaboration and communication, document scanning services, electronic document management including retention services, web content management, and business process automation.	Replacement	750,000	-	-	-	750,000	1,800,000	5 years	150,000	750,000		750,000
2016	Information Technology	Historical Aerial Imagery: Digitized archive of historical aerial imagery geocoded, searchable and available to departmetns and the public from the City's GIS system.	Addition	50,000	-	-	-	50,000	210,000	Indefinite	-	50,000		50,000
2016	Information Technology	Technology Tool Refresh Fund	Replacement	50,000	-	-	-	50,000	250,000	5 years	-	50,000		50,000
2016	Information Technology	ArcGIS Online Licenses: City staff who utilize the ArcGIS online system are individually licensed	Addition	40,000	-	-	-	40,000	200,000	5 years	-	40,000		40,000

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2016	Information Technology	Distributed Denial of Service Protection (DDOS)	Addition	60,000	-	-	-	60,000	300,000	5 years	-	60,000		60,000
2016	Fire	Personal Protective Equipment - includes coat, pants, helmet - 400 units @ $2,000 per unit	Replacement	110,000	-	-	-	110,000	550,000	5-10 years	-	110,000		110,000
2016	Fire	Fire Hose - 1,700 units at $210 per unit	Replacement	21,000	-	-	-	21,000	105,000	10-20 years	-			-
2016	Fire	Mattresses and furniture for all of the fire stations.	Replacement	15,000	-	-	-	15,000	75,000	10 years	-			-
2016	Fire	Thermal Imagers - inventory of 24 units at $7,500 per unit	Replacement	15,000	-	-	-	15,000	105,000	3-7 years	TBD			-
2016	Fire	Jaws of Life - 10 units at $35,000 per unit	Replacement	35,000	-	-	-	35,000	70,000	10 years	-			-
2016	Fire	Projectors at the EOTF in rooms 121, 123, 126, 127 lamps, filters, color wheels and full system replacement	Replacement	12,000	-	-	-	12,000	89,000	5 years	-			-
2016	MPD - Crime Lab Unit	Computer Hard Drives - examination and archiving storage for Computer Forensics Section	Addition	6,208	-	-	-	6,208	31,040	5 years	-	6,208		6,208
2016	MPD - Crime Lab Unit	ASCLD/LAB Yearly Accreditation Fees	Replacement	6,125	-	-	-	6,125	30,625	1 years	-	6,125		6,125
2016	MPD - Crime Lab Unit	MAFIN system yearly maintenance fees	Replacement	10,000	-	-	-	10,000	50,000	1 years	-			-
2016	MPD-Crime Lab Unit (Field Ops)	Bullet Proof Vests	Replacement	16,000	-	-	-	16,000	16,000	6 years	-	16,000		16,000
2016	MPD Crime Lab Unit (Firearms Section)	Forensic Comparison Microscope upgrade camera	Replacement	8,000	-	-	-	8,000	8,000	20 years	-			-
2016	MPD-Crime Lab Unit (Photo Section)	Noritsu photo system	Replacement	35,000	-	-	-	35,000	35,000	10 years	-			-
2016	MPD	Officer Handgun Accountability, Liability and Inventory	Addition	100,000	-	-	-	100,000	400,000	8 Years	-			-
2016	MPD	Rifles	Replacement	25,000	-	-	-	25,000	125,000	10 Years	-			-
2016	MPD	Taser X2 conducted energy device	Replacement	59,800	-	-	-	59,800	299,000	7 Years	-	59,800		59,800
2016	MPD	In Squad Video	Replacement	80,000	-	-	-	80,000	400,000	6 Years	-	80,000		80,000
2016	MPD	License Plate Recognition System	Replacement	30,000	-	-	-	30,000	46,000	6 Years	-			-
2016	MPD	Laboratory Information Management System	Replacement	30,000	-	-	-	30,000	150,000	5 Years	-	30,000		30,000
2016	MPD	Windscribe Digital Dictation System	Replacement	40,000	-	-	-	40,000	125,000	4 Years	-			-
2016	MPD	CJIS Compliance	Replacement	35,000	-	-	-	35,000	60,000	3 Years	10,000	35,000		35,000
2016	MPD	Mobile Data Computers	Replacement	700,000	-	-	-	700,000	1,960,000	8 Years	-	500,000		500,000
2016	MPD	Compact, Point and Shoot Digital Cameras	Replacement	5,000	-	-	-	5,000	25,000	4 Years	-			-
2016	MPD	Automated Pawn System - now lawfully called the Automated Property System	Addition	50,000	-	-	-	50,000	250,000	5 years	-			-
2016	MPD	Body Worn Cameras	Addition	980,000	-	-	-	980,000	4,500,000	4 Years	210,000	600,000		600,000
2016	MPD	Mobile Squad Printers	Replacement	9,000	-	-	-	9,000	36,000	5 years	-			-
2016	MPD - Traffic Investigation	Crash Data Recorder download tools, software & training.	Addition	2,399	-	-	-	2,399	13,495	1 year	TBD			-
2016	MPD - Traffic Investigation	Trimble S6 Robotic Total Station	Replacement	20,200	20,000	-	-	200	21,000	10 years	TBD			-
2016	MPD-Strategic Info Center	MPD share of technology at Strategic Information Center	Replacement	197,000	-	-	-	197,000	799,000	Varies	-			-
2016	MPD-Strategic Info Center	MPD Portable Hybrid Camera Trailers-5 total MPD Portable Diesel Camera Trailers w/lights-2 total	Replacement	14,000	-	-	-	14,000	114,000	8 years	-			-
2016	MPD-Strategic Info Center	Milestone Public Safety Camera System. Includes MPD fixed cameras as well as Greenway fixed cameras.	Replacement	225,000	-	-	-	225,000	900,000	5 years	TBD	225,000		225,000
2016	MPD-Property & Evidence Unit	Bottling House Annex warehouse NE Minneapolis - Fixed shelving	Addition	20,000	-	-	-	20,000	40,000	25 years	-			-

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

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YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2016	MPD-Property & Evidence Unit	Bottling House Annex warehouse NE Minneapolis - High density shelving assembly	Addition	25,000	-	-	-	25,000	25,000	25 years	-			-
2016	MP- Investigations	Cell phones with data plan for all investigators	Addition	86,400	-	-	-	86,400	401,000	5 years	-			-
2016	MPD	Early Intervention System (EIS) Program	Addition	54,000	-	-	-	54,000	94,000	5 Years	90,000			-
2016	PW Fleet Services Division	Implement Automatic Vehicle Locating capability in appropriate City vehicles.	Addition	100,000	-	-	-	100,000	100,000	Unknown life	26,000	100,000		100,000
2016	PW ELMS Technology Needs	Anticipated harware requirements in anticipation of the rollout of ELMS system. Mobile equipment and large format monitors.	Replacement	66,000	-	-	-	66,000	66,000	10 Years life	-	66,000		66,000
2016	PW Solid Waste & Recycling	Replace the Solid Waste Information System (SWIS).	Replacement	1,000,000	-	1,000,000	-	-	2,000,000	TBD	-	1,000,000	1,000,000	-
2016	PW-Fleet Services Division	Have M5 / Assetworks improve the interface to and from COMET Financials by providing additional fields. This will decrease the interface failures and improve the financial accuracy.	Addition	7,500	-	-	-	7,500	7,500	Unknown	-	7,500	7,500	-
2016	PW Fleet Services Division	Add seat belt restaints for Police van and improve restaint system in the squads.	Replacement	100,000	-	-	-	100,000	100,000	Unknown	-	100,000	100,000	-
2016	PW Fleet Services Division	Bulk Fluid Dispensing System	Replacement	30,000	-	-	-	30,000	30,000	Unknown	-	30,000	30,000	-
2016	PW Fleet Services Division	Diesel Exhaust Fliud (DEF) Dispensing Station	Replacement	30,000	-	-	-	30,000	30,000	Unknown	-	30,000	30,000	-
2016	PW Fleet Services Division	Fuel Dispenser Upgrade	Replacement	50,000	-	-	-	50,000	250,000	Unknown	-	50,000	40,000	10,000
2016	Fleet-Comm Planning/Econ Development	Annual Vehicle Replacement Schedule	Replacement	67,838	-	-	54,644	13,194	820,499	Varies	TBD	67,838	54,644	13,194
2016	Fleet-Fire	Annual Vehicle Replacement Schedule	Replacement	2,632,137	-	-	2,205,788	426,349	14,615,835	Varies	TBD	2,632,137	2,205,788	426,349
2016	Fleet-MPD	Annual Vehicle Replacement Schedule	Replacement	2,186,481	-	-	1,797,455	389,026	8,736,223	Varies	TBD	2,186,481	1,797,455	389,026
2016	PW- Fleet Services Division	Annual Vehicle Replacement Schedule	Replacement	172,769	-	-	117,071	55,698	974,204	Varies	TBD	172,769	117,071	55,698
2016	PW- Surface Water & Sewers	Annual Vehicle Replacement Schedule	Replacement	190,934	-	42,154	148,780	-	3,185,047	Varies	TBD	190,934	190,934	-
2016	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	893,752	-	-	893,752	-	2,904,617	Varies	TBD	893,752	893,752	-
2016	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	1,518,289	-	130,874	1,387,415	-	5,560,471	Varies	TBD	1,518,289	1,518,289	-
2016	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	2,580,056	-	-	1,815,202	764,854	12,151,682	Varies	TBD	2,580,056	1,815,202	764,854
2016	PW- Transportation Planning & Engineering	Annual Vehicle Replacement Schedule	Replacement	94,501	-	-	79,691	14,810	588,930	Varies	TBD	94,501	79,691	14,810
2016	PW-Traffic	(1) Escape with Tow Package $20,278.88 (6) Escape Standard $19,600.88	Replacement	137,884	-	-	-	137,884	137,884	Varies	TBD	137,884		137,884
2016	PW-Traffic	Annual Vehicle Replacement Schedule	Replacement	910,975	-	-	725,160	185,815	2,748,237	Varies	TBD	910,975	725,160	185,815
2016	PW-Water	Annual Vehicle Replacement Schedule	Replacement	558,474	-	108,208	450,266	-	3,209,878	Varies	TBD	558,474	558,474	-
2016	Fleet-Regulatory Services	Annual Vehicle Replacement Schedule	Replacement	406,711	-	-	305,090	101,621	1,954,484	Varies	TBD	406,711	305,090	101,621
2016	Fleet-CPED (Additions)	Qty (2) Ford Escapes with computer stands $24,500	Addition	49,000	-	-	-	49,000	49,000	Varies	TBD	49,000		49,000
2016	Fleet-Regulatory Services (Additions)	Qty (1) Ford Focus (Housing Inspectors) Qty (4) Ford Escapes (Housing Inspectors) Qty (1) Ford Escape 4-wheel Drive (Traffic Control)	Addition	137,500	-	-	-	137,500	137,500	Varies	TBD	137,500		137,500

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

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2016	Fleet-PW-Transp Maint & Repair (Additions)	Qty (3) Pickups $28,00 each	Addition	84,000	-	-	-	84,000	84,000	Varies	TBD	84,000	84,000	-
2016	Fleet-Solid Waste and Recycling	Packer Truck	Replacement	1,619,000	-	1,619,000	-	-	8,171,150	10-12 years	-	1,619,000	1,619,000	-
2016	PW_ Sanitary Sewer	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-	60,000	60,000	-
2016	PW_ Sanitary Storm	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-	60,000	60,000	-
2016	PW-Traffic & Parking Services (Ramps)	Parking system ramps and their systems (prior years went thru CLIC process)	Renovation	2,200,000	-	2,200,000	-	-	10,925,000	10-20 years	-	2,200,000	2,200,000	-
2016	PW- Water	Annual Capital program	Other	950,000	-	950,000	-	-	4,750,000	0	-	950,000	950,000	-
2016	PW-Transportation & Traffic	Dynus-T Software $7,000; Hardware $5,000	Replacement	15,000	-	-	-	15,000	15,000	Unknown	5,000			-
2016	Regulatory Services	Mobile devices needed to implement the new ELMS system in the field as well as large plan review monitors	Addition	200,000	-	-	-	200,000	200,000	5 years	TBD	200,000		200,000
2016	Regulatory Services	Electronic Chalking Software and hardware system for Traffic Control agents	Addition	125,000	-	-	-	125,000	175,000	5 years	TBD	125,000		125,000
2016	Regulatory Services	Replace Citation Writer system and hardware, including interface to ELMS as well as Cognos work efforts	Replacement	75,000	-	75,000	-	-	75,000	5 years	TBD	75,000	75,000	-
2016	Regulatory Services	Upgrade and refresh License Plate Recognition (LPR) technology in some Traffic Control vehicles	Replacement	125,000	-	-	-	125,000	125,000	6 years	-	125,000		125,000
2016	Regulatory Services	Provide a solution to input State of Minnesota Traffic Citation data into Cognos so that all tickets with current status are available on an updated basis.	Replacement	250,000	-	-	-	250,000	250,000	6 years	TBD	250,000		250,000
2016	Regulatory Services	Electronic scanning to Chameleon	Replacement	100,000	-	-	-	100,000	100,000	6 years	TBD			-
2016	Regulatory Services	MACC facility improvements	Renovation	75,000	-	-	-	75,000	75,000	10 years	TBD			-
	2016 Total			30,286,776	70,000	6,245,236	9,980,315	13,991,225	114,680,602		927,850	23,994,934	16,517,050	7,477,884

Summary of 2016 Requests

By Type:									
Replacement	22,422,539	20,000	2,975,236	9,980,315	9,446,988	Replacement	18,610,726	13,155,550	5,455,176
Addition	4,519,237	50,000	-	-	4,469,237	Addition	2,114,208	91,500	2,022,708
Upgrade	-	-	-	-	-	Upgrade	-	-	-
Renovation	2,275,000	-	2,200,000	-	75,000	Renovation	2,200,000	2,200,000	-
Other	1,070,000	-	1,070,000	-	-	Other	1,070,000	1,070,000	-
Total	30,286,776	70,000	6,245,236	9,980,315	13,991,225	Total	23,994,934	16,517,050	7,477,884
By Priority:									
Must Do-Pending	49,000	-	-	-	49,000	Must Do-Pending	49,000	-	49,000
Must Do	20,695,726	50,000	2,426,236	9,980,315	8,239,175	High	3,407,708	1,703,000	1,704,708
High	6,532,650	20,000	1,619,000	-	4,893,650	Must Do	18,288,226	12,614,050	5,674,176
Medium	3,009,400	-	2,200,000	-	809,400	Medium	2,250,000	2,200,000	50,000
TBD	-	-	-	-	-		-	-	-
Total	30,286,776	70,000	6,245,236	9,980,315	13,991,225	Total	23,994,934	16,517,050	7,477,884

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	2017 Section													
2017	Office of the City Clerk	Election Management System (EMS)	Replacement	103,000	-	-	-	103,000	912,000	10 Years	TBD			
2017	Office of the City Clerk	e-Poll Book acquisition, implementation, and ongoing maintenance	Addition	80,600	-	-	-	80,600	1,062,400	10 Years	TBD			
2017	Office of the City Clerk	Voting Booths	Replacement	40,000	-	-	-	40,000	200,000	20 years	TBD			
2017	Office of the City Clerk	Precinct Additions	Addition	156,000	-	-	-	156,000	947,980	Unknown minimum to	TBD			
2017	Civil Rights	Contract Compliance Management System Software to to manage and monitor affirmative action and prevailing wage compliance on City procurement of construction and development services, professional and technical services, and commodities and supplies.	Addition	528,031	-	-	-	528,031	866,662	0	TBD			
2017	Civil Rights	Encrypted Portal for Review Panelist	Addition	50,000	-	-	-	50,000	100,000	8 years	3,000			
2017	Communications	production switcher for on-location and broadcast studio	Replacement	50,000	-	-	-	50,000	50,000	10 years	-			
2017	Communications	sound booth and associated audio recording equipment	Addition	7,500	-	-	-	7,500	7,500	5 years	-			
2017	Communications	Council Chambers equipment: wall mounted TV	Replacement	4,000	-	-	-	4,000	4,000	5 years	-			
2017	Comm Planning/Econ Development	Qmatic -- Development Review	Replacement	12,360	-	-	-	12,360	163,710	8 years	12,000			
2017	Comm Planning/Econ Development	MINS - CPED	Replacement	193,600	-	-	-	193,600	2,974,400	5 years	121,000			
2017	Comm Planning/Econ Development	CRM System	Replacement	10,000	-	-	-	10,000	50,000	5 years	-			
2017	Comm Planning/Econ Development	Long Range Planning Staff work load / project management tool.	Replacement	11,000	-	-	-	11,000	55,000	5 years	TBD			
2017	Comm Planning/Econ Development	Subscription data sources for Long Range Planning / Research and comprehensive plan development.	Replacement	30,000	-	-	-	30,000	150,000	5 years	TBD			
2017	Comm Planning/Econ Development	Anticipated replacement of office furniture and related ergonomic services required.	Replacement	25,000	-	-	-	25,000	50,000	5 years	-			
2017	Finance & Property Svcs	Payment kiosks. Utility Billing customers could self-serve payment with cash, credit card or check. Kiosk could also be programmed to accept payments for other City services. One time cost of 30,000 and estimated one going cost per transaction fees	Addition	12,000	-	-	-	12,000	90,000	5 years	TBD			
2017	Human Resources	Annual license fees for HR ticket system software. Leveraging the same product as IT, ServiceNow, but need a separate instance, or some other alternative, to ensure HIPAA compliance and protection of PHI - Patient Health Information	Replacement	6,798	-	-	-	6,798	35,040	5 years	6,600			
2017	Human Resources	Annual license fees for onboarding system software.	Addition	53,045	-	-	-	53,045	273,420	5 years	51,500			
2017	Human Resources	Annual license fees for succession planning software.	Addition	132,613	-	-	-	132,613	683,551	5 years	128,750			
2017	Information Technology	IT Outsourcing Transition: Activities and IT system additions related to the Outsourced IT Services project and the next outsourcing/insourcing arrangements, including the implementation of the ServiceNow tool for contract/vendor and project/portfolio management activities.	Addition	50,000	50,000	-	-	-	250,000	5 years	50,000			

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2017	Information Technology	Enterprise Content Management System The City of Minneapolis Enterprise Content Management services program provides tools and services that support unstructured data management, collaboration and communication, document scanning services, electronic document management including retention services, web content management, and business process automation.	Replacement	650,000	-	-	-	650,000	1,800,000	5 years	150,000			
2017	Information Technology	Historical Aerial Imagery: Digitized archive of historical aerial imagery geocoded, searchable and available to departmetns and the public from the City's GIS system.	Addition	40,000	-	-	-	40,000	210,000	Indefinite	-			
2017	Information Technology	Technology Tool Refresh Fund	Replacement	50,000	-	-	-	50,000	250,000	5 years	-			
2017	Information Technology	ArcGIS Online Licenses: City staff who utilize the ArcGIS online system are individually licensed	Addition	40,000	-	-	-	40,000	200,000	5 years	-			
2017	Information Technology	Distributed Denial of Service Protection (DDOS)	Addition	60,000	-	-	-	60,000	300,000	5 years	-			
2017	Fire	Self Contained Breathing Apparatus for firefighters including harness, 30-minute air cylinder, face piece, voice amp, face piece bag and individual APR adaptor - 300 units @ $5,000 per unit	Replacement	-	-	-	-	-	-	15 years	TBD			
2017	Fire	Personal Protective Equipment - includes coat, pants, helmet - 400 units @ $2,000 per unit	Replacement	110,000	-	-	-	110,000	550,000	5-10 years	-			
2017	Fire	Fire Hose - 1,700 units at $210 per unit	Replacement	21,000	-	-	-	21,000	105,000	10-20 years	-			
2017	Fire	Mattresses and furniture for all of the fire stations.	Replacement	15,000	-	-	-	15,000	75,000	10 years	-			
2017	Fire	Thermal Imagers - inventory of 24 units at $7,500 per unit	Replacement	22,500	-	-	-	22,500	105,000	3-7 years	TBD			
2017	Fire	Hazardous materials equipment and gas detection monitors	Replacement	20,000	-	-	-	20,000	80,000	5 years	TBD			
2017	Fire	Mobile Data Computers	Replacement	270,000	-	-	-	270,000	270,000	3-5 years	TBD			
2017	Fire	Projectors at the EOTF in rooms 121, 123, 126, 127	Replacement	64,000	-	-	-	64,000	89,000	5 years	-			
2017	MPD - Crime Lab Unit	Computer Hard Drives - examination and archiving storage for Computer Forensics Section	Addition	6,208	-	-	-	6,208	31,040	5 years	-			
2017	MPD - Crime Lab Unit	Forensic Processing Computer System (Computer Forensics Section)	Replacement	6,000	-	-	-	6,000	12,000	3 years	-			
2017	MPD - Crime Lab Unit	Avid Video Processing System (Video Forensics Section)	Replacement	15,695	-	-	-	15,695	15,695	5 years	-			
2017	MPD - Crime Lab Unit	High End Video Processing Computer System (Video Forensics Section)	Replacement	12,500	-	-	-	12,500	12,500	3 years	-			
2017	MPD - Crime Lab Unit	ASCLD/LAB Yearly Accreditation Fees	Replacement	6,125	-	-	-	6,125	30,625	1 years	-			
2017	MPD - Crime Lab Unit	MAFIN system yearly maintenance fees	Replacement	10,000	-	-	-	10,000	50,000	1 years	-			
2017	MPD-Crime Lab Unit (Field Ops)	Cyanoacrylate Fuming Chamber	Replacement	15,000	-	-	-	15,000	15,000	12 years	-			
2017	MPD-Crime Lab Unit	Computer Server - examination and archiving storage for Computer Forensics Section	Addition	6,000	-	-	-	6,000	6,000	5 years	-			
2017	MPD	Officer Handgun Accountability, Liability and Inventory	Addition	100,000	-	-	-	100,000	400,000	8 Years	-			
2017	MPD	Rifles	Replacement	25,000	-	-	-	25,000	125,000	10 Years	-			
2017	MPD	Taser X2 conducted energy device	Replacement	59,800	-	-	-	59,800	299,000	7 Years	-			
2017	MPD	In Squad Video	Replacement	80,000	-	-	-	80,000	400,000	6 Years	-			

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2017	MPD	License Plate Recognition System	Replacement	4,000	-	-	-	4,000	46,000	6 Years	-			
2017	MPD	Laboratory Information Management System (LIMS)	Replacement	30,000	-	-	-	30,000	150,000	5 Years	-			
2017	MPD	Windscribe Digital Dictation System	Replacement	40,000	-	-	-	40,000	125,000	4 Years	-			
2017	MPD	NetMotion	Replacement	30,000	-	-	-	30,000	30,000	3 Years	-			
2017	MPD	CJIS Compliance	Replacement	25,000	-	-	-	25,000	60,000	3 Years	10,000			
2017	MPD	Mobile Data Computers	Replacement	350,000	-	-	-	350,000	1,960,000	8 Years	-			
2017	MPD	Compact, Point and Shoot Digital Cameras	Replacement	5,000	-	-	-	5,000	25,000	4 Years	-			
2017	MPD	Automated Pawn System - now lawfully called the Automated Property System	Addition	50,000	-	-	-	50,000	250,000	5 years	-			
2017	MPD	Body Worn Cameras	Addition	880,000	-	-	-	880,000	4,500,000	4 Years	210,000			
2017	MPD - Traffic Investigation	Crash Data Recorder download tools, software & training.	Addition	2,899	-	-	-	2,899	13,495	1 year	TBD			
2017	MPD - Traffic Investigation	Trimble S6 Robotic Total Station	Replacement	200	-	-	-	200	21,000	10 years	TBD			
2017	MPD-Strategic Info Center	MPD share of technology at Strategic Information Center	Replacement	137,750	-	-	-	137,750	799,000	Varies	-			
2017	MPD-Strategic Info Center	MPD Portable Hybrid Camera Trailers-5 total MPD Portable Diesel Camera Trailers w/lights-2 total	Replacement	10,000	-	-	-	10,000	114,000	8 years	-			
2017	MPD-Strategic Info Center	Milestone Public Safety Camera System. Includes MPD fixed cameras as well as Greenway fixed cameras.	Replacement	225,000	-	-	-	225,000	900,000	5 years	TBD			
2017	MPD-Training	Hamilton (training) Computer Lab: hardware and software with connectivity to City servers.	Addition	300,000	-	-	-	300,000	300,000	5 years	-			
2017	MPD-Property & Evidence Unit	Bottling House Annex warehouse NE Minneapolis - Fixed shelving	Addition	20,000	-	-	-	20,000	40,000	25 years	-			
2017	MP- Investigations	Cell phones with data plan for all investigators	Addition	82,400	-	-	-	82,400	401,000	5 years	-			
2017	MPD	Early Intervention System (EIS) Program	Addition	10,000	-	-	-	10,000	94,000	5 Years	90,000			
2017	PW Solid Waste & Recycling	Replace the Solid Waste Information System (SWIS).	Replacement	1,000,000	-	1,000,000	-	-	2,000,000	TBD	-			
2017	PW Fleet Services Division	Fuel Dispenser Upgrade	Replacement	50,000	-	-	-	50,000	250,000	Unknown	-			
2017	Fleet-Comm Planning/Econ Development	Annual Vehicle Replacement Schedule	Replacement	371,594	-	-	324,750	46,844	820,499	Varies	TBD			
2017	Fleet-Emergency Management	Annual Vehicle Replacement Schedule	Replacement	64,632	-	-	55,132	9,500	102,866	Varies	TBD			
2017	Fleet-Finance & Property Svcs	Annual Vehicle Replacement Schedule	Replacement	3,309	-	-	3,395	(86)	247,335	Varies	TBD			
2017	Fleet-Fire	Annual Vehicle Replacement Schedule	Replacement	77,942	-	-	56,200	21,742	14,615,835	Varies	TBD			
2017	Fleet-Minneapolis Health	Annual Vehicle Replacement Schedule	Replacement	26,721	-	-	22,613	4,108	313,809	Varies	TBD			
2017	Fleet-M.B.C. Building Commission	Annual Vehicle Replacement Schedule	Replacement	18,310	-	-	16,498	1,812	18,310	Varies	TBD			
2017	Fleet-MPD	Annual Vehicle Replacement Schedule	Replacement	1,676,617	-	-	1,405,503	271,114	8,736,223	Varies	TBD			
2017	PW- Fleet Services Division	Annual Vehicle Replacement Schedule	Replacement	377,720	-	-	329,120	48,600	974,204	Varies	TBD			
2017	PW-Fleet Svc Task Unit Equipment	Annual Vehicle Replacement Schedule	Replacement	360,632	-	-	87,083	273,549	768,490	Varies	TBD			
2017	PW- Surface Water & Sewers	Annual Vehicle Replacement Schedule	Replacement	168,357	-	38,778	129,579	-	3,185,047	Varies	TBD			
2017	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	658,149	-	-	658,149	-	2,904,617	Varies	TBD			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2017	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	794,731	-	61,487	733,244	-	5,560,471	Varies	TBD			
2017	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	1,519,946	-	-	1,027,085	492,861	12,151,682	Varies	TBD			
2017	PW- Transportation Planning & Engineering	Annual Vehicle Replacement Schedule	Replacement	75,000	-	-	57,942	17,058	588,930	Varies	TBD			
2017	PW-Traffic	Annual Vehicle Replacement Schedule	Replacement	438,530	-	-	386,309	52,221	2,748,237	Varies	TBD			
2017	PW-Water	Annual Vehicle Replacement Schedule	Replacement	997,443	-	158,293	839,150	-	3,209,878	Varies	TBD			
2017	Fleet-Regulatory Services	Annual Vehicle Replacement Schedule	Replacement	276,767	-	-	227,066	49,701	1,954,484	Varies	TBD			
2017	PW Trans. Planning & Engineering	Upgrade of Bentley Engineering Project Design Suite	Replacement	200,000	-	-	-	200,000	200,000	5 years	-			
2017	Fleet-Solid Waste and Recycling	Packer Truck	Replacement	1,400,000	-	1,400,000	-	-	8,171,150	10-12 years	-			
2017	PW_ Sanitary Sewer	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2017	PW_ Sanitary Storm	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2017	PW-Traffic & Parking Services (Ramps)	Parking system ramps and their systems (prior years went thru CLIC process)	Renovation	1,625,000	-	1,625,000	-	-	10,925,000	10-20 years	-			
2017	PW - Transportation Planning & Engineering	Reconfigure layout of second and third floors of the City of Lakes building in the event that Sewer Division moves to Hiawatha facility.	Renovation	500,000	-	-	-	500,000	500,000	0	-			
2017	PW- Water	Annual Capital program	Other	950,000	-	950,000	-	-	4,750,000	0	-			
2017	Regulatory Services	Refresh with mobile tools when Minneapolis Animal Care and Control (MACC) does a refresh of their rugged vehicle laptops	Replacement	24,000	-	-	-	24,000	24,000	4 years	TBD			
2017	Regulatory Services	Electronic Chalking Software and hardware system for Traffic Control agents	Addition	50,000	-	-	-	50,000	175,000	5 years	TBD			
	2017 Total			19,288,024	50,000	5,353,558	6,358,816	7,525,650	114,680,602	0	927,850	-	-	-

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2018 Section													
2018	Office of the City Clerk	Election Management System (EMS)	Replacement	103,000	-	-	-	103,000	912,000	10 Years	TBD			
2018	Office of the City Clerk	e-Poll Book acquisition, implementation, and ongoing maintenance	Addition	80,600	-	-	-	80,600	1,062,400	10 Years	TBD			
2018	Office of the City Clerk	Voting Booths	Replacement	40,000	-	-	-	40,000	200,000	20 years	TBD			
2018	Office of the City Clerk	Precinct Additions	Addition	156,000	-	-	-	156,000	947,980	Unknown minimum to	TBD			
2018	Civil Rights	Contract Compliance Management System Software to to manage and monitor affirmative action and prevailing wage compliance on City procurement of construction and development services, professional and technical services, and commodities and supplies.	Addition	82,631	-	-	-	82,631	866,662	0	TBD			
2018	Comm Planning/Econ Development	Qmatic -- Development Review	Replacement	12,731	-	-	-	12,731	163,710	8 years	12,000			
2018	Comm Planning/Econ Development	MINS - CPED	Replacement	193,600	-	-	-	193,600	2,974,400	5 years	121,000			
2018	Comm Planning/Econ Development	CRM System	Replacement	10,000	-	-	-	10,000	50,000	5 years	-			
2018	Comm Planning/Econ Development	Cell Phone Upgrade -- Construction Code Services	Replacement	15,000	-	-	-	15,000	15,000	5 years	-			
2018	Comm Planning/Econ Development	Long Range Planning Staff work load / project management tool.	Replacement	11,000	-	-	-	11,000	55,000	5 years	TBD			
2018	Comm Planning/Econ Development	Subscription data sources for Long Range Planning / Research and comprehensive plan development.	Replacement	30,000	-	-	-	30,000	150,000	5 years	TBD			
2018	Finance & Property Svcs	Payment kiosks. Utility Billing customers could self-serve payment with cash, credit card or check. Kiosk could also be programmed to accept payments for other City services. One time cost of 30,000 and estimated one going cost per transaction fees	Addition	12,000	-	-	-	12,000	90,000	5 years	TBD			
2018	Human Resources	Annual license fees for HR ticket system software. Leveraging the same product as IT, ServiceNow, but need a separate instance, or some other alternative, to ensure HIPAA compliance and protection of PHI - Patient Health Information	Replacement	7,002	-	-	-	7,002	35,040	5 years	6,600			
2018	Human Resources	Annual license fees for onboarding system software.	Addition	54,636	-	-	-	54,636	273,420	5 years	51,500			
2018	Human Resources	Annual license fees for succession planning software.	Addition	136,591	-	-	-	136,591	683,551	5 years	128,750			
2018	Information Technology	IT Outsourcing Transition: Activities and IT system additions related to the Outsourced IT Services project and the next outsourcing/insourcing arrangements, including the implementation of the ServiceNow tool for contract/vendor and project/portfolio management activities.	Addition	50,000	50,000	-	-	-	250,000	5 years	50,000			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2018	Information Technology	Enterprise Content Management System The City of Minneapolis Enterprise Content Management services program provides tools and services that support unstructured data management, collaboration and communication, document scanning services, electronic document management including retention services, web content management, and business process automation.	Replacement	200,000	-	-	-	200,000	1,800,000	5 years	150,000			
2018	Information Technology	Historical Aerial Imagery: Digitized archive of historical aerial imagery geocoded, searchable and available to departmetns and the public from the City's GIS system.	Addition	40,000	-	-	-	40,000	210,000	Indefinite	-			
2018	Information Technology	Technology Tool Refresh Fund	Replacement	50,000	-	-	-	50,000	250,000	5 years	-			
2018	Information Technology	ArcGIS Online Licenses: City staff who utilize the ArcGIS online system are individually licensed	Addition	40,000	-	-	-	40,000	200,000	5 years	-			
2018	Information Technology	Distributed Denial of Service Protection (DDOS)	Addition	60,000	-	-	-	60,000	300,000	5 years	-			
2018	Fire	Personal Protective Equipment - includes coat, pants, helmet - 400 units @ $2,000 per unit	Replacement	110,000	-	-	-	110,000	550,000	5-10 years	-			
2018	Fire	Fire Hose - 1,700 units at $210 per unit	Replacement	21,000	-	-	-	21,000	105,000	10-20 years	-			
2018	Fire	Mattresses and furniture for all of the fire stations.	Replacement	15,000	-	-	-	15,000	75,000	10 years	-			
2018	Fire	Thermal Imagers - inventory of 24 units at $7,500 per unit	Replacement	22,500	-	-	-	22,500	105,000	3-7 years	TBD			
2018	Fire	Hazardous materials equipment and gas detection monitors	Replacement	20,000	-	-	-	20,000	80,000	5 years	TBD			
2018	Fire	Projectors at the EOTF in rooms 121, 123, 126, 127	Replacement	3,000	-	-	-	3,000	89,000	5 years	-			
2018	MPD - Crime Lab Unit	Computer Hard Drives - examination and archiving storage for Computer Forensics Section	Addition	6,208	-	-	-	6,208	31,040	5 years	-			
2018	MPD - Crime Lab Unit	ASCLD/LAB Yearly Accreditation Fees	Replacement	6,125	-	-	-	6,125	30,625	1 years	-			
2018	MPD - Crime Lab Unit	MAFIN system yearly maintenance fees	Replacement	10,000	-	-	-	10,000	50,000	1 years	-			
2018	MPD - Crime Lab Unit	Forensic Comparison Microscope - Firearms	Replacement	75,000	-	-	-	75,000	75,000	20 years	-			
2018	MPD	Officer Handgun Accountability, Liability and Inventory	Addition	100,000	-	-	-	100,000	400,000	8 Years	-			
2018	MPD	Rifles	Replacement	25,000	-	-	-	25,000	125,000	10 Years	-			
2018	MPD	Taser X2 conducted energy device	Replacement	59,800	-	-	-	59,800	299,000	7 Years	-			
2018	MPD	In Squad Video	Replacement	80,000	-	-	-	80,000	400,000	6 Years	-			
2018	MPD	License Plate Recognition System	Replacement	4,000	-	-	-	4,000	46,000	6 Years	-			
2018	MPD	Laboratory Information Management System (LIMS)	Replacement	30,000	-	-	-	30,000	150,000	5 Years	-			
2018	MPD	Windscribe Digital Dictation System	Replacement	15,000	-	-	-	15,000	125,000	4 Years	-			
2018	MPD	Mobile Data Computers	Replacement	350,000	-	-	-	350,000	1,960,000	8 Years	-			
2018	MPD	Digital Image Management System (DIMS)	Replacement	40,000	-	-	-	40,000	40,000	4 Years	-			
2018	MPD	Compact, Point and Shoot Digital Cameras	Replacement	5,000	-	-	-	5,000	25,000	4 Years	-			
2018	MPD	Automated Pawn System - now lawfully called the Automated Property System	Addition	50,000	-	-	-	50,000	250,000	5 years	-			
2018	MPD	Body Worn Cameras	Addition	880,000	-	-	-	880,000	4,500,000	4 Years	210,000			
2018	MPD	Mobile Squad Printers	Replacement	9,000	-	-	-	9,000	36,000	5 years	-			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2018	MPD - Traffic Investigation	Crash Data Recorder download tools, software & training.	Addition	2,399	-	-	-	2,399	13,495	1 year	TBD			
2018	MPD - Traffic Investigation	Trimble S6 Robotic Total Station	Replacement	200	-	-	-	200	21,000	10 years	TBD			
2018	MPD-Strategic Info Center	MPD share of technology at Strategic Information Center	Replacement	164,250	-	-	-	164,250	799,000	Varies	-			
2018	MPD-Strategic Info Center	MPD Portable Hybrid Camera Trailers-5 total MPD Portable Diesel Camera Trailers w/lights-2 total	Replacement	10,000	-	-	-	10,000	114,000	8 years	-			
2018	MPD-Strategic Info Center	Milestone Public Safety Camera System. Includes MPD fixed cameras as well as Greenway fixed cameras.	Replacement	225,000	-	-	-	225,000	900,000	5 years	TBD			
2018	MP- Investigations	Cell phones with data plan for all investigators	Addition	77,400	-	-	-	77,400	401,000	5 years	-			
2018	MPD	Early Intervention System (EIS) Program	Addition	10,000	-	-	-	10,000	94,000	5 Years	90,000			
2018	PW Fleet Services Division	Fuel Dispenser Upgrade	Replacement	50,000	-	-	-	50,000	250,000	Unknown	-			
2018	Fleet-Information Technology	Annual Vehicle Replacement Schedule	Replacement	24,848	-	-	22,216	2,632	54,848	Varies	TBD			
2018	Fleet-Comm Planning/Econ Development	Annual Vehicle Replacement Schedule	Replacement	220,251	-	-	195,086	25,165	820,499	Varies	TBD			
2018	Fleet-Finance & Property Svcs	Annual Vehicle Replacement Schedule	Replacement	32,272	-	-	27,113	5,159	247,335	Varies	TBD			
2018	Fleet-Fire	Annual Vehicle Replacement Schedule	Replacement	255,446	-	-	231,058	24,388	14,615,835	Varies	TBD			
2018	Fleet-MPD	Annual Vehicle Replacement Schedule	Replacement	1,426,235	-	-	1,231,501	194,734	8,736,223	Varies	TBD			
2018	PW- Fleet Services Division	Annual Vehicle Replacement Schedule	Replacement	114,731	-	-	91,911	22,820	974,204	Varies	TBD			
2018	PW-Fleet Svc Task Unit Equipment	Annual Vehicle Replacement Schedule	Replacement	242,466	-	-	208,738	33,728	768,490	Varies	TBD			
2018	PW- Surface Water & Sewers	Annual Vehicle Replacement Schedule	Replacement	1,305,993	-	305,741	1,000,252	-	3,185,047	Varies	TBD			
2018	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	313,173	-	-	313,173	-	2,904,617	Varies	TBD			
2018	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	729,016	-	193,899	535,117	-	5,560,471	Varies	TBD			
2018	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	4,071,724	-	-	3,086,101	985,623	12,151,682	Varies	TBD			
2018	PW- Transportation Planning & Engineering	Annual Vehicle Replacement Schedule	Replacement	274,000	-	-	245,954	28,046	588,930	Varies	TBD			
2018	PW-Traffic	Annual Vehicle Replacement Schedule	Replacement	646,210	-	-	584,519	61,691	2,748,237	Varies	TBD			
2018	PW-Water	Annual Vehicle Replacement Schedule	Replacement	156,687	-	18,253	138,434	-	3,209,878	Varies	TBD			
2018	Fleet-Regulatory Services	Annual Vehicle Replacement Schedule	Replacement	107,056	-	-	76,210	30,846	1,954,484	Varies	TBD			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2018	Fleet-Solid Waste and Recycling	Packer Truck	Replacement	1,900,150	-	1,900,150	-	-	8,171,150	10-12 years	-			
2018	PW_ Sanitary Sewer	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2018	PW_ Sanitary Storm	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2018	PW-Traffic & Parking Services (Ramps)	Parking system ramps and their systems (prior years went thru CLIC process)	Renovation	2,600,000	-	2,600,000	-	-	10,925,000	10-20 years	-			
2018	PW- Water	Annual Capital program	Other	950,000	-	950,000	-	-	4,750,000	0	-			
2018														
	2018 Total			19,350,931	50,000	6,088,043	7,987,380	5,225,508	114,680,602	0	927,850	-	-	-

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2019 Section													
2019	Office of the City Clerk	Election Management System (EMS)	Replacement	103,000	-	-	-	103,000	912,000	10 Years	TBD			
2019	Office of the City Clerk	e-Poll Book acquisition, implementation, and ongoing maintenance	Addition	80,600	-	-	-	80,600	1,062,400	10 Years	TBD			
2019	Office of the City Clerk	Voting Booths	Replacement	40,000	-	-	-	40,000	200,000	20 years	TBD			
2019	Office of the City Clerk	Precinct Additions	Addition	156,000	-	-	-	156,000	947,980	Unknown minimum to	TBD			
2019	Communications	Computer editing hardware, software and storage	Replacement	60,000	-	-	-	60,000	60,000	5 years	-			
2019	Comm Planning/Econ Development	Qmatic -- Development Review	Replacement	13,113	-	-	-	13,113	163,710	8 years	12,000			
2019	Comm Planning/Econ Development	MINS - CPED	Replacement	193,600	-	-	-	193,600	2,974,400	5 years	121,000			
2019	Comm Planning/Econ Development	CRM System	Replacement	10,000	-	-	-	10,000	50,000	5 years	-			
2019	Comm Planning/Econ Development	Long Range Planning Staff work load / project management tool.	Replacement	11,000	-	-	-	11,000	55,000	5 years	TBD			
2019	Comm Planning/Econ Development	Subscription data sources for Long Range Planning / Research and comprehensive plan development.	Replacement	30,000	-	-	-	30,000	150,000	5 years	TBD			
2019	Finance & Property Svcs	Payment kiosks. Utility Billing customers could self-serve payment with cash, credit card or check. Kiosk could also be programmed to accept payments for other City services. One time cost of 30,000 and estimated one going cost per transaction fees	Addition	12,000	-	-	-	12,000	90,000	5 years	TBD			
2019	Human Resources	Annual license fees for HR ticket system software. Leveraging the same product as IT, ServiceNow, but need a separate instance, or some other alternative, to ensure HIPAA compliance and protection of PHI - Patient Health Information	Replacement	7,212	-	-	-	7,212	35,040	5 years	6,600			
2019	Human Resources	Annual license fees for onboarding system software.	Addition	56,275	-	-	-	56,275	273,420	5 years	51,500			
2019	Human Resources	Annual license fees for succession planning software.	Addition	140,689	-	-	-	140,689	683,551	5 years	128,750			
2019	Information Technology	IT Outsourcing Transition: Activities and IT system additions related to the Outsourced IT Services project and the next outsourcing/insourcing arrangements, including the implementation of the ServiceNow tool for contract/vendor and project/portfolio management activities.	Addition	50,000	50,000	-	-	-	250,000	5 years	50,000			
2019	Information Technology	Enterprise Content Management System The City of Minneapolis Enterprise Content Management services program provides tools and services that support unstructured data management, collaboration and communication, document scanning services, electronic document management including retention services, web content management, and business process automation.	Replacement	100,000	-	-	-	100,000	1,800,000	5 years	150,000			
2019	Information Technology	Historical Aerial Imagery: Digitized archive of historical aerial imagery geocoded, searchable and available to departmetns and the public from the City's GIS system.	Addition	40,000	-	-	-	40,000	210,000	Indefinite	-			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2019	Information Technology	Technology Tool Refresh Fund	Replacement	50,000	-	-	-	50,000	250,000	5 years	-			
2019	Information Technology	ArcGIS Online Licenses: City staff who utilize the ArcGIS online system are individually licensed	Addition	40,000	-	-	-	40,000	200,000	5 years	-			
2019	Information Technology	Distributed Denial of Service Protection (DDOS)	Addition	60,000	-	-	-	60,000	300,000	5 years	-			
2019	Fire	Self Contained Breathing Apparatus for firefighters including harness, 30-minute air cylinder, face piece, voice amp, face piece bag and individual APR adaptor - 300 units @ $5,000 per unit	Replacement	-	-	-	-	-	-	15 years	TBD			
2019	Fire	Personal Protective Equipment - includes coat, pants, helmet - 400 units @ $2,000 per unit	Replacement	110,000	-	-	-	110,000	550,000	5-10 years	-			
2019	Fire	Fire Hose - 1,700 units at $210 per unit	Replacement	21,000	-	-	-	21,000	105,000	10-20 years	-			
2019	Fire	Mattresses and furniture for all of the fire stations.	Replacement	15,000	-	-	-	15,000	75,000	10 years	-			
2019	Fire	Thermal Imagers - inventory of 24 units at $7,500 per unit	Replacement	22,500	-	-	-	22,500	105,000	3-7 years	TBD			
2019	Fire	Jaws of Life - 10 units at $35,000 per unit	Replacement	35,000	-	-	-	35,000	70,000	10 years	-			
2019	Fire	Hazardous materials equipment and gas detection monitors	Replacement	20,000	-	-	-	20,000	80,000	5 years	TBD			
2019	Fire	Projectors at the EOTF in rooms 121, 123, 126, 127	Replacement	5,000	-	-	-	5,000	89,000	5 years	-			
2019	MPD - Crime Lab Unit	Computer Hard Drives - examination and archiving storage for Computer Forensics Section	Addition	6,208	-	-	-	6,208	31,040	5 years	-			
2019	MPD - Crime Lab Unit	Forensic Processing Computer System (Computer Forensics Section)	Replacement	6,000	-	-	-	6,000	12,000	3 years	-			
2019	MPD - Crime Lab Unit	ASCLD/LAB Yearly Accreditation Fees	Replacement	6,125	-	-	-	6,125	30,625	1 years	-			
2019	MPD - Crime Lab Unit	MAFIN system yearly maintenance fees	Replacement	10,000	-	-	-	10,000	50,000	1 years	-			
2019	MPD	Officer Handgun Accountability, Liability and Inventory	Addition	50,000	-	-	-	50,000	400,000	8 Years	-			
2019	MPD	Rifles	Replacement	25,000	-	-	-	25,000	125,000	10 Years	-			
2019	MPD	Taser X2 conducted energy device	Replacement	59,800	-	-	-	59,800	299,000	7 Years	-			
2019	MPD	Advance Public Safety Citation Writer (APS)	Replacement	60,000	-	-	-	60,000	120,000	4 Years	-			
2019	MPD	In Squad Video	Replacement	80,000	-	-	-	80,000	400,000	6 Years	-			
2019	MPD	License Plate Recognition System	Replacement	4,000	-	-	-	4,000	46,000	6 Years	-			
2019	MPD	Laboratory Information Management System (LIMS)	Replacement	30,000	-	-	-	30,000	150,000	5 Years	-			
2019	MPD	Windscribe Digital Dictation System	Replacement	15,000	-	-	-	15,000	125,000	4 Years	-			
2019	MPD	Mobile Data Computers	Replacement	280,000	-	-	-	280,000	1,960,000	8 Years	-			
2019	MPD	Compact, Point and Shoot Digital Cameras	Replacement	5,000	-	-	-	5,000	25,000	4 Years	-			
2019	MPD	Automated Pawn System - now lawfully called the Automated Property System	Addition	50,000	-	-	-	50,000	250,000	5 years	-			
2019	MPD	Body Worn Cameras	Addition	880,000	-	-	-	880,000	4,500,000	4 Years	210,000			
2019	MPD	Mobile Squad Printers	Replacement	9,000	-	-	-	9,000	36,000	5 years	-			
2019	MPD - Traffic Investigation	Crash Data Recorder download tools, software & training.	Addition	2,899	-	-	-	2,899	13,495	1 year	TBD			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2019	MPD - Traffic Investigation	Trimble S6 Robotic Total Station	Replacement	200	-	-	-	200	21,000	10 years	TBD			
2019	MPD-Strategic Info Center	MPD share of technology at Strategic Information Center	Replacement	150,000	-	-	-	150,000	799,000	Varies	-			
2019	MPD-Strategic Info Center	MPD Portable Hybrid Camera Trailers-5 total MPD Portable Diesel Camera Trailers w/lights-2 total MPD Portable Diesel Camera Trailers-2 total MPD Portable Battery Camera Trailers-4 total MPD Power Tube Cameras- 6 Total	Replacement	40,000	-	-	-	40,000	114,000	8 years	-			
2019	MPD-Strategic Info Center	Milestone Public Safety Camera System. Includes MPD fixed cameras as well as Greenway fixed cameras.	Replacement	112,500	-	-	-	112,500	900,000	5 years	TBD			
2019	MP- Investigations	Cell phones with data plan for all investigators	Addition	77,400	-	-	-	77,400	401,000	5 years	-			
2019	MPD	Early Intervention System (EIS) Program	Addition	10,000	-	-	-	10,000	94,000	5 Years	90,000			
2019	PW Fleet Services Division	Fuel Dispenser Upgrade	Replacement	50,000	-	-	-	50,000	250,000	Unknown	-			
2019	Fleet-Comm Planning/Econ Development	Annual Vehicle Replacement Schedule	Replacement	160,816	-	-	144,400	16,417	820,499	Varies	TBD			
2019	Fleet-Finance & Property Svcs	Annual Vehicle Replacement Schedule	Replacement	138,955	-	-	122,750	16,205	247,335	Varies	TBD			
2019	Fleet-Fire	Annual Vehicle Replacement Schedule	Replacement	11,574,073	-	-	10,949,568	624,505	14,615,835	Varies	TBD			
2019	Fleet-Minneapolis Health	Annual Vehicle Replacement Schedule	Replacement	121,433	-	-	110,046	11,387	313,809	Varies	TBD			
2019	Fleet-MPD	Annual Vehicle Replacement Schedule	Replacement	2,798,851	-	-	2,442,024	356,827	8,736,223	Varies	TBD			
2019	PW- Fleet Services Division	Annual Vehicle Replacement Schedule	Replacement	188,984	-	-	167,339	21,645	974,204	Varies	TBD			
2019	PW-Fleet Svc Task Unit Equipment	Annual Vehicle Replacement Schedule	Replacement	4,392	-	-	1,389	3,003	768,490	Varies	TBD			
2019	PW-Safety	Annual Vehicle Replacement Schedule	Replacement	23,771	-	-	21,050	2,721	23,771	Varies	TBD			
2019	PW- Surface Water & Sewers	Annual Vehicle Replacement Schedule	Replacement	511,374	-	167,315	344,059	-	3,185,047	Varies	TBD			
2019	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	183,105	-	-	159,040	24,065	2,904,617	Varies	TBD			
2019	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	510,737	-	45,237	465,500	-	5,560,471	Varies	TBD			
2019	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	1,333,789	-	-	1,075,934	257,855	12,151,682	Varies	TBD			
2019	PW- Transportation Planning & Engineering	Annual Vehicle Replacement Schedule	Replacement	69,929	-	-	52,544	17,385	588,930	Varies	TBD			
2019	PW-Traffic	Annual Vehicle Replacement Schedule	Replacement	312,184	-	-	277,963	34,221	2,748,237	Varies	TBD			
2019	PW-Water	Annual Vehicle Replacement Schedule	Replacement	590,679	-	(47,105)	637,784	-	3,209,878	Varies	TBD			
2019	Fleet-Regulatory Services	Annual Vehicle Replacement Schedule	Replacement	297,706	-	-	219,446	78,260	1,954,484	Varies	TBD			
2019	Fleet-Solid Waste and Recycling	Packer Truck	Replacement	1,576,000	-	1,576,000	-	-	8,171,150	10-12 years	-			
2019	PW_ Sanitary Sewer	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2019	PW_ Sanitary Storm	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2019	PW-Traffic & Parking Services (Ramps)	Parking system ramps and their systems (prior years went thru CLIC process)	Renovation	3,000,000	-	3,000,000	-	-	10,925,000	10-20 years	-			
2019	PW- Water	Annual Capital program	Other	950,000	-	950,000	-	-	4,750,000	0	-			
	2019 Total			27,967,899	50,000	5,811,447	17,190,836	4,915,616	114,680,602	0	927,850	-	-	-

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
	2020 Section													
2020	Office of the City Clerk	Election Management System (EMS)	Replacement	103,000	-	-	-	103,000	912,000	10 Years	TBD			
2020	Office of the City Clerk	e-Poll Book acquisition, implementation, and ongoing maintenance	Addition	80,600	-	-	-	80,600	1,062,400	10 Years	TBD			
2020	Office of the City Clerk	Voting Booths	Replacement	40,000	-	-	-	40,000	200,000	20 years	TBD			
2020	Office of the City Clerk	Precinct Additions	Addition	156,000	-	-	-	156,000	947,980	Unknown minimum to	TBD			
2020	Communications	HD camera and gear	Replacement	15,000	-	-	-	15,000	15,000	800 hours	-			
2020	Comm Planning/Econ Development	Qmatic -- Development Review	Replacement	13,506	-	-	-	13,506	163,710	8 years	12,000			
2020	Comm Planning/Econ Development	MINS - CPED	Replacement	193,600	-	-	-	193,600	2,974,400	5 years	121,000			
2020	Comm Planning/Econ Development	CRM System	Replacement	10,000	-	-	-	10,000	50,000	5 years	-			
2020	Comm Planning/Econ Development	Long Range Planning Staff work load / project management tool.	Replacement	11,000	-	-	-	11,000	55,000	5 years	TBD			
2020	Comm Planning/Econ Development	Subscription data sources for Long Range Planning / Research and comprehensive plan development.	Replacement	30,000	-	-	-	30,000	150,000	5 years	TBD			
2016	Finance & Property Svcs	Payment kiosks. Utility Billing customers could self-serve payment with cash, credit card or check. Kiosk could also be programmed to accept payments for other City services. One time cost of 30,000 and estimated one going cost per transaction fees	Addition	12,000	-	-	-	12,000	90,000	5 years	TBD			
2020	Human Resources	Annual license fees for HR ticket system software. Leveraging the same product as IT, ServiceNow, but need a separate instance, or some other alternative, to ensure HIPAA compliance and protection of PHI - Patient Health Information	Replacement	7,428	-	-	-	7,428	35,040	5 years	6,600			
2020	Human Resources	Annual license fees for onboarding system software.	Addition	57,964	-	-	-	57,964	273,420	5 years	51,500			
2020	Human Resources	Annual license fees for succession planning software.	Addition	144,909	-	-	-	144,909	683,551	5 years	128,750			
2020	Information Technology	IT Outsourcing Transition: Activities and IT system additions related to the Outsourced IT Services project and the next outsourcing/insourcing arrangements, including the implementation of the ServiceNow tool for contract/vendor and project/portfolio management activities.	Addition	50,000	50,000	-	-	-	250,000	5 years	50,000			
2020	Information Technology	Enterprise Content Management System The City of Minneapolis Enterprise Content Management services program provides tools and services that support unstructured data management, collaboration and communication, document scanning services, electronic document management including retention services, web content management, and business process automation	Replacement	100,000	-	-	-	100,000	1,800,000	5 years	150,000			
2020	Information Technology	Historical Aerial Imagery: Digitized archive of historical aerial imagery geocoded, searchable and available to departmetns and the public from the City's GIS system.	Addition	40,000	-	-	-	40,000	210,000	Indefinite	-			
2020	Information Technology	Technology Tool Refresh Fund	Replacement	50,000	-	-	-	50,000	250,000	5 years	-			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2020	Information Technology	ArcGIS Online Licenses: City staff who utilize the ArcGIS online system are individually licensed	Addition	40,000	-	-	-	40,000	200,000	5 years	-			
2020	Information Technology	Distributed Denial of Service Protection (DDOS)	Addition	60,000	-	-	-	60,000	300,000	5 years	-			
2020	Fire	Personal Protective Equipment - includes coat, pants, helmet - 400 units @ $2,000 per unit	Replacement	110,000	-	-	-	110,000	550,000	5-10 years	-			
2020	Fire	Fire Hose - 1,700 units at $210 per unit	Replacement	21,000	-	-	-	21,000	105,000	10-20 years	-			
2020	Fire	Mattresses and furniture for all of the fire stations.	Replacement	15,000	-	-	-	15,000	75,000	10 years	-			
2020	Fire	Thermal Imagers - inventory of 24 units at $7,500 per unit	Replacement	22,500	-	-	-	22,500	105,000	3-7 years	TBD			
2020	Fire	Hazardous materials equipment and gas detection monitors	Replacement	20,000	-	-	-	20,000	80,000	5 years	TBD			
2020	Fire	Projectors at the EOTF in rooms 121, 123, 126, 127 lamps, filters, color wheels and full system replacement	Replacement	5,000	-	-	-	5,000	89,000	5 years	-			
2020	MPD - Crime Lab Unit	Computer Hard Drives - examination and archiving storage for Computer Forensics Section	Addition	6,208	-	-	-	6,208	31,040	5 years	-			
2020	MPD - Crime Lab Unit	ASCLD/LAB Yearly Accreditation Fees	Replacement	6,125	-	-	-	6,125	30,625	1 years	-			
2020	MPD - Crime Lab Unit	MAFIN system yearly maintenance fees	Replacement	10,000	-	-	-	10,000	50,000	1 years	-			
2020	MPD	Officer Handgun Accountability, Liability and Inventory	Addition	50,000	-	-	-	50,000	400,000	8 Years	-			
2020	MPD	Rifles	Replacement	25,000	-	-	-	25,000	125,000	10 Years	-			
2020	MPD	Taser X2 conducted energy device	Replacement	59,800	-	-	-	59,800	299,000	7 Years	-			
2020	MPD	Advance Public Safety Citation Writer (APS)	Replacement	60,000	-	-	-	60,000	120,000	4 Years	-			
2020	MPD	In Squad Video	Replacement	80,000	-	-	-	80,000	400,000	6 Years	-			
2020	MPD	License Plate Recognition System	Replacement	4,000	-	-	-	4,000	46,000	6 Years	-			
2020	MPD	Laboratory Information Management System (LIMS)	Replacement	30,000	-	-	-	30,000	150,000	5 Years	-			
2020	MPD	Windscribe Digital Dictation System	Replacement	15,000	-	-	-	15,000	125,000	4 Years	-			
2020	MPD	Mobile Data Computers	Replacement	280,000	-	-	-	280,000	1,960,000	8 Years	-			
2020	MPD	Compact, Point and Shoot Digital Cameras	Replacement	5,000	-	-	-	5,000	25,000	4 Years	-			
2020	MPD	Automated Pawn System - now lawfully called the Automated Property System	Addition	50,000	-	-	-	50,000	250,000	5 years	-			
2020	MPD	Body Worn Cameras	Addition	880,000	-	-	-	880,000	4,500,000	4 Years	210,000			
2020	MPD	Mobile Squad Printers	Replacement	9,000	-	-	-	9,000	36,000	5 years	-			
2020	MPD - Traffic Investigation	Crash Data Recorder download tools, software & training.	Addition	2,899	-	-	-	2,899	13,495	1 year	TBD			
2020	MPD - Traffic Investigation	Trimble S6 Robotic Total Station	Replacement	200	-	-	-	200	21,000	10 years	TBD			
2020	MPD-Strategic Info Center	MPD share of technology at Strategic Information Center	Replacement	150,000	-	-	-	150,000	799,000	Varies	-			

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT
2020	MPD-Strategic Info Center	MPD Portable Hybrid Camera Trailers-5 total MPD Portable Diesel Camera Trailers w/lights-2 total	Replacement	40,000	-	-	-	40,000	114,000	8 years	-			
2020	MPD-Strategic Info Center	Milestone Public Safety Camera System. Includes MPD fixed cameras as well as Greenway fixed cameras.	Replacement	112,500	-	-	-	112,500	900,000	5 years	TBD			
2020	MP- Investigations	Cell phones with data plan for all investigators	Addition	77,400	-	-	-	77,400	401,000	5 years	-			
2020	MPD	Early Intervention System (EIS) Program	Addition	10,000	-	-	-	10,000	94,000	5 Years	90,000			
2020	PW Fleet Services Division	Fuel Dispenser Upgrade	Replacement	50,000	-	-	-	50,000	250,000	Unknown	-			
2020	Fleet-Information Technology	Annual Vehicle Replacement Schedule	Replacement	30,000	-	-	26,823	3,177	54,848	Varies	TBD			
2020	Fleet-Emergency Management	Annual Vehicle Replacement Schedule	Replacement	38,234	-	-	34,442	3,792	102,866	Varies	TBD			
2020	Fleet-Finance & Property Svcs	Annual Vehicle Replacement Schedule	Replacement	72,799	-	-	67,953	4,846	247,335	Varies	TBD			
2020	Fleet-Fire	Annual Vehicle Replacement Schedule	Replacement	76,237	-	-	68,731	7,506	14,615,835	Varies	TBD			
2020	Fleet-Minneapolis Health	Annual Vehicle Replacement Schedule	Replacement	165,655	-	-	152,779	12,876	313,809	Varies	TBD			
2020	Fleet-MPD	Annual Vehicle Replacement Schedule	Replacement	648,039	-	-	594,764	53,275	8,736,223	Varies	TBD			
2020	PW- Fleet Services Division	Annual Vehicle Replacement Schedule	Replacement	120,000	-	-	92,557	27,443	974,204	Varies	TBD			
2020	PW-Fleet Svc Task Unit Equipment	Annual Vehicle Replacement Schedule	Replacement	161,000	-	-	165,522	(4,522)	768,490	Varies	TBD			
2020	PW- Surface Water & Sewers	Annual Vehicle Replacement Schedule	Replacement	1,008,389	-	174,175	834,214	-	3,185,047	Varies	TBD			
2020	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	856,438	-	-	727,102	129,336	2,904,617	Varies	TBD			
2020	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	2,007,698	-	381,264	1,626,434	-	5,560,471	Varies	TBD			
2020	PW-Transportation Maintenance & Repair	Annual Vehicle Replacement Schedule	Replacement	2,646,167	-	-	2,315,996	330,171	12,151,682	Varies	TBD			
2020	PW- Transportation Planning & Engineering	Annual Vehicle Replacement Schedule	Replacement	75,500	-	-	65,745	9,755	588,930	Varies	TBD			
2020	PW-Traffic	Annual Vehicle Replacement Schedule	Replacement	440,338	-	-	393,077	47,261	2,748,237	Varies	TBD			
2020	PW-Water	Annual Vehicle Replacement Schedule	Replacement	906,595	-	123,330	783,265	-	3,209,878	Varies	TBD			
2020	Fleet-Regulatory Services	Annual Vehicle Replacement Schedule	Replacement	866,244	-	-	797,651	68,593	1,954,484	Varies	TBD			
2020	Fleet-Solid Waste and Recycling	Packer Truck	Replacement	1,676,000	-	1,676,000	-	-	8,171,150	10-12 years	-			
2020	PW_ Sanitary Sewer	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2020	PW_ Sanitary Storm	Annual Capital program	Other	60,000	-	60,000	-	-	300,000	0	-			
2020	PW-Traffic & Parking Services (Ramps)	Parking system ramps and their systems (prior years went thru CLIC process)	Renovation	1,500,000	-	1,500,000	-	-	10,925,000	10-20 years	-			
2020	PW- Water	Annual Capital program	Other	950,000	-	950,000	-	-	4,750,000	0	-			
	2020 Total			17,786,972	50,000	4,924,769	8,747,055	4,065,149	114,680,602	0	927,850	-	-	-
	Grand Total Requests			114,680,602	270,000	28,423,053	50,264,401	35,723,149						

SCHEDULE 7
2016 - 2020 CAPITAL ASSET REQUEST SYSTEM (CARS)

Requests and Recommendations by Year

YEAR	DEPARTMENT	PROJECT TITLE	PROJECT TYPE	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	FIVE YEAR COST	USEFUL LIFE	ANNUAL OPERATING COST	RECOMMEND TOTAL AMOUNT	TOTAL OTHER FUNDING	RECOMMEND GEN FUND AMOUNT

Requests by Year and Funding Source

Five-Year Program Summary

YEAR	ANNUAL COST	GRANT FUNDING	UTILITY EN TERPRISE	SPEC REV/ FUND BAL	GENERAL FUND	REQUESTED FUNDING
2016	30,286,776	70,000	6,245,236	9,980,315	13,991,225	30,286,776
2017	19,288,024	50,000	5,353,558	6,358,816	7,525,650	19,288,024
2018	19,350,931	50,000	6,088,043	7,987,380	5,225,508	19,350,931
2019	27,967,899	50,000	5,811,447	17,190,836	4,915,616	27,967,899
2020	17,786,972	50,000	4,924,769	8,747,055	4,065,149	17,786,973
Grand Total	114,680,602	270,000	28,423,053	50,264,401	35,723,149	114,680,603

Requests by Year and Type

Year	Replacement	Addition	Upgrade	Renovation	Other	Total
2016	22,422,539	4,519,237	-	2,275,000	1,070,000	30,286,776
2017	13,375,728	2,717,296	-	2,125,000	1,070,000	19,288,024
2018	13,842,466	1,838,465	-	2,600,000	1,070,000	19,350,931
2019	22,185,828	1,712,071	-	3,000,000	1,070,000	27,967,899
2020	13,498,992	1,717,980	-	1,500,000	1,070,000	17,786,972
Grand Total	85,325,553	12,505,049	-	11,500,000	5,350,000	114,680,602

SCHEDULE EIGHT
Interfund Transfer Expense

	13 Actual	14 Actual	2015 Budget	2016 Council Adopted	Description (2016 transfers)
TRANSFER TO OTHER SPEC REV FDS	809,000	4,000	4,000	4,000	Transfer related to Centralized Leases Action ($4,000 to Board of Estimate and Taxation)
TRANSFER TO CONV CTR 01760		46,593,000	50,340,000	50,000,000	Local Taxes collected in the General Fund
				50,000	Sister City
TRANSFER TO EMPLOYEE RETIREMENT 01990		1,500,000			Pension Management Plan
TRANSFER TO CAPITAL 04100		1,340,000		10,750,000	10th Ave Bridge, DTE Commons, and Development Infrastructure Program
TRANSFER TO EQUIPMENT 06100	8,315,000	1,288,580	1,595,603	2,385,750	CARS supplements for vehicles
TRANSFER TO PROP SVCS 06200	3,282,231	646,206	353,187	279,322	Transfer related to Centralized Leases Action
			465,540	520,000	CARS Supplement for Security
TRANSFER TO BUS INFO SVCS 06400	14,182,652	19,341,100	192,482	185,139	Includes transfers related to Centralized Leases Action
			3,600,000	1,430,000	CARS supplement for ERP projects
				50,000	Service Now Infrastructure Services
TRANSFER TO CITY SELF INS 06900	3,855,500	3,085,500	292,000	261,000	Transfer related to Centralized Leases Action
TRANSFER TO WATER 07400	22,000	27,000	25,000	24,000	Centralized Leases Action
TRNSFR TO SOLID WASTE 07700	150,000	820,000	325,000	423,000	Graffiti remediation efforts
				50,000	Zero Waste Studies
00100 - GENERAL FUND	**30,616,383**	**74,645,386**	**57,192,812**	**66,412,211**	
01760 - CONVENTION CENTER OPERATIONS					
TRANSFER TO CITY GENERAL 00100	5,250,000				Sales tax transfer to General Fund.
TRNSFR TO GEN DEBT SVC 05250					
TRNSFR TO CNV CTR DBT SVC 05300	17,351,543	18,679,741	24,502,125	24,612,125	Convention center related debt
TRANSFER TO PARKING 07500	4,729,200				Convention center related parking debt and operating costs
01760 - CONVENTION CENTER OPERATIONS	**27,330,743**	**18,679,741**	**24,502,125**	**24,612,125**	
019PO - POLICE RELIEF					
TRANSFER TO OTHER SPEC REV FDS		16,834			
019MO - MERF PENSION BONDS		**16,834**			
VARIOUS - TIF FUNDS					
TRNSFR TO TAX INC DBT SVC 05900	8,913,382	13,395,465	10,695,409	8,736,694	TIF debt service reimbursement
TRNSFR TO PARKING 07500	6,893,230	372,660	423,585	535,950	TIF debt service reimbursement
TRANSFER TO OTHER DEBT SVC FDS	5,611,235	4,604,279	600,638	604,399	TIF debt service reimbursement
VARIOUS - TIF FUNDS	**21,417,847**	**18,372,404**	**11,719,632**	**9,877,043**	
VARIOUS PURPOSE BOND FUNDS					
TRANSFER TO CITY CAPITAL 04100	19,759,896	24,473,352			
TRANSFER TO MBC CAPITAL 34200	1,056,512	297,250			
TRANSFER TO PARK CAPITAL 14300	7,728,824	5,398,342			
TRNSFR TO GEN DEBT SVC 05250	992,490	360,035			
TRNSFR TO OTHER DEBT SVC FDS		1,829,333			
TRNSFR TO SANITARY SEW 07100		97,742			
VARIOUS PURPOSE BOND FUNDS	**29,537,722**	**32,456,055**			
IMPROVEMENT BOND ARBITRAGE					
TRANSFER TO CITY CAPITAL 04100	12,341,315	5,926,117			
TRANSFER TO CAPITAL ARBITRAGE	12,442	99,024			
TRNSFR TO OTHER DEBT SVC FDS	4,679,325	763,233			
TRNSFR TO GEN DEBT SVC 05250	25,000	15,652			
TRNSFR TO SANITARY SEW 07100	97,742	91,892			
IMPROVEMENT BOND ARBITRAGE	**17,155,824**	**6,895,918**			
05250 - BOND REDEMPTION - DEBT SERVICE					
TRANSFER TO BUS INFO SVCS 06400	2,069,330	1,705,935	2,751,188	2,000,000	IT new capital
05250 - BOND REDEMPTION - DEBT SERVICE	**2,069,330**	**1,705,935**	**2,751,188**	**2,000,000**	
05280 - Library Ref Debt Service					
TRNSFR TO GEN DEBT SVC 05250	35,000				
05280 - Library Ref Debt Service	**35,000**				
05450 - BOND REDEMPTION - ASSESSMENT					
TRANSFER TO OTHER DEBT SVC FDS	969,190				
05450 - BOND REDEMPTION - ASSESSMENT	**969,190**				

SCHEDULE EIGHT
Interfund Transfer Expense

	13 Actual	14 Actual	2015 Budget	2016 Council Adopted	Description (2016 transfers)
06200 - PROPERTY - INTERNAL SERVICE					
TRANSFER TO EQUIPMENT 06100			316,216	326,162	Property Services debt paid by Fleet
06200 - PROPERTY - INTERNAL SERVICE			**316,216**	**326,162**	
06400 - INFO TECH - INTERNAL SERVICE					
TRANSFER TO CAPITAL ARBITRAGE		498,552			
TRNSFR TO GEN DEBT SVC 05250	14,887	24,218			
06400 - INFO TECH - INTERNAL SERVICE	**14,887**	**522,770**			
06900 - SELF INSURANCE-INTERNAL SVC					
TRANSFER TO BUS INFO SVC 06400	1,000,000	1,000,000	1,000,000		To assist in payment of debt service as determined by the updated 2008 long-term financial plan
06900 - SELF INSURANCE-INTERNAL SVC	**1,000,000**	**1,000,000**	**1,000,000**		
07100 - SANITARY SEWER FUND					
TRNSFR TO GEN DEBT SVC 05250	108,757				
TRANSFER TO WATER 07400	1,149,339	1,156,681	1,285,170	1,328,400	To fund Sanitary Sewer's obligation to support the Meter Shop operations
07100 - SANITARY SEWER FUND	**1,258,096**	**1,156,681**	**1,285,170**	**1,328,400**	
07300 - STORMWATER FUND					
TRANSFER TO CITY GENERAL 00100			110,000	110,000	Funds 2 Environmental Services FTEs
TRNSFR TO Sanitary Sewer 07100		5,920			
07300 - STORMWATER FUND		**5,920**	**110,000**	**110,000**	
07400 - WATER - ENTERPRISE					
TRNSFR TO GEN DEBT SVC 05250		65,306			
TRANSFER TO OTHER DEBT SVC FDS		241,432			
07400 - WATER - ENTERPRISE		**306,738**			
07500 - MUNICIPAL PARKING-ENTERPRISE					
TRANSFER TO CITY GENERAL 00100	7,918,024	2,323,200	4,148,200	3,919,000	Annual contribution from parking fund per the parking fund workout plan ($3,623,200) ,CARS ($525,000), and Citation Writer System ($75,000).
TRANSFER TO OTHER SPEC REV FDS	3,129,132	3,323,206	3,522,696	3,728,377	Target center finance plan
TRNSFR TO GEN DEBT SVC 05250	40,957				
TRNSFR TO SOLID WASTE 07700	146,000	146,000	146,000	146,000	Litter container collection (added in 2001)
07500 - MUNICIPAL PARKING-ENTERPRISE	**11,234,113**	**5,792,406**	**7,816,896**	**7,793,377**	
07700 - SOLID WASTE - ENTERPRISE					
TRANSFER TO CITY GENERAL 00100	700,024				Payment for snowplowing (began in 2003)
07700 - SOLID WASTE - ENTERPRISE	**700,024**				
Summary	**143,339,159**	**161,556,788**	**106,694,039**	**112,459,318**	

SCHEDULE 9

UTILITY FEES SCHEDULE

The **Council Adopted Rates** for Water and Sanitary Sewer fees include both a variable rate component based on water usage and a fixed rate component based on the size of the water meter servicing the property. The table below provides a summary of the anticipated change in an average residential customer's utility bill from **2015 to 2016.**

Combined Utility Bill
Monthly and Annual Cost for Average Customer

	2016	2016 Monthly Average*	2016 Annual Average	2016 monthly dollar change	2016 % change
Water*	$26.59	$27.65	$332	$1.06	4.0%
Sanitary Sewer	$19.26	$20.34	$244	$1.08	5.6%
Stormwater	$11.94	$11.94	$143	$0.00	0.0%
Solid Waste/Recycling**	$26.60	$27.89	$335	$1.29	4.8%
Total	**$84.39**	**$87.82**	**$1,054**	**$3.43**	**4.1%**

*The average household rate for water is based on 7 units of consumption at $3.45 per unit plus a $3.50 fixed charge. Sanitary rates are based on 6 units of water consumption at $3.39 per unit plus a fixed charge of $4.30. Stormwater rates are based on 1 equivalent Stormwater unit of 1,530 square feet on impervious surface.

**The solid waste rate is based on a $22.89 monthly charge with a large recycling cart fee of $5.00. Customers can substitute a small cart with a $2.00 fee. The large increase in the monthly charge is due to incorporating organics recycling.

Water

The following rates are effective with utility billings for water meters read from and after **January 1, 2016**. Charges commence when the street valve is turned on for water service. The meter rates for water are hereby fixed and shall be collected as follows:

Customer	Rate
Customers not otherwise mentioned	$3.45 / 100 cubic feet
Municipalities, Municipal Corporations, Villages & customers outside the corporate limits of the city	$3.60 / 100 cubic feet
Contractual Customers*	$* / 100 cubic feet

*Rates for municipalities, municipal corporations and villages, which are established by contract, shall continue on the existing contract basis

In addition to the above rates a fixed charge based on meter size will be billed each billing period or fraction thereof as follows:

Meter Size (Inches)	Fixed Charge
5/8	$3.50
3/4	$5.25
1	$8.75
1 1/2	$17.50
2	$28.00
3	$56.00
4	$87.50
6	$175.00
8	$280.00
10	$402.50
12	$1,155.00

Sanitary Sewer

The sanitary sewer rates rate shall be applied to utility billings for water meters read from and after **January 1, 2016**.

Service	Rate
Sanitary Sewer (Inside City of Minneapolis)	$3.39 / 100 cubic feet
Sanitary Sewer (Outside City of Minneapolis)*	$3.39 / 100 cubic feet*
Sanitary Sewer only (Outside the City of Minneapolis)	$20.00 / Month

*When the City of Minneapolis also provides water. In addition, the fixed charge sanitary sewer rate shall be based on meter size as show below

In addition, a fixed charge based on water meter size will be billed each billing period or fraction thereof as follows:

Meter Size (Inches)	Fixed Charge
5/8	$4.30
3/4	$6.45
1	$10.75
1 1/2	$21.50
2	$34.40
3	$68.80
4	$107.50
6	$215.00
8	$344.00
10	$494.50
12	$1,419.00

Stormwater

The stormwater rate, subject to the provisions in Chapter 510, of the Minneapolis Code of Ordinances, is imposed on each and every Single-Family Residential Developed Property, Other Residential Developed Property, Non-Residential Developed Property, and Vacant Property, other than Exempt Property, and the owner and non-owner users, and is hereby set as follows:

Single Family Residential Developed Property	Stormwater Rate
High (>1578 sq. ft.) *ESU=1.25	$14.93
Medium (≥1485 & ≤1578 sq. ft.) *ESU=1.00	$11.94
Low (<1485 sq. ft.) *ESU=0.75	$8.96

*The Equivalent Stormwater Unit (ESU) rate is **$11.94.** The ESU measurement is 1,530 square feet of impervious area.

Stormwater charges for **all other properties** will be based on the following calculation:

Monthly Fee = (Gross Lot Size in sq. ft. X Runoff Coefficient) ÷ 1,530 sq. ft. = # of ESU
# of ESU X **$ 11.94**

The runoff coefficient assumed for each land use category is shown below.

Land Use	Coefficient Applied
Bar-Rest. Entertainment	0.75
Car Sales Lot	0.95
Cemetery w/Monuments	0.20
Central Business District	1.00
Common Area	0.20
Garage or Misc. Res	0.55
Group Residence	0.75
Ind. Warehouse- Factory	0.90
Industrial Railway	0.85
Institution-Sch.- Church	0.90
Misc. Commercial	0.90
Mixed Comm. -Res -Apt	0.75
Multi-Family Apartment	0.75
Multi-Family Residential	0.40
Office	0.91
Parks &Playgrounds	0.20
Public Accommodations	0.91
Retail	0.91
Single Family Attached	0.75
Single Family Detached	ESU
Sport or Rec. Facility	0.60
Utility	0.90
Vacant Land Use	0.20
Vehicle Related Use	0.90

Solid Waste and Recycling

Solid waste and recycling variable rate charges associated with water meter read dates from and after **January 1, 2016**, the charges shall be as follows:

Type of Charge	Rate (Dwelling Unit / Month)
Base Charge	$22.89
Small Cart Disposal	$2.00
Large Cart Disposal	$5.00

Schedule 10 - General Fund - Fund Balance Policy

Cash Flow and Contingency. The City shall maintain a minimum unrestricted General Fund balance of 17% of the following year's General Fund budgeted expenditures amount to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, and to meet unexpected increases in service delivery costs or unexpected revenue shortfalls. These funds are used to avoid cash flow interruptions, generate interest income, and to avoid the need for short-term borrowing.

General Fund*	2013	2014	2015
Fund Balance - Policy	$79.3	$78.9	$79.2
Fund Balance - Actual	$97.0	$102.0	$104.3

** in millions; 2015 amounts represent estimated year-end balances.*

Schedule 10 - Enterprise Fund Cash Balance Policy

Enterprise Funds. The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions. Where cost-effective access to capital markets is available and debt financing is regularly used, replacement balances shall not be maintained so current consumers are not required to pay for future facilities. The City shall maintain a minimum cash balance in its Enterprise Funds equal to approximately three months of operating expense.

Enterprise Fund Cash Requirements*	2013	2014	2015
Sanitary Sewer Fund - Policy	$13.0	$13.3	$14.0
Sanitary Sewer Fund - Actual	$25.3	$17.7	$15.6
Stormwater Fund - Policy	$5.9	$7.0	$6.6
Stormwater Fund - Actual	$36.4	$30.8	$30.2
Solid Waste Fund - Policy	$8.8	$8.2	$9.0
Solid Waste Fund - Actual	$17.8	$17.4	$22.1
Water Fund - Policy	$12.7	$13.1	$14.0
Water Fund - Actual	$21.1	$22.9	$25.6
Parking Fund - Policy	$7.5	$9.5	$9.3
Parking Fund - Actual	$13.3	$14.6	$13.6

** in millions; 2015 amounts represent estimated year-end balances.*
Funds that are not meeting the Fund Policy are *highlighted and italicized*

Schedule 10 - Internal Service Fund Balance Policy

Internal Service Funds. The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions.

o Self-Insurance Fund shall maintain a cash balance equal to the unpaid claims payable amount on its balance sheet plus 10% of the annual department operating budgets within the fund. Net Position within the fund should not fall below zero.

o Fleet Services, Intergovernmental Services and Property Services Funds: If allocation model charges to customers are sufficient to cover debt service or depreciation expense, then the minimum cash balance should be 15% of the fund's operating budget. If not, the reserve should be 15% of the fund's total budget. Net Position shall not fall below two times the fund's annual depreciation amount.

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

Internal Service Fund Balance Requirements*	2013	2014	2015
Self Insurance Fund Cash Balance Policy	$55.7	$50.9	$53.1
Self Insurance Fund Cash Balance Actual	$61.4	$70.8	$76.0
Self Insurance Fund Net Position Policy	0.0	$0.0	$0.0
Self Insurance Fund Net Position Actual	$4.6	$18.3	$23.5
Fleet Services Fund Cash Balance Policy	$4.1	$3.0	$2.2
Fleet Services Fund Cash Balance Actual	$18.9	$23.2	$20.4
Fleet Services Fund Net Position Policy	$13.0	$13.0	$13.2
Fleet Services Fund Net Position Actual	$50.1	$59.8	$59.1
Intergovernmental Services Fund Cash Balance Policy	$4.7	$5.1	$6.1
Intergovernmental Services Fund Cash Balance Actual	$35.3	$49.9	$33.7
Intergovernmental Services Fund Net Position Policy	$23.7	$13.6	$10.0
Intergovernmental Services Fund Net Position Actual	$37.4	$62.1	$51.5
Property Services Fund Cash Balance Policy	$1.8	$2.0	$2.4
Property Services Fund Cash Balance Actual	$4.2	$3.8	$5.2
Property Services Fund Net Position Policy	$2.2	$2.7	$2.7
Property Services Fund Net Position Actual	$33.1	$32.8	$34.3
Stores Fund Cash Balance Policy	$0.2	$0.2	$0.2
Stores Fund Cash Balance Actual	***-$0.2***	***-$0.2***	***-$0.1***
Stores Fund Net Position Policy	$0.2	$0.2	$0.2
Stores Fund Net Position Actual	$4.1	$4.6	$4.9
Engineering Materials & Testing Fund Cash Balance Policy	$0.2	$0.2	$0.3
Engineering Materials & Testing Fund Cash Balance Actual	$2.1	$1.9	$1.5
Engineering Materials & Testing Fund Net Position Policy	$0.2	$0.2	$0.3
Engineering Materials & Testing Fund Net Position Actual	$2.0	$1.8	$1.4

** in millions; 2015 amounts represent estimated year-end balances.*

Funds that are not meeting the Fund Policy are *highlighted and italicized*

Schedule 10 - Variable Rate Debt Policy

Variable Rate Debt. The City uses variable rate debt to provide debt structuring flexibility and potential interest savings to the total debt portfolio. Generally, the City maintains no more than 25% of its total debt obligations in variable rate mode. It also strives for no more than 25% of the debt in variable rate mode within the major business functions that issue debt such as the Stormwater, Sanitary Sewer, Water and Parking funds or the Convention Center.

Variable Rate Debt by Fund	2013	2014	2015
Total General Obligation Debt	5.9%	5.8%	9.7%
Property Tax Supported Debt	0.0%	0.0%	14.3%
Special Assessment Debt	0.0%	0.0%	12.7%
Tax Increment Debt	0.0%	0.0%	4.6%
Parking Fund Debt	***31.6%***	***34.7%***	***36.4%***

Policy: No more than 25%; 2015 amounts represent year-end balances.
Rates that are not meeting the Rate Policy are *highlighted and italicized*

City of Minneapolis
2016 Budget

Glossary of Terms

AC – Animal Control.

Accrual Basis of Accounting – Recognizes transactions when they occur regardless of the related cash flows. Recognizes revenues in the accounting period in which they are earned and measurable.

ACH – Automated Clearing House.

Actuarial Accrued Liability – Term used in connection with defined benefit pension and other post-employment benefit plans to describe that portion of the present value of benefits promised to employees that will not be provided through future normal cost.

Actuarial Assumptions – Term used in connection with defined benefit pension and other post-employment benefit plans to describe assumptions that an actuary must make as to the occurrence of future events affecting benefit costs (*e.g.,* mortality).

Actuarial Value of Assets – Term used in connection with defined benefit pension and other post-employment benefit plans. The value assigned to plan assets for actuarial purposes. Because this value often represents an average over time, and because the valuation date may be different from the reporting date, the actuarial value of assets may differ from the amount reported in the financial statements as of the end of the fiscal period.

Advance Refunding – Transaction in which new debt is issued to refinance existing debt (old debt), but the proceeds must be placed in escrow pending call date or maturity (i.e., refunding in advance of redemption).

ACN – Automatic Collision Notification.

ADA – Americans with Disabilities Act.

ADR – Alternative Dispute Resolution program.

Agency - This is the term for the highest organizational level, in most cases a city department or independent board.

Agency Funds – Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds.

AHTF **–** Affordable Housing Trust Fund.

Appropriation – Spending authority created by City Council resolutions that are signed into law with related revenue estimates, which includes all revenues, transfers, allocations, and other legally authorized budget changes. Appropriations expire at the end of the year unless action is taken by the Council (or delegated to the City Finance Officer) to reappropriate unspent balances.

Arbitrage – In government finance, the reinvestment of the proceeds of tax-exempt securities in materially higher yielding taxable securities.

Assessed Valuation – Valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSM – Assessments – improvements paid for partially or wholly by property owners.

ASP – Application Service Provider.

Basis of Budgeting – Method used to determine when revenues and expenditures are recognized for budgetary purposes.

BET – Board of Estimate and Taxation, consisting of the Mayor, the President of the City Council, the Chair of the City Council's Ways and Means/Budget Committee, one member of the Park and Recreation Board, and two elected citizens.

BLOA – Budgetary Leave of Absences. A term used to describe a type of unpaid leave.

Bond Anticipation Note – Short term, interest-bearing note issued by a government in anticipation of bond proceeds to be received at a later date. The note is retired from proceeds of the bonds to which it is related.

Bonds – General Obligation Bonds (GO Bonds): A bond secured by the "full faith and credit" of the issuing government and backed by taxing power.

Business-type Activities – One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities are usually reported in enterprise funds.

CAD – Computer Aided Dispatch.

CAFR – Comprehensive Annual Financial Report.

CAMA **-** Computer Assisted Mass Appraisal.

CAO – City Attorney's Office.

Capital Assets – Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or

intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Improvement Plan (CIP) – A five-year plan for proposed capital improvements. The first year of the CIP is formally adopted as the Capital Budget.

Capital Program – see Capital Improvement Plan (CIP).

Capital Projects Funds – Used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for governmental fund types.

CARS – The City's Capital Asset Request System used for planning medium-sized capital needs including upgrades and replacements in the budget and out-year planning.

Cash – In the context of cash flows reporting, not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

Cash Basis of Accounting – Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

CBA – Collective Bargaining Agreement.

CBR – Capital Budget Request

CCS – Construction Code Services, a division / program within Community Planning and Economic Development department.

CCU/D – Contract Compliance Unit/Division.

CDBG – Community Development Block Grant. Grants provided to the City, based on its submitted consolidated plan. They are annual direct grants that can be used to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

CID – Complaint Investigations Division

CIP – Capital Improvement Program

Claims – Requests for reimbursement for damages resulting from fault or liability of the City.

Classification Rate – The percentage set by State statute that is applied to the market value of each property to arrive at the tax capacity.

CLIC – Capital Long-Range Improvement Committee - a committee of 33 private residents appointed by the 13 Council members (2 per ward) and Mayor (7). The committee reviews Capital proposals and recommends priorities for capital spending within specified resource parameters.

CMS – Case Management System (City Attorney's Office).

COLA – Cost of Living Adjustment.

COMET - COMPASS is anticipated to change to COMET (City of Minneapolis Enterprise Technology) – an upgraded City software system for human resources, financials, and business information reporting and analysis.

COMPASS – The City's implementation of Oracle's PeopleSoft Financial Systems Enterprise Resource Planning, which replaced FISCOL. In 2016, COMET is anticipated to replace COMPASS.

Component Unit – Legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Conduit Debt – Certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

Contingency – Budget for undesignated expenditures. These expenditures cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. These funds are earmarked for emergency or unanticipated expenses, special projects or shortfalls in revenue. The release of these funds is governed by the City Council.

Contractual Services – The summary expense category, which displays expenses such as contracts for service, quasi-contractual arrangement such as utilities, or services billed by another unit of government.

CPED – Community Planning and Economic Development Department. CPED is directed to oversee and coordinate all City planning and development activity.

CPC – City Planning Commission.

CPI – Consumer Price Index.

CPP - Community Participation Program.

CRA – Civilian Review Authority.

CSA – County-State Aid, received by the City for work done on County roads.

CSAH – County State Aid Highways.

CRM – Customer Relationship Management.

CRT – Community Response Team.

CSO – Combined Sewer Overflow, which separates the remaining storm sewer lines that are connected to sanitary sewer lines. (Public Works).

CSO – Community Service Officer. (Police Department)

CY – Calendar Year or Current Year.

DAPT – Domestic Abuse Prosecution Team, in the City Attorney's office.

Debt Service – Amount of resources required for payment of principal and interest on outstanding bonds and notes.

Debt Service Funds – Used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest and related costs.

Defined Benefit Pension Plan – Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service and compensation.

Direct Expense – Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable to a particular function.

Duration – In the context of investment disclosure, a measure of a debt investment's exposure to fair value changes arising from changing interest rates based upon the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price.

EAP – Employee Assistance Program.

ECM – Enterprise Case Management.

EIM - Enterprise Information Management.

EMIS – Equipment Management Information System.

Employer Contributions – Term used in the context of pension and other post-employment benefits to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer. (Only amounts paid to trustees and outside parties qualify.)

EOTF – Emergency Operations Training Facility.

Encumbrances – Commitments related to unperformed (executable) contracts for goods or services. For financial reporting purposes, encumbrance accounting is restricted to governmental funds.

Enterprise Bonds/Revenue – Bonds related to Sewer, Water and Parking enterprises of the City. Debt Service is paid for by user fees charged for these enterprise services. Enterprise revenues are "Pay as you go" sources anticipated to be available in the enterprise funds.

Enterprise Funds – Used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where costs and expenses, including depreciation, are recovered principally through user charges. Examples include the Water and Sewer Funds.

enQuesta – an application database to provide operational and management reports for Utility Billing.

Equivalent Stormwater Unit (ESU) - The stormwater utility fee is based on impervious area and is charged on a per unit basis. Each ESU (Equivalent Stormwater Unit) is 1,530 square feet of impervious area on a property.

ESG – Emergency Solutions Grant

Expenditure – Funds paid, or designated to be paid, for an asset or goods and services.

Fiduciary Funds – Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Final Amended Budget – Original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized. Also referred to as current budget or amended budget.

Fiscal Disparities – Fiscal disparities is a law by which commercial-industrial tax base growth is shared annually among metropolitan taxing jurisdictions according to a statutory formula.

Formula Grants – Government-mandated or voluntary non-exchange transactions involving the provision of resources based upon established criteria (*e.g.,* number of full-time equivalent students) other than the incurrence of qualifying expenditures.

FSAM – Facilities Space & Asset Management. This committee consists of the City Coordinator (Co-chair), City Engineer (Co-chair), and two department heads. Staff in attendance includes the Director of Management and

Budget, Facility Manager/Staff, and Space and Asset Manager/Staff.

FTE (Full Time Equivalent) – A unit of measurement to account for the number of positions authorized to departments.

Fund – A major accounting vehicle used by the city to account for revenues, expenditures, assets, and liabilities of major sectors of city activities as established by legal requirements.

Fund Balance – Difference between assets and liabilities reported in a governmental fund.

Fund Classifications – One of the three categories (governmental, proprietary, and fiduciary) used to classify fund types.

Fund Financial Statements – Basic financial statements presented on the basis of funds, in contrast to government-wide financial statements.

Fund Summary – A budgetary document that summarizes on an annual basis the activities of a city fund. It compares revenues with expenditures on an annual basis. This budget fund summary may not be the same as the audited financial statement since the fund summary includes only resources which are available to pay expenses of the fund *(i.e.,* excludes inventory and depreciation) during the current year.

Fund Type – One of eleven classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Funded Ratio – In the context of defined benefit pension and other post-employment benefit plans, the actuarial value of assets expressed as a percentage of the actuarial accrued liability.

FY – Fiscal Year.

GAAP – Generally Accepted Accounting Principles.

GASB – Governmental Accounting Standards Board.

GARFS – General Agency Reserve Fund System.

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

General Obligation Debt – General obligation debt reduced by the amount of any accumulated resources restricted to repaying the principal of such debt.

GFOA – Government Finance Officers Association, the professional association of finance professionals in the public sector.

Governmental Activities – Activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds.

Governmental Entity – For accounting and financial reporting purposes, an entity subject to the hierarchy of GAAP applicable to state and local governmental unity.

Governmental Funds – Used to account for functions of the City principally supported by taxes and intergovernmental revenues.

Government-wide Financial Statements – Financial statements that incorporate all of a government's governmental and business-type activities, as well as its non-fiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities.

HPC - Heritage Preservation Commission.

HOME – Home Investment Partnerships Program, a U.S. Department of Housing and Urban Development grant program.

HOPWA – Housing Opportunities for People With Aids, a U.S. Department of Housing and Urban Development grant program.

HRA – Housing and Redevelopment Authority.

HRIS – Human Resources Information System.

iDSS – Internet Destination Sales System, a venture of Meet Minneapolis

IGR – Intergovernmental Relations.

Improvement – Addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change normally is added to the book value of the asset.

Indirect Expenses – Expenses that cannot be specifically associated with a given service, program or department and thus, cannot be clearly associated with a particular functional category.

Industrial Revenue Bond - Bond proceeds are used to finance the purchase or construction of facilities or equipment to be leased to a private corporation. The bonds are backed by the revenue generated by the lease payment and ultimately by the credit of the corporation.

Infrastructure – Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

IRV – Instant Runoff Voting.

IT – Information Technology – Directed to deliver innovative high quality, cost effective civic enablement, decision support, infrastructure and workforce empowerment services to City departments and residents. Predecessors were BIS (Business Information Services) and Technology Infrastructure Services.

Interfund Activity – Activity between funds of the primary government, included blended component units. Interfund activities are divided into two broad categories: reciprocal and nonreciprocal.

Interfund Loans – Amounts provided between funds and blended component units of the primary government with a requirement for repayment.

Interfund Transfers – Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

ISF - Internal Service Funds – Funds used to account for those City services which are financed and operated in a manner similar to private business enterprises and the customer is other City departments instead of the public.

IWR – Utility Billing's Interactive Web Response application.

JP – Joint Powers.

Legal Debt Margin – Excess of the amount of debt legally authorized over the amount of debt outstanding.

Legal Level of Budgetary Control – Level at which a government's management may not reallocate resources without special approval from the legislative body.

LGA – Local Government Aid.

LMC – League of Minnesota Cities.

LMV - Limited Market Value. A limitation on the amount that a property's market value may grow from one year to the next for purposes of property taxation. It was enacted to help mitigate rising property taxes resulting from rapidly inflating property values. The program was eliminated in 2010.

Major Fund – Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that the fund is particularly important to financial statement users.

Market Value – The estimated amount as determined by the City Assessor that a willing seller and a willing buyer would agree upon for a piece of property.

Mayor's Recommendation – The recommended annual budget by the Mayor as required by the City Charter.

MBC – Municipal Building Commission, a component unit of the City which operates the City Hall/Courthouse Building.

MCC – Minneapolis Convention Center.

MCCR – Minneapolis Commission on Civil Rights.

MHD – Minneapolis Health Department.

Meet Minneapolis (MM) – The City's official Convention and Visitor's Association.

MERF – Minneapolis Employee Retirement Fund, a closed retirement plan for general City employees that merged with the statewide plan.

METP – Minneapolis Employment and Training Program.

MFD – Minneapolis Fire Department.

MFRA – Minneapolis Firefighter's Relief Association, a retirement plan for firefighters that is closed to new members.

Minneapolis 311 – Serves as the single point of contact to the City for all non-emergency requests for information and services, which simplifies citizen access to city services and information; enables city employees to deliver services more effectively; tracks requests for service delivery from inception to completion; and provides access to city services by voice, e-mail and the web.

Modified Accrual Accounting – Recognizes expenses in the accounting period in which they are incurred and measurable. Recognizes revenues in the accounting period in which they are measurable and available.

MPD – Minneapolis Police Department.

MPHA – Minneapolis Public Housing Authority, the public agency responsible for administering public housing and Section 8 rental assistance programs for eligible individuals and families in Minneapolis.

MPRA – Minneapolis Police Relief Association, a retirement plan for police officers that is closed to new members.

MPRB – Minneapolis Park and Recreation Board, a directly elected body that is responsible for the City's park and recreation programs and assets.

MRI – Municipal Refuse Incorporated, provider of solid waste disposal in parts of Minneapolis.

MSA – Municipal State Aid – refers to gas tax dollars distributed to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

MTRA – MN Teachers Retirement Fund Association

MVHC – Market Value Homestead Credit.

MVNA – Minneapolis Visiting Nurse's Association, a community non-profit.

NCEC – Neighborhood and Community Engagement Commission.

NCR – Neighborhood and Community Relations.

NDB – Net Debt Bonds – property tax supported bonds issued to finance general infrastructure improvements. Debt service is paid by taxes collected for the annual Bond Redemption Levy.

Net Tax Levy – This is the total tax levy (including fiscal disparities). The net tax levy is now the certified tax levy as required by a change in state law.

NFPA – National Fire Protection Association, accreditation organization for Fire Departments.

NLC – National League of Cities.

NON APPROP – Non Appropriated – reflects cost participation from County, State or Federal dollars and usually on these types of projects, the City of Minneapolis is not the lead agency.

Normal Cost – In the context of defined benefit pension and other post-employment benefit plans, that portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method.

OJP – Office of Justice Programs

Operating Activities – Term used in connection with cash flows reporting. Operating activities generally results from providing services and producing and delivering goods, and include all transactions and other events that are not defined as capital and related financing, non-capital financing, or investing activities.

Operating Budget – Financial plan that allows City departments to maintain adequate service levels at reasonable costs by following sound financial management practices. Each City department prepares its own budget for review by the Mayor to assist the Mayor in preparing a budget recommendation for the City Council. A department's Operating Budget authorizes designated spending, revenue, and personnel levels.

Operating Revenues and Expenses – Cost of goods sold and services provided to customers and the revenue thus generated.

Operating Tax Funds – Those funds at least partially financed by property taxes, which support the normal functions of city government. They include the General fund, Board of Estimate and Taxation fund, Municipal Building Commission fund, and the Park Tax funds.

OPCR – Office of Police Conduct Review.

Original Budget – First complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior-year encumbrances.

Original/Current Appropriation – The amount of money allocated by the respective governing body for the budgeted year. The original appropriation is the amount approved at the time the budget was initially adopted. The current appropriation is the original budget as amended to reflect any approved changes.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits. Other post-employment benefits (OPEB) include post-employment healthcare benefits, regardless of the type of plan that provides them, and all post-employment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

Outcome Measures – In the context of service efforts and accomplishments reporting, indicators that measure accomplishments or results that occur (at least partially) because of services provided. Results also include measures of public perceptions of outcomes.

Own-source Revenues – Revenues that are generated by a government itself (*e.g.,* tax revenues; water and sewer charges; investment income) rather than provided from some outside source (*e.g.,* intergovernmental aid and shared revenues).

Pass-through Grants – Grants and other financial assistance received by a governmental entity to transfer to, or spend on behalf of, a secondary recipient.

PAVER – Pavement Management System software application that computes the Pavement Condition Index (PCI) of roads and parking lots.

Payment In Lieu of Taxes (PILOT) – Payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

PCI – Pavement Condition Index, used to rate the condition of pavement.

Pension Benefits – Retirement income and all other benefits (*e.g.* disability benefits, death benefits, life insurance) except healthcare benefits that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or after retirement. Post-employment healthcare benefits are considered other post-employment benefits, regardless of how they are provided.

Pension Cost – Accrual measure of the periodic cost of an employer's participation in a defined benefit pension plan.

Pension Obligation Bonds – Bonds issued by employers to finance one or more elements of their pension obligation to employees. Pension obligation bonds may be used, for example 1) to reduce or eliminate the employer's net pension obligation, 2) to pay the employer's annual required contribution for the year, or 3) to reduce or eliminate the plan's unfunded actuarial accrued liability.

Pension Plan – Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

PERA – Public Employees Retirement Association, state-wide pension plan, to which a majority of the City's employees belong.

Post-employment – Period following termination of employment, including the time between termination and retirement.

Post-employment Healthcare Benefits – Medical, dental, vision and other health-related benefits provided to terminated employees, retired employees, dependents, and beneficiaries.

PI – Permanent Improvement.

PM – Performance Management.

Primary Government – Term used in connection with defining the financial reporting entity. A state government or general purpose local government. Also, a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. The primary government is the focus of the financial reporting entity.

Program Revenue - Revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry;, as a whole they reduce the net cost of the function to be financed from the government's general revenues.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net assets or cost recovery, financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

PW – Public Works.

RCV– Ranked-choice voting.

Reappropriation – Inclusion of a balance from the prior year's budget as part of the budget of the subsequent fiscal year. Reappropriation is common for encumbrances outstanding at the end of a fiscal year that a government intends to honor in the subsequent fiscal year.

Refunding – Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

REIMB –Capital work performed by divisions of Public Works for which reimbursements are received from other City departments, outside government agencies or private businesses.

Results Minneapolis– A management tool the City uses to systematically track performance toward achieving the city's five-year goals and 2020 vision.

Revenue – Funds received from various sources used to finance City expenditures.

RFP – Request for Proposal, the process by which the City receives service descriptions and estimates of costs from potential providers of a service.

SAFER - Staffing for Adequate Fire and Emergency Response. A federal grant program aiming to help fire departments increase the number of frontline firefighters. SAFER is part of the Assistance to Firefighters Grants and is under the purview of the Office of Grants and Training of the Department of Homeland Security.

SBC – School Based Clinics.

SCADA – Supervisory Control and Data Acquisition: a control systems program that provides monitoring, control, historical logging, and reporting data for industrial systems - for water treatment and water pumping systems.

Schedule of Employer Contributions – In the context of defined benefit pension plans and other post-employment benefit plans, trend data on employers' annual required contribution to a plan of actual contributions.

Schedule of Funding Progress – In the context of defined benefit pension plans and other post-employment benefit plans, trend data on the relationship between the actuarial value of plan assets and the related actuarial accrued liability.

SDP – Service Delivery Plan.

Special Assessment – Compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Funds – Used to account for the proceeds of specific revenue sources that are restricted by legal and regulatory provisions to finance specific activities.

Sponsor – In the context of pension and other post-employment benefits, the entity that established the plan.

SW&R – Solid Waste and Recycling.

Tax Capacity – That amount of estimated market value subject to taxes after the total estimated value is multiplied by a "tax classification rate".

Tax Capacity Rate – After calculating the dollars to be levied, each taxing jurisdiction uses the total tax capacity to calculate their "tax capacity rate". This rate is essentially the percentage of tax capacity to be paid in taxes.

Tax Classification Rate – The percentage set by state statute that is applied to the market value of each property classification to arrive at tax capacity (replaced assessment ratios).

Tax Increment (TI) – Tax increment of real property within a municipality whose assessed valuation for tax purposes is frozen when the tax increment district is certified. The proceeds from the tax increment bond sale are used to develop this distressed or under-utilized property. Taxes collected from the frozen assessed valuation continue to be distributed to the various taxing districts. As development caused the valuation of the property of rise, the difference or increment between the frozen valuation levels and increased value after development provides the needed payment to pay off the bonds.

Tax Increment Finance Bonds --Bonds sold to investors to raise capital for development activities. Interest paid to bond purchasers is usually exempt from state and federal taxation, although TIF bonds can also be sold to investors with no interest exemption from state and federal taxes.

Tax-Increment Financing (TIF) – Financing secured by the anticipated incremental increase in tax revenue, resulting from the redevelopment of an area.

TISH – Truth in the Sale of Housing, a business function of Construction Code Services division of CPED.

TNT – Truth in Taxation Statement mailed to property owners each November, with approximate City taxes to be paid in following year.

Total Expenses – The total costs of a cost center or department including debt service and capital improvements.

TRA – Teachers Retirement Association

UB – Utility billing.

Unallotment – Executive branch power to reduce spending to avoid a deficit without legislative action.

Undesignated Unreserved Fund Balance – Available expendable financial resources in a governmental fund that are not the object of tentative management plans (*i.e.,* designations).

Unfunded Actuarial Accrued Liability – Excess of the actuarial accrued liability over the actuarial value of assets. This value may be negative, in which case it may be expressed as a negative unfunded actuarial accrued liability, the excess of the actuarial value of assets over the actuarial accrued liability, or the funding excess.

Unrealized Gains and Losses – Difference between the carrying value of an asset and its fair value prior to sale.

Variable-rate Investment – In the context of investment disclosure, and investment with terms that provide for the adjustment of its interest rate on set dates (such as the last day of a month or calendar quarter).

VCAT – Violent Criminal Apprehension Team.

VPN – Virtual Private Network.

WC – Worker Compensation.

YCB – Youth Coordinating Board, a joint power agreement of the City.

YTD – Year to date.

CITY OF MINNEAPOLIS
2016 COUNCIL ADOPTED BUDGET RESOLUTIONS

RESOLUTION 2015R-495
By Quincy

Approving the 2015 property tax levies, payable in 2016, for the various funds of the City of Minneapolis for which the City Council levies taxes.

Resolved by The City Council of The City of Minneapolis:

That the following taxes and tax levies are hereby assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2015 for taxes payable in 2016 for the following funds:

FUND	**CERTIFIED LEVY AMOUNT**
General Fund	$160,446,000
Municipal Building Commission	$4,810,000
Permanent Improvement	$1,000,000
Bond Redemption	$37,800,000
Firefighters Relief Association (MFRA)	$1,460,000
Police Relief Association (MPRA)	$7,700,000
Minneapolis Employees Retirement (MERF)	$18,150,000
Total	**$231,366,000**

Be It Further Resolved that the difference between the amounts herein levied for the Bond Redemption Fund and the aggregate of levies previously certified to the Hennepin County Auditor are made up by cash from prior years' balances. The dollar amount shown in the levy is hereby certified and such amounts to be determined by the County Auditor are to be due to the City under the "Fiscal Disparities" law.

Be It Further Resolved that a tax levy of **$9,300,000** be **assessed against and levied based on market value** upon the real and personal property in the City of Minneapolis in 2015 for taxes payable in 2016 for debt service associated with the voter approved Library Referendum Bond authorization of 2000 for $140,000,000.

Be It Further Resolved that a Special Tax Levy (Chapter 595) of **$129,000** be assessed against and levied based on taxable value upon the real and personal property in the City of Minneapolis in 2015 for taxes payable in 2016 **for a Special Levy under Chapter 595** to be initially deposited in the General Fund of the City upon receipt from the County and to be used only for expenditures consistent with Chapter 595.

Be It Further Resolved that the **Certified Local Government Aid (LGA**) Amount estimated at **$77,805,255** shall be initially distributed as follows:

Municipal Building Commission	$234,193
Minneapolis Park & Recreation Board	$9,182,577
General Fund	$68,388,485
Total	**$77,805,255**

RESOLUTION 2015R-496
By Quincy

Fixing the maximum amounts to be expended by the various departments for 2016 from the various funds under the jurisdiction of the City Council for which the City Council levies taxes and fees.

Resolved by The City Council of The City of Minneapolis:

That there be appropriated out of the monies in the City Treasury and revenues of the City applicable to specifically named funds the maximum appropriation amounts as outlined in Financial Schedules 1, 2, 3, 4 (Community Development Block Grant ("CDBG") Program Allocations), 6 and 7 as published in the final 2016 Adopted Budget Book.

That the proper City officers be authorized to execute and/or carry out the intent of the 2016 Consolidated Plan program allocations (CDBG, HOME, ESG and HOPWA entitlement grants), as amended, including the 2016 Adopted Budget Schedule 4 CDBG Program, and Schedules 6 CPED Program Allocations by fund.

That the proper City officers be authorized to enter into any necessary grant agreements with the Department of Housing and Urban Development to receive Fiscal Year 2016 Consolidated Plan funding.

2016 Operating Budget
Resolution Footnotes

1. Financial Management Policies, as included in the Financial Policies Section of the 2016 Adopted Budget book, are hereby adopted as part of the 2016 budget.

2. That this resolution may be cited as the "General Appropriation Resolution of 2016."

Changes to the Recommended Budget

1. Amending the 2016 Mayor's Recommended Budget for the Community Planning & Economic Development (CPED) and Neighborhood & Community Relations (NCR) Departments on a one-time basis by decreasing CPED's budget by $25,000 and increasing NCR's budget by $25,000 for the Nokomis Healthy Seniors.

2. Amending the 2016 Mayor's Recommended Budget for Affordable Housing Initiatives by an additional $1,500,000 for the Affordable Housing Trust Fund to be funded by available tax increment funds restricted for this use to provide for a total of $10,000,000 for the Affordable Housing Trust Fund in 2016.

3. Amending the 2016 Mayor's Recommended Budget for the Health, Regulatory Services, Public Works and City Attorney's Office Departments on a one-time basis to decrease the Capital Asset Request budget in Health by $12,500, replace the General Fund Capital Asset Request budget of $75,000 in Regulatory Services with $75,000 from the Parking Fund, and increase City Attorney's budget by $87,500 to be used for continuation of the Hot Spots Pilot for 2016.

4. Amending the 2016 Mayor's Recommended Budget for the Police and Neighborhood & Community Relations Departments on a one-time basis by decreasing the E 24th St Sub-Station allocation by $20,000 and increasing Neighborhood & Community Relations' budget by $20,000 to be used for cultural community educational programs.

5. Amending the 2016 Mayor's Recommended Budget by decreasing on a one-time basis the Public Works budget by $105,000 from the LED lighting initiative and increasing the Police budget by $105,000 and reallocating $200,000 in cost savings from the timing of hiring new positions to be used for Crisis Intervention Training (CIT) and Procedural Justice Training within the Police Department in addition to the Department's existing training budget.

6. Amending the 2016 Mayor's Recommended Budget by replacing $129,000 in General Fund funding for eligible Community Planning & Economic Development housing program costs with the additional levy resource from the Special Tax Levy (Chapter 595) and increasing the Department's employment and training budget by $129,000 for Summit Academy OIC's contextualized GED Program. Summit Academy OIC is required to report back to the Community Development & Regulatory Services Committee on October 1, 2016, to provide an update on number of participants enrolled and number of participants who have successfully completed the program.

7. Amending the 2016 Mayor's Recommended Budget by reducing $50,000 in General Fund one-time enhancement funding for Green Zones in the Community Planning & Economic Development Department and reallocating $50,000 to the Fire Department; $42,000 will be used for the purpose of partnering with organizations to provide youth technical training and outreach and for identifying and securing a location that will allow Hennepin County Technical College, Roosevelt High School's Multi-Craft Core Curriculum, and Public Works' Fleet Division Mechanic Trainee Program to receive educational equipment that has been leveraged through a Department of Employment and Economic Development (DEED) grant. The remaining $8,000 will be allocated to the Midtown Safety Center.

Directions to Staff

1. Directing the Finance and Property Service Department to amend budgets, schedules and language changes relating to accounting and technical cost allocation adjustments, and program and capital/operating budget corrections.

2. Directing the Public Works Department to report to the Transportation & Public Works Committee by January 31, 2016, with proposed specific projects for the 2016 Paving Program within the capital budget.

3. Directing the Neighborhood & Community Relations Department to provide $50,000 of existing budgeted resources for senior initiatives as part of the Minneapolis for a Lifetime program, and; Directing staff in Neighborhood & Community Relations to return to the Health, Environment & Community Engagement Committee by August 1, 2016, with a summary of outcomes and plan to incorporate these activities into the department's on-going business plan.

4. Directing the Departments of Community Planning & Economic Development, Finance & Property Services, City Attorney's Office, and other relevant departments to return to both the Community Development & Regulatory Services and Ways & Means Committees by April 1, 2016, with an overview and report on-the status of the City's tax increment financing program, including the Common Project and Consolidated TIF Districts. Additionally, staff is directed to provide an overview of City development projects that are foreseeable in the next five years, including potential funding sources.

5. Directing the City Coordinator's Office to work with pertinent staff to create a racial equity website by the third quarter of 2016 aimed at both external and internal stakeholders that will:

1. Create a central repository of best practices for City staff to use in defining policy and procedures through a racial equity lens, including racial equity work in other jurisdictions, locally

and nationally, to foster learning and to build upon lessons learned by others tackling similar challenges;
2. Provide training and other self-study resources to aid staff in deepening individual understanding of cultural intelligence, race, and equity;
3. Promote existing City equity efforts to enable enterprise-level collaboration and sharing of lessons learned;
4. Provide access to department-level and City-wide racial equity plans, as available;
5. Create a dashboard of progress against department-level goals for racial equity and inclusion; and
6. Provide access to data that residents can use to explore equity-related issues.

6. Directing staff to identify and reallocate 1 vacant Full-time Equivalent (FTE) to the Office of City Clerk for an analyst position to provide management, policy, and fiscal support to the City Council and its committees.

Technical Changes

1. Amending the Mayor's 2016 recommended budget by $155,000; increasing fund 01CLC expense for the Upper Harbor Terminal in the Community Planning & Economic Development Department.

2. Amending the Mayor's 2016 recommended budget by $500,000; increasing fund 01CLC expense for Capital Acquisition Revolving Fund (CARF) in the Community Planning & Economic Development Department.

3. Amending the Mayor's 2016 recommended budget by $50,000; increasing fund 01SDA expense for Property Management in the Community Planning & Economic Development Department.

4. Amending the Mayor's 2016 recommended budget by $500,000; increasing expense for Contract Incentive in the Minneapolis Convention Center Department.

5. Amending the Mayor's 2016 recommended budget to reflect the correct budget cost centers in the Public Works Department.

6. Amending the Mayor's 2016 recommended budget to reflect the correct budget cost centers in the Human Resources Department.

7. Amending the Mayor's 2016 recommended budget to reflect revised cost allocations charges across multiple departments.

RESOLUTION 2015R-497
By Quincy

Adopting the 2016 - 2020 Five-Year Capital Program and fixing the maximum amounts for 2016 to be expended by the various funds under the jurisdiction of the City Council.

Resolved by The City Council of The City of Minneapolis:
That the Five-Year Capital Program for 2016 -2020 is hereby adopted and that there be appropriated out of the monies of the City Treasury and revenues of the City applicable to specifically named funds and revenue sources, the following maximum appropriation amounts for 2016 as detailed in the Capital Section of the 2016 Adopted Budget:

Fund Department	Amount (thousands $)
34200 9010901 MBC CAPITAL IMPROVEMENTS	**2,970**
14300 9101000 PARK CAPITAL IMPROVEMENTS	**4,152**
14370 9103000 PARK CAPITAL IMPROVEMENTS – ASSESSED	**300**
04100 9010937 PUBLIC WORKS STREET PAVING CAPITAL IMPROVEMENTS	**37,670**
04100 9010938 PUBLIC WORKS BRIDGE CAPITAL IMPROVEMENTS	**10,400**
04100 9010939 PUBLIC WORKS SIDEWALK CAPITAL IMPROVEMENTS	**3,675**
04100 9010943 PUBLIC WORKS TRAFFIC CAPITAL IMPROVEMENTS	**11,220**
TOTAL PUBLIC WORKS FUND 04100 CAPITAL IMPROVEMENTS	***62,965***
04100 9010923 PROPERTY SERVICES CAPITAL IMPROVEMENTS	**5,910**
04100 9010970 NON-DEPARTMENTAL CAPITAL IMPROVEMENTS (Art)	**580**
TOTAL CITY FUND 04100 CAPITAL IMPROVEMENTS	***69,455***
06400 9010972 INFORMATION TECHNOLOGY INTERNAL SERVICE FUND CAPITAL	**3,300**
07100 9010932 SANITARY SEWER ENTERPRISE FUND CAPITAL	**10,550**
07300 9010932 STORM SEWER ENTERPRISE FUND CAPITAL	**14,500**
07400 9010950 WATER SEWER ENTERPRISE FUND CAPITAL	**22,540**
07700 9010923 SOLID WASTE FUND CAPITAL	**7,000**
GRAND TOTAL ALL FUNDS	***134,767***

2016 - 2020 Five-Year Capital Program
Resolution Footnotes

Be It Further Resolved that the following 2016 Capital Budget footnotes are hereby incorporated into the 2016 Capital Resolution:

1. Directing the Finance and Property Service Department to amend budgets, schedules and language changes relating to accounting and technical cost allocation adjustments, and program and capital/operating budget corrections.

2. Directing the Public Works Department to report to the Transportation & Public Works Committee by January 31, 2016, with proposed specific projects for the 2016 Capital Program within the capital budget.

Changes to the Recommended Budget

1. Amending the 2016 Mayor's Recommended Capital Budget by reducing the appropriation in the Public Works Department for the Vineland Place Paving Redesign by $400,000 and reallocating $400,000 to the Public Works Department for the Concrete Streets Rehabilitation Program.

RESOLUTION 2015R-498
By Quincy

Requesting that the Board of Estimate and Taxation authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $8,640,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $8,640,000, the proceeds of which are to be used for the purpose of paying the portion of the cost of making and constructing certain local improvements to be assessed against benefited properties as estimated by the City Council and the Park Board, including assessable portions of the costs relating to paving, mill and overlays, alley resurfacing, retaining walls, streetscapes, landscaping, curb and gutter, street lighting, traffic management plans, ornamental lighting and bike lane development, of which assessments shall be collected in successive equal annual installments, payable in the same manner as real estate taxes, with the number of installments determined by the type of improvement and current City Council policy.

PV001	Parkway Paving Program (PV1601)	50,000
PV006	Alley Renovation Program (PV1606)	50,000
PV019	6th Ave N (5th St N to dead end north of Wash Ave N)	315,000
PV027	Hennepin/Lyndale	195,000
PV056	Asphalt Pavement Resurfacing Program (PV1656)	4,915,000
PV063	Unpaved Alley Construction (PV1663)	50,000
PV074	CSAH & MnDOT Cooperative Project	750,000
PV076	38th St E (Hiawatha to Minnehaha)	170,000
PV084	54th St W (Penn to Lyndale Ave S)	640,000
PV086	26th Ave N (Wirth Pkwy to Mississippi River)	1,505,000
	Total	**$8,640,000**

RESOLUTION 2015R-499
By Quincy

Requesting that the Board of Estimate and Taxation authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $32,830,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds, in the amount of $32,830,000, the proceeds of which are to be used as follows:

Municipal Building Commission, in the amount of $1,470,000		
MBC04	MBC Elevators	605,000
MBC09	Critical Power Capital Project	210,000
MBC10	Exterior Improvements	655,000
Park & Recreation Board, in the amount of $2,500,000		
PRK31	Bossen Park Field Improvements	2,500,000
City Council, in the amount of $28,860,000		
PV001	Parkway Paving Program (PV1601)	700,000
PV006	Alley Renovation Program (PV1606)	200,000
PV019	6th Ave N (5th St N to dead end north of Wash Ave N)	25,000
PV027	Hennepin/Lyndale	1,090,000
PV056	Asphalt Pavement Resurfacing Program (PV1656)	1,000,000
PV059	Major Pavement Maintenance Program (PV1659)	250,000
PV063	Unpaved Alley Construction (PV1663)	150,000
PV074	CSAH & MnDOT Cooperative Projects (PV1674)	3,240,000
PV076	38th St E (Hiawatha to Minnehaha)	595,000
PV084	54th St W (Penn to Lyndale Ave S)	1,740,000
PV104	ADA Ramp Replacement Program (PV16104)	745,000
PV108	Concrete Streets Rehabilitation Program	$400,000
PV128	3rd Ave Redesign (1st to 16th St)	3,000,000
SWK01	Defective Hazardous Sidewalks (SWK16)	315,000
BR101	Major Bridge Repair and Rehabilitation (BR1601)	400,000
TR008	Parkway Street Light Replacement (TR1608)	350,000
TR010	Traffic Management Systems (TR1610)	400,000
TR011	City Street Light Renovation (TR1611)	550,000
TR021	Traffic Signals (TR1621)	1,725,000
TR022	Traffic Safety Improvements (TR1622)	935,000
TR024	Pedestrian Street Lighting Corridors (TR1624)	500,000
BIK28	Protected Bikeways Program (BIK1628)	760,000
IT004	Enterprise Infrastructure Modernization (IT1604)	500,000
IT033	Police Report Management System Upgrade	2,800,000
FIR11	New Fire Station No. 11	1,910,000
FIR12	Fire Station No. 1 Renovation & Expansion	3,000,000
MPD03	Hamilton School Facility Improvements	1,000,000
ART01	ART in Public Places (ART2016)	580,000
	Total	**$28,860,000**

RESOLUTION 2015R-500
By Quincy

Requesting that the Board of Estimate and Taxation authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $23,750,000 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds in the amount of $23,750,000, the proceeds of which are to be used for sanitary sewer, water and solid waste projects as follows:

Sanitary Sewer Projects – Fund 07100:		
SA001	Sanitary Tunnel and Sewer Rehabilitation Program (SA1601)	7,050,000
SA036	Infiltration & Inflow Removal Program (SA1636)	1,500,000
Water Projects – Fund 07400:		
WTR18	Water Distribution Facility	1,500,000
WTR24	Fridley Filter Plant Rehabilitation	6,700,000
Solid Waste Projects – Fund 07700:		
PSD17	New Solid Waste & Recycling Facility	7,000,000
	Total	**$23,750,000**

RESOLUTION 2015R-501
By Quincy

Designating the utility rates for water, sewer, and stormwater service effective with water meters read on and after January 1, 2016.

Resolved by The City Council of The City of Minneapolis:

Effective with utility billings for water meters read from and after **January 1, 2016**, the meter rates for water are hereby fixed and shall be collected as follows:

Charges commence when the street valve is turned on for water service.

1. **Three dollars and forty five cents ($3.45)** per one hundred (100) cubic feet for customers not otherwise mentioned.

2. **Three dollars and sixty cents ($3.60)** per one hundred (100) cubic feet to municipalities, municipal corporations, villages and customers outside the corporate limits of the city where service is furnished through individual customer meters.

3. Rates for municipalities, municipal corporations and villages, which are established by contract, shall continue on the existing contract basis.

4. In addition to the above rates a fixed charge based on meter size will be billed each billing period or fraction thereof as follows:

Meter Size	Fixed Charge
5/8-inch	**$ 3.50**
3/4-inch	**5.25**
1-inch	**8.75**
1 1/2-inch	**17.50**
2-inch	**28.00**
3-inch	**56.00**
4-inch	**87.50**
6-inch	**175.00**
8-inch	**280.00**
10-inch	**402.50**
12-inch	**1,155.00**

5. The fixed charge for a property serviced by a combined fire/general service line shall be based on the small side register of the combined meter, provided the volume of water used on the large side register does not exceed 45,000 gallons per year. The volume of water used on the large side register in the previous year will be used to establish the fixed rate in the current year. In addition to the fixed charge, a fire line rate shall be assessed according to the size of the large side register at the annual rates established in provision (f) of this section.

The fixed charge for a property serviced by a combined fire/general service line shall be based on the large side register of the combined meter, when volume of water used on the large side register exceeds 45,000 gallons per year. The volume of water used on the large side register in the previous year will be used to establish the fixed rate in the current year.

The fixed charge for a combined fire/general service line shall remain in place for the entire year.

6. All fire standpipes, supply pipes and automatic sprinkler pipes with detector meters, direct meters or
non-metered, shall be assessed according to size of connection at the following rates each per annum for the service and inspection of the fire protection pipes and meters installed, as follows:

1½ inch pipe connection …….$ 30.00

2 inch pipe connection . . . ……..$ 30.00

3 inch pipe connection . . . …….$ 40.00

4 inch pipe connection . . . ….. $ 60.00

6 inch pipe connection . . . …..$120.00

8 inch pipe connection . . . ….. $190.00

10 inch pipe connection . . . …..$275.00

12 inch pipe connection . . . …..$790.00

When the seal of any of the valves connecting with such fire protection pipes shall be broken, it shall be forthwith resealed by a Public Works - Water Division representative. All connections for fire systems must have a post indicator valve installed at the curb if ordered by the superintendent of the waterworks. (Code 1960, As Amend., § 606.030; Ord. of 12-28-73, § 1)

7. Rates for other services and materials provided shall be fixed as follows:

Description	Materials (*before sales tax*)	Hourly Servicing Fee	Flat Rate
Install new equipment requested by customer or replace damaged or lost equipment:			
5/8" water meter	$75.00	$53.00	N/A
3/4" water meter	$100.00	$53.00	N/A
1" water meter	$145.00	$53.00	N/A
1 1/2" water meter	$360.00	$53.00	N/A
2" water meter	$460.00	$53.00	N/A
3" water meter	$1,090.00	$53.00	N/A
4" water meter	$1,476.00	$53.00	N/A
6" water meter	$2,430.00	$53.00	N/A
Encoder Receiver Transmitter (ERT)	$87.00	$53.00	N/A
Encoder 5/8" - 1"	$25.00	$53.00	N/A
Encoder 1 1/2" or greater	$80.00	$53.00	N/A
Meter couplings	$10.00	$53.00	N/A
Remove or drain a water meter	N/A	$53.00	N/A
Water meter testing	N/A	$53.00	N/A
Water meter reading, missed appointments, and posting fees	N/A	Minimum Charge $26.50	N/A
Shut Off Valve Flush Fee	N/A	$20.00	N/A
Private meter sales	Cost + 10% Overhead	$53.00	N/A
Water turn-on or shut-off - delinquent or at customer's request	N/A	$53.00	N/A
Description	**Materials (*before sales tax*)**	**Hourly Servicing Fee**	**Flat Rate**
Winter Surcharge (December 1st - April 1st)	N/A	N/A	$25.00
Water main shut down for contractor	N/A	N/A	$646.00
Penalties:			
Water meter tampering violation penalty	N/A	N/A	$200.00

Water meter bypass valve tampering penalty	N/A	N/A	$500.00
Unauthorized water service turn-on penalty	N/A	N/A	$500.00
Water system valve tampering penalty	N/A	N/A	$500.00
Violation of water emergency declaration penalty	N/A	N/A	$25.00
Water Service Tap Cutoff or Extension Permit	N/A	N/A	$50.00
Water Hydrant Usage:			
Permit	N/A	N/A	$50.00
Installation of equipment for construction, demolition, and special event usage	N/A	N/A	$200.00
Hydrant sanitation for potable water usage	N/A	N/A	$160.00
Equipment deposit for residential demolition usage	N/A	N/A	$1,200.00
Equipment deposit for commercial construction and demolition usage	N/A	N/A	$3,200.00
Water usage charged at 2016 in city rate - $3.45/ Unit (100 cubic feet)	N/A	N/A	$3.45/Unit
Water usage Fee for Residential demolition	N/A	N/A	$50.00
Temporary Water Meter for Construction Usage:			
Permit	N/A	N/A	$50.00
Temporary water meter usage fee	N/A	N/A	$200.00
Equipment and water usage deposit	N/A	N/A	$2,500.00
Water usage charged at 2016 in city rate - $3.45/ Unit (100 cubic feet). Usage will be subtracted from initial deposit until deposit is depleted.	N/A	N/A	$3.45/Unit
Large Water Main Tap by Tap Size *			
6x4"	N/A	N/A	$1,974.35
6x6"	N/A	N/A	$2,223.09
8x4"	N/A	N/A	$2,121.37
8x6"	N/A	N/A	$2,191.18
8x8"	N/A	N/A	$2,927.64
10x4"	N/A	N/A	$2,413.38
10x6"	N/A	N/A	$2,428.87
10x8"	N/A	N/A	$2,682.26
12x4"	N/A	N/A	$2,137.95

12x6"	N/A	N/A	$2,288.37
Description	**Materials (*before sales tax*)**	**Hourly Servicing Fee**	**Flat Rate**
12x8"	N/A	N/A	$3,101.02
12x12"			$5,173.88
16x4"	N/A	N/A	$2,742.34
16x6"	N/A	N/A	$2,462.04
16x8"	N/A	N/A	$3,818.13
16x12"	N/A	N/A	$5,065.03
24x4"	N/A	N/A	$2,417.34
24x6"	N/A	N/A	$3,000.42
24x8"	N/A	N/A	$4,074.35
24x12"	N/A	N/A	$5,787.74
30x4"	N/A	N/A	$3,504.50
30x6"	N/A	N/A	$3,710.99
30x8"	N/A	N/A	$5,168.75
30x12"	N/A	N/A	$8,556.31
36x4"	N/A	N/A	$3,766.39
36x6"	N/A	N/A	$3,878.74
36x8"	N/A	N/A	$4,900.95
36x12"	N/A	N/A	$7,934.67
Small Water Main Tap by Size *			
3/4x3/4"	N/A	N/A	$213.00
1x1"	N/A	N/A	$223.00
1x1¼"	N/A	N/A	$238.00
Water Main Tap Discontinue by Size *			
6x2"	N/A	N/A	$1,799.03
6x3"	N/A	N/A	$1,799.03
6x4"	N/A	N/A	$2,093.07
6x6"	N/A	N/A	$2,093.07
8x2"			$1,831.99
8x3"	N/A	N/A	$1,831.99
8x4"	N/A	N/A	$1,831.98
8x6"	N/A	N/A	$2,298.73
8x8"	N/A	N/A	$2,298.73
10x2"	N/A	N/A	$1,898.91
10x3"	N/A	N/A	$1,898.91

10x4"	N/A	N/A	$1,898.91
10x6"	N/A	N/A	$2,985.14
10x8"	N/A	N/A	$2,985.14
10x10"	N/A	N/A	$2,985.14
12x2"	N/A	N/A	$1,964.24
Description	**Materials (*before sales tax*)**	**Hourly Servicing Fee**	**Flat Rate**
12x3"	N/A	N/A	$1,964.24
12x4"	N/A	N/A	$1,964.24
12x6"	N/A	N/A	$1,964.24
12x8"	N/A	N/A	$3,052.28
12x12"	N/A	N/A	$3,052.28
16x2"	N/A	N/A	$2,491.72
16x3"	N/A	N/A	$2,491.72
16x4"	N/A	N/A	$2,491.72
16x6"	N/A	N/A	$2,491.72
16x8"	N/A	N/A	$2,491.72
16x12"	N/A	N/A	$4,187.85
24x2"	N/A	N/A	$2,898.91
24x3"	N/A	N/A	$2,898.91
24x4"	N/A	N/A	$2,898.91
24x6"	N/A	N/A	$2,898.91
24x8"	N/A	N/A	$2,898.91
24x12"	N/A	N/A	$2,898.91
Mechanical Plug Pricing*			
4" Plug	N/A	N/A	$1,799.04
6" Plug	N/A	N/A	$1,810.79
8" Plug	N/A	N/A	$1,851.88
12" Plug	N/A	N/A	$1,899.03
**When site specific circumstances preclude the use of standard methods, the fee will based on the City's estimate for time and materials. Standard fee includes installation and $50 permit fee but not excavation.*			

The sanitary sewer rates and stormwater service rate shall be applied to utility billings for water meters read from and after <u>January 1, 2016</u>.

Sanitary Sewer Rate

The sanitary sewer rates to be charged properties within and outside the City of Minneapolis that are served directly by the City of Minneapolis sewer system and that are all served either directly or indirectly by the sewage disposal system constructed, maintained and operated by the Metropolitan

Council Environmental Services under and pursuant to Minnesota Statutes Sections 473.517, 473.519 and 473.521, Sub. 2, are hereby set as follows:

1. The sanitary sewer rate applicable inside the City of Minneapolis is **three dollars and thirty-nine cents ($3.39)** per one hundred (100) cubic feet.

2. In addition, a fixed charge based on water meter size will be billed each billing period or fraction thereof as follows:

Meter Size	Fixed Charge
5/8-inch	**$ 4.30**
3/4-inch	**6.45**
1-inch	**10.75**
1 1/2-inch	**21.50**
2-inch	**34.40**
3-inch	**68.80**
4-inch	**107.50**
6-inch	**215.00**
8-inch	**344.00**
10-inch	**494.50**
12-inch	**1,419.00**

3. The sanitary sewer rate applicable outside the City of Minneapolis for all sewage flow generated is **three dollars and thirty-nine cents ($3.39)** per one hundred (100) cubic feet when the City of Minneapolis also provides water. In addition, the fixed charge sanitary sewer rate shall be based on meter size per section (b).

4. Sanitary sewer only service outside the City of Minneapolis shall be twenty dollars ($20.00) per month.

5. The sanitary sewer charge for residential property not exceeding three (3) residential units shall be based on the volume of water used during the winter season which is defined as a four (4) month period between November 1 and March 31.

6. The sanitary sewer charge for residential property exceeding three (3) residential units and all other commercial and industrial property shall be based on measured sewage volume or the total water volume used during the billing period as is appropriate.

Stormwater Rate

The stormwater rate, subject to the provisions in Chapter 510, of the Minneapolis Code of Ordinances, is imposed on each and every Single-Family Residential Developed Property, Other Residential Developed Property, Non-Residential Developed Property, and Vacant Property, other than Exempt Property, and the owner and non-owner users, and is hereby set as follows:

1. The Equivalent Stormwater Unit (ESU) rate is **eleven dollars and ninety-four cents ($11.94).** The ESU measurement is 1,530 square feet of impervious area.

2. The stormwater rate imposed on Single-Family Residential Developed Properties shall be categorized into three tiers based on the estimated amount of impervious area as follows:

High – Single-Family Residential Developed Property – greater than one thousand five hundred and seventy-eight (1,578) square feet of estimated impervious area. The ESU shall be 1.25 and the stormwater rate set at **fourteen dollars and ninety-three cents ($14.93).**

Medium – Single-Family Residential Developed Property – equal to or greater than one thousand four hundred and eighty-five (1,485) square feet and less than or equal to one thousand five hundred and seventy-eight (1,578) square feet of estimated impervious area. The ESU shall be 1.00 and the stormwater rate set at **eleven dollars and ninety-four cents ($11.94).**

Low – Single-Family Residential Developed Property – less than one thousand four hundred and eighty-five (1,485) square feet of estimated impervious area. The ESU shall be .75 and the stormwater rate set at **eight dollars and ninety-six cents ($8.96).**

3. Stormwater charges for all other properties will be based on the following calculation:

(Gross Lot Size in sq. ft. X Runoff Coefficient) ÷ 1,530 sq. ft. = # of ESU

# of ESU X **$ 11.94** = Monthly Fee

The runoff coefficient assumed for each land use category is shown below.

Land Use	Coefficient Applied
Bar-Rest.-Entertainment	.75
Car Sales Lot	.95
Cemetery w/Monuments	.20
Central Business District	1.00
Common Area	.20
Garage or Misc. Res.	.55
Group Residence	.75
Ind. Warehouse-Factory	.90
Industrial railway	.85
Institution-Sch.-Church	.90
Misc. Commercial	.90
Mixed Comm.-Res-Apt	.75
Multi-Family Apartment	.75
Multi-Family Residential	.40
Office	.91
Parks & Playgrounds	.20
Public Accommodations	.91
Retail	.91
Single Family Attached	.75
Single Family Detached	ESU
Sport or Rec. Facility	.60
Utility	.90
Vacant Land Use	.20
Vehicle Related Use	.90

RESOLUTION 2015R-502
By Quincy

Designating the utility rates for solid waste and recycling service effective with water meters read on and after January 1, 2016.

Resolved by The City Council of The City of Minneapolis:

That solid waste and recycling variable rate charges associated with water meter read dates from and after January 1, 2016 shall be charged as follows:

1. The base unit charge shall be **twenty-two dollars and eighty-nine cents ($22.89)** per dwelling unit per month.

2. The cart disposal charge shall be two dollars ($2.00) per month for each small cart.

3. The cart disposal charge shall be five dollars ($5.00) per month for each large cart assigned to a dwelling unit.