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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 2018 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
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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, President	Elected At-Large Member
Anita Tabb	Park Board Commissioner
Carol Becker, Vice President	Elected At-Large Member

Minneapolis Park and Recreation Board

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

Charter Department Heads / Assistant City Coordinators

Mark Ruff	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
Greta Bergstrom	Communications Director
	Community Planning and Economic Development
David Frank	Interim 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	Director of Regulatory Services
Medaria Arradondo	Police Chief
Robin Hutcheson	Public Works Director/City Engineer

Independent Boards/Agencies

Gregory Russ	Public Housing Authority Executive Director
Jayne Miller	Minneapolis Park and Recreation Superintendent

City of Minneapolis
2018 Budget

Budget Principles

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.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Minneapolis

Minnesota

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morrill

Executive Director

City of Minneapolis
2018 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 12,000+ lakes. Minneapolis is renowned for being an attractive and livable city combining the best of urban life with a strong sense of neighborhood community. Residents enjoy access to jobs, a variety of housing, quality education, exciting cultural and recreational opportunities in beautiful natural surroundings.

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. The abundance of lakes and trees serve as natural air conditioners in the Summer.

SOCIAL

History

Present-day Minneapolis was Dakota homeland until 1805 when new treaties increased the encroachment by Euro-American settlers into the area. By 1851, a treaty opened the west side of the Mississippi River to settlement resulting in a relocation of the Dakota people.

Early settlers, looking to utilize the river for transportation and power, built home and businesses along both sides of the Mississippi near St. Anthony Falls resulting in the development of two separate villages, Minneapolis and St. Anthony. In 1855 a suspension bridge was constructed to physically link the two and in 1872 Minneapolis and St. Anthony were united to form one city by the State Territorial Legislature.

While the riverfront business industries included millwork, paper, wool, and machinery —lumber and flour milling became the primary economic drivers. The flour milling industry particularly contributed to the growth of Minneapolis as a regional center of commerce by attracting new immigrants and residents and by creating an appealing location for other businesses to thrive. Some of Minneapolis' industries can trace their roots to the boom of the lumber and four industries.

[1] Source: Minnesota DNR, www.dnr.state.mn.us/faq/mnfacts/climate.html

Population

The Metropolitan Council recently estimated Minneapolis' 2016 population to be 419,952 residents[2]. This means that the population of Minneapolis grew by almost 10% between 2010 and 2016. According to a 2011-2015 American Community Survey 5 year average[3], men and women each make up approximately 50 percent of the population. Children and youth under 18 and seniors aged 65 and above make up 20.3 percent and 8.6 percent of the population respectively. African Americans comprise 18.3 percent of the population, and Hispanic Americans make up 10 percent of the population. People of American Indian and Alaska Native descent comprise 1.3 percent of the population, and Asian Americans make up 6 percent of the population. There are 4.2 percent of People of another race and 4.9 percent of two or more races[4].

ECONOMICS

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 2016, the ten largest Fortune 500 companies headquartered in the metro area are as follows[5]:

Company Name	Fortune 500 Ranking	Revenues $ billions
United Health Group	6	157.1
Target Corporation	38	73.8
Best Buy	71	39.7
CHS	84	34.6
3M	93	30.3
US Bancorp	131	21.5
Supervalue	160	17.8
General Mills	161	17.6
Ecolab	206	13.5
CH Robinson Worldwide	208	13.5

As of the second quarter of 2016, the city's largest employment sectors were health care and social assistance (18 percent), professional and technical assistance (12 percent), educational service (10 percent), finance and insurance (8 percent), and accommodation and food service (8 percent). The fastest growing employment sectors from the second quarter of 2015 to the second quarter of 2016 were Health Care and Social Assistance, Professional and Technical Services, and Educational Services[6]. 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.

[2] Source: Metropolitan Council 2016, https://metrocouncil.org/Data-and-Maps/Publications-And-Resources/Files-and-reports/2016-Population-Estimates-(Final,-July-2017).aspx

[3] Source: U.S. Census Bureau 2016, https://www.census.gov/quickfacts/fact/table/minneapoliscityminnesota,MN/PST045216

[4] Source: U.S. Census Bureau 2016 estimates, https://www.census.gov/quickfacts/fact/table/minneapoliscityminnesota,MN/PST045216

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

[6] Source: "Minneapolis Trends" available at, http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/wcmsp-187880.pdf

Since 2009, the city's unemployment rate has been falling as shown in the graph below[7]:

THRIVING CITY

Neighborhoods

Minneapolis has 87 neighborhoods offering 194,633 residential housing units according to Minneapolis Assessors Office. The city is well known for its socially 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.

Downtown

Minneapolis downtown is home to offices, retail, parks, hotels, housing, hotels, and corporate headquarters. The vibrancy of downtown is spread throughout the city center, Hennepin Avenue hosts a concentration of theaters and entertainment, Nicollet Mall is the recently renovated arterial center of downtown, and along the river parks and history abound. 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 a city infused with creative energy. From internationally recognized arts organizations (such as the Guthrie Theatre, Walker Art Center and the Minneapolis Arts Institute) to community driven cultural projects that transform neighborhoods, arts and culture are a critical element of what makes Minneapolis vibrant. While cultural offerings improve quality of life, creative enterprises also make important contributions to the city's local economy. Minneapolis is the arts and cultural powerhouse for the State as measured by the number of creative workers, (21,000 jobs) and other economic outputs. Since 2006, the number of creative jobs in Minneapolis has grown by 10%, a larger increase than

[7] Source: MN Department of Employment & Development, https://apps.deed.state.mn.us/lmi/laus/CurrentStats.aspx
[8] Source: http://www.ci.minneapolis.mn.us/neighborhoods/downtownwest/index.htm

overall job growth of 7.2%. In 2014, revenues in the nonprofit and for-profit arts and creative industries were $285 million and $4.5 billion respectively establishing Minneapolis as a national leader in economic creative vitality.

Education

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.

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

Sports and Outdoor Recreation

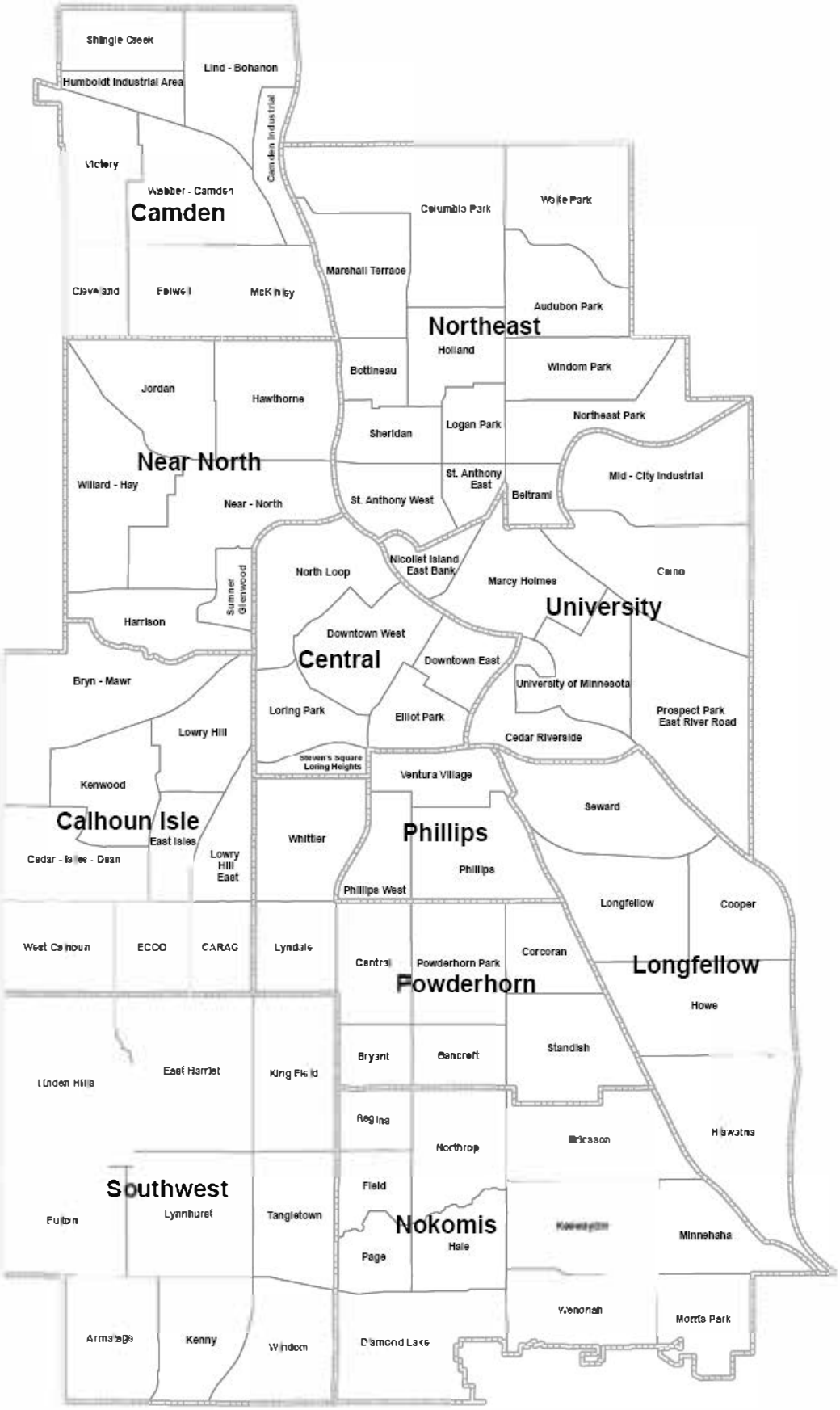
Many major league teams call Minnesota home. Fans can watch Major League Baseball's Minnesota Twins in action at Target Field, located in the Warehouse District of downtown Minneapolis. US Bank Stadium, home to the National Football League's Minnesota Vikings, opened in 2016. The state of the art facility holds seating capacity of 65,000 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. And, Minneapolis has the capacity to host large events of all kinds at the City's convention center.

Minneapolis is proud to host Super Bowl LII in February of 2018, and to have been selected as the host of the 2019 NCAA Mens Final Four basketball championship, and other national sporting events over the coming years.

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.

MINNEAPOLIS COMMUNITIES AND NEIGHBORHOODS



Generated by the City of Minneapolis CPED Department, Planning Division

City of Minneapolis
2018 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 Article V of the City Charter. It is composed of six 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 Article VI 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.

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 ends at making the appointments. The financial information for these organizations is not included in detail in this report.

- ***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.

- ***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
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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, and 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.

2016 The City has signed a long – term funding plan to equitably address long – standing capital and operating needs for City Streets and Neighborhood Parks. The plan provides for $33 million in funding each year for up to 20 years, totaling $800 million over next 20 years, to meet both urgent and ongoing needs.

The City Council in 2016 has endorsed a site and concept for a new office building and public safety center to complement the historic city hall. The two buildings together are referred to as the "downtown campus". City Council authorized staff to retain consultants and report back with a more defined schedule, building scope, and cost estimate by the end of the 2016 or early 2017. The initial finance plan for downtown campus improvements include cash to help write down the cost of the feasibility analyses in 2017 and the replacement of library G.O. bonds in 2021 with new debt.

This is the fifth consecutive year that Minneapolis is exceeding $1 billion in construction permits.

2017 The Mayor is proposing the creation of a new Downtown Assets Fund, through which City staff can take a coordinated management and investment approach to four major physical assets located in the downtown area (Convention Center, Target Center, Downtown East Commons, and Peavy Plaza). This approach will help maximize revenues from each venue and also serve to ensure a dedicated

general fund funding stream coming from the sales taxes these assets help to generate.

The City Council has approved design and construction management contracts for the new downtown campus consolidated office building project endorsed in 2016. Current plans call for construction in 2018 and 2019 with a move-in date in early fall, 2020.

This is the sixth consecutive year that Minneapolis will exceed $1 billion in construction permits issued.

City of Minneapolis
2018 Budget

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 major 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.

Downtown Assets. This fund is an umbrella fund through which sales taxes are received from the State of Minnesota and distributed to the Convention Center, Target Center, Peavey Plaza, Downtown East Commons, and General Fund.

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.

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

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

	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)

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Financial Overview

The 2018 Council Adopted Budget for all City funds of $1.54 billion was adopted on December 6, 2017. This represents an $86.3 million, or 5.9 percent, increase from the 2017 Council Adopted Budget of $1.45 billion inclusive of the City's component units. At the same time, the Council adopted an overall increase of 5.5 percent in the property tax levy for the City and its component units (including their respective requests for funding for their own budgets), raising the total amount levied by $17.3 million, from $313.9 million in 2017 to $331.2 million in 2018. This budget also utilizes accumulated fund balances 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. This growth is offset by static or even declining revenues in other areas. Local Government Aid (LGA) from the State of Minnesota will increase by $1.3 million, but still falls over $10 million short of the 2010 certified LGA amount of $90 million. 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 2018 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 budget for City departments inclusive of the Independent Boards increases by 6.2 percent in 2018, or $61.6 million. As part of this budget, funds that have accumulated in the various City funds due to a growing economy and fiscal restraint in prior years allows for utilization of fund balances for departmental activities, as well as providing for operating capital items and other one-time items.

- This budget emphasizes public safety by funding or continuing initiatives across the enterprise:

    - Within the Police Department, funding is provided for four (4) new Community Safety Liaisons to work directly with the community across our City. Funding is also provided for one (1) additional general fund-funded sworn officer, a City match for 10 new sworn officers made possible through a federal Community Oriented Policing Strategies (COPS) grant, and permanently funding two (2) sworn officers who were previously grant-funded – bringing the authorized strength to 888 sworn officers – continuing down a five-year path towards a full authorized strength of 901 sworn officers. This budget includes funding for two FTE to provide precinct administrative support so that sworn leadership in the community can more fully focus on public safety rather than also focusing on administrative tasks. Finally, this budget marks the first year of a three-year plan to equip all front-line sworn officers with body cameras, providing funding for 100

additional cameras in each of the next three years on top of the 587 cameras already purchased or authorized for purchase; and the budget funds two FTE dedicated to review of body camera data.
  - Within the Fire Department, funding is provided for three (3) additional sworn fire fighters, and for Mobile EMS vehicles. Across the city, calls to the fire department are up, but fires are down. Increased fire department staffing and equipment will help the Fire Department keep Minneapolis residents and visitors healthy and safe.
  - Within the Regulatory Services Department, additional temporary traffic control resources are provided to assist in ensuring safety and managing traffic flow through the heightened construction period the City continues to experience.
  - Within the Health and City Attorney Departments, this budget continues to fund group violence intervention and domestic violence intervention initiatives.
  - And, within the Neighborhood & Community Relations Department, funding is provided for community safety projects to be determined in consultation with city residents.

- Minneapolis will host Super Bowl LII in February, 2018. This international event is expected to bring approximately 100,000 visitors for 10 days of festivities leading up to and including Super Bowl Sunday. Direct City expenses incurred as a result of the Super Bowl which are above and beyond regular City workload, are being paid according to the terms of an agreement with the Super Bowl Host Committee. In total these reimbursements to departments will reach nearly $5 million, with payments in 2017 and 2018. Most of the expense will occur in 2018 when we expect to be paid for overtime expense for police officers, fire fighters, 911 dispatch, health inspections, fire inspections, traffic control and management activities, and more. The Super Bowl may result in increases in parking revenues, local sales, and entertainment taxes of $4 million which can offset other potential costs of the City associated with planning for and hosting this event.

- Increasing sustainability and energy efficiency for the enterprise and businesses and residents across the City continues to be a priority of the City, and this budget reflects that as well. This budget includes over $2M in ongoing spending dedicated to: moving the City to 100% renewable sources for its electricity; supporting the city's Sustainability office; residential energy benchmarking and pollution reduction efforts through the Green Business Program through the Health Department; and, funding of additional initiatives, to be decided by the Council with input from the Clean Energy Partnership.

- In 2016, the City Council, Mayor, and Park Board forged a partnership to fund a generational investment in the city's parks and streets infrastructure. This budget continues to fund that investment and solve the problem of our longstanding infrastructure deficit – and does so with a focus on racial and economic equity in when and where those investments are made.

- This budget continues to build and emphasize pathways for city employment across multiple departments. A new pathways program is being funded in the Finance & Property Services department to recruit and train individuals who have just graduated from accounting programs at technical colleges and universities in the Twin Cities. And additional funding is provided for Regulatory Services for its pathways program and for CPED to continue to work to build pathways programs with selected departments.

- The 2018 Council Adopted Budget recognizes that performing new work doesn't necessarily mean we need additional funding. This budget includes strategic cuts and reallocations of

over $1.2 million in the General Fund in order to fund needed improvements while holding property tax increases lower.

- In recognition of one of the major policy changes enacted by the City in 2017, this budget funds education and outreach support for the Minimum Wage ordinance through the Civil Rights department. These resources are intended to help City staff work with the business community to ensure everyone understands the ordinance. The budget also provides funding for a study of the impact of the ordinance on wages and employment in the city.

- This budget also provides resources for enhanced transparency and data practices. The City Clerk's office will implement a new data review and redaction system, and a centralized data practices request system, and the IT department will begin work, in conjunction with the Communications Department, on redeveloping and redeploying an improved minneapolismn.gov.

- The 2018 Council Adopted budget continues to emphasize and underscore the need for the City to ensure the availability of affordable housing for residents. In the budget, $3.65 million goes towards the Housing Preservation Strategy, and $750,000 goes to the Minneapolis Homes program, both within the CPED department. Additionally, new funding is proposed in the City Coordinator's office for a Housing Policy Coordinator. Finally, this budget also provides $125,000 annually for increased security in Minneapolis Public Housing Authority buildings.

- This budget creates a new Downtown Assets Fund, a special revenue fund. The Downtown Assets Fund will clearly delineate the uses of sales and entertainment taxes.

  In 2018, the Downtown Assets Fund will:

  - Provide $30.85 million on-going to the General Fund to reduce property taxes;
  - Support Convention Center operations and debt service;
  - Fund Meet Minneapolis support from the City of Minneapolis;
  - Pay for Target Center debt service associated with the new renovations and other on-going operating and capital needs of that facility;
  - Provide $4,000,000 in capital costs to match State and philanthropic support for Peavy Plaza; and,
  - Provide operational funds, on a one-time basis, for 2018 for the Downtown East Commons. Through this fund, Convention Center staff will comprehensively manage these four capital assets and integrate the investments in and operations of these facilities.

- Finally, this budget emphasizes civic engagement in our democracy by investing in elections. The 2018 Council Adopted budget includes three changes to how the City funds our elections:

  - First, this budget separates elections funding from the rest of the City Clerk's budget to account for all obligations associated with this important government function.
  - Second, this budget adds one-time funding of $1M for the 2018 elections which feature a year with the state's three highest offices – Governor and both U.S. Senate seats – up for election.

- And third, this budget gradually increases the base funding for elections over a five year period, in order to smooth out peaks and valleys in funding, and related peaks and valleys in needed property taxes, associated with election cycles.

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
In the recent couple of years, the City has experienced booming construction as measured by value of permitted projects. This boom is fueled by new office buildings in and around downtown, multiple high-rise apartment buildings, and the recently completed 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.

Shrinking Workforce and Increased Demands
In response to the economic downturn and increasing hardship on the City's taxpayers, the City made large cuts to its workforce by eliminating positions across all City departments and independent boards since 2007. The reduction in staffing over time places increased pressure on remaining employees as the workloads are increasing as the economy improves and the need for responsive resources increases.

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, the above-mentioned 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 2018 budget.

Increased Demand for Technological Solutions
Departments note the increased technological savvy of customers, and as a result, increased demand of technological approaches to customer service. This translates into additional costs for new equipment and software, and in particular, increased maintenance costs. For example, several enterprise software systems will be upgraded over the next several years, 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.

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. 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's 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, hacks, fraud, and other system security threats), information backups, and emergency planning consumes resources of nearly every department. 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.

City Spending

For 2018, 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 below are available in the Operating Departments and Capital Programs sections of this document.

Below is a summary of the 2018 Council Adopted Budget by departmental activity, excluding transfers.

Expenditures by Service

(In Millions of Dollars)

	2017 Adopted	2018 Council Adopted	% Change	$ Change
Attorney	18.1	18.4	1.9%	0.3
Coordinator*	136.9	144.1	5.3%	7.2
CPED	91.2	97.1	6.4%	5.8
Convention Center	53.8	53.0	-1.4%	-0.8
Fire	65.1	66.5	2.2%	1.4
Health	21.3	22.7	6.8%	1.4
Police	163.2	179.4	10.0%	16.3
Regulatory Services	24.2	25.1	3.7%	0.9
Public Works	342.2	370.7	8.3%	28.5
Other City Services**	83.3	83.8	0.6%	0.5
Debt Service	135.6	148.6	9.6%	13.0
Capital Improvement	198.3	204.3	3.0%	6.0
Park Board	111.0	116.3	4.7%	5.3
Other Independent Boards***	9.7	10.0	3.9%	0.4
Total City Spending	**1,453.9**	**1,540.2**	**5.9%**	**86.3**

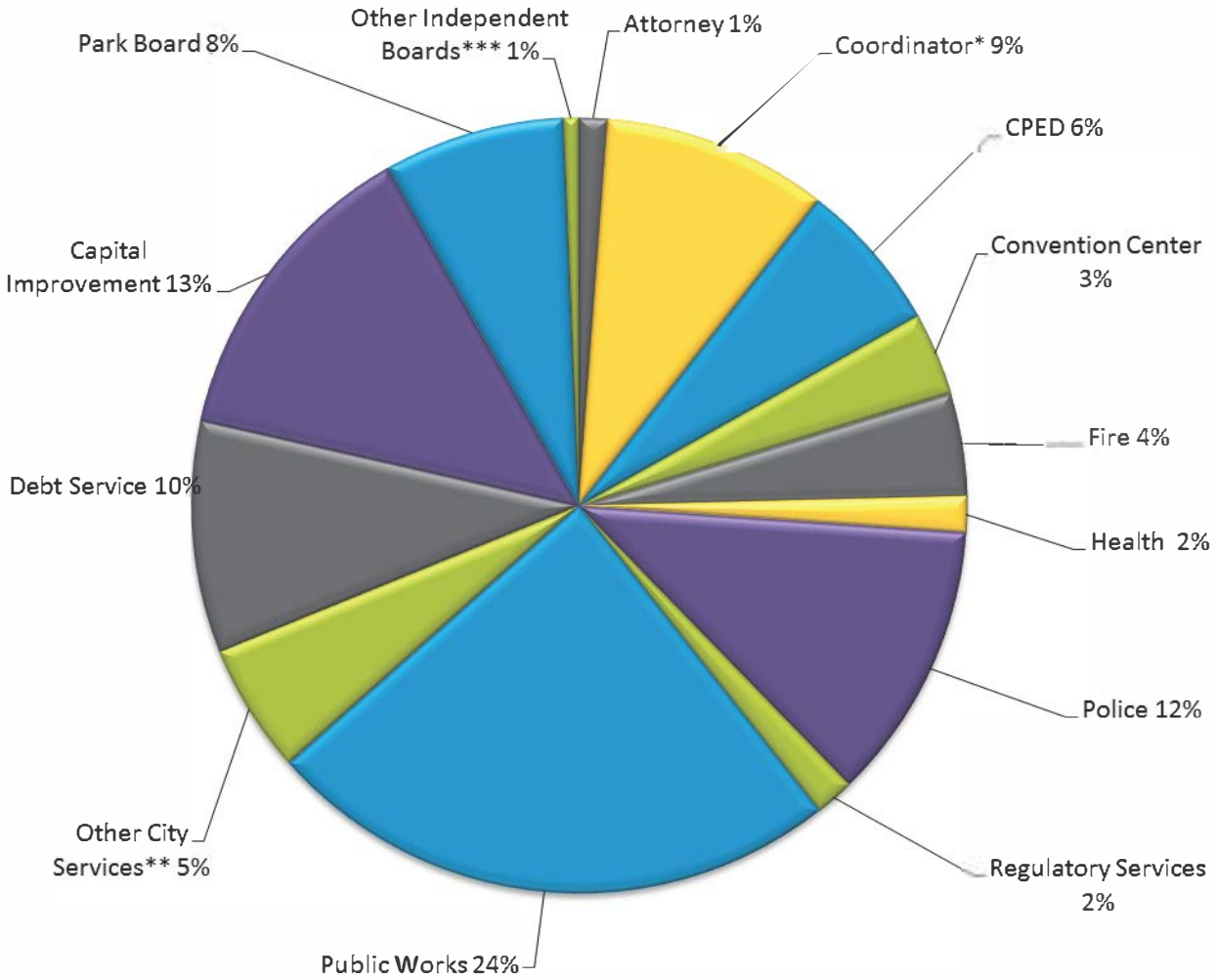
* Includes 311, 911, Communications, Emergency Preparedness, Finance and Property Services, Human Resources, IT, Intergovernmental Relations, and Neighborhood and Community Relations.

** Includes Assessor, Benefits, City Clerk/Elections/Council, Civil Rights, Contingency, Internal Audit, Mayor, Pensions and Workers Compensation.

*** Includes Non-departmental, Health and Welfare, Liability, Contingency and Pensions

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

Total Expenditure Budget - Use of Funds
2018 Council Adopted Budget: $1.5 Billion



* 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, Mayor, Pensions and Workers Compensation.

*** Includes Non-departmental, Health and Welfare, Liability, Contingency and Pensions

City Sources of Revenue

For 2018, the City forecasts $1.5 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. 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 a fees and interest income.

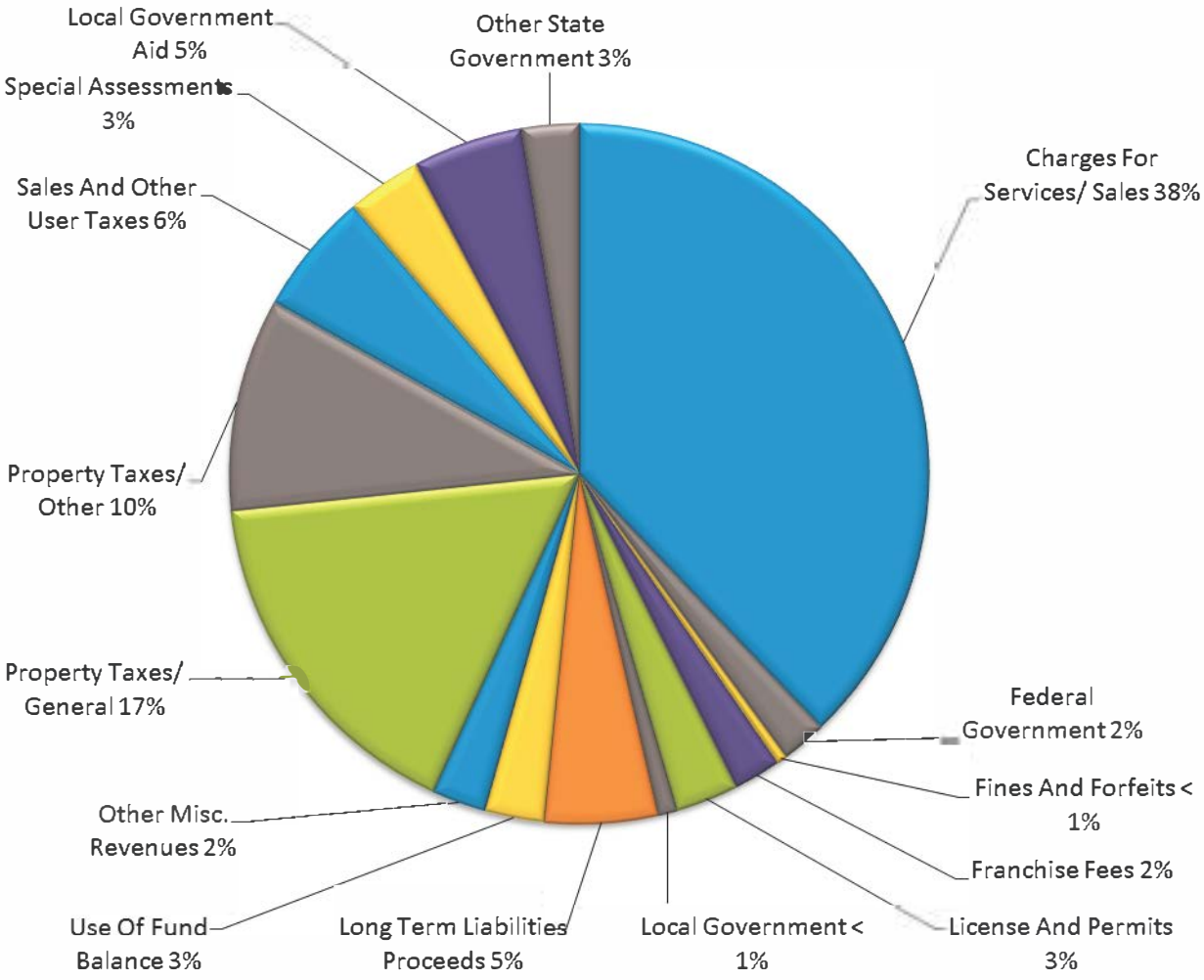
Below is a summary of the 2018 Council Adopted Budget revenues by major category.

Revenue by Category

(In Million of Dollars)

Revenue Category	2017 Adopted	2018 Council Adopted	% Change	$ Change
Charges For Services/ Sales	536.5	$583.1	8.7%	46.5
Federal Government	27.7	$32.3	16.4%	4.6
Fines And Forfeits	7.3	$7.3	-0.3%	0.0
Franchise Fees	30.9	$33.5	8.3%	2.6
License And Permits	44.0	$44.8	1.7%	0.7
Local Government	8.7	$13.6	56.8%	4.9
Long Term Liabilities Proceeds	102.8	$80.4	-21.8%	-22.4
Use Of Fund Balance	53.0	$42.3	-20.2%	-10.7
Other Misc. Revenues	29.7	38.3	29.0%	8.6
Property Taxes/ General	243.1	$254.0	4.5%	10.9
Property Taxes/ Other	134.0	$151.1	12.7%	17.1
Sales And Other User Taxes	84.1	$87.9	4.5%	3.8
Special Assessments	41.0	$52.6	28.3%	11.6
Local Government Aid	77.8	$78.0	0.3%	0.2
Other State Government	33.3	$41.1	23.7%	7.9
Total Revenue	**$1,453.9**	**$1,540.2**	**5.9%**	**86.3**

Total Revenue Budget - Source of Funds
2018 Council Adopted: $1.5 Billion



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 has slightly been increasing the amount of LGA appropriated to the City of Minneapolis from $76.1 million in 2014 to $78.0 million in 2017. The certified LGA appropriation for 2018 is $79.3 million, $1.3 million more than 2017. Of this $79.3 million, the City plans to allocate $69.7 million for its General Fund, $9.4 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, as well as the certified LGA levels for 2018 based on current law.

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 30.6 percent of the 2018 Council Adopted Budget, an increase from 30.2 percent in the 2017 budget.

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

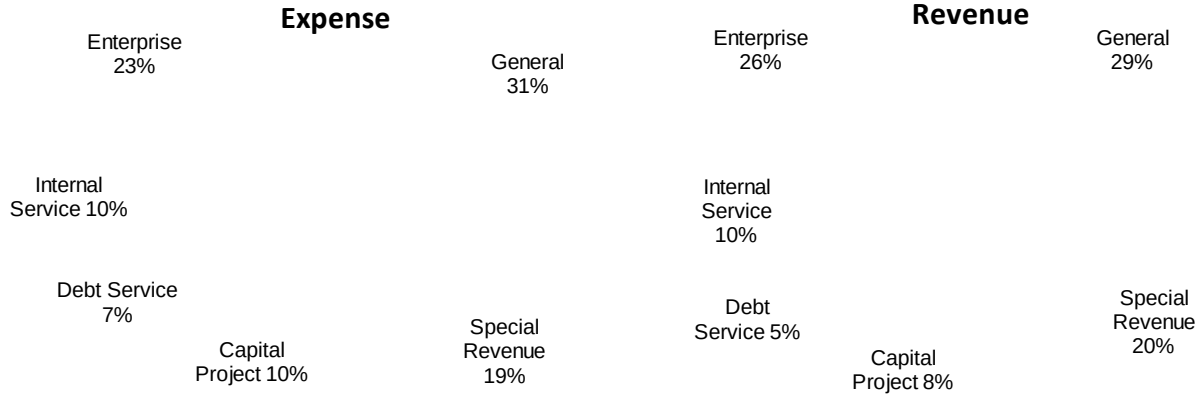
In Millions

	2017 Adopted	2018 Council Adopted	% Change	$ Change
Expense:				
General	$438.4	$471.4	7.5%	$33.1
Special Revenue	$294.2	$294.9	0.3%	$0.7
Capital Project	$106.3	$145.9	37.2%	$39.6
Debt Service	$107.3	$111.4	3.8%	$4.1
Internal Service	$142.0	$156.6	10.2%	$14.6
Enterprise	$365.7	$360.0	-1.6%	-$5.7
Total	**$1,453.9**	**$1,540.2**	**5.9%**	**$86.3**

	2017 Adopted	2018 Council Adopted	% Change	$ Change
Revenue:				
General	$485.3	$442.2	-8.9%	-$43.1
Special Revenue	$288.2	$363.6	26.2%	$75.4
Capital Project	$90.3	$130.5	44.4%	$40.2
Debt Service	$70.1	$70.3	0.4%	$0.3
Internal Service	$142.8	$162.3	13.6%	$19.5
Enterprise	$377.2	$371.3	-1.6%	-$5.9
Total	**$1,453.9**	**$1,540.2**	**5.9%**	**$86.3**

Note: The chart above shows different levels of revenue and expense by fund type due to the removal of transfers and use of fund balance.

Expense and Revenue By Fund Type

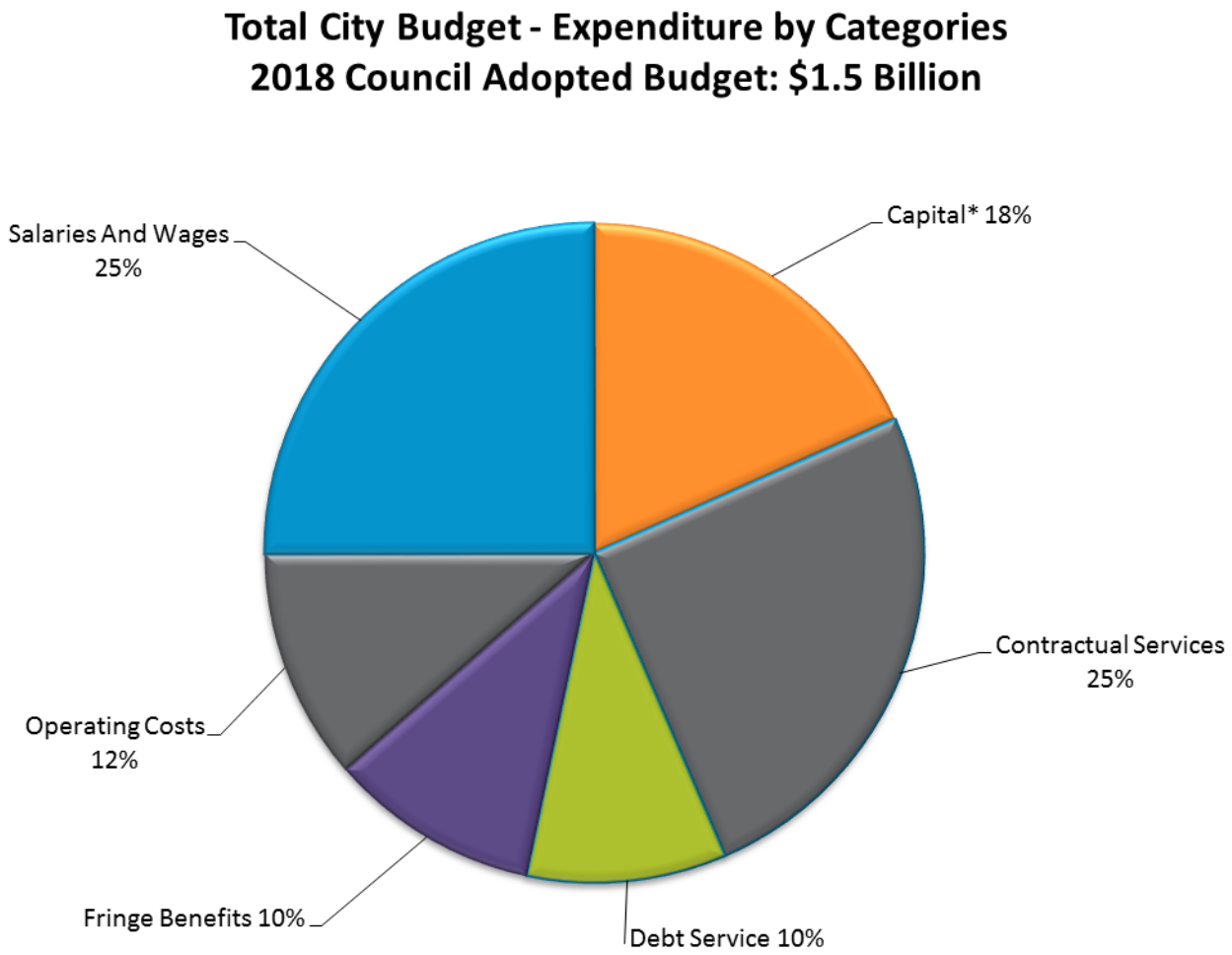


The largest portion of the City's budget is spent on personnel, which comprises $544.4 million or 35.3 percent of the total budget.

Expense by Category

Expense Category	2017 Adopted	2018 Council Adopted	% Change	$ Change
Capital*	270.9	282.3	4.2%	11.5
Contractual Services	360.2	387.7	7.6%	27.5
Debt Service	139.6	150.8	8.0%	11.2
Fringe Benefits	147.9	159.0	7.5%	11.1
Operating Costs	177.5	175.0	-1.4%	-2.5
Salaries And Wages	357.8	385.4	7.7%	27.5
Total Expense	**$1,453.9**	**$1,540.2**	**5.9%**	**$86.3**

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



Funding for Physical Infrastructure

Five-Year Capital Program Totals: For 2018 – 2022, the five-year capital program for City departments, independent boards and commissions totals $909.61 million including all funding sources. The 2018 portion of this program is $201.49 million. This budget continues the City's commitment to accelerate 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	2018	2019	2020	2021	2022	Total	Percent of Total
						Budget in Thousands		
MUNICIPAL BUILDING COMMISSION		5,600	2,066	1,246	856	330	10,098	1.1%
PARK BOARD		12,335	12,342	12,337	12,980	13,140	63,134	6.9%
PUBLIC WORKS DEPARTMENT	INFRASTRUCTURE PROJECTS	96,654	86,023	81,585	83,455	107,002	454,719	50.0%
	SANITARY SEWERS	10,500	12,500	12,500	12,500	12,500	60,500	6.7%
	STORM SEWERS	16,038	27,170	26,750	26,750	29,750	126,458	13.9%
	WATER INFRASTRUCTURE	34,235	50,850	29,445	17,990	18,450	150,970	16.6%
	Public Works Department Total	157,427	176,543	150,280	140,695	167,702	792,647	87.2%
PUBLIC GROUNDS & FACILITIES		25,410	7,700	4,700	0	2,144	39,954	4.4%
MISCELLANEOUS PROJECTS		716	756	775	763	767	3,777	0.4%
	Grand Totals	201,488	199,407	169,338	155,294	184,083	909,610	100.0%

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

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 2018 - 2022 five-year cycle, the City received requests from departments totaling $90.6 million. For 2018, the requests totaled $28.6 million. This budget allocates $6.6 million of General Fund resources and $15.7 million of non-General Fund resources for this program across all departments.

Funding for Pension Liabilities

The City's property tax levies for its former closed pension funds that have been merged into the Minnesota State Public Employees' Retirement Association (PERA) for 2018 total $22.3 million, same level as 2017, and a decrease of $5.0 million from the 2016 level of $27.3 million. The 2015 State legislature changed PERA's out year investment assumptions from 8.5% to 8.0% which lowers the assumed out year investment returns, increases the unfunded liability amounts and therefore the annual funding requirement.

- 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.

The 2016 parks and streets funding ordinance assumed that the levy necessary for support of the pension obligations would decrease by $5 million from 2016 to 2017. In the subsequent four years, the levy to support pension obligations would then rise back to 2016 levels. The five year financial direction reflects the 2016 ordinance.

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% its levy. For 2018, the City will levy $2.3 million for TRA to insure that net collections provide the $2.25 million. For the purpose of long-term planning, it is anticipated that these costs will remain constant through 2037.

***Public Employees Retirement Association (PERA)*, the plan for most current City employees:**

The employers' contribution level in PERA's Coordinated Plan for 2018 is 7.5 percent, the same as in 2017. The PERA's Police and Fire Plans' employer's contribution remained at 16.2 percent for 2018 as in 2017. The estimated total cost of contributions to PERA for the City inclusive of its independent boards for 2018 is $37.9 million, which is covered in the budgets of the departments in which the employees work.

	2017	2018 (in millions)	Change
PERA	$17.1	$18.1	$1.0
PERA Police & Fire	$17.7	$19.8	$2.1
Total	**$34.8**	**$37.9**	**$3.1**

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 future years.

Growth in Personnel Costs

Personnel Changes. The 2018 Council Adopted Budget increases the FTE count of City positions by 83.55 over the 2017 Council Adopted Budget, inclusive of the City's independent boards, from 5,137.06 to 5,220.61 FTEs.

Salary and wages. The 2018 Council Adopted Budget includes an increase in personnel expenditures ($385.4 million in salaries and wages, compared to a 2017 total of $357.8 million). It also includes $159.0 million in fringe benefits, compared to $147.9 million in 2017, inclusive of the City's independent boards.

Benefits. Health and dental insurance expenditures are budgeted to increase from $70.9 million in 2017 to $75.3 million in 2018, inclusive of the City's independent boards. This is an increase of $4.3 million or 6.1 percent.

Major Changes in the 2018 Council Adopted Budget

This section of the 2018 Council Adopted Budget describes the funding recommendations proposed by the Mayor for various departmental program submissions. The recommendations are organized by department.

Citywide Changes

As a starting point for 2018 budget development, departments were provided a preliminary budget amount and asked to submit, for existing programs, proposals that would provide for the continuation of those programs at the same level of service, or the *Current Service Level*. Departments were also asked to submit supporting documentation for any change items to current programs or any new programs. Changes made to program proposals by the Mayor and Council, along with new initiatives that they chose to fund are noted below. Program changes proposed by departments that were not recommended for funding in the budget are not included.

The cost of doing business today is greater than it was yesterday, and the same will be true tomorrow. This is because each year the City faces inflationary pressures in compensation (including salaries and fringe benefits such as health insurance), and internal services (such as rent, information technology (IT), and fleet services). For the General Fund, the inflationary growth has averaged approximately 4.3% over each of the past five years. For 2018, that growth was projected to reach 7%. At the Mayor's instruction the Fleet and IT departments each reduced General Fund charges to other departments by $750,000. This $1.5 million cost containment in the General Fund translated to a $2 million reduction across all funds – and in total it brings the 2018 increase more in line with the historical average but may also mean slower implementation of IT projects and fleet replacements and/or reductions in service for many departments compared to expectations.

The 2018 Council Adopted Budget includes proposals that have citywide implications. This budget includes the prudent use of accumulated fund balance from various funds for one-time or time-limited activities. These resources were generated through fiscal restraint and through revenues that exceeded budgetary expectations due to continued growth in the local economy.

The Council Adopted budget also includes funding for 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 expected to be paid for in departmental budgets. CARS requests include items that are not ongoing in nature including enterprise software upgrades, vehicle purchases, equipment, and other deferred 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.

Departmental Changes

The Council approved several amendments to the Mayor's Recommended Budget. The program proposal recommendations include those submitted by departments, as well as new initiatives proposed by the Mayor. The amendments are reflected under the following department's budgets:

Assessor

Mayor's Recommended Budget: The Mayor recommends a $1.275 million one-time General Fund appropriation for the Property Records and Computer Assisted Mass Appraisal (CAMA) system. This appropriation is not available to be spent until the Assessor, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

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

Attorney

Mayor's Recommended Budget: The Mayor recommends ongoing General Fund appropriations of $60,000 for the MPD Family Violence Unit program, $200,000 for the Pre-Filing Charge Review Team program (includes 2.0 FTEs), and $50,000 to hire paid Criminal Division Law Clerks (1.3 FTEs).

The Mayor also recommends one-time General Fund appropriations of $40,000 to continue to pursue alternative sentencing in carrying without permit cases, $25,000 for Pre-Charge Diversion programs in prostitution cases, and $60,000 for continuation of the Violent Crime Hot Spots program.

Council Adopted Budget: The City Council amended the Mayor's recommendations; adding a one-time appropriation of $25,000 for a contract with The Link to work with youth and families to overcome the impacts of poverty and social injustice.

The City Council directed the Neighborhood and Community Relations' Office of Immigrant and Refugee Affairs, the City Coordinator's Office, the Finance Department, and the City Attorney's Office to establish the Municipal ID Workgroup.

The Municipal ID Workgroup shall report back to Committee of the Whole no later than March 31, 2018, to present a framework and budgetary needs to inform the Municipal ID program for the City of Minneapolis. The work plan shall include, but not be limited to, identifying the research, engagement, and resources required to develop a Municipal ID ordinance and program that serves all residents of Minneapolis including the immigrant, transgender, homeless, student, and elderly communities.

City Clerk – Office of City Clerk

Mayor's Recommended Budget: The Mayor recommends ongoing General Fund appropriations of $10,000 for a centralized data practices request system, $60,000 for a data review and redaction system, and re-allocation of General Fund resources by decreasing the City Clerk department's budget on an ongoing basis by $200,000 and increasing the Election and Voter Services Department's base budget by $200,000.

The Mayor also recommends a one-time General Fund appropriation of $50,000 for a centralized imaging and scanning system and $25,000 for transition and orientation of the newly elected officials following the 2017 municipal election.

Appropriations for the centralized data practices request system, the data review & redaction system, and the centralized imaging and scanning systems are not available to be spent until the City Clerk, IT, and Finance & Property Services departments have signed a reached agreed upon work plan for each project.

Council Adopted Budget: The City Council amended the Mayor's recommendations; decreasing the department's ongoing appropriation by $10,000.

City Clerk – Election and Voter Services

Mayor's Recommended Budget: The Mayor recommends re-allocation of General Fund appropriations by decreasing the City Clerk department's budget on an ongoing basis by $200,000 and increasing the Election and Voter Services Department's base budget by $200,000.

The Mayor also recommends a one-time General Fund appropriation of $1.0 million for the 2018 gubernatorial election.

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

City Council

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

Council Adopted Budget: The City Council amended the Mayor's recommendations; increasing the ongoing appropriation of $130,000 for an increase to council member salaries of $10,000 per member.

City Coordinator Administration

Mayor's Recommended Budget: The Mayor recommends ongoing General Fund appropriations of $989,000 for projects to be allocated through the Clean Energy Partnership, $375,000 for investment in renewable sources for energy used in city's facilities, $225,000 for Strategic Planning and Continuous Improvement (includes 4.0 FTEs), $125,000 for increased security for Minneapolis Public Housing Authority (MPHA) residences, $90,000 for a new Housing Policy Coordinator (includes 1.0 FTE) and $190,000 for enterprise Sustainability activities.

The Mayor also recommends one-time General Fund appropriations of $122,000 for Arts Culture and the Creative Economy, $80,000 for Enterprise Engagement Services, $130,000 for Equity and Inclusion, $175,000 for various Citywide partnerships (including Midtown Community Works, St Anthony Falls Heritage Board, Mississippi Riverfront, Cedar Riverside, and others), $125,000 for Partnership Initiatives specifically in conjunction with Greater MSP, $25,000 for a Community Economic Development plan, $25,000 for a Downtown Mobility Plan Assessment following implementation of downtown mobility improvements, $50,000 for community initiatives programming, and $15,000 for expense related to Super Bowl LII, reimbursable by the Super Bowl Committee.

Council Adopted Budget: The City Council amended the Mayor's recommended budget on an ongoing basis in the General Fund; reducing the appropriation for Strategic Planning and Continuous Improvement by $40,000; eliminating ongoing appropriations of $90,000 and 1.0 FTE for a new Housing Policy Coordinator; and, decreasing the department's base by $50,000.

The City Council amended the Mayor's recommended budget on an ongoing basis in the grants (01300) fund; reducing the appropriation for the federal SAMHSA grant by $72,898.

The City Council also amended the Mayor's recommended budget on a one-time basis in the General Fund; adding an appropriation of $75,000 to fund the Southside Green Zone initiative; adding an appropriation of $90,000 for a contract with Mind Foundry for after-school Science, Technology, Engineering and Math (STEM) education; and, adding an appropriation of $15,000 for the Community Commemoration of the 100th Anniversary of the Armistice ending WWI; eliminating the $25,000 appropriation for the Community Economic Development plan; by eliminating the $25,000 appropriation for the Downtown Mobility assessment; and, by reducing the appropriation for Arts Culture and the Creative Economy by $22,000.

311

Mayor's Recommended Budget: The Mayor recommends a $48,000 one-time General Fund appropriation for Squiz Knowledge Base Reporting. This appropriation is not available to be spent until the 311, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

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

911

Mayor's Recommended Budget: The Mayor recommends one-time General Fund appropriations of $41,000 for planned overtime expense related to increased staffing for Super Bowl LII, reimbursable by the Super Bowl Committee, $170,000 for 911 workstation furniture, and $100,000 for 911 Logging Recorder. The Logging Recorder appropriation is not available to be spent until the 911, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

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

Civil Rights

Mayor's Recommended Budget: The Mayor recommends ongoing General Fund appropriations of $96,800 for an additional 1.0 FTE in the Office of Police Conduct Review, and $60,000 for

education and outreach on the Minimum Wage ordinance in the Labor Standards Enforcement division (including 1.0 FTE). The Mayor further recommended transferring on an ongoing basis $98,300 (including 1.0 FTE) from Civil Rights to Neighborhood and Community Relations (NCR) department for the Office of Immigrant and Refugee Affairs in the General Fund.

The Mayor also recommends the following one-time appropriations; $450,000 for a Compliance Management System and $15,000 for improvements to the Police Misconduct Complaint Filing System. These appropriations are not available to be spent until the Civil Rights, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan for each project.

Council Adopted Budget: The Council amended the Mayor's recommendation; increasing the ongoing appropriation for the Labor Standards Enforcement Division by $40,000; and, adding a one-time appropriation of $50,000 for Labor Standards Education & Outreach.

Communications

Mayor's Recommended Budget: The Mayor recommends one-time General Fund appropriations of $20,000 for Audio Production Capability enhancements and $20,000 to prevent overheating of Cable TV equipment.

Council Adopted Budget: The City Council amended the Mayor's recommended budget on a one-time basis; adding a General Fund appropriation by $20,000 for Video Storage and Software Efficiency Upgrade, and eliminating the appropriation for Audio Production Capability by $20,000.

Convention Center & Downtown Assets

Mayor's Recommended Budget: The Mayor recommends using fund balance in the Convention Center Fund on a one-time basis in the amounts of $150,000 to provide Better Service to Existing Customers, $250,000 to Engage New Customers, $250,000 to Tell Our Story, and $100,000 for Major Customer Events.

The Mayor also recommends an ongoing appropriation from the Downtown Assets Fund of $400,000 for Peavey Plaza Operations, and one-time appropriations from the Downtown Assets Fund of $750,000 for Commons Operations, and $4,000,000 for Peavey Plaza Capital.

Council Adopted Budget: The City Council amended the Mayor's recommended budget; reducing the use of convention center fund balance by $250,000 and eliminating the Tell Our Story program; and, increasing the transfer from the Downtown Assets Fund to the General Fund by $250,000.

Community Planning and Economic Development (CPED)

Mayor's Recommended Budget: The Mayor recommends one-time General Fund appropriations of $1,000,000 for the Family Housing Initiative, $3,000,000 for the Housing Preservation Strategy, $250,000 for Minneapolis Homes, $75,000 for Minneapolis Career Pathways, $50,000 for the Cedar Riverside Opportunity Hub, and $1.719 million for the Management Information Network System (MINS). The appropriation for MINS is not available until CPED, IT, and Finance & Property Services have reached a mutually agreed upon work plan.

The Mayor also recommended non-General Fund one-time appropriations of $650,000 for the Housing Preservation Strategy, $500,000 for Homeownership Minneapolis – Lease to Purchase, $500,000 for Minneapolis Homes, and $50,000 for a Commercial Land Trust Pilot. The Mayor also recommended $75,000 in Non-General Fund appropriations for Lake and Nicollet Property Management, and recommended replacing contracted services budget dollars to fund 2 FTE's for Homeowner Rehabilitation Programs.

The Mayor also recommended an ongoing General Fund reduction of $60,000 to assist in funding new initiatives.

Council Adopted Budget: The City Council amended the Mayor's recommended budget on a one-time basis by increasing the General Fund budget by $50,000 for the Cooperative Technical Assistance Program (C-TAP), increasing the General Fund appropriation by $50,000 for the Cedar Riverside Opportunity Hub, increasing the budget in fund 01SNR by $103,741 for Summit Academy for the Culinary Arts Initiative, increasing the operating budget in the capital projects fund by $28,000 for Art in Public Places, and decreasing the General Fund appropriation by $200,000 for the Management Information Network System (MINS).

The City Council also amended the Mayor's recommended budget on an ongoing basis in the General Fund; increasing the budget by $90,000 and 1.0 FTE for a Housing Policy Coordinator; and, decreasing the department's ongoing base by an additional $20,000.

The City Council also gave staff the following directions:

1. Directing staff from Finance & Property Service, the Health Department, Community Planning & Economic Development, the Police Department and Regulatory Services to perform a comprehensive study of the licenses granted and fees charged to businesses and individuals by the City. Licenses and fees to be studied include but are not limited to Food, Lodging, and Pools; Business Licenses; Pollution Control Annual Registration; Rental Licenses; Fire Inspection Services; etc. The study should consider all costs of providing services associated with the licenses and fees. Departments are encouraged to ensure that the fee schedule is structured in a way that most closely aligns with City business process. In so doing, processes should be simplified to support ease of engagement and compliance on the part of the public. Priority should be given to fees related to liquor, stadiums, and hotels. Staff shall report back to the home committees for each department listed above no later than May 30, 2018.

2. Directing staff from Community Planning and Economic Development, in consultation with staff from Finance and Property Services, to develop a plan to prioritize additional resources beyond any specifically appropriated in this budget, and within Community Planning and Economic Development, to fund the C-TAP program up to a total program budget of $100,000 for 2018.

Emergency Management

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

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

Finance & Property Services

Mayor's Recommended Budget: The Mayor recommends ongoing appropriations of $88,000 for an Accountant Recruitment and Training program (includes 2.0 FTEs) and $30,000 for a Bloomberg Terminal for managing City investments, both in General Fund resources, and $98,000 for a Medical Self Insurance program manager (1.0 FTE) from the Self Insurance Fund.

The Mayor also recommends one-time General Fund appropriations of $75,000 for Enterprise Resource Planning (ERP) application and systems functional support, and $50,000 for a banking alternatives equity partnership.

The Mayor also recommends one-time appropriations of $50,000 for improvements to the Video Management System and $50,000 for improvements to the Access Management System. These appropriations are not available to be spent until the Finance & Property Services and IT departments have reached a mutually agreed upon work plan for each project.

Council Adopted Budget: The City Council amended the Mayor's recommendation; increasing the self-insurance expense budget by $1,000,000 to reflect the full expense of medical and indemnity payments, previously reduced by anticipated refunds from the State of MN; and reducing the department's ongoing General Fund appropriation by $30,000.

The City Council also gave staff the following directions:

1. Directing staff from Community Planning and Economic Development, in consultation with staff from Finance and Property Services, to develop a plan to prioritize additional resources beyond any specifically appropriated in this budget, and within Community Planning and Economic Development, to fund the C-TAP program up to a total program budget of $100,000 for 2018.

2. Directing the Neighborhood and Community Relations' Office of Immigrant and Refugee Affairs, the City Coordinator's Office, the Finance Department, and the City Attorney's Office to establish the Municipal ID Workgroup.

   The Municipal ID Workgroup shall report back to Committee of the Whole no later than March 31, 2018, to present a framework and budgetary needs to inform the Municipal ID program for the City of Minneapolis. The work plan shall include, but not be limited to, identifying the research, engagement, and resources required to develop a Municipal ID ordinance and program that serves all residents of Minneapolis including the immigrant, transgender, homeless, student, and elderly communities.

3. Directing Finance and Property Services staff to present options in the first quarter of 2018 to the Ways & Means/Budget Subcommittee to reduce the use of General Fund dollars for the Renewable Connect Program in 2018, after the Minnesota Public Utilities Commission grants a waiver to the limit on Renewable Connect and the City is able to determine the actual cost and scope of the program.

Fire

Mayor's Recommended Budget: The Mayor recommends a $225,000 ongoing General Fund appropriation for Mobile Healthcare Providers (includes 4.0 FTEs).

The Mayor also recommends one-time General Fund appropriations of $75,000 for Mobile EMS vehicles, $110,000 for personal protective equipment, and $147,000 for planned overtime expense related to increased staffing for Super Bowl LII, reimbursable by the Super Bowl Committee.

Council Adopted Budget: The City Council amended the Mayor's recommendation by eliminating the ongoing appropriation of $225,000 for Mobile Healthcare Providers, and reducing by 4 FTE; and, adding an ongoing appropriation of $225,000 and three additional sworn firefighters (3 FTE).

Health

Mayor's Recommended Budget: The Mayor recommends additional ongoing General Fund appropriations of $150,000 for Group Violence Intervention (1.5 FTE), $272,000 for Pollution Reduction via the Green Business Program, $74,000 for Residential Energy Benchmarking, and $100,000 for Sexual Health STI Prevention, and an additional 1 FTE for Succession Planning and Right-sizing to be funded with existing department resources.

The Mayor also recommends one-time General Fund appropriations of $60,000 for Land Management Configuration Resources, $25,000 for Next Step Hospital Based Interventions, $25,000 for Intervention and Outreach to Victims of Sex Trafficking, $40,000 for the Minneapolis Children's Savings Account program, $30,000 to replace mandatory devices for Lead Testing, and $40,840 for expenses related to Super Bowl LII, reimbursable by the Super Bowl Committee.

Council Adopted Budget: The City Council amended the Mayor's recommended budget on an ongoing basis in the General Fund; adding an ongoing appropriation of $100,000 and 1 FTE for Lead Inspections; decreasing the Food, Lodging, and Pools budget by $50,000; and, decreasing the department's ongoing base appropriation by $10,000.

The City Council amended the Mayor's recommended budget on an ongoing basis in the grants (01300) fund; increasing the appropriation for the federal SAMHSA grant by $50,000.

The City Council also amended the Mayor's recommended budget on a one-time basis in the General Fund; increasing appropriation for Next Step Hospital Based Interventions by $105,000; adding an appropriation of $200,000 for two temporary Health Inspectors; and, adding an appropriation of $100,000 for Domestic Violence Prevention.

Human Resources

Mayor's Recommended Budget: The Mayor recommends an additional ongoing General Fund appropriation of $130,000 for the labor relations program (includes 1.0 FTE). The Mayor also recommends an ongoing General Fund reduction of $50,000 to assist in funding new initiatives.

Council Adopted Budget: The City Council amended the Mayor's recommended budget on an ongoing basis; increasing the FTE complement by 0.2 FTE; and, reducing the department's ongoing base by $10,000.

Information Technology

Mayor's Recommended Budget: The Mayor recommends a $1.9 million one-time General Fund appropriation for the public website redesign project.

Council Adopted Budget: The City Council amended the Mayor's recommendation by reducing the one-time General Fund appropriation for the public website redesign project by $308,000.

Intergovernmental Relations

Mayor's Recommended Budget: The Mayor recommends an ongoing General Fund appropriation reduction of $80,000 to the department to assist in funding new initiatives.

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

Internal Audit

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

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

Mayor

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

Council Adopted Budget: The City Council amended the Mayor's recommended budget in the General Fund on an ongoing basis; increasing the budget by $10,000 for the Mayor's salary.

Neighborhood and Community Relations

Mayor's Recommended Budget: The Mayor recommends an ongoing General Fund appropriation of $100,000 for Collaborative Safety Strategies. The Mayor also recommends one-time General Fund appropriations from of $475,000 for Collaborative Safety Strategies, and $20,000 for Senior Support Services. The Mayor further recommends transferring on an ongoing basis $98,300 (including 1.0 FTE) from Civil Rights to Neighborhood and Community Relations (NCR) department for the Office of Immigrant and Refugee Affairs in the General Fund.

Council Adopted Budget: The City Council amended the Mayor's recommended budget in the General Fund on a one-time basis; increasing the appropriation for Senior Support Services by $40,000; reducing appropriation for Collaborative Safety Strategies by $125,000; and specifically designating the remaining $350,000 of funding for Collaborative Safety Strategies for Little Earth Community Safety ($50,000), Broadway Community Safety ($50,000), Penn Avenue Community Safety ($50,000), and Lake Street Community Safety ($200,000).

The City Council further amended the Mayor's recommended budget in the General Fund by eliminating the ongoing appropriation of $100,000 for Collaborative Safety Strategies.

Police

Mayor's Recommended Budget: The Mayor recommends additional ongoing General Fund appropriations of $734,000 for hiring eight Crime Prevention Specialists (includes 8.0 FTEs), $79,400 to expand the records information unit (includes 1.0 FTE), $196,800 for unit and precinct administrative support (includes 2.0 FTEs), and $25,000 for late night safety/curfew awareness in downtown. The Mayor also recommends $122,500 for adding 1.0 sworn officer, and $239,000 for transferring 2.0 sworn officers from Grant Fund to General Fund due to the completion of the grants. This will raise the authorized strength of the Police Department to 878 in 2018. The Mayor also recommends a reduction of $142,700 in ongoing General Fund resources to assist in funding new initiatives.

The Mayor also recommends one-time General Fund appropriations of $100,000 for the mental health co-responder program, $25,000 for restorative justice strategies, $80,000 for a sexual assault survivor advocate pilot program, $2,350,000 for planned overtime expense related to increased staffing for Super Bowl LII reimbursable by the Super Bowl Committee, and a transfer of $305,000 from the Self-Insurance Fund to the General Fund for body cameras.

The Mayor also recommends one-time General Fund appropriations of $225,000 for the Milestone Public Safety Camera System (MPSCS), $85,000 for a forensic comparison Microscope, $70,000 for In Squad Video, and $260,000 for additional police vehicles. The appropriation for the MPSCS is not available to be spent until the Police, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

Council Adopted Budget: The City Council amended the Mayor's recommendation in the general fund; reducing the ongoing appropriation for Community Safety Liaisons by $347,662 and eliminating 4 FTE; increasing the department's ongoing appropriation by $545,662 for matching funds to support the 10 additional sworn officers funded via the 2017 Federal Community Oriented Policing Strategies (COPS) grant; and adding an ongoing appropriation of $180,000 and 2 FTE for body camera data review specialists.

Public Works

Mayor's Recommended Budget: Please see the divisional sections below for the Mayor's recommendations.

Council Adopted Budget: Please see the divisional sections below for the Council's amendments to the Mayor's recommendations.

Administration

Mayor's Recommended Budget: The Mayor recommends a reduction of $325,000 in ongoing General Fund resources to this department to assist in funding new initiatives.

The Mayor also recommends one-time General Fund resources of $25,000 for public restrooms and $725,000 for planned overtime expense related to increased staffing for traffic operations and snow and ice control during Super Bowl LII, reimbursable by the Super Bowl Committee.

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

Fleet Services

Mayor's Recommended Budget: The Mayor recommends one-time appropriations of $280,000 from the General Fund and $1.443 million from the Fleet Services Fund for the replacement of vehicles in the Fire, Police, and Regulatory Services departments and the Traffic & Parking Services and Transportation Maintenance & Repair divisions of Public Works.

Council Adopted Budget: The City Council amended the Mayor's recommendation by increasing one-time Non-General Fund expense by $335,000 to upgrade the M5 Fleet Management financial system.

Solid Waste and Recycling

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

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

Surface Water & Sanitary Sewer – Sanitary Sewer

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

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

Traffic & Parking Services

Mayor's Recommended Budget: The Mayor recommends ongoing General Fund appropriations of $250,000 to hire an Engineer and Planner (includes 2.0 FTEs) for the comprehensive safety program and a one-time General Fund appropriation of $150,000 to launch the comprehensive safety program.

The Mayor also recommended a $245,000 ongoing General Fund reduction to the department due to cost savings from the LED lighting initiative.

Council Adopted Budget: The City Council amended the Mayor's recommendation; reducing the ongoing General Fund appropriation for the comprehensive safety program by $50,000 and increasing the one-time General Fund appropriation for the comprehensive safety program by $50,000.

Transportation Maintenance and Repair

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

Council Adopted Budget: The City Council amended the Mayor's recommendation; increasing the Downtown Improvement District's Non-General Fund revenues and expenses by $450,185 to reflect the Downtown Improvement District's approved 2018 operating plan.

The City Council also increased the department's budget by adding $250,000 in one-time General Fund appropriation for the City's payment to the Downtown Improvement District for community-based policing strategies, with an emphasis on Hennepin and Nicollet Avenues.

Transportation Engineering and Design

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

Council Adopted Budget: The City Council amended the Mayor's recommendation by increasing one-time Non-General Fund revenue and expense by $160,000 for the addition of seven vehicles.

Transportation Planning and Programming

Mayor's Recommended Budget: The Mayor recommends ongoing General Fund appropriations of $75,000 (includes 0.5 FTE) and ongoing Non-General Fund appropriations of $75,000 through the Storm Water Fund (includes 0.5 FTE), to fund Urban Design – Green Storm Water Management and the Public Realm Greening program.

The Mayor also recommends one-time General Fund appropriations of $250,000 to develop the Access Minneapolis Action Plan.

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

Water Treatment and Distribution

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

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

REGULATORY SERVICES

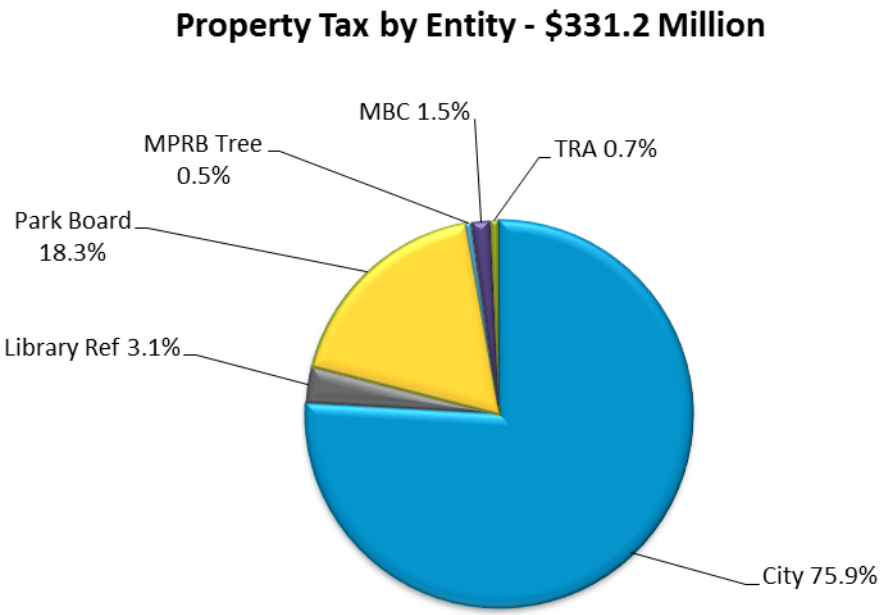
Mayor's Recommended Budget: The Mayor recommends an additional ongoing General Fund appropriation of $131,000 (1 FTE) to increase capacity for High Occupancy Dwelling Inspections and $478,000 for Nighttime Mobility. The Mayor also recommends one-time General Fund appropriations of $375,000 to increase Traffic Control service hours, $140,000 for Land Management Configuration Resources, $145,000 for Nighttime Mobility, $50,000 for

Equity and Inclusion, $30,000 for Replacement IPads for Traffic Control, and $75,600 for increased Traffic Management and Fire Inspections for Super Bowl LII, reimbursable by the Super Bowl Committee.

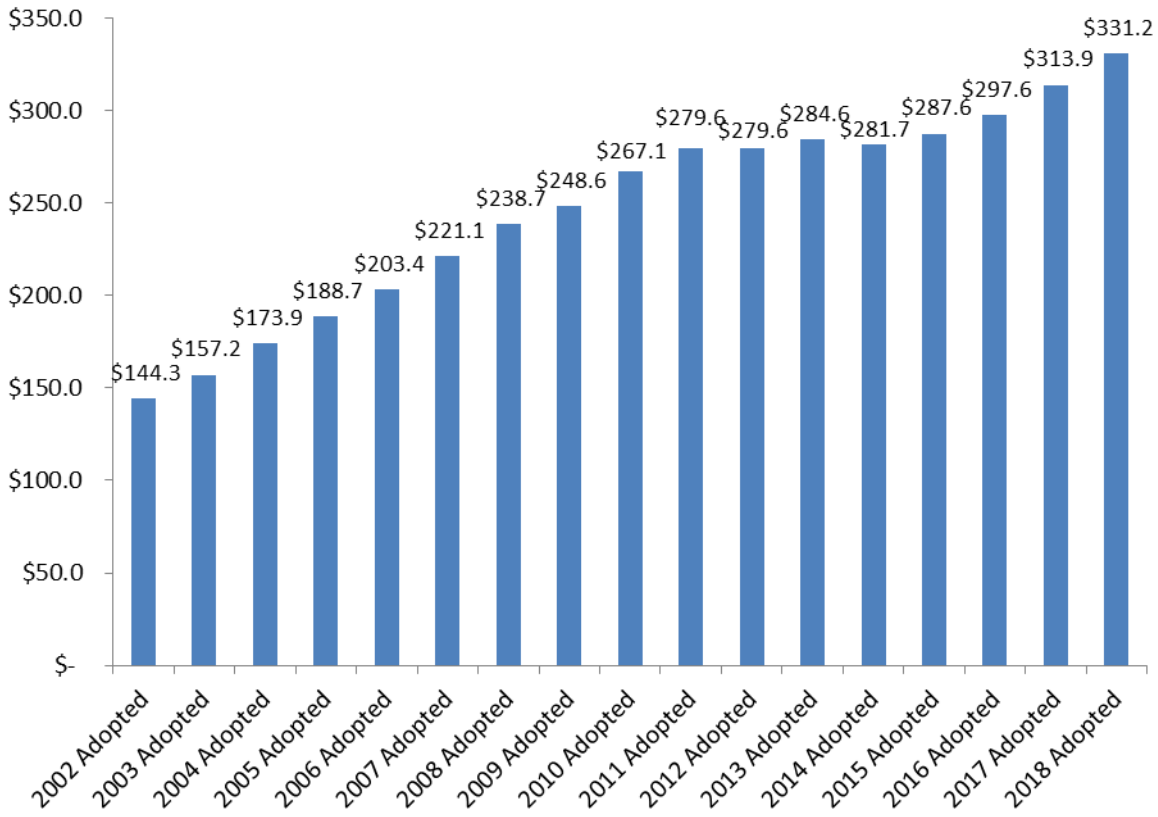
Council Adopted Budget: The City Council amended the Mayor's recommendation in the general fund; eliminating the one-time appropriation of $145,000 for Nighttime Mobility; eliminating the ongoing appropriation of $478,000 for Nighttime Mobility; increasing the ongoing appropriation by $200,000 and adding 2 FTE for Housing Inspection Services; and, decreasing the department's ongoing base appropriation by $10,000.

Property Tax Revenue

The City's 2018 Council Adopted Budget includes an overall property tax levy of $331.2 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 $10.3 million market value based tax levy. The 2018 recommended levy is $17.3 million more than the 2017 Council Adopted levy of $313.9 million.



Historical Property Tax Revenue by Year



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.

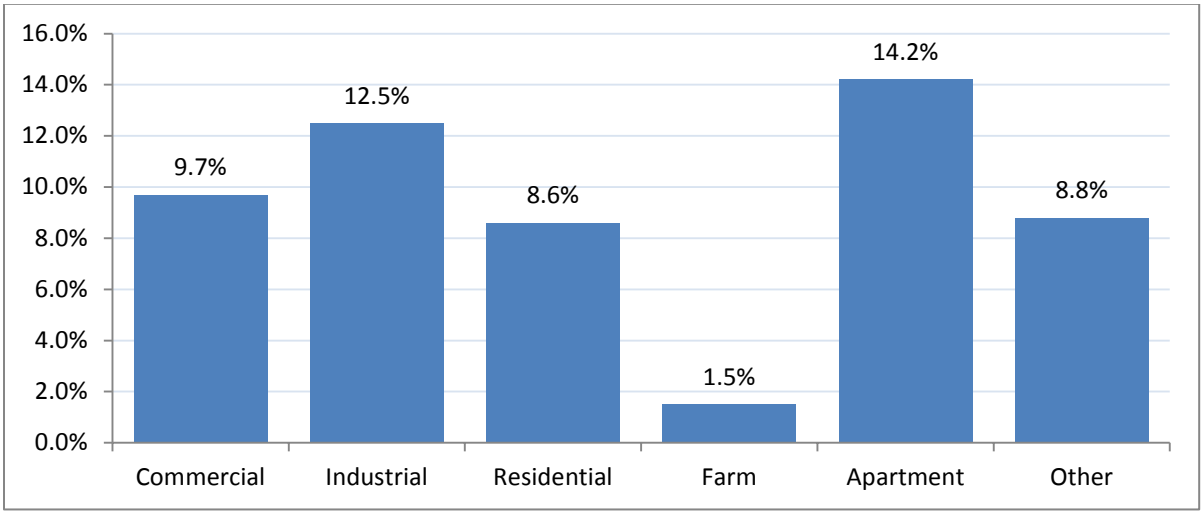
Property Market Values and Tax Base Highlights

The following table shows the estimated market values and corresponding tax capacity by property group for the July 24, 2017 assessment utilized for property taxes payable in 2018 based on preliminary numbers.

2017 Assessment For Taxes Collected in 2018

Group	2018 Estimated Market Value	% Total	Tax Capacity	% Total
Commercial	9,279,387,100	19.5%	183,071,938	30.8%
Industrial	1,455,267,500	3.1%	28,757,334	4.8%
Residential	28,649,422,800	60.2%	285,320,751	48.0%
Farm	1,545,800	0.0%	15,458	0.0%
Apartment	8,209,739,600	17.2%	97,426,912	16.4%
Other	22,321,900	0.0%	296,824	0.0%
Subtotal	**47,617,684,700**	**100.0%**	**594,889,217**	**100.0%**

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 2018 based on preliminary numbers from the City and County assessors and the Board of Estimate and Taxation:

For Payable in 2018*	
Real Estate Tax Capacity	594,889,217
Personal Property Tax Capacity	9,973,164
Gross Tax Capacity	**604,862,381**
- Less Tax Increment	-47,426,913
- Less Fiscal Increment Value Captured	-5,744,891
- Less Fiscal Disparities Contribution	-70,076,963
Adjusted Net Tax Capacity	**481,613,614**

*** Property Values July 2017 estimates only at this time**

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%
2017	11.5%	6.6%	6.6%	18.2%
2018	10.1%	-6.7%	7.7%	13.9%

**Industrial property is now reported separately from commercial property.*

Source: City Assessor's Office and Board of Estimate and Taxation

2018 Council Adopted Property Tax Levies

Fund	2017	2018	% Change From 2017	$ Change From 2017
General Fund	176,851,895	189,452,884	7.1%	12,600,989
Minneapolis Park Board - General	58,013,000	60,449,546	4.2%	2,436,546
Minneapolis Park Board - Tree	1,732,000	1,752,173	1.2%	20,173
Bond Redemption	37,800,000	39,350,000	4.1%	1,550,000
Permanent Improvement	500,000	0	-100.0%	-500,000
Pensions (MERF, MPRA, MFRA)	22,310,000	22,310,000	0.0%	0
Board of Estimate and Taxation	180,000	190,000	5.6%	10,000
Municipal Building Commission	4,954,300	5,102,929	3.0%	148,629
Teachers' Retirement	2,300,000	2,300,000	0.0%	0
Library Referendum Debt Service	9,300,000	10,300,000	10.8%	1,000,000
Total	**313,941,195**	**331,207,532**	**5.5%**	**17,266,337**

City of Minneapolis
2018 Budget

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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
2018 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. Capital improvement proposals are due on or around April 1st each year.

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.

Capital Long-Range Improvement Committee (CLIC) Process

From April through June, the CLIC Committee reviews capital requests, hears presentations from submitting departments and rates the capital requests. They prepare comments about projects and summarize their final recommendations in a report called "The CLIC Report" which is provided to the Mayor and City Council in mid-July as the starting point for their decisions on the Five-Year Capital Plan.

June–August

Mayor's Recommended Budget

The 2018 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 2018 Budget Calendar

January	February	March

April	May	June
Departments submit Capital Budget Requests - around April 1st	Departments prepare 2018 budget proposals →	Departments work with Coordinator's office to review proposals Departmental meetings with Mayor on 2018 Budget

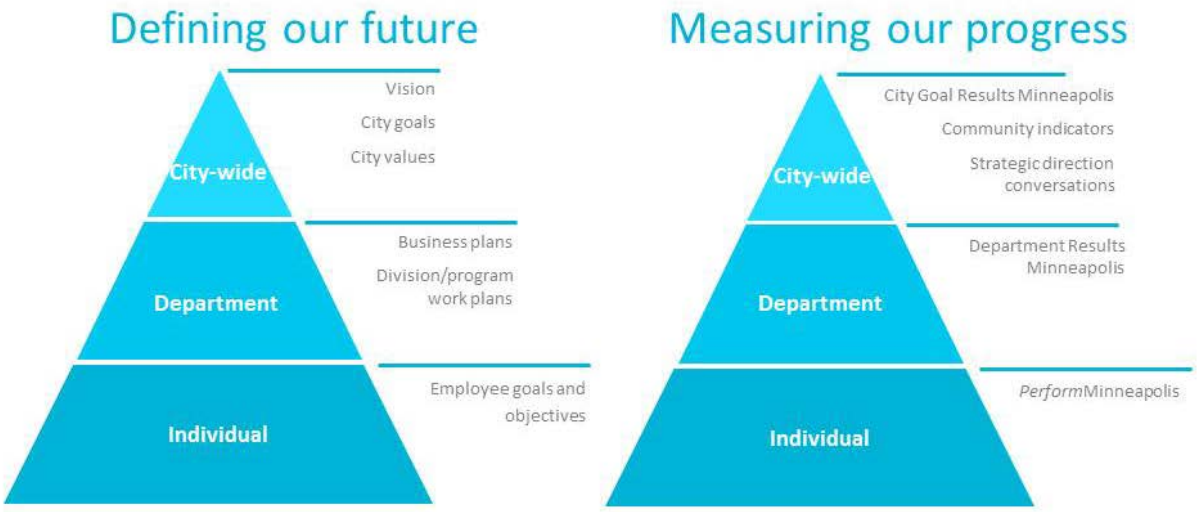
July	August	September
CLIC Executive Committee meets with Mayor regarding Capital Budget Recommendations – mid July →	Mayor presented recommended 2018 Budget and update to five-year financial direction	Council hearings on Mayor's recommended 2018 budget and updates to the five-year financial direction →

October	November	December
← Council hearings on Mayor's recommended 2018 budget and updates to the five-year financial direction →		Adoption of 2018 budget and five-year financial direction

City of Minneapolis
2018 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.

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2018 Budget

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City of Minneapolis
2018 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.

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 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.

Service Levels

The City uses a Current Service Level methodology of budgeting, meaning any ongoing service level commitments from a prior year constitute the starting point for the next year's budget. Finance and Property Services, in conjunction with other internal service providing departments, works annually to determine the costs for the continuation of current services into each successive year.

Departments, programs, and activities supported by the General Fund shall receive a target allocation each year to cover assumed expenses for operating costs including: personnel (including salary and fringe), internal services (including IT, Fleet, Rent, etc.), and self-insurance. Departments, programs, and activities supported by non-General Funds shall cover current service level operational expense, including General Fund Overhead expense, with fund revenues.

Changes in service levels shall be governed by the following:

Budget Process

The annual budget process is intended to weigh all competing requests, also known as Change Items, for City resources within expected fiscal constraints. Requests for new programs or activities, or expansion of existing programs or activities, shall be submitted as a part of the annual budget process. These submissions shall conform to a format as prescribed by the Budget Director, and shall – at a minimum – isolate out operating expenses from programmatic expenses, and articulate what outcomes are expected as a result of the new level of service.

Personnel Expenses

The Budget Office, in conjunction with the Human Resources department, will establish the current service level budget appropriation for each department. Departments are to account for the salaries and benefits of permanent employees within these budget appropriations.

Factors considered in this current service level budget appropriation for personnel include:

- Salaries. Each position, active as of March 1st, will be budgeted at the enterprise-wide average step for its job class, recognizing that some incumbents are paid at a grade higher than the average and others lower. In addition, all newly created job classes will be budgeted at step 4 of their assigned salary range. Exceptions may be granted on a case by case basis at the discretion of the Budget Director. Departments may request an exception only if they can provide replicable data showing that employees in a particular job class are paid higher on average in their department than the enterprise.

- Overtime. Unless specifically directed by the City Council, overtime costs are not included in salary budgets.
- Premium Pay. Different types of premium pay, such as shift differentials, on call pay, etc., will be included in salary budgets to the extent that it is predictable that such costs will be incurred. The Budget Office will work with Human Resources to identify where and to what extent that predictability exists.
- Health Insurance & HRA/VEBA. The Budget Office will work with HR to determine reasonable assumptions for health insurance & HRA/VEBA expense for each department. As an enterprise roughly 60% of employees elect family coverage and 40% elect single coverage. Exceptions may be granted on a case by case basis at the discretion of the Budget Director. Departments may request an exception only if they can provide replicable data showing that their employees elect coverage at a different rate than the enterprise average.

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 its adopted budget, as identified in ongoing cooperation with Finance and Property Services, the department 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.

Adding FTE Administratively

Departments may increase their approved FTE complement administratively during the year if they have sufficient discretionary ongoing resources to do so. In cases where departments decide to take such action, the full cost of adding the FTE will be reduced from the following year's discretionary base budget amount in order to pay for the increase.

Position Reclassification and Promotions

During the year departments may, in consultation with Human Resources, decide to reclassify positions and/or promote staff between job classifications – so long as funding exists to support any additional expenses incurred as a result of this action. In cases where departments incur additional salary expense associated with reallocation or promotion, the marginal increase will be reduced from the following year's discretionary base budget amount.

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.

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.

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.

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.

Grant Funding in the Five–Year Financial Direction.
All appropriations of grant funding require Council approval. Any department applying for grant funding should be aware of the effect on its budget.

Budget effects include, but are not limited to, such items as:

- local match requirements;
- additional costs for maintenance, operation, and replacement of equipment and other capital assets purchased with grant funding; or,
- requirements for maintenance of a minimum staffing level and/or maintenance of effort contribution after the grant ends.

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 the application, acceptance and/or entering into the grant agreement.

As a condition of accepting the funds, the Council shall identify the amount and source of permanent resources – by adding to, or repurposing within, existing budgets – necessary to fulfil any ongoing commitments associated with the acceptance. If necessary, the Council shall amend the Five–Year Financial Direction to reflect any such changes. In the event the Council fails to provide budgetary resource necessary to fulfill ongoing commitments associated with the acceptance of a grant, the receiving department shall be responsible for absorbing the costs of those ongoing commitments into their existing budget.

See below for additional grants management policies in the Administrative Policies section of this document.

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. In addition, cost allocation models should conform to the following principles:

- 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.

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.

Internal Service Funds (ISF's)

All ISF's use cost allocation models to recover costs.

Fleet Services Division (Equipment Services Fund)

The Fleet Services Division (FSD) of the Public Works Department procures, equips, and maintains an enterprise-wide fleet.

Fleet Defined

For the purposes of this document "Fleet Units" or "Units" will be used when referring to the following: City 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 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 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.

Information Technology (Intergovernmental Services Fund)
The Information Technology (IT) department provides enterprise-wide purchasing, strategy, development, and maintenance services for the City's IT infrastructure.

IT Defined
For the purposes of this document, IT is inclusive of hardware – including handheld equipment that requires City-maintained software to function, and software – including software as a service (SAAS) applications. IT does not include salary costs of business-side application managers.

IT Acquisitions
All IT shall be purchased through the IT department. Exceptions may be granted on a case by case basis with the approval of the Chief Information Officer, or the City Coordinator or designee.

Except for the acquisition of new desktop or laptop computers as part of the City's annual refresh cycle, the IT allocation model shall not collect in advance to cover costs associated with the purchase of new IT.

IT Licenses and Maintenance
The IT allocation will include funding for application licenses and maintenance contracts for all IT systems which have been expressly approved by the City Council – including increases to license or maintenance fees upon contract renewals. The IT allocation will also include recovery of administrative costs and fund an adequate reserve as defined in these policies.

The IT allocation will not include application licenses or maintenance contracts for IT systems developed or procured at department discretion.

Self-Insurance (Self-Insurance Fund)
The Risk Management division of the Finance & Property Services department manages the City's self-insurance program.

The Self-Insurance allocation will recover costs to pay claims and other legal liabilities. Estimates are developed by an outside actuarial firm and assessed to departments based on historic experience.

Legal Services (Self-Insurance Fund)
The Civil division of the City Attorney's office provides legal services for all City departments.

The Legal Services allocation will recover costs to pay for legal services for city departments and city officials as necessary and prudent. Estimates are based on historic usage of legal services by each department.

Property Services (Property Services Fund)
The Property Services division of the Finance & Property Services department provides leasing, space management, and construction management services to all City departments.

The Property Services allocation will recover costs of providing the services listed above. Rent estimates will be based on all known information as of March 1 of the year prior to the year for which costs are being allocated. Any additional rent costs beyond what is included in the allocation are the responsibility of the department incurring the expense.

One–Time Costs Assessed
One–time cost increases may be assessed to internal service funds 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.

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 receives five different sources of local taxes related to entertainment, food and beverage, general retail, and lodging. These local taxes are collected by the State of Minnesota's Department of Revenue and detailed in the State's Sales Tax Fact Sheet 164M. The use of these local taxes are broadly authorized by state laws and statutes and, more narrowly, by annual budgetary decisions by the Mayor and City Council. The following shall

guide the City's use of sales tax resources within the Downtown Assets Fund and the associated transfers to the City's general fund:

- Entertainment taxes as defined in Laws of Minnesota 1969 Chapter 1092 can be used for any purpose and are not pledged to any particular operational or capital use. A portion of the entertainment taxes will be utilized within the Downtown Assets Fund for operating costs of assets that are not the convention center or marketing costs. The remainder will be transferred to the City's general fund.

- Sales taxes related to the downtown food and liquor taxes, as well as the lodging taxes, as described in Laws of Minnesota 2012, Chapter 299, Article 3, Section 3 shall first be utilized for:
    - The payment of debt service obligations on the City's Convention Center.
    - The payment of debt service obligations on the City's basketball arena.
    - The payment of the applicable portion of the State of Minnesota's debt service obligations and annual capital and operating cost contribution for the MSFA and its stadium

- Any remainder of the downtown food and liquor taxes, the lodging taxes, together with the 0.5% general sales may then be used for:
    - Operational support of the City's convention center, inclusive of maintenance, service, and marketing agreements.
    - Reserves necessary for the City's convention center and its basketball arena and financing related to these facilities.
    - Economic development.
    - Capital projects generally and any debt service associated with capital projects.

For purposes of the City's annual general fund budget that is supported by local sales taxes, economic development may include a portion of the operations of the Community Planning and Economic Development department, and a portion of any other general fund supported department that enhances the economic vitality of the City.

For purposes of the budget, capital projects can include any general fund cash or debt service for a capital budget item in the City's capital budget in the current year or any prior year budget, either at the original adoption of the budget or added subsequently through amendments.

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 also determine the interest rate to be paid annually on all unpaid installments upon certification of the assessment based on market interest rates. Interest rates shall be determined annually for the new projects to be assessed based on the Daily Treasury Yield Curve Rates in effect on December 1 of the year prior to the property owner receiving notice of the public hearing of a proposed property assessment. The interest rate will correspond to the anticipated term of the assessment plus 2 percent. The first installment shall be payable in the year following certification of the assessment role to Hennepin County and will be payable in the same manner as real estate taxes. Property owners will receive a bill from the City in November of the year before their first payments are due and can prepay this bill up to December 31st without incurring interest costs

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.

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 shall 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 shall 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 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 directly to the City Council's Ways & Means Committee. 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.

Grants Administration

The following provisions apply to the administrative of grant funds within the City.

Applications for Grants

Grant Applications require prior City Council approval if one of the following applies:

1. More than one Department is applying for the same funds and prioritization is required;
2. Grant request exceeds $250,000;
3. Grant requires any local cash match;
4. Grant requires new hiring to implement the project;
5. The project, if funded, would require an expectation for the City to continue the funding;
6. The application appears to be inconsistent with the City's Annual Budget;
7. The application appears to be inconsistent with the City's Comprehensive Plan, Consolidated Plan, or other adopted Plans or Policies; or
8. The application includes controversial or unclear elements.

Acceptance of Grants

All grant awards need to be formally accepted by City Council and appropriated to a City grant fund. Final, signed grant agreements should be sent to the Grants Accounting Manager in Finance and Property Services.

Changes to Grants after acceptance

Any department which has received a grant shall notify the Finance and Property Services Department of changes in the grant award or terms of the grant that occur after the grant is initially awarded.

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. Purchases under $100,000, with minor exceptions, shall meet the Target Market Program.

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 Write–off section under the Accounts Receivable 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.

Medical Self-Insurance

The City will begin implementing medical self-insurance on January 1, 2018. The City's medical self-insurance plan shall maintain adequate reserve balances as outlined in the reserve policies section of this document. Funding of reserves shall be included in the premium rates paid by the City and employees. Medical self-insurance reserves shall be used only for medical self-insurance purposes and not be allocated for any other purpose. No interest earned shall be retained in and accrue to the medical self-insurance reserve.

If premium holidays (forgiveness of premiums for a set period) are granted, both the City and employees will share in the premium savings on a pro rata basis according to the share of premium paid by each.

If the medical self-insurance fund is dissolved for any reason, the reserve shall be transferred to the City's remaining self-insurance reserves in the Self-Insurance Fund.

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 designee has the following authorities:

- To make temporary loans between funds to cover any cash deficits at the end of each fiscal year.
- To create or adjust appropriations in any fund to prepay bonds and facilitate transfers for debt service and to make all appropriate transfers and payments relating to debt service and the administration thereof.
- To call (prepay) bonds in advance of maturity for the following types of bonds: net debt, special assessment, enterprise and tax increment provided sufficient excess cash resources are available.
- 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 administratively increase or decrease capital project appropriations to reflect necessary reductions whenever a revenue source is determined to be uncollectible or to increase appropriations upon receipt of funds and/or a reasonable expectation of receipt of funds based on adopted Council actions.
- 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 administratively allocate interest earnings from any City fund as long as such allocations are consistent with State law and federal regulations.
- 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

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, not including transfers out, 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, and those under the downtown assets umbrella fund, 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 three months of operating expense, or 25% of the funds' annual operating budget. This balance shall be maintained to ensure adequate maintenance reserves, operating cash flow 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 at the discretion of the Finance Officer. 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.
- *Medical Self-Insurance Plan* shall maintain a minimum cash balance of 25% of total annual claims. Funding of the reserves shall be included in the premium rates paid by city employees.
- *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.

Depositories
The Finance Officer is authorized to designate current City depositories pursuant to Chapter 118A and the City's investment policy. A list of eligible depositories shall be subject to a Council-approved request for proposals process no less than every five years.

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. 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. It identifies the purposes and conditions under which TIF may be used, and the factors to be considered when evaluating a developer's application for TIF assistance. The policy states that TIF will only be used when the City has the financial capacity to provide the needed public assistance and the developer can clearly demonstrate that the development will be able to meet its financial and public purpose commitments. The City seeks to recapture this public investment to the maximum extent feasible after allowing the developer a reasonable rate of return on their equity. Pay-as-you-go TIF financing is preferable to tax increment bond financing since repayment risk is assumed by the developer instead of the City. The City will only issue general obligation (G.O.) tax increment bonds under certain strict situations that are specified in the policy. Only those public improvements and public redevelopment costs directly associated with a proposed development project can be financed using TIF. The City's current Tax Increment Policy, as approved by the City Council.

Tax Abatement Policy

The Policy for the Use of Tax Abatement for Historic Properties identifies the circumstances under which the City will consider the use of tax abatement to support the substantial rehabilitation of designated historic preservation properties. Proposed uses of tax abatements must achieve one or more identified objectives, and the expected benefits to the City must at least equal the City's costs. The City's current policy, as approved by the City Council.

Tax Increment Special Revenue Funds and Internal Loans

State statute requires that tax increment (TI) revenues must be segregated from all other revenues of the City and maintained in separate TI (special revenue) funds established for each TIF district. A new TI fund is established whenever a new TIF district is approved. Qualifying expenses are charged to these individual TI funds as they are incurred. If expenses are incurred before the TIF district has generated any TI revenue, then the TI fund will experience a negative fund balance

When a TI fund experiences a negative fund balance, this is considered an "interfund loan" by the Office of the State Auditor. State statutes require that specific actions must be taken by the City to authorize these types of loans. As part of the budget process, and for purpose of covering any temporary negative fund balances in TI funds, the City authorizes interfund loans (also referred to as "capital advances") from other TI funds in the amount needed to offset any negative fund balances.

These loans do not result in the actual transfer of revenue between TI funds, but rather the collective positive fund balance of all the City's TI funds offsets any negative fund balances that

may exist in a small number of TI funds. As TI revenue is collected and deposited in a TI fund that has a negative balance, the interfund loan for that TI fund is reduced and eventually paid off.

Housing Improvement Area Policy

The City's Housing Improvement Area (HIA) Policy establishes the conditions under which HIAs may be approved by the City Council, and provides a framework within which requests for the establishment of HIAs will be considered. This Policy briefly describes the statutory requirements of HIAs, and includes a list of the City's goals and objectives, guidelines, and minimum criteria associated with the use of this financing tool. The administrative process and procedure for the establishment of HIAs in the City is also available in separate documentation.

Development Program and Project Appropriation Expiration

Any appropriation for a CPED development program or project that hasn't spent at least 75% of this appropriation on tangible project activities within a four-year period (including the appropriation year) is subject to expiration. This test begins with 2014 appropriations, which are subject to expiration at the end of 2017 unless the above test has been met.

The mechanism for tracking these appropriations shall be an annual "CPED Development Program and Project Status Report" that is presented to the Community Development & Regulatory Services Committee and the Ways & Means Committee each year. This report shall contain the following information by individual program or project:

1) Brief program or project description;
2) Year of original appropriation;
3) Total appropriation for the most recently completed fiscal year (including any appropriation amounts rolled-over from prior years);
4) Annual expenditures for the most recently completed fiscal year;
5) Total outstanding encumbrances and Council commitments as of the most recently completed fiscal year; and
6) The unexpended and unobligated appropriation balance;

The 2018 report will contain information for calendar years 2014-2017, and will identify those development programs and projects that have not expended at least 75% of their 2014 appropriation, and the amount of the unspent 2014 appropriation that will expire, subject to review by the City Council.

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 by 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.

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.

CAPITAL BUDGET POLICIES

The objective of the capital budget policies is to ensure maintenance of capital assets and infrastructure in the most cost–effective 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 ensure that the additional technology is consistent with the City's longer–term technology plan.

Public Art
During each calendar year, the city shall dedicate a minimum amount of funding, regardless of source, to the commissioning, siting, placement, conservation and maintenance of public art. The minimum amount of funding shall be the equivalent of 1.5 percent of the total amount of net debt bonds authorized by the City Council through the City's annual budget process.

Neighborhood Park and Street Infrastructure Plans
On April 29, 2016, the City Council approved ordinance amendment 2016-031 amending Chapter 16 of the Minneapolis Code of Ordinances by adding Article XIV. Neighborhood Park and Street Infrastructure Plans. The amendment establishes a 20 year financial funding plan to make significant additional capital improvements to neighborhood parks and street infrastructure utilizing racial and economic equity criteria while also avoiding the uncertainty and inflexibility of various potential ballot measures. The financial plan is fully described in Resolution 2016R-151 also approved on April 29, 2016. Details of the ordinance amendment and funding resolution are available at:

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 pay debt service;
4) If bond proceeds are returned to the debt service fund, a corresponding increase in capital allocations will be made in the next capital year.

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 of Capital & Debt Management
- Executive Secretary, Board of Estimate & Taxation
- Director, Development Finance or designee
- Independent Bond Counsel
- Independent Financial Advisor

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 pro-

formas, 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 pro forma 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.

Internal Loans for Bond Defeasance

The Finance Officer is authorized to establish internal loans as an alternative to issuing short to medium term (< 10 years) refunding bonds when bonds become callable. The interest rate to be used for the internal loans will be set using the Daily Treasury Yield Curve Rates at inception of the loan using the term applicable to the weighted average life of the refunding bonds, plus one percent. Internal loans made with tax increment are also subject to interest rate caps set forth in law. To use this approach, the Finance Officer will be required to designate the fund providing the loan proceeds from which the bonds will be paid and will be required to record the loan. The designated loan fund will receive the interest income and the appropriate debt service fund will be used to record the loan principal and interest payments. The loan balance between the designated loan fund and the debt service fund will be adjusted each year based on loan principal paid. Internal loans related to Housing Improvements Areas are not subject to the interest rate restrictions set forth above. A separate resolution will be required to be adopted by the City Council authorizing the loan in lieu of refunding bonds.

Appropriations for Debt Service

Debt service funds shall be appropriated with sufficient funds to pay debt service requirements and the Finance Officer shall be authorized to adjust appropriations to provide for prepayments, loans, transfers and other debt administration costs as necessary.

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.

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 in the amount of up to 125% of the project costs noted (taking into account the potential increases in actual project costs that may occur due to the timing lag between the budget preparation and the dates of the actual expenditures for project costs and decreases in other sources of funding). 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, the City hereby declares its official intent to reimburse itself for expenditures for projects described as bond funded in the annual adopted capital resolution as amended by subsequent related resolutions. The projects are more fully described on Capital Budget Request forms on file in the office of Finance and Property Services.

Source of Repayment

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

Future Declarations of Official Intent to Reimburse

The Finance Officer is authorized to make additional declarations of official reimbursement intent to reimburse expenditures in connection with the projects described herein and other projects for which the City plans to issue tax-exempt bonds to reimburse expenditures pursuant to IRS Treasury Regulations Section 1.150–2. Copies of any such further declarations shall be filed with the Ways & Means Committee and the Board of Estimate and Taxation.

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Five-year Financial Direction 2019-2023
(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 2019-2023 financial direction is to provide guidance for decision making on available planned resources in the City's General Fund.

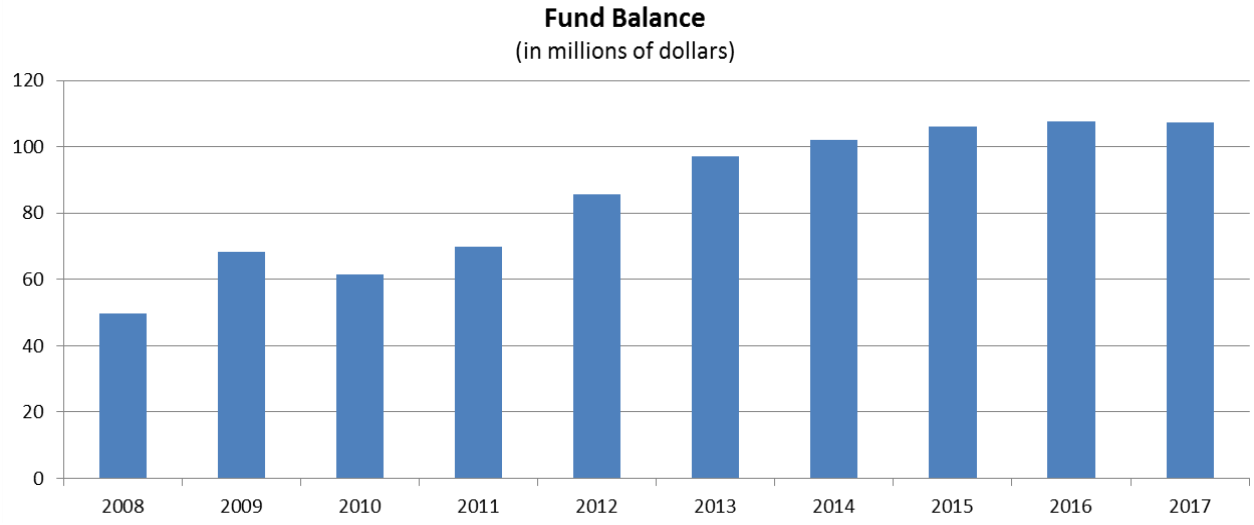
General Fund

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 2018 the General Fund expense and revenue, including use of fund balance, is $481.9 million.

Historical Financial Performance

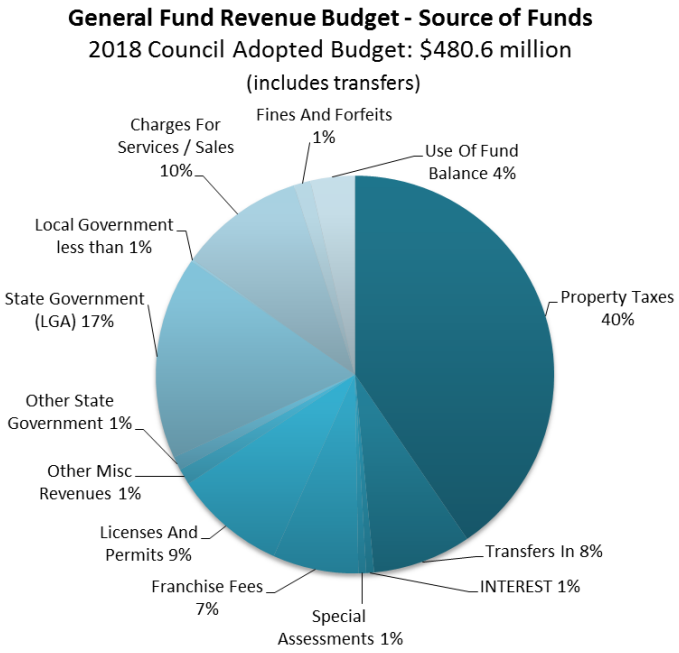
The results of the General Fund's annual operations at the end of the year reflect the fund's "fund balance," or the amount of available, spendable resources contained within the fund. The balance provides the City a reserve to cushion adverse economic shocks and to meet a portion of the City's cash flow needs. The City's policy is to maintain a minimum unrestricted fund balance of 17% of the following year's budgeted expenditures.

The General Fund began 2017 with a fund balance of $107.5 million. The 2017 year-end fund balance in the General Fund is expected to be at $107.3 million, which is greater than the stated fund balance requirement of 17%, or $81.9 million, of the following year's expenditure budget.



2018 General Fund Revenue Budget

The 2018 Council Adopted budget includes a total of $480.6 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 decrease by 3.5% from the 2017 budget, largely because of the introduction of the Downtown Assets Fund. Sales and entertainment taxes have historically been collected in the General Fund and then transferred out to support the Convention Center and T arget Center operations and debt service costs. This model will flip beginning in 2018; sales and entertainment taxes will now be receipted as revenues to the Downtown Assets fund, with a portion being transferred to the General Fund to support city services.



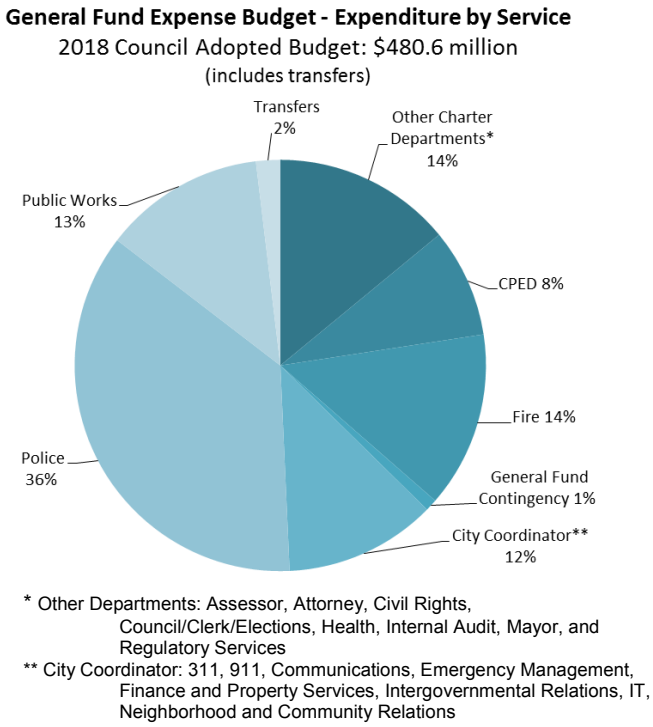
Revenue Source	2016 Acutal	2017 Adopted	2018 Council Adopted	% Chg from 2017 Adopted	2017 Adopted % of Total	2018 Adopted % of Total
Property Taxes	166.3	178.2	194.6	9.2%	35.8%	40.5%
Interest	3.5	2.2	3.1	38.6%	0.4%	0.6%
Franchise Fees	29.5	30.9	33.5	8.3%	6.2%	7.0%
Licenses and Permits	47.0	42.9	43.6	1.5%	8.6%	9.1%
Sales and Other Taxes	79.1	82.3		-100.0%	16.5%	0.0%
State Government / LGA	77.8	78.0	79.3	1.7%	15.7%	16.5%
Other State Government	6.2	5.0	5.3	6.4%	1.0%	1.1%
Charges For Services / Sales	48.8	45.6	48.9	7.3%	9.2%	10.2%
Local Government	1.2	1.0	0.9	-12.2%	0.2%	0.2%
Special Assessments	3.4	4.1	3.0	-26.3%	0.8%	0.6%
Fines and Forfeits	6.3	6.5	6.6	0.2%	1.3%	1.4%
Transfers In	4.0	12.5	38.4	207.8%	2.5%	8.0%
Use of Fund Balance		5.5	17.3	213.0%	1.1%	3.6%
Misc. Revenues	3.5	3.1	6.3	104.5%	0.6%	1.3%
Total	**476.7**	**497.8**	**480.6**	**-3.5%**	**100.0%**	**100.0%**

State Aids (including Local Government Aid):
Following several years of uncertainty in funding from the State of Minnesota in the form of Local Government Aid (LGA), including the loss of over $70 million from 2008-2011, the State has slightly been increasing the amount of LGA appropriated to the City of Minneapolis from $76.1 million in 2014 to $78.0 million in 2017. The certified LGA appropriation for 2018 is $79.3 million; $1.3 million or 1.7% over the 2017 allocation.

2018 General Fund Expenditure Budget

The 2018 Adopted budget for City services included in the financial direction is $480.6 million, which includes $9.2 million in transfers to other funds.

Approximately 68.5% of the overall expenditure budget is related to salaries and benefits. In the General Fund, budgeted salary and w age expenditures increased from $215.9 million in 2017 to $236.2 million in 2018. 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 form for most City functions. A breakdown of the allocation of the $480.6 million in the 2018 General Fund budget is reflected in the chart at right.



* 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

Five-Year Financial Direction

The Five-year Financial Direction includes a property tax levy increase of 5.65% in 2019, 5.52% in 2020, 7.18% in 2021, 5.05% in 2022, and 4.75% in 2023. These percentages reflect funding for statutorily-required costs, the 20 y ear program for additional investments in streets and parks, and a current service level cost escalator for departments and support services.

The 2018 budget is the basis for future projections: In other words, services and activities included in the 2018 budget provide the starting point for the 2019-2023 department budget estimates. One-time 2018 supplemental items are removed from department budgets in 2018 and beyond.

The financial direction from 2019 to 2023 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

As part of the 2018 b udget, the amount of property tax supported resources for capital improvements was again increased due to the historic twenty year Street Infrastructure and Neighborhood Park Funding Plan which was approved in April of 2016. For 2019 and f uture years, the intent is to provide a higher level of property tax supported (net debt bond) funding along with other resources to improve the overall condition of City streets and nei ghborhood park infrastructure. As a result of this new plan and base increases, property tax supported bond funding in the 2018 – 2022 five-year plan will be increasing from $240.7 million to $251.8 million. T he additional resources will improve all types of capital infrastructure with a di stinct emphasis on i mproving street paving, protected bikeways and pedestrian improvements,

lighting and traffic related safety improvements and major improvements to neighborhood parks. More detail about the total resources dedicated for the Street Infrastructure and Neighborhood Park Funding Plan can be found in the Capital Budget Narrative Overview later in this document. The City's 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 will be increasing in 2018 and beyond to support the new street infrastructure and neighborhood parks funding plan. The increases are possible due in part to lower pension funding costs beginning in 2017, lower current debt levels and the decertification of the consolidated tax increment district in 2020 which will increase the City's tax capacity starting in 2021.

Funding for Pension Liabilities

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). The City has ongoing obligations funded from within departmental budgets to PERA to support current and former employees' retirement plans. The 2016 City ordinance passed for the 20 year funding program for streets and parks assumed that the levy supporting pension obligations would decrease by $5.0 million per year beginning in 2017 and that a portion of these savings on a declining basis would be used through 2021 to fund a portion of the capital program. This plan is on track for 2017 and 2018 but actions at the Minnesota State legislature may impact the City's required pension funding levels beginning in 2019. The five year financial direction reflects moderate pension levy increases beginning in 2019 to provide for the possibility of higher required pension contributions in the future.

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.

- *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.

- *Internal Service Costs:* The City continues to see increasing costs to internal services, particularly in fleet – as vehicle replacement costs are rising; and, in information technology (IT) – as increasing demand for new systems create additional future obligations that must

be recognized. The City will need to be mindful of containing these costs while continuing to provide current service levels.

- *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:* The City is responsible for facilities, including City Hall, Police Stations, and Fire Stations, that are not contemplated in its existing capital processes. As these facilities need major repairs and maintenance, there will be a need t o recognize large out-year commitments to fund these projects.

Assumptions for 2019-2023

- 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 increase by 5.0% in 2019 through 2023.
- Non Property Tax Revenues in the General Fund are assumed to increase by between 1.0 and 1.5% 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 Downtown Assets Fund, and a portion, generated primarily from entertainment taxes, is transferred to the General Fund. Sales tax revenues in the General Fund ar e used for capital projects, and ec onomic development.

Five Year Financial Direction

	2017	2018	2019	2020	2021	2022	2023
Uses:							
General Fund Base Cost + Ongoing Changes	423,142,229	448,367,694	463,016,868	478,343,444	494,163,020	510,291,713	526,534,180
General Fund One-times	11,754,054	18,473,452	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
General Fund Commitments	62,878,943	13,712,295	10,676,051	11,149,120	18,532,277	19,485,738	20,252,925
Total Uses	497,775,226	480,553,441	481,692,919	497,492,565	520,695,297	537,777,450	554,787,105
Sources:							
Non-Property Tax Resources General Fund	315,389,835	268,651,176	266,113,085	268,534,610	270,989,813	273,479,204	276,003,301
Use of Fund Balance	5,533,496	17,346,452	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Property Tax Resources General Fund + MBC	176,851,895	194,555,813	207,579,834	220,957,954	241,705,484	256,298,246	270,783,804
Total Sources	497,775,226	480,553,441	481,692,919	497,492,565	520,695,297	537,777,450	554,787,105

Property Tax	2017	2018	% chg	2019	2020	2021	2022	2023
General Fund	176,851,895	189,452,884	7.1%	202,323,817	215,544,257	236,129,375	250,554,854	264,868,111
Minneapolis Park Board	59,745,000	62,201,719	4.1%	64,689,788	67,277,379	69,968,474	70,967,213	73,805,902
Bond Redemption	37,800,000	39,350,000	4.1%	41,510,000	43,830,000	45,880,000	48,250,000	50,650,000
Permanent Improvement	500,000		-100.0%					
Pensions	22,310,000	22,310,000	0.0%	23,310,000	24,310,000	25,310,000	27,310,000	27,310,000
Board of Estimate and Taxation	180,000	190,000	5.6%	215,000	230,000	240,000	250,000	257,500
Municipal Building Commission	4,954,300	5,102,929	3.0%	5,256,017	5,413,697	5,576,108	5,743,392	5,915,693
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/Downtown Office Debt Service	9,300,000	10,300,000	10.8%	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000
Total	313,941,195	331,207,532	5.5%	349,904,622	369,205,334	395,703,958	415,675,459	435,407,206
				5.65%	5.52%	7.18%	5.05%	4.75%

City of Minneapolis
2018 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.
- Cost allocation model for internal city departments and government service fee includes cost escalators.
- Revenues are expected to increase by 1.0 to 1.5 percent annually.
- Out-year projections will be adjusted over time as new information becomes available.

Capital and Debt Assumptions

- For 2018 and future years, the bond levy will begin to show increases to correspond with planned increases in net debt bond allocations as part of the 20 year Street Infrastructure and Neighborhood Park Plan. These increases are possible due to reduced pension costs, lower current debt levels and the decertification of the consolidated tax increment district in 2020 which will increase tax capacity in 2021. As a result of this new plan and base increases, property tax supported bond funding in the 2018 – 2022 five-year plan is increasing from $240.7 million (2017-2021 levels) to $251.8 million, or by about 4.6%. 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, bridge improvements and neighborhood park 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 maintain a robust capital improvement program; and, to be able to retire the bond funded portion of the 20 year Street Infrastructure and Neighborhood Park Plan at its conclusion.

City of Minneapolis - Details of Annual Demand (changes) in Property Tax Revenue
2018 Budget Recommendation Factors and Out Year Impacts - 5.5% Levy Increase

	Current Budget Year												
Property Tax	**2017**	**2018**	**% Chg**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
General Fund	176,851,895	189,452,884	7.1%	202,323,817	215,544,257	236,129,375	250,554,854	264,868,111	279,104,123	295,311,666	312,165,375	329,683,525	349,085,002
Minneapolis Park Board	59,745,000	62,201,719	4.1%	64,689,788	67,277,379	69,968,474	70,967,213	73,805,902	76,758,138	79,828,464	83,021,602	86,342,466	89,796,165
Bond Redemption	37,800,000	39,350,000	4.1%	41,510,000	43,830,000	45,880,000	48,250,000	50,650,000	50,650,000	50,650,000	50,650,000	50,650,000	50,650,000
Permanent Improvement	500,000	-	-100.0%	-	-	-	-	-	-	-	-	-	-
Pensions	22,310,000	22,310,000	0.0%	23,310,000	24,310,000	25,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000	27,310,000
Board of Estimate and Taxation	180,000	190,000	5.6%	215,000	230,000	240,000	250,000	257,500	265,225	273,182	281,377	289,819	298,513
Municipal Building Commission	4,954,300	5,102,929	3.0%	5,256,017	5,413,697	5,576,108	5,743,392	5,915,693	6,093,164	6,275,959	6,464,238	6,658,165	6,857,910
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	2,300,000
Library Debt Service	9,300,000	10,300,000	10.8%	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000	10,300,000
Total Property Tax	313,941,195	331,207,532	5.5%	349,904,622	369,205,334	395,703,958	415,675,459	435,407,206	452,780,650	472,249,271	492,492,592	513,533,974	536,597,590
		% Change Property Tax		5.65%	5.52%	7.18%	5.05%	4.75%	3.99%	4.30%	4.29%	4.27%	4.49%

City of Minneapolis
2018 Budget
Finance Plan

Arena Special Revenue Fund

Introduction

The Arena Special Revenue Fund (also known as the Target Center Operations Fund) accounts for the maintenance and operation of the City-funded portion of the Target Center. Convention Center staff is responsible for managing operations within this fund. The City contracts with AEG, which is one of the leading sports and entertainment presenters in the world, to manage the day-to-day operations of the facility. AEG is paid a management fee for its services based on a revenue sharing formula contained in the management agreement between the City and AEG. Additionally, the City reimburses AEG for certain expenditures and losses that they incur during the year.

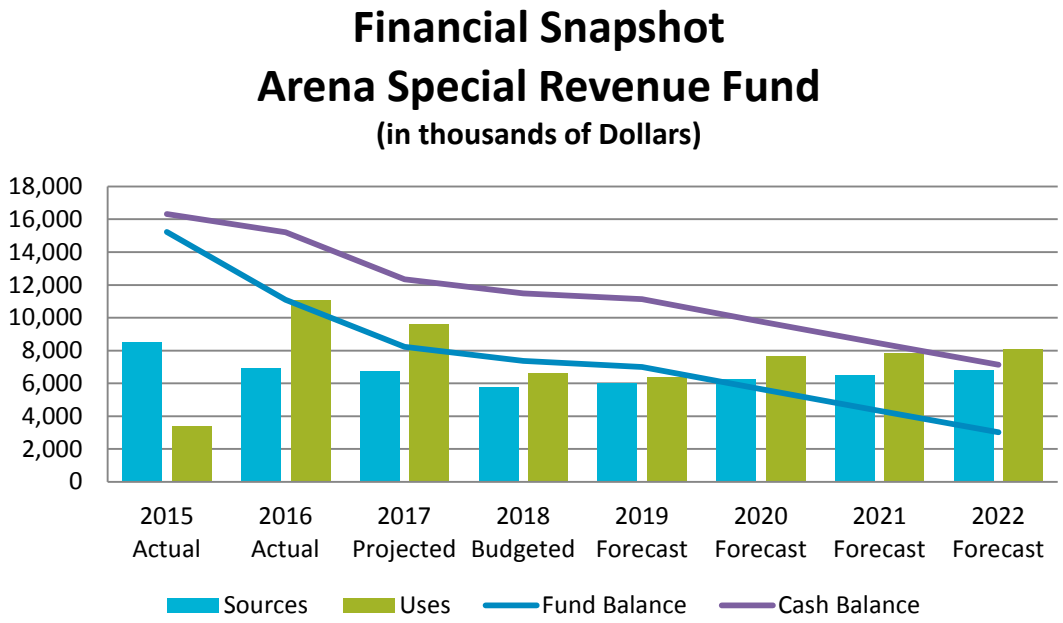
Sources of funds include rent that is paid by various users of the facility, transfers from the Municipal Parking Fund, entertainment taxes generated by the facility, and interest earnings. The transfers from the Municipal Parking Fund are prescribed amounts that were authorized by the City Council back in 1995. These transfers continue through 2021.

There are currently several outstanding bond issues and loans associated with the Target Center. Debt service payments on this debt is not accounted for in the Arena Special Revenue Fund, but is accounted for in separate debt service funds. The first bond issue is the $57,480,000 Taxable G.O. Refunding Bonds, Series 2009D, which has an outstanding balance of $39,965,000 as of December 31, 2017. These bonds refunded older bonds that were issued to acquire the Target Center back in 1995. Starting in 2017, semi-annual debt service on the 2009D bonds are 100% paid with tax increment revenues generated by the City's Consolidated TIF District.

Beginning in 2016, and continuing in 2017, the Target Center is undergoing a major renovation. The City's share of the total cost of this renovation is approximately $74 million. In the first half of 2017 the City issued $39,915,000 Taxable G.O. Sales Tax Refunding Bonds, Series 2017 to finance a portion of these costs. The remaining $34 million in costs will be financed using loans or bonds. All of the debt associated with the Target Center renovation will be paid with Minneapolis local sales taxes.

Historical Financial Performance

From 2015 through 2017 the financial performance of this fund has changed significantly in comparison to prior years. This is predominantly due to the renovation of the Target Center, which has resulted in a s ignificant increase in capital improvements and ope rator reimbursement payments, and a corresponding decrease in fund balance. At the end of 2015, the fund balance was $15.2 million. This balance dropped approximately $4.1 million in 2016, and it is projected to drop another $2.9 million in 2017. Therefore, the 2017 year-ending fund balance is projected to be $8.2 million. Sources are projected to fall below uses each year from 2018 through 2022 in a deliberate strategy to reduce fund balance in this fund while maintaining it as part of the larger Downtown Assets umbrella fund.



Current Year Projections

Sources of Funds

It is currently projected that total uses of funds in 2017 will exceed the 2017 source of funds amount by $2.9 million. Based on the most current projections, the entertainment tax is projected to finish approximately $67,000 under budget. There was a Q4 loss of some events which the Target Center hoped to secure.

Uses of Funds

It is anticipated that total uses of funds in 2017 will be $2.5 million less than the 2017 budgeted amount. This will occur predominantly in the category of capital improvements which are projected to finish $2.5 million under budget due to renovation related project delays. There will be a rollover request for the unspent funds.

Change in Net Position & Fund Balance

It is projected that the change in net position and corresponding reduction in 2017 fund balance will be $2.9 million. This is $2.5 million better than the 2017 budgeted amount of negative $5.4 million.

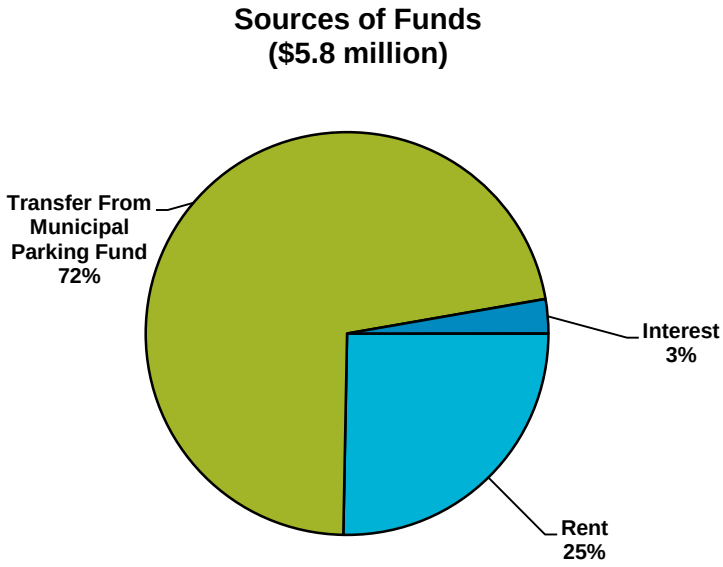
2018 Budget

Beginning in 2018, the Arena Special Revenue Fund is managed as part of the Downtown Assets umbrella fund. The Downtown Assets Fund is intended to help the City provide a coordinated management and funding structure for the physical infrastructure assets in Downtown Minneapolis which help to generate sales and entertainment taxes that support City spending. For more information on the Downtown Assets Fund, see the corresponding financial plan in this section of the budget book.

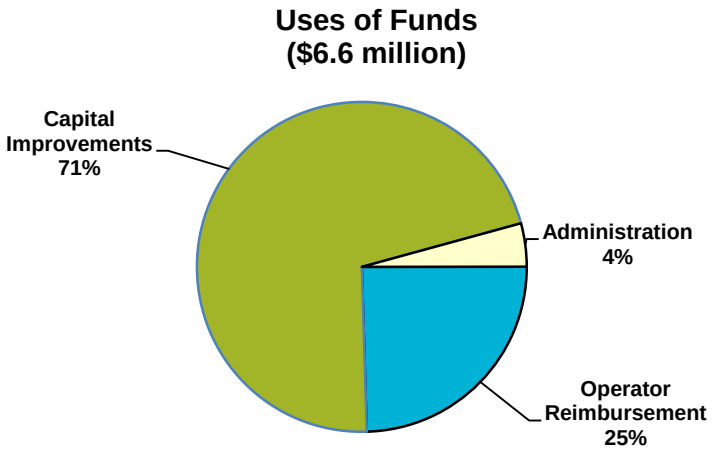
Most of the Target Center renovations will be completed by the end of 2017, and the financial performance of the facility will improve in 2018, as compared to 2016 and 2017. Total sources of funds in 2018 are budgeted at $5.8 million, and total uses of funds are budgeted at $6.6 million. The budgeted change in net position from 2017 to 2018 is negative $859,000.

Sources of Funds

Total sources of funds in 2018 are budgeted at $5.8 million, which is $942,000 or (14.0%) lower than the total projected sources in 2017 of $6.7 million. Sources include rent, transfers from the Municipal Parking Fund, and interest earnings. Entertainment tax revenue is no longer being receipted to this fund. The pie chart shows the percentage that each of these sources represents of the total.



The budgeted amounts in all four categories show an increase when compared to their corresponding projected 2017 figures. This includes $4.2 million in transfers from the Municipal Parking Fund (an increase of $218,000 or 5.5%), $1.5 million in rent (an increase of $28,000 or 2.0%), and $159,000 in interest earnings (an increase of $15,000 or 10.4%).



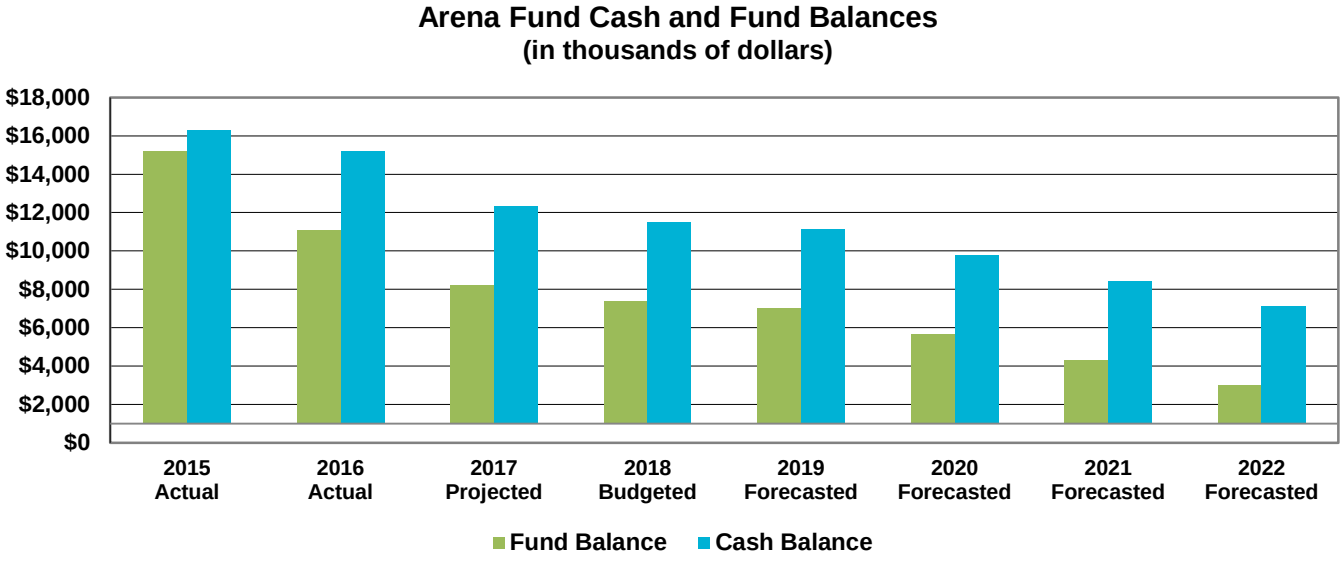
Uses of Funds

Total uses of funds in 2018 are budgeted at $6.6 million, which is $2.9 million or (30.7%) lower than the total projected uses in 2017 of $9.6 million. This is predominantly due to a reduction in capital improvements and AEG's reimbursement. Uses include capital improvements, operator reimbursements and administration.

The budgeted amounts in the largest categories show a decrease when compared to their corresponding projected 2017 figures. This includes $4.7 million in capital improvements (a decrease of $505,000 or -9.7%), $1.6 million in operator reimbursements (a decrease of $373,000 or -18.7%), and $0 of unamortized improvements and financing fees (a decrease of $2.2 million or -100%). Administrative costs are budgeted at $283,000 (an increase of $14,000 or 5.2%).

Fund Balance & Cash Balance

With the completion of the Target Center renovations in 2017, the net change in fund balance is projected to decrease by 859,000 which is significantly lower than prior years. This comes after negative net changes in 2016 and 2017 which significantly lowered fund balance from $15.2 million at the end of 2015 to a projected balance of $8.2 million at the end of 2017. As previously mentioned, the forecasted net change in fund balance in 2019 through 2022 will continue to draw down reserves in this fund.



There is currently no prescribed minimum fund balance or cash balance for the Arena Special Revenue Fund, however, at the end of 2018 it is anticipated that the fund balance will be $7.4 million which is 10.4% lower than the 2017 projected fund balance of $8.2 million.

Mayor's Recommended Budget

The Mayor recommends collecting all local taxes, including the entertainment taxes generated through Target Center events and previously collected in the Arena Special Revenue Fund, be collected in the Downtown Assets Fund beginning in 2018 and moving forward.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Arena Special Revenue Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Rent	1,350	1,352	1,350	1,350	1,433	1,433	1,461	2.0%	1,491	1,520	1,551	1,582
Transfer from Municipal Parking Fund	3,523	3,523	3,728	3,728	3,940	3,940	4,158	5.5%	4,383	4,615	4,853	5,093
Transfer from General Fund	2,000	2,000	-	-	-	-	-	-	-	-	-	-
Entertainment Taxes (a)	1,300	1,580	1,394	1,694	1,270	1,203	-	-100.0%	-	-	-	-
Interest Earnings	41	57	34	136	156	142	159	12.0%	143	126	109	93
Total	8,214	8,512	6,506	6,908	6,799	6,718	5,778	-14.0%	6,017	6,261	6,513	6,768
Use of Funds:												
Operator Reimbursement	1,500	1,441	1,541	1,600	2,000	2,000	1,627	-18.7%	1,671	1,718	1,765	1,814
Capital Improvements	5,005	1,666	10,553	7,427	7,745	5,232	4,727	-9.7%	4,412	5,600	5,768	5,941
Administration	26	260	255	280	274	269	283	5.2%	291	299	308	318
Unamortized Improvements (b)	-	-	3,736	1,557	2,179	2,000	-	-100.0%	-	-	-	-
Financing Fees & Bond Interest	-	-	-	178	-	83	-	-100.0%	-	-	-	-
Total	6,531	3,367	16,085	11,042	12,198	9,584	6,637	-30.7%	6,374	7,617	7,841	8,073
Net Change in Fund Balance	1,683	5,145	(9,579)	(4,134)	(5,399)	(2,866)	(859)	-70.0%	(357)	(1,356)	(1,328)	(1,305)
Fund Balance	11,759	15,221	5,642	11,088	5,689	8,222	7,363	-10.4%	7,006	5,650	4,322	3,017
Total Cash Balance	12,425	16,317	6,738	15,210	9,811	12,344	11,485	-7.0%	11,128	9,772	8,444	7,139

Notes

(a) Minneapolis entertainment taxes from Target Center events only.

(b) Includes reimbursement to Target Center operator (AEG) for unamortized improvement costs.

Debt service on the 2009 Target Center bonds is paid from Debt Service Fund 05350. Beginning in 2017, semi-annual transfers of tax increment revenues are made from Fund 01CON (Consolidated TIF District) to pay 100% of these expenses.

Debt service on the 2017 Target Center bonds is paid from Debt Service Fund 05351. Beginning in 2017, semi-annual transfers of local sales taxes are made from Fund 00100 (General Fund) to pay 100% of these expenses.

City of Minneapolis
2018 Budget
Financial Plan

Minneapolis Convention Center Fund

Introduction

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.

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 privileges. The Convention Center is also supported by local sales & entertainment taxes.

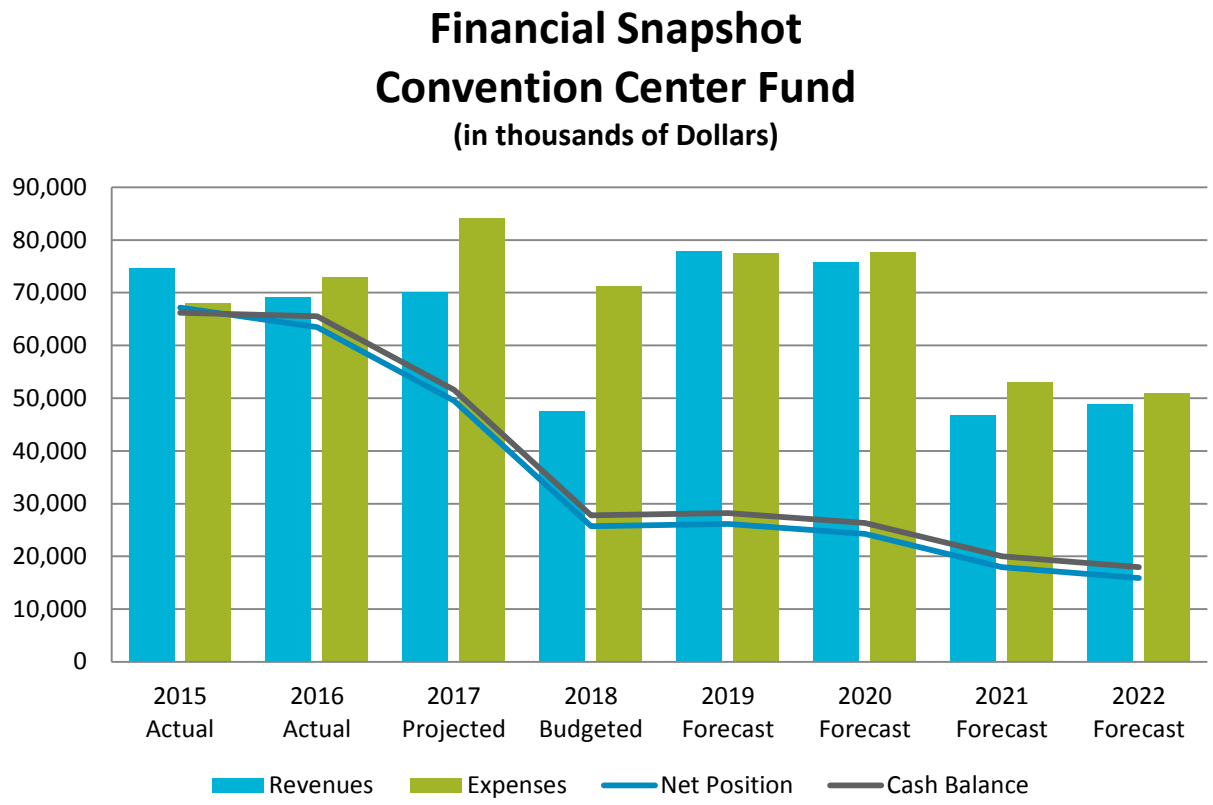
Historical Financial Performance

The Convention Center's 2014 operating revenue reached a new record of $16.6 million which was 104% of the $16.0 million budget. 2015 operating revenues reached $18.3 million or 105% of the 17.4 million budget setting a new all-time record surpassing 2014 by $1.7 million. 2016 operating revenue ended at approximately $18.3 million which was relatively flat from 2015, but finished at 110% of the $16.7 million budget.

The Convention Center's operating expenses were $25.5 million in 2014, $24.6 million in 2015, and $25.6 million in 2016 which were the results of the normal day to day operations of the building. Capital expense over the same period were $10.1 million, $9.1 million, and $13.0 million, and were budgeted based on building facility needs and the Convention Center's long-term capital plan. Actual year-end capital expenses often finish under budget as the result of projects in process which were uncompleted at year-end. The unspent funds are rolled over to the following year to complete the projects. Meet Minneapolis expenses were $9.5 million in 2014, $10.0 million in 2015, and $9.9 million in 2016, and were based on annual contractual increases, as well as one-time sales and marketing initiatives. Meet Minneapolis also historically received 1/3rd of the City's lodging tax revenue. Those payments ended in 2015 with their new contract.

Beginning in 2015, the Facility Reserve Fund cash and fund balance of $5.4 million was combined with the Convention Center Fund to reflect the current reporting in the Comprehensive Annual Financial Report (CAFR).

Current Year Projections



Revenues
2017 operating revenues are projected to finish approximately $640,000 over budget as the result of a busier than expected event year.

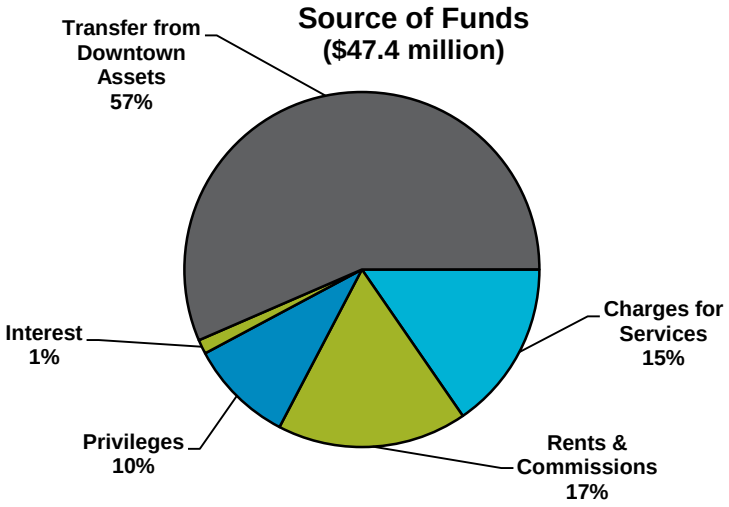
Expense
2017 operating expenses are projected to finish near budget, and on going equipment/improvements are projected to finish approximately $10.5 million under budget primarily as the result of the budgeted, but not initiated, $10.5 million plaza redesign project. The next opportunity for work is spring 2018. Architects are currently working on design. The Convention Center will request a rollover of the unspent funds.

Net Income, Cash Balance, Fund Balance
In 2017, the Convention Center has a planned use of fund balance resulting in a ($14.0) million net loss. The primary reason is the addition of three new transfers. The new transfers are $250,000 to the DID, $3.9 million to the General Fund, and $6.0 million to City capital. The 2017 cash and fund balances are expected to have a corresponding decline from $65.5 million in 2016 to $51.6 million in 2017, and $63.5 million in 2016 to $49.5 million in 2017.

2018 Budget

Beginning in 2018, the Convention Center Special Revenue Fund is managed as part of the Downtown Assets umbrella fund. The Downtown Assets Fund is intended to help the City

provide a coordinated management and funding structure for the physical infrastructure assets in Downtown Minneapolis which help to generate sales, liquor, lodging, restaurant, and entertainment taxes that support City spending. For more information on the Downtown Assets Fund, see the corresponding financial plan in this section of the budget book.



Revenues

Total operating revenue for 2018 is expected to be approximately $20.0 million which is an increase of approximately $600,000 over the most recent 2017 projection. The Convention Center expects a busy 2018 in conjunction with Super Bowl LII and the NFL Experience which will be held at the Convention Center.

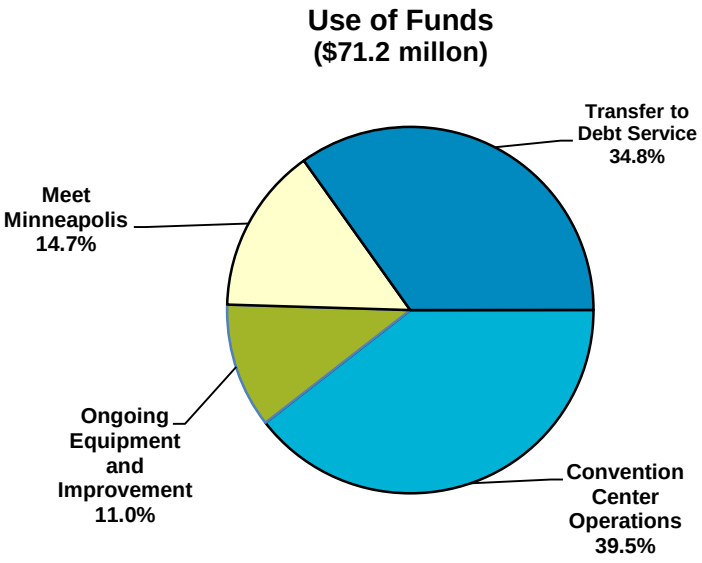
Expenditures

Operating expenses are expected to be approximately $28.1 million which is an increase of $1.3 million over the most recent 2017 projection.

The City Council increased Meet Minneapolis's budget by $400,000 to engage new customers (X Games) and to better serve existing customers.

Transfers/Debt Service

There is a budgeted transfer of $24.8 million to debt service for building related debt. Convention Center debt service transfers began in 1993, and transfers are made annually.



Debt Service

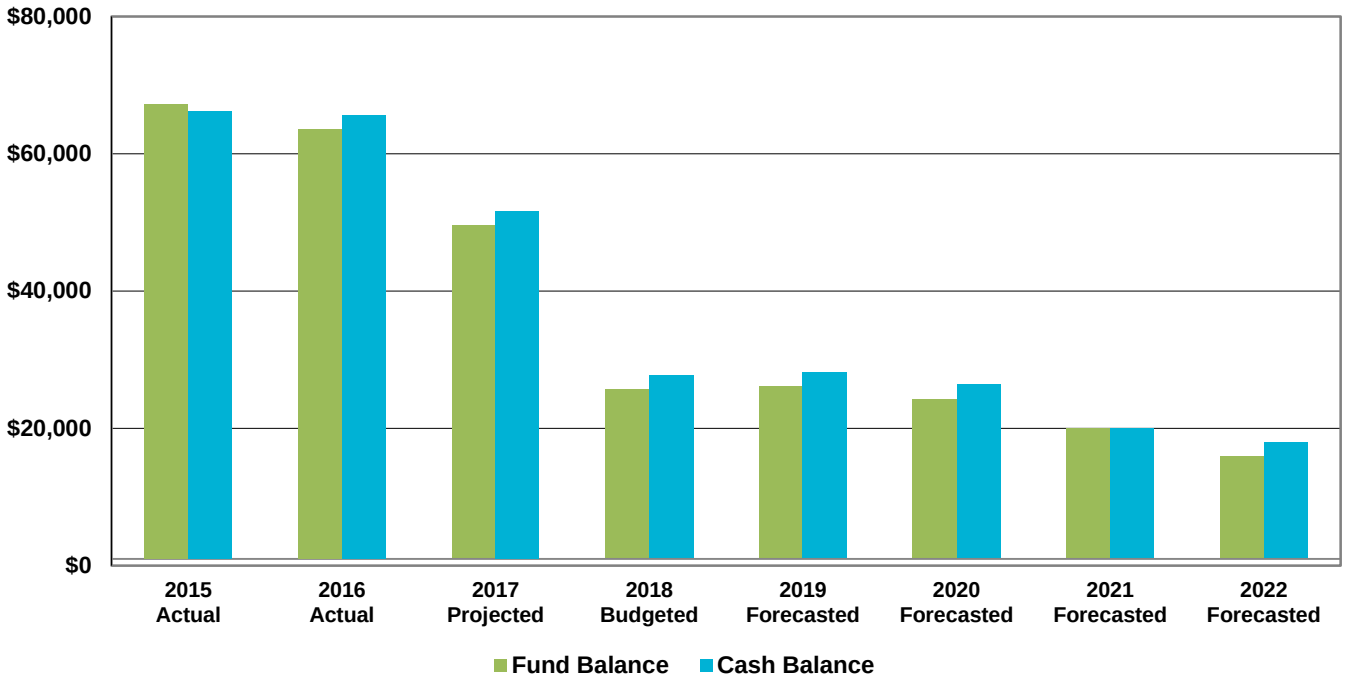
The 2018 budget includes funding for transfers out of the Convention Center Fund for building debt service payments of $24.8 million. The debt service began in 1993, and is expected to be paid off in 2020. Debt service transfers are made annually, and the outstanding debt from 2018 – 2020 is nearly $78.7 million.

Net Income, Cash, and Fund Balances

2018 net income is projected to be a loss of approximately ($23.8) million, which is almost entirely attributed to a transfer in of local taxes that is $23.0 million less than in 2017. This intentional draw down of cash reserves will help build a reserve in the Downtown Assets umbrella fund, of which the Convention Center Fund is a part. Holding the Convention Center in the umbrella fund will help provide flexibility in managing all of the City's major revenue-generating downtown assets.

Due to this large negative net income for the year, 2018 ending cash is projected to be $27.8 million and the ending fund balance is projected to be $25.7 million.

Convention Center Fund Net Income, Fund, and Cash Balances
(in thousands of dollars)



Mayor Recommended Budget

The Mayor recommended using fund balance in the Convention Center Fund on a one-time basis in the amounts of $150,000 to provide Better Service to Existing Customers, $250,000 to Engage New Customers, $250,000 to Tell Our Story, and $100,000 for Major Customer Events.

Council Adopted Budget

The Council amended the Mayor's recommendation by eliminating the $50,000 use of fund balance for Tell Our Story.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Minneapolis Convention Center Special Revenue Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Services	6,200	6,523	6,000	6,907	6,700	6,900	7,300	5.8%	7,300	6,100	6,300	6,400
Rents and Commissions	7,597	7,863	7,197	7,730	7,836	8,100	8,196	1.2%	8,150	7,400	7,600	7,600
Privileges	3,650	3,903	3,500	3,704	4,222	4,400	4,514	2.6%	4,500	3,600	3,800	3,900
Interest	396	370	184	624	595	790	612	-22.5%	432	403	307	277
Other Misc Non Operating	164	318	114	173	76	76	-	-100.0%	-	-	-	-
Transfer from General Fund	50,340	50,340	50,050	50,050	49,786	49,786	-	-100.0%	-	-	-	-
Transfer from Downtown Assets	-	-	-	-	-	-	26,811	53.9%	57,433	58,268	28,756	30,753
Transfer from Facility Reserve	-	5,400	-	-	-	-	-	0.0%	-	-	-	-
Total	68,347	74,717	67,045	69,188	69,215	70,052	47,433	-32.3%	77,815	75,771	46,763	48,930
Use of Funds:												
Convention Center Operations	26,503	24,580	25,924	25,572	26,826	26,826	28,113	4.8%	28,460	29,313	30,193	31,099
Ongoing Equipment/Improvement	13,894	9,055	15,467	12,988	22,433	11,933	7,833	-34.4%	11,437	10,453	11,808	8,579
Meet Minneapolis	10,071	10,031	9,905	9,905	10,613	10,489	10,451	-0.4%	10,242	10,437	10,635	10,838
Transfer to DID	-	-	-	-	250	250	-	-100.0%	-	-	-	-
Transfer to Debt Service	24,502	24,321	24,612	24,431	24,669	24,669	24,811	0.6%	26,863	26,988	-	-
Transfer to General Fund	-	-	-	-	3,860	3,860	-	-100.0%	-	-	-	-
Transfer to City Capital	-	-	-	-	6,000	6,000	-	-100.0%	-	-	-	-
Total	74,970	67,987	75,908	72,896	94,651	84,027	71,208	-15.3%	77,002	77,191	52,636	50,516
Net Income	(6,623)	6,730	(8,863)	(3,708)	(25,436)	(13,975)	(23,775)	70.1%	813	(1,420)	(5,873)	(1,586)
Beginning Fund Balance	65,855	60,454	67,186	67,186	63,477	63,477	49,502	-22.0%	25,727	26,540	25,120	19,247
Ending Fund Balance	59,232	67,186	58,323	63,477	38,041	49,502	25,727	-48.0%	26,540	25,120	19,247	17,661
Ending Cash Balance	56,395	66,210	57,347	65,535	40,099	51,560	27,785	-46.1%	28,598	27,178	21,305	19,719

City of Minneapolis
2018 Budget
Financial Plan

Downtown Assets Fund
Presented with Downtown East Commons Fund & Peavy Plaza Fund

Introduction

The Downtown Assets Fund is a new special revenue fund created in 2018. The purpose of this fund is threefold:

- To clearly delineate the uses of local sales, entertainment, and lodging taxes;
- To provide stable, predictable ongoing support from these taxes to the General Fund; and,
- To support the comprehensive management of the City's four primary downtown revenue-generating capital assets.

This umbrella Fund holds the operating and debt service funds which support the Minneapolis Convention Center, the Arena (Target Center), the Downtown East Commons, and Peavy Plaza. Though each of these funds holds a cash balance to its own, all cash balances are available to support any expense within the fund. Receipts to the fund are largely made up of local taxes, but may also include funds from private donations or the State to support capital improvements.

The Convention Center department is responsible for management of operations within the fund.

2018 Budget

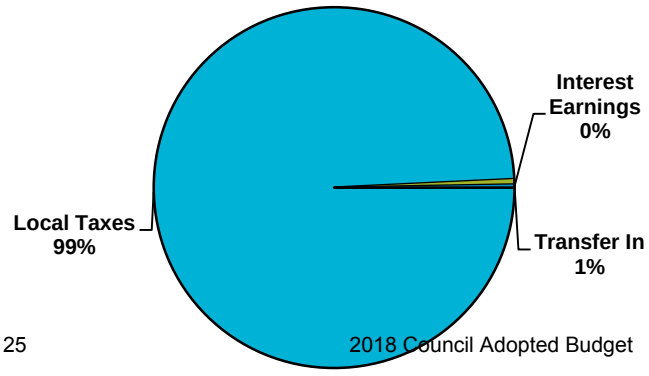
In 2018, the Downtown Assets Fund will:

- Provide $30.6 million on-going to the General Fund to reduce property taxes;
- Support Convention Center operations and debt service;
- Fund Meet Minneapolis support from the City of Minneapolis;
- Pay for Target Center debt service associated with the new renovations and other on-going operating and capital needs of that facility;
- Provide $4,000,000 in capital costs to match State and philanthropic support for Peavy Plaza; and, fund the City's share, on a one-time basis for 2018 for the Downtown East Commons.

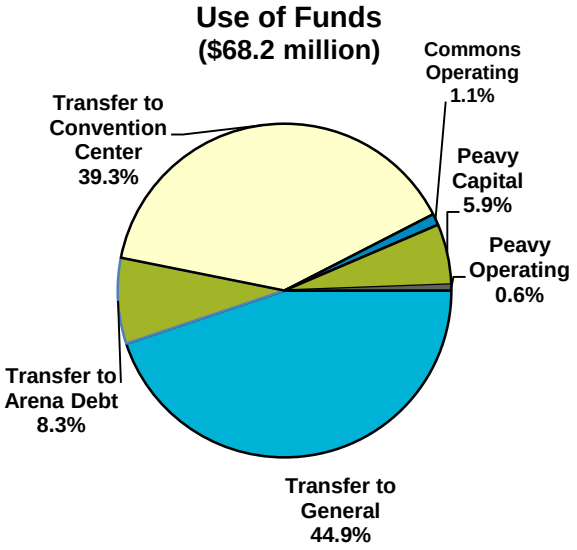
Revenues

Downtown Assets Fund revenues are expected to be approximately $88.2 million in 2018. The overwhelming majority of revenues come from local taxes (including sales, entertainment, liquor, and lodging taxes.) Minneapolis local taxes are

Source of Funds
($88.2 million)



expected to come in roughly the same in 2018 as they will in 2017. A small increase in sales taxes related to hosting Super Bowl LII will likely be offset by an anticipated loss of $1.7 million in lodging tax revenues associated with the dissolution of the Counties Transit Improvement Board (CTIB), elimination of the CTIB tax, and subsequent addition of a new Hennepin County transit tax. Minnesota Statutes limit the total amount of local tax that can be collected in Minneapolis, and while the CTIB tax had been excluded from that calculation, the new Hennepin County tax is not.



Expense

Non-transfer expense of $5.2 million are small in this Fund as compared to revenues of $88 million. Expenses within the fund include $4 million in one-time capital expense for the renovation of Peavy Plaza, $400,000 in ongoing operating expense for Peavy Plaza, and one-time expenses related to the operation of the Downtown East Commons in 2018.

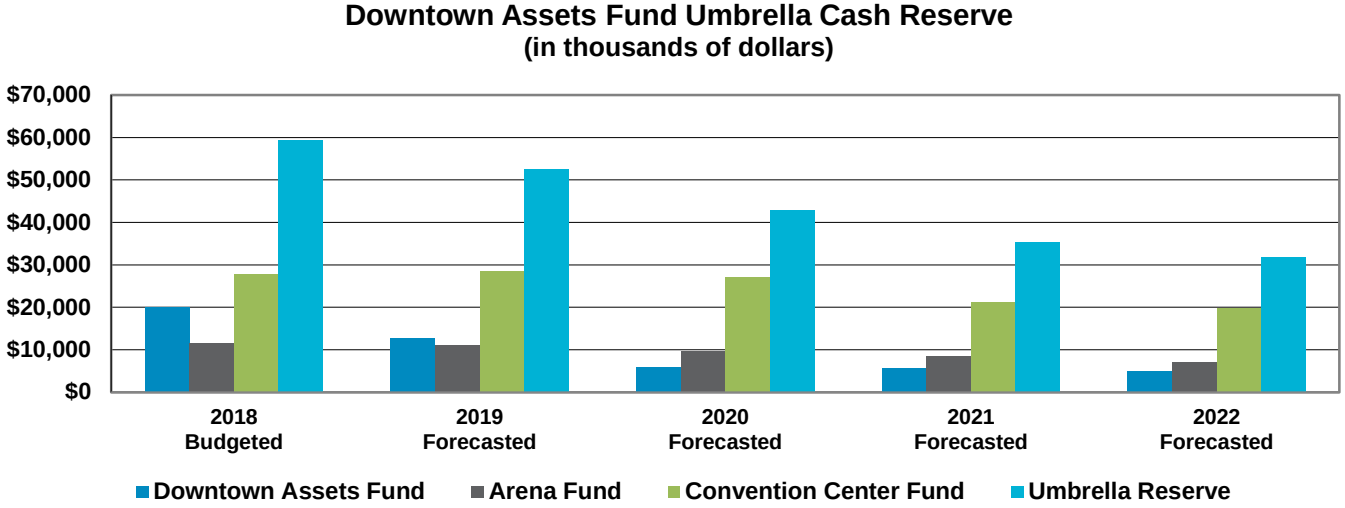
Expenses for the Convention Center and Target Center are discussed separately in the financial plans found in this document.

Transfers

Approximately 93%, or $63.1 million of $68.2 million worth of expenditures in this Fund are transfer expense. $30.6 million is transferred to the General Fund to help alleviate pressures on property taxes. This transfer amount is planned to occur on an ongoing basis, and is planned to grow at 1% annually. $26.8 million is being transferred to the Convention Center fund to support operations and debt service of that facility. This transfer will end when debt obligations are fully paid in 2020. And, $5.7 million is being transferred to the Arena Debt Service fund to pay debt obligations related to the recent renovations of the Target Center. This transfer will recur until debts are paid, currently scheduled through 2035.

Cash Balance

The Downtown Assets Fund is designed to provide for a cash reserve which any of the funds can access. The combined reserve, shown as “umbrella reserve” below is budgeted for $59.3



million in 2018, and a pl anned use of that reserve will draw it down to $31.8 million in 2022. There is no m inimum cash reserve policy for this fund, but the reserve is held to provide a cushion against potential unexpected dips in sales tax receipts, or to provide for emergency repairs to the Downtown Assets.

Mayor Recommended Budget

The Mayor recommends the creation of this Fund.

Council Adopted Budget

The City Council amended the Mayor's recommendation by increasing the transfer to the general fund, one time, by $250,000 for downtown community policing strategies.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Downtown Assets Fund (including Downtown East Commons Fund & Peavy Plaza Fund)

	2018 Budget	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:					
Local Taxes	87,583	87,096	89,092	66,955	69,303
Transfer in from Bond Arbitrage for Commons	420	-	-	-	-
Downtown Assets Fund Interest Earnings	243	329	260	75	14
Total	88,246	87,425	89,352	67,030	69,317
Use of Funds:					
Transfer out to City General Fund	30,850	31,212	31,836	32,473	33,122
Transfer out to Arena Fund Debt Service	5,661	5,659	5,659	5,662	5,661
Transfer out to Convention Center	26,811	57,433	58,268	28,756	30,753
Commons Operating	750	-	-	-	-
Peavy Plaza - Capital	4,000	-	-	-	-
Peavy Plaza - Operating	400	412	424	437	450
Total	68,472	94,716	96,188	67,328	69,987
Change in Cash Position	19,774	(7,291)	(6,836)	(298)	(670)
Downtown Assets Fund Cash Balance	19,774	12,483	5,647	5,349	4,680
Arena Special Revenue Fund Cash Balance	11,485	11,128	9,772	8,444	7,139
Convention Center Special Revenue Fund Cash Balance	27,785	28,598	27,178	21,305	19,719
Downtown Assets Umbrella Cash Reserve	59,044	52,209	42,597	35,098	31,538

City of Minneapolis
2018 Budget
Financial Plan

Neighborhood & Community Relations Special Revenue Fund

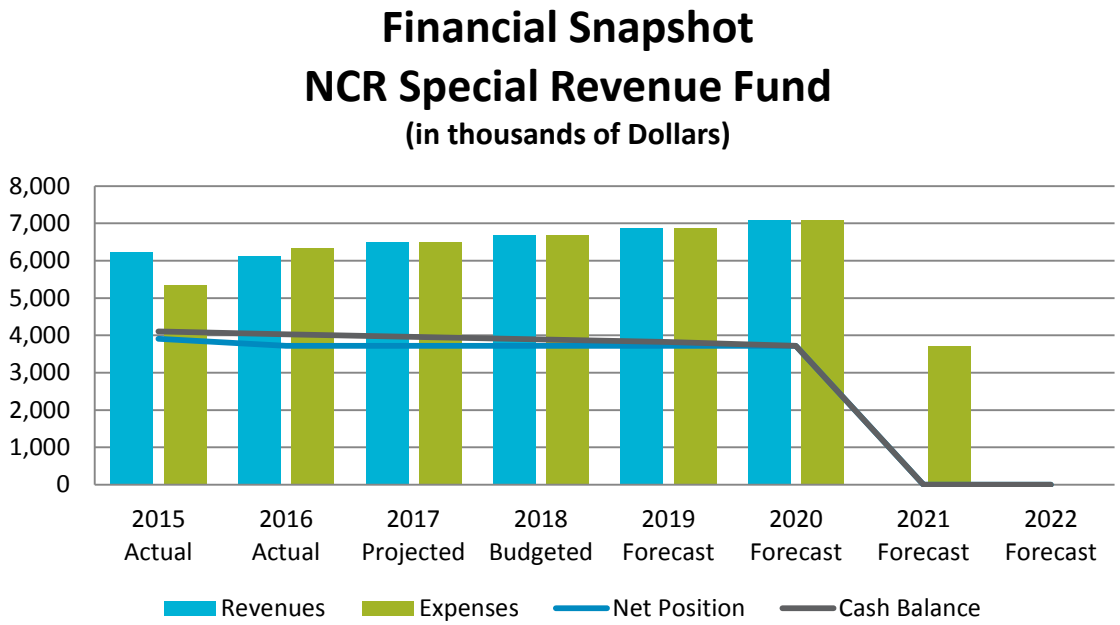
Introduction

The Neighborhood & Community Relations (NCR) Special Revenue Fund accounts for neighborhood revitalization efforts within the City and is funded by revenues of the Consolidated Redevelopment Tax Increment Financing District. This district was established pursuant to special legislation adopted in 2008, and must be decertified no later than December 31, 2020. This Fund is used for Minneapolis neighborhood-based initiatives and 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 reduced property tax levies in 2012-2013 by using reprogrammed NRP sources to fund neighborhood revitalization services for these two years and reduce the captured value of the Consolidated TIF District. As of 2014, the captured value of the district was restored to the amount provided in the original plan.

Current Year Projections



Revenues

$6.5 million will be transferred to the NCR Special Revenue Fund in FY 2017 from the Consolidated Redevelopment Tax Increment Financing District Fund.

Expense

FY2017 expenditure is projected for $6.5 million, the same as the budget.

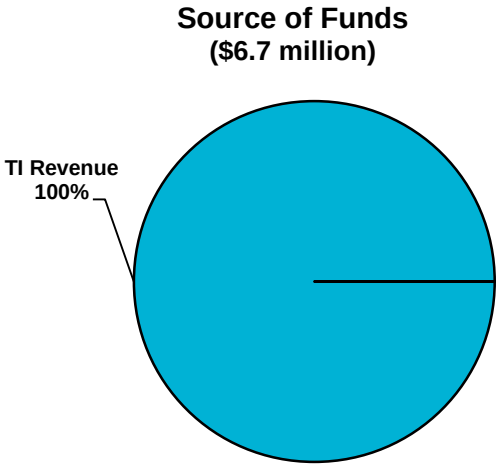
Net Position & Cash Balance

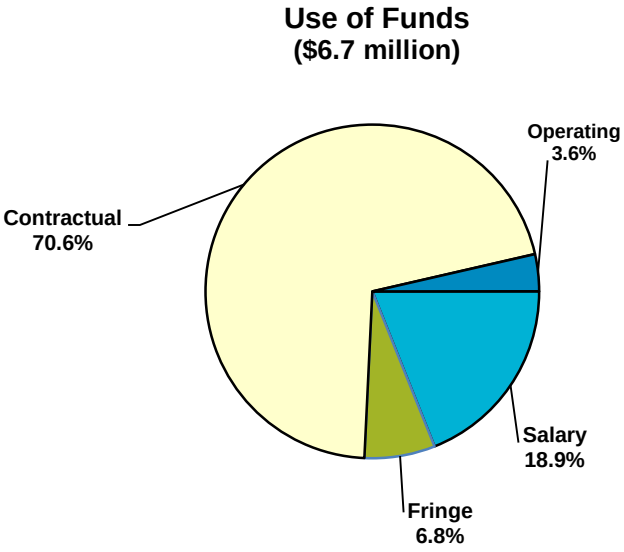
Current year revenue and projected expenditures are for $6.5 million and no major variances are expected.

2018 Budget

Revenues

$6.7 million will be transferred to the NCR Special Revenue Fund in FY 2018 from the Consolidated Redevelopment Tax Increment Financing District Fund. This will reflect a 3% increase from the FY2017 revenue amount.



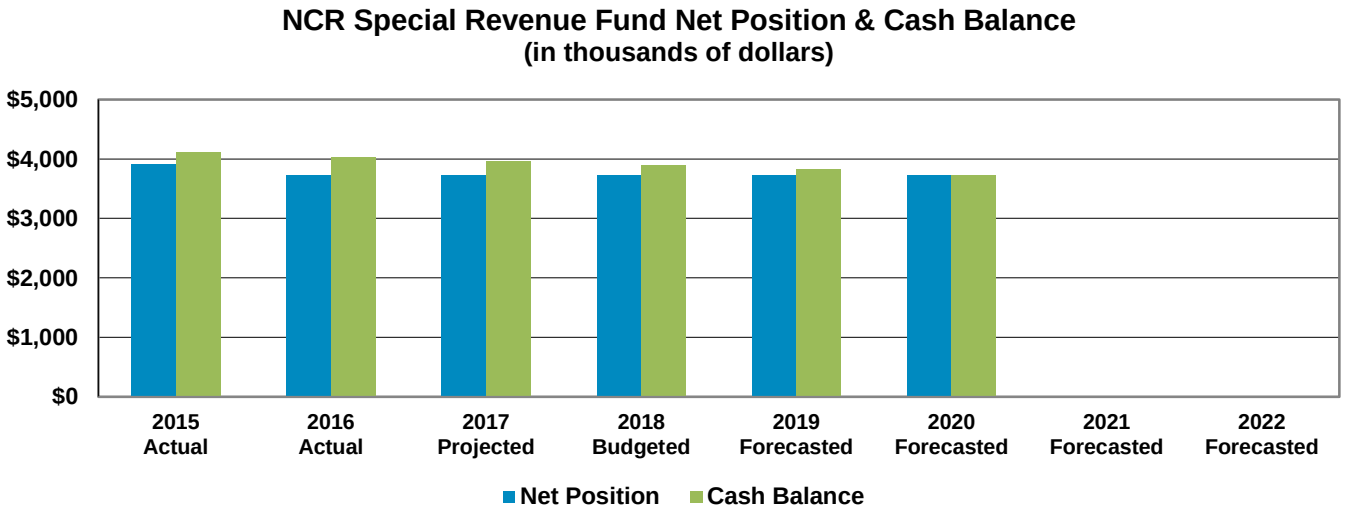


Expense

There are no significant changes to prior years Programs. NCR Special Revenue 01800 fund expenditures are planned for $6.7 million.

Net Position & Cash Balance

As of December 31, 2016 the fund net position was $3.7 million and the cash balance was $4.0 million. At the end of 2017 the projected fund net position is $3.7 million and the projected cash balance is $3.9 million. These balances are comparable to the prior year. No significant variance in net position or cash balance is anticipated prior to 2021.



Mayor Recommended Budget

The Mayor recommended no changes to this fund.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Neighborhood and Community Relations Special Revenue Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast
Source of Funds:											
Transfer from Tax Increment Funds	6,225	6,225	6,127	6,127	6,488	6,488	6,682		6,882	7,089	
Loan recapture				6							
Total	6,225	6,225	6,127	6,133	6,488	6,488	6,682	3.0%	6,882	7,089	-
Use of Funds:											
Personnel Services	811	851	1,118	1,063	1,241	1,241	1,265		1,303	1,342	1,382
Fringes	360	265	432	353	442	442	457		471	485	499
Contractual Services	4,910	4,067	4,600	4,706	4,570	4,570	4,714		4,861	5,007	1,834
Materials/Other	144	169	178	205	235	235	240		247	255	
Total	6,225	5,352	6,328	6,327	6,488	6,488	6,676	2.9%	6,882	7,089	3,716
Net Change in Fund Balance	-	873	(201)	(194)	-	-	6	100.0%	0	0	(3,716)
Fund Balance		3,910	3,709	3,716	3,716	3,716	3,722	0.2%	3,722	3,722	-
Total Cash Balance		4,105	3,904	4,029	4,029	4,029	4,035	3,889	3,819	3,716	-

City of Minneapolis
2018 Budget
Financial Plan

Police Special Revenue Fund

Introduction

The Police Special Revenue Fund accounts for revenues and expenses related to federal and state administrative forfeitures, lawful gambling, non-emergency service contracts, the Automated Property System, and the Workforce Director scheduling and payroll system. The Automated Property and Workforce Director systems are proprietary software systems that are owned and managed by the City of Minneapolis and recover expenses from user agreements with other governmental and non-governmental entities.

The non-emergency service contracts are typically entered into by the City of Minneapolis Police Department and an external entity, usually located within the City of Minneapolis. The Police provide non-emergency services for sporting events, concerts, or extra presence at designated facilities or geographic areas. In addition, City departments (frequently Public Works) contract with the Police Department to provide additional services at a desired location. The Police Special Revenue Fund is also used to account for revenues and expenses associated with these types of contracts.

The City of Minneapolis Police Department manages operations within the fund and use of the funds is generally restricted to public safety.

Historical Financial Performance

The accumulated fund balance for 2016 was $2.4 million compared to $1.6 million in 2015. Over the past five years, fund balance has increased from $840,000 in 2012 to $2.4 million in 2016. The increase in fund balance over the past five years is primarily due to the following:

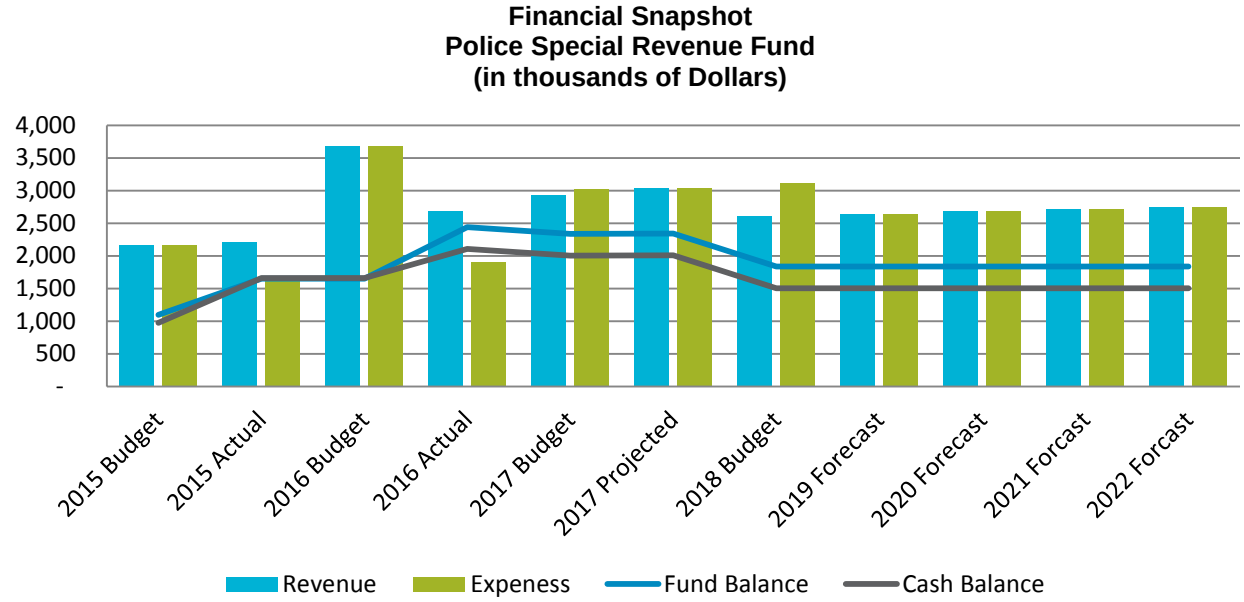
- Transfer of Workforce Director expenditures to the general fund of $250,000 and $300,000 in 2015 and 2016, respectively. No such transfers prior to 2015.

- Excess revenue associated with US Bank Stadium/SMG overtime reimbursement contract of $217,000 in 2016.

- Decrease in personnel expenditures in 2015 of approximately $140,000 due to vacancies.

- Excess lawful gambling and forfeiture revenue of between $160,000 and $600,000 from 2012 to 2016.

Current Year Projections



Revenues
Total projected revenue for 2017 of $2.9 million is consistent with the adapted budget amount of $2.9 million.

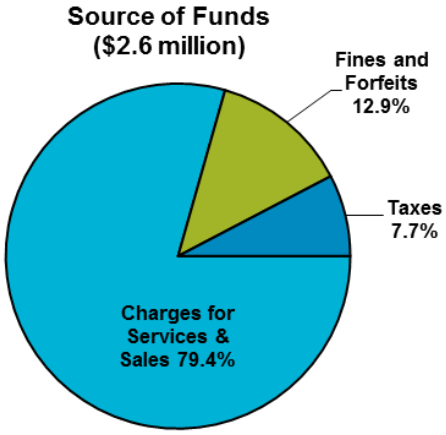
Expenditures
Total projected expenditures for 2017 of $3.0 million are consistent with adopted budget amounts.

In 2017, the City Council amended the 2017 Mayor's recommended budget on a one-time basis by increasing the Finance and Property Services Department by $100,000 to be funded by the Police Special Revenue Fund; $50,000 is to be spent in the Phillips West Neighborhood and $50,000 in the Ventura Village Neighborhood for community public safety priorities.

Net Position & Cash Balance
Projected current year Fund Balance of $2.3 million and Cash Balance of $2.0 million is consistent with adopted budget amounts.

2018 Budget

Starting in 2016, the City entered into a contract to provide non-emergency services for events at US Bank Stadium. The 2018 budget was developed with a better knowledge of the impact of this contract on operations of the Police Special Revenue Fund. In addition, the 2016 state forfeiture revenue was the highest it had been in five years, and this level of revenue is not expected to continue. Also impacting the 2018 budget on the expenditure side, use of forfeiture fund balance to fund $100,000 in equipment costs and overtime costs of $400,000 associated with Super Bowl LII is expected in 2018.

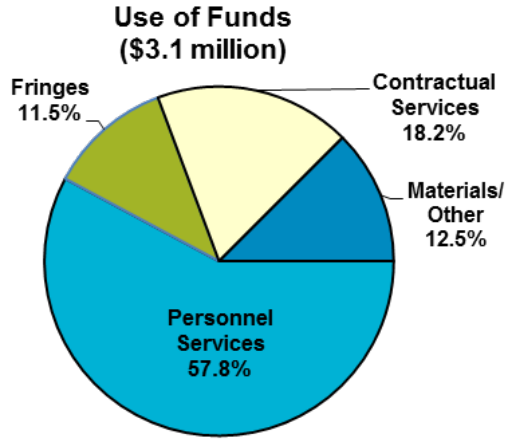


Revenues

As mentioned previously, more accurate historical data was used to budget 2018 revenue, resulting in a decrease of 5% in Charges for Services and sales, and a 39% decrease in Fines and Forfeitures.

Charges for services and sales makes up 79% of anticipated revenue in 2018 compared to 74% in the 2017 projected amount. In 2016, charges for services and sales made up 77% of actual revenue compared to 69% in 2015. The increase from 2015 to 2016 was predominately due to the security services contract at US Bank stadium which was started in 2016.

Expense



In 2018, the fund plans to use $100,000 to fund equipment purchases, and $400,000 to fund overtime costs associated with Super Bowl LII. Prior to 2017, Fund balance was not used to budget anticipated expenditures. No other program change is expected.

Salaries and Fringe benefits make 69% of anticipated 2018 expenditures compared to 57% in 2017 projected expenditures. In 2016, actual salaries and fringe benefits made up of 65% of actual expenditures compared to 45% in 2015. The increase from 2015 to 2016 was predominately due to overtime costs associated with the security services contract at US Bank stadium which started in 2016.

Transfers

There are no transfers scheduled in 2018 for this fund.

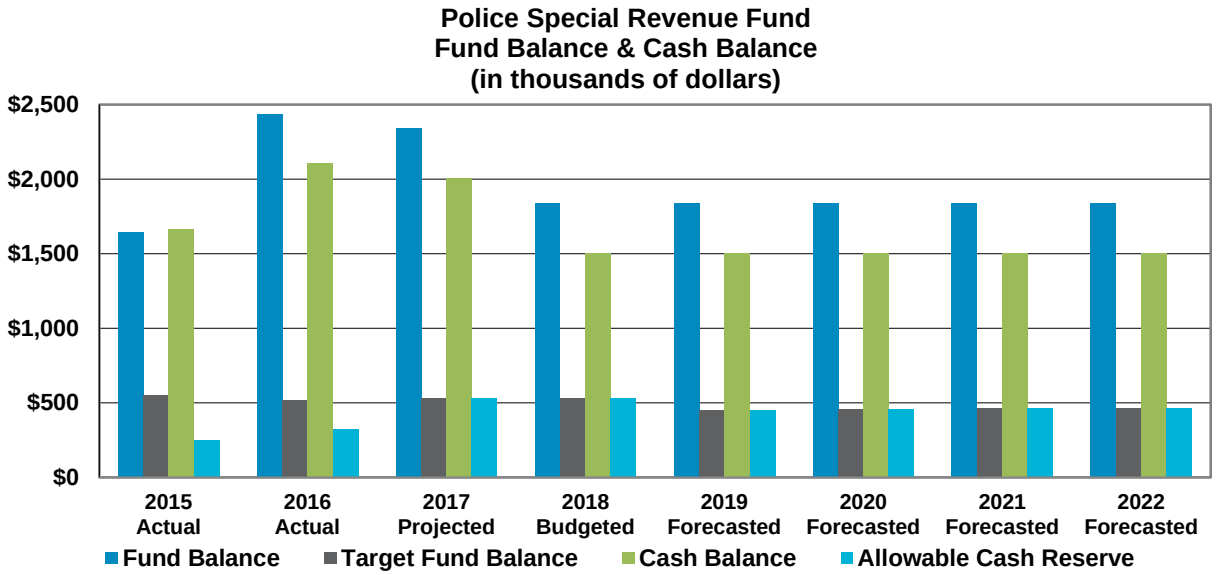
Debt Service

This fund does not have any debt service liabilities.

Fund Balance & Cash Balance

Fund balance and cash as of December 31, 2016 were $2.4 million and $2. 1 million respectively. Both the fund balance and cash balance have significantly increased over the past five years. Fund balance increased from $840,000 in 2012 to $2.4 million in 2016. Projected fund balance is $2.3 million in 2017 and $1. 8 million in 2018. Cash balance increased from $701,000 in 2012 to $2.1 million in 2016, and is expected to decrease to $2.0 million in 2017 and to $1.5 million in 2018.

In accordance with the financial reserve policy, target cash reserve is 17% of the following year's budgeted expenditures. Target cash reserve was 15% prior to 2016. Target Cash Reserve as of December 31, 2016 was $324,000 and is expected to increase to $500,000 in 2017 and 2018.



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

Council Adopted Budget
The Council approved the Mayor's recommended budget.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Police Special Revenue Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forcast	2022 Forcast
Source of Funds:												
Charges for Services and Sales	1,595	1,524	3,098	2,074	2,340	2,185	2,074	-5.1%	2,107	2,141	2,176	2,212
Fines and Forfeits	400	503	400	406	400	550	338	-38.5%	338	338	338	338
Miscellaneous	-	-	-	3	-	-			-	-	-	-
Taxes	177	187	182	213	185	200	200	0.0%	200	200	200	200
Total	2,172	2,213	3,680	2,696	2,924	2,935	2,612	12.4%	2,645	2,679	2,714	2,750
Use of Funds:												
Capital Outlay	-	-	-	-	-	434	-	0.0%	-	-	-	-
Personnel Services	766	604	2,361	1,003	1,505	1,408	1,800	27.8%	1,500	1,545	1,591	1,639
Fringes	194	145	223	237	369	313	357	14.0%	323	332	332	342
Contractual Services	880	672	716	449	749	646	566	-12.4%	434	413	402	380
Materials/Other	332	239	380	217	401	232	389	67.9%	389	389	389	389
Total	2,172	1,660	3,680	1,906	3,024	3,033	3,112	2.6%	2,645	2,679	2,714	2,750
Net Change in Fund Balance[1]	(0)	554	-	790	(100)	(98)	(500)		-	-	-	-
Fund Balance [1]	1,096	1,649	1,649	2,439	2,339	2,341	1,841		1,841	1,841	1,841	1,841
Cash Balance	977	1,663	1,663	2,106	2,006	2,008	1,508		1,508	1,508	1,508	1,508
Target Cash Reserve[2]	326	249	626	324	514	516	529		450	455	461	468
Variance Cash to Target Cash	651	1,414	1,037	1,782	1,492	1,492	979		1,058	1,052	1,046	1,040

[1] The Net Change in Fund Balance and fund balance for 2015 and 2016 are the amounts recorded in the CAFR.
[2] In accordance with the financial reserve policy, target cash reserve for 2016 & 2017 is 17%. Target cash reserve was 15% in 2015.

City of Minneapolis
2018 Budget
Financial Plan

Regulatory Services Special Revenue Fund

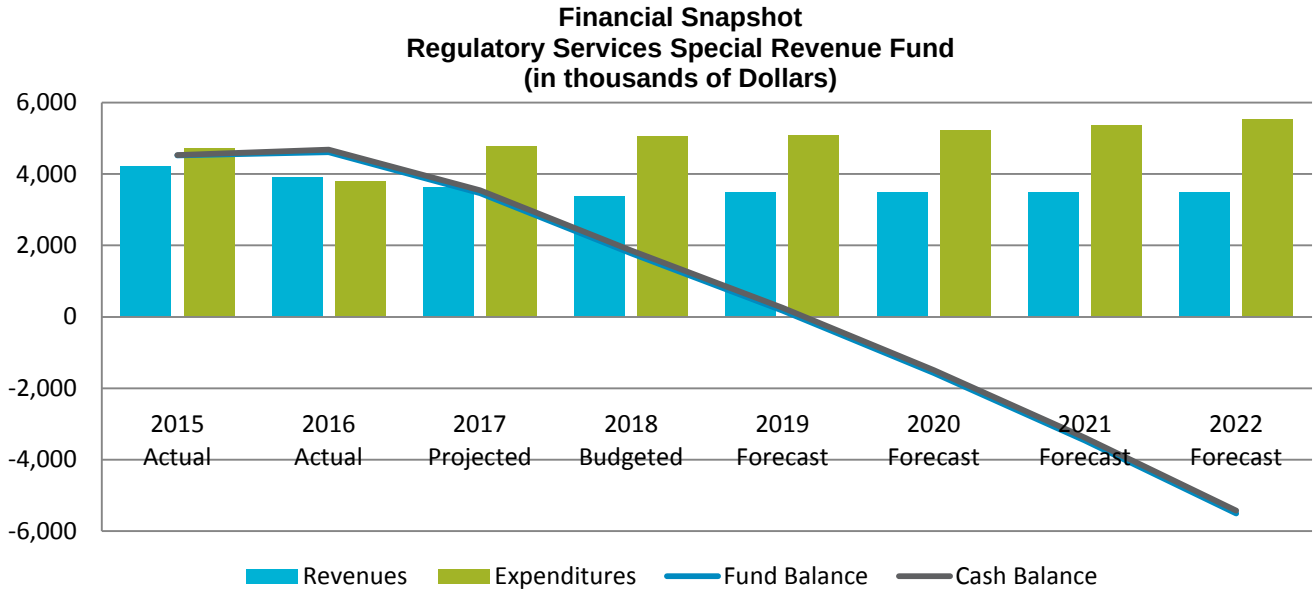
Introduction

The Regulatory Services Special Revenue Fund accounts for the City's nuisance building abatement efforts, and operations within the fund are primarily managed by the Regulatory Services Department. The Fund is used for the abatement of buildings that have been deemed to be in nuisance condition pursuant to Chapter 249 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. The majority of revenue in the fund is received from Special Assessments paid with property taxes twice annually. In 2013 the Construction Code Services division of Regulatory Services was transferred to Community Planning and Economic Development (CPED). 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 grew as a result of various initiatives in previous years and the availability of grant funds to pay for certain eligible expenditures. These two revenue sources did not continue, leaving special assessments and direct property owner charges as the only sources of revenue for this fund. These resources are facing challenges as assessments and property charges are diminishing primarily due to an improved economy where residents have the resources to proactively make property repairs and improvements. The anticipation going forward is for revenue to continue to contract, thereby reducing fund balance.

Current Year Projections

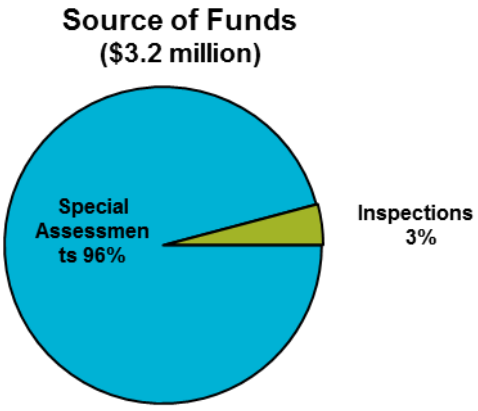


Fund Balance & Cash Balance

Future fund balance projections will depend upon future revenue receipts. If revenue received is near the budgeted level, this will have a positive effect on Fund Balance since we anticipate expenditures to be less than the budgeted amount. Fund Balance would still go down, but by a smaller amount than was expected in the Adopted Budget. Cash Balance closely mirrors Fund Balance.

2018 Budget

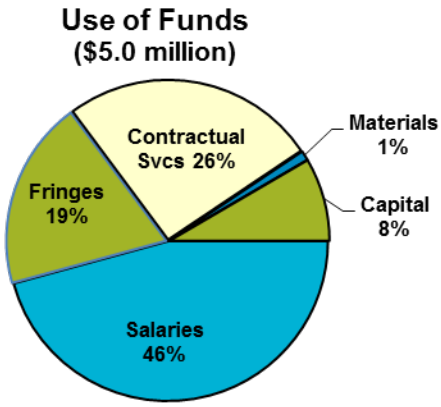
There are no significant planned or anticipated changes from prior years for the Regulatory Services Special Revenue Fund. That said both revenue and expenditures are expected to go down approximately 2.0% and 4.0% respectively from the 2017 Adopted Budget. The revenue decrease is due to fewer citations being written. As fewer citations are written, there is less need for contractors to complete the nuisance abatement repairs. This along with fewer homes being demolished has resulted in a smaller expenditure budget for 2018.



Revenues

Revenue budgeted for the Regulatory Services Special Revenue Fund for 2018 is lower than the 2017 Adopted Budget by $61,000, or 1.8%, and the 2017 projected figures by $527,000, or 18.6%. This is a result of less revenue anticipated primarily from Special Assessments. As previously discussed, revenue is declining due to fewer citations. Focus has shifted from enforcement (citations) to a proactive engagement strategy to manage problem properties and educate homeowners, which has led to a reduction in code violations.

Additionally the Housing Inspection Services division has been working with property owners to develop action plans, and has been issuing rental license conditions/restoration agreements in an effort to bring down the number of properties demolished and rental licenses revoked. This strategy aligns anticipated outcomes with City goals.

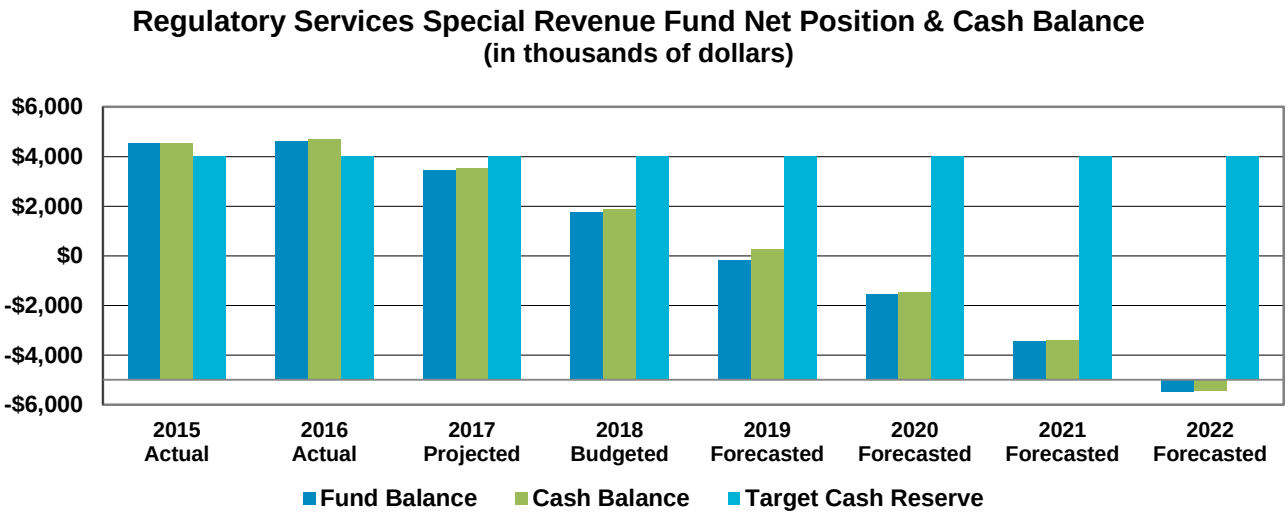


Expenditures

No new program changes are anticipated for 2018. Staff will continue to focus on rehabilitation and education rather than strict enforcement. Expenditures are expected to increase $726,000 from the 2017 projected expenditures of $4.3 million to $5.0 million, but are expected to be less than the 2017 Adopted Budget of $5.3 million. Prior to that expenditures had remained relatively flat over the last several years, near $4.7 million.

Fund Balance & Cash Balance

The fund balance for the Regulatory Services Special Revenue Fund as of 2016 is $4.6 million, and the cash balance for the same period is $4.7 million. These balances are slightly higher than 2015, but have been steadily declining for the last several years. Projected Fund Balance for 2017 is $3.1 million, and Projected Cash Balance is slightly higher but also $3.2 million. These figures are based on a deficiency of revenue over expenditures of $1.5 million for 2017.



Mayor Recommended Budget

The Mayor has directed Regulatory Services to work with Finance & Property Services to put together a plan to address the anticipated deficits beginning in 2020, and to present that plan as part of their 2019 budget proposal submission.

Council Adopted Budget

The Council approved the Mayor's recommended budget.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Regulatory Services Special Revenue Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Special Assessments	3,719	3,850	2,984	3,603	3,300	2,620	3,224	23%	3,333	3,333	3,333	3,333
Inspections/Miscellaneous	102	351	99	291	125	217	140	-35%	140	140	140	140
Total	3,821	4,201	3,083	3,894	3,425	2,837	3,364	19%	3,473	3,473	3,473	3,473
Use of Funds:												
Capital Outlay	547	150	425	210	425	180	425	136%	425	425	425	425
Personnel Services	2,435	2,482	2,394	1,845	2,527	2,230	2,308	4%	2,333	2,408	2,470	2,530
Fringes	713	917	792	705	1,014	923	962	4%	969	1,004	1,045	1,088
Contractual Services	1,536	1,089	1,463	1,034	1,243	956	1,301	36%	1,301	1,333	1,375	1,422
Materials/Other	103	81	29	16	45	30	49	62%	49	49	50	51
Total	5,334	4,718	5,103	3,809	5,253	4,319	5,045	17%	5,077	5,219	5,365	5,516
Net Change in Fund Balance	(1,513)	(516)	(2,020)	85	(1,828)	(1,482)	(1,681)	-13.4%	(1,604)	(1,746)	(1,892)	(2,043)
Fund Balance	3,525	4,521	2,501	4,606	2,778	3,124	1,443	-53.8%	(161)	(1,907)	(3,799)	(5,842)
Total Cash Balance	3,622	4,532	2,512	4,687	2,859	3,205	1,524	-52.4%	(80)	(1,826)	(3,718)	(5,761)

City of Minneapolis
2018 Budget
Financial Plan

Municipal Parking Fund

Introduction

The Municipal Parking Fund, managed by the Public Works Department, accounts for the operation and maintenance of the City parking system. In addition, major parking capital construction, repairs and replacement activities occur in this fund.

Parking Fund revenues and expenses are generated daily from these three system programs:

- Off-street parking (ramps and surface lots)
- On-street parking (parking meters and parking zones)
- Impound Lot (tow operations and vehicle auctions)

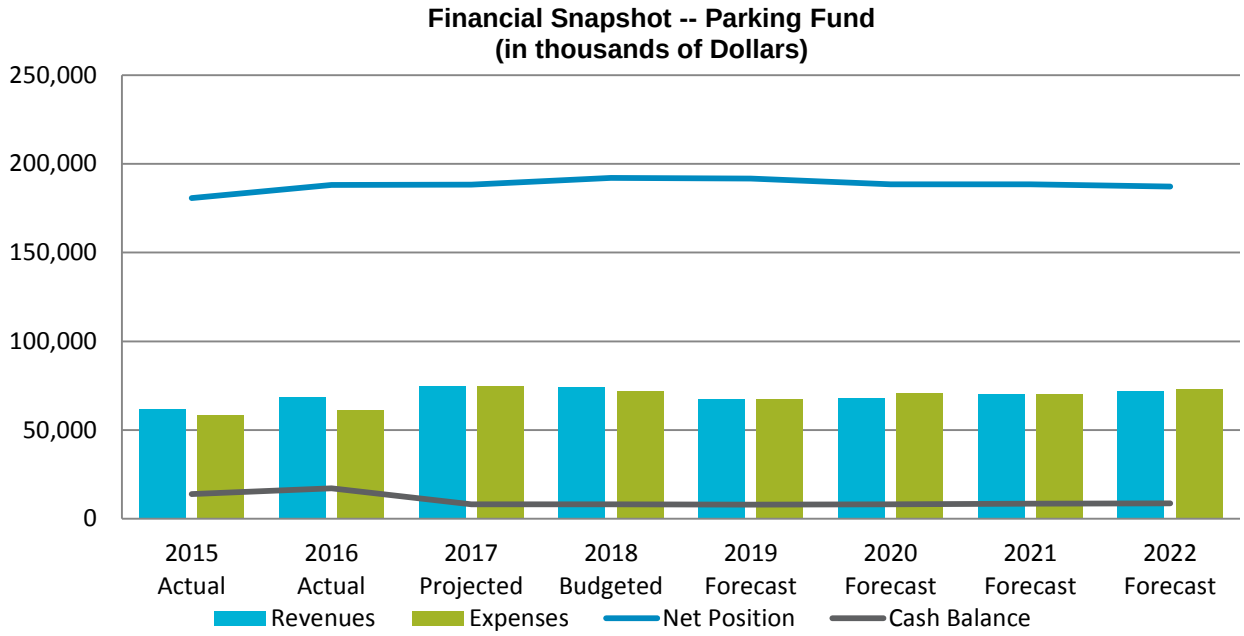
Historical Financial Performance

For the most recent five years (2012 to 2016) the Parking Fund's financial condition has historically been stable and positive. The Fund continues to experience financial challenges due to remaining debt levels and funding needs of other City functions. The Fund has transfers or dividend payments leading to lower Fund net income. The cash balance has fluctuated yearly based on unique one-time expenses, mostly capital and transfers. The Fund Operating Cash Balance remains positive and at 2016 year-end was $17.2 million.

For the most recent five years (2012 to 2016) the parking system performance has increased cash flow from operations. The parking system is generally reflective of economic and employment conditions. Steady off-street parking use along with recent economic upturn and employment gains in downtown have resulted in additional off-street parking business. Between 2010 and 2016, the parking meter technology with credit card capability, event rates, additional meter coverage, and improved economic conditions have resulted in strong revenue growth. The recent addition of the parking smartphone app has resulted in on-street revenue growth in both 2015 and 2016. Overall in 2016, the parking system revenue increased about 11% due mainly to the continued increase in parking meter revenue for the above reasons and higher performing parking facilities around US Bank Stadium.

The amount of outstanding Municipal Parking Fund General Obligation Bonds and Notes outstanding as of year-end 2016 was $95.7 million. This debt is scheduled to amortize over the next 16 years, with payments that are relatively constant but fluctuate slightly over those years. The Fund's parking system generates positive earnings and is capable of satisfying its debt service while maintaining its capital assets.

Current Year Projections



Revenues

The current 2017 revenues are performing well and the Parking Fund budgeted revenues are projected to increase by about 0.5% from $62.7 to $63.0 million. In December 2017 the Government Center Ramp was sold for $6,404.

Expenses

The current 2017 expenses are on-track and the projected Parking Fund expenses are increasing 9%. It should be noted that as revenues increase so do some expenses such as credit card fees which have increased in alignment with historical actuals.

In addition to operating expenses, the 2017 budget includes $5.4 million for impound lot capital improvements and $2.2 million in Capital Asset Request System (CARS) for renovation, replacements or major repairs of parking assets.

Net Position & Cash Balance

The Parking Fund net position includes all the assets held by the Fund. The Net Position was $188 million at year-end 2016.

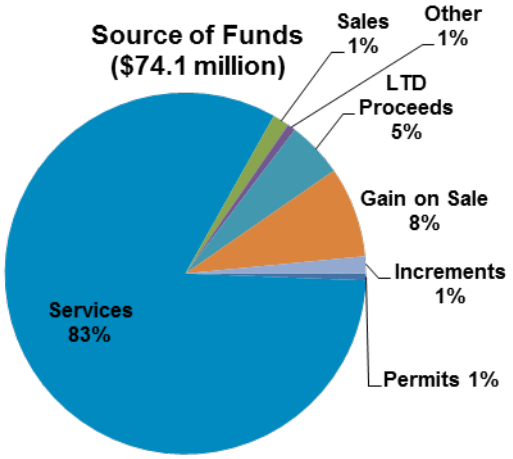
The 2017 Parking Fund expects the net position to remain the same.

The Parking Fund cash balance at year-end 2016 was $17.2 million. Based on the current and forecasted budgets, the Parking Fund cash balance may be increased in 2017 by $0.1 million and 2018 by $3.9 million.

2018 Budget

In 2018 the Government Center Parking ramp is planned to be discontinued as a City asset as part of the exchange for the new city office building construction. Since this ramp will no longer exist as a city asset both the revenue and expenses for 2018 and future years have been removed from the Parking Fund forecasts. (Also based on the proposed exchange transaction, a one-time cash payment minus transaction costs was budgeted to result in an approximate $6.0 million of net income in 2018. This transaction was concluded in 2017.)

The Parking Fund budget assumed the new Impound Lot construction would start in 2017 and be completed in 2018. The exact timing of the construction is still underway, but it appears the majority of construction may occur in 2018.



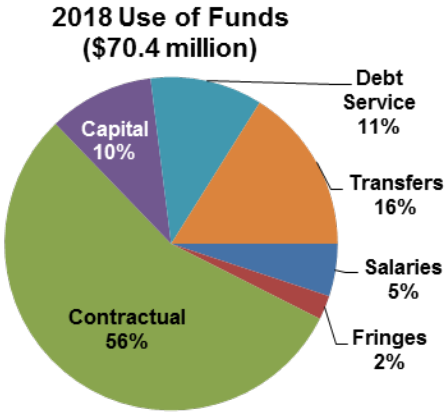
Revenues

The 2018 Parking Fund revenue budget is expected to increase by 8.2% to $74.1 million in 2018 from the $68.4 million in 2017 projected (excluding the effects of the Government Center Parking Ramp exchange). The 2018 revenue budget incorporates an overall parking system increase that includes continued on-street usage growth of the parking meters with their associated smartphone app, plus one-time ABC ramp revenues to offset expenses noted below and net debt bonds sold for capital projects.

The Fund also receives special assessments and tax increment revenues. These revenues will increase from approximately $1.2 million in 2017 to $1.7 million in 2018, primarily due to tax increment revenues. These revenues are expected to continue in 2019 but then decrease back to $1.1 million in future years.

Expenses

The 2018 proposed Parking Fund expense budget is $70.3 million which is a 5.8% decrease from 2017 projected expenses of $74.7 million. This 2018 increase is due to alignment with historical actuals, and reflects anticipated one-time ABC ramp expenses.



The 2018 capital budget decreases from $7.6 to $7.2 million. Both 2017 and 2018 capital increases are due to planned Impound Lot improvements. After these two years, the capital budget returns to about a $2.1 million per year on average for 2019 to 2022.

Transfers

The Fund transfers in and out are reflected in the above revenues and expenses. More specifically, the key transfers out include:

- Target Center Arena Fund transfers are forecasted at 5.0% to 5.5% annual increases. This transfer out increases by $218,000 in 2018 to $4.2 million.

- General Fund transfers are forecasted remain constant. In 2018 this transfer out will remain at a constant level of $7.0 million.

- Solid Waste and Recycling annual transfer out of $146,000 remains constant to support service for bus shelter litter containers.

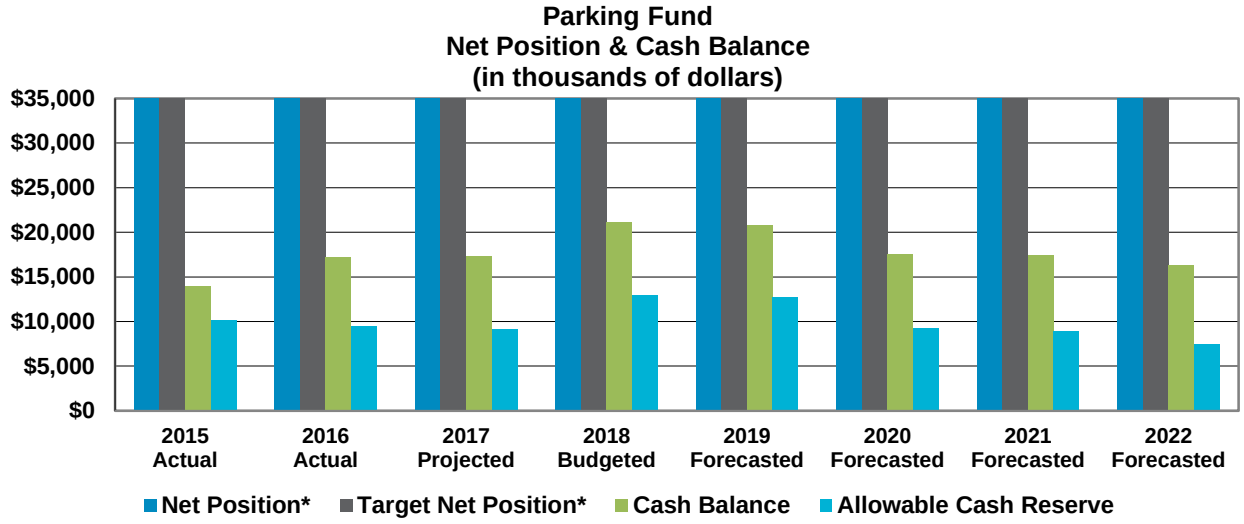
Debt Service

Total debt service, which includes principal and interest on bonds and notes issued for the Parking System is $7.7 million for 2018. Total debt service payments are forecasted to increase by 16.7% on average in future years beyond 2019. Opportunities to reduce debt continue to be examined. Also, the impound lot improvements are being programmed as new debt with $5.4 million to be issued in 2017 and an additional $3.7 million to be issued in 2018.

Net Position & Cash Balance

The Parking Fund expects net position to increase from the 2017 projection of $188.3 million to $192.1 million in 2018, due to large capital project expenditures, and the conversion of the Government Center Ramp, offset by the bond sale.

The Parking Fund cash balance at year-end 2018 is anticipated to be approximately $21.0 million, which is a 21.4% increase over the projected cash balance for 2017. The City financial policy sets the Target Cash Reserve at 25% of $32.5 million, which equates to $8.1 million.



Note: Net Position and Target Net Position have been truncated for display purposes. For total amounts, please see the financial schedule following this narrative.

Mayor Recommended Budget

The Mayor recommends no changes to this fund.

Council Adopted Budget

The City Council approved the Mayor's recommendation.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Municipal Parking Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
License and Permits	275	386	316	457	300	465	450	-3.2%	336	336	346	356
Charges for Service, Sales/Permits	59,150	59,646	59,250	66,072	60,042	60,068	61,139	1.8%	65,292	67,066	68,895	70,777
Charges for Sales	1,000	1,055	1,000	1,099	1,100	1,200	1,100	-8.3%	1,100	1,100	1,100	1,100
Special Assessments	-	114	543	36	543	608	543	-10.7%	543	543	543	543
Exchange of Gov't Center Ramp	-	10	-	-	-	6,404	6,000	0.0%	(1,318)	(1,318)	(1,318)	(1,318)
Other Miscellaneous Revenues	-	14	-	36	-	-	-	0.0%	-	-	-	-
Tax Increment Transfers In	424	525	536	690	704	704	1,137	61.5%	1,137	-	536	536
Proceeds of Long Term Liabilities					5,400	5,400	3,700	0.0%				
Total	60,849	61,750	61,645	68,390	68,089	74,849	74,069	-1.0%	67,090	67,727	70,102	71,994
Use of Funds:												
Debt Service	10,628	7,854	10,172	12,714	7,674	12,999	7,674	-41.0%	9,585	9,832	9,174	9,168
General Fund Transfer Out	4,148	4,148	3,919	3,919	7,000	7,000	7,000	0.0%	7,000	7,000	7,000	7,000
Target Arena Transfer Out	3,523	3,523	3,728	3,728	3,940	3,940	4,158	5.5%	4,383	4,615	4,853	5,093
Debt Service Transfer Out	-	46	-	-	-	-	-	0.0%	-	-	-	-
Sanitation Transfer Out	146	146	146	146	146	146	146	0.0%	146	146	146	146
PW-Traffic & Parking	39,031	40,761	38,888	39,662	40,973	43,010	44,160	2.7%	45,267	46,388	47,541	48,727
PW-Traffic & Parking Capital	1,700	1,819	2,200	1,079	7,600	7,600	7,200	-5.3%	1,000	3,000	1,500	3,000
Total	59,176	58,297	59,053	61,248	67,333	74,695	70,338	-5.8%	67,381	70,981	70,214	73,134
Change in Net Position	1,673	3,453	2,592	7,142	756	154	3,731	2322.7%	(291)	(3,254)	(112)	(1,140)
Net Position	178,006	180,748	183,340	188,173	188,929	188,327	192,058	2.0%	191,767	188,513	188,401	187,261
Total Cash Balance*		13,957		17,201	17,957	17,355	21,086		20,795	17,541	17,429	16,289
Target Cash Reserve		7,322		7,711	7,930	8,259	8,125		8,031	8,282	8,541	8,807
Variance Operating Cash to Target		6,635		9,490	10,027	9,096	12,961		12,764	9,259	8,888	7,482

*Cash Balance does not include depreciation.

City of Minneapolis
2018 Budget
Financial Plan

Sanitary Sewer Fund

Introduction

The Sanitary Sewer Fund accounts for the activities related to wastewater collection and treatment. Approximately 57.0% of the expenditures in the Sanitary Sewer Fund are comprised of contractual payments made to the Metropolitan Council Environmental Services (MCES) for sewage interceptor and treatment related services. (The Sanitary Sewer Fund portion is approximately 95.0% of the total paid by the City to MCES with the remaining 5.0% being provided by the Storm Water Fund.) The fund also accounts for City services, operations, maintenance, design work, capital programs, transfers, and long-term debt service associated with the sanitary sewer system.

Monthly billing for sewer services is the major source of revenue. Another 10.0 to 13.0% of the funding has been generated through bond sales for capital programs. Miscellaneous activities and Sewer Availability Charge (SAC) fees also provide revenue, but are off-set by expenditures relating to design activities and SAC charges. The Surface Water & Sewer division of the Public Works Department is responsible for the management of operations within this fund.

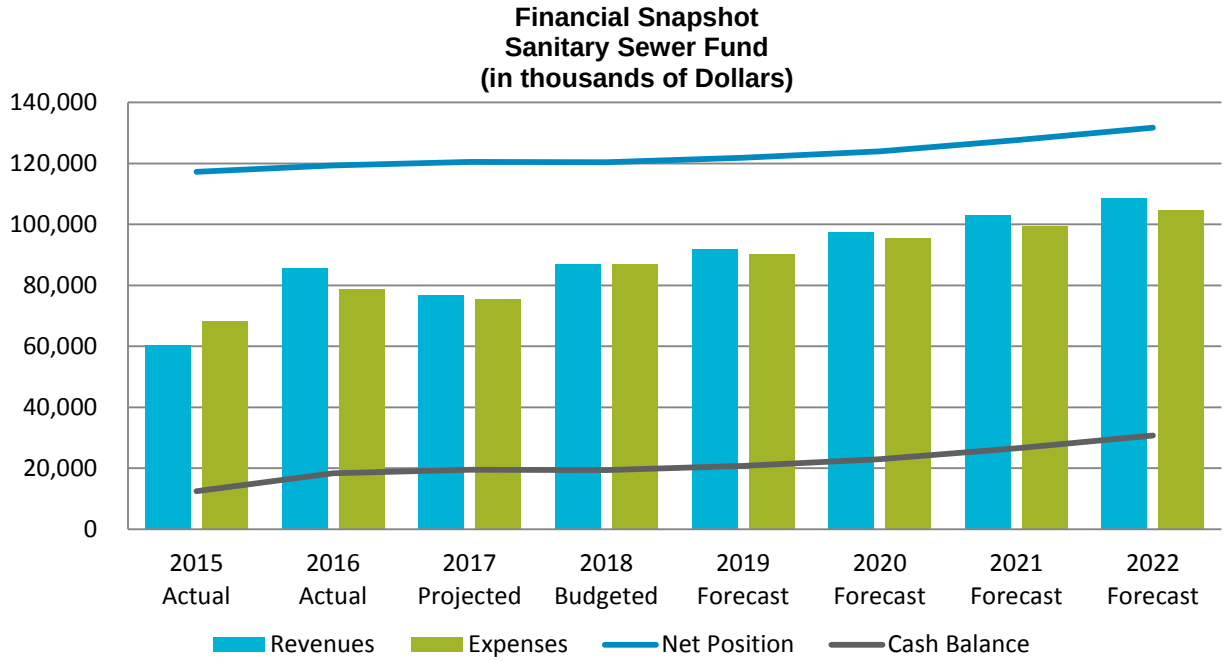
Historical Financial Performance

The fund has performed consistently over the last five years. It has regularly posted cash balances over $18.0 million and maintained a three-month operating cash reserve above $13.7 million for four of the last five years. As a result, the department has been able to use the fund balance to:

(i) fund operations and construction;
(ii) meet obligations for shared costs and services with other City departments;
(iii) appropriately time the sales of bonds to keep debt financing low;
(iv) structure and restructure the debt schedule for lower interest and payments; and
(v) control utility rate increases.

The Sewer division will continue its major repairs, upgrades, rehab and cleaning work paying these out of its operating and capital appropriations. The goal has been to maintain, and build upon, unrestricted cash reserve, and fall upon debt financing only as needed. The outlook for the fund for the next five years looks stable with increasing cash and unrestricted reserve balances.

Current Year Projections



Revenues

The current operating revenue is projected to fall short the budgeted amount of $69.4 million by $1.0 million due to decreased usage. Proceeds from 2016 bond sales are available in the arbitrage fund to cover infrastructure related costs. This balance has been increased by $6.6 million, by additional bond sales in 2017. Sewer Availability Charges, or SAC, are one-time fees collected from residents or businesses for initial connection to the wastewater system. These fee revenues are collected from property owners and developers and passed on to the Metropolitan Council. Therefore, any increase or decrease in SAC revenues corresponds to similar increase or decrease in SAC expenditures.

Expense

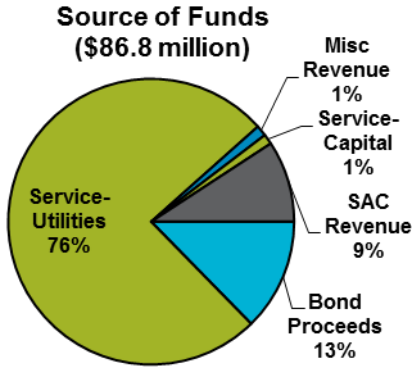
Operating expense for 2017 is projected at $61.7 million compared to the adopted budget of $61.9 million. As activities for major repair, rehab, cleaning, and upgrades picked up during the second half of the year, the projection for the year is on target. Salaries and fringe at the current rate are projected to surpass the budgeted amount as personnel get assigned and realigned between sanitary and storm departments based on work requirements and needs. Capital programs and activities are expected to continue as planned.

Net Position & Cash Balance

The Sewer fund net position and cash balance are projected to total $120.5 million and $19.5 million respectively by the end of 2017. These are $887,000 less than the budgeted amounts due to decrease in anticipated revenues.

2018 Budget

Revenues from operations account for 86.0% of the budget with the remaining 14.0% coming from capital programs which are consistent with prior years. For 2018, use of funds is estimated to increase by 15.1% over 2017, mainly due to increases in Met Council monthly rates, fleet charges, personnel costs, and capital programs.



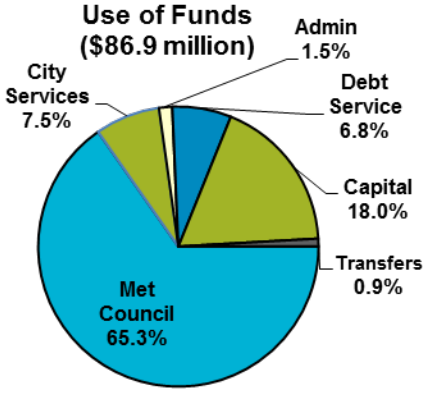
Revenues

The total revenue budget for the Sanitary Sewer Fund for 2018 is $86.8 million compared to the 2017 projected revenues of $76.6 million, an increase of $10.2 million, or 13.3%. This is a result of combined increases in: (i) service revenues of $6.2 million, due to increases in monthly utility rates; (ii) miscellaneous revenues of $275,000 due to increased design activities; and (iii) capital revenues of $3.8 million due to an increase in planned bond sales to fund capital programs.

Sanitary Utility Rates

Sanitary sewer rates are comprised of variable and fixed rates. For 2018, the variable sewer rate is proposed to increase to $3.88 per one hundred cubic feet (one *unit*, or 748 gallons) compared to $3.55 for 2017, while the fixed rate is set at $5.30 compared to $4.80. Rates were increased to fund sanitary treatment programs, design and maintenance, upgrade and rehab sanitary tunnels, and to pay for debt service and shared meter costs.

Year	Rate (cost per 100 per cubic feet)	% Increase	Average Monthly Bill	Utility Revenue from variable rates
2018	$3.88	9.3%	$23.28	$57.0 million
2019	$4.21	8.5%	$25.26	$61.9 million
2020	$4.54	7.8%	$27.24	$66.7 million
2021	$4.87	7.3%	$29.22	$71.6 million
2022	$5.20	6.8%	$31.20	$76.4 million



Expense

The total expense budget for 2018 is $86.9 million compared to $75.5 million projected for 2017. This is an increase of $11.4 million, and reflects the following changes from the 2017 adopted budget: (i) increases in salaries and fringe of $1.2 million, due to an increase in FTE's of 11.50; (ii) increase in professional services, upgrades, rehab, repairs, and maintenance work by $600,000; (iii) increase in City services, as established by the allocation model, of $400,000; (iv) increase in fleet and equipment of $800,000; (v) increase in Met Council charges by $2.6 million due to a rate increase; and (vi) increase in capital programs by $4.3 million. Capital expenses for 2018 total $13.6 million, and include a building facility, along with the ongoing inflow/infiltration, sanitary tunnel, and sewer rehab programs.

Met Council sets the rate for treatment services, referred to as Municipal Water Charges (MWC), which are allocated regionally to all users of the system, based upon their proportionate use. 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 2018 is $43.4 million, a 6.7% increase over 2017. The Sanitary Sewer Fund bears $41.3 million of this cost with the remaining $2.2 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).

Transfers

A transfer from this fund is made to the Water Fund to cover shared meter expenses. The transfer was initiated in 2012, and will remain a yearly budget item. For 2018, the transfer amount is estimated at $684,000 with future year amounts jointly decided in cooperation with Water department.

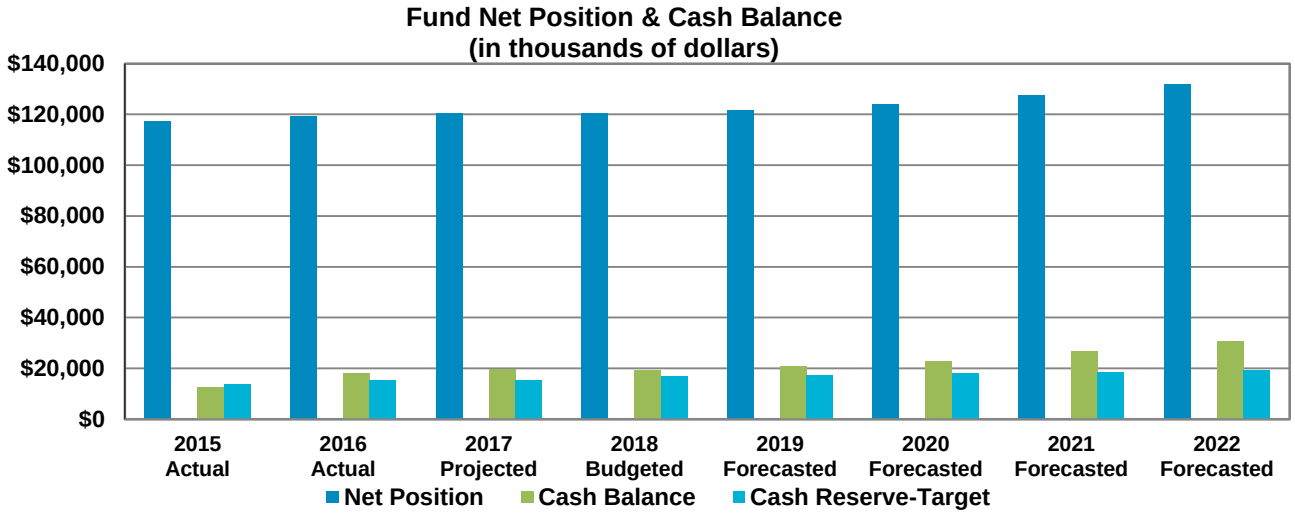
Debt Service

To date, the Fund's outstanding debt arising from bond financing stands at $31.2 million, of which $27.4 million was added in the last two years. The bonds were sold to finance capital infiltration and inflow programs and upgrade the City's sewer system. For 2018, $5.2 million is set aside for debt service payments. For the next five years, the major source of funding for capital programs is bond proceeds. Yearly payments for interest and principal will continue at or above the 2017 rate.

Net Position & Cash Balance

The beginning cash balance for 2017 was $18.3 million, with the Fund's net position at $119.4 million. Based on 2017 projections, the cash balance and net position are budgeted to increase to $19.4 million and $120.4 million respectively in 2018. The five year plan forecasts a continual increase, due to increases in utility rates and proceeds from long term liabilities.

The City's policy is to have a cash balance equal to or greater than three months of operating expenses. Therefore, the targeted cash balance for 2018 is $16.9 million, making $2.5 million available as an unrestricted amount to fund capital programs, transfers, and debt service payments.



Mayor Recommended Budget

The Mayor recommended a rate of $3.88 for 2018 and no change to the department's base program proposal.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Sanitary Sewer Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Service	53,754	52,160	56,822	57,791	60,581	59,581	65,738	10.3%	71,402	77,065	82,729	88,393
SAC Revenues	8,000	6,956	8,000	8,720	8,000	8,000	8,000		8,000	8,000	8,000	8,000
Other Misc Revenues	879	1,191	928	1,376	785	785	1,060	35.0%	863	863	785	785
Charges for Service - Capital	1,000	53	1,000	128	1,000	1,000	1,000		1,000	1,000	1,000	1,000
Proceeds from Long Term Liabilities	5,200	-	8,550	17,706	7,250	7,250	11,000	51.7%	10,500	10,500	10,500	10,500
Total	68,832	60,359	75,300	85,720	77,616	76,616	86,798	13.3%	91,765	97,428	103,014	108,678
Use of Funds:												
PW-Sewer Design	709	1,141	791	1,198	1,553	1,139	1,586	39.2%	1,627	1,669	1,712	1,756
PW-Sewer Maintenance	7,094	6,901	7,798	8,263	7,662	8,311	9,647	16.1%	9,028	9,376	9,471	9,817
MERF Debt Service -New Plan	292	292	310	310	210	210	210		210	210	210	210
Met Council Environment Srvcs	43,515	42,037	45,445	46,357	46,796	46,796	49,398	5.6%	51,585	53,887	56,311	58,864
Payment for City Services	4,882	4,941	5,042	4,573	5,052	4,691	5,454	16.3%	5,545	5,638	5,732	5,827
PW - Sewer Admin	342	108	544	299	599	566	1,154	103.9%	1,177	1,202	1,226	1,252
Debt Service	3,761	3,820	2,136	2,618	3,238	3,238	3,837	18.5%	3,819	3,900	3,928	3,954
Future Debt Service		-	1,103	-	-	-	1,316	100.0%	3,313	5,219	7,126	9,032
Transfers												
To Water Fund	1,285	1,285	1,328	1,101	1,213	1,213	684	-43.6%	969	1,072	1,180	1,292
PW- Capital Programs	7,425	7,754	10,550	13,867	9,250	9,295	13,600	46.3%	13,100	13,100	12,500	12,500
Total	69,304	68,278	75,047	78,586	75,572	75,459	86,887	15.1%	90,373	95,272	99,397	104,505
Deferred Capital Projects-Rev Funded	2,000		2,100		-	-	-		-	-	-	-
Change in Net Position	(2,471)	(7,919)	(1,846)	7,134	2,044	1,157	(89)		1,391	2,156	3,618	4,173
Net Position Balance	116,111	117,276	115,430	119,355	121,399	120,512	120,423		121,814	123,970	127,587	131,759
Cash Balances												
Operating Cash	16,649	12,324	10,575	15,168	20,354	19,467	19,378		20,769	22,925	26,543	30,717
Construction Cash		98		3,142	-	-	-		-	-	-	-
Total Cash Balance	16,649	12,422	10,575	18,310	20,354	19,467	19,378		20,769	22,925	26,543	30,717
Target Cash Reserve	14,209	13,855	14,983	15,250	15,468	15,428	16,862		17,293	17,996	18,666	19,432
Variance Cash Balance to Target	2,441	(1,433)	(4,408)	3060	4,886	4,039	2,516		3,476	4,930	7,878	11,286

City of Minneapolis
2018 Budget
Financial Plan

Solid Waste and Recycling Fund

Background

The Solid Waste and Recycling Fund provides for 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 material 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 through monthly utility bills. The Fund also receives yearly grants from Hennepin County. Additional revenue is generated through recyclable sales, miscellaneous services, graffiti abatement, and organic programs. The division of Solid Waste & Recycling is responsible for the management of the operations within this fund.

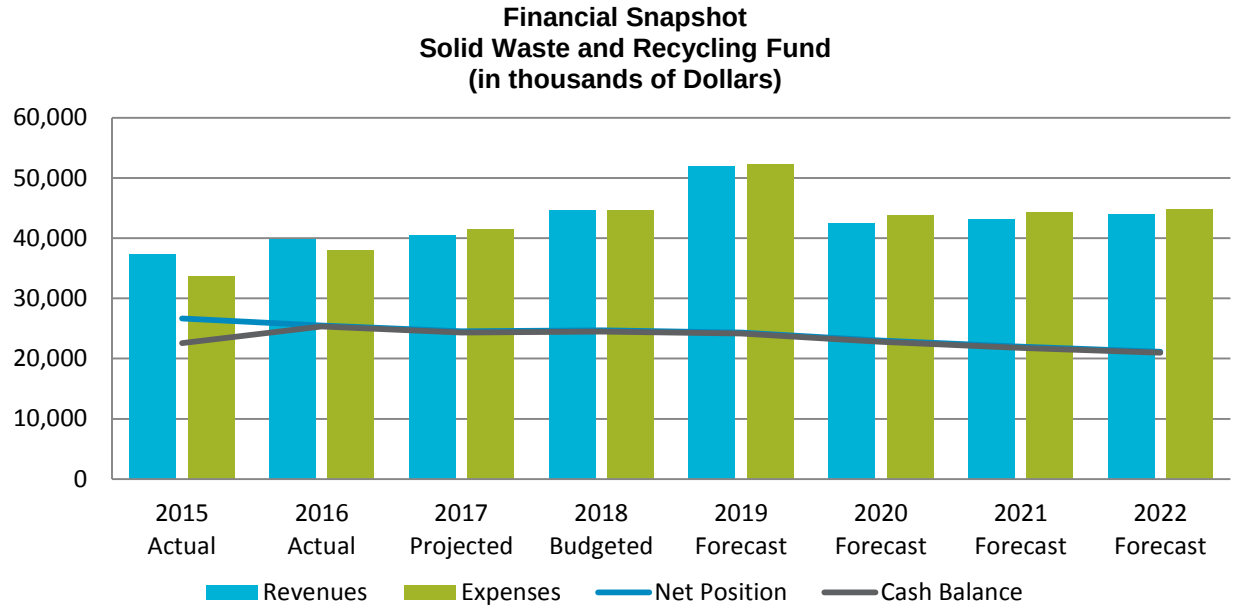
Historical Financial Performance

The overall financial condition of the Solid Waste and Recycling Fund has remained stable over the last five years, despite implementing one-sort and organic programs at an additional cost of $8.9 million. The Fund has been continuously adding to its cash balance which totaled $25.3 million in 2016, comprising a three-month cash reserve of $9.4 million and leaving $15.9 million as unrestricted. Total revenues for 2016 were at $39.7 million compared to $38.0 million in expenses. Even with one-time spending for the implementation of One-Sort and Organic programs, the fund has posted positive net income three out of the last five years. As a result, the fund has been able to:

(i) fund new programs – mattress and electronics hauling and recycling;
(ii) start new initiatives – zero waste studies, litter prevention, step-up interns, and graffiti abatement programs;
(iii) meet its obligations for shared costs and services with other City departments;
(iv) finance the Solid Waste Information System(SWIS) replacement project, and upgrade its software support system;
(v) replace vehicle, trucks, carts, and other business line equipment on a yearly basis;
(vi) maintain staffing levels;
(vii) postpone debt financing; and
(viii) control utility rate increases.

The outlook for the Fund for the next five years is stable. A new $25.0 million facility construction is in the works, which is currently being paid out of fund balance, but will eventually be replaced with bond proceeds.

Current Year Projections



Revenue

For the current year, revenue is projected to reach $40.5 million compared to $54.6 million adopted for 2017 reflecting a decrease of $14.1 million due to deferment of bond sales to 2018. Solid waste utility revenue through the current period is at pace to equal the projected amount of $37.1 million. County recycling grants, transfers, and other sales, services, and miscellaneous revenues are also set to surpass the budget and total $2.9 million in the current year.

Expense

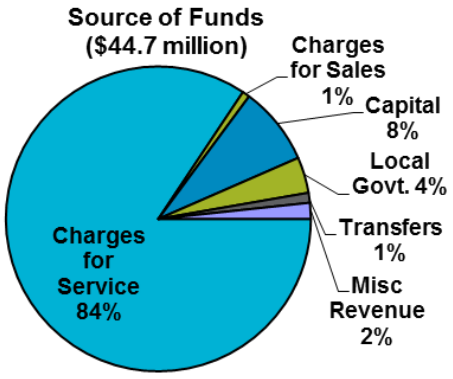
Operating expense for 2017 is projected to equal $37.7 million compared to the adopted budget of $40.3 million, due to decrease in estimates regarding personnel, contractual services, micro-grants, and SWIS replacement projects. The capital program is projected to incur $3.7 million in expense compared to $15.0 million budgeted, as construction is scheduled to pick up momentum in 2018.

Net Position and Cash Balance

Both the projected revenues and expense are estimated to fall short of budgeted amounts. As a result, the change in net position and cash balance will be less than anticipated. For the year end, net position and cash balance will total $24.5 million and $24.4 million respectively.

2018 Budget

Over the last three years, total of $25.0 million has been budgeted for facility improvements to be funded through bonds. For 2018, an additional $3.7 million has been added to this capital program. While the funding is in place for this purpose, bond sales and related debt service requirements have been deferred based on actual work in progress and the completion schedule.



Revenues

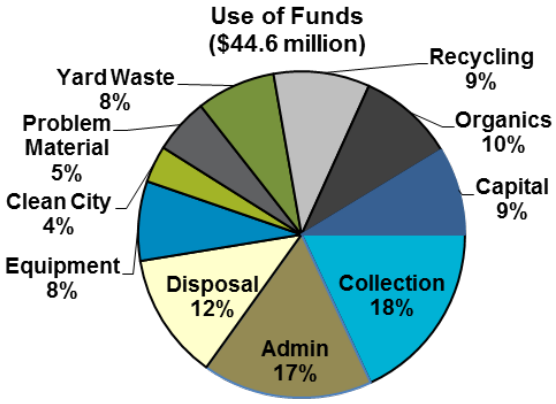
The total revenue budget for 2018 stands at $44.7 million compared to $40.5 million actual revenue projected for 2017. This is an increase of $4.2 million, or 10.4% over the 2017 projection and is a result of increases in: (i) bond proceeds estimated at $3.7 million related to capital funding; (ii) service revenue, estimated at $37.7 million, which is $641,000 more than the projection for 2017, due to a rate increase; (iii) recycling grant by $201,000 based on SCORE projections; and (iv) decreased miscellaneous sales and graffiti revenue by $326,000.

Solid Waste Utility Rates

The Department is approved to increase the base rate for collection and hauling to $23.99 per dwelling unit per month, an increase of $0.52 over the 2017 utility rate, in order to fund increases in salaries, fringe, contractual services, operating supplies, carts, and vehicle replacements. This increase is based on the estimated number of dwelling units in 2018 of 106,400.

Revenue Assumptions (2018)	
Number of dwelling units	106,400

Expense



The total expenditure budget for 2018 amounts to $44.6 million compared to $41.4 million projected for 2017, an increase of $3.1 million, or 7.5%. The operating budget totals $40.8 million and the remaining $3.7 million is capital for facility construction. The 2018 operating budget, compared to 2017, reflects the following changes: (i) an increase in salaries and fringes of $301,000 as a result of new contracts, job classification, and step increases; (ii) an increase in yard waste, garbage, TV, and mattress collecting, hauling, disposing, and recycling costs of $840,000 due to new vendor contracts; (iii) an increase in outreach, zero waste studies, and miscellaneous programs of $228,000 ; (iv) an increase in equipment, carts, and operating supplies by $104,000; (v) an overall increase of $375,000 in payment for City services, as set by the 2018 allocation model; (vi) a decrease in general maintenance, abatement, and contractual services by $347,000; and (vii) a decrease in IT project and micro-grant program by $982,000.

Transfers

The Solid Waste and Recycling Fund will continue to receive a $146,000 transfer from the Parking Fund for litter container pick-ups in the downtown area. The Fund has also been receiving an annual transfer from the General Fund for graffiti removal since 2014. For 2018, General Fund transfers total $325,000. These transfers are expected to continue into the future with variations in programs and amounts.

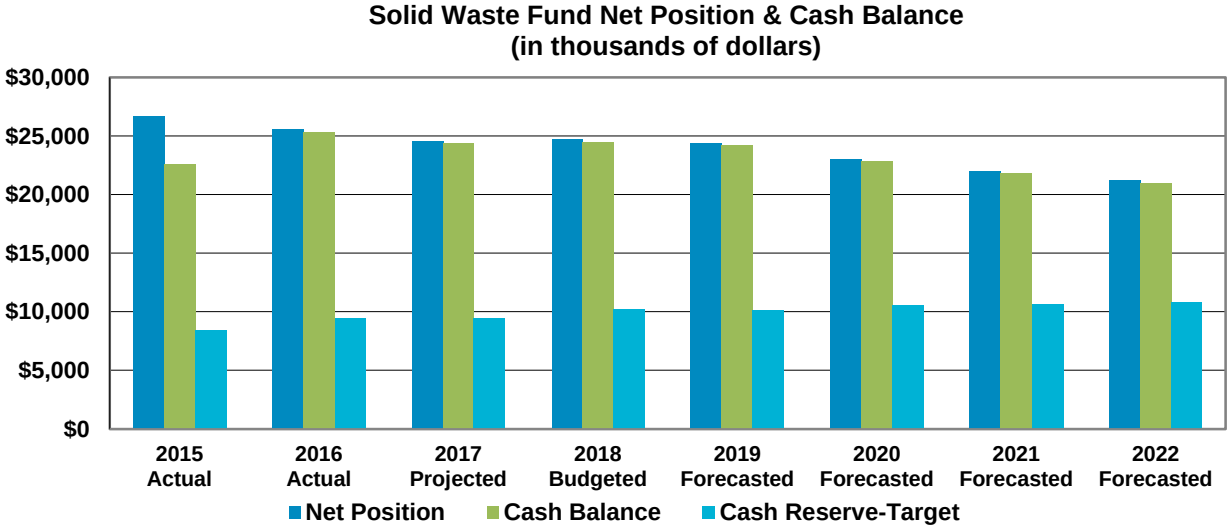
Debt Service

This fund does not currently have any debt service payments. However, with capital program expenditures estimated to total over $12.0 million by 2018 which is funded by bonds, the Fund anticipates $1.7 million in debt service payments for principal and interest by 2019. These payments will continue on a yearly basis based on the debt service schedule.

Net Position & Cash Balance

The Solid Waste Fund started the year with a cash balance of $25.3 million and a net position total of $25.5 million. Based on the 2017 projections, the cash balance and net position will decrease in 2018 to $24.5 million and $24.7 million, respectively. The five year plan forecasts a gradual decline due to debt service payments.

The City's financial policy requires a fund to maintain a cash balance equal to or greater than three months' operating expense. Therefore the target cash balance throughout 2018 is $10.2 million making $14.3 million available for capital programs and transfers.



Mayor's Recommended Budget

The Mayor recommends a rate of $23.99 for 2018 and no change to the fund's base proposal.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Solid Waste Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Sources of Funds:												
Local Government	880	1,003	1,080	1,595	1,080	1,500	1,701	13.4%	1,768	1,659	1,659	1,659
Charges for Service	34,617	34,754	36,452	36,232	37,065	37,065	37,706	1.7%	38,395	39,100	39,821	40,640
Charges for Sales	300	297	-	383	45	600	350	-41.7%	350	350	350	350
Special Assessments	0	141	-	149	-	-	-	0.0%	-	-	-	0
Other Misc Revenues, Rents	920	560	920	738	920	834	758	-9.1%	758	758	758	758
Long Term Proceeds - Capital	3,000	-	7,000	-	15,000	-	3,710	100.0%	10,000	-	-	-
Operating Transfers In:												
Parking Fund	146	146	146	146	146	146	146	0.0%	146	146	146	146
General Fund - Graffiti	325	325	423	423	325	325	325	0.0%	416	428	440	452
General Fund	0	-	50	50	-	-	-	0.0%	-	-	-	-
Total	40,188	37,226	46,071	39,716	54,581	40,470	44,696	10.4%	51,833	42,441	43,174	44,005
Use of Funds:												
Collection	8,343	7,155	7,921	7,238	7,638	7,585	7,709	1.6%	7,830	7,952	8,002	8,155
Disposal	4,516	4,220	4,435	5,266	4,814	4,892	5,346	9.3%	5,349	5,513	5,517	5,686
Recycle	3,799	3,487	3,997	3,451	3,992	3,599	4,064	12.9%	4,128	4,192	4,258	4,325
Yard Waste	3,195	3,021	3,285	2,939	3,320	2,978	3,336	12.0%	3,377	3,419	3,461	3,505
Problem Material	1,842	1,595	1,956	1,950	2,000	2,247	2,343	4.3%	2,429	2,520	2,617	2,719
Transfer Stations	381	411	451	399	459	376	470	25.0%	477	484	491	497
Admin	5,846	5,602	7,441	6,140	7,542	6,589	7,176	8.9%	7,101	7,229	7,359	7,492
Customer Service	678	529	617	538	649	528	652	23.5%	664	676	688	700
Clean City	1,146	974	1,208	1,047	1,340	1,054	1,557	47.7%	1,574	1,585	1,611	1,638
Graffiti	1,072	780	833	539	862	539	749	39.0%	763	776	790	805
Equipment	3,397	2,615	3,790	3,039	3,666	3,323	3,367	1.3%	2,683	3,726	3,609	3,430
Organics	6,312	3,228	4,167	5,235	4,063	4,011	4,078	1.7%	4,139	4,201	4,264	4,328
Capital Program	3,000	-	7,000	232	15,000	3,723	3,710	-0.3%	10,000	-	-	-
Debt Service	0	-	-	-	1,646			0.0%	1,657	1,527	1,528	1,527
Total	43,527	33,616	47,101	38,013	56,991	41,444	44,557	7.5%	52,171	43,800	44,195	44,807
Change in Net Position	(3,339)	3,610	(1,029)	1,703	(2,410)	(973)	139		(338)	(1,360)	(1,021)	(802)
Net Position Balance	24,772	26,688	25,659	25,522	23,112	24,549	24,687		24,349	22,989	21,968	21,166
Cash Balance	16,390	22,568	21,539	25,324	22,915	24,351	24,490		24,152	22,791	21,770	20,968
Target Cash Reserve	10,132	8,404	10,025	9,445	10,086	9,430	10,212		10,129	10,568	10,667	10,820
Variance Cash Balance to Target	6,258	14,164	11,514	15,879	12,829	14,921	14,278		14,024	12,223	11,103	10,148

City of Minneapolis
2018 Budget
Financial Plan

Storm Water Fund

Background

The storm water collection and street cleaning programs make up the budget for the Storm Water 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 Storm Water Fund is used for sanitary water interceptor and treatment services, a function carried out through the Metropolitan Council Environmental Services (MCES). Street cleaning is a function of the Transportation Maintenance and Repair division of the Public Works department, with funds provided by Storm Water. The Fund also accounts for the Combined Sewer Overflow (CSO) program, which separates storm water from the sanitary sewer lines.

Fund resources include: monthly utility billing for storm drainage services, quarterly reimbursement for maintenance services provided to the State and County, reimbursement for design work, services provided to other City departments and outside parties; and proceeds from long term liabilities and grants. The Surface Water & Sewer division is responsible for the management of operations within this fund.

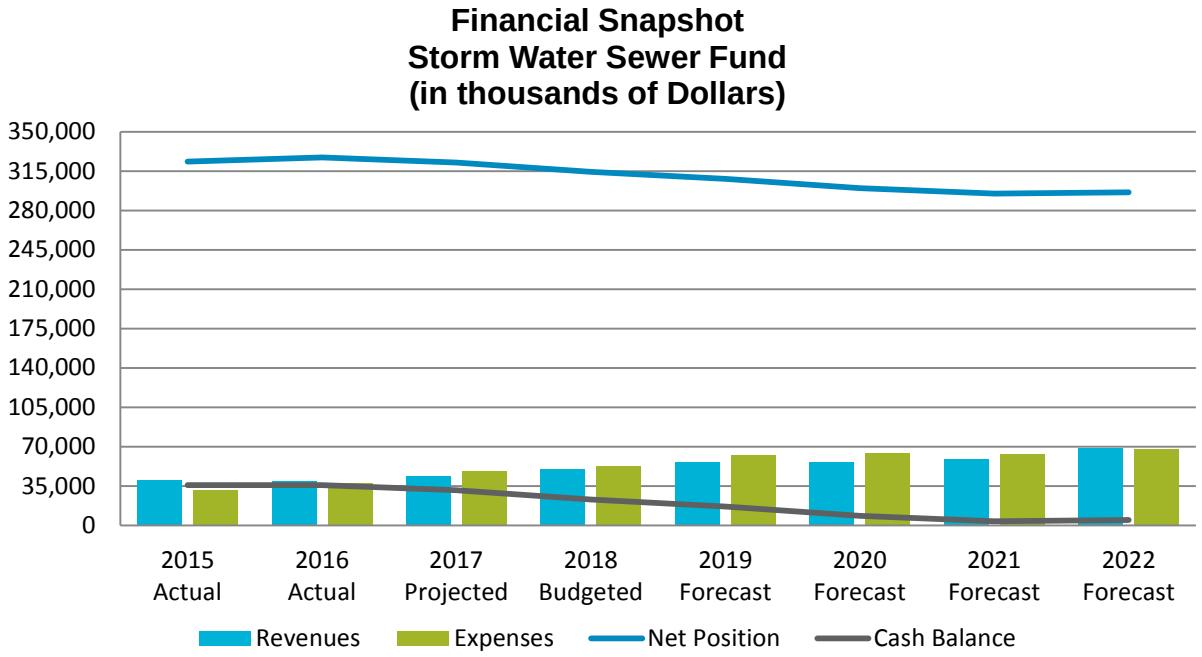
Historical Financial Performance

The Storm Water Fund has performed well in the last five years, maintaining a cash balance above $33.2 million, keeping the three month operating cash reserve to $7.0 million, restricting an additional $7.0 million for at-risk-tunnels, and a remaining unreserved balance of $19.2 million. It has consistently doubled its operating revenues over operating expenses. As a result, the Fund has been able to:

(i) Pay off all outstanding bonds and debts;
(ii) Increase personnel for infrastructure and construction programs;
(iii) Increase capital expenditures for the next five years;
(iv) Meet its obligations for shared costs and services with other City departments;
(v) Postpone debt financing; and
(vi) Keep utility rate increase low.

The Fund will continue with design, storm tunnel repair, rehab, televising, cleaning, in addition to flood mitigation and various vegetation maintenance work, using both operating and capital appropriations. The goal has been to maintain, and build upon, unrestricted cash reserves, and continue to use fund balance, and to use debt financing only as needed. With a substantial unrestricted reserve, the fund plans to spend increasingly on capital programs, infrastructure, and major repairs over the next five years.

Current Year Projections



Revenues

For the current year, revenue is projected at $43.7 million compared to $43.5 million as budgeted for 2017, reflecting an increase of $200,000, due to increase in utility rate from $11.94 to $12.36 per equivalent storm units (ESU). As per a signed agreement, the maintenance revenue from the State and County will be realized in full as budgeted. Storm utility revenue through the current period is at pace to surpass the budgeted amount of $38.6 million by the end of the year.

Expense

Operating expense for 2017 is projected at $27.6 million for the year compared to the adopted budget of $28.8 million. In capital programs, $19.1 million is projected to be spent in the current year: $6.7 million out of 2017 budget and $12.4 million coming out of appropriations from prior years. Transfer for shared costs, estimated at $1.6 million, will be ex pended as budgeted. These expenditures are in line with historical costs regarding budget to actuals.

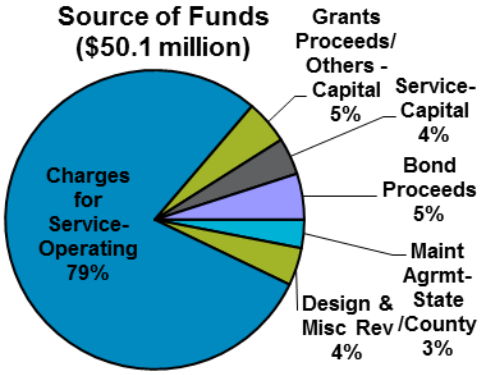
Net Position and Cash Balance

The Storm fund cash balance and net position have continuously grown in the past five years. For the current year, net position and cash balance are projected to total $322.6 million, and $31.3 million respectively. These are less than 2016 actual amounts due to increase in capital expenditures.

2018 Budget

Revenues from operations account for 86.0% of the budget with remaining 14.0% coming from the capital program as bond proceeds, local grants, and service charges. Even though, debt financing was an opt ion in the past, it has not been utilized since 2014. Given the significant increases in capital expenditures planned for next five years, the Surface Water & Sewer Division expects to use bond financing while maintaining positive cash balance in the fund. Expenses from operations account for 60.0% of the total budget with 37.0% allocated for capital

and 3.0% for transfers. For 2018, increases in the expense budget are estimated to be 16.5% over the 2017 adopted budget. The combined sewer flow program has been discontinued from the operating budget, but will continue in the capital program.



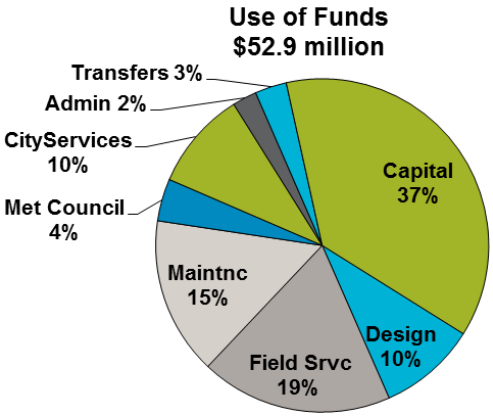
Revenues

The 2018 revenue budget is $50.1 million, compared to $43.7 million projected for 2017, reflecting an increase of $6.4 million, or 14.7%. This is due to combined increases in: (i) service revenues by $513,000, due to increases in monthly utility rates; (ii) miscellaneous, design, and maintenance revenues by $1.0 million, due to an increase in capital-related design reimbursements; and (iii) capital revenues by $4.9 million, due to increases in long term financing.

Storm Water Utilities Rates

The Department proposed a storm water utility rate of $12.71 per ESU for 2018, which is an increase of $0.35 over the 2017 rate. It was increased to fund operations, transfers, and capital programs.

Year	Rate per ESU (Equivalent Storm Water Unit)	% Increase	Total Planned Revenue from Utility Fee
2018	$12.71	2.8%	$39.7 million
2019	$13.09	3.0%	$40.9 million
2020	$13.59	3.8%	$42.4 million
2021	$14.19	4.4%	$44.3 million
2022	$14.79	4.2%	$46.2 million



Expenses

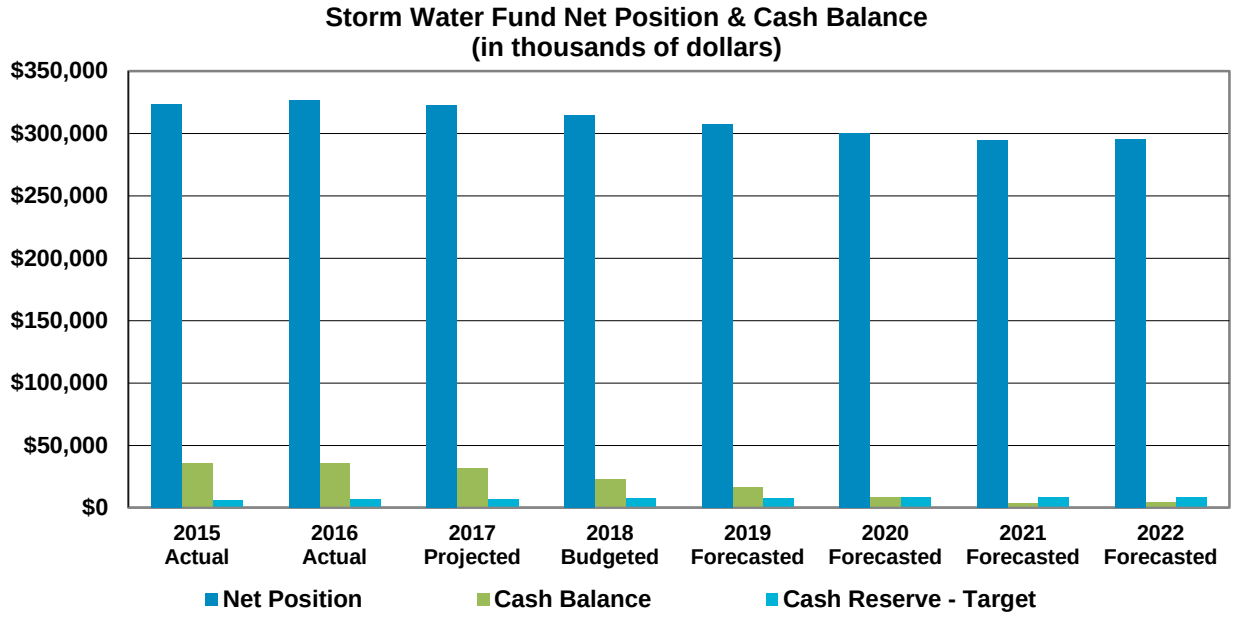
The 2018 total expense budget for the Storm Water Fund is $52.9 million, compared to $48.3 million projected for 2017, an increase of $4.6 million, or 9.6%, and reflects the following changes from 2017 budget: (i) increases in salaries and fringe of $619,000 due to an increase in FTE's, and realignment between funds; (ii) increases in professional services, storm tunnel cleaning, televising, upgrades, catch basin repairs, and maintenance work of $481,000; (iii) increases in City services, as established by the allocation model, by $376,000; (iv) increases in fleet and equipment by $810,000; (v) an increase in operations and contractual services by $384,000; and (vi) increases in capital programs by $4.8 million. Capital expenses for 2018 total $19.8 million and include a building facility, along with combined sewer overflow, storm tunnel rehab, flood mitigation, and storm-paving programs. These are designated to be funded from cash reserves and bond proceeds.

Transfers
Transfers-out of this fund are for an environmental services program in the General Fund which is fixed at $110,000. An additional $1.5 million transfer is the Storm Water Fund's contribution to the Paving program. These transfers will remain a yearly budget item on an ongoing basis.

Debt Service
The Fund completed paying off all of its previous debt service obligations in 2016. Bond funded programs are planned for 2018 and debt service payments are anticipated to resume in 2019.

Net Position and Cash Balance
The Storm Water Fund started the year with a cash balance at $35.9 million and a net position total of $327.2 million. Both the cash balance and net position are projected to decrease in 2018 due to an additional $5.7 million in capital expenditures approved in prior years but projected to be spent in 2018. The five year plan projects a gradual decline in both cash balance and net position as a result of an increase in capital expenditures.

The City's financial policy requires the fund to carry a cash balance equal to or greater than three month's operating expense. Therefore the target cash balance through 2018 is $7.9 million making $15.0 million available as an unrestricted amount to fund capital programs, debt services, and transfers.



Mayor's Recommended Budget
The Mayor recommended a rate of $12.71 for 2018 and no changes to the department's base program proposal.

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

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Storm Water Sewer Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Federal Government	-	6	-	-	-	-	-		-	-	-	-
State Government	1,168	1,385	1,505	1,457	1,327	1,327	1,196	-9.9%	1,219	1,220	1,243	1,243
Local Government	312	336	253	341	318	318	335	5.3%	341	341	348	348
Charges for Service-Operating	38,313	37,206	37,257	37,027	38,578	38,989	39,679	1.8%	40,874	42,446	44,334	46,221
Design & Misc Revenues	2,319	494	2,147	478	1,318	907	2,045	125.5%	1,892	1,312	1,528	1,007
Special Assessments	-	235	-	160	-	177	-		-	-	-	-
Grants Proceeds/Others - Capital	2,735		-	-	-		2,388	100.0%	9,920	-	-	-
Charges for Service-Capital	2,000	708	2,000	49	2,000	2,000	2,000	100.0%	2,000	2,000	2,000	2,000
Proceeds of Long Term Liabilities	-	-	-	-	-	-	2,500	100.0%	-	9,000	9,000	18,000
Total	46,847	40,370	43,162	39,511	43,541	43,718	50,143	14.7%	56,246	56,319	58,453	68,819
Use of Funds:												
PW-Storm Design	4,923	4,072	5,270	4,926	5,757	5,908	5,038	-14.7%	5,119	5,202	5,287	5,375
PW-Field Services	9,190	8,678	8,563	8,587	9,148	9,000	9,866	9.6%	10,166	10,476	10,795	11,126
PW-Storm Maintenance	6,965	6,427	7,229	7,941	6,149	5,490	8,099	47.5%	8,432	8,399	8,539	8,682
Metropolitan Council	1,844	1,862	1,992	1,960	2,034	2,034	2,171	6.7%	2,286	2,407	2,535	2,669
Payment for City Services	5,298	4,929	5,173	4,805	4,858	4,511	5,081	12.6%	5,160	5,241	5,324	5,407
PW-Admin	342	115	886	341	893	611	1,254	105.2%	1,254	1,278	1,302	1,328
Debt Service	3,030	3,276	2,600	2,600	-	-	-		-	-	-	-
Future Debt Service	-	-	-	-	-	-	-		394	394	1,449	2,504
Transfers	110	110	110	110	1,610	1,610	1,625	0.9%	1,640	2,671	1,445	897
PW- Capital	10,920	2,204	14,500	5,924	14,965	19,111	19,768	3.4%	27,925	28,380	26,750	29,750
Total	42,621	31,673	46,323	37,194	45,414	48,274	52,902	9.6%	62,376	64,448	63,426	67,738
Def.Capital Proj - Rev Funded	8,920	8,249	6,518	4,973	14,808	-	5,680		-	-	-	-
Change in Net Assets	(4,694)	449	(9,679)	(2,657)	(16,681)	(4,556)	(8,439)		(6,130)	(8,128)	(4,974)	1,080
Net Asset Balance	301,398	323,458	313,779	327,170	310,489	322,614	314,175		308,046	299,918	294,944	296,024
Cash Balance	30,266	35,862	26,183	35,863	19,182	31,307	22,868		16,738	8,610	3,636	4,716
Target Cash Reserve	7,141	6,521	7,278	7,140	7,210	6,889	7,877		8,104	8,251	8,446	8,647
Variance Cash Balance to Target	23,126	29,342	18,905	28,723	11,972	24,419	14,991		8,634	359	(4,810)	(3,931)

City of Minneapolis
2018 Budget
Financial Plan

Water Treatment and Distribution Services Fund

Introduction

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 Water Treatment and Distribution Services Division sells water to retail customers in the City as well as wholesale customers i.e. the Cities of Bloomington, Columbia Heights, Hilltop, Golden Valley, New Hope, Crystal, and Edina, as well as the Metropolitan Airports Commission. Beginning in 2016, the City of New Brighton also entered into a contract to purchase water wholesale from the City. This contract is expected to expire in 2018..

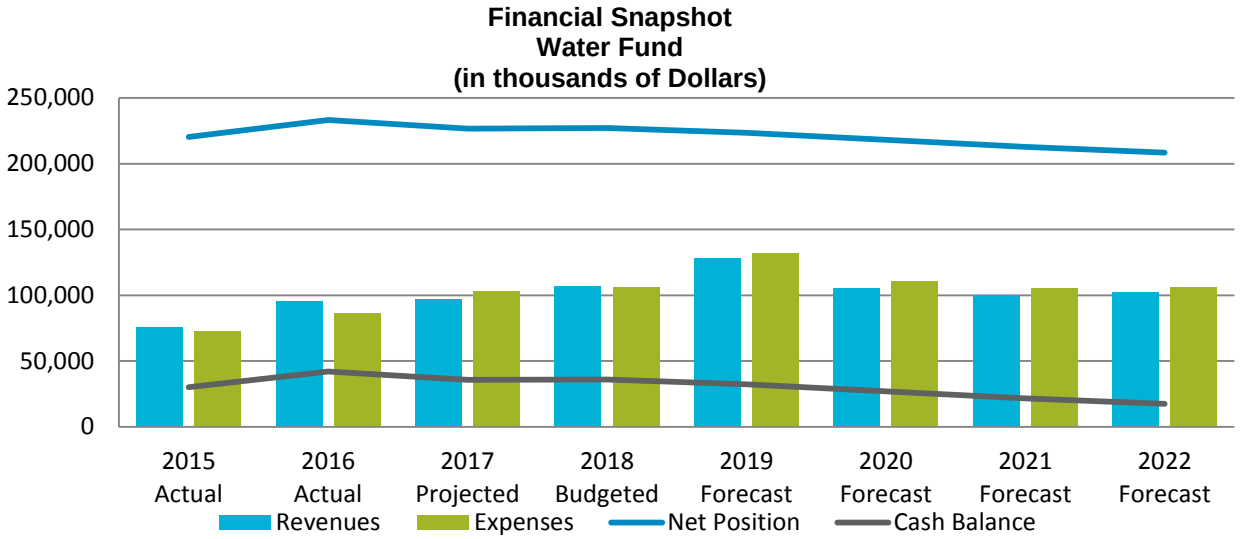
Monthly billing for water sales is the main source of revenue for this fund. The City's Public Works Water Treatment and Distribution Services Division is responsible for the management of operations within this enterprise fund.

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 2017 and beyond. The fund has performed consistently over the previous five years with its cash balance increasing in four of those years and has continuously maintained its three month operating cash reserve requirement.

The long-term health of the fund is stable with significant capital projects planned over the next three to four years that will be funded with a combination of cash reserves and debt financing. This will be accomplished while still keeping the increase to the average monthly residential bill under 3 percent annually.

Current Year Projections



Revenues

The 2017 operating revenues are projected to be 5.9% under the budgeted amount of $88.4 million due to lower than projected volume water sales. Proceeds from bond sales are another significant revenue source, and will be used to finance current and deferred Capital projects.

Expenses

The 2017 operating expenses are projected to be 10.3% under the budgeted amount of $57.9 million due to a combination of savings in personnel costs, materials and utilities. Capital expenses are expected to be lower than originally budgeted for 2017 as a result of deferring projects and their related appropriations to years after 2017.

Net Position & Cash Balance

The Water Fund net position is projected to decrease $6.5 million in 2017 to a total of $226.8 million. The cash balance is projected to be $35.6 million at year end which is sufficient to cover the three month operating reserve requirement of $14.5 million and will be used to partially fund capital projects in the next few years.

2018 Budget

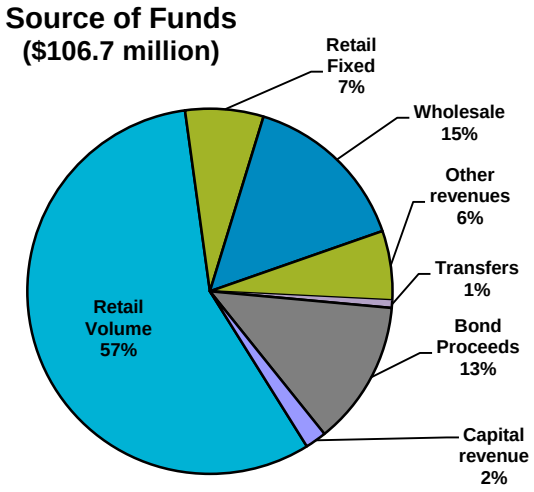
Operating revenues and expenses for the next few years are anticipated to be fairly steady with small percentage increases in both. Because of planned improvements to both water treatment related infrastructure and the distribution system to be made between 2018 and 2020, capital expenses and the related bond sale proceeds are expected to be higher during that period.

Revenues

The total revenue budget for 2018 is $106.7 million compared to the 2017 projected revenues of $96.8 million, an increase of $9.9 million, or 10.3%. This is due to a combination of slight increases in water volume and fixed rates and also by a slight increase in proceeds from debt as compared to 2017.

Water Utility Rates

The budget includes a fixed rate charge based on meter size as well as a variable rate charge of $3.58/unit. The fixed rate charge helps to cover the 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 Retail Water Sales

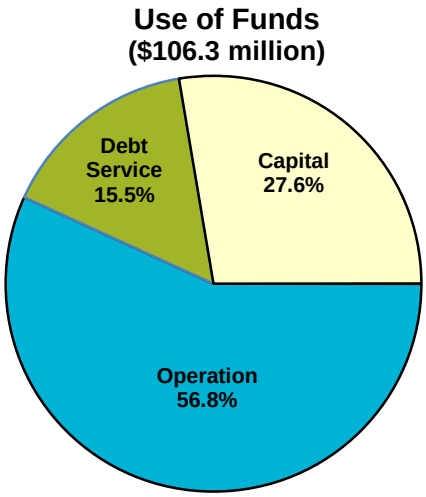
Year	Fixed Rate (5/8 " Meter)	Rate (cost per 100 cubic feet)	Total Cost Per Month for Average Consumer	Total % Change	Total Monthly Cost Increase per Household	Total Planned Revenue from Utility Fee
2018	$4.50	$3.58	$29.56	3.0%	$0.85	$67.9 Million
2019	$5.00	$3.63	$30.41	2.9%	$0.85	$69.6 Million
2020	$5.50	$3.68	$31.26	2.8%	$0.85	$71.2 Million
2021	$6.00	$3.73	$32.11	2.7%	$0.85	$72.9 Million
2022	$6.50	$3.78	$32.96	2.6%	$0.85	$74.6 Million

Projected Revenue from Wholesale Water Sales

Year	% Change	Total Revenue Earned from Utility Fee - Wholesale
2018	-6.9%	$15.9 Million
2019	-7.8%	$14.7 Million
2020	2.9%	$15.1 Million
2021	2.6%	$15.5 Million
2022	2.5%	$15.9 Million

Expenses

The 2018 expense budget is $106.3 million, a 3.0% increase from 2017 projected actual expenses of $103.2 million. The expense budget includes expenses related to the operating costs of the Division as well as the capital improvement program. Planned 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 2018 capital budget of $29.4 million represents an 18.5% decrease from the 2017 projected capital expenses.



Transfers

For 2018, the transfer amount of $711,147 consists primarily of a $684,147 operating transfer from the Sanitary Sewer Fund for their share of the cost of the meter shop. This is an ongoing transfer that is adjusted annually based on actual meter shop expenses incurred.

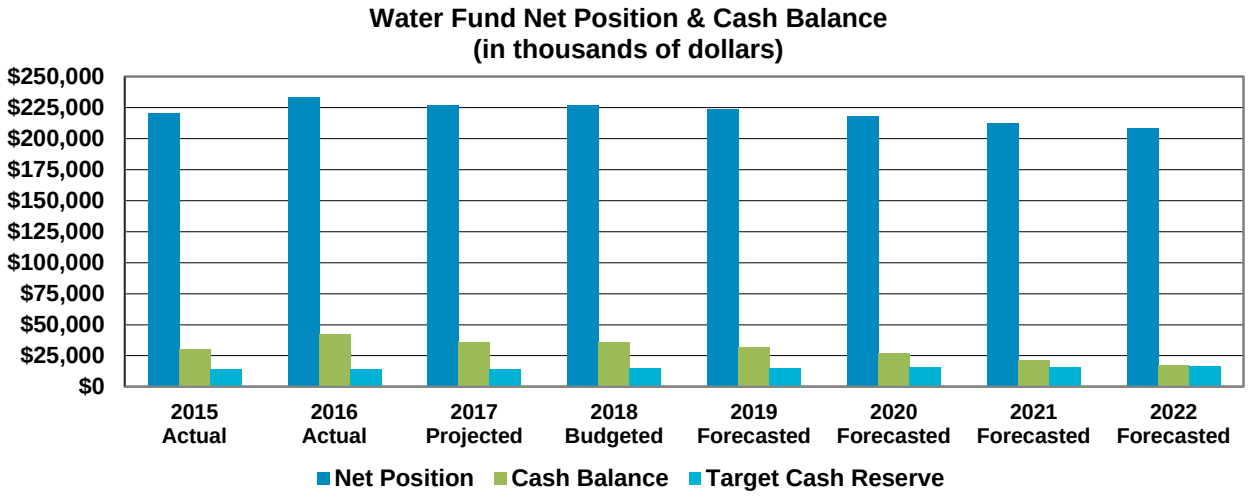
Debt Service

The debt service total of $16.5 million relates to bonds and notes sold to finance the Water Fund's capital construction program. As of December 2016, the fund's total outstanding debt was $99.2 million with current debt service running through 2027. Future debt issuance will increase the amount owed and possibly lengthen the payoff schedule.

Net Position & Cash Balance

The 2016 cash balance was $42.1 million and the Water Fund's net position totaled $233.3 million. Based on 2017 projections, the cash balance and net position will decrease to $36.0 million and $227.2 million respectively in 2018.

The City's policy is to have a cash balance equal to or greater than three months of operating expenses. Therefore, the targeted cash balance in 2018 is $15.1 million, leaving $20.9 million available as an unrestricted amount to fund capital programs and debt service payments. The five year plan shows the projected cash balance dropping slightly each year but continuing to remain above the three month operating reserve requirement.



Mayor Recommended Budget

The Mayor recommends a fixed rate charge based on meter size as well as a variable rate charge of $3.58/unit.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Water Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Water Sales - Retail												
Volume Rate	57,922	52,745	58,026	55,414	59,262	55,605	60,500	8.8%	61,345	62,190	63,035	63,880
Fixed Rate	4,930	4,907	5,752	5,754	6,573	6,612	7,395	11.8%	8,217	9,038	9,860	10,682
Water Sales - Wholesale	12,245	11,833	12,674	13,049	17,090	15,913	15,915	0.0%	14,666	15,088	15,474	15,869
Other Operating Revenue	3,524	4,530	4,177	6,924	4,239	3,872	6,542	69.0%	6,640	6,741	6,841	6,944
Proceeds of Long Term Liabilities **	9,000		8,200	11,500	58,820	12,020	13,635	13.4%	34,400	8,970	1,340	1,200
Transfers												
From Sewer Fund for Meter Shop	1,285	1,285	1,328	1,101	1,213	1,213	684	-43.6%	969	1,072	1,180	1,292
From General Fund	25	25	24	24	25	25	27	8.0%	25	25	25	25
Reimbursed Capital Revenue	2,000	105	2,000	1,755	2,000	1,500	2,000	33.3%	2,000	2,000	2,000	2,000
Total	90,931	75,430	92,181	95,521	149,222	96,760	106,698	10.3%	128,262	105,124	99,755	101,892
Use of Funds:												
Operating Expense	55,962	51,632	57,754	52,139	57,917	51,924	60,406	16.3%	61,456	62,844	64,369	65,937
Debt Service	11,775	11,775	12,041	11,881	15,269	15,269	13,696	-10.3%	13,430	12,870	12,621	11,226
Future Debt Service							2,813	100.0%	6,228	9,162	10,214	10,498
Capital**	22,495	8,868	22,540	22,188	79,100	36,053	29,390	-18.5%	50,870	25,520	17,990	18,450
Total	90,232	72,275	92,335	86,208	152,286	103,246	106,305	3.0%	131,984	110,396	105,194	106,111
Change in Net Position	699	3,155	(154)	9,313	(3,064)	(6,486)	393		(3,722)	(5,272)	(5,439)	(4,219)
Net Position	222,179	220,355	220,201	233,302	230,238	226,816	227,209		223,487	218,215	212,776	208,557
Total Cash Balance		30,084		42,086	39,022	35,600	35,993		32,271	26,999	21,560	17,341
Target Cash Reserve		13,991		14,439	14,479	14,479	15,102		15,364	15,711	16,092	16,484
Variance Operating Cash to Target		16,094		27,648	24,543	21,121	20,892		16,907	11,288	5,468	857

Notes:
** The unused 2017 Budgeted Capital amount will be carried forward to 2018 and beyond.

City of Minneapolis
2018 Budget
Financial Plan

Engineering, Materials and Testing Fund

Introduction

The Engineering, Materials and Testing Internal Service 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. The Public Works Department is responsible for management of operations within the fund.

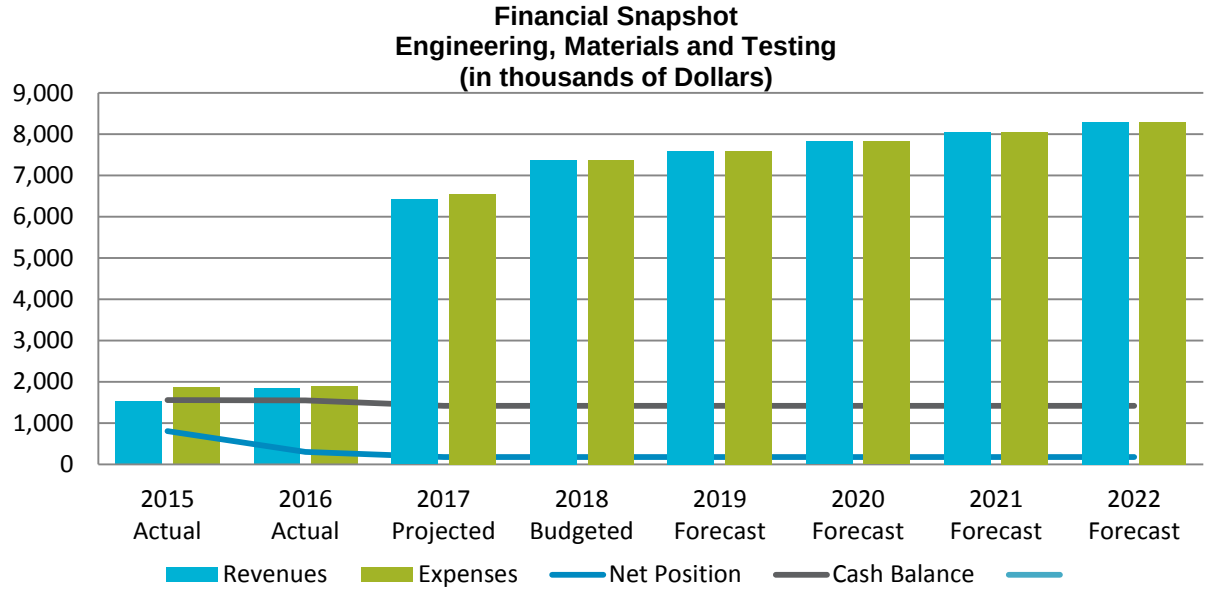
This fund receives revenues from testing and inspection services provided by the Engineering Laboratory and also from the sale of concrete and asphalt from outside vendors to other City departments. A cost allocation model is used to determine product costs that allow the fund to generate revenues that match operating expenses. 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 while generating adequate revenue to cover the fund's direct and indirect expenses.

Historical Financial Performance

From 2012 to 2016, the funds revenues have remained between $1.3 million and $2.0 million, and expenditures have remained between $1.4 million and $1.9 million. The rates charged by the fund are reviewed on an annual basis to determine the amount of revenue needed to cover expenses of the fund. In 2013, the overhead rate applied to the procurement and sale of asphalt and concrete was reduced and the fund also reduced the rates charged for inspection services and laboratory testing. The rates were decreased again in 2014 and 2015. In addition to the rates charged, the revenues and expenses fluctuate each year based upon the amount and size of projects.

From year-end 2011 to year-end 2016, the fund's net position has decreased from $1.1 million to $302,000. The most significant factor in this decrease occurred in 2015, when staff implemented GASB No. 68 to record pension liabilities in the fund, reducing its net position by $802,175. In 2016, the pension liabilities resulted in a further decrease to net position of $431,009. In addition, in 2015 the fund used net position to purchase a drill rig for $175,855. These reductions to net position were offset by operating gains of $459,000 in 2012 and $416,000 in 2013. From year-end 2011 to year-end 2016, the cash balance increased from $1.2 million to $1.5 million as a result of the operating gains in 2012 and 2013.

Current Year Projections



Revenues

The 2017 revenues are projected to be $6.4 million, which is an increase of 225.9% from the 2017 budgeted revenue of $2.0 million. The increase in projected revenue is due to a change in the accounting of asphalt and concrete sales. Prior to 2017, sales of concrete and asphalt were offset against the expense. Starting in 2017, the purchases and sale of concrete and asphalt will no longer be offset, and the full amount of expense and revenue will be reported on the financial statements.

Expense

The 2017 expense budget is projected to be $6.6 million representing an increase of 236.2% from the 2017 budgeted expense of $2.0 million. As previously noted, starting in 2017 the purchase of concrete and asphalt is reported at cost instead of being offset by sales.

Net Position & Cash Balance

The fund's projected net position at the end of 2017 is $135,000, which is a decrease of 56.7% from the budgeted ending net position of $312,000. The fund's projected cash balance at the end of 2017 is $1.4 million, which is a decrease of $177,000 from the budgeted ending cash balance. The projected decrease is due to the amount of overhead charges earned on the sale of concrete and asphalt.

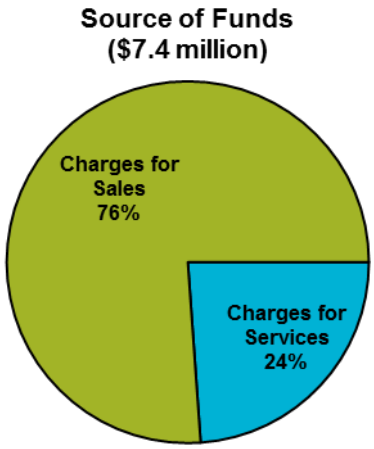
2018 Budget

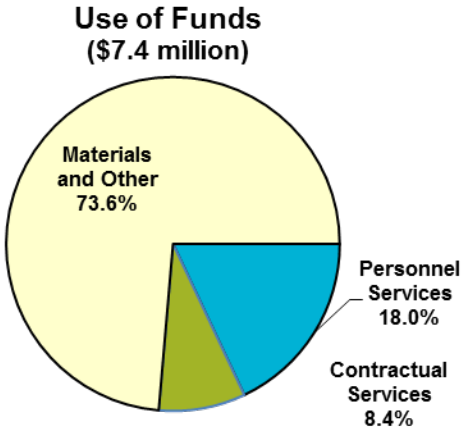
Prior to 2017, sales of concrete and asphalt were offset against the expense. Starting in 2017, the purchases and sale of concrete and asphalt will no longer be offset and instead the full amount of expense and revenue will be reported in the financial statements. The 2018 budget reflects this change in accounting for the sales.

Revenues

The 2018 revenue budget is $7.4 million, an increase of 14.4% from the 2017 projected revenue of $6.4 million. This increase in the 2018 budgeted revenue is due to projected increases in City projects and maintenance activities.

The 2018 revenue budget of $7.4 million is an increase of $5.4 million compared to the 2017 revenue budget of $2.0 million. This increase is due to the sale of concrete and asphalt being shown at the full amount instead of offsetting the purchases.





Expense

The 2018 expense budget is $7.4 million, an increase of 11.5% from the 2017 projected expense of $6.6 million. This increase in the 2018 budgeted expense is due to projected increases in City projects and maintenance activities.

The 2018 expense budget of $7.4 million is an increase of $5.4 million compared to the 2017 expense budget of $2.0 million. This increase is due to the sale of concrete and asphalt being reported at the full amount instead of offsetting the purchases to other City departments.

Transfers

There are no transfers scheduled in 2018 for this fund.

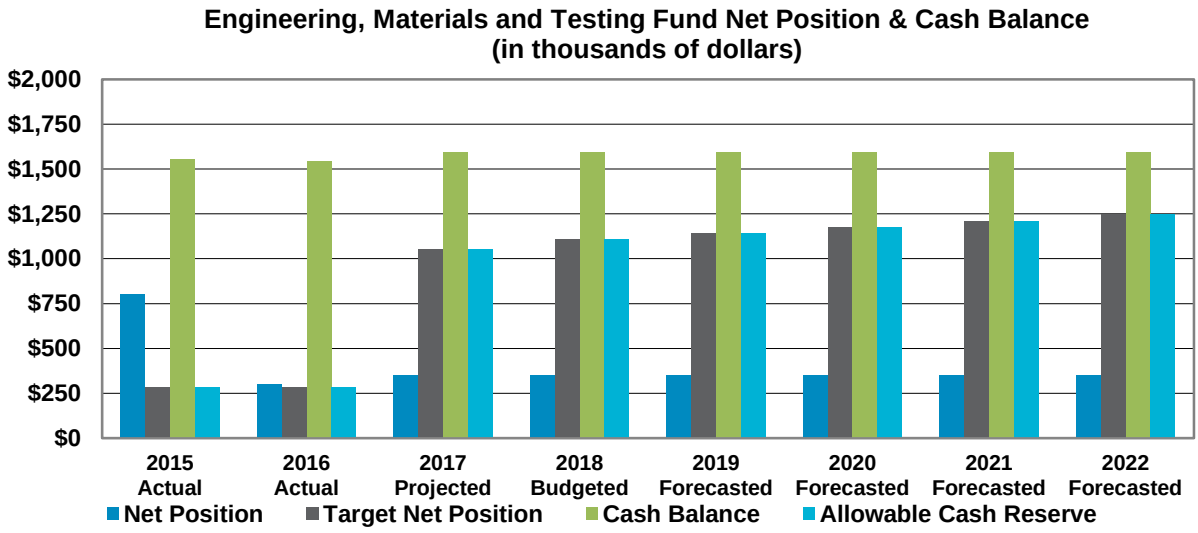
Debt Service

This fund does not have any debt service liabilities.

Net Position & Cash Balance

The net position is projected to be $135,000 at the end of 2017 and 2018. The financial policy requires that the fund maintain a net position at least equal to 15.0% of the operating budget. For the year ending 2018, the projected net position is $857,000 below the benchmark of $1.0 million. This is due to budgeting the full amount of purchases and sales of asphalt and concrete.

The cash balance is projected to be $1.4 million at the end of 2017 and 2018. Financial reserve policies for the Engineering, Materials and Testing fund requires that the cash balance should not be less than 15.0% of the operating budget, or $1.1 million for 2018. The fund is expected to exceed the benchmark by $272,000 in 2018.



Mayor Recommended Budget

The Mayor recommends no changes to this fund.

Council Adopted Budget

The City Council approved the Mayor's recommendation.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Engineering, Materials and Testing

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Services	1,381	1,243	1,622	1,572	1,657	1,575	1,755	11.5%	1,808	1,862	1,918	1,976
Charges for Sales	400	297	150	264	320	4,868	5,618	15.4%	5,786	5,960	6,138	6,323
Total	1,781	1,540	1,772	1,836	1,977	6,443	7,373	14.4%	7,594	7,822	8,057	8,298
Use of Funds:												
Personnel Services	1,274	1,138	1,273	1,244	1,280	1,215	1,326	9.1%	1,365	1,406	1,448	1,492
Contractual Services	482	494	572	568	606	687	613	-10.8%	631	650	670	690
Materials and Other	135	247	84	80	80	4,708	5,434	15.4%	5,597	5,765	5,938	6,116
Total	1,891	1,879	1,929	1,891	1,966	6,610	7,373	11.5%	7,594	7,822	8,057	8,298
Change in Net Position[1]	(110)	(450)	(157)	(500)	10	(167)	-	-100.0%	-	-	-	-
Net Position[1]	1,672	802	645	302	312	135	135	0.0%	135	135	135	135
Total Cash Balance	1,826	1,553	1,396	1,545	1,555	1,378	1,378		1,378	1,378	1,378	1,378
Operating Cash balance	276	1,553	1,396	1,545	1,555	1,378	1,378		1,378	1,378	1,378	1,378
Target Cash Reserve[2]	276	282	289	284	295	992	1,106		1,139	1,173	1,208	1,245
Variance Operating Cash to Target	1,550	1,271	1,107	1,261	1,261	386	272		239	205	169	133

[1]Change in net position and net position for 2015 & 2016 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.

City of Minneapolis
2018 Budget
Financial Plan

Fleet Services Fund

Introduction

The Fleet Services Internal Service Fund provides for the acquisition, maintenance and disposal of approximately 1,700 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 provides for the field coordination of City-owned and contractual equipment and operators as well as the procurement and sale of fuel for these vehicles. The Public Works Department is responsible for management of the operations within the fund.

The Fleet Services Division assigns nearly all of its fleet (as base units) to City departments. The City departments are then 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 $87.5 million and accounts for 57.9% of the net value of the long-term assets in this fund.

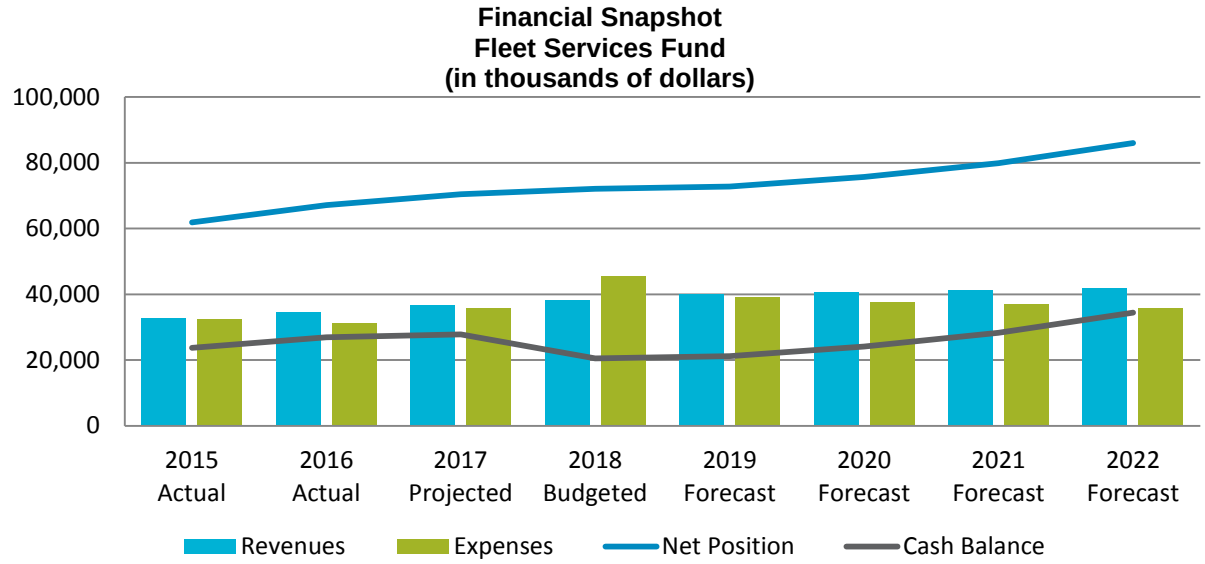
Historical Financial Performance

From 2011 through 2016, the Fleet Services fund had an increase in net position of $32.0 million. The primary reason for the increase was a transfer in from the general fund to assist with debt repayment through 2018. The increase is also due to timing differences between the receipt of revenue collected to pay for replacement vehicles and the delivery and subsequent payment for the vehicles.

The 2016 ending cash balance of $26.9 million was an increase of $14.6 million from the 2011 ending balance of $12.3 million. The 2016 target cash reserve was $2.8 million, a slight decrease of $36,000 from 2011. The fund exceeded the target by $24.1 million in 2016, an increase of $14.6 million from 2011 of $9.5 million.

In 2013, the fund received a transfer from the General Fund of $8.3 million as determined by the long term financial plan to assist with debt service payments. The fund also received transfers from the General Fund from 2014 - 2016 totaling $5.3 million as part of the Capital Asset Request System (CARS) program to help supplement the cost of replacing vehicles as identified in the lifecycle replacement schedule for fleet capital assets.

Current Year Projections



Revenues

The 2017 revenue for the Fleet Services fund is projected to be $36.7 million which is 5.3% more than the budgeted amount of $34.9 million. The projected revenue is more than budgeted primarily due to an increase of 24.6% in rental income. Income from the contractual rental of equipment is projected to exceed the budgeted amount by $1.0 million and the monthly lease payments charged to departments are projected to exceed budget by $2.6 million. The use of contractual rental equipment fluctuates each year based upon construction activity. The monthly lease payments collected from departments have increased in order to recover the costs of future replacement vehicles. These increases are offset by a decrease of 18.3% in charges for sales revenue. The decrease in charges for sales is mostly due to a decrease in fuel costs which result in lower revenue from the sale of fuel.

Expense

The 2017 expenses are projected to be $35.8 million or 4.4% more than the budgeted amount of $34.3 million. This is mostly due to Fleet capital purchases, which are projected to be $1.8 million more than the original adopted 2017 budget. This is due to the purchase of vehicles that were originally budgeted to be replaced in prior years but due to timing will not be purchased until 2017. The City Council approved the rollover of 2016 funds to 2017 for $6.4 million for these capital purchases. The increase in capital purchases is projected to be offset by lower than budgeted fuel expense. Fuel expense is projected to be $3.2 million, which is $1.2 million less than the budgeted amount of $4.4 million.

Net Position & Cash Balance

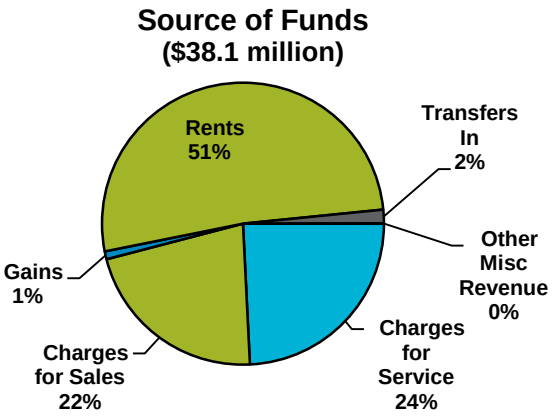
The Fleet Services Division Fund projects net position to be $70.4 million at the end of 2017, an increase of 0.5% from the budgeted amount of $70.1 million. The primary reason for this increase is due to timing differences between the receipt of revenue collected to pay for replacement vehicles and the delivery and subsequent payment for the vehicles.

The year-end 2017 cash balance is projected to be $27.8 million, an increase of 32.3% from the budgeted amount of $21.0 million. The 2017 target cash reserve is projected to be $3.0 million and the fund is projected to exceed the target by $24.8 million.

2018 Budget

There are no significant planned or anticipated changes from prior years for the Fleet Services Fund.

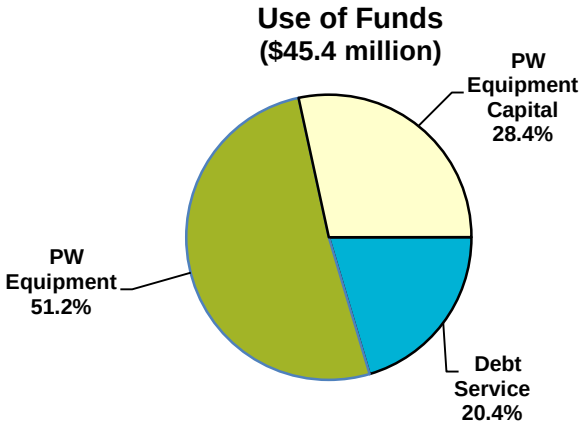
Revenues



Total revenues for 2018 are budgeted at $38.1 million, a 3.7% increase from the 2017 projected amount of $36.7 million and a 9.2% increase from the 2017 budgeted amount of $34.9 million. The increase in 2018 budgeted revenue over the 2017 projected and budgeted amounts is primarily due to an increase in fleet rental rates used to bill internal customers to cover the replacement cost of vehicles. The increase is also due to an increase in revenue received from the sale of parts and fuel. These increases are offset by a decrease in revenue received from labor services and transfers in.

Expense

The 2018 expense budget is $45.4 million, an increase of 26.9% from the 2017 projected expense of $35.8 million and 32.4% increase from the 2017 budgeted amount of $34.3 million. The increase in 2018 budgeted expense over the 2017 projected expense is mostly due to an increase of $6.6 million in debt service payments due in 2018. In addition, the 2018 budget includes $4.4 million budgeted for fuel costs, which is $1.2 million more than the 2017 projected amount of $3.2 million. The increase in 2018 expense over the 2017 budgeted amount is also primarily due to the increased debt service payments. In addition, the budget for contractual rental of equipment was increased by $1.0 million, which will be offset by increased rental income. Capital expenses are also increased in the 2018 budget compared to the 2017 budget by $2.8 million. 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 2018, the Fleet Services Fund will receive a transfer of $316,893 from Property Services to pay a portion of the debt expense related to the Currie Maintenance Facility. The fund has received this transfer on an annual basis and expects this transfer to continue in future years. This Fund also receives a transfer of $280,000 from the General Fund for the replacement of vehicles in the Fire, Police, and Regulatory Services departments and the Traffic & Parking Services and Transportation Maintenance & Repair divisions of Public Works.

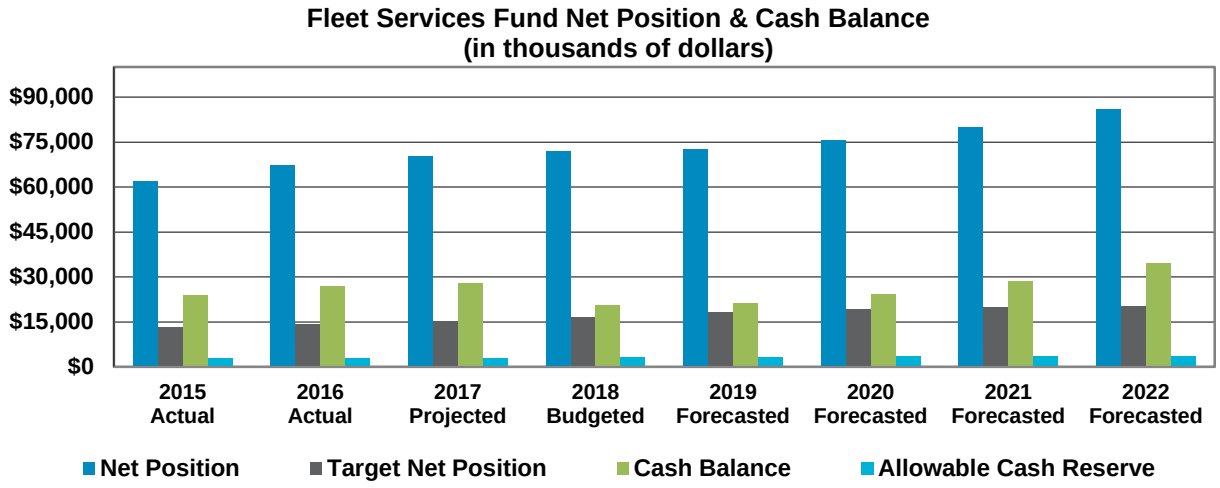
Debt Service

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 $2.7 million are due in 2017 related to these bonds. In 2018, the fund will pay off the remaining debt obligation of $9.3 million.

Net Position & Cash Balance

The net position at year-end 2018 is projected to be $72.1 million, an increase of 2.4% from the 2017 projected amount of $70.4 million. The primary reason for the increase is the fleet capital purchases vary from year to year based on a long-term replacement schedule. 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 Fleet Services Division Fund is projected to be in compliance with this policy in 2017 and 2018 as the target net position is projected to be $15.3 million for 2017 and $16.5 million for 2018.

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. For the year-ending 2018, the cash balance is projected to be $20.5 million, a decrease of 26.3% from the 2017 projected ending balance of $27.8 million. The decrease is due to the final debt service payments of $9.3 million that are due in 2018. The 2018 target cash reserve is projected to be $3.3 million, an increase of 10.4% from the 2017 projected amount of $3.0 million. The fund is projected to exceed the target by $24.8 million in 2017 and $ 17.2 million in 2018. The cash balance includes amounts collected for future vehicle replacements which are not reflected in the target cash reserve amount.



Mayor Recommended Budget

The Mayor recommends one-time appropriations of $280,000 from the General Fund and $1.443 million from the Fleet Services Fund for the replacement of vehicles in the Fire, Police, and Regulatory Services departments and the Traffic & Parking Services and Transportation Maintenance & Repair divisions of Public Works.

Council Adopted Budget

The Council adopted the Mayor's recommendation and increased expenditures by $335,000 for an upgrade to the M5 fleet management system.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Fleet Services Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Service	9,491	8,903	9,589	8,953	9,897	9,300	9,225	-0.8%	10,583	10,692	10,972	11,260
Charges for Sales	10,721	7,551	9,275	5,762	7,564	6,180	8,275	33.9%	7,849	8,109	8,208	8,311
Gains	500	260	350	526	350	350	350	0.0%	350	350	350	350
Rents	13,287	13,907	14,176	16,446	14,755	18,383	19,639	6.8%	20,795	21,055	21,321	21,591
Other Misc Revenue	10	87	10	68	10	210	10	-95.2%	10	10	10	10
Operating Transfers in	1,912	1,912	2,712	2,712	2,304	2,304	597	-74.1%	317	317	317	317
Total	35,921	32,620	36,112	34,467	34,880	36,728	38,095	3.7%	39,904	40,533	41,178	41,840
Use of Funds:												
Debt Service	2,560	2,444	2,615	2,499	2,677	2,677	9,260	245.9%	-	-	-	-
Transfers out	-	-	-	-	-	-	-	0.0%	-	-	-	-
PW Equipment	22,283	19,891	22,595	19,819	21,472	21,164	23,249	9.9%	23,537	24,024	24,526	25,043
PW Equipment Capital	12,069	10,152	11,391	8,853	10,139	11,948	12,898	8.0%	15,709	13,552	12,437	10,676
Total[1]	36,912	32,487	36,601	31,171	34,288	35,789	45,407	26.9%	39,246	37,576	36,963	35,719
Change in Net Position[2]	(992)	5,000	(489)	5,208	592	939	(7,312)	-878.9%	659	2,956	4,215	6,121
Net Position[2]	60,930	61,919	63,645	67,127	70,059	70,406	72,084	2.4%	72,743	75,699	79,914	86,035
Total Cash Balance	22,195	23,702	23,213	26,913	21,036	27,834	20,522	-26.3%	21,181	24,137	28,352	34,473
Target Cash Reserve[3]	2,442	2,826	3,218	2,802	3,041	2,995	3,307	10.4%	3,351	3,424	3,499	3,576
Variance Operating Cash to Target	19,753	20,876	19,995	24,112	17,995	24,839	17,215	-30.7%	17,830	20,713	24,852	30,897

[1] The 2017 projected expenses do not include any potential rollover requests that maybe spent in 2018.
[2] Change in net position and net position are CAFR values for 2015 and 2016.
[3] The target cash reserve is in accordance with the financial reserve policy for internal service funds. The cash reserve for the Fleet Services Fund at a minimum should be equal to 15% of the operating budget adjusted for intrafund revenue and expense.

City of Minneapolis
2018 Budget
Financial Plan

Intergovernmental Services Fund

Introduction

The Intergovernmental Services Internal Service Fund accounts for all of the operations of the Information Technology Department (IT) including telecommunications services, network services, application support, internet and intranet services, convenience copier function, broadband wireless, and deployment of software and hardware. Information Technology activities account for 96.3% 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 3.7% of operating activities.

The majority of the fund's revenue is determined by an allocation model, which has four components on the customer expense side: IT application support; IT operating; telecommunications; and special customer specific services. Revenues generated through the allocation model recover the IT operating costs at a level that conforms to the Council-adopted financial plan. The IT Department also earns revenue from the Project Management Office (PMO), which 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. The City Clerk earns revenue through charges for central mailing and printing services.

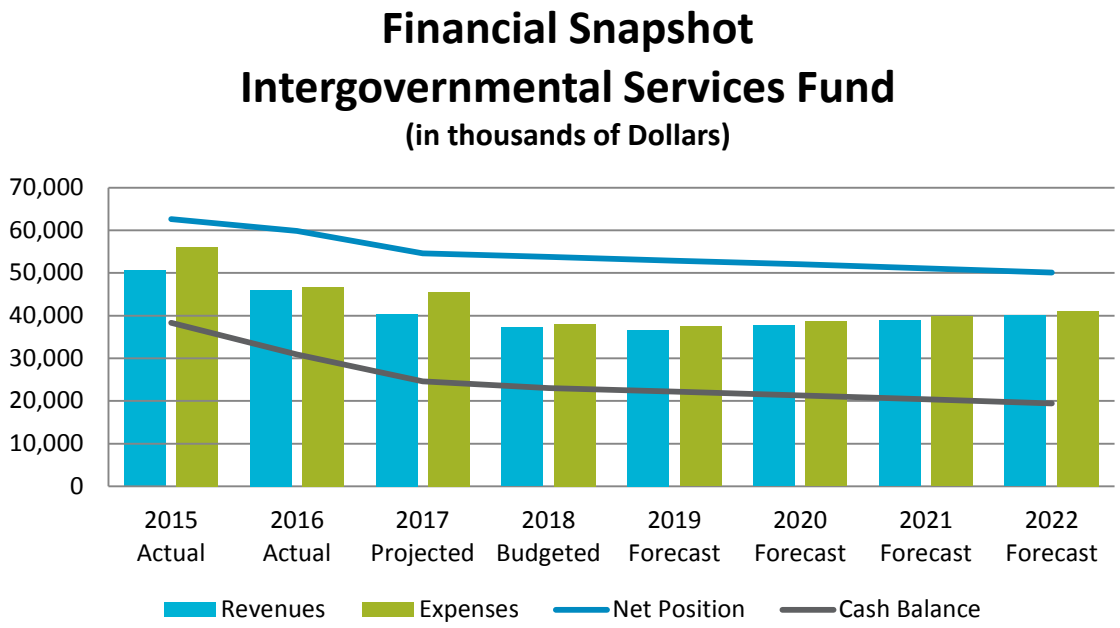
Historical Financial Performance

From year-end 2011 to year-end 2015 the fund's net position increased from $22.2 million to $62.7 million. The net position decreased slightly to $59.8 million in 2016. The increase in net position was primarily due to General Fund transfers of $36.1 million received from 2012-2014 in accordance with the long-term financial plan for the fund. 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. By the end of 2014, it was determined that the fund had sufficient net position and cash balances.

Over the last five years, the Intergovernmental Services fund revenue has been between $45.5 million to $65.0 million. Expenses have been between $37.9 million and $56.1 million. The variances in revenues and expenses from year-to-year are generally the result of PMO activity. In 2015, the City completed the Enterprise Resource Planning program to implement upgrades to the PeopleSoft system. In 2016, the City implemented the Enterprise Land Management System. The implementation of such significant systems causes the fund's revenue and expense to fluctuate as work is completed. In addition, in 2015, 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. The majority of these expenses, $6.4 million, occurred in 2015 with the remainder in 2016 and 2017.

Through 2016, the fund also included a portion of the Human Resources budget designated for internal training. In 2016, the Human Resources budgeted expense for the fund was $308,000. The Human Resources' training expense is now accounted for in the General Fund.

Current Year Projections



Revenues

The 2017 revenues are projected to be $40.4 million, which is an increase of 22.8% from the 2017 budgeted revenue of $32.9 million. The 2017 projection includes revenue earned during the current year for PMO projects. The 2017 budget includes a conservative revenue amount for charges for services from PMO projects that is increased as work for others is completed and City departments are billed for the services. Revenues are also more than budgeted due to projected transfers of $1.3 million from the capital arbitrage fund to reimburse the fund for capital project expenses.

Expense

The 2017 expenses are projected to be $45.6 million, which is an increase of 6.2% from the 2017 budgeted expense amount of $42.9 million. This is primarily due to expenses from customer funded PMO projects not included in the original operating budget but included in the projection as expense is recorded to projects and billed to customers. Also, the City Council approved the rollover of 2016 funds to 2017 for $3.6 million, including $1.0 million for the Enterprise Content Management system (ECMS) and $1.7 million for ongoing implementation costs of the OneNeck contract. In 2017 the City Council also approved the use of net position up to $1.8 million for the implementation of PeopleSoft modules in Comet relating to supplier diversity.

Net Position & Cash Balance

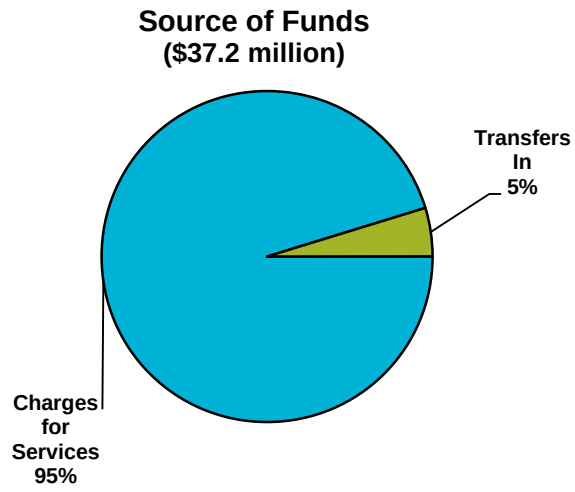
The Intergovernmental Services Fund projects net position to be $54.6 million at the end of 2017, an increase of $4.8 million, or 9.7% from the 2017 budgeted ending net position of $49.8 million. The fund's cash balance is projected to be $24.6 million at the end of 2017, an increase of $4.8 million, or 24.4%, from the budgeted ending cash balance of $19.8 million. The primary

reason for these increases is due to PMO projects included in the 2017 budget that will be completed in future years.

2018 Budget

There are no significant planned or anticipated changes from prior years for the Intergovernmental Services fund.

Revenues

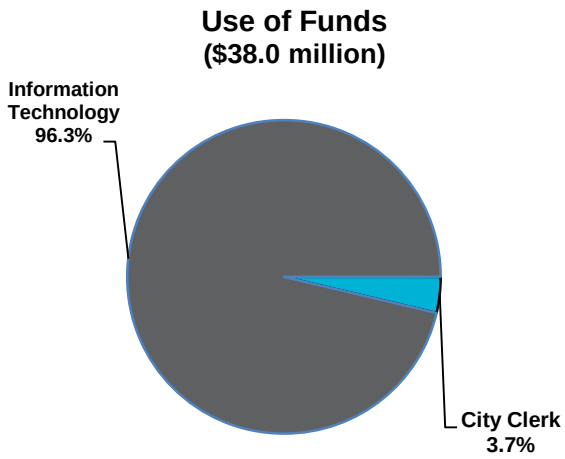


The revenues for 2018 are budgeted at $37.2 million, an increase of 13.1% from the 2017 budgeted amount of $32.9 million. The increase from the 2017 budgeted revenues is partly due to an increase in charges for services from the allocation model to align with the approved expense budget. In addition transfers in for 2018 increased $1.6 million due to a transfer in for the ECMS – Public Website project.

The 2018 revenue budget is a decrease of $3.2 million, or 7.9%, from the 2017 projected revenue. The 2017 projected revenue includes revenue earned during the year for PMO projects. The 2018 budget includes a conservative revenue amount for PMO projects that is increased as work is completed and City departments are billed for the services.

Expense

The expenses for 2018 are budgeted at $38.0 million, a decrease of $4.9 million, or 11.5%, from the 2017 budgeted expense of $42.9 million. The decrease is partially due to a one-time transfer in 2017 of $3.0 million to the Capital Improvements Fund. In addition, the 2017 budget included $4.8 million in one-time expenses related to CARS technology projects.



The 2018 expense budget is a decrease of $7.6 million, or 16.7%, from the 2017 projected expense of $45.6 million. This decrease is partially due to the changes in the 2018 budget compared to the 2017 budget as noted above. The decrease is also due to expenses related to customer funded PMO projects.

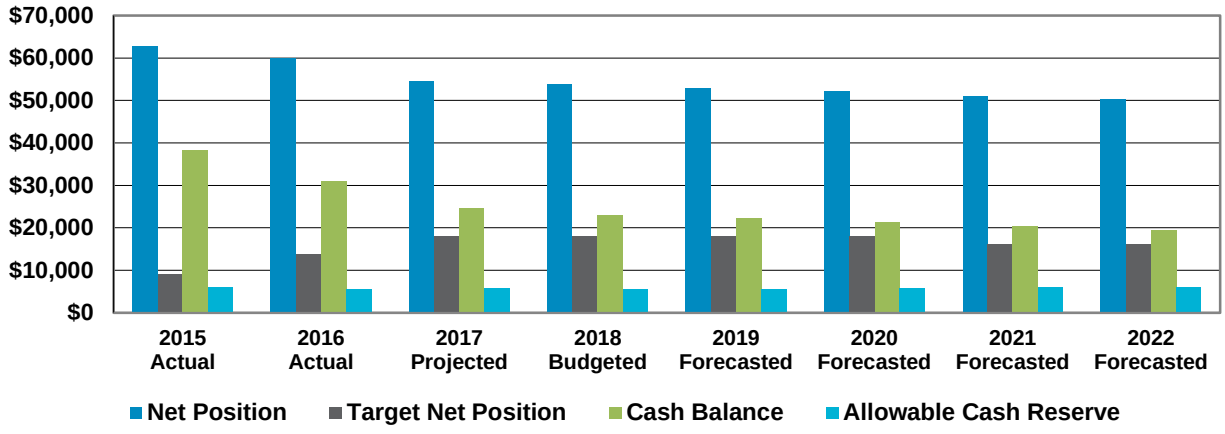
Transfers
The 2018 revenue budget includes a $193,000 transfer from the General Fund for the cost of City Hall rent for the Information Technology and City Clerk departments. The fund has received the rent related transfer on an annual basis and expects this transfer to continue in future years. The fund also receives a one-time transfer of $1.6 million in 2018 to fund expenses for the ECMS – Public Website project.

Debt Service
This fund does not have any net debt bonds.

Net Position & Cash Balance
The net position at year-end 2018 is projected to be $53.8 million, a decrease of $831,000, or 1.5%, from the 2017 ending projected amount of $54.6 million. The cash balance at year-end 2018 is projected to be $23.1 million, a decrease of $1.6 million, or 6.4%, from the 2017 projected ending balance of $24.6 million. Of these decreases, $620,000 is due to wireless services which are funded with net position. In addition, cash is expected to further decrease in 2018 by $750,000 from the planned use of deferred revenue for PMO projects.

The financial policy for the Intergovernmental Services fund states that the minimum cash balance should be equal to 15% of the fund's total operating budget. The projected 2018 year-end cash balance of $23.1 million exceeds the target amount of $5.6 million by $17.4 million. The financial policy also states that the net position should not fall below two times the fund's annual depreciation. The estimated target net position for 2018 is $17.9 million, and the fund is projected to exceed this target by $35.9 million.

Intergovernmental Services Fund Net Position & Cash Balance
(in thousands of dollars)



Mayor Recommended Budget
The Mayor recommends a $1.9 million one-time General Fund transfer into the Intergovernmental Services Fund for the public website redesign project.

Council Adopted Budget
The City Council amended the Mayor's recommendation by reducing the one-time appropriation for the public website redesign project by $308,000.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Intergovernmental Services Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Service	31,752	34,323	31,744	32,729	32,675	33,971	35,405	4.2%	36,467	37,561	38,688	39,849
Work for Others		8,538		10,277		4,930		-100.0%				
Operating Transfers In	7,544	7,659	3,665	3,074	192	1,470	1,760	19.7%	193	193	193	193
Proceeds of Long Term Liabilities	2,850		3,300					0.0%				
Total	42,146	50,520	38,709	46,080	32,867	40,371	37,165	-7.9%	36,660	37,754	38,881	40,042
Use of Funds:												
Transfers					3,000	3,000		-100.0%				
Debt Service	2,751	2,751	2,000					0.0%				
City Clerk	1,349	1,765	1,384	1,785	1,376	1,456	1,403	-3.6%	1,445	1,488	1,533	1,579
Human Resources	301	204	308	199				0.0%				
Information Technology	36,568	40,265	32,276	34,269	38,558	36,800	36,593	-0.6%	36,077	37,159	38,274	39,422
Work for Others		9,931		10,404		4,351		-100.0%				
Capital Projects	2,850	1,151	3,300					0.0%				
Total	43,819	56,067	39,268	46,657	42,934	45,607	37,996	-16.7%	37,522	38,648	39,807	41,001
Change in Net Position	(1,673)	4,718	(559)	(2,809)	(10,067)	(5,236)	(831)	-84.1%	(862)	(893)	(926)	(960)
Net Position	49,938	62,651	62,092	59,842	49,775	54,606	53,775	-1.5%	52,913	52,020	51,094	50,134
Total Cash Balance	42,797	38,360	31,451	30,868	19,801	24,632	23,051	-6.4%	22,189	21,296	20,370	19,410
Operating Cash balance	42,797	38,360	31,451	30,868	19,801	24,632	23,051	-6.4%	22,189	21,296	20,370	19,410
Target Cash Reserve	5,615	6,069	5,318	5,365	5,917	5,665	5,626	-0.7%	5,555	5,724	5,898	6,077
Variance Operating Cash to Target Cash Reserve	37,182	32,291	26,133	25,503	13,884	18,967	17,425	-8.1%	16,634	15,572	14,472	13,333

[1] Change in net position and net position for 2015 and 2016 are the amounts recorded in the CAFR.
[2] At year end 2016, fund 06400 has a liability balance of $2.5 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 2017 projected expenses do not include any potential rollover requests that maybe spent in 2018.

City of Minneapolis
2018 Budget
Financial Plan

Property Services Fund

Introduction

The Property Services Internal Service Fund is responsible for the operations and maintenance of the City-owned buildings including police precinct structures, fire stations, and public works buildings. The Property Services division is responsible for space and asset management, security management, and energy management services for City properties. The fund does not provide services to the Convention Center, Water facilities, or the Minneapolis Park and Recreation Board buildings. The Property Services fund is also responsible for the Radio Shop which maintains the City's emergency communications network. Property Services is part of the Finance and Property Services department within the City Coordinator's department.

The Property Services fund collects revenue from City departments that are either housed in City buildings or use the services provided (building space, operational maintenance, security, space and as set 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 ant icipated 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. The Property Services Fund collects revenue for City Hall rent and remits it to the Municipal Building Commission (MBC) to reimburse the MBC for maintenance and pr operty management services.

Included in the Property Services Fund is the Property Disposition Fund. This fund was created in section 14.120 of City Ordinance for the purpose of recording proceeds from the sale of City property. The ordinance does not specify the use of proceeds.

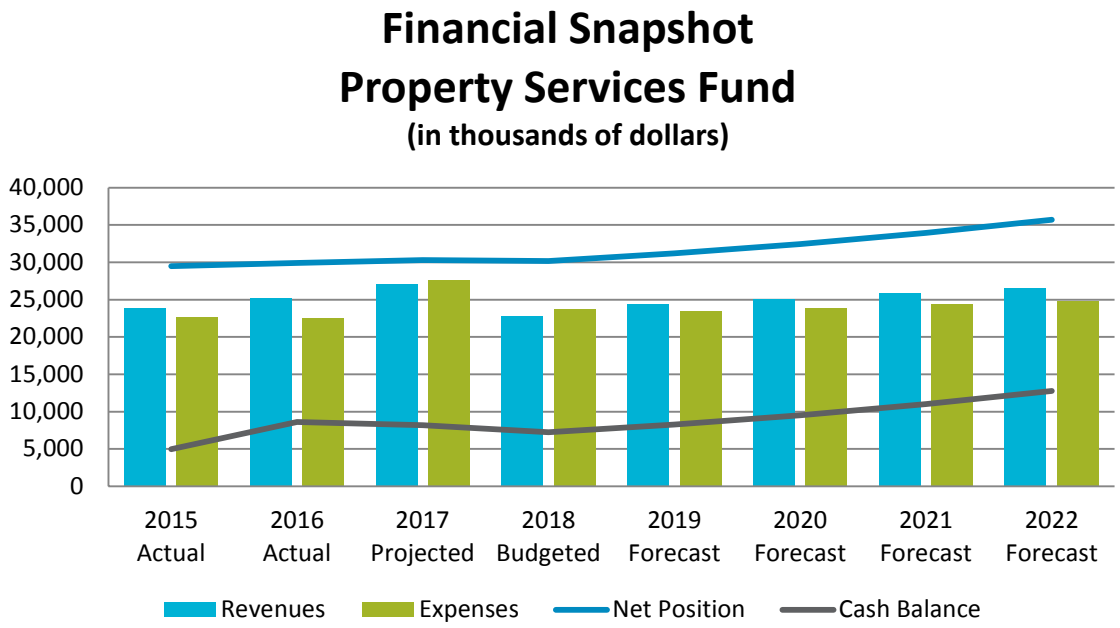
Historical Financial Performance

Over the last five years, the Property Services fund revenue has steadily increased from $16.8 million in 2012 to $25.2 million in 2016. The most significant reason for this increase was the collection of $4.0 million in asset preservation rental income as part of the 2016 allocation model to fund facility repairs and improvements to City owned buildings. The Property Services Fund will continue to collect revenues from City departments, who occupy City buildings, to fund improvements for facility repairs and upgrades. This practice replaces funding through net debt bonds.

The Property Services fund increased its net position by $3.8 million from $26.0 million at year-end 2011 to $29.9 million at year-end 2016. T he increase is primarily due to capital contributions of $5.3 million the fund received related to long-term capital assets that were expensed in other funds but capitalized in the Property Services fund. In addition, the increase is partly due to a $3.2 million transfer from the General Fund in 2013 to assist with debt service payments. Also, as previously noted, in 2016 the fund collected $4.0 million through the rent model from departments for facility repairs and i mprovements. D ue to the timing of projects, only $800,000 of these funds was spent, resulting in an increase to net position of $3.2 million.

These projects are expected to be completed in 2018. These increases to net position were offset by the implementation of GASB 68 to record pension liabilities, which reduced the fund's net position by $6.1 million.

Current Year Projections



Revenues

The 2017 revenues are projected to be $27.1 million, representing an increase of 15.1% from the original revenue budget of $23.6 million. The increase in 2017 projected revenues is mainly due to revenue earned from work for others. Work for others revenues 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. Rent revenues are projected to be $19.7 million, a slight decrease of 1.2% from the 2017 budget of $19.9 million. Included in rent income is the charge to City departments for use of City owned buildings.

Expense

The 2017 expenses are projected to be $27.5 million, representing an increase of 6.3% from the original budgeted expense of $25.9 million. Included in the 2017 expense budget is a conservative estimate for costs related to projects completed for other City departments. As the projects are requested and expense is realized, the offsetting revenue is collected through the billing process. The 2017 projected work for others expense reflects this increase in expense related to projects completed for other City departments. Also, facilities management expenses are projected to be $1.1 million less than budgeted due to capital improvement projects that were originally budgeted in 2016 but due to timing will not be completed until 2018. The City Council approved the rollover of 2016 funds to 2017 for $3.2 million for these capital projects.

The 2017 expense budget includes $1.0 million for expenses related to the Downtown Campus, and also an appropriation of $5.0 million for pass-through costs for services provided by the Municipal Building Commission for maintaining the City's space in City Hall.

Net Position & Cash Balance

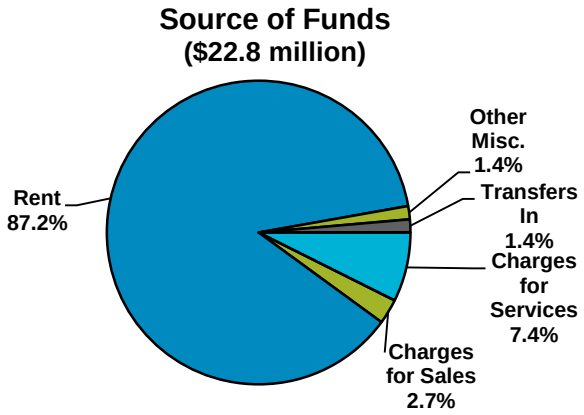
The Property Services Fund's projected net position at the end of 2017 is $30.3 million, which is an increase of $1.9 million, or 6.8%, from the budgeted ending net position of $28.4 million. The fund's projected cash balance at the end of 2017 is $8.2 million, which is an increase of $1.9 million from the budgeted ending cash balance of $6.3 million. These increases are primarily due to the rollover of $3.2 million in budgeted capital improvement projects from 2016.

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 2016 was $1.7 million and is projected to remain constant at year-end 2017.

2018 Budget

There are no significant planned or anticipated changes from prior years for the Property Services fund.

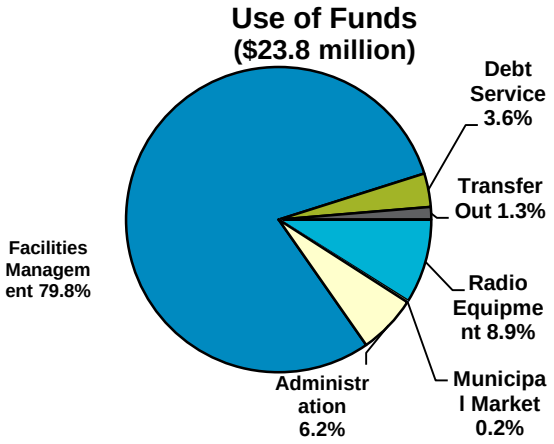
Revenues



The 2018 revenue budget for this fund is $22.8 million, representing a decrease of 3.1% from the original 2017 revenue budget of $23.6 million. The decrease is primarily due to exclusion of $1.0 million transfer from General Fund that was included in previous budgets. The 2018 budget is $4.3 million less than the 2017 projected revenue. As discussed earlier, a base budget is recorded for work for others and adjusted as projects are completed.

Expense

The 2018 Expense Budget is $23.8 million. This represents an 8.1% decrease from the $25.9 million budgeted in 2017. The decrease is mainly due from the reduction of transfers out for the $1.5 million CARS (Capital Asset Request System), and a further $1.0 million reduction in Downtown Campus related activities included in 2017 budget.



Transfers

The 2018 budget includes a General Fund transfer in of $319,000, out of which $100,000 is related to CARS and $219,000 is to cover the cost of City Hall rent for the space occupied by Property Services. The fund has received the rent portion of these transfers on an annual basis and expects them to continue in future years.

The 2018 expense budget includes a transfer out of $317,000. This payment to the Fleet Services Division assists 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 debt expense to those departments that occupy space in the facility. The fund has made these transfers on an annual basis and expects the transfers to continue in future years.

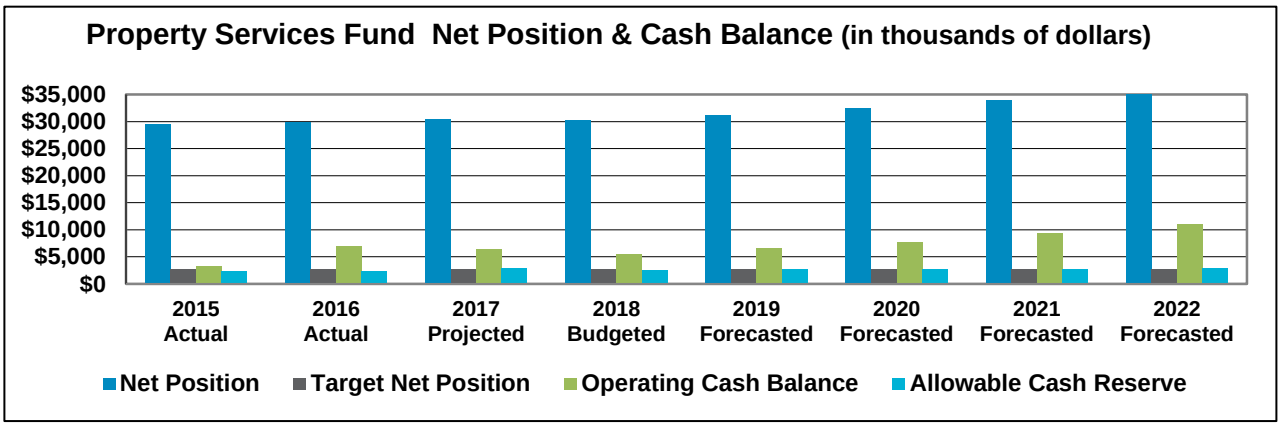
Debt Service

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 funds 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 $3.3 million to cover years 2014 through 2018. The fund does not receive additional transfers for debt service. In 2018 the fund will pay off the remaining debt obligation of $845,000.

Net Position & Cash Balance

The Property Services Fund has a 2018 budgeted net position of $30.2 million. This represents a .4% decrease from the 2017 projected amount of $30.3 million. The financial policy related to net position for the Property Services Fund directs that the net position should not fall below two times the annual depreciation amount. The Property Services Fund is projected to be in compliance with this policy in 2017 and 2018 as the target net position is projected to be $2.5 million both years.

The 2018 budgeted year-end cash balance is $7.2 million, a decrease of $955,000 from the 2017 year-end projected balance of $8.2 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 2018 is projected at $1.7 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 $2.5 million for 2018. It is projected that the fund will be in compliance with this policy in 2018.



Mayor Recommended Budget

The Mayor recommends no changes to this fund.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Property Services Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Services	1,956	1,956	1,505	2,290	1,665	1,754	1,684	-4.0%	1,734	1,786	1,840	1,895
Charges for Sales	324	324	324	324	324	578	610	5.6%	629	647	667	687
Work For Others		3,091		2,350		3,423		-100.0%				
Rents	15,635	15,731	19,456	19,118	19,949	19,718	19,910	1.0%	20,507	21,123	21,756	22,409
Other Misc. Revenues	319	321	329	333	348	369	320	-13.3%	329	339	350	360
Sale of Land		1,605						0.0%				
Transfers In	819	819	799	799	1,300	1,300	319	-75.5%	1,219	1,219	1,219	1,219
Total	19,053	23,848	22,413	25,214	23,586	27,143	22,843	-15.8%	24,419	25,115	25,832	26,570
Use of Funds:												
Property Services Administration	1,367	1,896	1,444	1,622	1,558	1,536	1,479	-3.7%	1,509	1,539	1,570	1,601
Radio Equipment	2,049	2,180	1,798	2,060	1,830	1,797	2,121	18.0%	2,164	2,207	2,251	2,296
Municipal Market	41	51	41	59	41	12	41	234.9%	41	42	43	44
Facilities Management	14,711	14,411	18,263	15,293	19,760	18,698	18,996	1.6%	19,376	19,763	20,158	20,561
Work For Others		2,903		2,209		2,786		-100.0%				
Debt Service	918	880	894	894	869	869	845	-2.8%				
Transfers Out	316	316	326	326	1,846	1,846	317	-82.8%	317	317	317	317
Total[4]	19,402	22,637	22,766	22,463	25,904	27,544	23,798	-13.6%	23,407	23,868	24,339	24,819
Change in Net Position[1]	(349)	(707)	(354)	415	(2,318)	(401)	(955)	138.2%	1,012	1,247	1,492	1,751
Net Position[1]	32,453	29,489	29,135	29,904	28,405	30,323	30,187	-0.4%	31,200	32,446	33,939	35,690
Total Cash Balance	3,410	4,958	4,605	8,604	6,286	8,203	7,248	-11.6%	8,260	9,507	10,999	12,750
Operating Cash balance	2,029	3,271	2,917	6,909	4,591	6,473	5,518	-14.8%	6,530	7,777	9,269	11,021
Target Cash Reserve[3]	1,901	2,381	2,410	2,365	2,633	2,879	2,544	-11.6%	2,612	2,681	2,752	2,824
Variance Operating Cash to Target Cash Reserve	128	890	507	4,544	1,958	3,595	2,974	-17.3%	3,919	5,096	6,518	8,197

* The Property Services fund includes transactions of the Property Disposition Fund, a fund that receives proceeds from the sale of City property.
[1]The change in net position and the net position for 2015 and 2016 are the amounts recorded in the CAFR.
[2]Total cash balance is the sum of cash recorded in the Property Disposition 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.
[3]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.
[4]The 2017 Projected Expense does not include any Roll-over requests.

City of Minneapolis
2018 Budget
Financial Plan

Public Works Stores Fund

Introduction

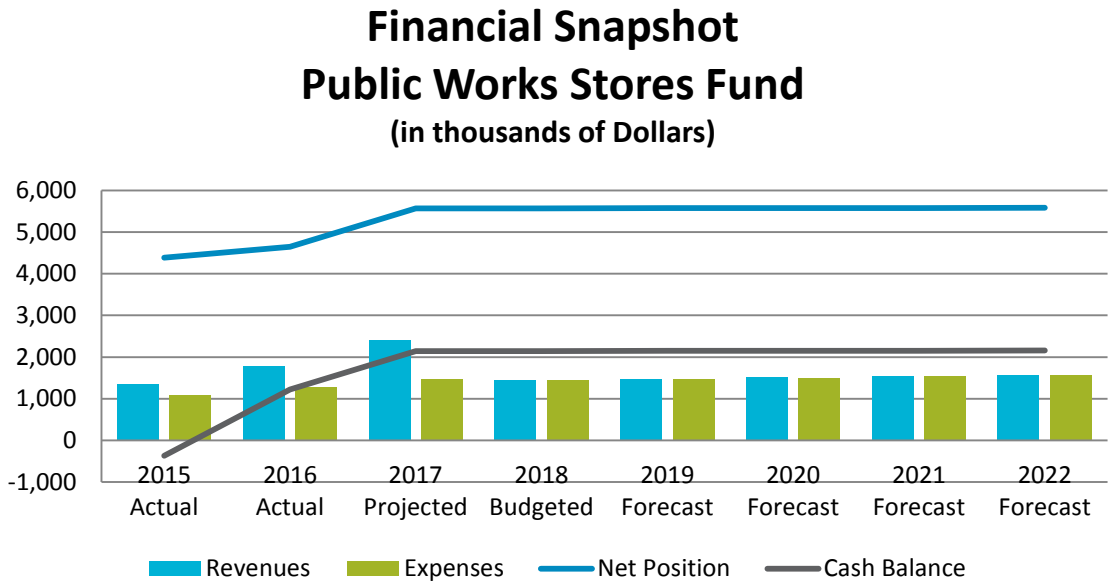
The Public Works Stores Internal Service Fund accounts for the centralized procurement, receiving, warehousing, and distribution of stocked inventory items and the purchase of special goods and services. The fund's mission is to provide goods in a cost effective manner to City departments. The fund includes the Traffic Stores department, which is managed by Public Works, and the Central Stores department, which is managed by Finance and Property Services. Traffic Stores purchases components for traffic signals, controllers, and street lights. Central Stores purchases the City's office supplies and non-specialty items. The fund earns revenue by applying overhead charges to inventory sales and transaction processing.

Historical Financial Performance

The fund has steadily increased net position from $3.0 million at the end of 2011 to $4.6 million at the end of 2016. The majority of the net position is the result of inventory held by the fund. At the end of 2016, the inventory balance was $4.8 million. The fund typically had a negative cash balance over the last five years, with a low balance of negative $1.0 million at the end of 2011. In 2016 the fund was able to increase its ending cash balance to $1.2 million due to a reduction in its inventory balance.

Over the last five years, the fund's revenue has remained between $1.4 million to $1.9 million. Expenses have remained between $1.1 million and $1.3 million. Revenue fluctuates year to year based upon the level of inventory purchases by customer departments and requisition processing transactions related to City projects. In addition, the new Royalston facility was opened in 2016, which resulted in adding an additional FTE in 2016. The increased expense from the new Royalston facility is offset by an increase in revenue.

Current Year Projections



Revenues

Revenues for 2017 are projected at $2.4 million, an increase of 95.9% over the budgeted amount of $1.2 million. Most of this increase, $758,741, is due to overhead earnings in Traffic Stores, which is the result of increased level of inventory purchases related to City projects and an increase to revenue earned by processing requisition transactions. In addition, the new Royalston location is projected to have $193,000 in revenue, which was not budgeted for 2017.

Expense

Expenses for 2017 are projected at $1.5 million, an increase of 21.4% over the budgeted amount of $1.2 million. This increase is mostly due to higher payroll costs as additional staff was hired due to increased sales activity, most significantly at the new Royalston location. These increased expenses are offset by the additional revenue earned through overhead charges.

Net Position & Cash Balance

The fund's projected net position at the end of 2017 is $5.6 million, which is an increase of 11.8% over the budgeted ending net position of $5.0 million. The increase is due to the increased revenue, most significantly in the Traffic Stores department.

The fund's projected cash balance at the end of 2017 is $2.1 million, which is an increase of $2.0 million over the budgeted ending cash balance of $120,000. The increase is due to a decrease in the fund's inventory balance in 2016 and due to increased revenues in 2017.

2018 Budget

The new Central Stores location at Royalston opened in 2016 and added an additional FTE in 2017. The 2018 budget reflects this increased activity which had not previously been budgeted.

Source of Funds
($1.5 million)



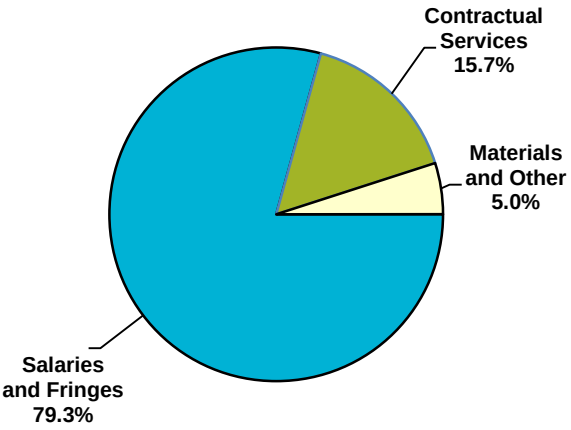
Revenues

Revenues for 2018 are budgeted at $1.5 million, an increase of 18.6% from the 2017 budget amount of $1.2 million. The increase in the 2018 budget amount reflects the increased activity from the new Royalston Central Stores location. The 2018 revenue budget reflects a decrease of 39.5% from the 2017 projected amount of $2.4 million. This decrease from the 2017 projected revenue is due to higher than expected sales in the Traffic Stores department in 2017.

Expense

Expenses for 2018 are budgeted at $1.5 million, an increase of 19.3% from the 2017 budget amount of $1.2 million. The increase is due to two additional FTEs for the new Central Stores Royalston location that were included in the 2018 budget. The 2018 budget reflects a 1.8% decrease from 2017 projected expenses of $1.5 million due to decreased contractual services. Only a small increase in salaries and fringes is expected between the 2017 projected and 2018 budgeted expense as the two additional FTEs included in the 2018 budget were hired in 2017. These positions will be funded by revenue earned through overhead charges.

Use of Funds
($1.5 million)



Transfers

There are no transfers scheduled for this fund in 2018.

Debt Service

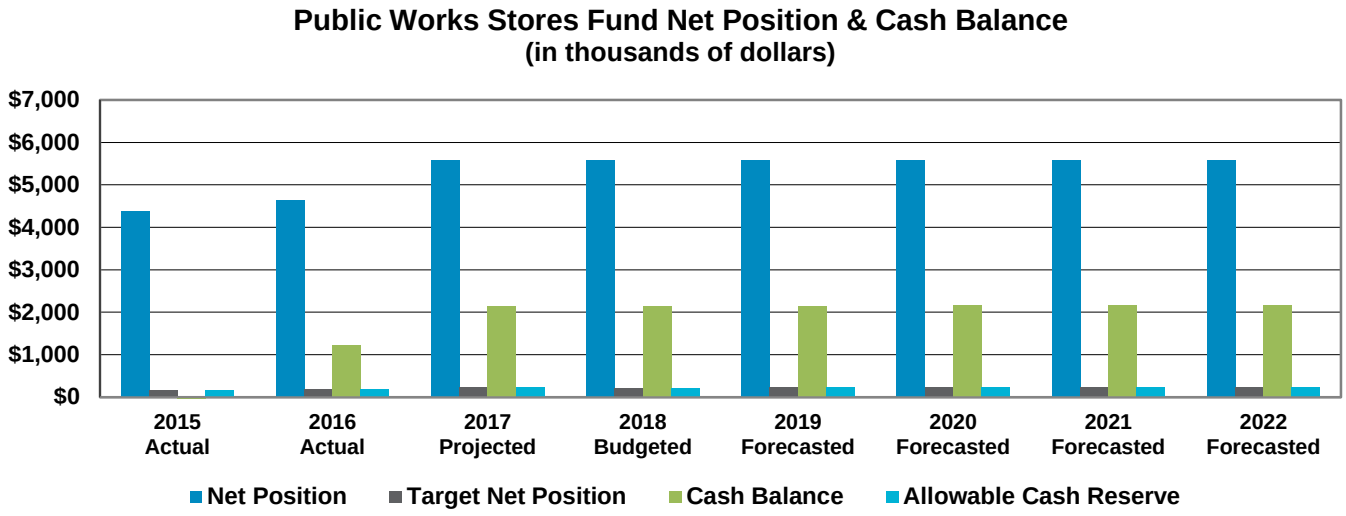
This fund does not have any debt service payments.

Net Position & Cash Balance

The financial policy for this fund states that the fund should maintain a minimum net position equal to 15.0% of the operating budget. The projected year-end net position for both 2017 and 2018 is $5.6 million. The projected 2017 ending balance exceeds the net position target amount of $221,000 by $5.4 million and the projected 2018 ending balance exceeds the net position target amount of $218,000 by $5.4 million.

The financial policy for this fund states that the fund should maintain a minimum target cash reserve equal to 15.0% of the operating budget. The projected year-end cash balance for both

2017 and 2018 is $2.1 million. The projected 2017 ending balance exceeds the cash balance target amount of $221,000 by $1.9 million and the projected 2018 ending balance exceeds the cash balance target amount of $218,000 by $1.9 million.



Mayor Recommended Budget

The Mayor recommends no changes to this fund.

Council Adopted Budget

The City Council adopted the Mayor's recommendation.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Public Works Stores Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Services	1,180	1,357	1,200	1,726	1,225	2,367	1,453		1,482	1,512	1,542	1,573
Charges for Sales	10	-	10	59	-	34	-		-	-	-	-
Total	1,190	1,357	1,210	1,785	1,225	2,400	1,453	-39.5%	1,482	1,512	1,542	1,573
Use of Funds:												
Salaries and Fringes	744	824	760	885	929	1,159	1,150		1,179	1,209	1,239	1,270
Contractual Services	240	246	240	302	216	270	228		228	228	228	228
Materials and Other	70	26	71	80	71	48	72		72	72	72	72
Total	1,054	1,096	1,071	1,267	1,216	1,476	1,451	-1.8%	1,479	1,509	1,539	1,570
Change in Net Position[1]	136	133	139	257	9	924	2	-99.7%	3	3	3	3
Net Position[1]	4,774	4,386	4,525	4,643	4,978	5,567	5,569	0.0%	5,572	5,575	5,578	5,581
Total Cash Balance	(65)	(369)	(229)	1,218	120	2,142	2,144		2,147	2,150	2,153	2,156
Operating Cash balance	(65)	(369)	(229)	1,218	120	2,142	2,144		2,147	2,150	2,153	2,156
Target Cash Reserve[2]	158	164	161	190	182	221	218		222	226	231	235
Variance Operating Cash to Target Cash Reserve	(223)	(533)	(390)	1,028	(62)	1,920	1,927	0.3%	1,925	1,924	1,922	1,920

* This fund includes Central Stores (Department of Finance & Property Services) and Public Works Traffic Stores

[1] The change in net position and net position for 2015 and 2016 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 15.0% of the operating budget.

City of Minneapolis
2018 Budget
Financial Plan

Self-Insurance Fund

Introduction

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

Historical Financial Performance

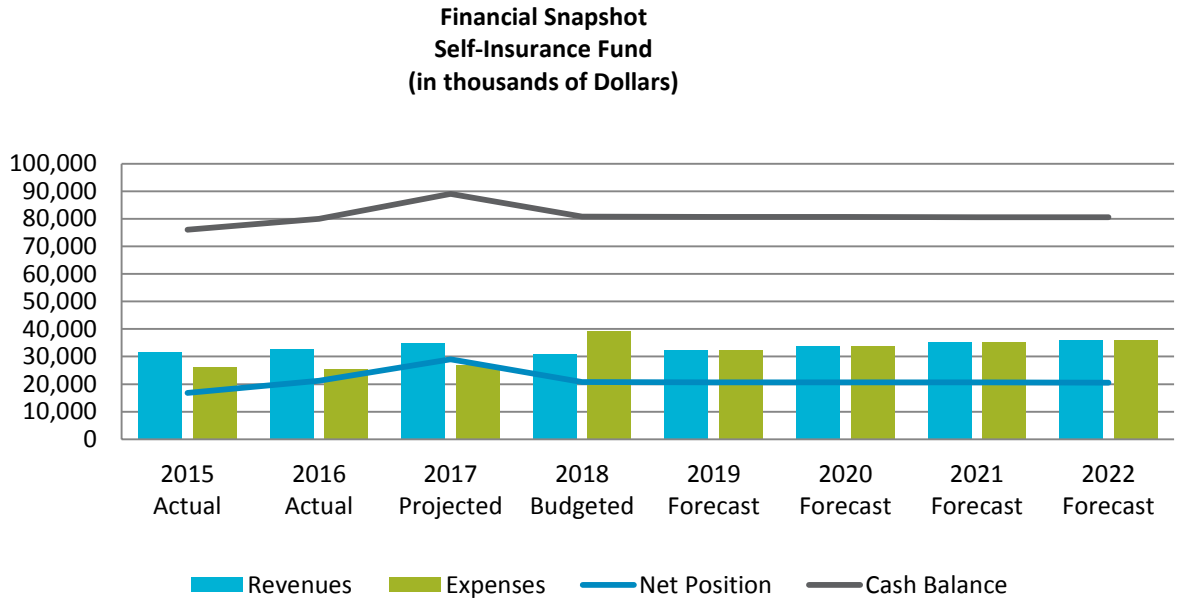
At year-end 2012, the net position reached a positive balance of $1.7 million, increasing $6.0 million from a deficit of $4.3 million in 2011. The fund has continued to increase its net position since then and from 2011 through 2016, this fund had an increase in net position of $25.5 million. The increase was primarily due to transfers from the general fund to attain a positive net position as determined by the long term financial plan, which ended in 2015. The increase is also the result of a decrease in actual tort settlement payments compared to the predicted payout as determined by the actuarial study. The fund had historically recorded a negative net position primarily because of the required accounting recognition of liability for unpaid claims. The 2016 unpaid claims liability is $51.9 million representing an increase of $1.8 million from the 2011 unpaid claims liability of $50.1 million.

For the year ending 2016 the cash balance was $80.0 million, an increase of $31.4 million from the 2011 cash balance of $48.6 million. The 2016 target cash reserve was $53.0 million, an increase of $2.0 million from $51.0 million in 2011. The fund exceeded the target by $27.0 million in 2016, an increase of $29.5 million from a deficit of $2.5 million in 2011.

In 2014, the fund received a final interfund transfer of $2.8 million from the general fund as determined by the long term financial plan. In 2015, the fund transferred a final payment of $1.0 million to the Intergovernmental Services Fund to assist with payment of debt service.

In 2016 the Self-Insurance fund advanced $995,000 in connection with the refunding of General Obligation Tax Increment Bonds (Midtown Exchange) and $2.5 million in connection with the refunding of General Obligation Taxable Block E Refunding Bonds.

Current Year Projections



Revenues

The 2017 revenues for the Self-Insurance Fund are projected to be $34.6 million or $3.1 million more than the budgeted revenue of $31.5 million. The primary reason for the increase is a $840,888 increase in payments received from the WCRA (Workers Compensation Reinsurance) and refunds from the State for medical and indemnity payments and subrogation claims. The increase is also related to a $406,917 increase in the revenue received from City departments to fund the unused sick leave program for qualified employees upon separation from the City. Payments are funded by 0.7% of gross salary contributions for City and Park Board employees with the exception of 1.1% contributed for police officers and firefighters. In addition the budgeted revenue do not include $580,405 projected for employment services and $700,000 received as a settlement for damage related to the 35W Remembrance Garden.

Expense

The projected expenses for 2017 are $26.8 million or $3.5 million less than the budgeted amount of $30.3 million. The primary reason is a $3.7 million projected decrease in the amount paid for tort settlements. In addition, the City's expense for employee sick leave payout at retirement is projected to be $1.2 million, representing a decrease of $1.5 million from the budgeted amount of $2.7 million. These projected decreases will be partially offset by a projected $2.2 million increase in the cost of workers compensation claims.

Net Position & Cash Balance

The net position in 2017 is projected to be $29.1 million, an increase of $6.7 million from the budgeted amount of $22.4 million. The increase in net position in 2017 is primarily due to the projected decrease in actual tort settlement payments compared to the predicted payout as determined by the actuarial study.

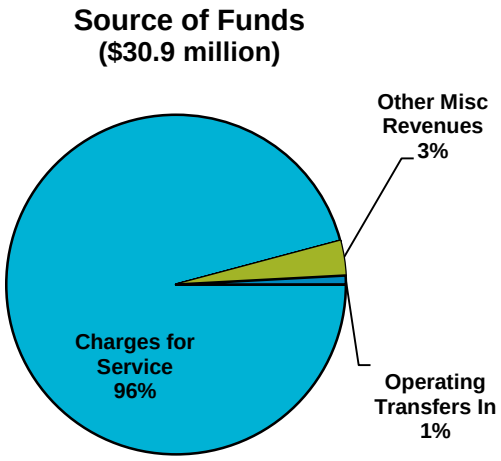
For the year ending 2017, the cash balance is projected to be $89.1 million, an increase of $7.9 million from the budgeted amount of $81.2 million. The 2017 target cash reserve is projected to be $57.4 million and the fund is projected to exceed this by $31.6 million.

2018 Budget

The 2018 Self-Insurance fund budget includes one additional FTE compared to the 2017 budget. The additional FTE is in the Finance department for administering medical self-insurance. The 2018 budget also includes a transfer of $305,000 to the City General fund for body cameras for front line officers and a transfer of $8.0 million to the City Capital fund to assist in payment of debt service as determined by the updated 2008 long-term financial plan.

Revenues

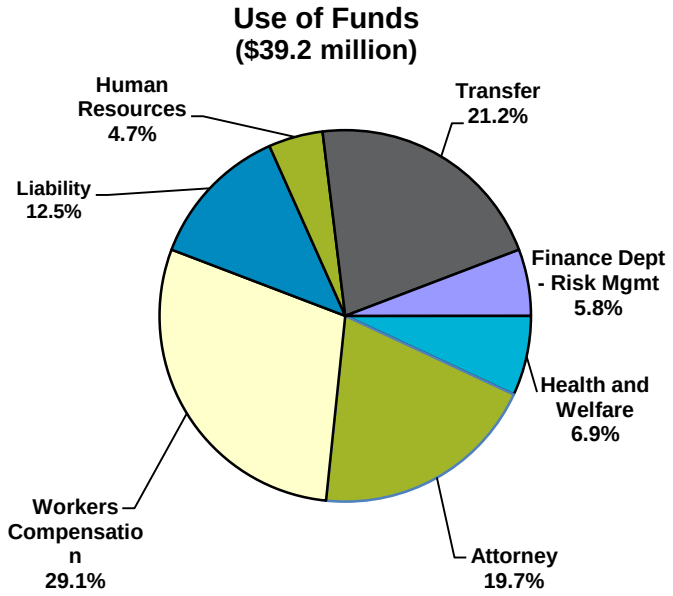
The 2018 budgeted revenue for the Self-Insurance Fund is $30.9 million, a decrease of 10.7% from the 2017 projected revenue of $34.6 million and a decrease of 1.7% from the 2017 budgeted revenue of $31.5 million. The primary reason for the decrease is a 16.5% decrease in the liability premium that is allocated to City departments. The decrease in liability premium follows the 2016 actuarial study that projected that the City's payout for tort settlement in 2018 will be less than the amount projected to be paid in 2017. This decrease was partially offset by workers' compensation. The study predicted that the amount paid out for workers' compensation in 2018 will increase 15.3% compared to the amount paid in 2017. The decrease in 2018 budgeted revenue is also related to an increase in payments received from the WCRA (Workers Compensation Reinsurance) and the State as refunds for medical and indemnity payments and subrogation claims. The projected amount refunded through the end of 2017 is $1.8 million compared to $1.0 million budgeted amount for 2017 and 2018.



Expense

The expense budget for 2018 is $39.2 million, an increase of 46.4% from the projected 2017 expenses of $26.8 million. The primary reason for the increase from the 2017 projected expenses is $8.0 million transfer to City Capital fund and a significant increase in the 2018 projected cost of tort settlements. The increase in projected tort settlement expense will be partially offset by a decrease in the cost of workers' compensation claims. The 2018 budgeted increase is also due to the City's expense for employee sick leave payout at retirement budgeted at $2.7 million for 2018, an increase of 125.9% from the 2017 projected expense of $1.2 million.

The 2018 expense budget of $39.2 million is an increase of 29.7% from the budgeted 2017 expenses of $30.3 million. The increase is due to the transfer described above, and also a



reduction in tort liability payments of 31.7%. The decrease in tort liability will be partially offset by an increase in workers 'compensation payments of 28.9% and by the addition of one FTE.

Transfers

The 2018 revenue budget includes a $262,000 transfer in from the General Fund for the cost of City Hall rent for the City Attorney's Office. The fund receives a transfer in on an annual basis and expects this transfer to continue in future years. The expense budget includes an $8.0 million transfer out to the City Capital fund and another $305,000 transfer out to the General fund.

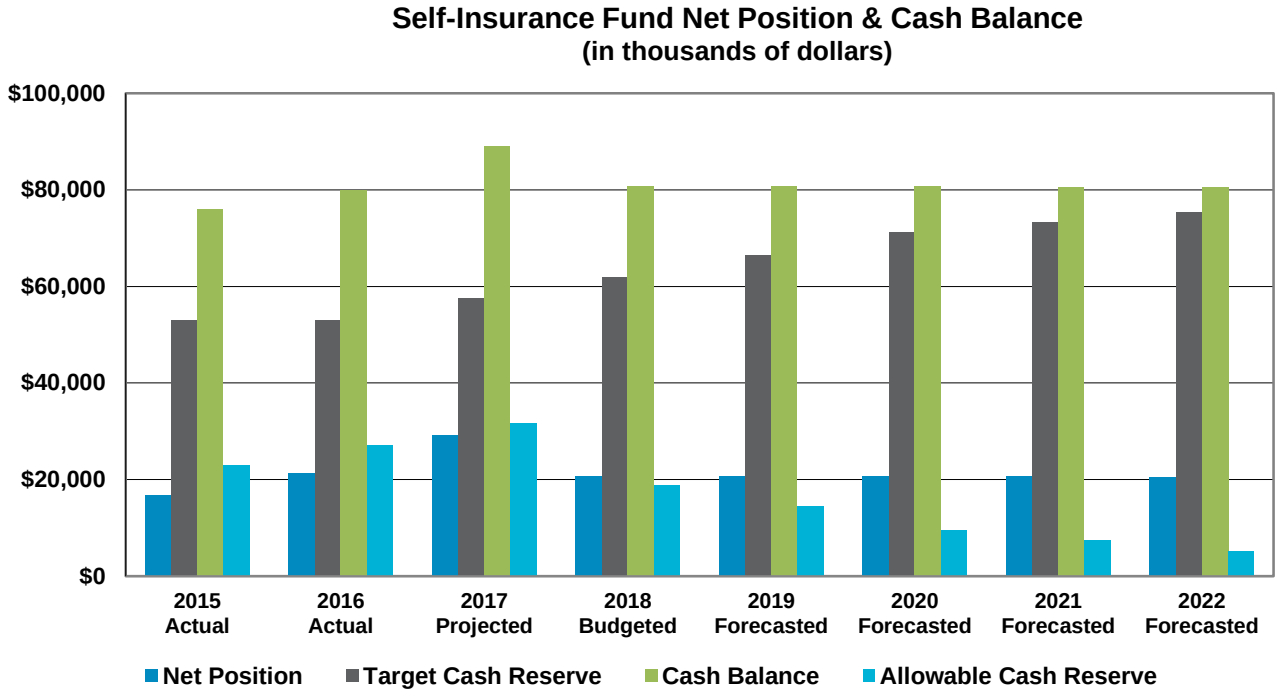
Debt Service

This fund does not have any long-term debt.

Net Position & Cash Balance

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 net position at year-end 2018 is projected to be $20.8 million, representing a decrease of 28.6% from the 2017 projected net position of $29.1 million. The decrease in net position is due to the $8.3 million transfer out from the fund.

The financial reserve policy 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 2018, the cash balance is projected to be $80.8 million, a decrease of 9.3% from the 2017 projected amount of $89.1 million. The 2018 target cash reserve is projected to be $61.9 million, an increase of 7.8% from the 2017 projected amount of $57.4 million. The fund is projected to exceed the target by $31.6 million in 2017 and by $18.8 million in 2018.



Mayor Recommended Budget

The Mayor recommends $98,000 for a Medical Self Insurance program manager (1.0 FTE) from the Self Insurance Fund and also a transfer of $305,000 to the City General fund for body cameras for front line officers and a transfer of $8.0 million to the City Capital fund to assist in payment of debt service as determined by the updated 2008 long-term financial plan.

Council Adopted Budget

The City Council amended the Mayor's recommendations by increasing the workers' compensation expenditure budget for this fund by $1.0 million to reflect the full expense of workers' compensation payments – excluding anticipated reimbursements from the State of Minnesota.

City of Minneapolis
2018 Council Adopted Budget
Financial Plan (in thousands of dollars)

Self-Insurance Fund

	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget	2017 Projected	2018 Budget	% Chg From 2017 Projected	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Source of Funds:												
Charges for Service	29,976	30,120	30,147	30,425	30,172	31,694	29,654	-6.4%	31,194	32,433	33,730	34,772
Other Misc Revenues	1,010	1,176	1,010	1,918	1,005	2,655	1,021	-61.5%	1,018	1,015	1,012	1,009
Operating Transfers In	292	292	261	261	297	297	262	-11.7%	270	278	286	295
Total	31,278	31,588	31,418	32,604	31,473	34,645	30,937	-10.7%	32,483	33,726	35,029	36,076
Use of Funds:												
Health and Welfare	2,530	990	2,593	673	2,658	1,206	2,725	125.9%	2,793	2,863	2,934	3,008
Attorney	7,185	6,769	7,341	7,000	7,585	7,103	7,738	8.9%	7,970	8,209	8,455	8,709
Workers Compensation	7,469	10,526	8,607	11,374	8,873	11,064	11,438	3.4%	12,110	12,835	13,512	13,917
Liability	8,790	2,905	7,551	2,480	7,189	3,414	4,913	43.9%	5,419	5,493	5,660	5,829
Human Resources	1,630	1,534	1,641	1,728	1,804	1,713	1,856	8.4%	1,912	1,969	2,029	2,089
Finance Dept - Risk Mgmt/Finance Accounting	2,459	2,417	2,097	2,328	2,150	2,271	2,274	0.1%	2,342	2,412	2,485	2,559
Transfers	1,000	1,000	-	-	-	29	8,305	0.0%	-	-	-	-
Total	31,064	26,140	29,829	25,582	30,258	26,800	39,248	46.4%	32,545	33,781	35,074	36,111
Change in Net Position[1]	214	2,171	1,588	4,413	1,215	7,845	(8,310)	-205.9%	(62)	(54)	(45)	(35)
Net Position[1]	18,523	16,805	18,393	21,218	22,433	29,063	20,753	-28.6%	20,690	20,636	20,591	20,556
Total Cash Balance	70,999	76,035	77,623	80,013	81,228	89,073	80,763	-9.3%	80,701	80,646	80,601	80,566
Operating Cash balance												
Target Cash Reserve	53,106	53,045	55,349	52,973	57,485	57,440	61,930	7.8%	66,320	71,089	73,221	75,418
Variance Operating Cash to Target Cash Reserve	17,893	22,990	22,274	27,040	23,743	31,634	18,833	-40.5%	14,380	9,557	7,380	5,148

[1]Change in net position and net position are CAFR values for 2015 and 2016.

[2]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
2018 Budget

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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.

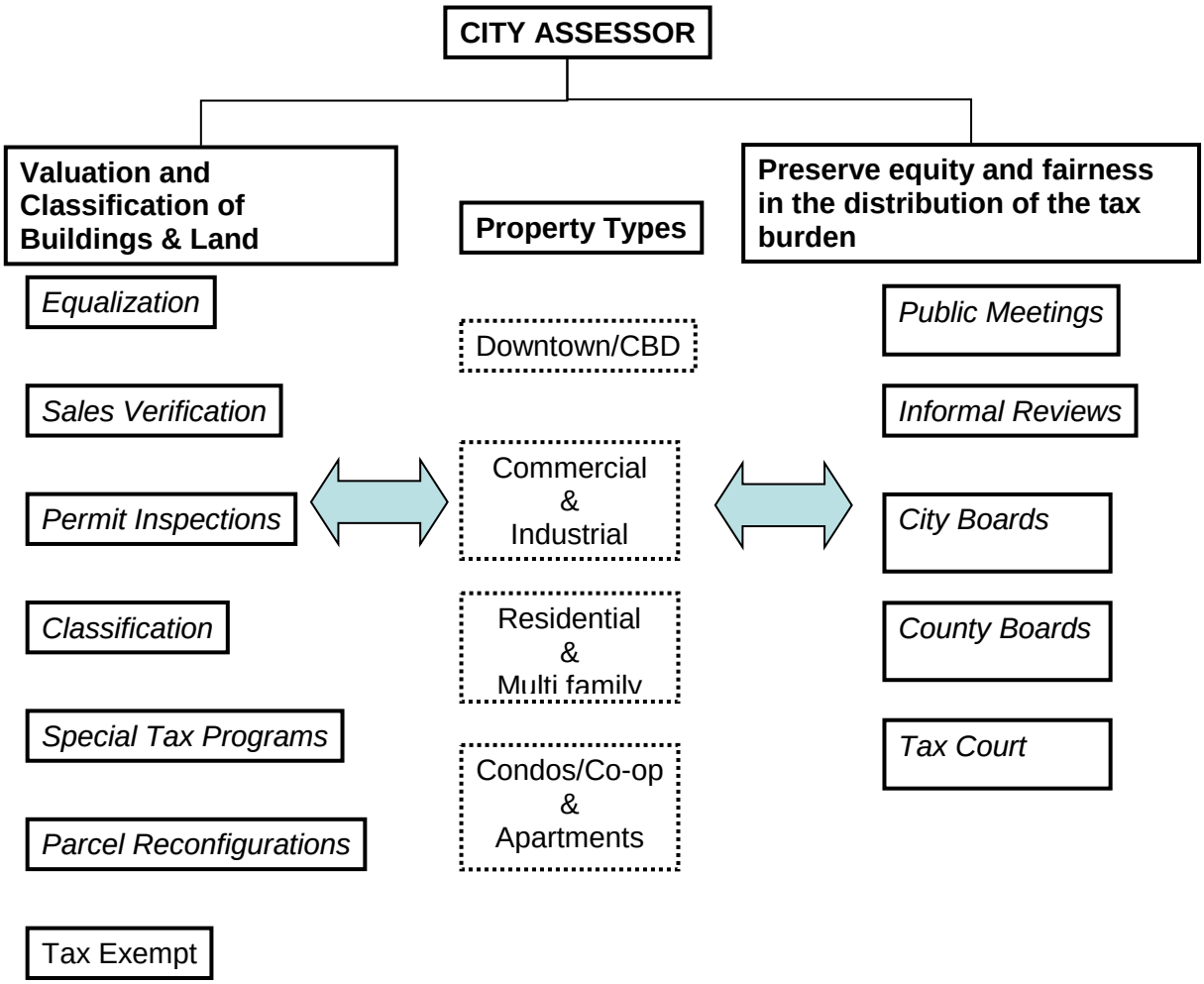
BUSINESS LINES

- **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.

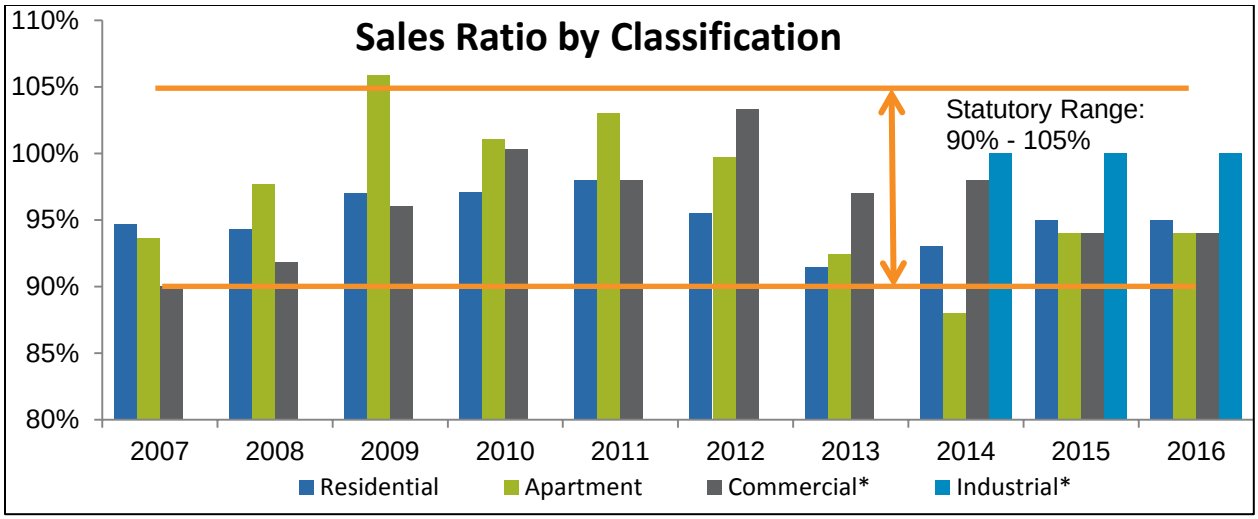
ORGANIZATION CHART



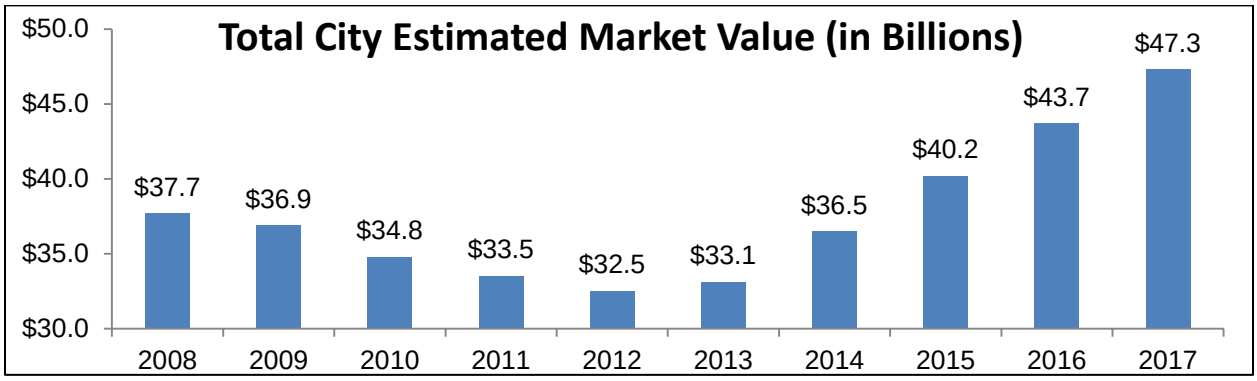
A City That Works

Appraisals and Assessment Administration General Fund: $6,875,000

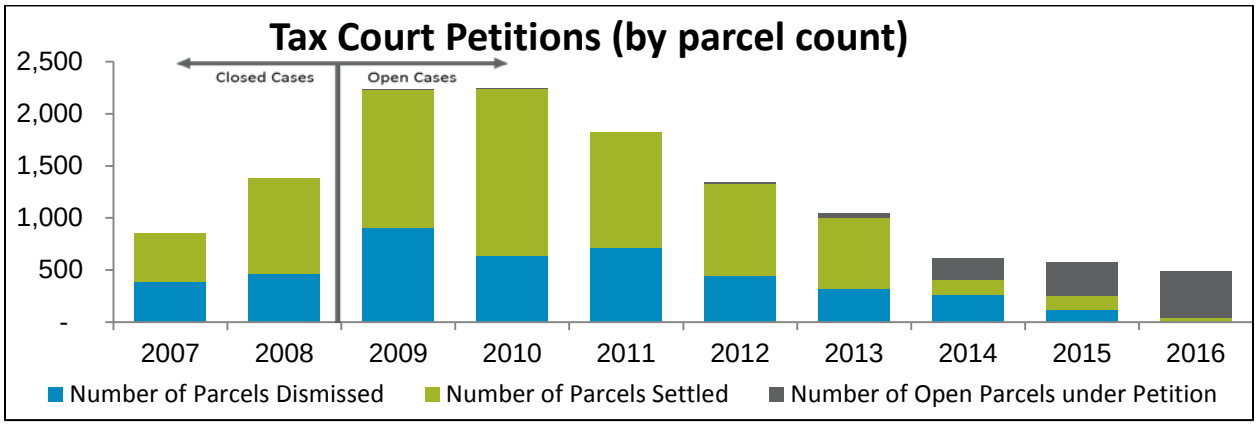
The Assessor's office is statutorily mandated to determine the market value and classification of all land and improvements annually. An annual assessment includes: Property Inspections; Exemptions and Tax Relief Programs; Data & Record Management; Taxpayer Notification; Taxpayer Appeals and Reviews; Tax Court Litigation, Legislation, Neighborhood and Community Outreach and Business Relations. The office administers property tax programs in an accurate, ethical, equitable and defensible manner as prescribed by state law.



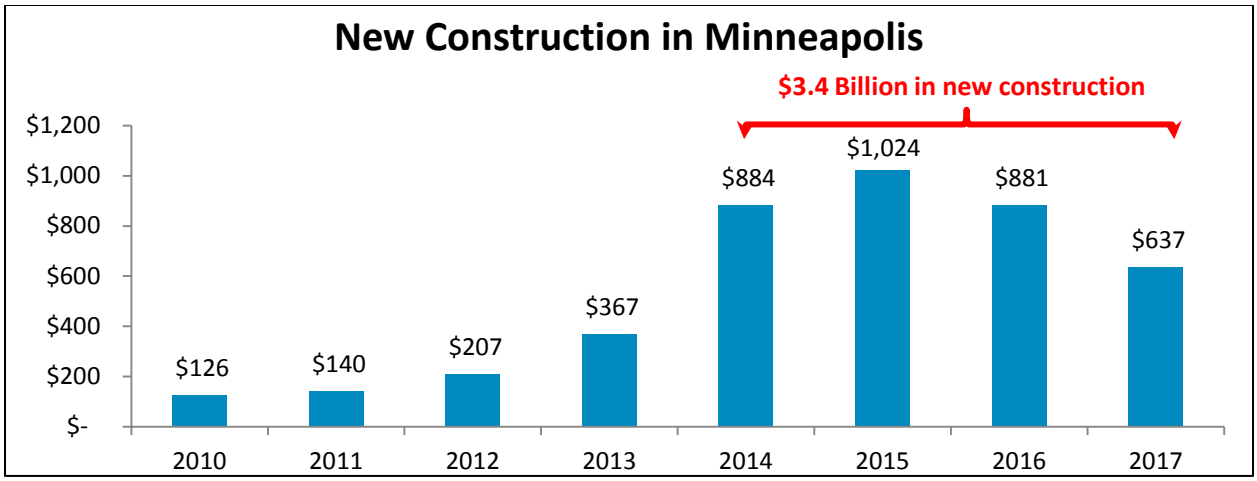
The Sales Ratio study is a tool used by the Department of Revenue to measure the quality, accuracy and uniformity of a city's real property assessment. Ratios in the 90 to 105 percent range indicate a high degree of accuracy and uniformity in the department's valuation practices and result in a fair distribution of the property tax burden for taxpayers.



The annual change in the city's property tax base is one metric that measures the relative health, desirability and economic stability of the city's tax base.



Tracking tax court petitions is important for three reasons, (1) An early indicator of workload demand on the department, (2) Enables the department to more efficiently manage staff and resources as petition volume changes, (3) A metric that shows the city's potential exposure to levy loss from tax court appeals.



New construction is important because its and indication businesses are expanding, new commercial and multi-family buildings are being constructed, neighborhoods are being revitalized and existing homes are being renovated.

Financial Analysis

Expenditure
The total Assessor Department's budget increases from $5.2 million to $6.9 million from 2017 to 2018. This is an increase of $1.6 million, or 31.2%. The Assessor Department's 2018 expenditure budget reflects inflationary increases in operating costs, reclassification of job titles and a one-time budgetary change item of $1.3 million under the CARS program.

Revenue
This department does not generate revenue.

Fund Allocation
This department is funded completely in the General Fund.

Mayor's Recommended Budget
The Mayor recommends a $1.275 million one-time General Fund appropriation for the Property Records and Computer Assisted Mass Appraisal (CAMA) system. This appropriation is not available to be spent until the Assessor, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

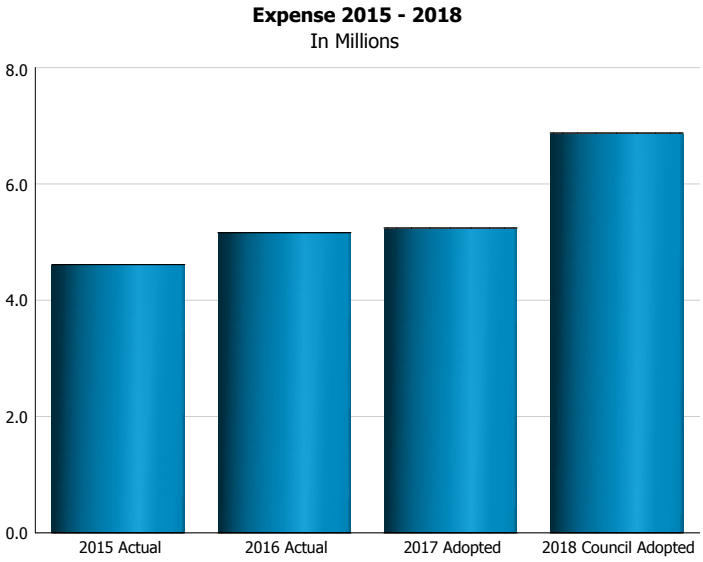
Council Adopted Budget
The City Council approved the Mayor's recommendations.

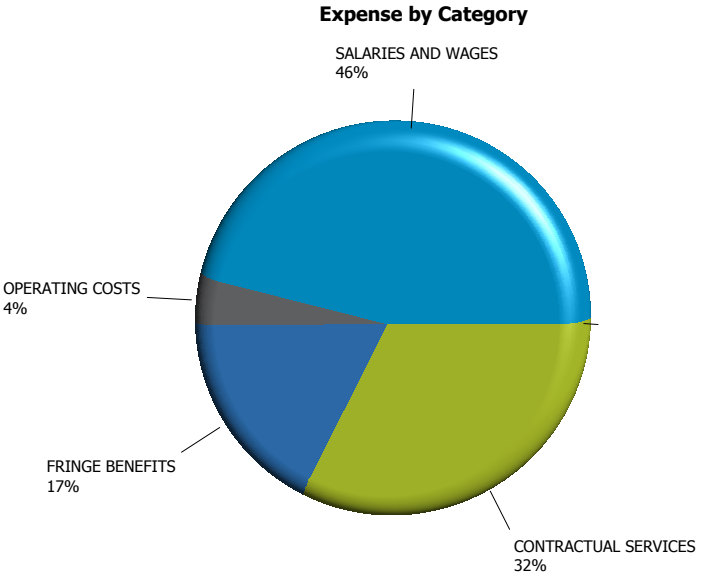
ASSESSOR
EXPENSE AND REVENUE INFORMATION

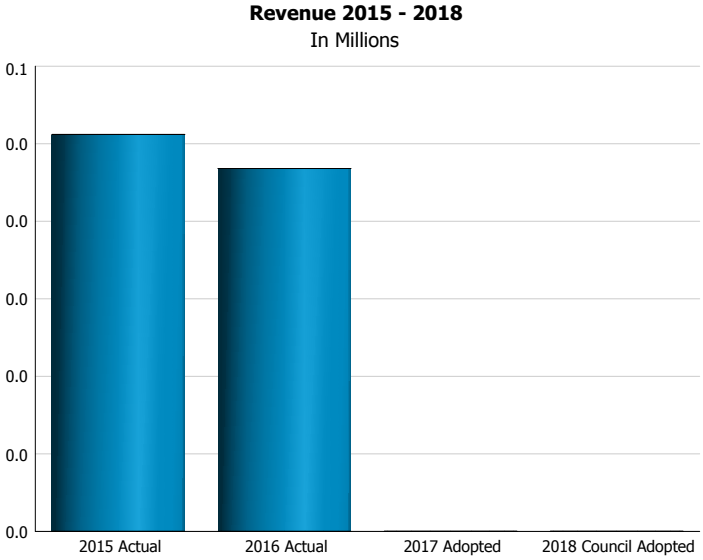
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,479,524	2,883,739	3,052,942	3,166,020	3.7%	113,078
FRINGE BENEFITS	946,232	1,062,117	1,158,030	1,202,370	3.8%	44,339
CONTRACTUAL SERVICES	972,432	972,933	758,400	2,227,680	193.7%	1,469,280
OPERATING COSTS	214,784	242,703	272,277	278,877	2.4%	6,600
CAPITAL		783				0
TOTAL GENERAL	**4,612,972**	**5,162,275**	**5,241,649**	**6,874,947**	**31.2%**	**1,633,297**
TOTAL EXPENSE	**4,612,972**	**5,162,275**	**5,241,649**	**6,874,947**	**31.2%**	**1,633,297**

REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	550				0.0%	0
OTHER MISC REVENUES	20				0.0%	0
PROPERTY TAXES	50,630	46,807			0.0%	0
GENERAL	**51,200**	**46,807**				**0**
TOTAL REVENUE	**51,200**	**46,807**				

ASSESSOR
EXPENSE AND REVENUE INFORMATION



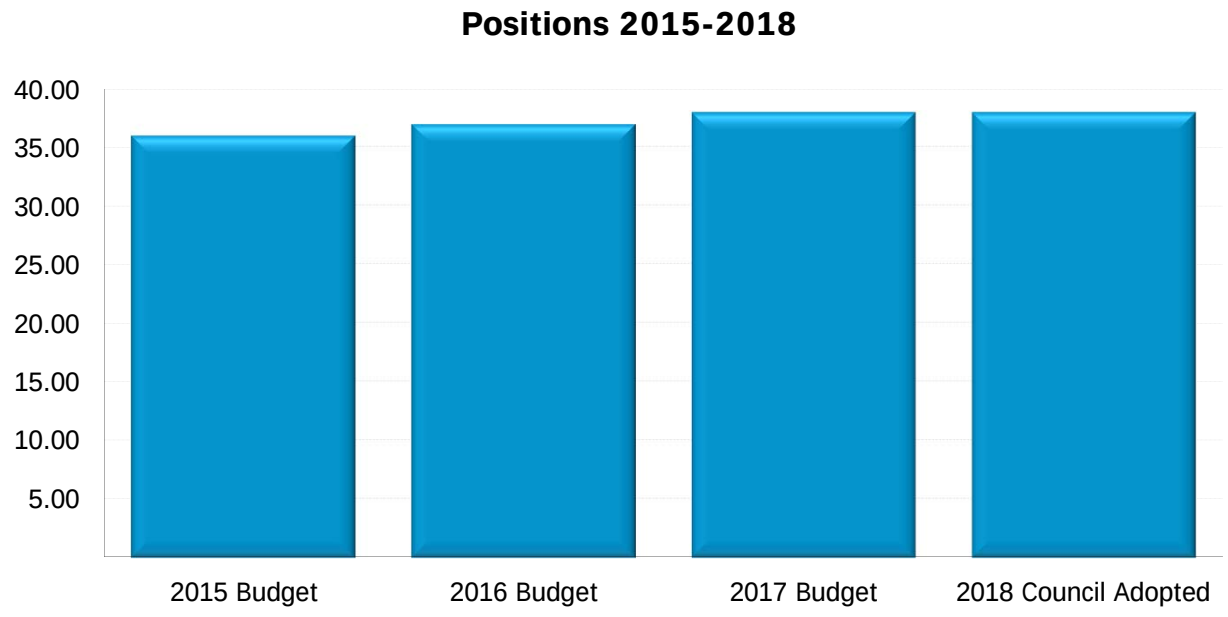




ASSESSOR

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
ASSESSOR OPERATIONS	36.00	37.00	38.00	38.00	0.0%	0
Overall	36.00	37.00	38.00	38.00	0.00	0



CITY ATTORNEY

MISSION

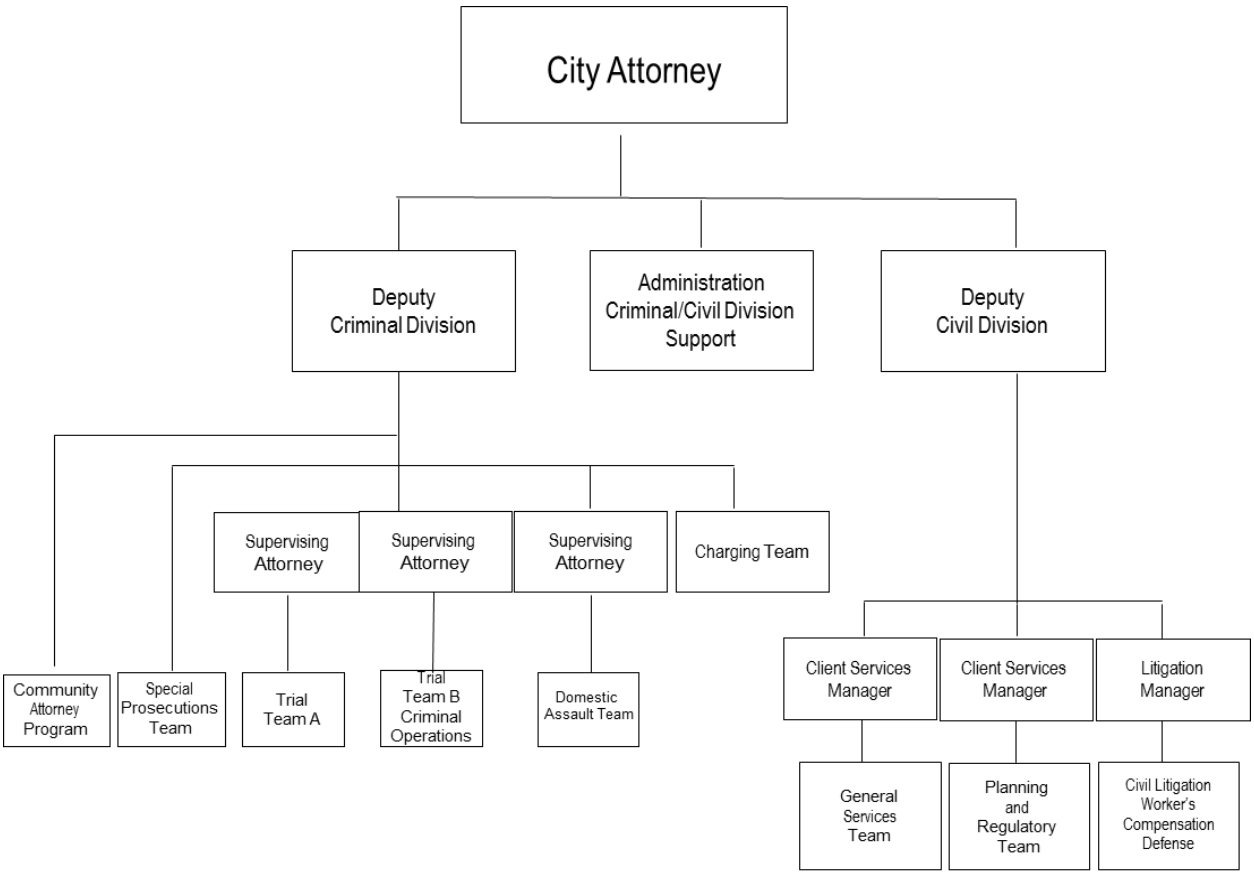
The City Attorney department's mission is to enhance public safety, serve justice and vigorously represent the interests of the City of Minneapolis and its residents by holding criminal offenders accountable and delivering the highest quality, cost effective legal services.

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



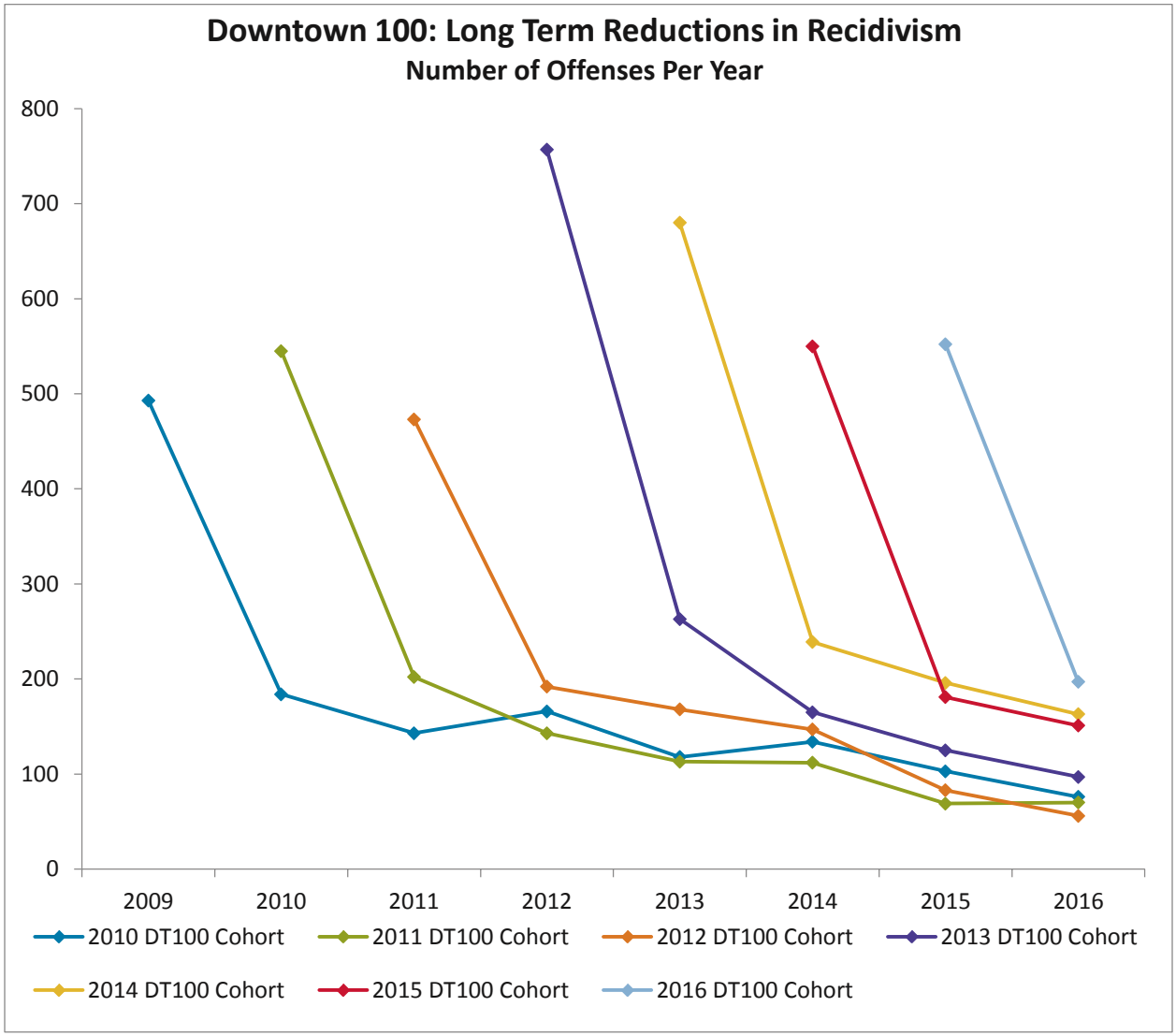
Living Well

Community Attorney

General Fund: $1,193,452
Other Funds: $333,565

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 and the Downtown 100 / Focus 18 – 24 Prosecutor. The program engages local residents and neighborhood businesses in responding to public safety concerns in their communities. Creative, holistic approaches are the hallmark of the CAO's community prosecution work, utilizing street outreach, non-profit service providers and advocates.

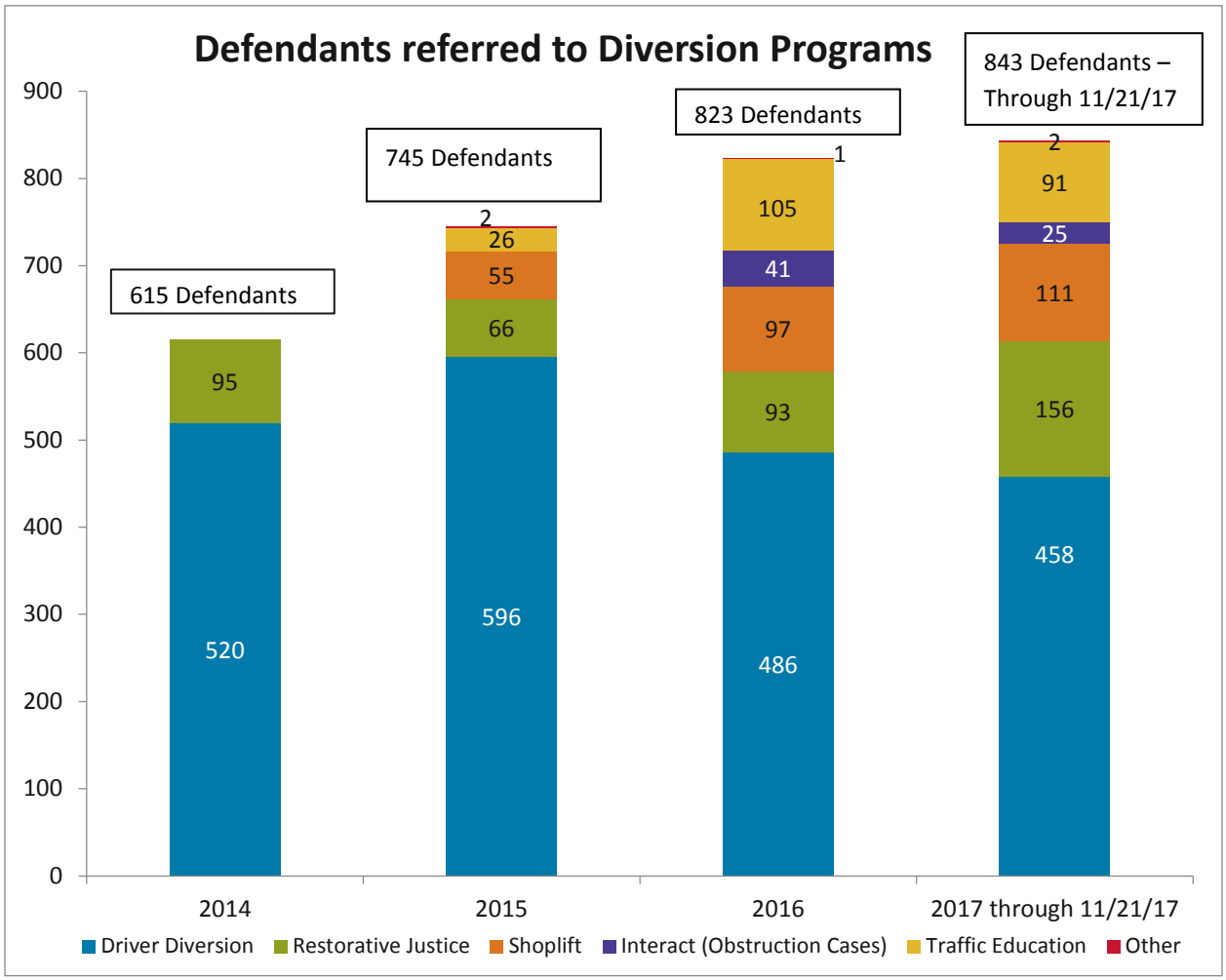
The CAO has 3 probation officers who provide active supervision of chronic offenders. The probation officers connect offenders with needed services such as housing, mental health and chemical dependency services.

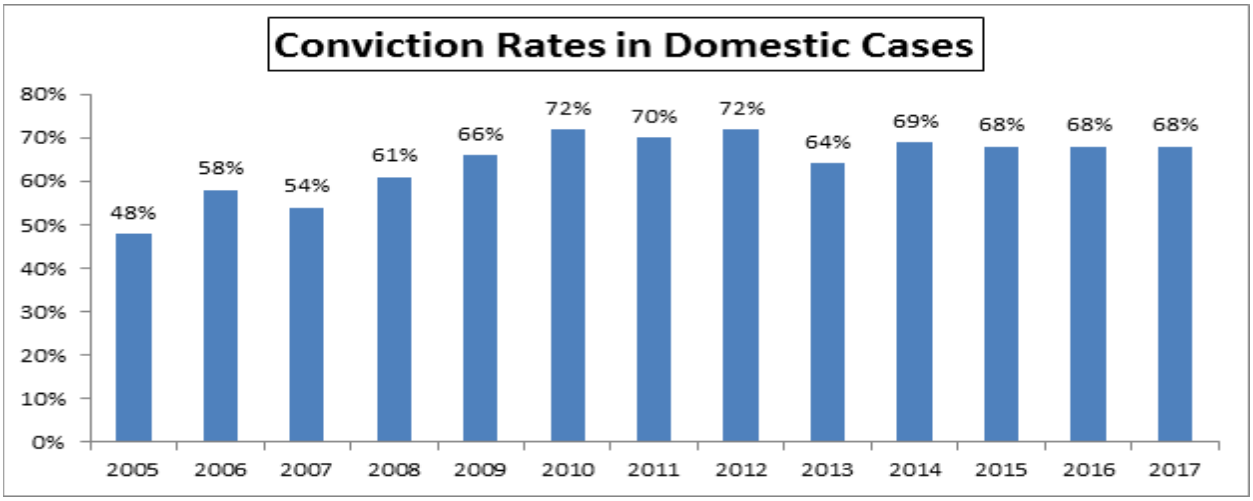


Criminal Prosecution General Fund: $9,179,796

The Criminal Division of the City Attorney's Office prosecutes all adult gross misdemeanor, misdemeanor and petty misdemeanor offenses in the City of Minneapolis. Prosecution is a mandated function. The criminal prosecution function is divided into five teams: domestic violence, chronic offender prosecutions, and two trial teams that prosecute all other cases.

The Criminal Division holds offenders accountable, while seeking to address underlying causes and needs. The CAO has implemented pre-charge diversion to avoid harmful collateral consequences in appropriate cases. The Office has also developed alternative programming for offenses like carrying a pistol without a permit to better address needs and to improve lives, future outcomes and public safety. The CAO is an active partner in the treatment courts and calendars in Hennepin County District Court, including mental health court, veteran's court, GIFT (Gaining Independence for Females in Transition) review calendar, HOMES (Housing Outreach for Minneapolitans Establishing Stability) and DWI court. These courts require extra prosecutor time for appearances, staffing meetings and review calendars but provide impressive results in reducing recidivism and help defendants overcome challenges that led to their violations. The criminal prosecution program also handles appeals of criminal cases to the Minnesota Court of Appeals and the Supreme Court.

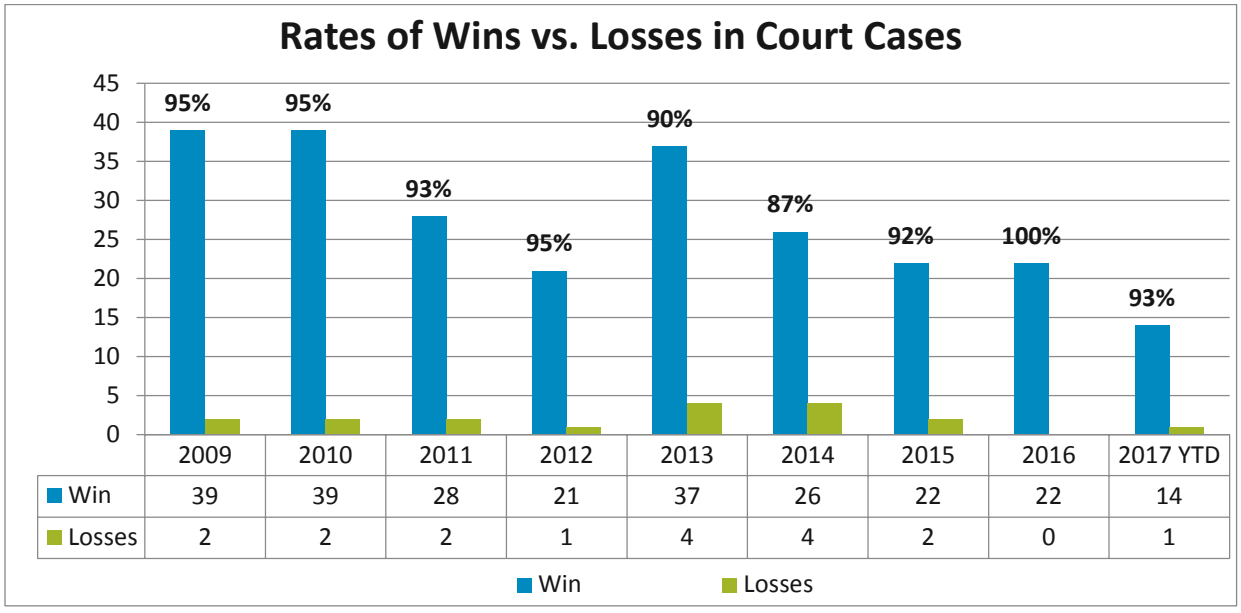




A City That Works

Civil Litigation Other Funds: $3,844,851

The Civil Division Litigation Group represents the City and, when applicable, City officials and employees in all civil litigation and administrative claims and hearing matters. The team 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. The Group also defends worker's compensation cases and responds to claims above $25,000.



Client Services Other Funds: $3,892,788

The Client Services Group provides all non-litigation legal services for City clients including elected officials and staff, departments, boards, and commissions. The Group is called upon to draft ordinances, represent the City in complex real estate and development matters, draft and review contracts and advise the City on a myriad of legal questions ranging from governmental

authority to election law to compliance with the open meeting law and data practices act. The group also represents the City in labor arbitrations, civil service, and veteran's preference proceedings.

Financial Analysis

Expenditure

The total City Attorney Department's budget increases from $18.1 million in 2017 to $18.4 million in 2018. This is an increase of $336,500, or 1.9%. The City Attorney Department's 2018 expenditure budget reflects routine inflationary increases in operating costs, largely offset by the elimination of items funded on a one-time basis in 2017, and the Mayor's recommended budgetary change items of $460,000 for 2018.

Revenue

Revenues are projected to increase by 1.2% in this department due to an increase in DUI Forfeitures from MPD. The department's total revenues in 2018 are projected to be $250,000.

Fund Allocation

This department is funded primarily by the General Fund at 56.2% with the remainder of the department's funding provided by the Self Insurance Fund at 42.0% and 1.8% funded by the Special Revenue Fund.

Mayor's Recommended Budget

The Mayor recommends ongoing General Fund appropriations of $60,000 for the MPD Family Violence Unit program, $200,000 for the Pre-Filing Charge Review Team program (includes 2.0 FTEs), and $50,000 to hire paid Criminal Division Law Clerks (1.3 FTEs).

The Mayor also recommends one-time General Fund appropriations of $40,000 to continue to pursue alternative sentencing in carrying without permit cases, $25,000 for Pre-Charge Diversion programs in prostitution cases, and $60,000 for continuation of the Violent Crime Hot Spots program.

Council Adopted Budget

The City Council amended the Mayor's recommendations; adding a one-time appropriation of $25,000 for a contract with The Link to work with youth and families to overcome the impacts of poverty and social injustice.

The City Council directed the Neighborhood and Community Relations' Office of Immigrant and Refugee Affairs, the City Coordinator's Office, the Finance Department, and the City Attorney's Office to establish the Municipal ID Workgroup.

The Municipal ID Workgroup shall report back to Committee of the Whole no later than March 31, 2018, to present a framework and budgetary needs to inform the Municipal ID program for the City of Minneapolis. The work plan shall include, but not be limited to, identifying the research, engagement, and resources required to develop a Municipal ID ordinance and program that serves all residents of Minneapolis including the immigrant, transgender, homeless, student, and elderly communities.

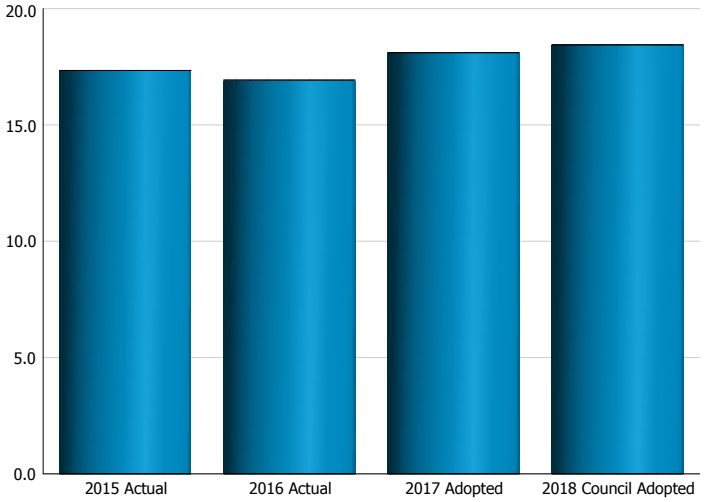
ATTORNEY
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	4,578,021	5,075,363	5,438,022	5,639,517	3.7%	201,495
FRINGE BENEFITS	1,499,168	1,679,755	2,005,682	2,029,372	1.2%	23,690
CONTRACTUAL SERVICES	2,284,841	2,493,723	2,461,020	2,534,335	3.0%	73,315
OPERATING COSTS	151,636	146,653	283,495	170,025	-40.0%	(113,470)
TOTAL GENERAL	**8,513,667**	**9,395,492**	**10,188,219**	**10,373,249**	**1.8%**	**185,030**
SPECIAL REVENUE						
SALARIES AND WAGES	262,616	245,931	199,456	201,684	1.1%	2,228
FRINGE BENEFITS	88,908	83,858	63,686	65,446	2.8%	1,760
CONTRACTUAL SERVICES	87,846	214,732	71,791	66,435	-7.5%	(5,356)
OPERATING COSTS		3,531				0
TOTAL SPECIAL REVENUE	**439,371**	**548,052**	**334,933**	**333,565**	**-0.4%**	**(1,368)**
INTERNAL SERVICE						
SALARIES AND WAGES	4,095,409	4,123,327	4,633,329	4,714,731	1.8%	81,402
FRINGE BENEFITS	2,882,008	1,273,279	1,491,565	1,537,970	3.1%	46,405
CONTRACTUAL SERVICES	1,317,705	1,437,379	1,322,817	1,347,938	1.9%	25,121
OPERATING COSTS	93,463	149,945	137,000	137,000	0.0%	0
TOTAL INTERNAL SERVICE	**8,388,585**	**6,983,931**	**7,584,711**	**7,737,639**	**2.0%**	**152,928**
TOTAL EXPENSE	**17,341,622**	**16,927,475**	**18,107,863**	**18,444,453**	**1.9%**	**336,589**

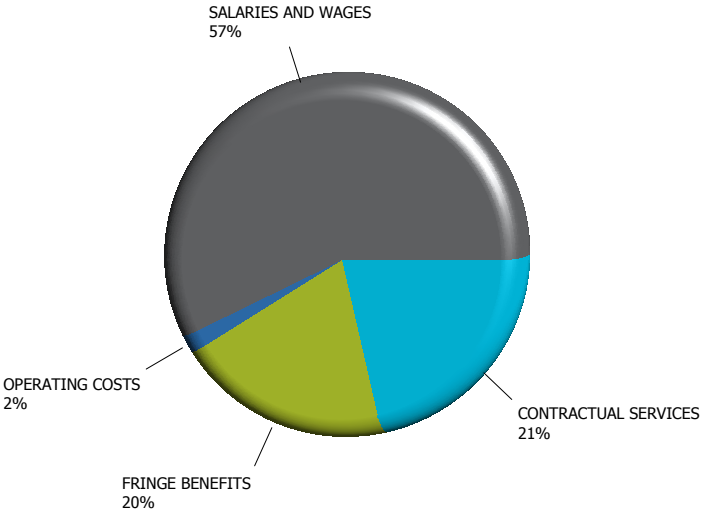
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	11,965	8,376	12,000	10,000	-16.7%	(2,000)
FINES AND FORFEITS	11,776	3,678		5,000	0.0%	5,000
OTHER MISC REVENUES	26,754	27,765	30,000	30,000	0.0%	0
GENERAL	**50,495**	**39,819**	**42,000**	**45,000**	**7.1%**	**3,000**
SPECIAL REVENUE						
CONTRIBUTIONS		884			0.0%	0
FEDERAL GOVERNMENT	20,219	127,579			0.0%	0
LOCAL GOVERNMENT	200,000	200,000	200,000	200,000	0.0%	0
SPECIAL REVENUE	**220,219**	**328,463**	**200,000**	**200,000**	**0**	**0**
INTERNAL SERVICE						
CHARGES FOR SERVICES	24				0.0%	0
OTHER MISC REVENUES	2,773	431	5,000	5,000	0.0%	0
INTERNAL SERVICE	**2,796**	**431**	**5,000**	**5,000**	**0**	**0**
TOTAL REVENUE	**273,511**	**368,713**	**247,000**	**250,000**	**1.2%**	**3,000**

ATTORNEY
EXPENSE AND REVENUE INFORMATION

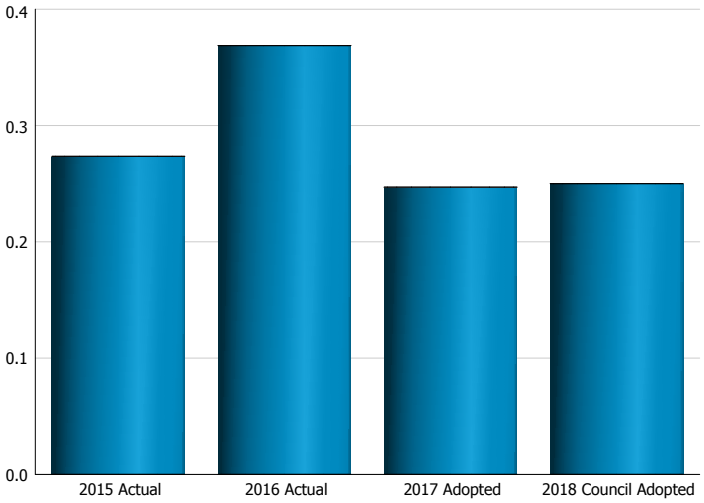
Expense 2015 - 2018
In Millions



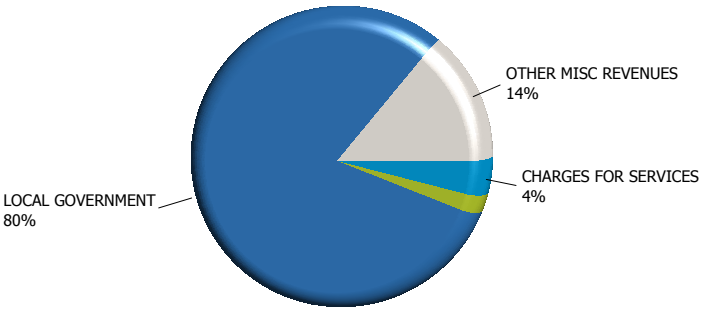
Expense by Category



Revenue 2015 - 2018
In Millions



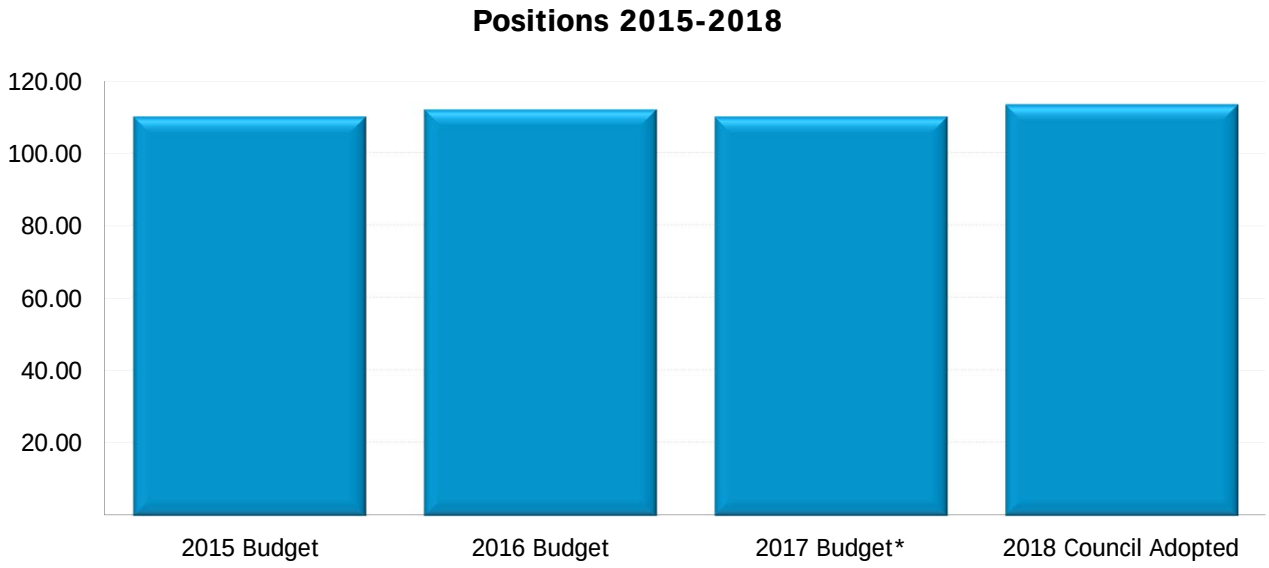
Revenue by Type



CITY ATTORNEY

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
CIVIL DIVISION	47.50	47.50	47.50	47.50	0.0%	0
CRIMINAL DIVISION	62.50	64.50	62.50	65.80	5.3%	3.30
Overall	110.00	112.00	110.00	113.30	3.0%	3.30



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

CITY CLERK

MISSION

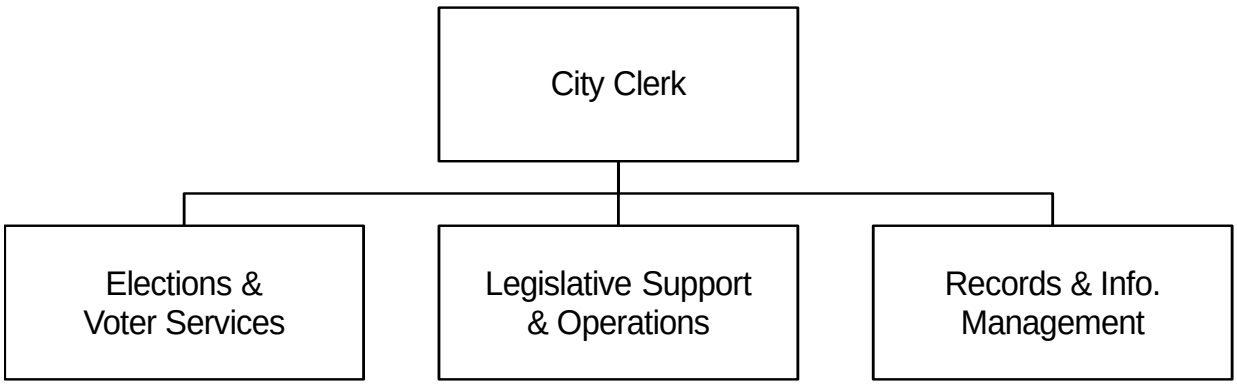
The Office of City Clerk is the secretariat of the City Council and facilitates legislative processes. In addition, the office serves as the organizational center for two enterprise programs: elections administration and voter services and records and information management.

BUSINESS LINES

The City Clerk is elected by City Council and serves concurrently as corporate secretary of the municipal corporation and secretary of its governing body. The office has three distinct lines of business:

1. Elections & Voter Services
2. Records & Information Management
3. Legislative Support & Operations

ORGANIZATION CHART



A City that Works

Office of City Clerk

General Fund: $3,579,278
Other Funds: $1,403,003

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 – OFFICE OF CITY CLERK

Expenditure
The total City Clerk Department's budget increases from $4.8 million to $5.0 million from 2017 to 2018. This is an increase of $129,000, or 2.7%. The City Clerk Department's 2018 expenditure budget reflects the following changes from 2017; routine inflationary increases in operating costs, Mayor's recommended budgetary change items of $145,000, and re-allocation of General Fund resources from City Clerk Department to new Election and Voter Services Department by $200,000.

Revenue
Revenues are projected to increase by 2.9% in this department due to projected increase in Copy Center Services. The department's total revenues in 2018 are projected to be $1.3 million.

Fund Allocation
This department is funded primarily by the General Fund at 71.9% with the remainder of the department's funding provided by the Internal Services Fund at 28.1%.

Mayor's Recommended Budget
The Mayor recommends ongoing General Fund appropriations of $10,000 for a centralized data practices request system, $60,000 for a data review and redaction system, and re-allocation of General Fund resources by decreasing the City Clerk department's budget on an ongoing basis by $200,000 and increasing the Election and Voter Services Department's base budget by $200,000.

The Mayor also recommends a one-time General Fund appropriation of $50,000 for a centralized imaging and scanning system and $25,000 for transition and orientation of the newly elected officials following the 2017 municipal election.

Appropriations for the centralized data practices request system, the data review & redaction system, and the centralized imaging and scanning systems are not available to be spent until the City Clerk, IT, and Finance & Property Services departments have signed a reached agreed upon work plan for each project.

Council Adopted Budget
The City Council amended the Mayor's recommendations; decreasing the department's ongoing appropriation by $10,000.

One Minneapolis

Elections & Voter Services General Fund: $2,796,000

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.

FINANCIAL ANALYSIS – ELECTION AND VOTER SERVICES

Expenditure
The total Elections Department's budget increases from $1.4 million to $2.8 million from 2017 to 2018. This is an increase of $1.4 million, or 96.8%. The Elections Department's 2018 expenditure budget reflects routine inflationary increases in operating costs and the budgetary change items of $1.2 million.

Revenue
Revenues are projected to decrease by 6.0% in this department due to new contract agreement with Board of Election (BOE). The department's total revenues in 2018 are projected to be $94,000.

Fund Allocation
This department is funded completely by the General Fund.

Mayor's Recommended Budget
The Mayor recommends re-allocation of General Fund appropriations by decreasing the City Clerk department's budget on an ongoing basis by $200,000 and increasing the Election and Voter Services Department's base budget by $200,000.

The Mayor also recommends a one-time General Fund appropriation of $1.0 million for the 2018 Gubernatorial election.

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

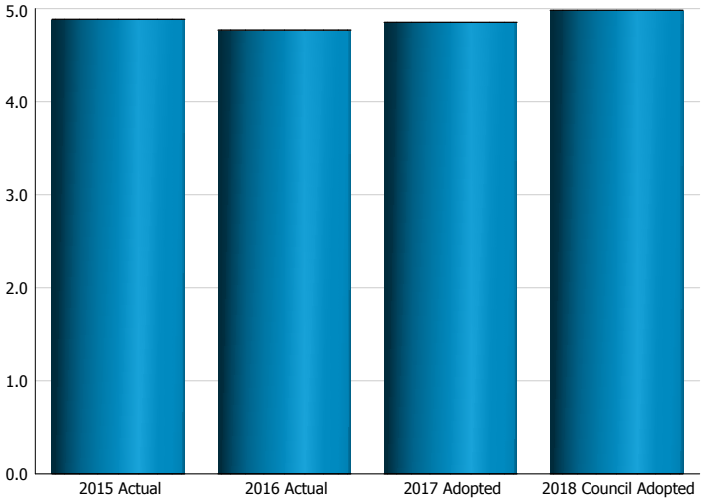
CITY CLERK
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,197,343	1,305,919	1,510,398	1,564,760	3.6%	54,362
FRINGE BENEFITS	408,758	432,198	571,196	599,770	5.0%	28,574
CONTRACTUAL SERVICES	1,217,536	982,484	1,169,893	1,089,625	-6.9%	(80,268)
OPERATING COSTS	255,572	263,318	214,699	205,123	-4.5%	(9,576)
CAPITAL			10,988	120,000	992.1%	109,012
TOTAL GENERAL	**3,079,209**	**2,983,919**	**3,477,174**	**3,579,278**	**2.9%**	**102,104**
INTERNAL SERVICE						
SALARIES AND WAGES	221,997	225,408	328,084	323,106	-1.5%	(4,978)
FRINGE BENEFITS	169,161	74,999	148,830	152,345	2.4%	3,515
CONTRACTUAL SERVICES	1,273,486	1,288,176	770,744	796,193	3.3%	25,449
OPERATING COSTS	141,627	196,308	117,587	120,887	2.8%	3,300
CAPITAL			10,472	10,472	0.0%	0
TOTAL INTERNAL SERVICE	**1,806,272**	**1,784,891**	**1,375,717**	**1,403,003**	**2.0%**	**27,286**
TOTAL EXPENSE	**4,885,481**	**4,768,810**	**4,852,891**	**4,982,281**	**2.7%**	**129,390**

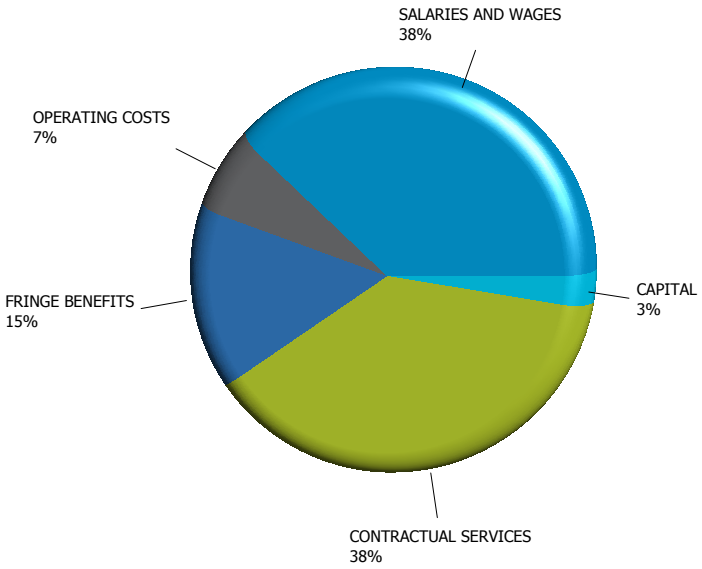
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	216	185	200	200	0.0%	0
CHARGES FOR SERVICES	5,190	4,800	3,000	5,000	66.7%	2,000
LICENSE AND PERMITS	2,380	3,340	2,000	3,000	50.0%	1,000
OTHER MISC REVENUES	30				0.0%	0
GENERAL	**7,816**	**8,325**	**5,200**	**8,200**	**57.7%**	**3,000**
INTERNAL SERVICE						
CHARGES FOR SALES	1,737	53			0.0%	0
CHARGES FOR SERVICES	1,178,066	1,642,288	1,291,000	1,325,695	2.7%	34,695
GAINS	(34,943)				0.0%	0
TRANSFERS IN	88,482				0.0%	0
INTERNAL SERVICE	**1,233,342**	**1,642,341**	**1,291,000**	**1,325,695**	**2.7%**	**34,695**
TOTAL REVENUE	**1,241,158**	**1,650,666**	**1,296,200**	**1,333,895**	**2.9%**	**37,695**

CITY CLERK
EXPENSE AND REVENUE INFORMATION

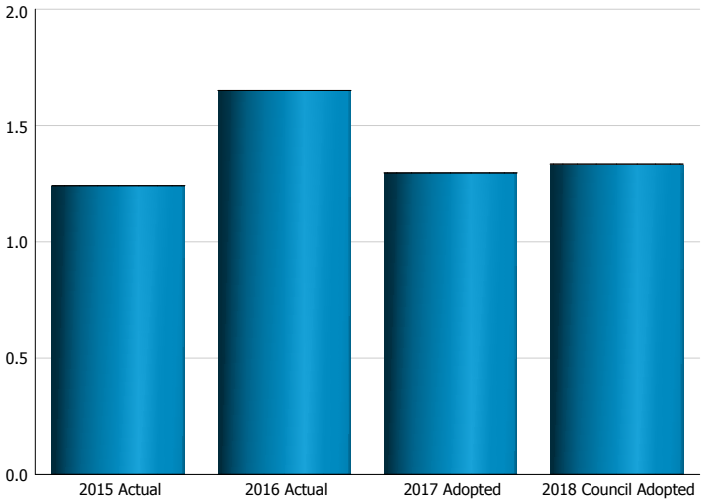
Expense 2015 - 2018
In Millions



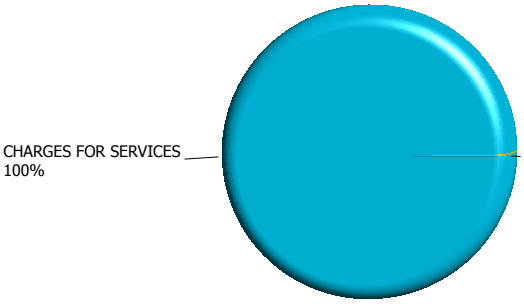
Expense by Category



Revenue 2015 - 2018
In Millions



Revenue by Type

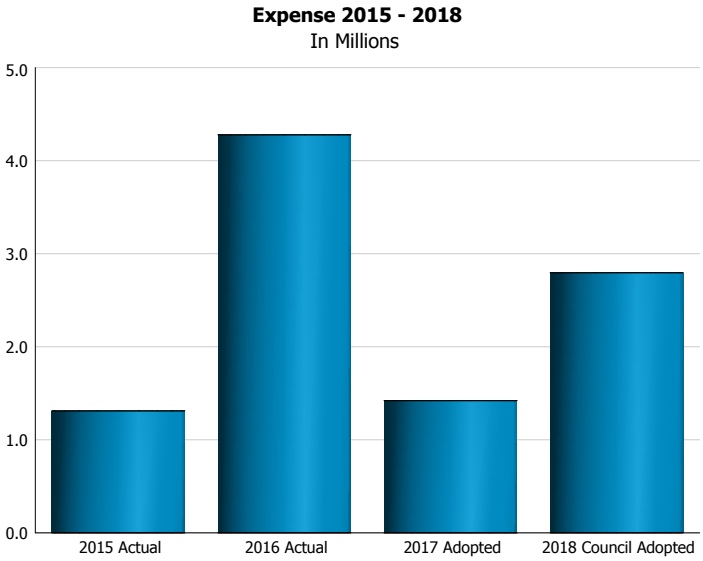


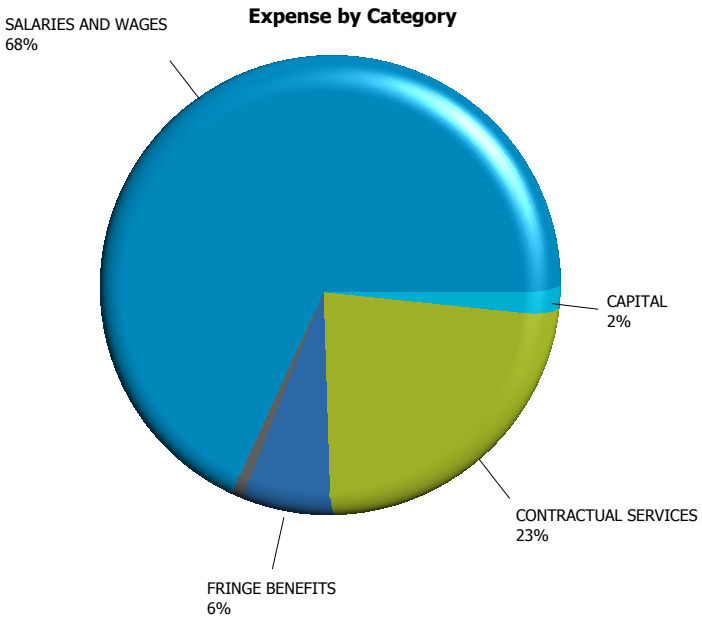
ELECTIONS & REGISTRATION
EXPENSE AND REVENUE INFORMATION

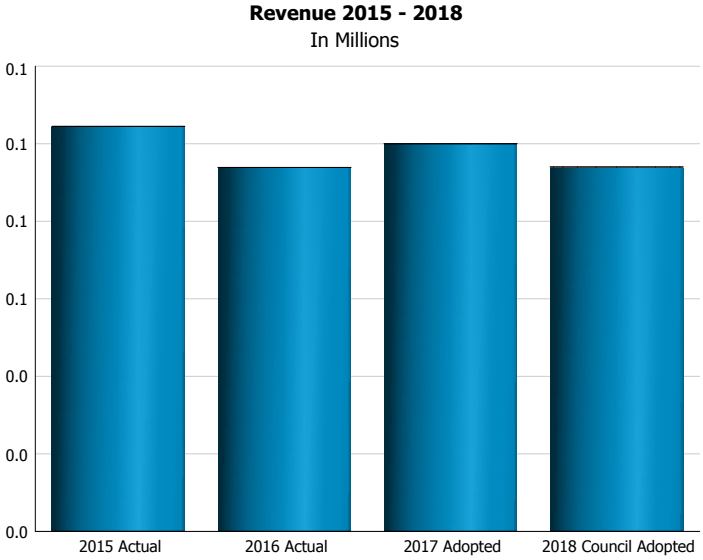
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	347,853	2,701,785	805,463	1,905,738	136.6%	1,100,275
FRINGE BENEFITS	113,070	346,405	161,200	181,723	12.7%	20,523
CONTRACTUAL SERVICES	791,736	1,135,496	425,300	638,728	50.2%	213,428
OPERATING COSTS	58,363	94,590	22,591	23,741	5.1%	1,150
CAPITAL			6,074	46,074	658.5%	40,000
TOTAL GENERAL	**1,311,022**	**4,278,276**	**1,420,628**	**2,796,004**	**96.8%**	**1,375,376**
TOTAL EXPENSE	**1,311,022**	**4,278,276**	**1,420,628**	**2,796,004**	**96.8%**	**1,375,376**

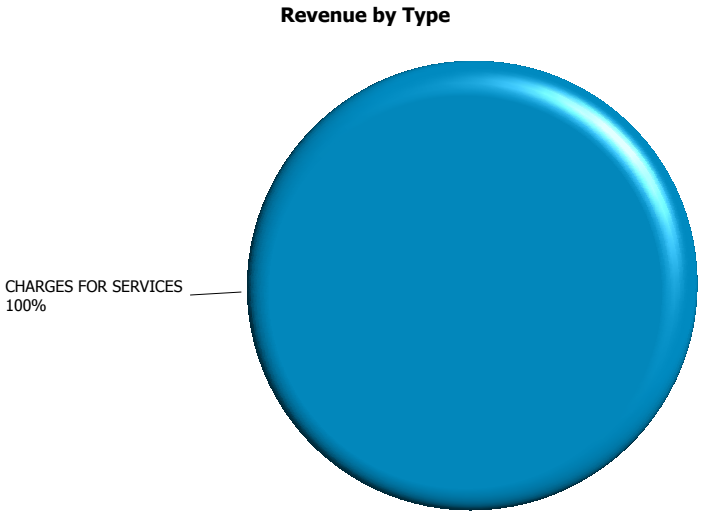
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	104,481	93,882	100,000	94,000	-6.0%	(6,000)
GENERAL	**104,481**	**93,882**	**100,000**	**94,000**	**-6.0%**	**(6,000)**
TOTAL REVENUE	**104,481**	**93,882**	**100,000**	**94,000**	**-6.0%**	**(6,000)**

ELECTIONS & REGISTRATION
EXPENSE AND REVENUE INFORMATION





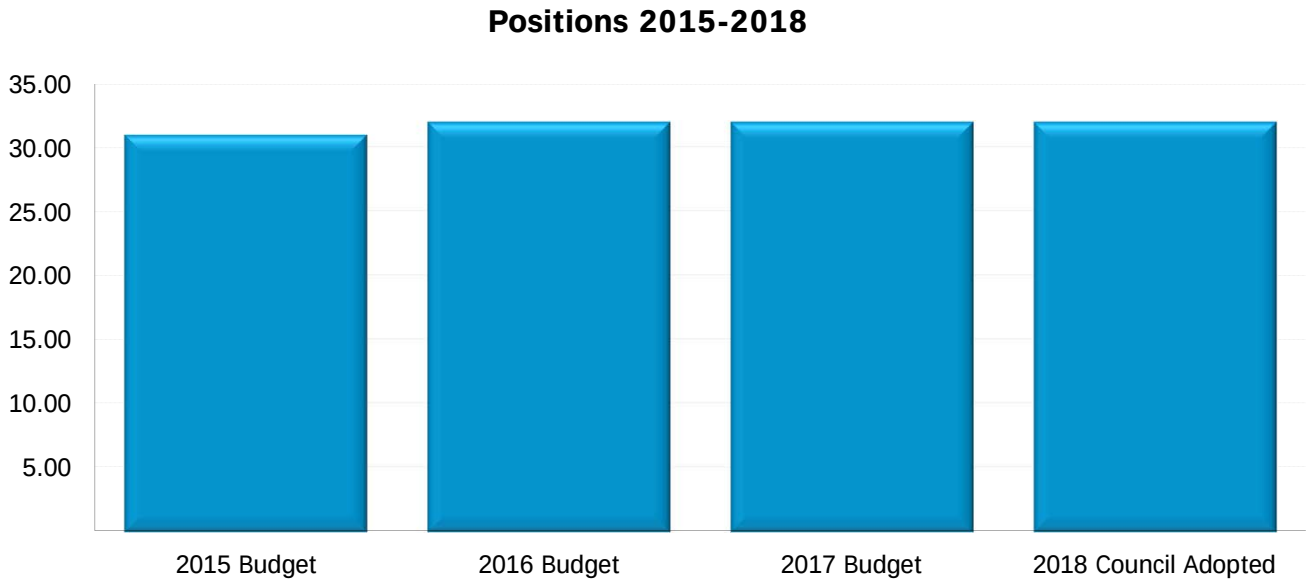




CITY CLERK

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
CENTRAL MAILING	0.35	0.05	0.05	0.05	0.0%	0
CITY CLERK - ADMINISTRATION	19.00	20.00	20.00	20.00	0.0%	0
COPY CENTER	4.65	4.95	4.95	5.95	20.2%	1.00
DATA OPERATIONS CENTER	1.00	1.00	1.00		-100.0%	(1.00)
ELECTIONS & REGISTRATION	6.00	6.00	6.00	6.00	0.0%	0
Overall	31.00	32.00	32.00	32.00	0.0%	0



CITY COUNCIL

MISSION

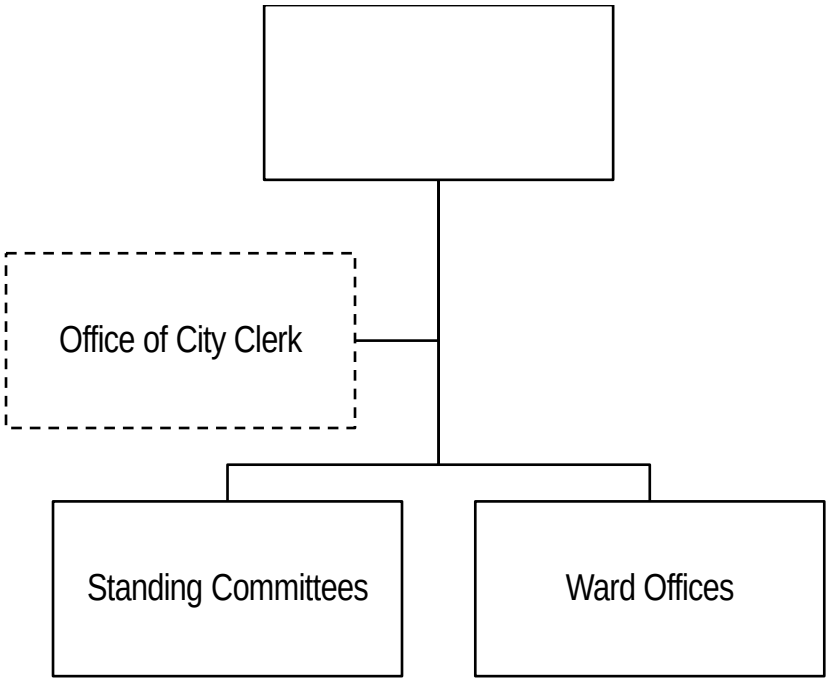
The City Council maximizes access to municipal government, exercises oversight of City departments and service delivery, and enables informed decision-making for community governance.

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:

1. Legislative Authority & Policy Enactment
2. Executive Oversight & Evaluation
3. Community Representation

ORGANIZATION CHART



A City that Works

City Council General Fund: $5,152,283

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 City Council Department's budget increases from $4.9 million to $5.2 million from 2017 to 2018. This is an increase of $268,000, or 5.5% due to increases in routine inflationary operating costs and budgetary change items of $130,000.

Revenue
This Department does not produce revenue.

Fund Allocation
This department is funded completely by the General Fund.

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

Council Adopted Budget
The City Council amended the Mayor's recommendations; increasing the ongoing appropriation of $130,000 for an increase to council member salaries of $10,000 per member.

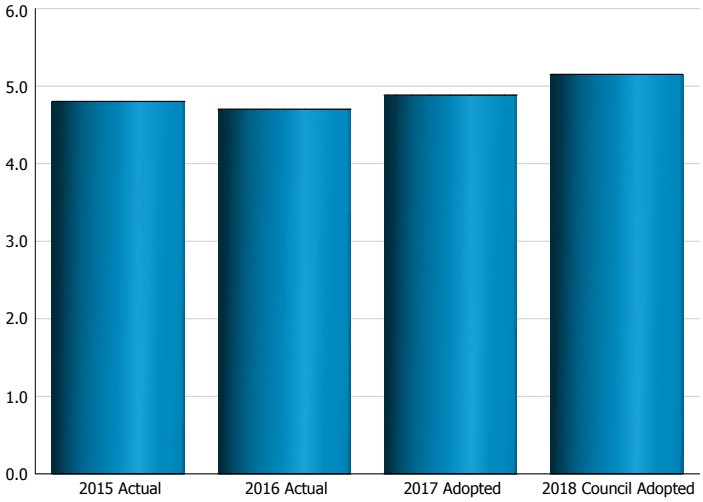
CITY COUNCIL
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,653,242	2,731,616	2,750,384	2,958,969	7.6%	208,585
FRINGE BENEFITS	874,890	952,859	1,083,451	1,134,681	4.7%	51,230
CONTRACTUAL SERVICES	820,474	758,891	846,286	866,228	2.4%	19,942
OPERATING COSTS	454,969	258,940	204,172	192,405	-5.8%	(11,767)
TOTAL GENERAL	**4,803,574**	**4,702,306**	**4,884,293**	**5,152,283**	**5.5%**	**267,990**
TOTAL EXPENSE	**4,803,574**	**4,702,306**	**4,884,293**	**5,152,283**	**5.5%**	**267,990**

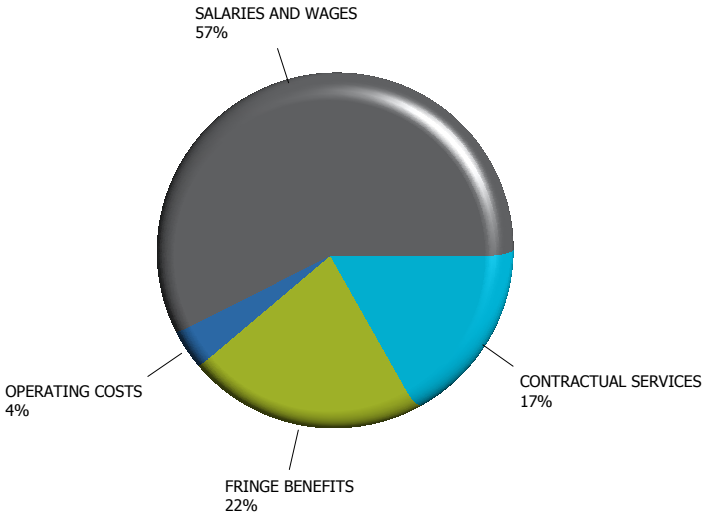
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES		1,519			0.0%	0
GENERAL		**1,519**				**0**
TOTAL REVENUE		**1,519**				

CITY COUNCIL
EXPENSE AND REVENUE INFORMATION

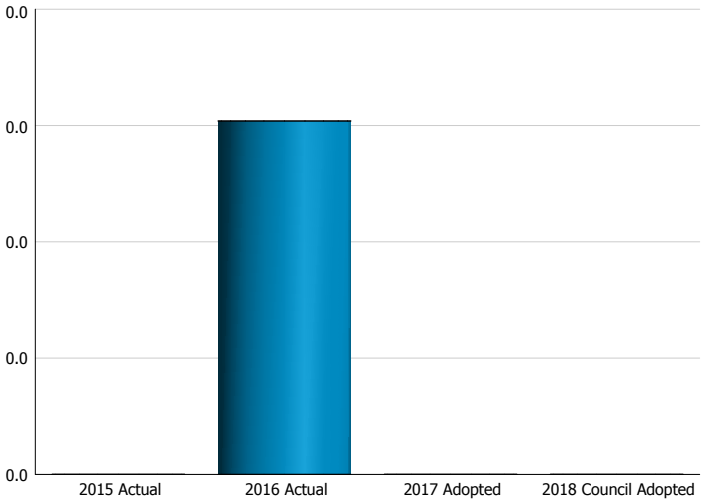
Expense 2015 - 2018
In Millions



Expense by Category



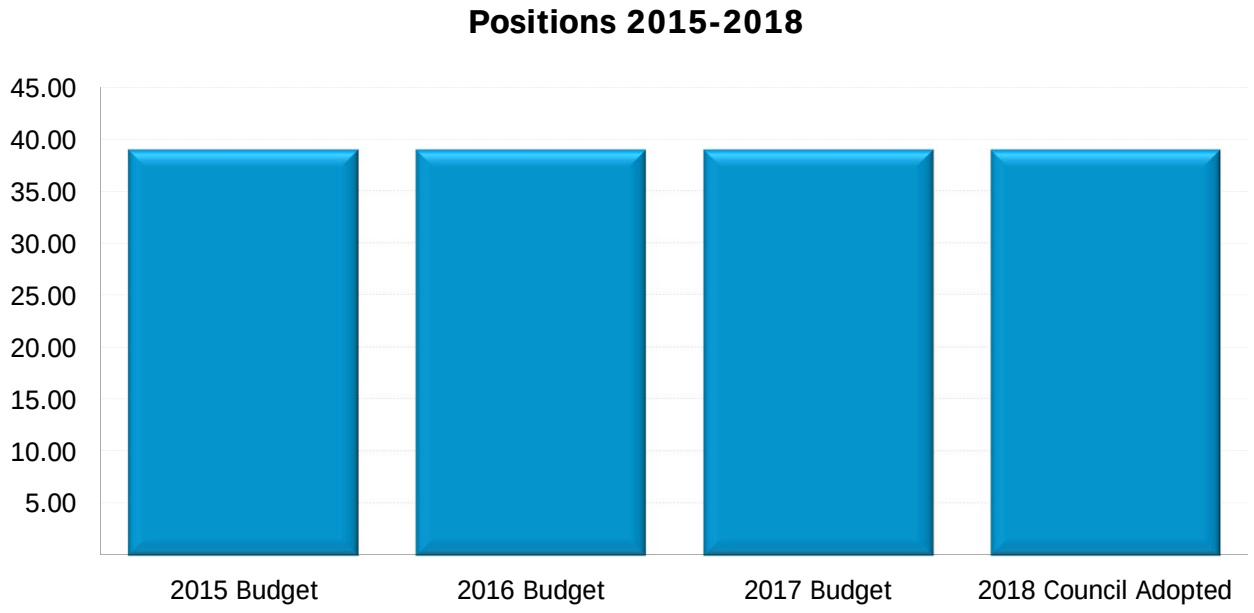
Revenue 2015 - 2018
In Millions



CITY COUNCIL

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 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 strategic, 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 City Coordinator is also charged with ensuring alignment and coordination across the enterprise, facilitating strategic and business planning, and supervising the Minneapolis Convention Center, federal programs, large city-wide events, and any other such activities as the City Council may direct.

BUSINESS LINES

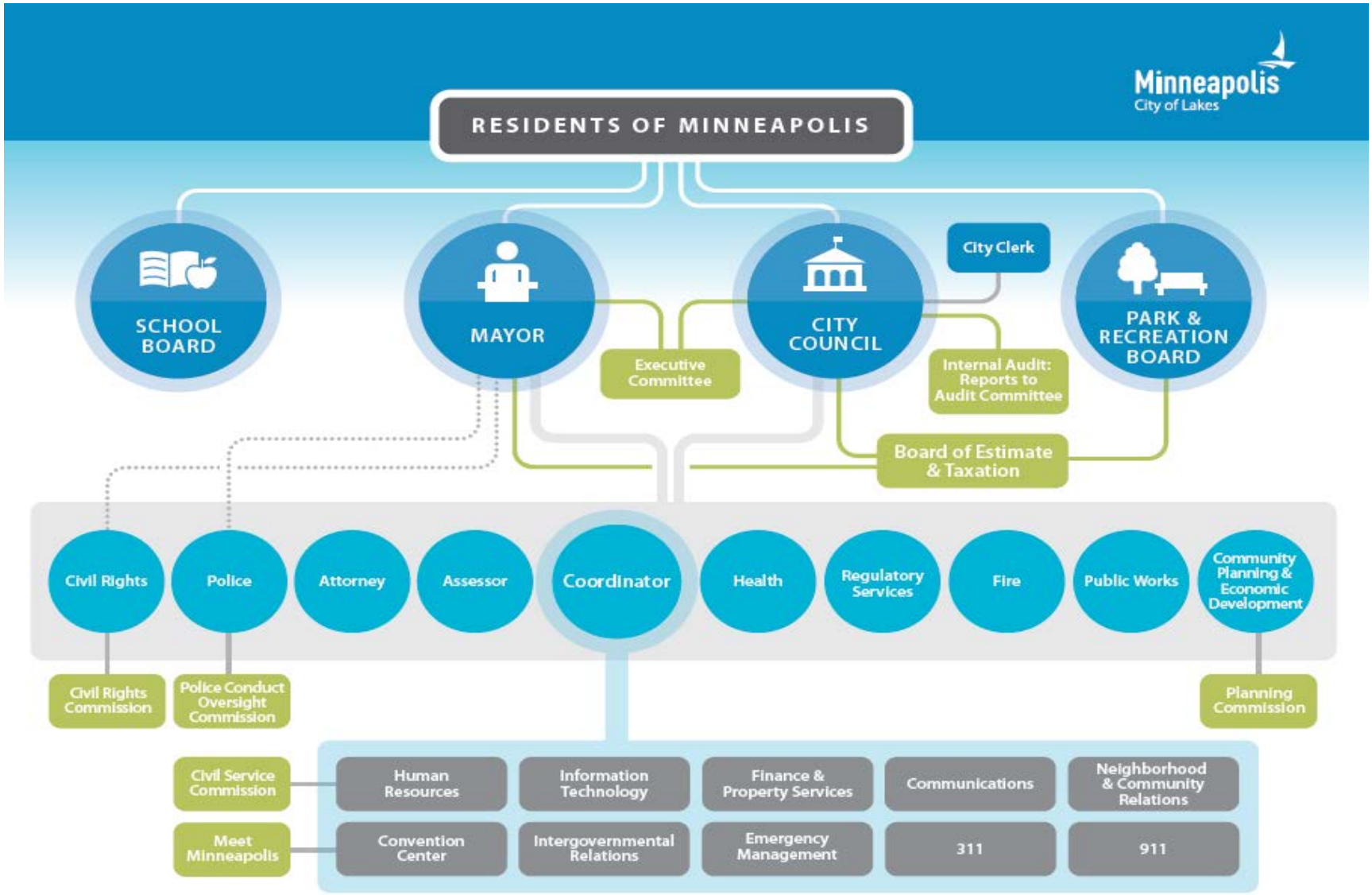
The City Coordinator Department has three primary business lines:

- **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	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	23,740,998	25,083,346	27,143,765	28,392,078	4.6%	1,248,313
OPERATING COSTS	2,531,802	2,516,141	2,258,166	2,349,393	4.0%	91,226
FRINGE BENEFITS	8,375,682	8,741,207	10,475,453	10,957,929	4.6%	482,476
CONTRACTUAL SERVICES	14,267,695	12,930,690	13,742,723	15,223,922	10.8%	1,481,199
CAPITAL	230,237	231,406	512,900	376,235	-26.6%	(136,665)
TOTAL GENERAL	**49,146,413**	**49,502,790**	**54,133,007**	**57,299,557**	**5.8%**	**3,166,549**
INTERNAL SERVICE						
SALARIES AND WAGES	11,785,534	13,878,082	15,665,096	16,284,299	4.0%	619,203
OPERATING COSTS	5,521,742	5,772,971	3,263,304	3,566,966	9.3%	303,662
FRINGE BENEFITS	9,090,133	4,759,204	5,795,500	5,980,344	3.2%	184,844
CONTRACTUAL SERVICES	39,572,541	36,450,947	31,776,631	31,917,242	0.4%	140,611
CAPITAL		663,212	10,092,892	6,730,329	-33.3%	(3,362,563)
TOTAL INTERNAL SERVICE	**65,969,951**	**61,524,416**	**66,593,422**	**64,479,180**	**-3.2%**	**(2,114,242)**
SPECIAL REVENUE						
TRANSFERS	72,756	2,417		9,600,000		9,600,000
SALARIES AND WAGES	11,388,832	11,943,713	13,054,709	13,301,690	1.9%	246,980
OPERATING COSTS	1,972,314	2,378,712	1,815,508	1,875,372	3.3%	59,864
FRINGE BENEFITS	3,944,139	4,117,585	5,483,653	5,780,302	5.4%	296,649
CONTRACTUAL SERVICES	31,037,390	32,363,513	35,255,287	37,569,780	6.6%	2,314,493
CAPITAL	11,193,898	22,182,616	14,324,561	16,811,748	17.4%	2,487,187
TOTAL SPECIAL REVENUE	**59,609,329**	**72,988,555**	**69,933,719**	**84,938,892**	**21.5%**	**15,005,173**
TOTAL EXPENSE	**174,725,693**	**184,015,761**	**190,660,148**	**206,717,628**	**8.4%**	**16,057,480**

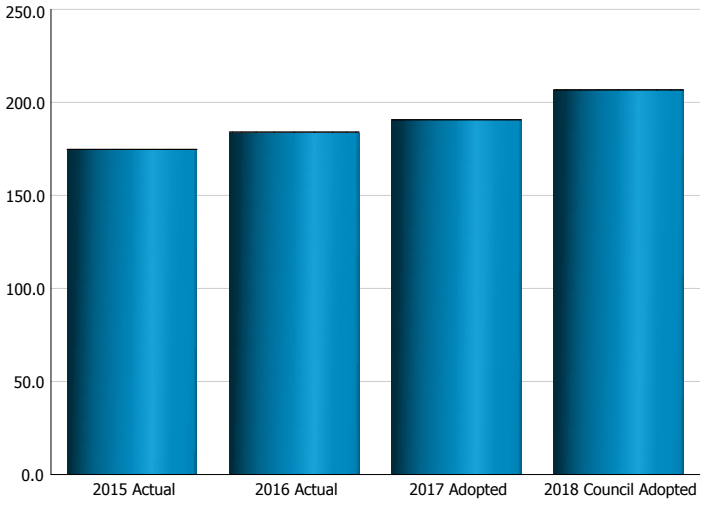
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,612	1,933	1,600	1,600	0.0%	0
CHARGES FOR SERVICES	2,540	19,653			0.0%	0
CONTRIBUTIONS		5,000			0.0%	0
FRANCHISE FEES	1,220,393	1,246,760	1,250,000	1,250,000	0.0%	0
OTHER MISC REVENUES	24,313	39,401			0.0%	0
RENTS	494	73			0.0%	0
GENERAL	**1,249,353**	**1,312,821**	**1,251,600**	**1,251,600**	**0.0%**	**0**
INTERNAL SERVICE						
CHARGES FOR SALES	619,500	610,514	324,293	610,308	88.2%	286,015
CHARGES FOR SERVICES	48,115,936	47,411,606	35,705,711	38,735,554	8.5%	3,029,843
FINES AND FORFEITS	27,854	24,642			0.0%	0
GAINS	(5,278)	(115,791)			0.0%	0

EXPENSE AND REVENUE INFORMATION

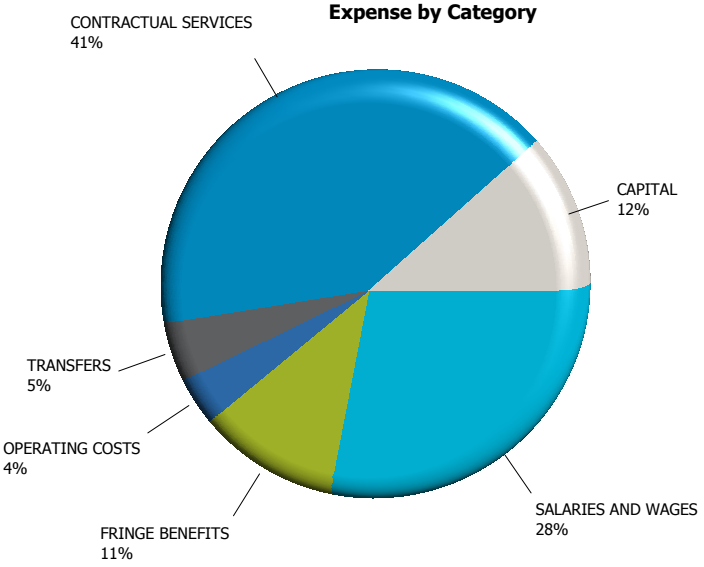
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
OTHER MISC REVENUES	76,951	12,535	2,500	3,000	20.0%	500
RENTS	16,047,057	19,943,801	20,294,181	20,227,078	-0.3%	(67,103)
TRANSFERS IN	3,704,000				0.0%	0
USE OF FUND BALANCE			12,378,314	1,783,528	-85.6%	(10,594,786)
INTERNAL SERVICE	**68,586,020**	**67,887,307**	**68,704,999**	**61,359,468**	**30.8%**	**(7,345,531)**
SPECIAL REVENUE						
CHARGES FOR SALES	742	12,664			0.0%	0
CHARGES FOR SERVICES	6,525,029	6,907,254	6,700,000	7,300,000	9.0%	600,000
CONTRIBUTIONS	572,071	1,011,901	1,044,575	505,000	-51.7%	(539,575)
FEDERAL GOVERNMENT	1,043,820	1,001,560	1,950,000	980,000	-49.7%	(970,000)
INTEREST	165,924	197,354	75,753		-100.0%	(75,753)
LOCAL GOVERNMENT	(50,000)				0.0%	0
OTHER MISC REVENUES	3,959,645	3,754,785	8,522,000	9,314,000	9.3%	792,000
RENTS	9,213,203	9,079,685	9,268,631	9,657,284	4.2%	388,653
SALES AND OTHER TAXES	1,580,438	1,694,104	1,270,000	87,349,413	6,777.9%	86,079,413
STATE GOVERNMENT	416,253	865,123	515,480	515,480	0.0%	0
TRANSFERS IN	6,225,384	6,127,000	6,487,516	6,682,141	3.0%	194,625
USE OF FUND BALANCE			23,050,952	17,105,503	-25.8%	(5,945,449)
SPECIAL REVENUE	**29,652,510**	**30,651,432**	**58,884,907**	**139,408,821**	**6,576.2%**	**80,523,914**
TOTAL REVENUE	**99,487,884**	**99,851,559**	**128,841,506**	**202,019,889**	**6,606.9%**	**73,178,383**

EXPENSE AND REVENUE INFORMATION

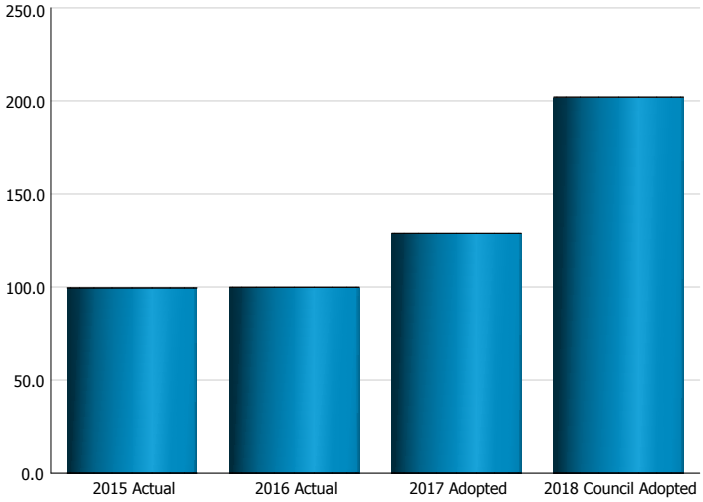
Expense 2015 - 2018
In Millions



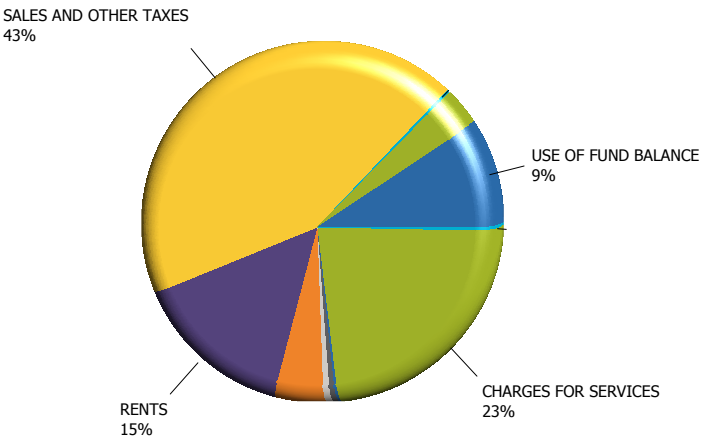
Expense by Category



Revenue 2015 - 2018
In Millions



Revenue by Type

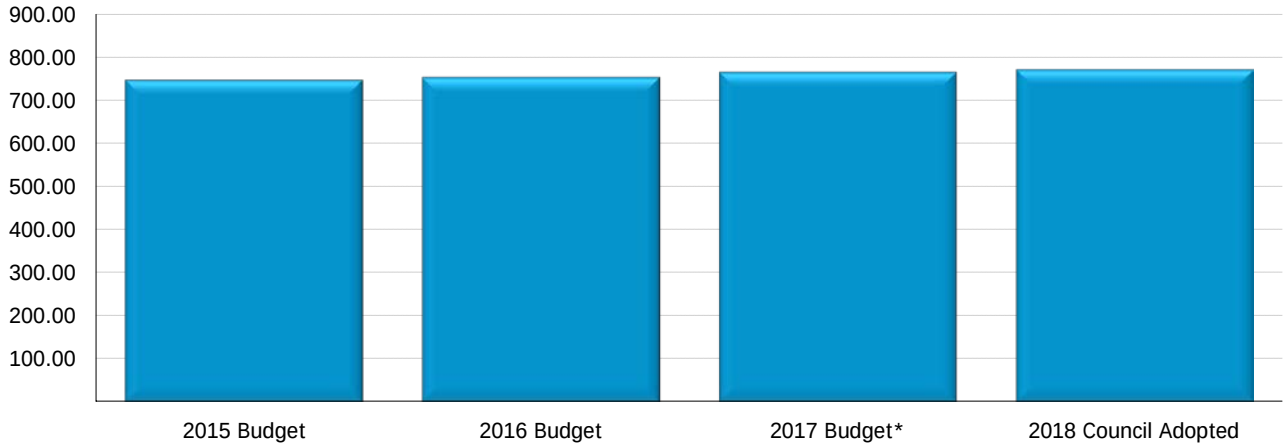


CITY COORDINATOR

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
311	31.00	30.00	30.00	30.00	0.0%	0
911	84.00	85.00	85.00	85.00	0.0%	0
City Coordinator	20.00	21.00	27.00	31.00	14.8%	4.00
Communications	12.00	12.00	12.00	12.00	0.0%	0
Convention Center	173.30	173.30	173.30	173.30	0.0%	0
Emergency Management	6.50	8.50	8.50	8.50	0.0%	0
Finance And Property Services	251.00	252.50	255.50	258.50	1.2%	3.00
Human Resources	51.80	52.80	53.80	55.00	2.2%	1.20
Information Technology	94.00	94.00	96.00	92.00	-4.2%	(4.00)
Intergovernmental Relations	8.00	8.00	8.00	8.00	0.0%	0
Neighborhood & Community Relations	16.00	17.00	17.00	18.00	5.9%	1.00
Total City Coordinator Depts.	747.60	754.10	766.10	771.30	0.7%	5.20

Positions 2015-2018



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

CITY COORDINATOR - ADMINISTRATION

One Minneapolis

Equity and Inclusion General Fund: $546,770

The Equity & Inclusion program area is focused both on enterprise efforts as well as the City's community and place-based efforts as part of the Minneapolis Promise Zone. Staff partner with elected officials, City departments and community partners to:

- Eliminate racial disparities for Minneapolis residents.
- Identify opportunities and execute solutions within City systems and service delivery to remove barriers for economic and social progress for people of color and Native constituents in our city.
- Eliminate systemic racism through partnership with external agencies, government bodies and community groups across Minnesota and the nation.
- Improve outcomes for residents in the Minneapolis Promise Zone through a focus on 1) reducing racial inequities through community and place-based strategies, 2) increasing community health and safety, 3) improving Cradle to Career outcomes for students, 4) building a more inclusive economy, 5) creating jobs, and 6) promoting stable housing.

Services provided include:

- **Culture Development** – growing employee capacity and skillsets to address race and racial equity and foster their success in eliminating institutional and systemic forms of racism
- **Department Planning & Action** – driving adoption of equity and inclusion best practices within their departments through team development, goal-setting, and policy/procedure review
- **Alignment & Acceleration** – interdepartmental partnerships to address broad enterprise racial equity opportunities, ensuring alignment across departments and bringing promising practices to scale
- **Evaluation & Reporting** – through Results Minneapolis framework, consulting with departments in building One Minneapolis goals as well as reporting on progress of racial equity efforts internally and externally
- **Partnerships** – working with private, public, philanthropic, and non-profit groups to create transformational change in closing racial disparities in Minneapolis, the region, and the state as a whole. This includes development of community turnaround strategies for Minneapolis' most challenged neighborhoods.

City-wide Diverse Spend

Total included spending*

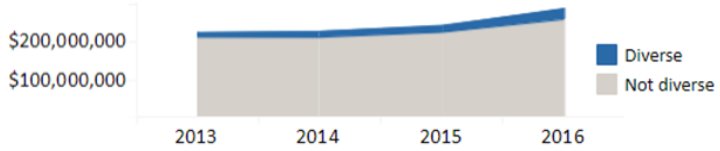
$289,251,141

Amount spent with diverse suppliers	Percent spent with diverse suppliers
$28,535,553	10%

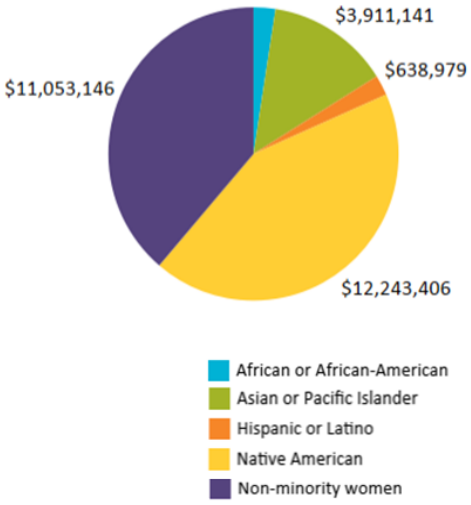
Amount spent with minority-owned suppliers (any gender)	Amount spent with women-owned suppliers (any race)
$17,482,407	$11,066,046

Spending over time

The chart below shows the share of spending with diverse suppliers over time. This ratio is important because as spending increases, the share spent with diverse suppliers should also increase.



Diverse spending by group



*Data does not reflect the entire budget. Data reflects discretionary spending with for-profit primary suppliers.

City-wide workforce

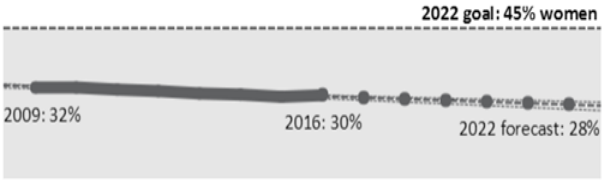
City of Minneapolis Workforce Overview, for 2017:

# of Employees	% Women	% People of Color
3,950	29.7%	27.4%

See the online interactive dashboard for more information

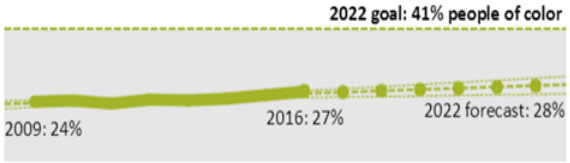
City workforce forecast: Women

City workforce: Women (2009-2022 forecast)



City workforce forecast: People of color

City workforce: People of color (2009-2022 forecast)



Sustainability General Fund: $2,602,177

The Sustainability program area drives citywide and internal sustainability policy through performance measurements, research, planning inter-departmental collaboration and funding development. The program has a particular focus on the Homegrown Minneapolis Initiative (healthy, sustainable locally grown food), climate and energy strategies, tree canopy improvements, and waste reduction strategies. Services include:

- Implementation of the **Clean Energy Partnership's** work plan in partnership with other departments and utility staff
- Continued implementation of building disclosure ordinance including work funded by the McKnight Foundation, Energy Foundation and Minnesota Pollution Control Agency (MPCA)
- Implementation of **Homegrown Minneapolis Initiative** – including developing land access policy, revising regulations, expanding Food Council membership, conducting local food economy/access research and supporting farmers markets.
- Enhancing and implementation of the **City Trees program**
- Assisting with the development of a **Zero Waste initiative**
- Facilitating the implementation of our **Green Zones initiative**

Living Well

Arts, Culture, & the Creative Economy General Fund: $577,092
Other Funds: $375,000

The Arts, Culture and the Creative Economy program area drives citywide and internal arts policy through economic research, performance measures, planning and development. Objectives of the program include:

- Leveraging creative sector talent, resources and skills for inter-departmental collaborations.
- Working with local and regional partners to promote and grow the city through an arts and culture lenses.
- Special focus on Creative City Making, a racial equity initiative and applied learning strategy assisting other departments on their equity and inclusion goals through arts based community engagement, training, resources and talent.

Services provided include:

- Tracking and sharing information on the creative sector in partnership with other departments and community stakeholders. Includes producing Minneapolis Creative Index report and collaborating on economic reports and data with MN Compass, local foundations and agencies.
- Institutionalizing and implementing Creative City Making in partnership with Equity and Inclusion staff to assist City departments with their arts-based community engagement strategies.
- Implementing the Creative City Road Map work plan in partnership with other departments and local partners, and integrates the plan goals into the City's comprehensive planning process.
- Assisting the Minneapolis Convention Center on producing Creative City Challenge projects with Northern Spark.
- Staffing and facilitating projects and partnerships related to Our Town, Artplace and other grants

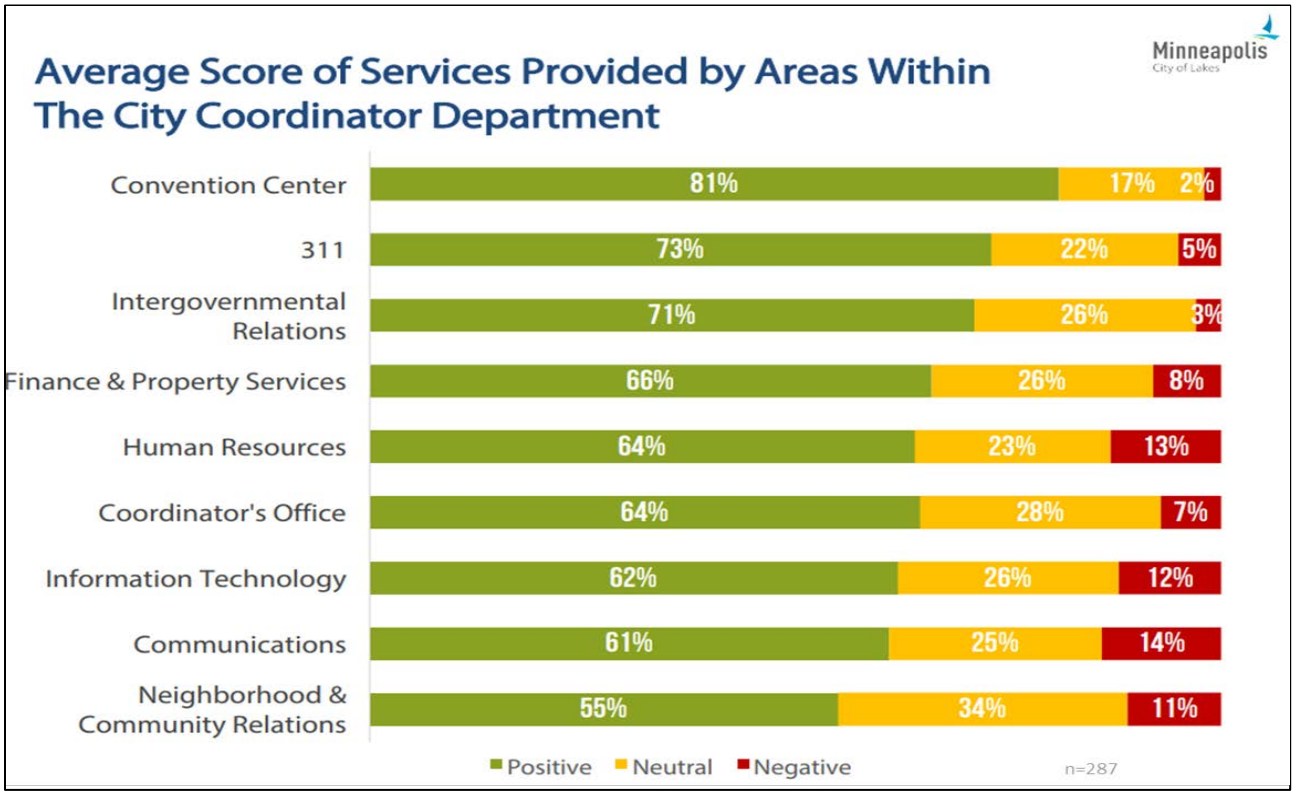
A City That Works

Strategic Management and Administration

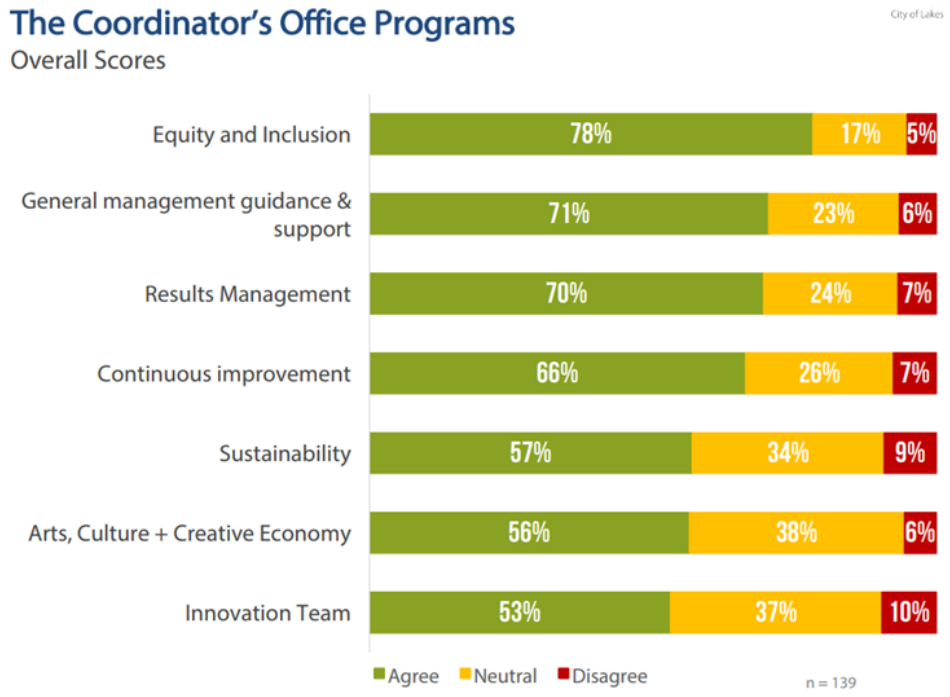
General Fund: $3,435,578
Other Funds $1,080,001

Acting as the strategic advising and consulting arm of the enterprise, the Strategic Management and Administration program area encompasses the City's performance and Results management functions, continuous improvement and facilitation functions, and general research and project management consulting services.
Services provided include:

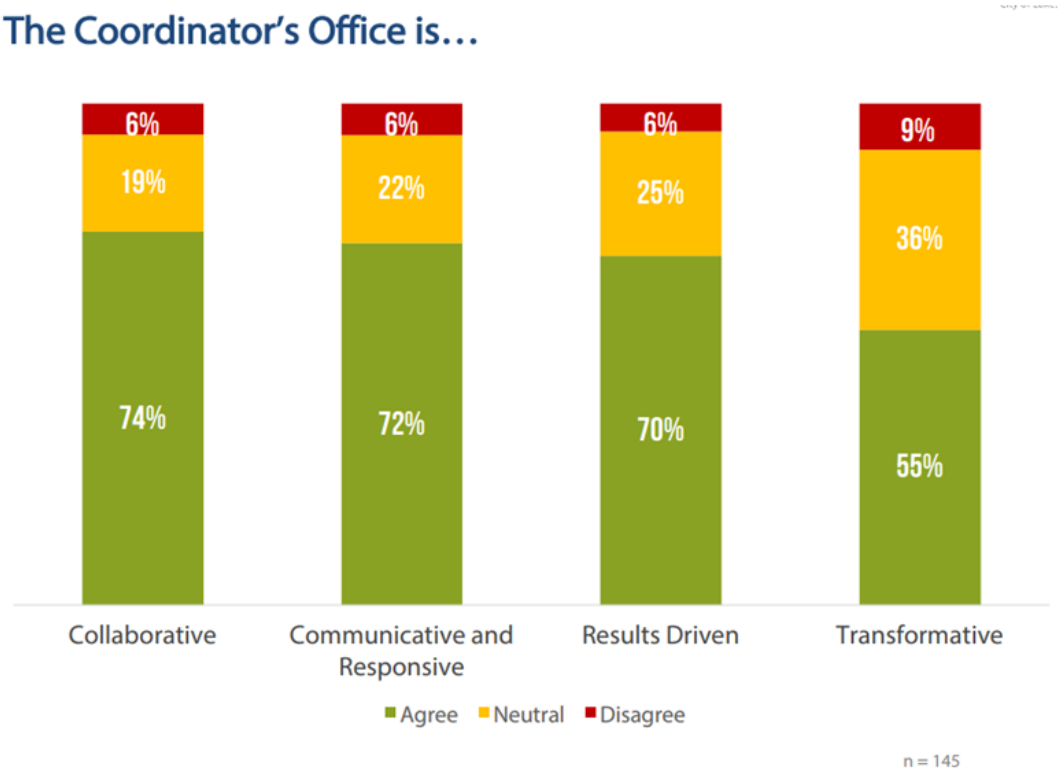
- Providing leadership and strategic guidance toward the development and achievement of **city vision, values and goals**
- Strategic management for the enterprise, serving as leader, convener, aligner, accelerator, problem solver, connector advisor etc.
- Providing **policy guidance** to elected officials
- Administering the City's **Results Management** program focused on planning, resource allocation, performance monitoring and continuous improvement efforts towards improving operational effectiveness and community results
- **Process-mapping** and facilitation on cross-departmental, enterprise and large City initiatives
- Research, reporting and data visualization assistance
- Oversight of various Citywide partnership agreements and large citywide events authorized by City Council, including the **100 Resilient Cities initiative, Super Bowl LII** (2018) and **NCAA Final Four** (2019)



Coordinator's Office Management Services Survey Overall Scores By Program



Coordinator's Office Management Services Survey Progress Toward Goals



Innovation Team (i-team) Other Funds: $950,000

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. Funded primarily through Bloomberg Philanthropies, the Minneapolis i-team is charged with assessing 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 use a data-driven process to assess problems, generate responsive new interventions, develop partnerships, and deliver measurable results.

Services provided depend on the individual initiatives, but include:

- Data analysis and initiatives performance measurement
- Process definition and improvement
- Project planning and management
- Prototyping and design thinking services
- Program evaluation focused on initiatives and community outcomes

Financial Analysis

Expenditure
The total City Coordinator Department's budget increases from $6.8 million to $9.6 million from 2017 to 2018. This is an increase of $2.8 million, or 40.4% arising from inflationary increases in operating costs, budgetary change items of $2.6 million in 2018, and elimination of one-time budget allocations in the 2017 budget.

Revenue
Revenues are projected to increase by 20.6% or $410,000 in this department due to additional grants. The department's total revenues in 2018 are projected to be $2.4 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 grant funds.

Mayor's Recommended Budget
The Mayor recommends ongoing General Fund appropriations of $989,000 for projects to be allocated through the Clean Energy Partnership, $375,000 for investment in renewable sources for energy used in city's facilities, $225,000 for Strategic Planning and Continuous Improvement (includes 4.0 FTEs), $125,000 for increased security for Minneapolis Public Housing Authority (MPHA) residences, $90,000 for a new Housing Policy Coordinator (includes 1.0 FTE) and $190,000 for enterprise Sustainability activities.

The Mayor also recommends one-time General Fund appropriations of $122,000 for Arts Culture and the Creative Economy, $80,000 for Enterprise Engagement Services, $130,000 for Equity and Inclusion, $175,000 for various Citywide partnerships (including Midtown Community Works, St Anthony Falls Heritage Board, Mississippi Riverfront, Cedar Riverside, and others), $125,000 for Partnership Initiatives specifically in conjunction with Greater MSP, $25,000 for a Community Economic Development plan, $25,000 for a Downtown Mobility Plan Assessment

following implementation of downtown mobility improvements, $50,000 for community initiatives programming, and $15,000 for expense related to Super Bowl LII, reimbursable by the Super Bowl Committee.

Council Adopted Budget
The City Council amended the Mayor's recommended budget on an ongoing basis in the General Fund; reducing the appropriation for Strategic Planning and Continuous Improvement by $40,000; eliminating ongoing appropriations of $90,000 and 1.0 FTE for a new Housing Policy Coordinator; and, decreasing the department's base by $50,000.

The City Council amended the Mayor's recommended budget on an ongoing basis in the grants (01300) fund; reducing the appropriation for the federal SAMHSA grant by $72,898.

The City Council also amended the Mayor's recommended budget on a one-time basis in the General Fund; adding an appropriation of $75,000 to fund the Southside Green Zone initiative; adding an appropriation of $90,000 for a contract with Mind Foundry for after-school Science, Technology, Engineering and Math (STEM) education; and, adding an appropriation of $15,000 for the Community Commemoration of the 100th Anniversary of the Armistice ending WWI; eliminating the $25,000 appropriation for the Community Economic Development plan; by eliminating the $25,000 appropriation for the Downtown Mobility assessment; and, by reducing the appropriation for Arts Culture and the Creative Economy by $22,000.

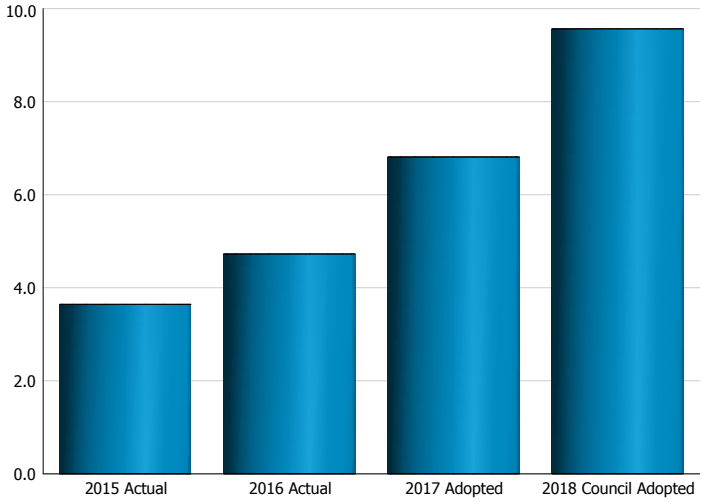
CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,275,872	1,626,373	1,775,978	2,032,497	14.4%	256,519
FRINGE BENEFITS	373,907	472,461	570,482	712,129	24.8%	141,647
CONTRACTUAL SERVICES	1,359,594	1,603,271	2,332,295	4,291,945	84.0%	1,959,650
OPERATING COSTS	149,785	237,838	138,685	125,046	-9.8%	(13,639)
CAPITAL		32,237				0
TOTAL GENERAL	**3,159,157**	**3,972,180**	**4,817,440**	**7,161,617**	**48.7%**	**2,344,177**
SPECIAL REVENUE						
SALARIES AND WAGES	251,471	407,356	688,954	772,534	12.1%	83,580
FRINGE BENEFITS	71,205	126,428	237,151	276,900	16.8%	39,749
CONTRACTUAL SERVICES	154,225	184,822	1,063,355	1,327,452	24.8%	264,097
OPERATING COSTS	7,314	36,021	5,115	28,115	449.7%	23,000
TOTAL SPECIAL REVENUE	**484,215**	**754,627**	**1,994,575**	**2,405,001**	**20.6%**	**410,426**
TOTAL EXPENSE	**3,643,372**	**4,726,807**	**6,812,015**	**9,566,618**	**40.4%**	**2,754,603**

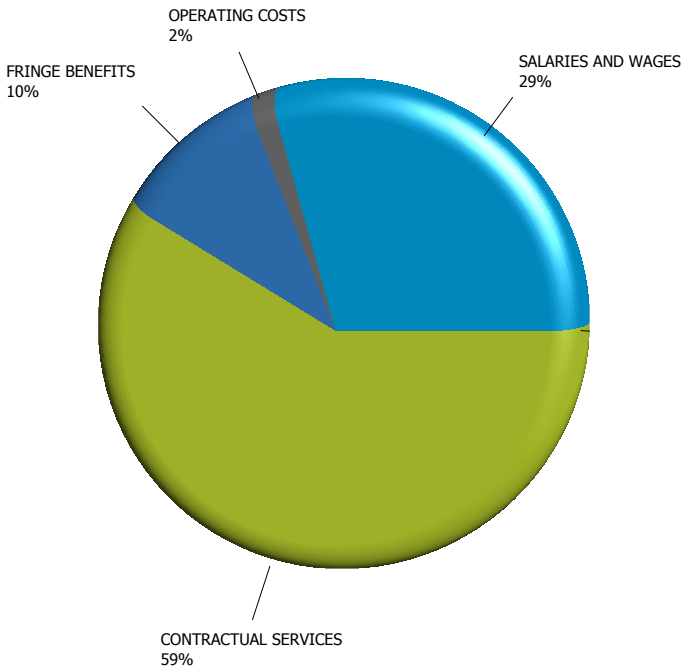
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CONTRIBUTIONS		5,000			0.0%	0
GENERAL		**5,000**				**0**
SPECIAL REVENUE						
CONTRIBUTIONS	471,347	1,004,145	1,044,575	505,000	-51.7%	(539,575)
FEDERAL GOVERNMENT	1,707	47,920	950,000	950,000	0.0%	0
INTEREST	78				0.0%	0
STATE GOVERNMENT	10,000	25,734			0.0%	0
USE OF FUND BALANCE				950,000	0.0%	950,000
SPECIAL REVENUE	**483,132**	**1,077,799**	**1,994,575**	**2,405,000**	**20.6%**	**410,425**
TOTAL REVENUE	**483,132**	**1,082,799**	**1,994,575**	**2,405,000**	**20.6%**	**410,425**

CITY COORDINATOR
EXPENSE AND REVENUE INFORMATION

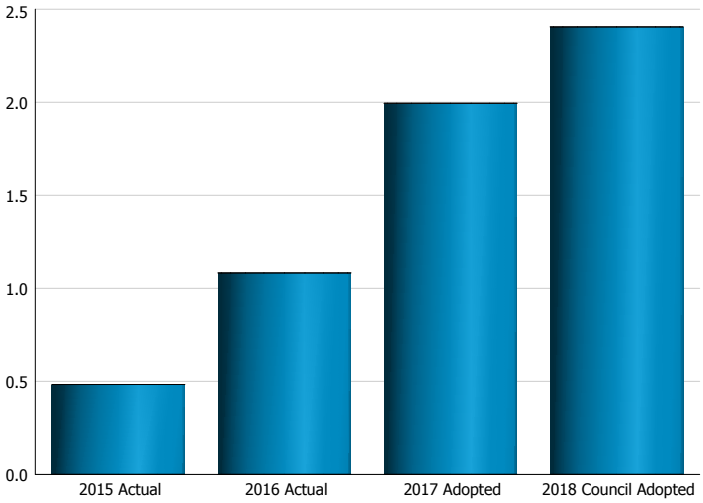
Expense 2015 - 2018
In Millions



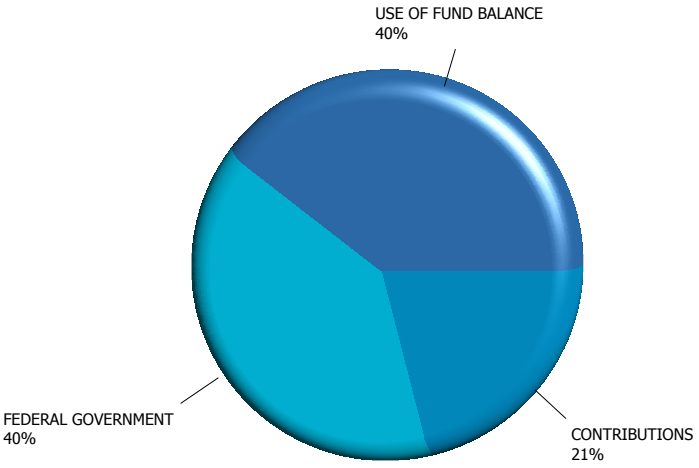
Expense by Category



Revenue 2015 - 2018
In Millions



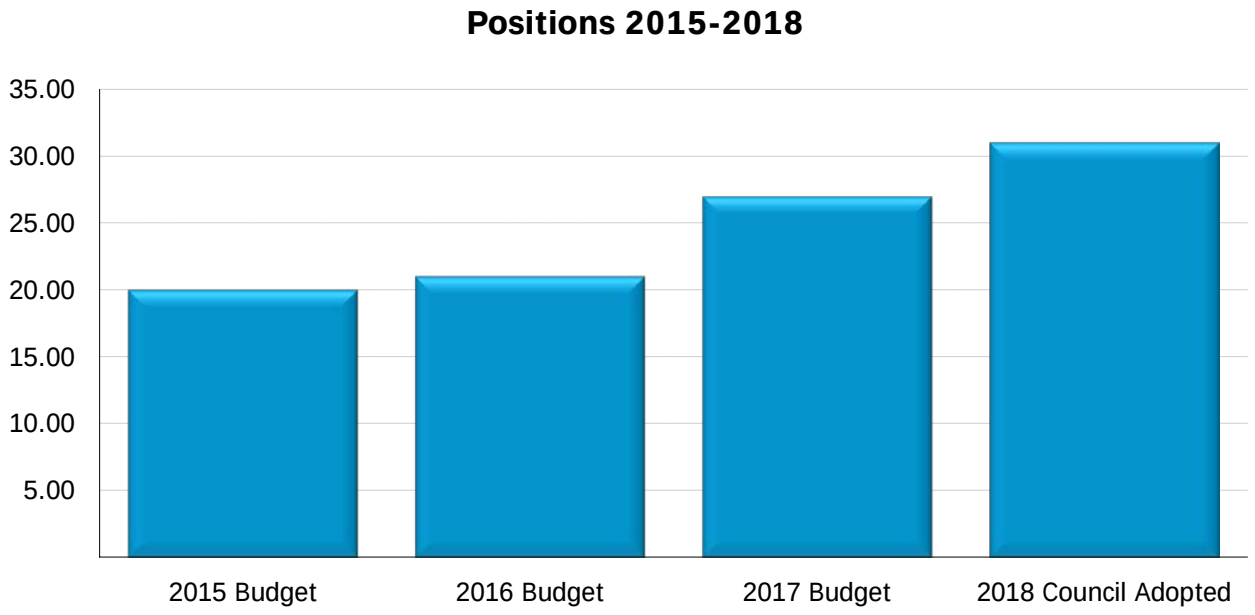
Revenue by Type



CITY COORDINATOR

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
ADMINISTRATION	17.00	18.00	19.00	31.00	63.2%	12.00
SUSTAINABILITY	3.00	3.00	3.00		-100.0%	(3.00)
Overall	20.00	21.00	27.00	31.00	14.8%	4.00



MINNEAPOLIS 311

MISSION

311 serves as the single point of contact for local government information and services providing accountability and transparency by:

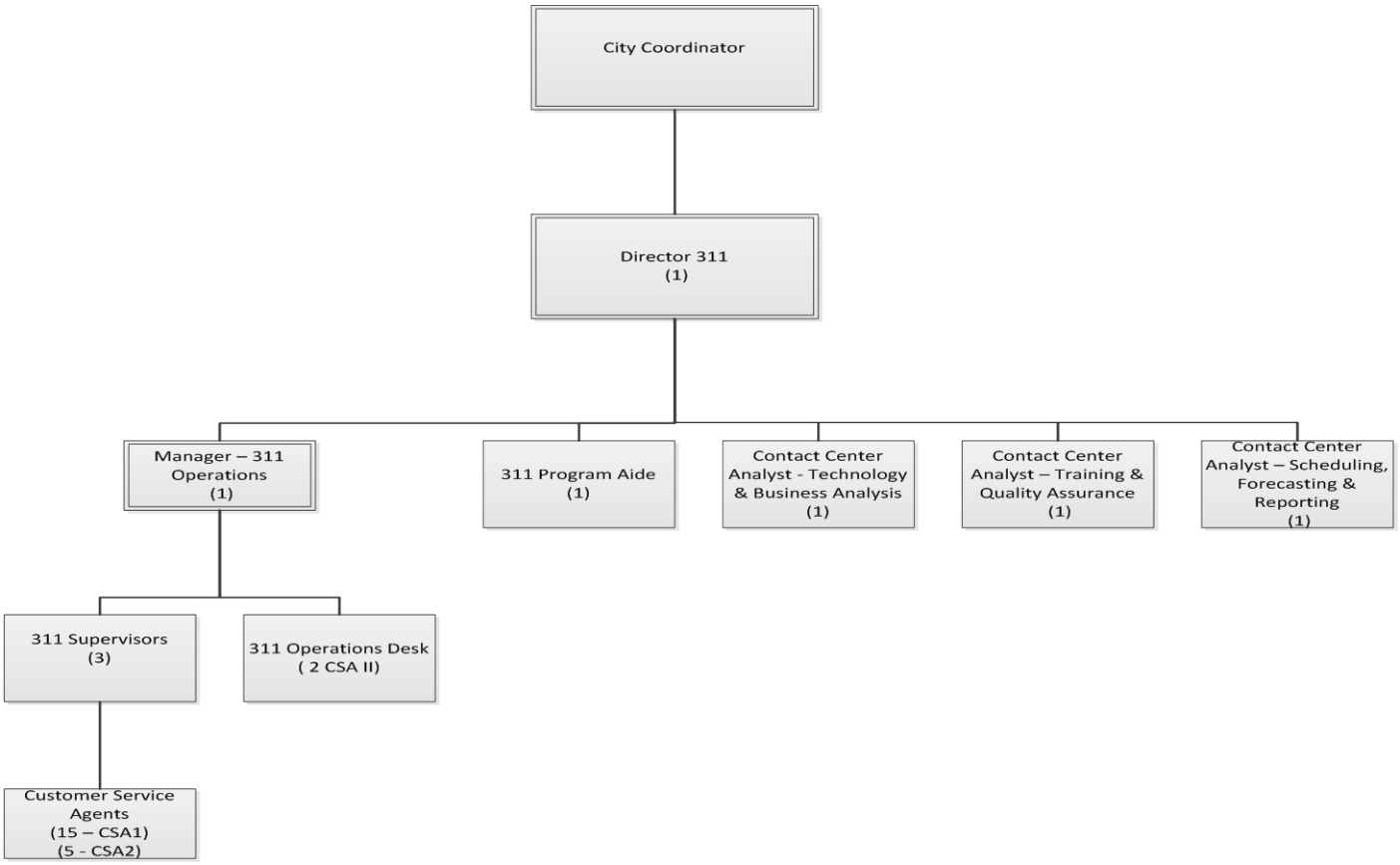
- Simplifying access to information and services
- Enabling organizations to deliver services more effectively
- Tracking requests for service delivery from inception to completion
- Providing process solutions

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



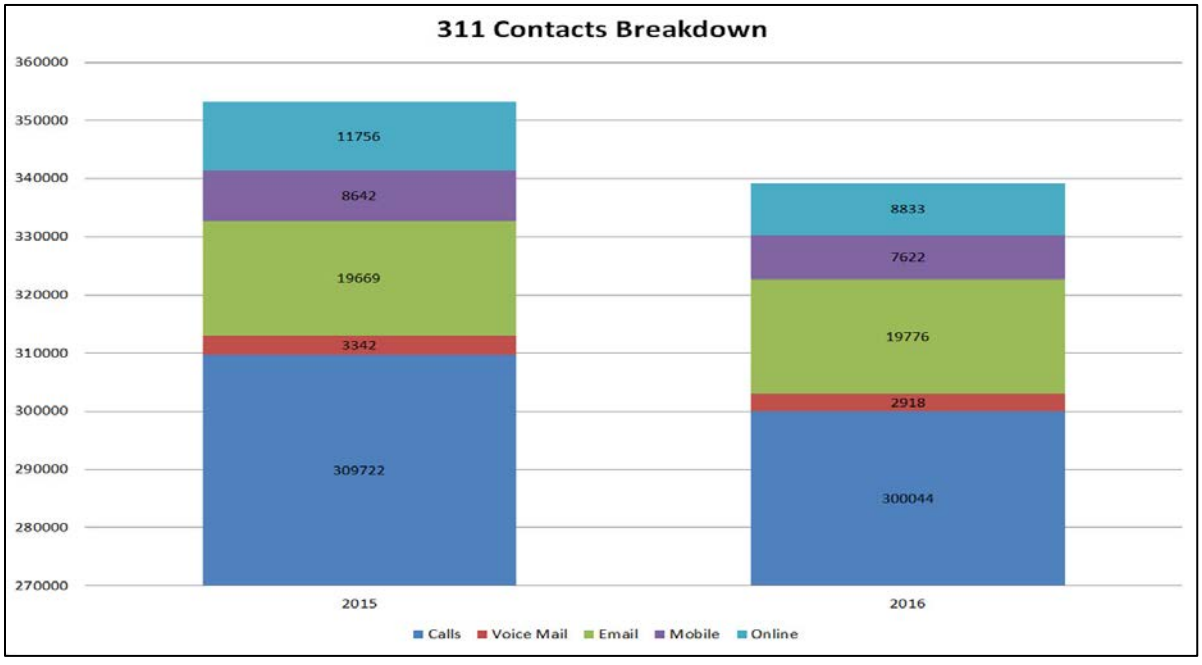
A City That Works

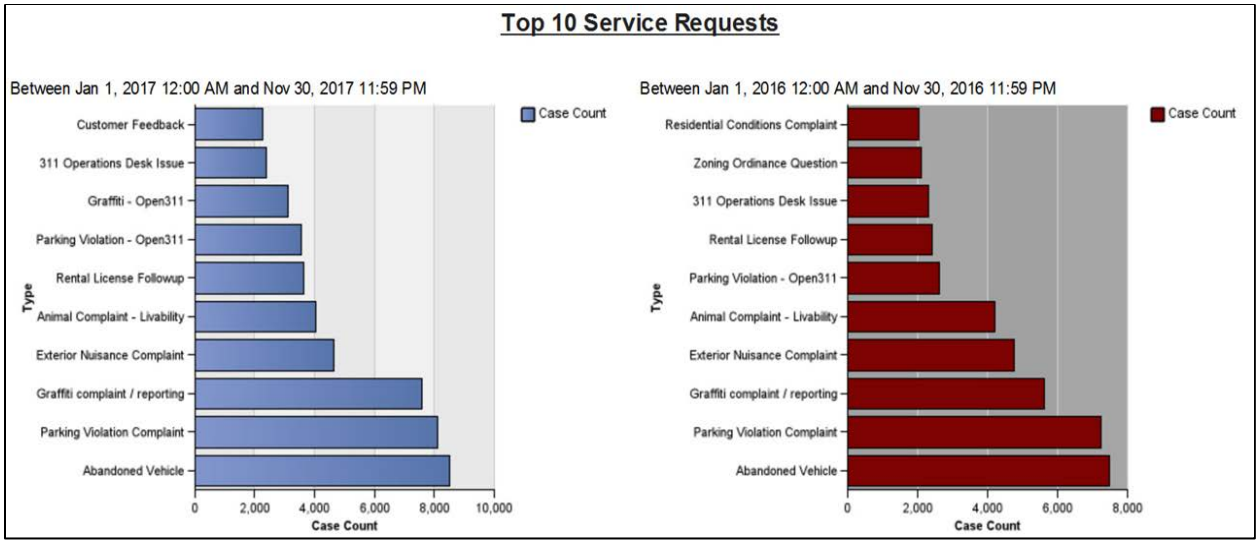
Minneapolis 311 General Fund: $4,097,275

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.

Selected 311 Performance Measures:

- Over 300,000 calls answered annually
- Over 19,000 emails handled annually
- Web chats – unknown
- Over 2,000 Police Reports handled annually
  - 1801 police reports were completed by citizens via the web
- Over 3,000 voicemails handled annually
- Language line interpretation – Spanish, Hmong, and Somali
- *Self-service* – 11,755 annually
- Mobile App Self-Service – Over 9,000 annually
- Texting – unknown
- Hours: 7:00AM-7:00PM Monday—Friday
  8:00AM-4:30PM Saturday and Sunday





Financial Analysis

Expenditure

The total 311 Department's budget remains essentially flat at $4.10 million from 2017 to 2018, with a decrease of $3,600, or 0.1%. The 311 Department's expenditure budget reflects inflationary increases in operating costs and $48,000 one-time costs in 2018, offset by the elimination of $80,000 in one-time expenditures in the 2017 budget.

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 a $48,000 one-time General Fund appropriation for Squiz Knowledge Base Reporting. This appropriation is not available to be spent until the 311, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

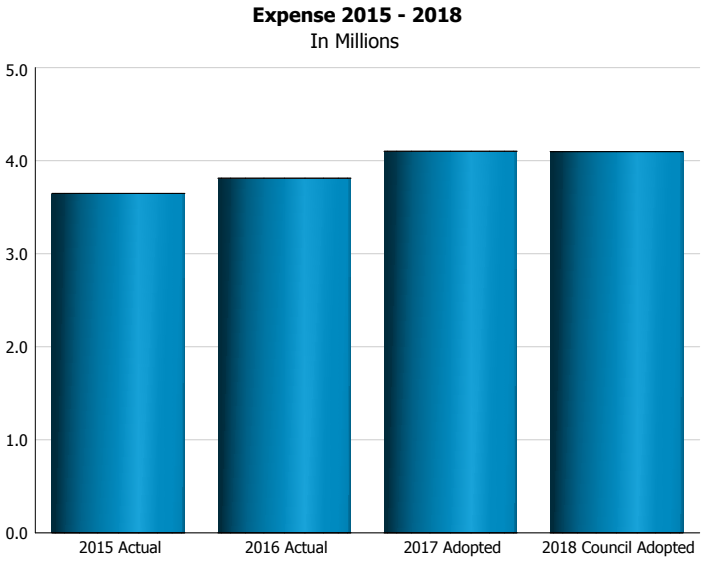
Council Adopted Budget

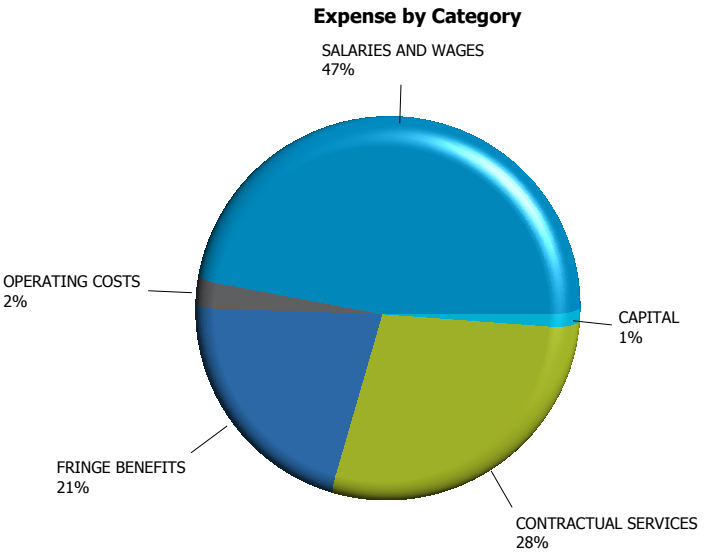
The City Council approved the Mayor's recommendation.

311
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,765,097	1,829,280	1,870,183	1,927,142	3.0%	56,959
FRINGE BENEFITS	741,997	768,879	826,829	862,620	4.3%	35,791
CONTRACTUAL SERVICES	982,096	1,081,684	1,288,956	1,160,396	-10.0%	(128,560)
OPERATING COSTS	109,595	113,066	114,938	99,117	-13.8%	(15,821)
CAPITAL	47,236	9,154		48,000		48,000
TOTAL GENERAL	**3,646,020**	**3,802,063**	**4,100,907**	**4,097,275**	**-0.1%**	**(3,631)**
SPECIAL REVENUE						
CONTRACTUAL SERVICES	1,974					0
OPERATING COSTS		9,327				0
TOTAL SPECIAL REVENUE	**1,974**	**9,327**				**0**
TOTAL EXPENSE	**3,647,994**	**3,811,390**	**4,100,907**	**4,097,275**	**-0.1%**	**(3,631)**

311
EXPENSE AND REVENUE INFORMATION

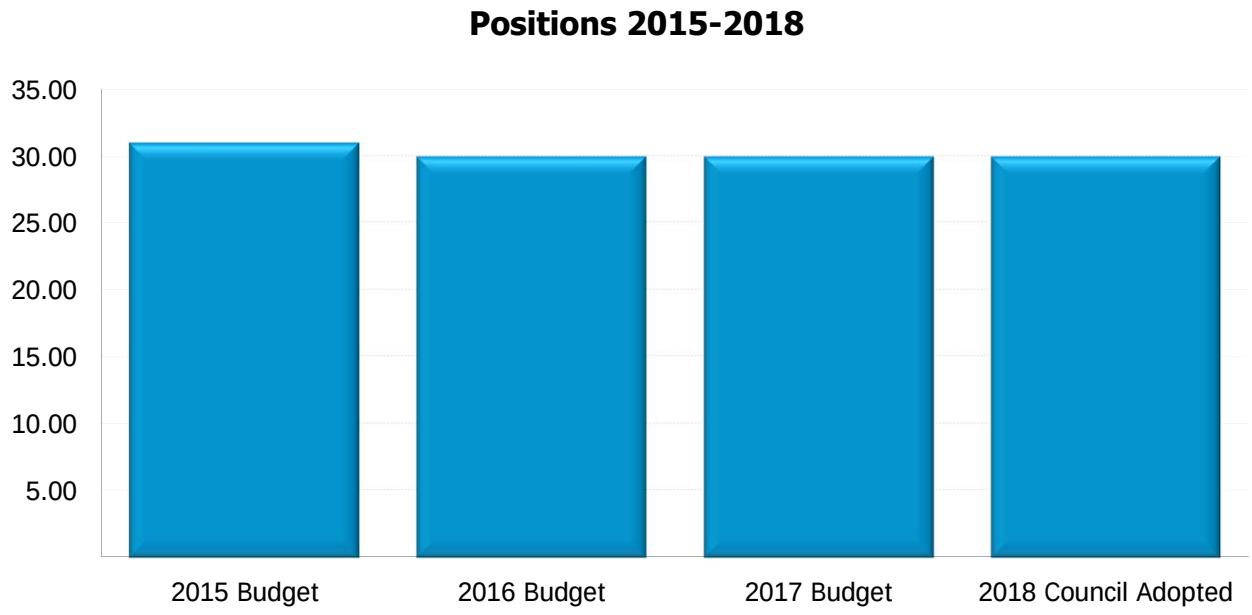




311

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
311	31.00	30.00	30.00	30.00	0.0%	0
Overall	31.00	30.00	30.00	30.00	0.0%	0



911

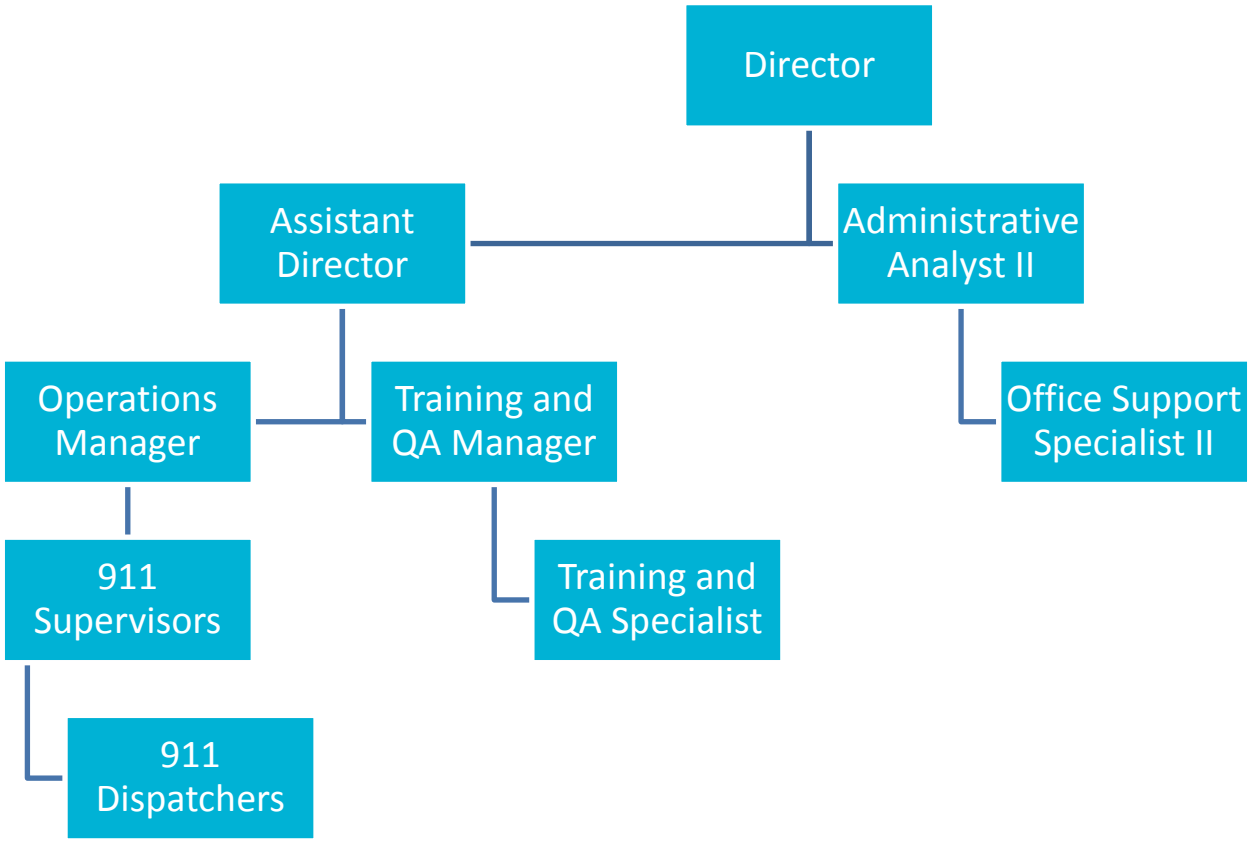
MISSION

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



Living Well

911 Call Handling and Dispatch Operations

General Fund: $9,973,960
Other Funds: $515,480

911 is the link between the public and emergency public safety response. Professional, supportive and engaged 911 staff receive, prioritize, dispatch and manage public safety response throughout the city. No police car, fire truck or ambulance responds to an 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 $10.4 million to $10.5 million from 2017 to 2018. This is an increase of $96,000, or 0.9% arising from inflationary increases in operating costs, and one-time budgetary change items of $270,000 in 2018 partially offset by elimination of one-time budget allocations of $387,000 from 2017's budget.

Revenue

Revenues are projected to remain constant in this department due to no changes in the Enhanced 911 Funds from the Minnesota Department of Public Safety. The department's total revenues in 2018 are projected to be $515,480.

Fund Allocation

This department is funded primarily in the General Fund, with the remainder of the department's funding found in the Other Grants fund.

Mayor's Recommended Budget

The Mayor recommends one-time General Fund appropriations of $41,000 for planned overtime expense related to increased staffing for Super Bowl LII, reimbursable by the Super Bowl Committee, $170,000 for 911 workstation furniture, and $100,000 for 911 Logging Recorder. The Logging Recorder appropriation is not available to be spent until the 911, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

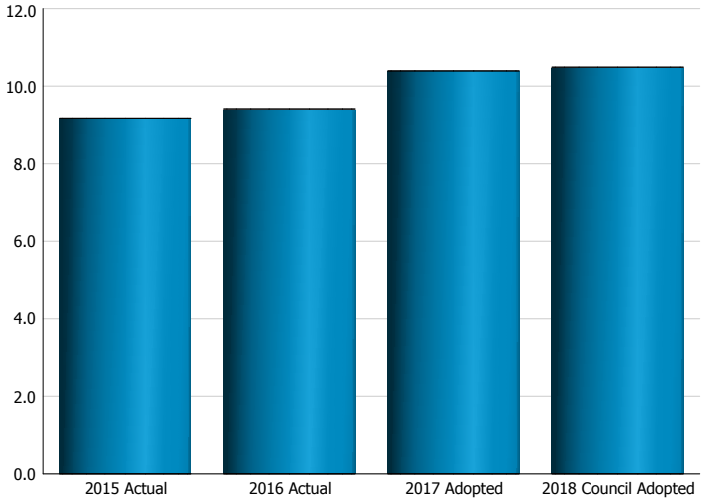
911
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	5,496,860	5,631,679	6,073,556	5,919,376	-2.5%	(154,180)
FRINGE BENEFITS	1,880,618	1,951,623	2,326,622	2,381,596	2.4%	54,974
CONTRACTUAL SERVICES	1,200,821	1,248,651	1,123,888	1,259,276	12.0%	135,388
OPERATING COSTS	133,396	145,625	148,433	133,085	-10.3%	(15,348)
CAPITAL	47,915	89,301	205,291	280,626	36.7%	75,335
TOTAL GENERAL	**8,759,610**	**9,066,878**	**9,877,790**	**9,973,959**	**1.0%**	**96,169**
SPECIAL REVENUE						
CONTRACTUAL SERVICES	389,436	310,854	445,000	437,396	-1.7%	(7,604)
OPERATING COSTS	20,535	30,961	70,480	78,084	10.8%	7,604
TOTAL SPECIAL REVENUE	**409,970**	**341,814**	**515,480**	**515,480**	**0**	**0**
TOTAL EXPENSE	**9,169,580**	**9,408,693**	**10,393,270**	**10,489,439**	**0.9%**	**96,169**

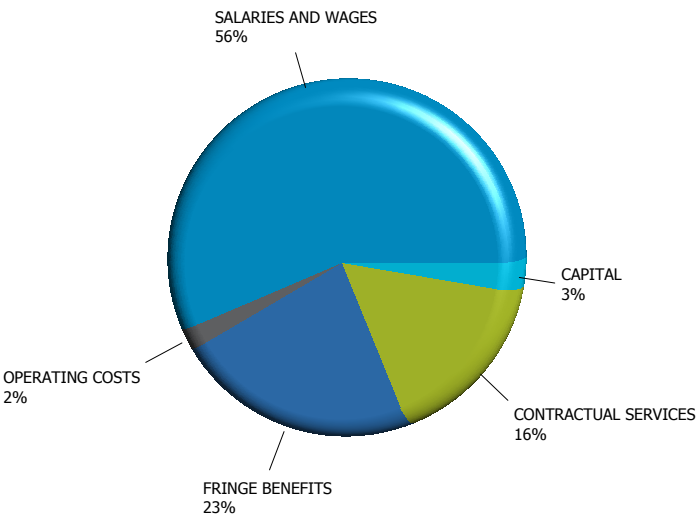
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	50	18			0.0%	0
GENERAL	**50**	**18**				**0**
SPECIAL REVENUE						
CHARGES FOR SERVICES	2,000				0.0%	0
CONTRIBUTIONS	1,974				0.0%	0
INTEREST	1,717	83,726			0.0%	0
STATE GOVERNMENT	406,253	839,389	515,480	515,480	0.0%	0
SPECIAL REVENUE	**411,944**	**923,115**	**515,480**	**515,480**	**0**	**0**
TOTAL REVENUE	**411,994**	**923,133**	**515,480**	**515,480**	**0**	

911
EXPENSE AND REVENUE INFORMATION

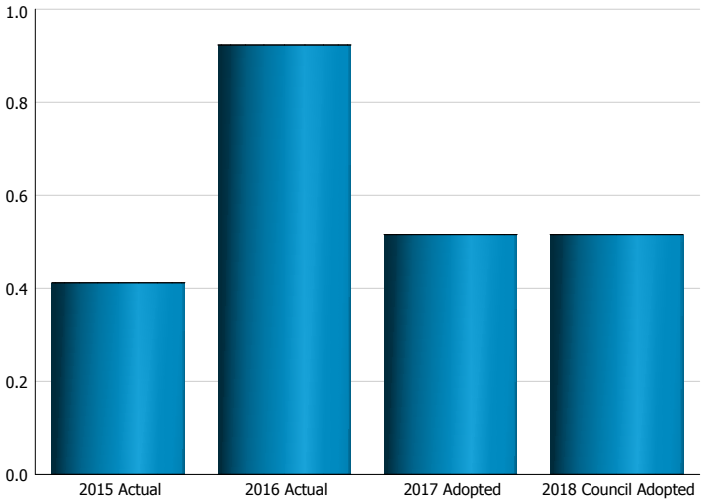
Expense 2015 - 2018
In Millions



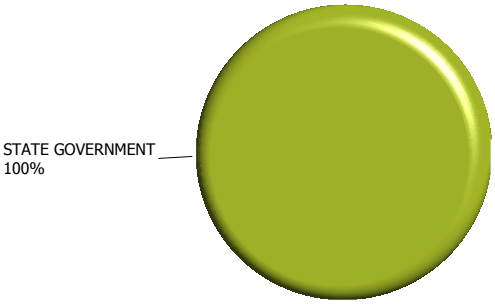
Expense by Category



Revenue 2015 - 2018
In Millions



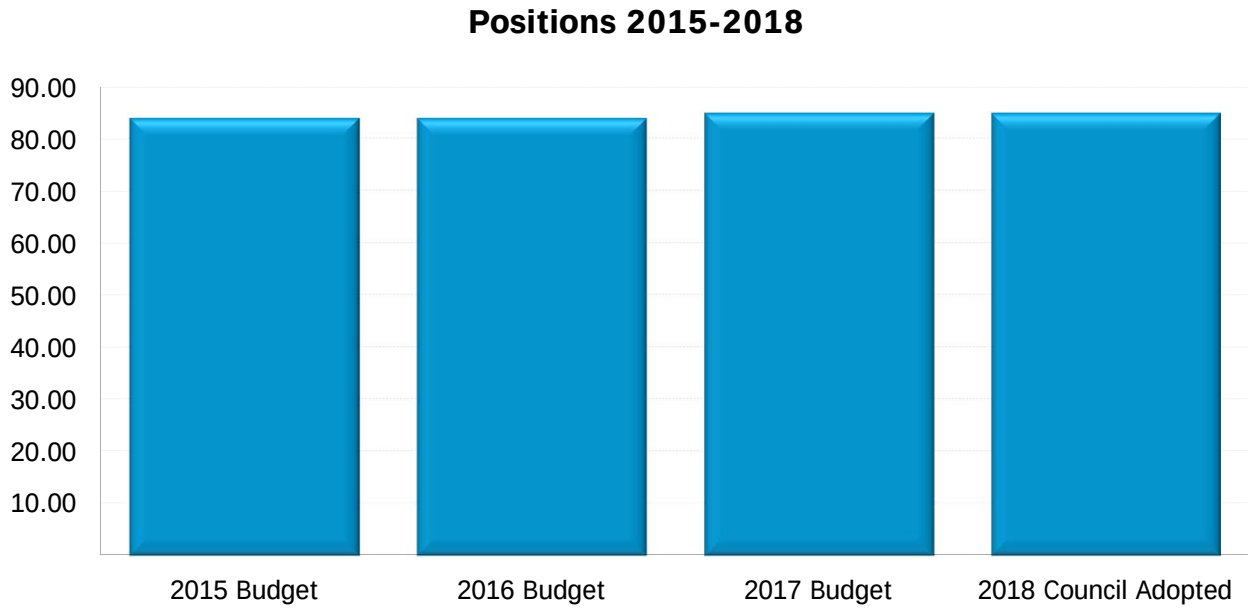
Revenue by Type



911

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
911	84.00	84.00	85.00	85.00	0.0%	0
Overall	84.00	84.00	85.00	85.00	0.0%	0

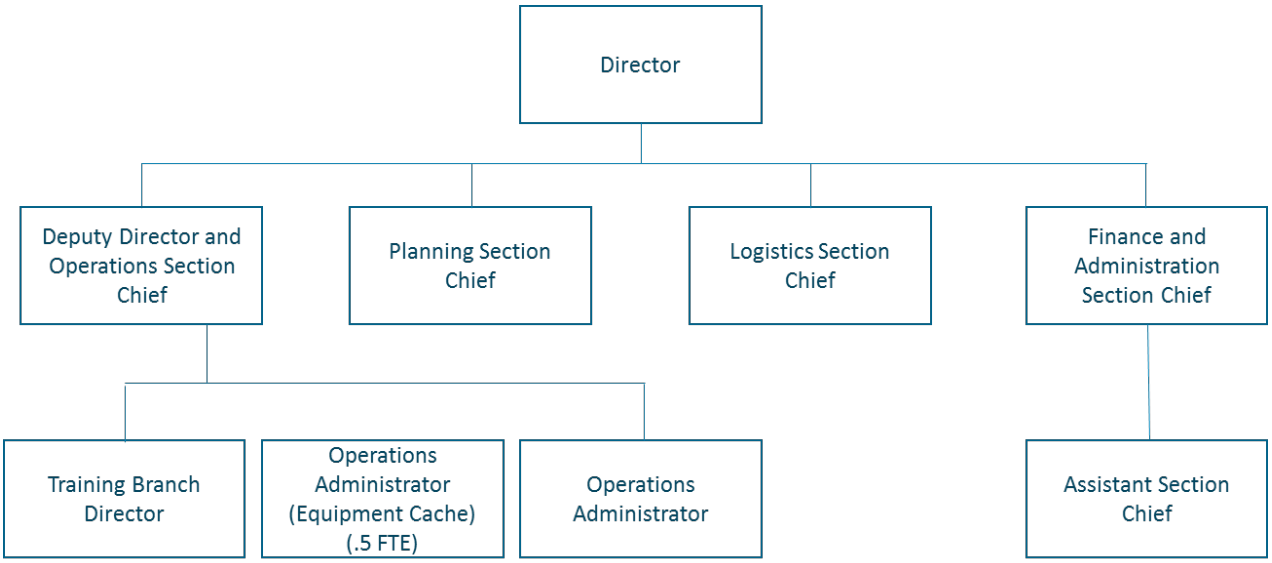


OFFICE OF EMERGENCY MANAGEMENT

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



Living Well

Office of Emergency Management

General Fund: $1,052,745
Other Funds: $1,030,000

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 Office of Emergency Management Department's budget decreases from $2.2 million to $2.1 million from 2017 to 2018. This is a reduction of $122,000, or 5.5%. The reduction stems from inflationary increases in operating expenses in 2018 being wholly offset by elimination of $250,000 one-time expenditures in 2017 budget.

Revenue
Revenues are projected to remain level in 2018 in this department due to equivalent grant funding. The department's total revenues in 2018 are projected to be $1.0 million.

Fund Allocation
This department is funded primarily by the General Fund at 50.5%, with the remainder of the department's funding found in the Special Revenue Federal Grants Fund at 49.5%.

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

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

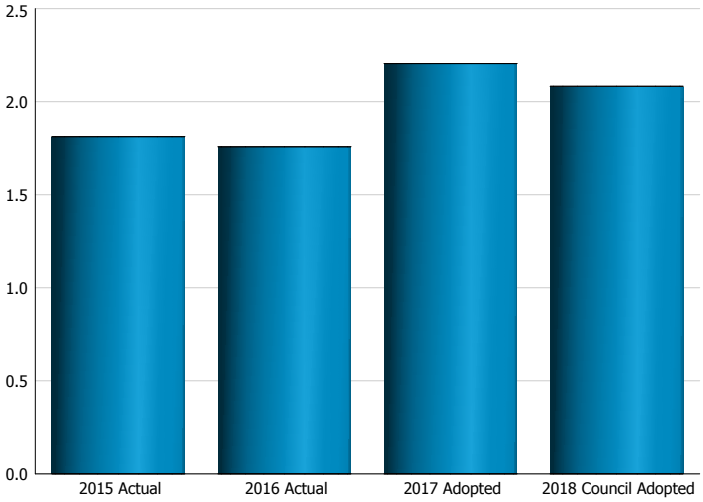
EMERGENCY MANAGEMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	335,475	370,660	395,661	410,496	3.7%	14,835
FRINGE BENEFITS	95,198	102,129	128,418	134,267	4.6%	5,849
CONTRACTUAL SERVICES	261,644	282,744	380,637	457,214	20.1%	76,577
OPERATING COSTS	70,030	48,293	50,184	50,767	1.2%	583
CAPITAL	4,885		250,000		-100.0%	(250,000)
TOTAL GENERAL	**767,233**	**803,826**	**1,204,900**	**1,052,745**	**-12.6%**	**(152,154)**
SPECIAL REVENUE						
SALARIES AND WAGES	272,146	234,455	417,554	417,631	0.0%	77
FRINGE BENEFITS	50,866	29,880	138,248	141,411	2.3%	3,162
CONTRACTUAL SERVICES	257,667	551,110	192,156	218,917	13.9%	26,761
OPERATING COSTS	280,912	138,396				0
CAPITAL	183,061		252,042	252,042	0.0%	0
TOTAL SPECIAL REVENUE	**1,044,651**	**953,841**	**1,000,000**	**1,030,000**	**3.0%**	**30,001**
TOTAL EXPENSE	**1,811,884**	**1,757,666**	**2,204,899**	**2,082,746**	**-5.5%**	**(122,154)**

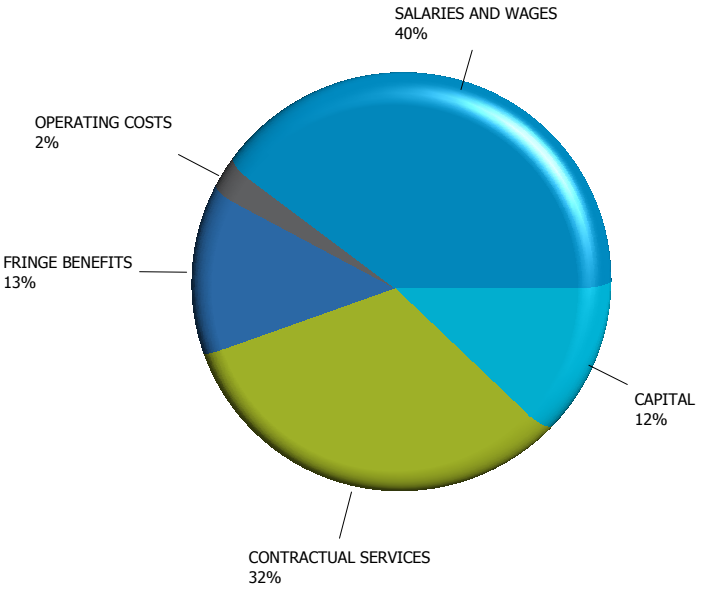
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS		1,000			0.0%	0
FEDERAL GOVERNMENT	1,042,113	953,641	1,000,000	30,000	-97.0%	(970,000)
LOCAL GOVERNMENT	(50,000)				0.0%	0
USE OF FUND BALANCE				1,000,000	0.0%	1,000,000
SPECIAL REVENUE	**992,113**	**954,641**	**1,000,000**	**1,030,000**	**3.0%**	**30,000**
TOTAL REVENUE	**992,113**	**954,641**	**1,000,000**	**1,030,000**	**3.0%**	**30,000**

EMERGENCY MANAGEMENT
EXPENSE AND REVENUE INFORMATION

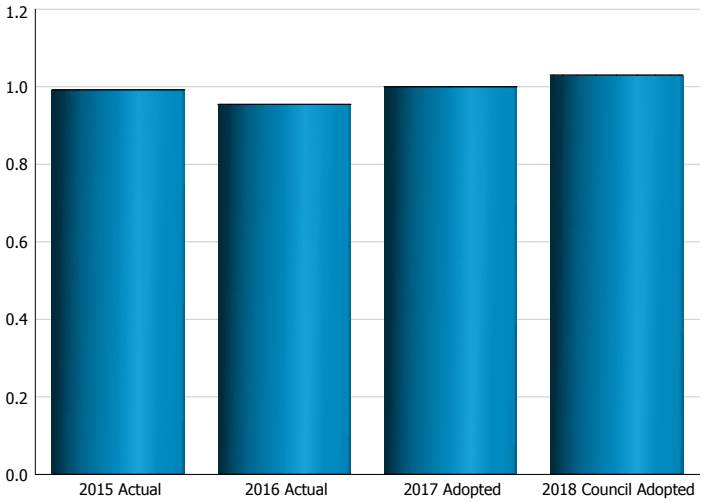
Expense 2015 - 2018
In Millions



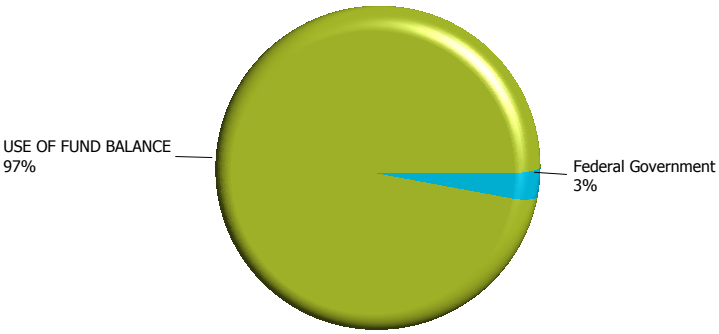
Expense by Category



Revenue 2015 - 2018
In Millions



Revenue by Type

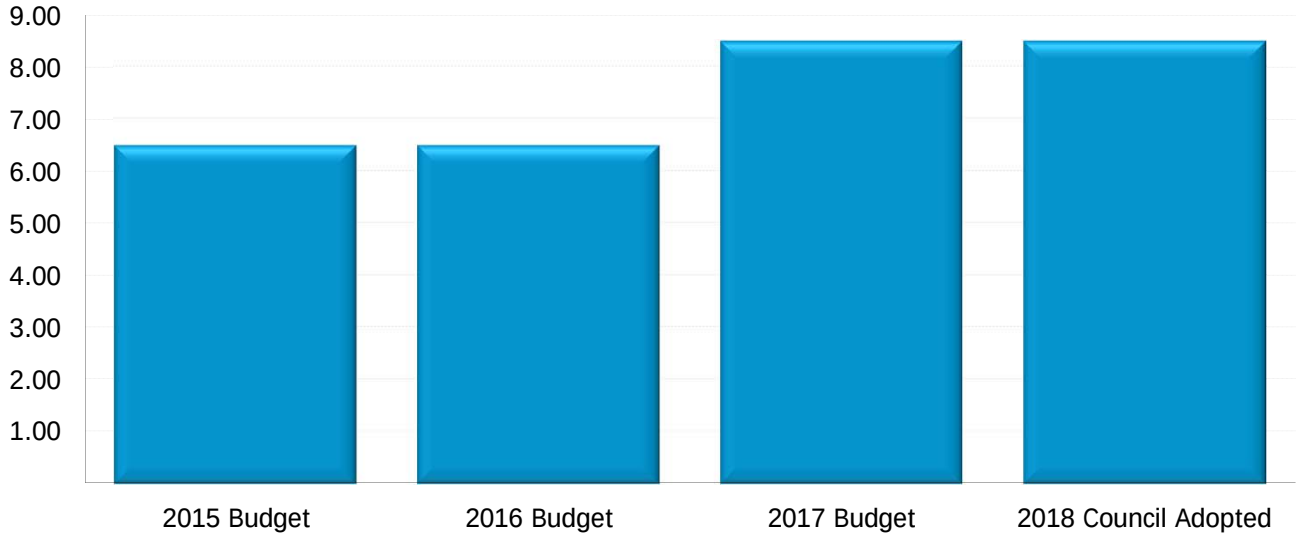


EMERGENCY MANAGEMENT

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
EMERGENCY MANGEMENT	6.50	6.50	8.50	8.50	0.0%	0
Overall	6.50	6.50	8.50	8.50	0.0%	0

Positions 2015-2018



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

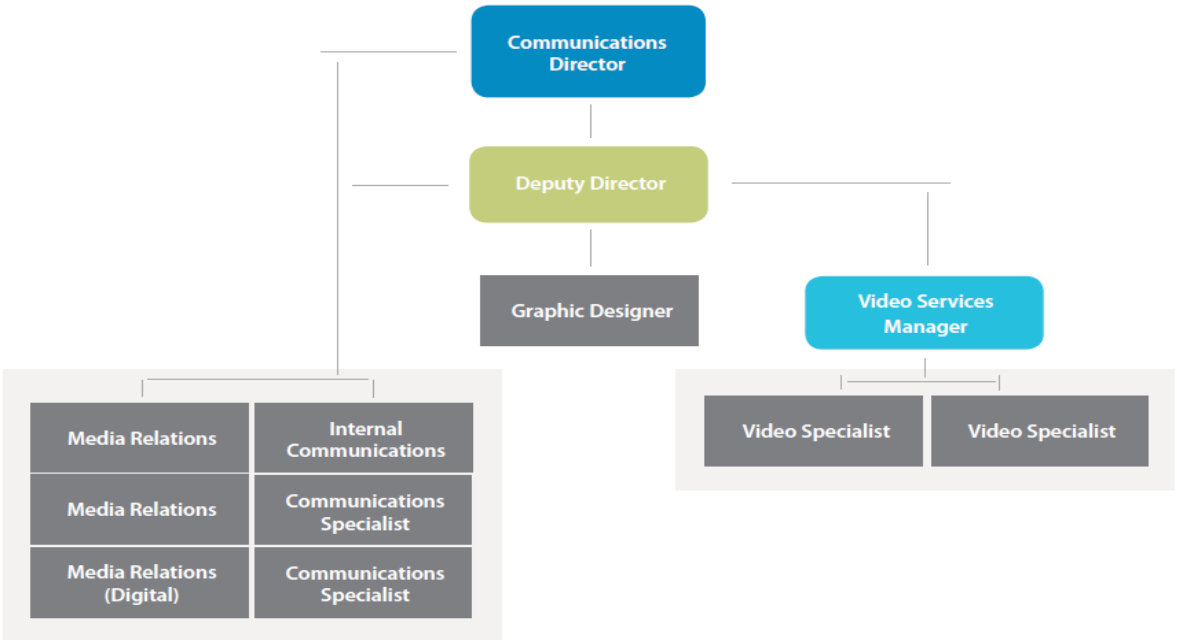
- **Lead external and internal communications planning and execution for the City which includes managing communications challenges and opportunities.**

  Communications staff provides strategic communications support for the City. This includes media relations, strategic communications, internal communications, crisis communications, social media, video and graphic design. Communications produces live broadcasts and web streaming of government meetings and manages the City's government access television channels.

- **Manage the City's cable franchises and public access television contract**

  Communications manages the City's cable franchises and oversees the contract for public access television service through Minneapolis Telecommunications Network (MTN).

ORGANIZATION CHART

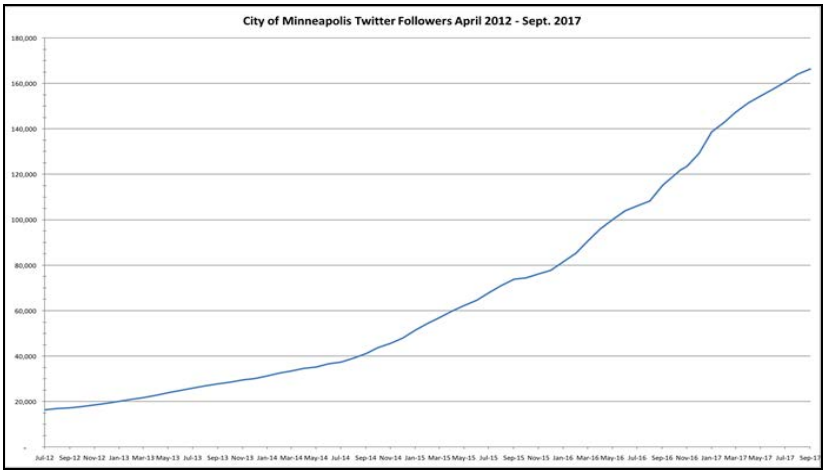


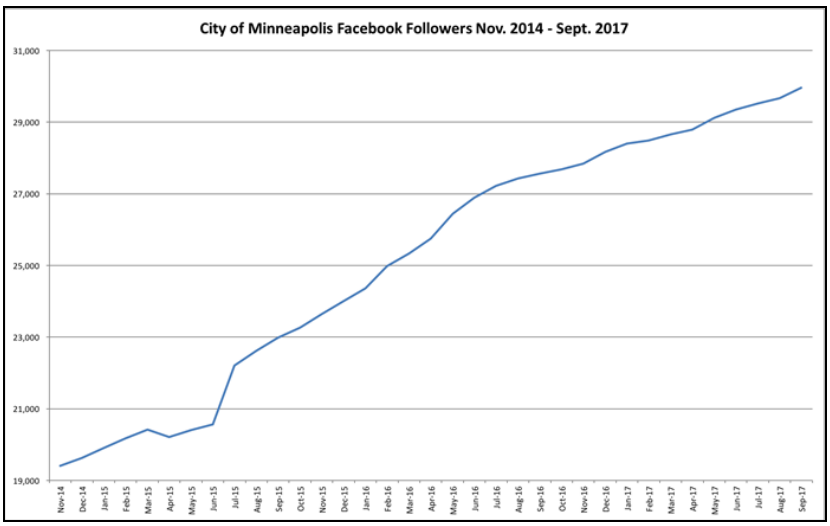
A City That Works

Enterprise Communications

General Fund: $1,834,812

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 increase from $2.25 million to $2.31 million from 2017 and 2018. This is an increase of $54,000, or 2.4%. The Communications Department's 2018 expenditure budget reflects inflationary increases in operating costs and $40,000 one-time budgetary change items.

Revenue

Revenues are projected to remain constant in this department for the PEG fees from cable subscribers. The department's total revenues in 2018 are projected to be $1.3 million.

Fund Allocation

This department is funded completely in the General Fund.

Mayor's Recommended Budget

The Mayor recommends one-time General Fund appropriations of $20,000 for Audio Production Capability enhancements and $20,000 to prevent overheating of Cable TV equipment.

Council Adopted Budget

The City Council amended the Mayor's recommended budget on a one-time basis; adding a General Fund appropriation by $20,000 for Video Storage and Software Efficiency Upgrade, and eliminating the appropriation for Audio Production Capability by $20,000.

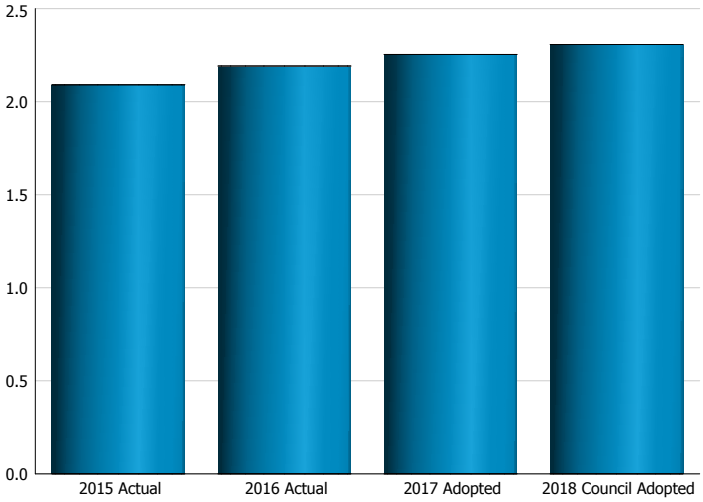
COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	751,890	826,943	936,825	972,900	3.9%	36,075
FRINGE BENEFITS	261,099	274,898	343,015	357,484	4.2%	14,469
CONTRACTUAL SERVICES	848,957	880,524	822,107	846,157	2.9%	24,050
OPERATING COSTS	98,688	110,495	101,753	90,767	-10.8%	(10,986)
CAPITAL	130,201	98,768	50,000	40,000	-20.0%	(10,000)
TOTAL GENERAL	**2,090,834**	**2,191,627**	**2,253,700**	**2,307,308**	**2.4%**	**53,608**
TOTAL EXPENSE	**2,090,834**	**2,191,627**	**2,253,700**	**2,307,308**	**2.4%**	**53,608**

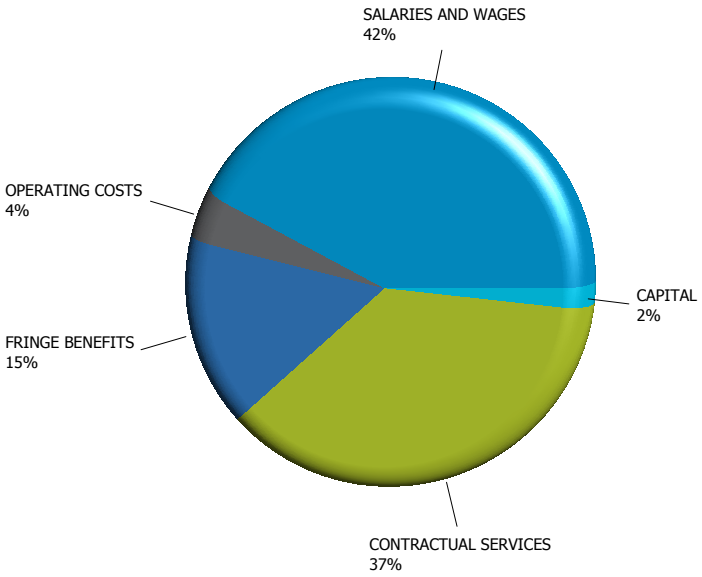
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	1,596	1,737	1,600	1,600	0.0%	0
CHARGES FOR SERVICES	45				0.0%	0
FRANCHISE FEES	1,220,393	1,246,760	1,250,000	1,250,000	0.0%	0
RENTS	494	73			0.0%	0
GENERAL	**1,222,529**	**1,248,570**	**1,251,600**	**1,251,600**	**0**	**0**
TOTAL REVENUE	**1,222,529**	**1,248,570**	**1,251,600**	**1,251,600**	**0**	

COMMUNICATIONS
EXPENSE AND REVENUE INFORMATION

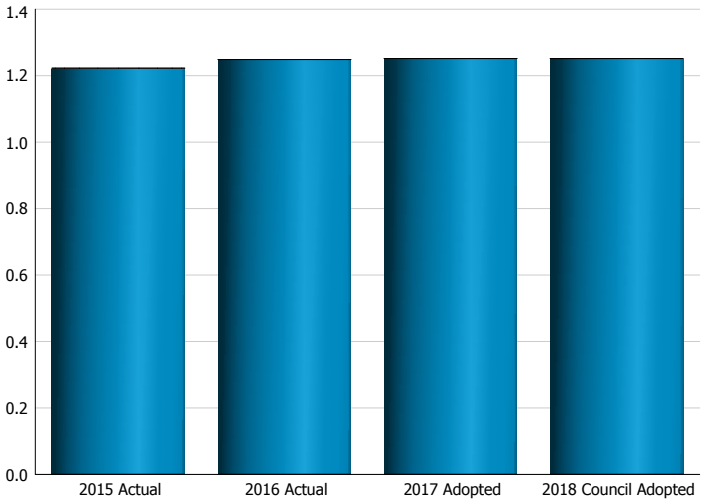
Expense 2015 - 2018
In Millions



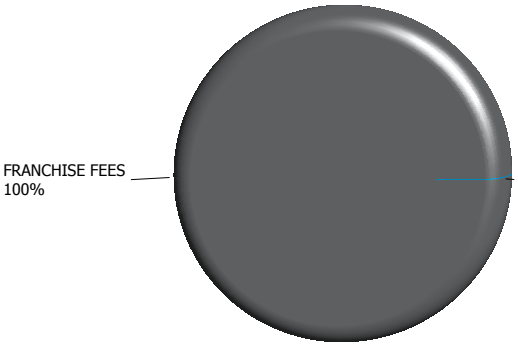
Expense by Category



Revenue 2015 - 2018
In Millions



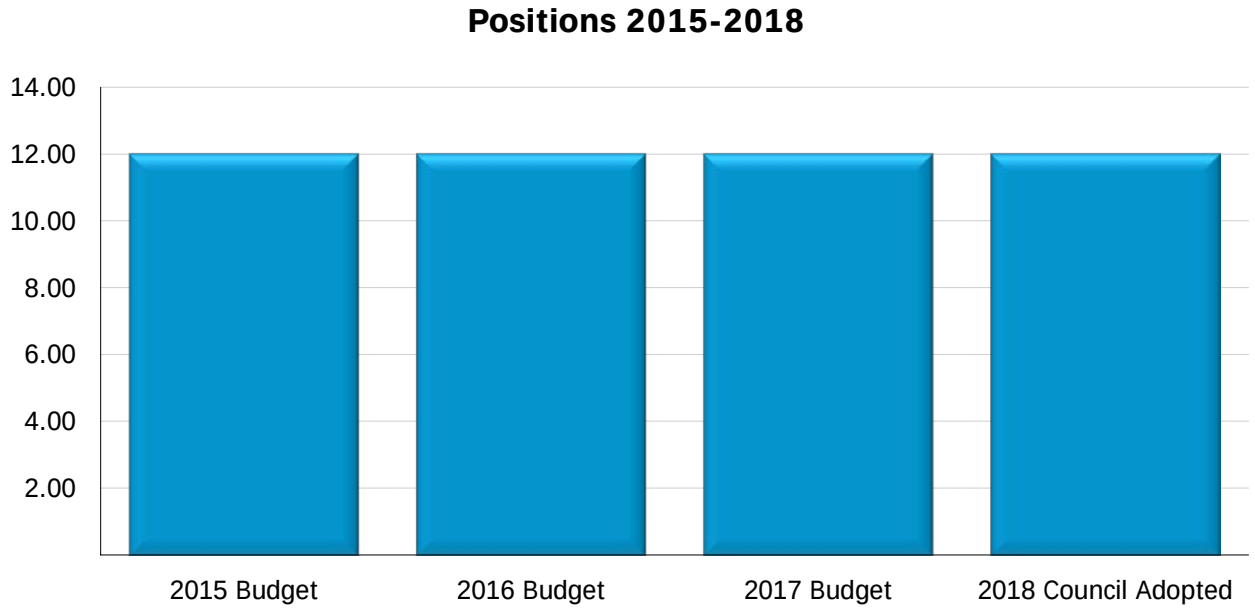
Revenue by Type



COMMUNICATIONS

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 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 & DOWNTOWN ASSETS

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, Guest Services, Parking and Marshalling operations, Safety & Security, 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, 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 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 continuously provide superior customer service.

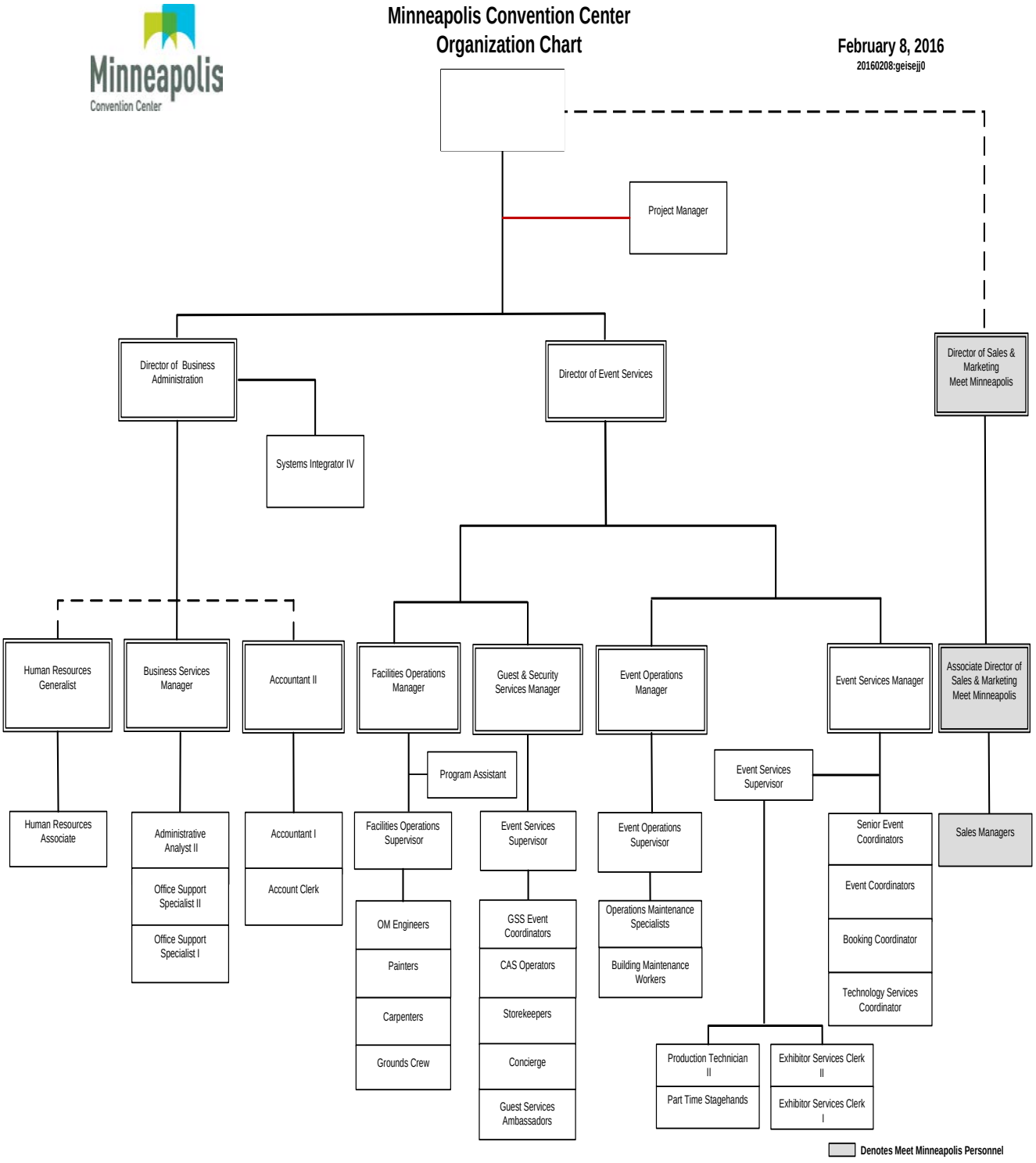
DOWNTOWN ASSETS

Sales and entertainment taxes provide more than $30 million each year to the General Fund, which reduces pressures on property taxes. Sales and entertainment taxes of over $50 million also directly support the city's major downtown assets which help to generate this revenue.

Through 2017, all sales and entertainment taxes were collected in the General Fund and then apportioned out to the Convention Center, Target Center, and Downtown East Commons individually. In prosperous times, the General Fund benefitted, and in lean times property taxes were needed to make up for the revenue gap.

In 2018, we shift this paradigm and collect sales and entertainment taxes to a Downtown Assets Fund, transferring a guaranteed amount out to the General Fund every year, and using the remainder to manage the four major downtown assets (Convention Center, Target Center, Peavy Plaza, and Downtown East Commons) in an integrated, coordinated manner. In doing so, property tax payers will be protected from the volatility of sales tax revenues, and city staff will be better able to manage, protect, and invest in our physical assets downtown – and in doing so maximize the financial, aesthetic, and reputational return they yield to the City.

ORGANIZATION CHART

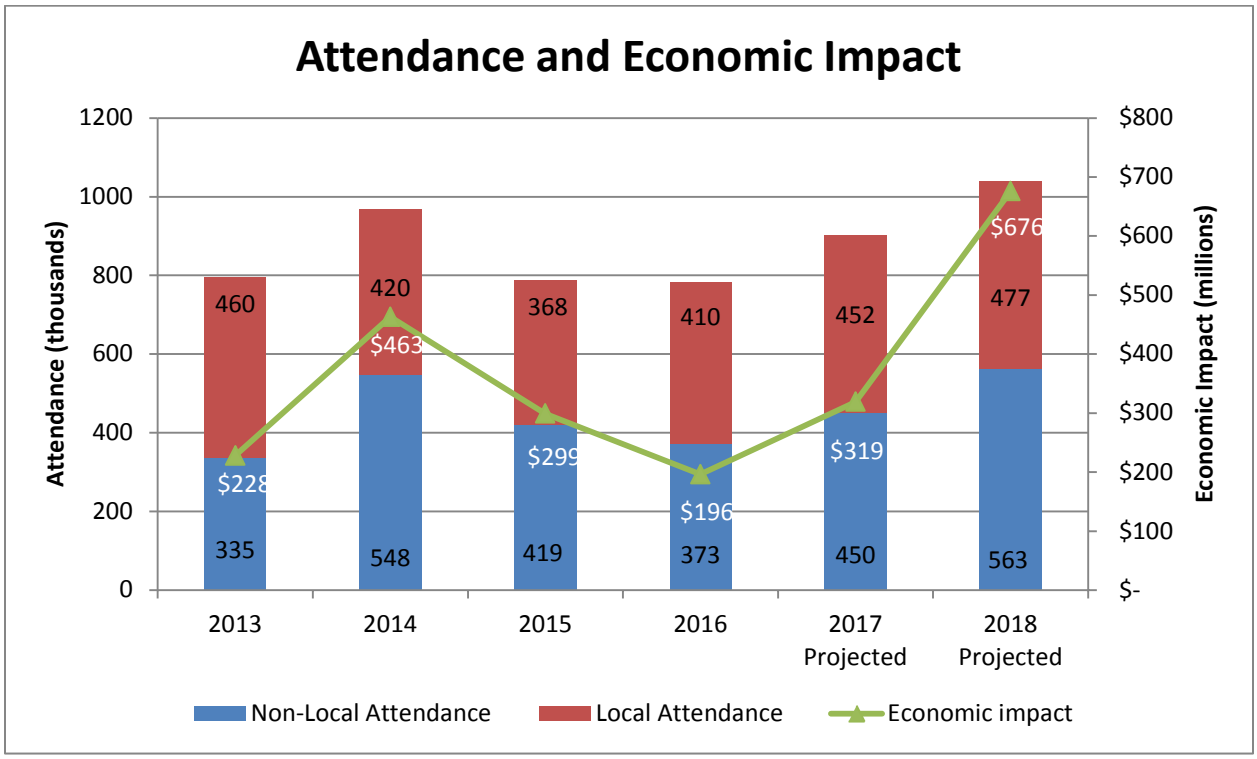


A Hub of Economic Activity and Innovation

Minneapolis Convention Center Events Program Other Fund: $25,597,479

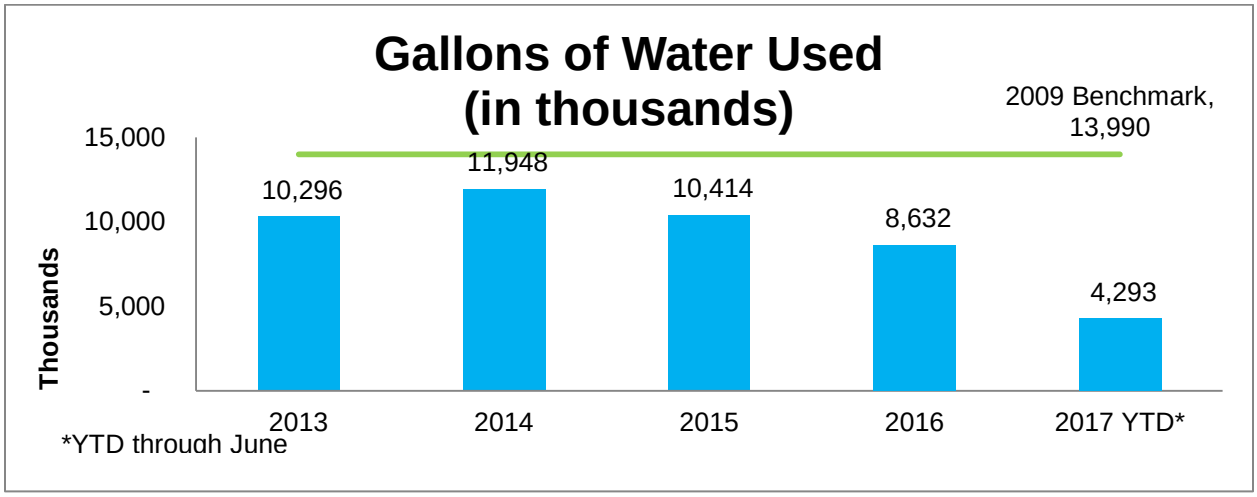
The Convention Center Events Program provides sales, event coordination, delivery of audio visual, utilities, security and guest services to international, national, regional, state and local clients and their attendees. This program also includes the City's contract with Meet Minneapolis, which provides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

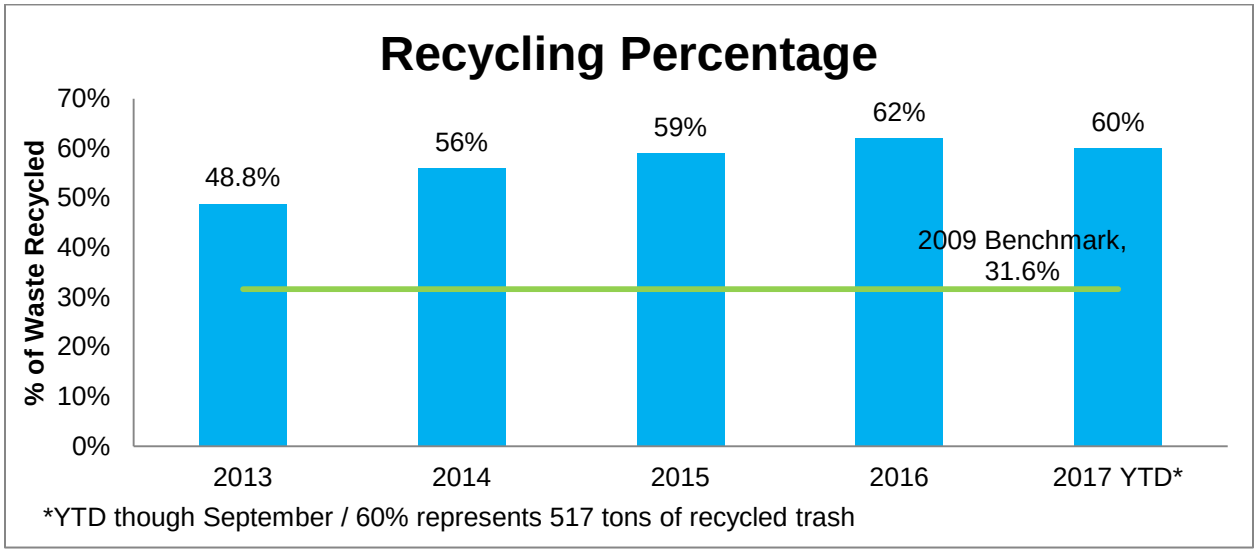
Convention Center events drive economic impact to the City as these clients and their attendees purchase goods and services from the convention center as well as local businesses (hotels, restaurants, retail, recreational, arts) sustaining an estimated 11,000 hospitality jobs and contibuting to a vibrant downtown. Meet Minneapolis also pursues leisure travelers and sponsorship opportunities.

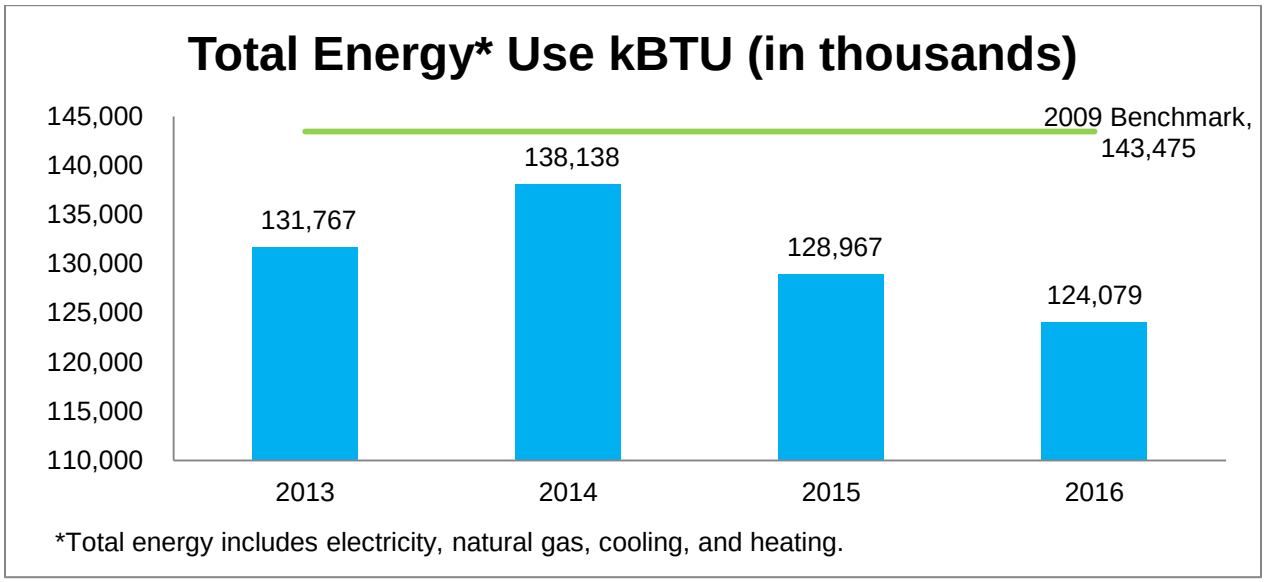


Minneapolis Convention Center Facilities Program Other Fund: $20,674,537

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 as well as Internal Service charges.


Gallons of Water Used (in thousands)
2009 Benchmark, 13,990
15,000
10,000
5,000
-
Thousands
10,296
11,948
10,414
8,632
4,293
2013
2014
2015
2016
2017 YTD*
*YTD through June


Recycling Percentage
70%
60%
50%
40%
30%
20%
10%
0%
% of Waste Recycled
48.8%
56%
59%
62%
60%
2009 Benchmark, 31.6%
2013
2014
2015
2016
2017 YTD*
*YTD though September / 60% represents 517 tons of recycled trash


Total Energy* Use kBTU (in thousands)
145,000
140,000
135,000
130,000
125,000
120,000
115,000
110,000
2009 Benchmark, 143,475
131,767
138,138
128,967
124,079
2013
2014
2015
2016
*Total energy includes electricity, natural gas, cooling, and heating.

Minneapolis Convention Center Tallmadge Building Program Other Fund: $125,000

The Convention Center Tallmadge Building is currently operated as an office building that is leased to local businesses.

Target Center Program Other Fund: $6,636,893

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

The Commons Program Other Fund: $750,000

The Commons Program provides operating funds for maintenance and upkeep of this City-owned asset.

Peavey Plaza Program Other Fund: $4,400,000

The Peavey Plaza Program provides operating and capital funds for this City-owned asset.

FINANCIAL ANALYSIS

Expenditure
For 2018, the Convention Center Department's budget is $53.0 million, a decrease of 1.4% from the 2017 budget of $53.8 million. The inaugural budget for the Downtown Assets fund in 2018 is $5.2 million.

Revenue
Revenues are projected to increase by 3.4% in the Convention Center Department. The department's total revenues in 2018 are projected to be $46.1 million compared to $44.6 million in the 2017 budget. The inaugural budget for the Downtown Assets fund is $68.1 million.

Fund Allocation
This department is funded primarily in the Convention Center and Arena Funds and from funds transferred from the Downtown Assets Fund.

Mayor's Recommended Budget
The Mayor recommends a one-time General Fund appropriation of $564,785 for expense related to Super Bowl 52, reimbursable by the Super Bowl Committee. The Mayor also recommends using fund balance in the Convention Center Fund on a one-time basis in the amounts of $150,000 to provide Better Service to Existing Customers, $250,000 to Engage New Customers, $250,000 to Tell Our Story, and $100,000 for Major Customer Events.

The Mayor recommends an ongoing appropriation from the Downtown Assets Fund of $400,000 for Peavey Plaza Operations, and one-time appropriations from the Downtown Assets Fund of $750,000 for Commons Operations, and $4,000,000 for Peavey Plaza Capital.

Council Adopted Budget
The City Council amended the Mayor's recommended budget; reducing the use of convention center fund balance by $250,000 and eliminating the Tell Our Story program; and, increasing the transfer from the Downtown Assets Fund to the General Fund by $250,000.

CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

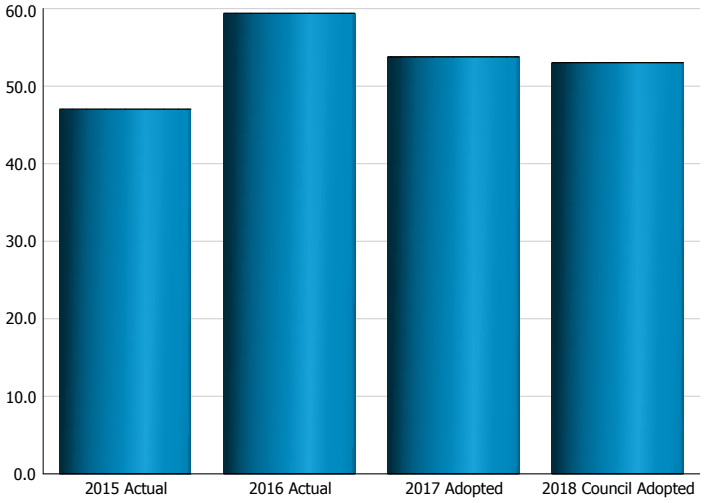
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	9,611,992	9,863,743	10,337,837	10,491,015	1.5%	153,178
FRINGE BENEFITS	3,432,697	3,491,721	4,534,600	4,774,772	5.3%	240,172
CONTRACTUAL SERVICES	21,639,180	22,077,305	23,335,507	23,678,905	1.5%	343,398
OPERATING COSTS	1,470,689	1,996,831	1,505,523	1,529,511	1.6%	23,988
CAPITAL	10,877,279	21,971,836	14,072,519	12,559,706	-10.8%	(1,512,813)
TOTAL SPECIAL REVENUE	**47,031,838**	**59,401,436**	**53,785,986**	**53,033,909**	**-1.4%**	**(752,077)**
TOTAL EXPENSE	**47,031,838**	**59,401,436**	**53,785,986**	**53,033,909**	**-1.4%**	**(752,077)**

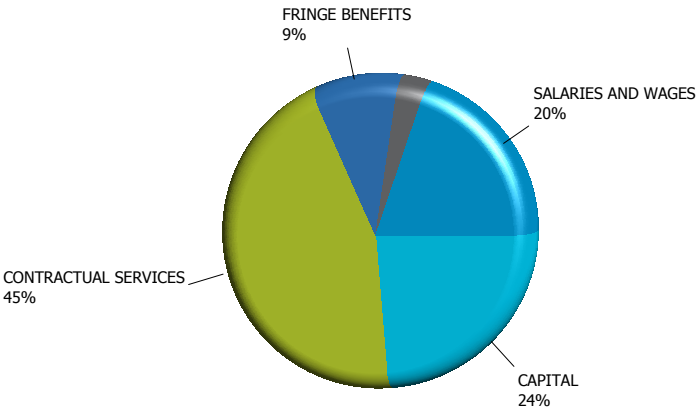
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	742	12,664			0.0%	0
CHARGES FOR SERVICES	6,523,029	6,907,254	6,700,000	7,300,000	9.0%	600,000
CONTRIBUTIONS	98,750				0.0%	0
INTEREST	164,130	113,628	75,753		-100.0%	(75,753)
OTHER MISC REVENUES	3,959,645	3,749,211	4,222,000	4,514,000	6.9%	292,000
RENTS	9,213,203	9,079,685	9,268,631	9,657,284	4.2%	388,653
SALES AND OTHER TAXES	1,580,438	1,694,104	1,270,000		-100.0%	(1,270,000)
USE OF FUND BALANCE			23,050,952	24,633,195	6.9%	1,582,243
SPECIAL REVENUE	**21,539,938**	**21,556,547**	**44,587,336**	**46,104,479**	**3.4%**	**1,517,143**
TOTAL REVENUE	**21,539,938**	**21,556,547**	**44,587,336**	**46,104,479**	**3.4%**	**1,517,143**

CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

Expense by Category

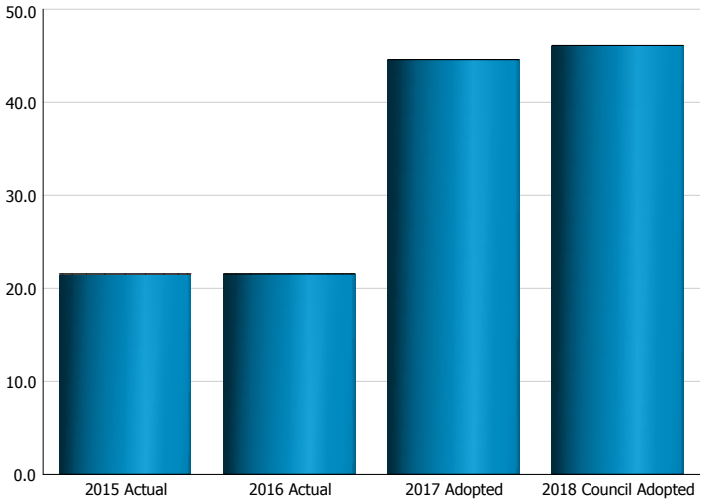
Expense 2015 - 2018
In Millions

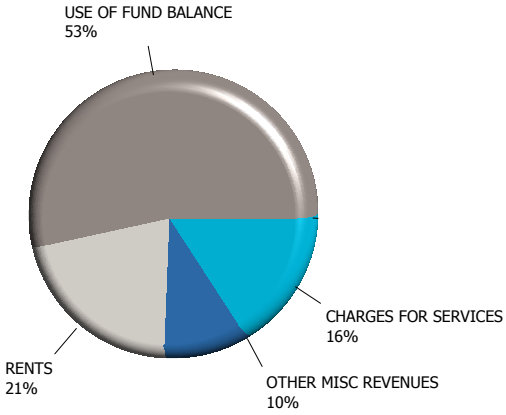




Revenue by Type

Revenue 2015 - 2018
In Millions





DOWNTOWN ASSETS
EXPENSE AND REVENUE INFORMATION

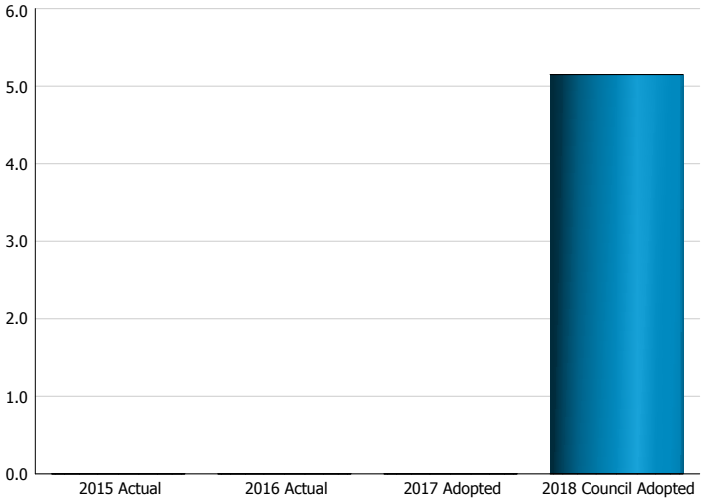
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRACTUAL SERVICES				1,150,000		1,150,000
CAPITAL				4,000,000		4,000,000
TOTAL SPECIAL REVENUE				**5,150,000**		**5,150,000**
TOTAL EXPENSE				**5,150,000**		**5,150,000**

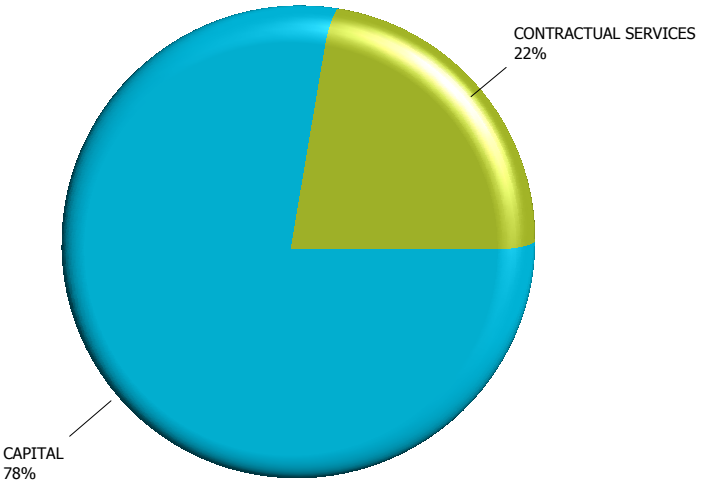
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALES AND OTHER TAXES				87,349,413	0.0%	87,349,413
USE OF FUND BALANCE				(19,297,413)	0.0%	(19,297,413)
SPECIAL REVENUE				**68,052,000**		**68,052,000**
TOTAL REVENUE				**68,052,000**		**68,052,000**

DOWNTOWN ASSETS
EXPENSE AND REVENUE INFORMATION

Expense by Category

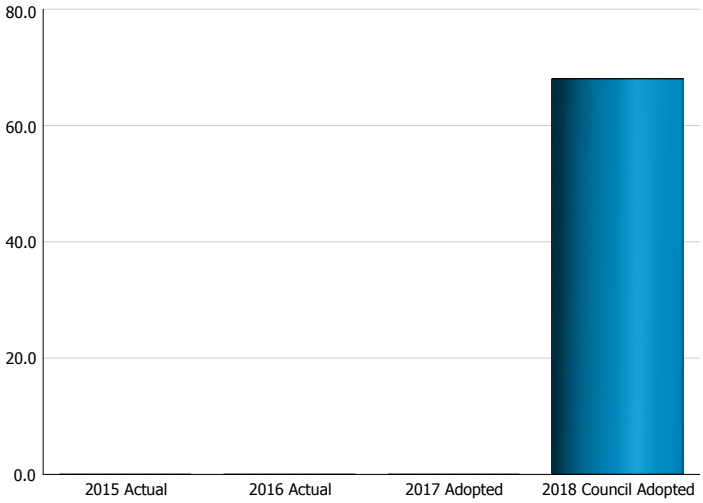
Expense 2015 - 2018
In Millions

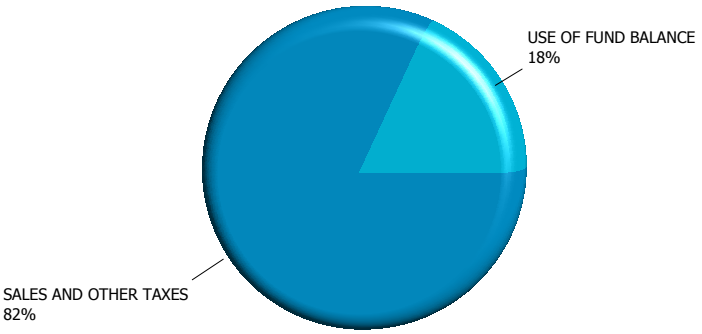




Revenue by Type

Revenue 2015 - 2018
In Millions

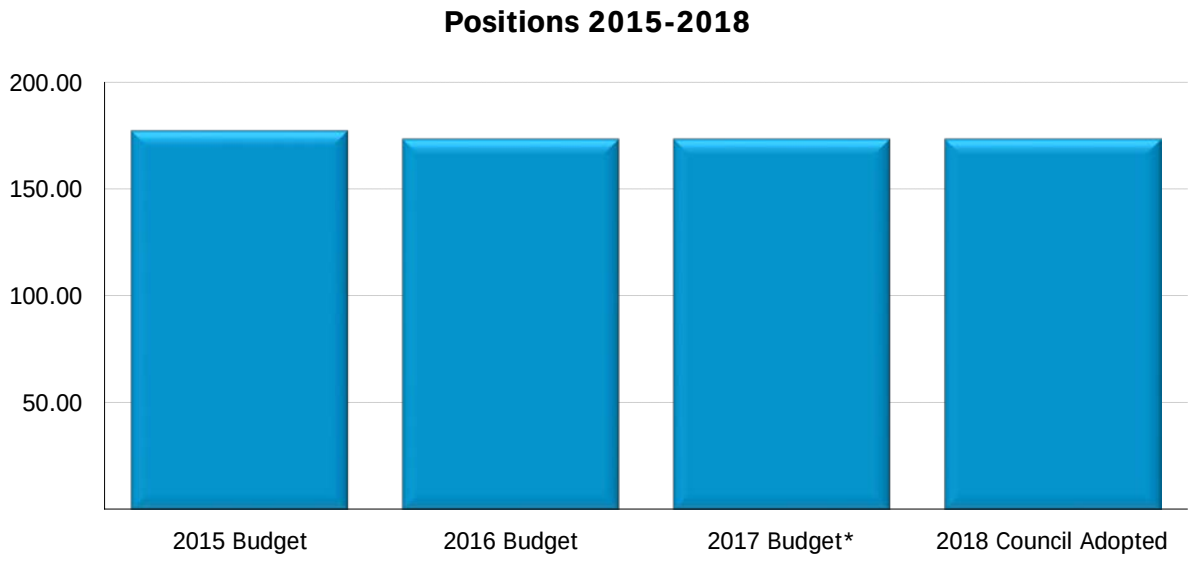




CONVENTION CENTER

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
CONVENTION CENTER	176.30	172.10	172.10	172.10	0.0%	0
TARGET CENTER	1.00	1.20	1.20	1.20	0.0%	0
Overall	177.30	173.30	173.30	173.30	0.0%	0



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

FINANCE & PROPERTY SERVICES DEPARTMENT

MISSION

Provide essential financial, resource and asset management services, and engage Enterprise partners in decision-making to uphold the City's lasting vibrancy and strength.

BUSINESS LINES

- **CONTROLLER** – 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 COMET; 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 departments. Further, the Controller division includes internal control and cash management functions.

- **PROCUREMENT** – manage, facilitate and oversee 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. Further, this program supports activities related to green purchases and strives to increase the percentage of green purchases throughout City departments, wherever possible. Procurement also administers the Target Market Program.

- **PROPERTY SERVICES** -- 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. And, provide, maintain, and manage public safety radio communications systems and other electronic communications to meet the needs of the City during emergencies as well as day-to-day operations. Further provide centralized energy management services that support energy conservation, renewable energy and alternative fuels, and emissions reductions.

- **REVENUE AND COLLECTIONS** – bill and collect revenue for the enterprise. Issue monthly utility bills that include charges for water, sanitary sewer, stormwater and solid waste.

- **PAYROLL** – administer 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).

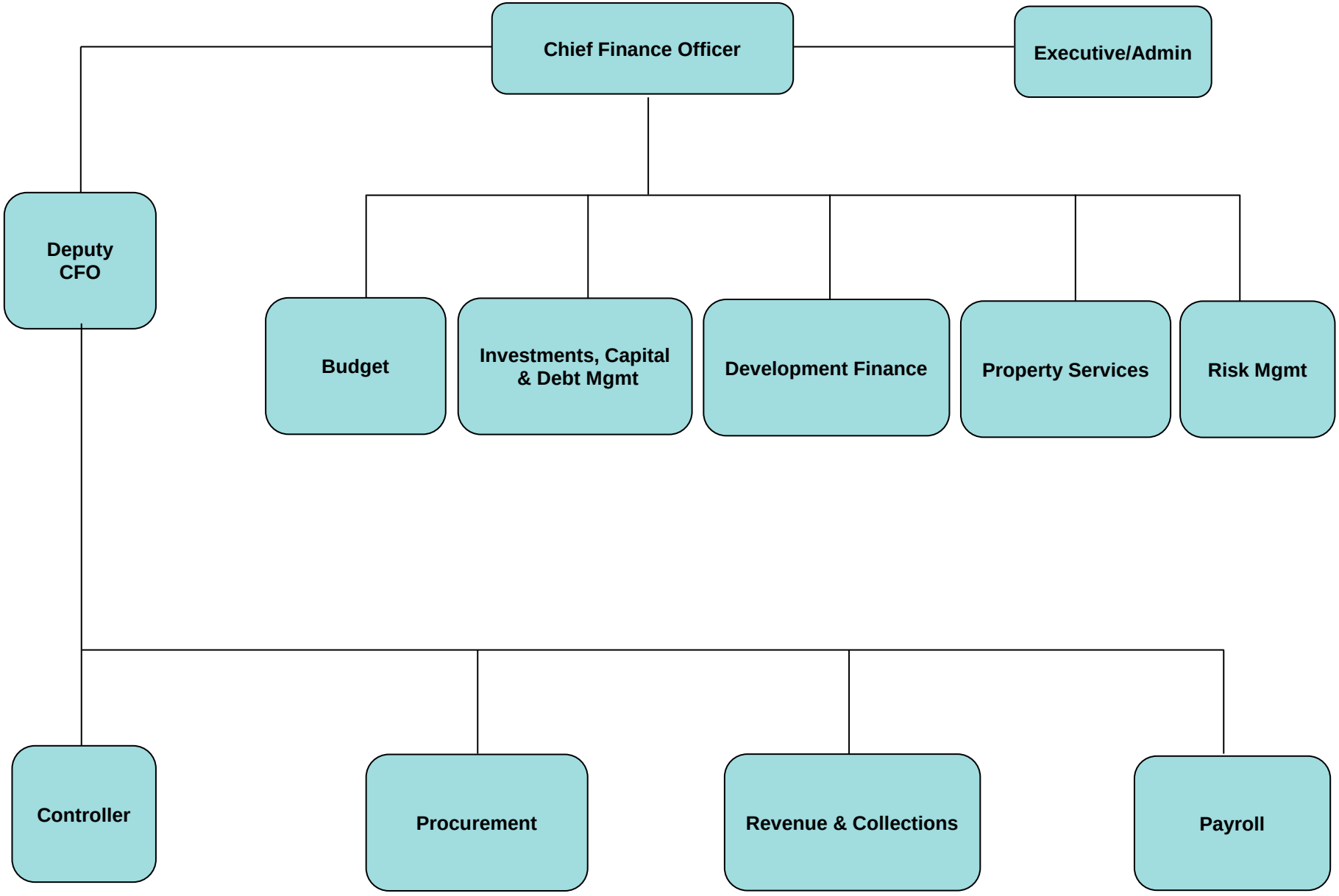
- **RISK MANAGEMENT AND CLAIMS** – protect City assets, prevent loss of money and injury to City employees, and manage claims for workers' compensation and tort.

- **BUDGETING** – 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.

- **INVESTMENTS, CAPITAL, AND DEBT MANAGEMENT** – evaluate options and execute transactions associated with the issuance of municipal bonds and other debt instruments on behalf of the City; make payments to bond holders, request and monitor bond ratings, provide financial disclosure to the municipal bond market, and oversee capital budgeting for the enterprise. Manage City investment portfolio.

- **DEVELOPMENT FINANCE** – provide financial management, analysis, planning and administrative services in support of the City's economic development and housing policies, objectives, programs, and projects.

HOME


Chief Finance Officer
Executive/Admin
Deputy CFO
Budget
Investments, Capital & Debt Mgmt
Development Finance
Property Services
Risk Mgmt
Controller
Procurement
Revenue & Collections
Payroll

A Hub of Economic Activity and Innovation

Controller

General Fund: $6,759,371
Other Funds: $161,181

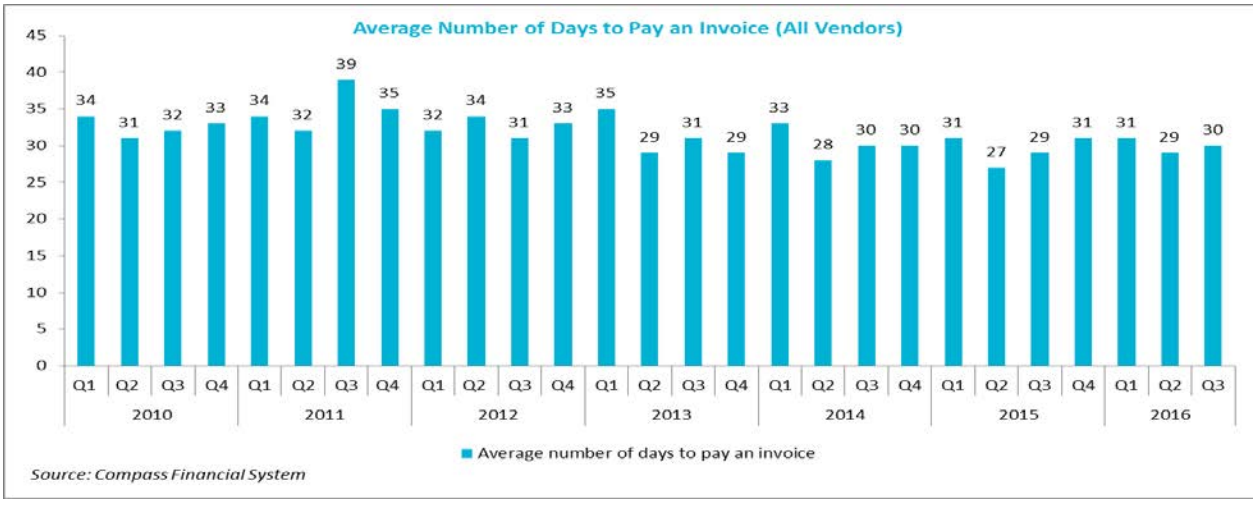
This program plays a critical role in providing financial information to City policy-makers, City staff and decision-makers enabling them to perform their job more effectively and provide services to City residents. Information also is made accessible for external stakeholders such as the public, City 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 include: monitor and report department revenues and expenditures to managers and policy-makers including grant-related revenues and expenses, and report this information to grantors, provide information on the City's human and financial resources using COMET (City of Minneapolis Enterprise Technology), 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.

Procurement

General Fund: $3,498,806
Other Funds: $1,120,130

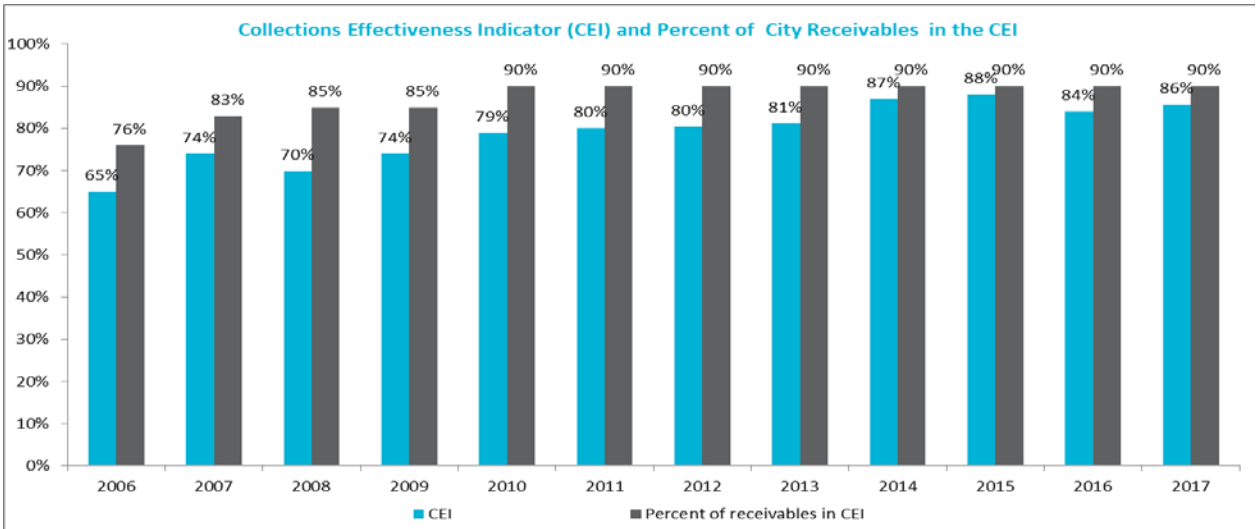
This program manages, facilitates and oversees bidding and contracting for, purchase of and payment for all goods and services for all City departments and independent boards. City departments and independent boards rely on this program for obtaining goods and services through open, competitive and cost 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

Revenue & Collections General Fund: $5,971,109

This program is mandated by Minneapolis City Ordinance and is collaboration between the Finance and Property Services and Public Works Departments 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.



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.
Source: enQuesta Reports, Cognos Reports, COMET

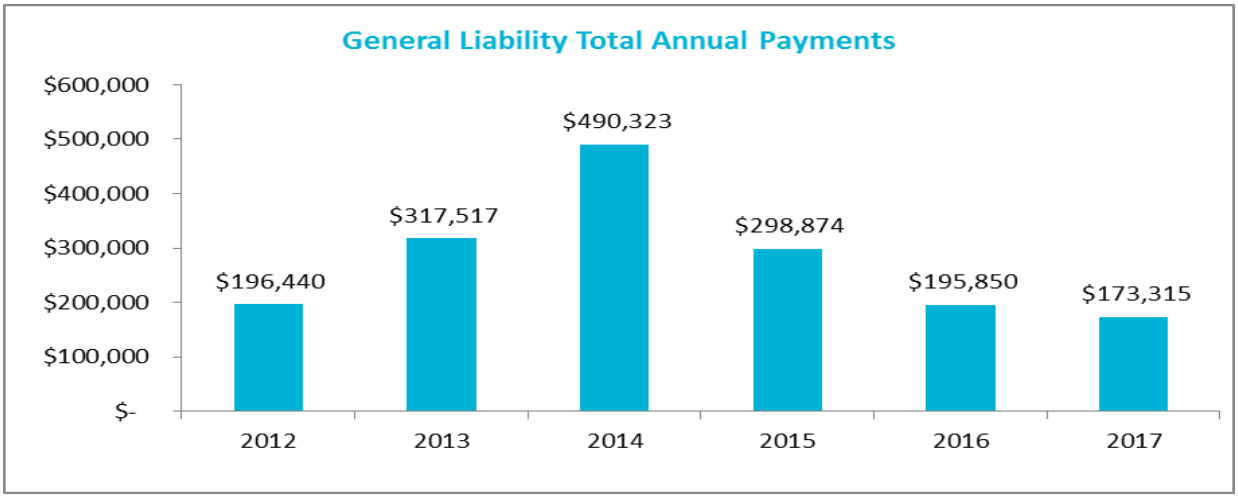
A City That Works

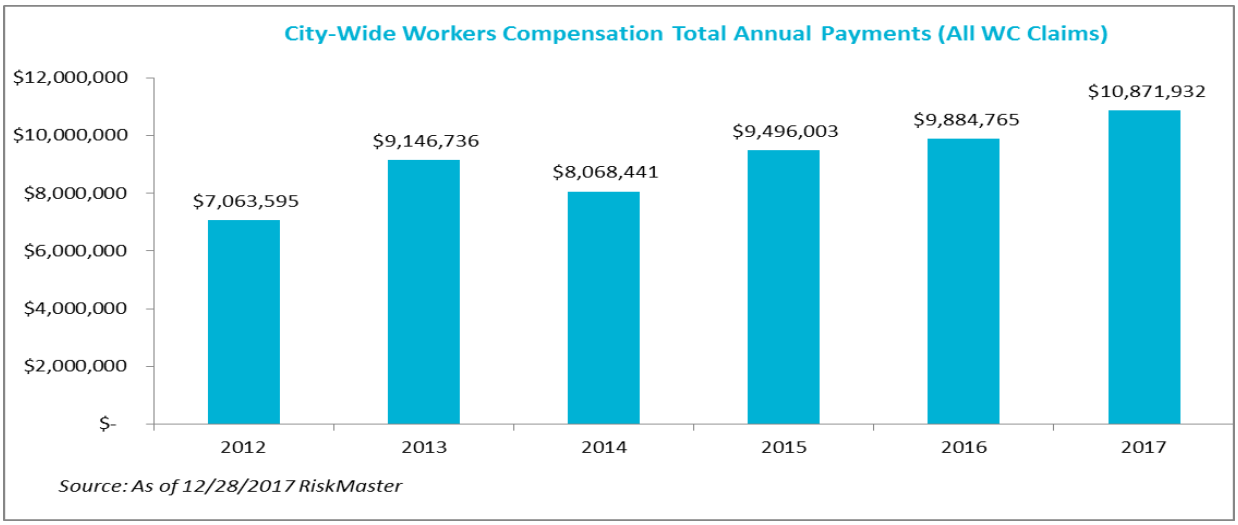
Payroll General Fund: $1,799,987

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 Other Funds: $2,273,687

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.





Living Well

Executive / Administration General Fund: $646,868

The Finance Officer (CFO), a position defined by City Charter, is responsible for maintaining the City's financial health so that it can continue to provide a wide array of services to residents, business and visitors, and maintain public health and safety. In addition, this program provides strategic oversight and coordination of the department; and, human resource and administrative support for the department.

Budget General Fund: $824,686

This program is responsible for the management, planning, and oversight of the City's financial resources and commitments. In doing so, 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.

Investments, Capital, and Debt Management General Fund: $792,396

This program oversees and manages the City's investment relationships to provide the best return on financial assets, is responsible for leading the capital budget process through CLIC, and for managing the city's debt. This program is also responsible for facilitating City bond issues, making debt service payments, and tracking the use of bond authority.

Development Finance General Fund: $1,516,260

This program provides financial management, analysis, planning and administrative services to the Community Planning and Economic Development (CPED) Department, the Neighborhood and Community Relations (NCR) Department, the Chief Financial Officer, and elected officials in support of the City's economic development and housing policies, objectives, programs, and projects.

Great Places

Property Services General Fund: $274,269
Other Funds: $22,636,105

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.

Financial Analysis

Expenditure

The total Finance and Property Services Department's budget increases from $49.0 million to $49.1 million from 2017 to 2018. This is an increase of $121,000 or 0.2%. The Finance and Property Services Department's 2018 expenditure budget reflects inflationary increases in operating costs and $186,000 in ongoing budgetary change items. One-time change items in 2017 budget amounting to $650,000 are excluded in coming up with the net increase in 2018 budget.

Revenue

Revenues are projected to decrease by 3.5% in this department in 2018 due to elimination of $1.0 million in transfers from General Fund to Property Services Fund for downtown campus included in previous budgets. The department's total revenues in 2018 are projected to be $24.6 million.

Fund Allocation

This department is funded primarily by Internal Service Funds (53.1%), with the remainder of the department's funding found in the General Fund (46.7%) and Special Revenue Grant funds (0.1%).

Mayor's Recommended Budget
The Mayor recommends ongoing appropriations of $88,000 for an Accountant Recruitment and Training program (includes 2.0 FTEs) and $30,000 for a Bloomberg Terminal for managing City investments, both in General Fund resources, and $98,000 for a Medical Self Insurance program manager (1.0 FTE) from the Self Insurance Fund.

The Mayor also recommends one-time General Fund appropriations of $75,000 for Enterprise Resource Planning (ERP) application and systems functional support, and $50,000 for a banking alternatives equity partnership.

The Mayor also recommends one-time appropriations of $50,000 for improvements to the Video Management System and $50,000 for improvements to the Access Management System. These appropriations are not available to be spent until the Finance & Property Services and IT departments have reached a mutually agreed upon work plan for each project.

Council Adopted Budget
The City Council amended the Mayor's recommendation; increasing the self-insurance expense budget by $1,000,000 to reflect the full expense of medical and indemnity payments, previously reduced by anticipated refunds from the State of MN; and reducing the department's ongoing General Fund appropriation by $30,000.

The City Council also gave staff the following directions:

1. Directing staff from Community Planning and Economic Development, in consultation with staff from Finance and Property Services, to develop a plan to prioritize additional resources beyond any specifically appropriated in this budget, and within Community Planning and Economic Development, to fund the C-TAP program up to a total program budget of $100,000 for 2018.

2. Directing the Neighborhood and Community Relations' Office of Immigrant and Refugee Affairs, the City Coordinator's Office, the Finance Department, and the City Attorney's Office to establish the Municipal ID Workgroup.

   The Municipal ID Workgroup shall report back to Committee of the Whole no later than March 31, 2018, to present a framework and budgetary needs to inform the Municipal ID program for the City of Minneapolis. The work plan shall include, but not be limited to, identifying the research, engagement, and resources required to develop a Municipal ID ordinance and program that serves all residents of Minneapolis including the immigrant, transgender, homeless, student, and elderly communities.

3. Directing Finance and Property Services staff to present options in the first quarter of 2018 to the Ways & Means/Budget Subcommittee to reduce the use of General Fund dollars for the Renewable Connect Program in 2018, after the Minnesota Public Utilities Commission grants a waiver to the limit on Renewable Connect and the City is able to determine the actual cost and scope of the program.

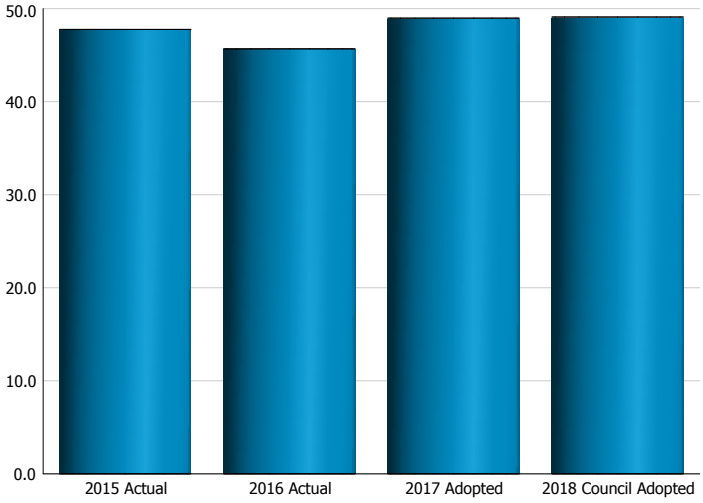
FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	10,472,748	10,870,680	11,792,074	12,536,062	6.3%	743,988
FRINGE BENEFITS	3,801,447	3,861,345	4,686,711	4,889,033	4.3%	202,322
CONTRACTUAL SERVICES	7,029,621	5,619,763	5,214,554	4,536,682	-13.0%	(677,873)
OPERATING COSTS	850,176	949,588	762,627	939,051	23.1%	176,424
CAPITAL		1,947	7,609	7,609	0.0%	0
TOTAL GENERAL	**22,153,993**	**21,303,324**	**22,463,575**	**22,908,437**	**2.0%**	**444,861**
SPECIAL REVENUE						
SALARIES AND WAGES	128,373	125,674	134,318	116,845	-13.0%	(17,472)
FRINGE BENEFITS	31,562	31,896	48,644	44,336	-8.9%	(4,308)
CONTRACTUAL SERVICES	39		100,000		-100.0%	(100,000)
TOTAL SPECIAL REVENUE	**159,974**	**157,570**	**282,961**	**161,181**	**-43.0%**	**(121,780)**
INTERNAL SERVICE						
SALARIES AND WAGES	5,866,805	6,032,569	6,137,013	6,535,373	6.5%	398,359
FRINGE BENEFITS	4,334,490	2,402,108	2,544,121	2,678,134	5.3%	134,013
CONTRACTUAL SERVICES	13,012,438	14,247,541	12,099,726	11,536,544	-4.7%	(563,182)
OPERATING COSTS	2,239,954	1,386,829	1,647,335	1,481,378	-10.1%	(165,957)
CAPITAL		150,761	3,803,000	3,798,493	-0.1%	(4,507)
TOTAL INTERNAL SERVICE	**25,453,686**	**24,219,807**	**26,231,195**	**26,029,922**	**-0.8%**	**(201,274)**
TOTAL EXPENSE	**47,767,653**	**45,680,701**	**48,977,732**	**49,099,539**	**0.2%**	**121,807**

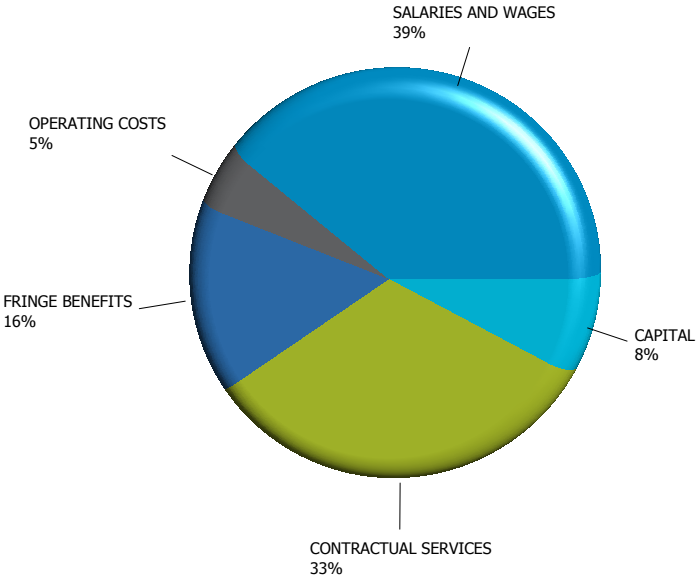
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	16	196			0.0%	0
CHARGES FOR SERVICES	2,445	19,635			0.0%	0
OTHER MISC REVENUES	23,520	38,800			0.0%	0
GENERAL	**25,982**	**58,632**				**0**
INTERNAL SERVICE						
CHARGES FOR SALES	617,499	610,514	324,293	610,308	88.2%	286,015
CHARGES FOR SERVICES	6,007,661	5,272,735	2,563,640	2,805,870	9.4%	242,230
OTHER MISC REVENUES	74,037	10,569	2,500	3,000	20.0%	500
RENTS	16,047,057	19,943,801	20,294,181	20,227,078	-0.3%	(67,103)
USE OF FUND BALANCE			2,311,256	952,401	-58.8%	(1,358,855)
INTERNAL SERVICE	**22,746,255**	**25,837,619**	**25,495,870**	**24,598,657**	**-3.5%**	**(897,213)**
TOTAL REVENUE	**22,772,236**	**25,896,251**	**25,495,870**	**24,598,657**	**-3.5%**	**(897,213)**

FINANCE AND PROPERTY SERV
EXPENSE AND REVENUE INFORMATION

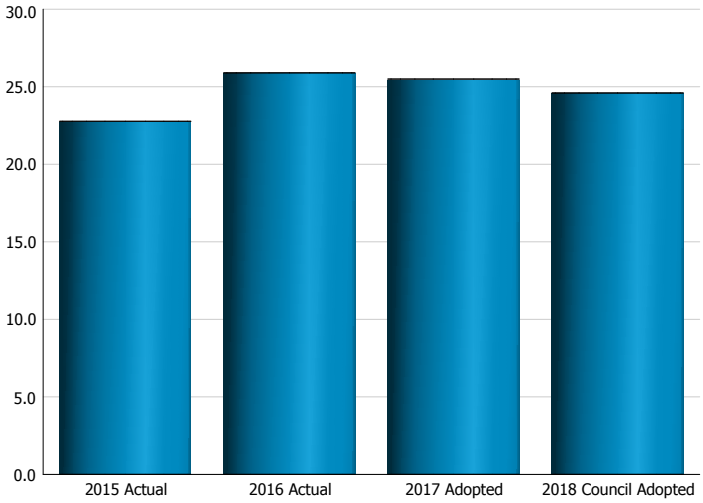
Expense 2015 - 2018
In Millions



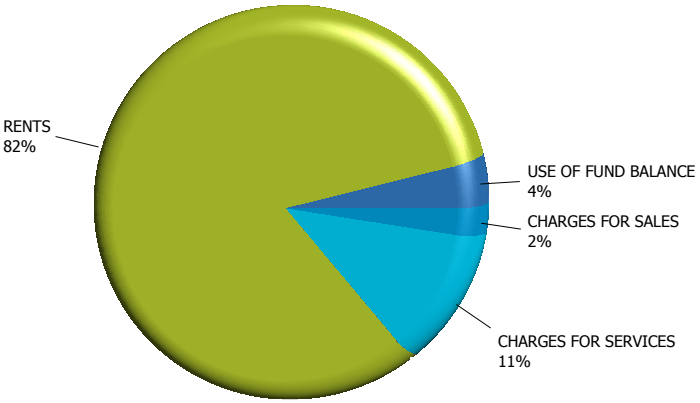
Expense by Category



Revenue 2015 - 2018
In Millions



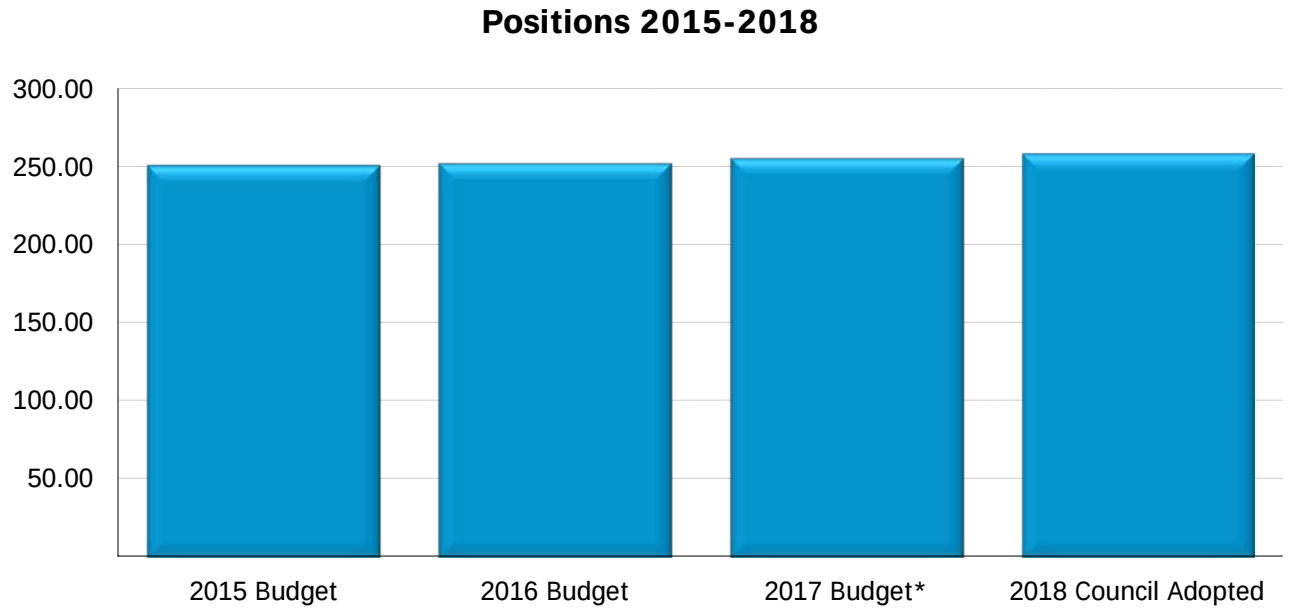
Revenue by Type



FINANCE & PROPERTY SERVICES DEPARTMENT

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
CONTROLLER	68.00	68.00	68.00	71.00	4.4%	3.00
DEVELOPMENT FINANCE	13.00	11.00	10.00	10.00	0.0%	0
EXECUTIVE	6.00	6.00	6.00	6.00	0.0%	0
MANAGEMENT & BUDGET	7.00	8.00	9.00	10.00	11.1%	1.00
PROCUREMENT	25.00	27.00	29.00	38.00	31.0%	9.00
PROPERTY SERVICES	68.00	68.50	68.50	68.50	0.0%	0
RISK MANAGEMENT	9.00	9.00	9.00	9.00	0.0%	0
TREASURY	55.00	55.00	56.00	46.00	-17.9%	(10.00)
Overall	251.00	252.50	255.50	258.50	1.2%	3.00



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

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 five divisions: HR Administration, Strategic Workforce Solutions, HR Technology Solutions, HR Labor Relations and HR Total Compensation.

HR Administration – Ensures: HR strategic direction aligns with City values and goals; Fair human resource practices in hiring, selection and promotion; Integration of racial equity processes into HR programs, policies and practices; and Affirmative Action goals and timelines are developed and integrated into enterprise-wide plans. Services, leadership and oversight are provided in the following areas:

- HR Policy Review and Development.
- Civil Service Commission Administration - Ensure fair and effective system of human resource management.
- HR Policy Development, EEO/Affirmative Action Leadership - Ensure affirmative action goals and timelines are developed and integrated into enterprise-wide business plans.
- Human Resource Racial Equity Leadership - Ensure integration of racial equity processes into HR programs, policies and practices.
- Human Resources Results Management.
- Administration of enterprise employee recognition programs including the STAR Awards Program.
- Employee Complaint Investigations: Provide an administrative avenue for the resolution of Title VII complaints - discrimination, harassment and retaliation.
- Enterprise-wide HR Initiatives.

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. Services are focused on attracting, retaining, leading and managing the City's workforce.

The Strategic Workforce Solutions Division delivers the following services:

- Recruitment and Retention
- Performance Management
- Employee Engagement
- Orientation and Onboarding
- Leadership and Professional Development
- Employment Equity and Workforce Planning
- Legal Compliance

HR Technology Solutions - Provides implementation, support, training and ongoing innovative solutions enterprise-wide on system applications for hiring, benefits, compensation, performance management and compliance. Services provided include the following:

- HR information systems administration and support:
    - Performance Management
    - Recruitment and hiring
    - Training administration
    - Labor Relations
    - Classification, Compensation and Benefits system administration.
- Process operational data that drives employee payroll & applicable vendor integrations.
- Application system security and training.
- Provide reports to federal, state and local agencies.
- Respond to data requests and provide information for workforce analysis and planning.

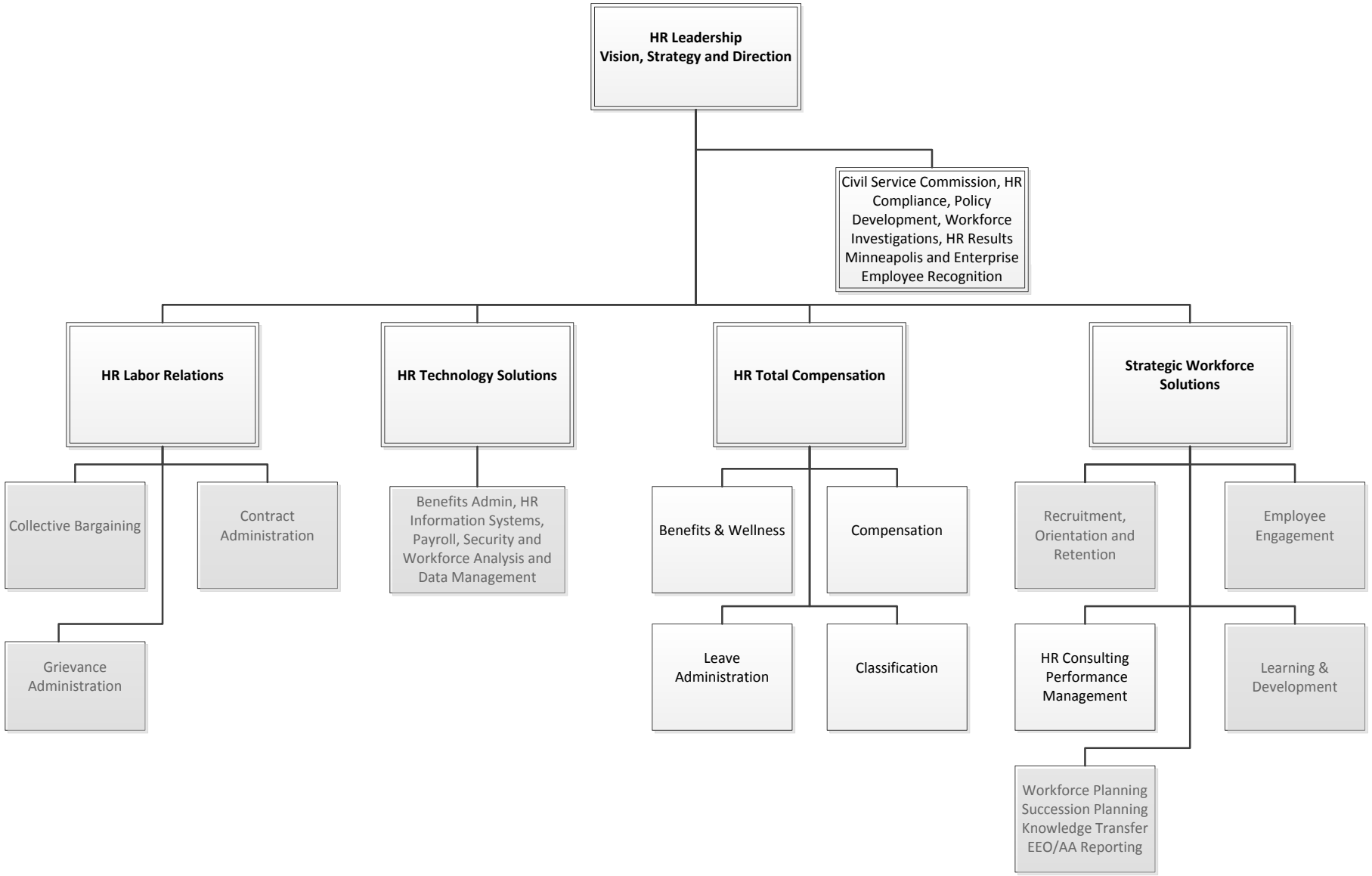
HR Labor Relations - The City's comprehensive approach to labor relations fosters a mutually respectful, responsible relationship with the bargaining units. HR Labor Relations is responsible for carrying out the City's legal obligations under the Minnesota Public Employee Labor Relations Act (PELRA). This division leads and manages all areas of labor relations including collective bargaining, administration and implementation of 24 collective bargaining agreements. HR Labor Relations also oversees and implements the City's grievance process.

- Negotiate collective bargaining agreements.
- Administer and interpret collective bargaining agreements to insure compliance.
- Provide guidance to City departments on implementation and contract compliance.
- Manage the grievance process, including hearings and addressing third step grievances.
- Oversee contract administration.

HR Total Compensation - Provides leadership and management in the areas of compensation, classifications, benefits, wellness and leave administration. Services and oversight are provided in the following areas:

- Benefits and Wellness: Develop strategy, design, negotiate and implement health and wellness programs and all other benefit programs, including leaves.
- Classification Administration: Evaluate work in the context of all other work in the City and maintain the integrity of the classification system. (MN Statutes 471.991-999 and MN Rules Chapter 3920)
- Compensation Administration: Maintain competitive pay; ensure internal equity based on compensable factors. (MN Statutes 471.991-999 and MN Rules Chapter 3920)
- Leave Administration: Family Medical Leave Act (FMLA) and Paid Parental Leave.

ORGANIZATION CHART

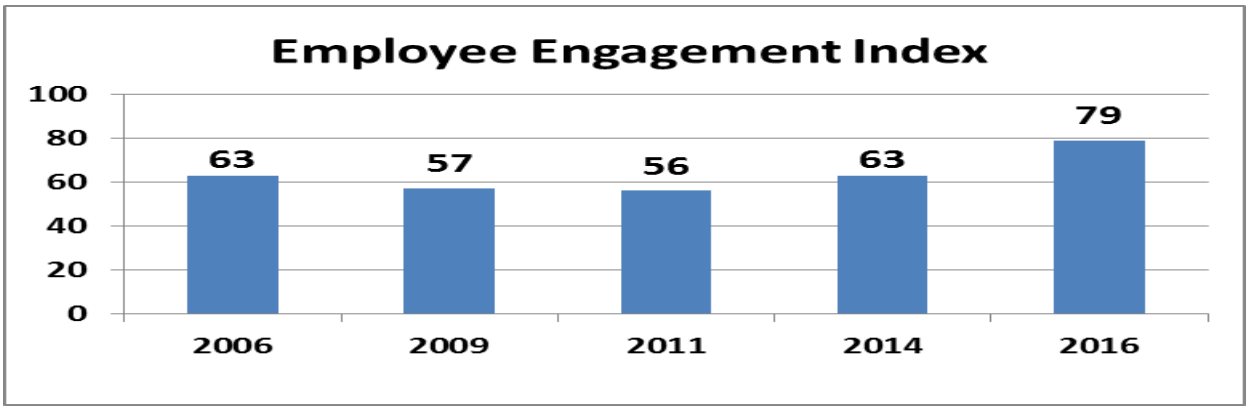


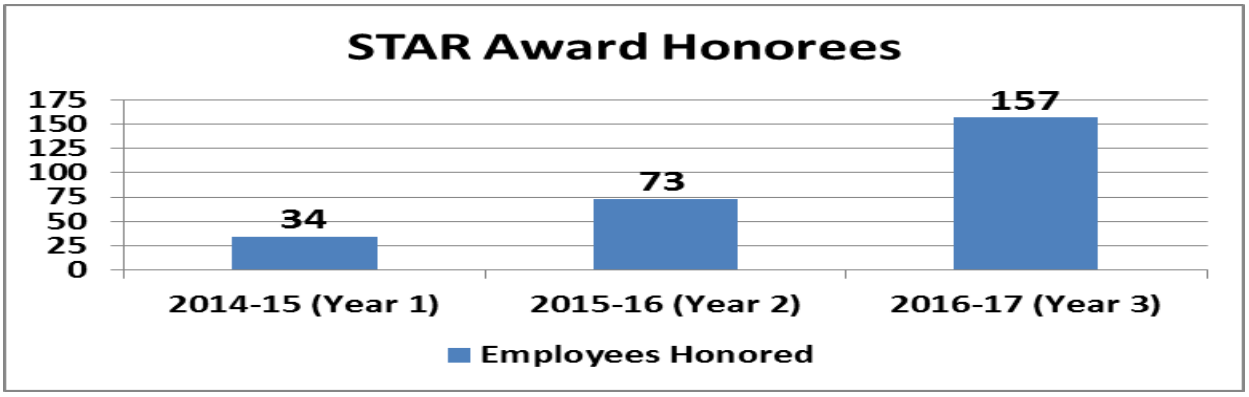
A City that Works

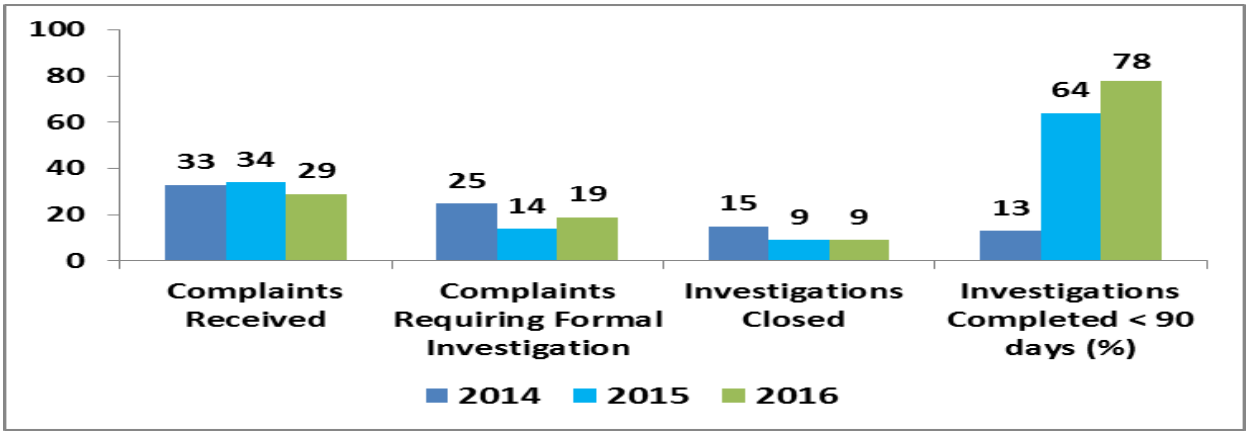
HR Administration

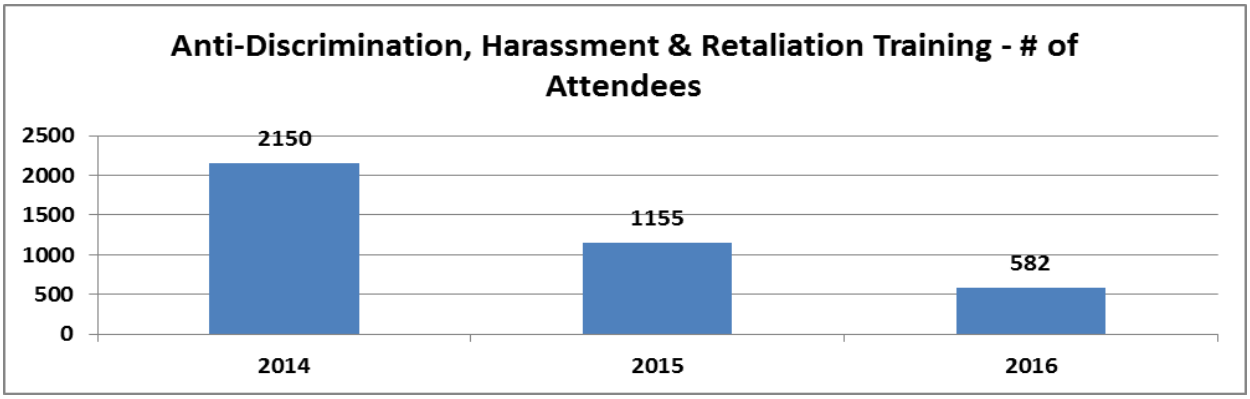
General Fund: $2,222,769
Other Funds $465,034

HR Administration 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, ensures EEO and 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. HR Administration also ensures that HR practices align with local, state and federal laws and Civil Service rules.



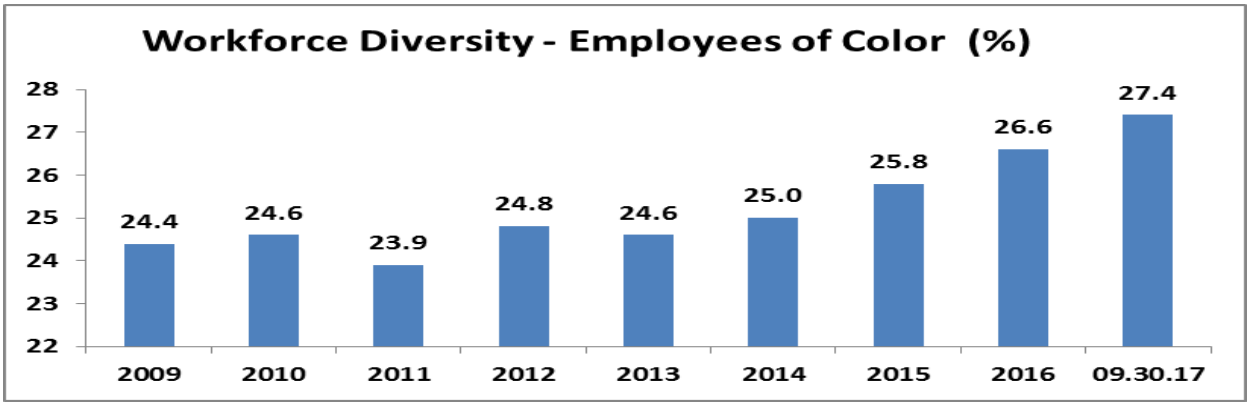


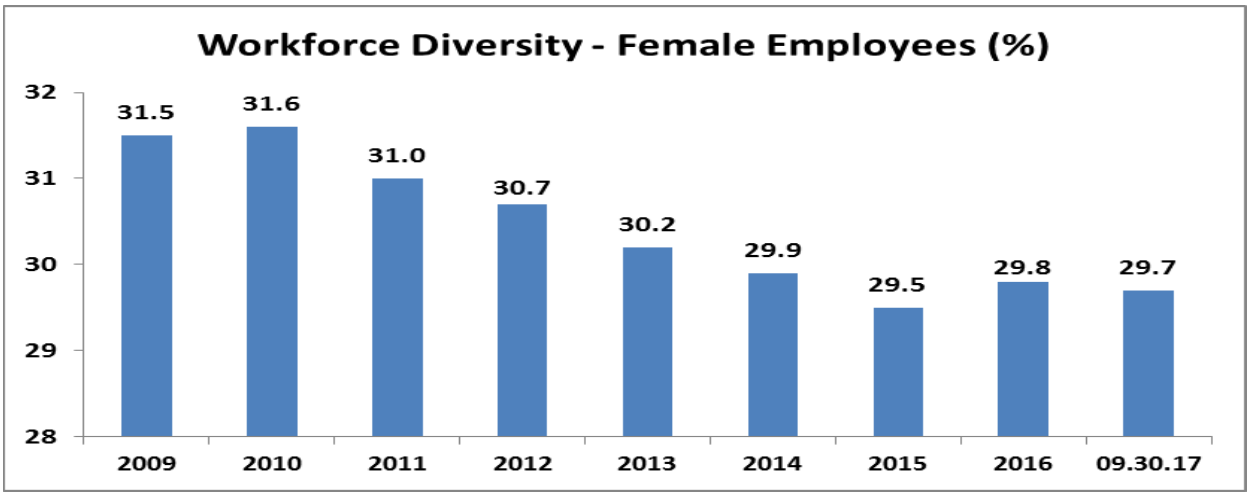


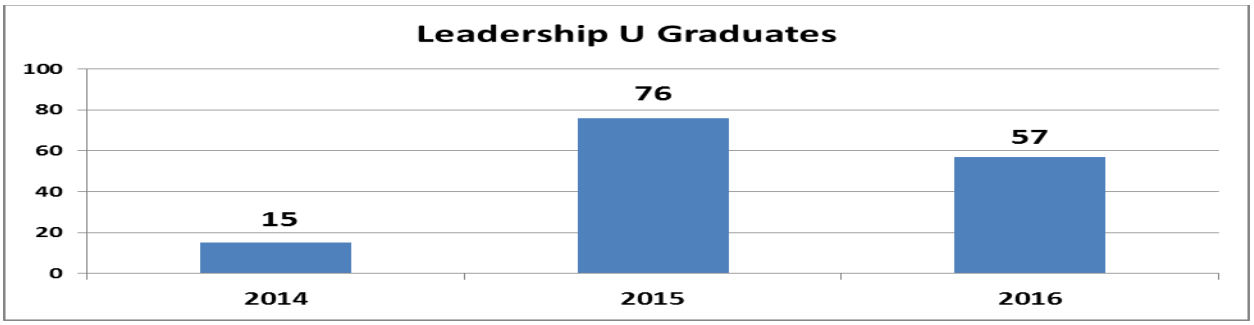


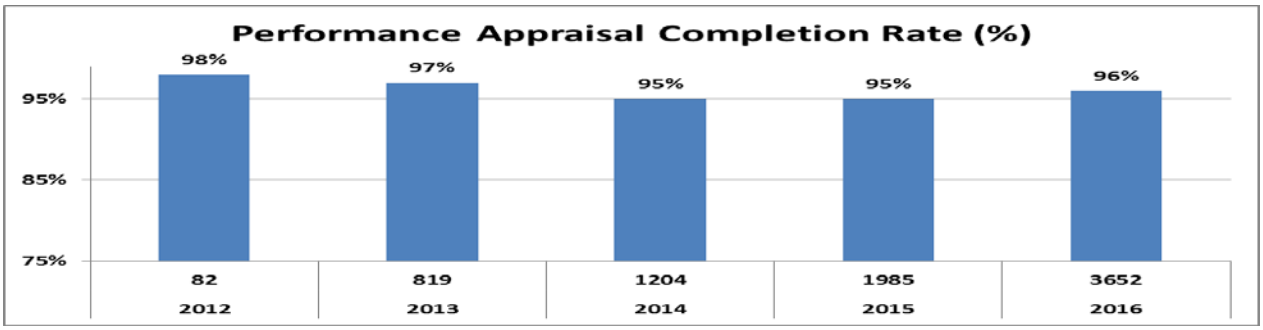
Strategic Workforce Solutions General Fund: $3,597,736

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, Equal Opportunity and Workforce Planning.









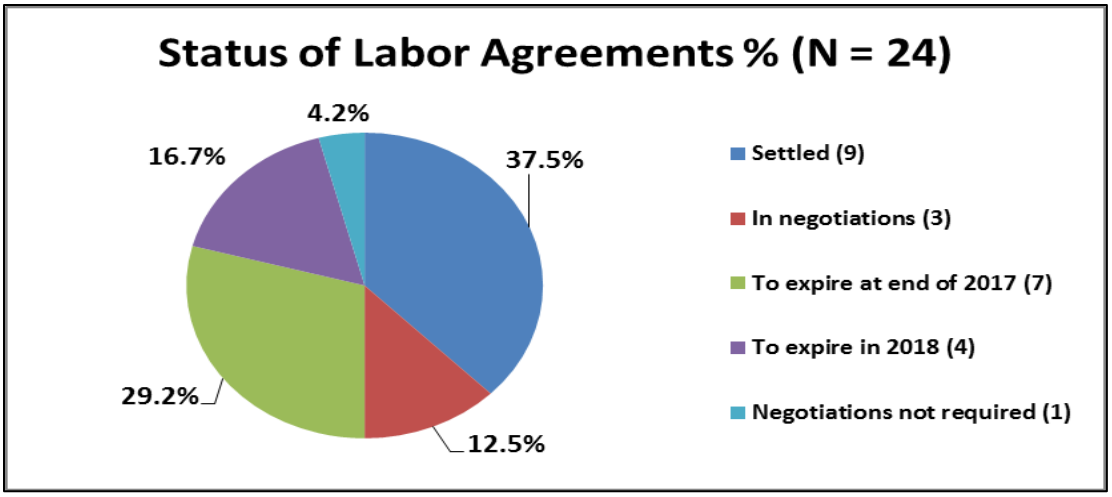
HR Technology Solutions (HRTS) General Fund: $608,798
Other Funds: $437,724

HR Technology Solutions is responsible for the planning, implementation, support and training of information systems that intersect with HR services for the City, Independent Boards, and Agencies. This work is done in collaboration with partner departments that support the infrastructure and finances of the City. These systems track applicant and employee data, provide salary and benefits administration, learning management, performance management, time tracking, payroll, and integrations to a variety of other systems utilized across the organization. The data collected is used for analysis, compliance with federal & state reporting requirements and data requests from internal and external parties. These technologies allow the City and individual departments to track and report on key employee information that supports them in meeting their business objectives, provides employees with individualized information and supports the total rewards strategy of the City.

Living Well

HR Labor Relations General Fund: $607,591

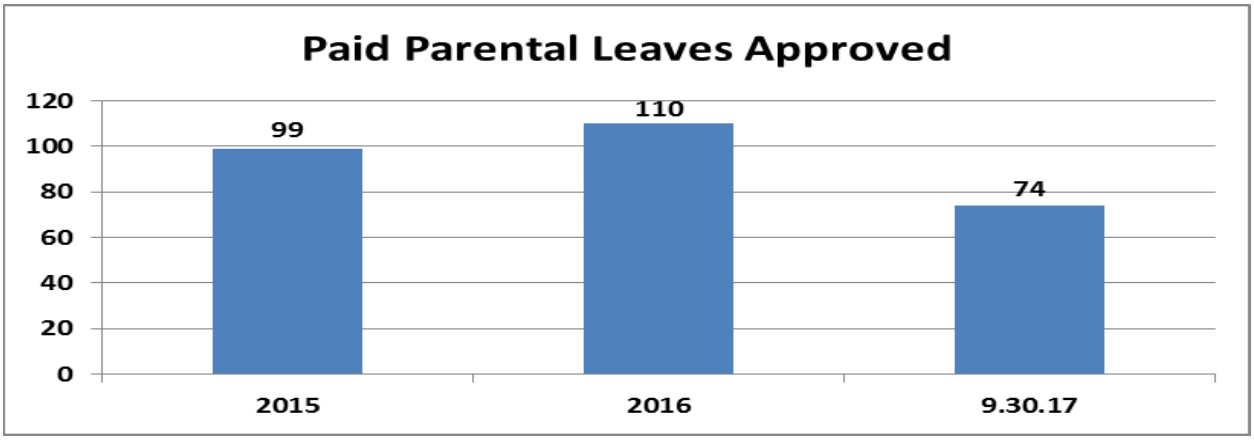
HR Labor Relations is responsible for carrying out the City's legal obligations under the Minnesota Public Employee Labor Relations Act (PELRA). This division leads and manages all areas of labor relations including the collective bargaining, administration and implementation of 24 collective bargaining agreements. In addition, HR Labor Relations oversees and implements the City's grievance process. The key activities essential in this program are: negotiate collective bargaining agreements, administer and interpret collective bargaining agreements to insure compliance, provide guidance to City departments on implementation and contract compliance, manage the grievance process, including hearings and addressing third step grievances, oversee contract administration.

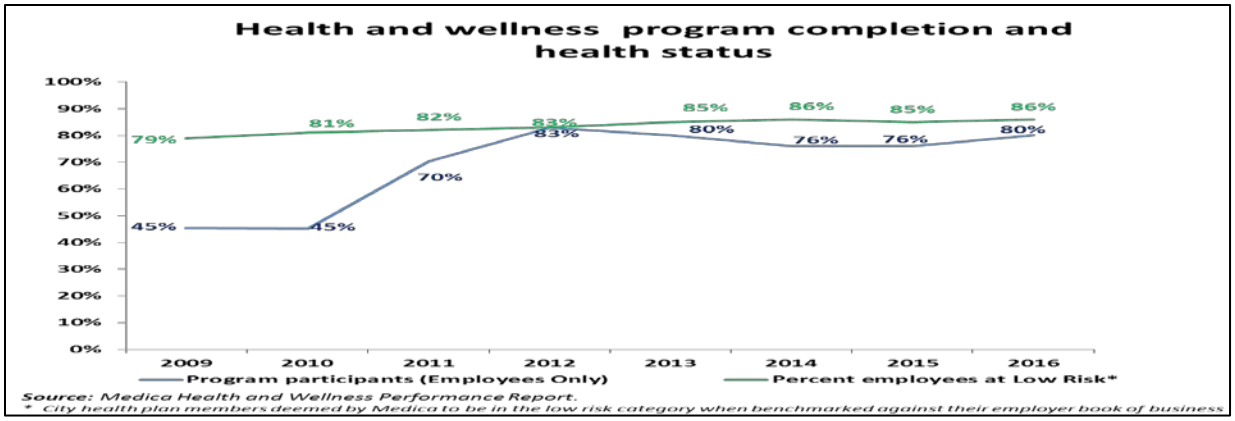


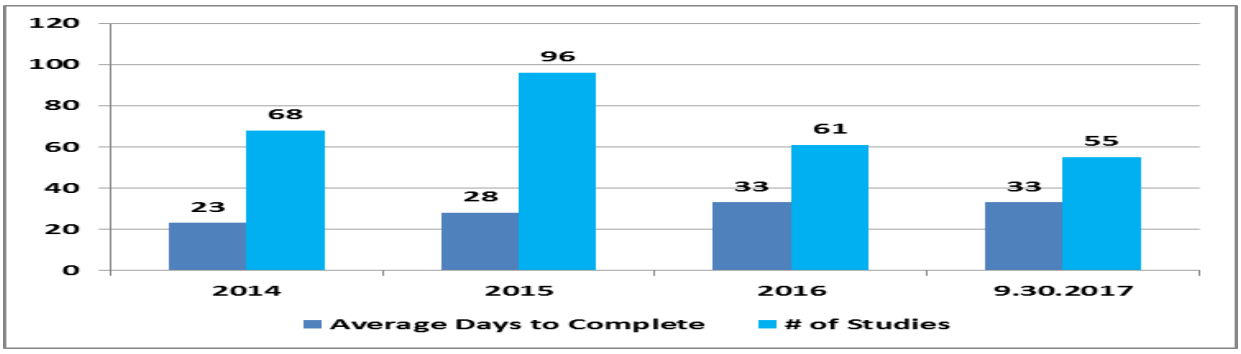
HR Total Compensation

General Fund: $529,120
Other Funds: $953,630

HR Total Compensation provides leadership and management in the areas of compensation, classifications, benefits, wellness and leave administration. The key services provided in this program are: Benefits and Wellness - develop strategy, design, negotiate and implement health and wellness programs and all other benefit programs, including leaves, Classification Administration - Evaluate work in the context of all other work in the City and maintain the integrity of the classification system. (MN Statutes 471.991-999 and MN Rules Chapter 3920), Compensation Administration - Maintain competitive pay and ensure internal equity based on compensable factors (MN Statutes 471.991-999 and MN Rules Chapter 3920).







Financial Analysis

Expenditure

The total Human Resources Department's budget increases from $9.3 million to $9.4 million from 2017 to 2018. This is an increase of $79,000 million, or 0.8%. The Human Resources Department's 2018 expenditure budget reflects inflationary increases in operating expenses, an additional $130,000 in change items and a $60,000 reduction, both ongoing in General Fund allocations.

Revenue

Revenues are projected to increase by 5.3% in this department due to increased charges for services to align with expenses included in the cost allocation model. The department's total revenues in 2018 are projected to be $1.9 million.

Fund Allocation

This department is funded primarily by the General Fund at 80.8%, with the remainder of the department's funding found in the Self Insurance fund at 19.2%.

Mayor's Recommended Budget

The Mayor recommends an additional ongoing General Fund appropriation of $130,000 for the labor relations program (includes 1.0 FTE). The Mayor also recommends an ongoing General Fund reduction of $50,000 to assist in funding new initiatives.

Council Adopted Budget

The City Council amended the Mayor's recommended budget on an ongoing basis; increasing the FTE complement by 0.2 FTE; and, reducing the department's ongoing base by $10,000.

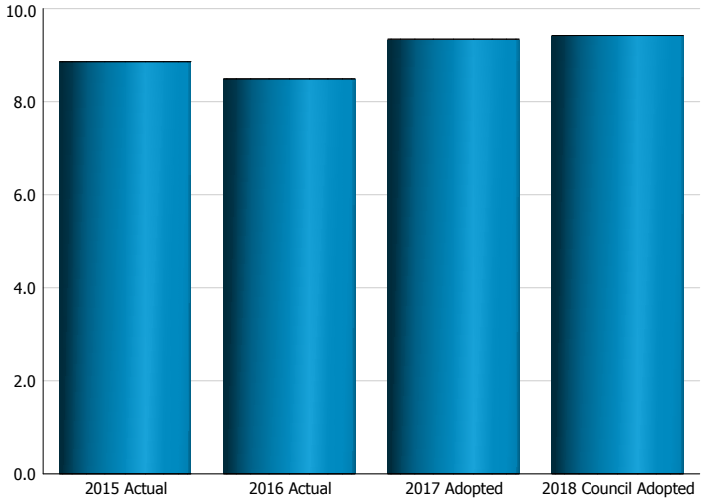
HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,917,420	3,260,236	3,616,581	3,803,369	5.2%	186,788
FRINGE BENEFITS	1,019,459	1,132,945	1,370,209	1,359,480	-0.8%	(10,729)
CONTRACTUAL SERVICES	2,005,266	1,497,147	1,858,106	1,727,812	-7.0%	(130,294)
OPERATING COSTS	904,720	675,872	694,264	675,263	-2.7%	(19,001)
TOTAL GENERAL	**6,846,865**	**6,566,200**	**7,539,160**	**7,565,923**	**0.4%**	**26,764**
INTERNAL SERVICE						
SALARIES AND WAGES	844,811	886,325	895,177	934,859	4.4%	39,682
FRINGE BENEFITS	577,754	312,086	323,791	341,462	5.5%	17,671
CONTRACTUAL SERVICES	569,945	719,227	571,631	566,661	-0.9%	(4,970)
OPERATING COSTS	20,256	6,469	13,405	13,405	0.0%	0
TOTAL INTERNAL SERVICE	**2,012,766**	**1,924,108**	**1,804,004**	**1,856,387**	**2.9%**	**52,383**
TOTAL EXPENSE	**8,859,631**	**8,490,307**	**9,343,164**	**9,422,311**	**0.8%**	**79,147**

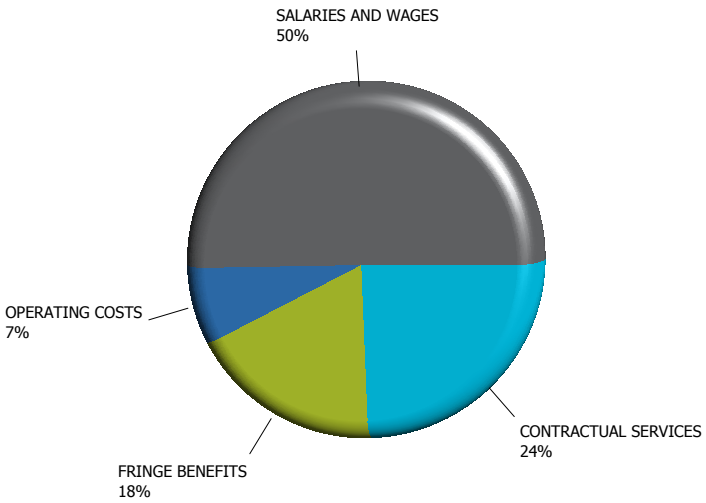
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
OTHER MISC REVENUES	793	601			0.0%	0
GENERAL	**793**	**601**				**0**
INTERNAL SERVICE						
CHARGES FOR SERVICES	1,496,856	1,587,391	1,757,897	1,850,415	5.3%	92,518
FINES AND FORFEITS	27,854	24,642			0.0%	0
OTHER MISC REVENUES	2,914	1,966			0.0%	0
INTERNAL SERVICE	**1,527,624**	**1,613,999**	**1,757,897**	**1,850,415**	**5.3%**	**92,518**
TOTAL REVENUE	**1,528,417**	**1,614,600**	**1,757,897**	**1,850,415**	**5.3%**	**92,518**

HUMAN RESOURCES
EXPENSE AND REVENUE INFORMATION

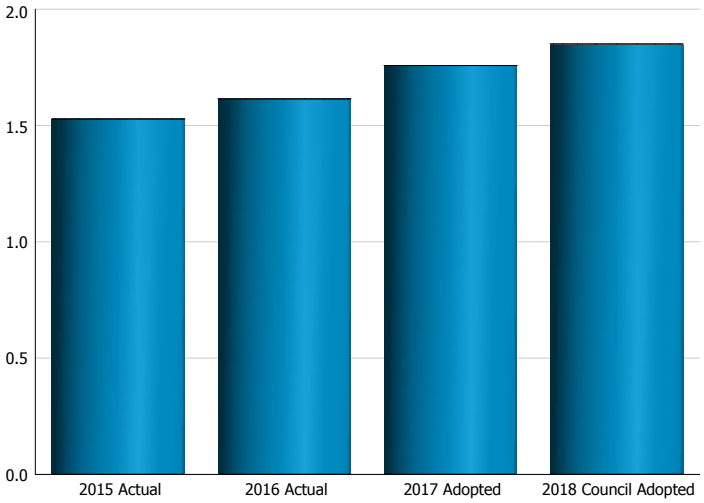
Expense 2015 - 2018
In Millions



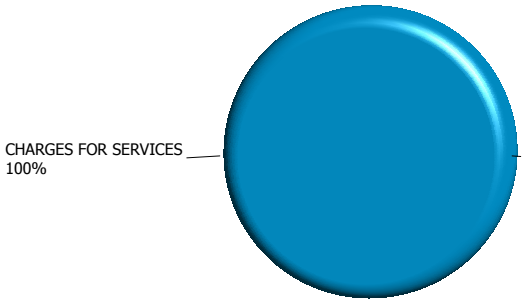
Expense by Category



Revenue 2015 - 2018
In Millions



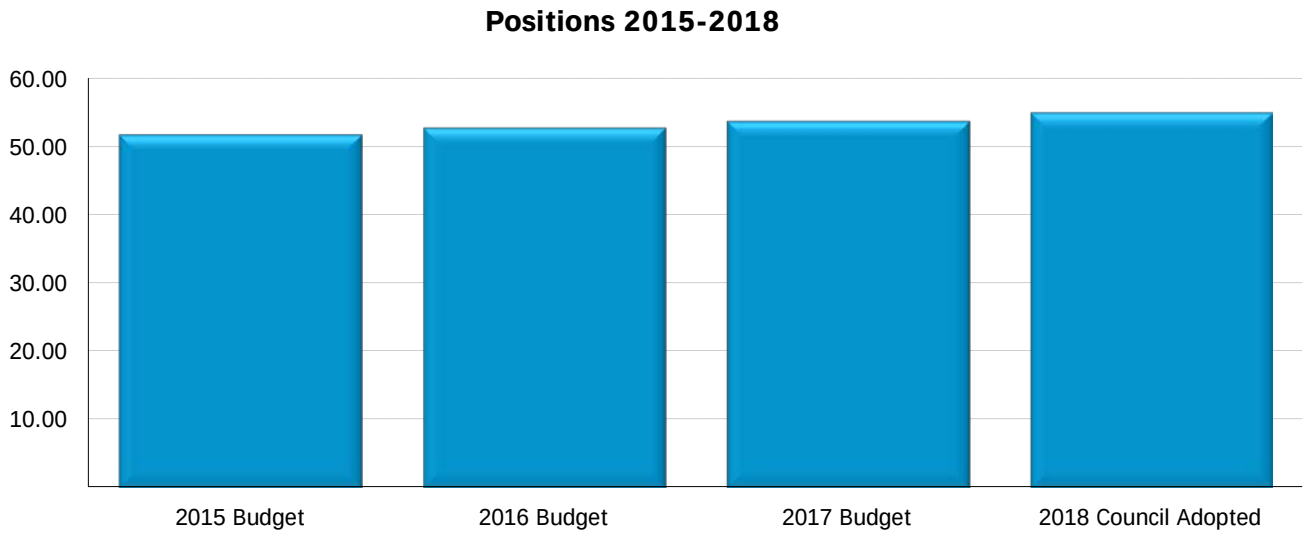
Revenue by Type



HUMAN RESOURCES

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
HR ADMINISTRATION	3.00	4.00	4.00	6.00	50.0%	2.00
HR EMPLOYEE SERVICES	11.80	12.80	13.80		-100.0%	(13.80)
HR LABOR RELATIONS				4.00		
HR TECHNOLOGY SOLUTIONS	7.00	7.00	8.00	8.00		
HR STRATEGIC WORKFORCE SOLUTIONS	30.00	29.00	28.00	28.00		
HR TOTAL COMPENSATION				9.00		9.00
Overall	51.80	52.80	53.80	55.00	2.2%	1.20



INFORMATION TECHNOLOGY

MISSION

The mission of Information Technology (IT) is to deliver innovative, high quality, cost effective decision support, technology, infrastructure and workforce enablement 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.

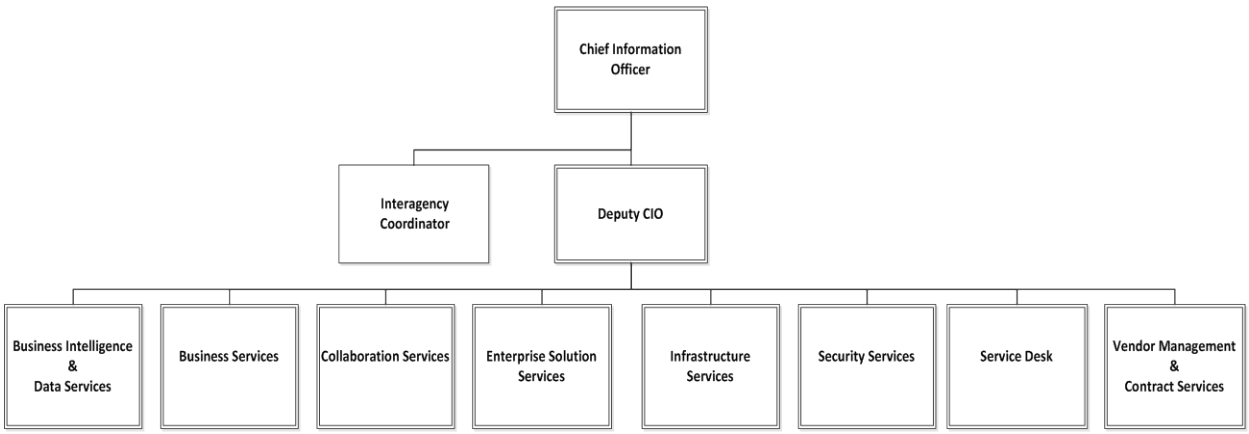
BUSINESS LINES

- **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. From this data, City Departments require reporting, business intelligence, data analytics, modeling, simulation and data visualization services. 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 Enablement Services**
  City workers rely on systems of record applications and other information technology 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

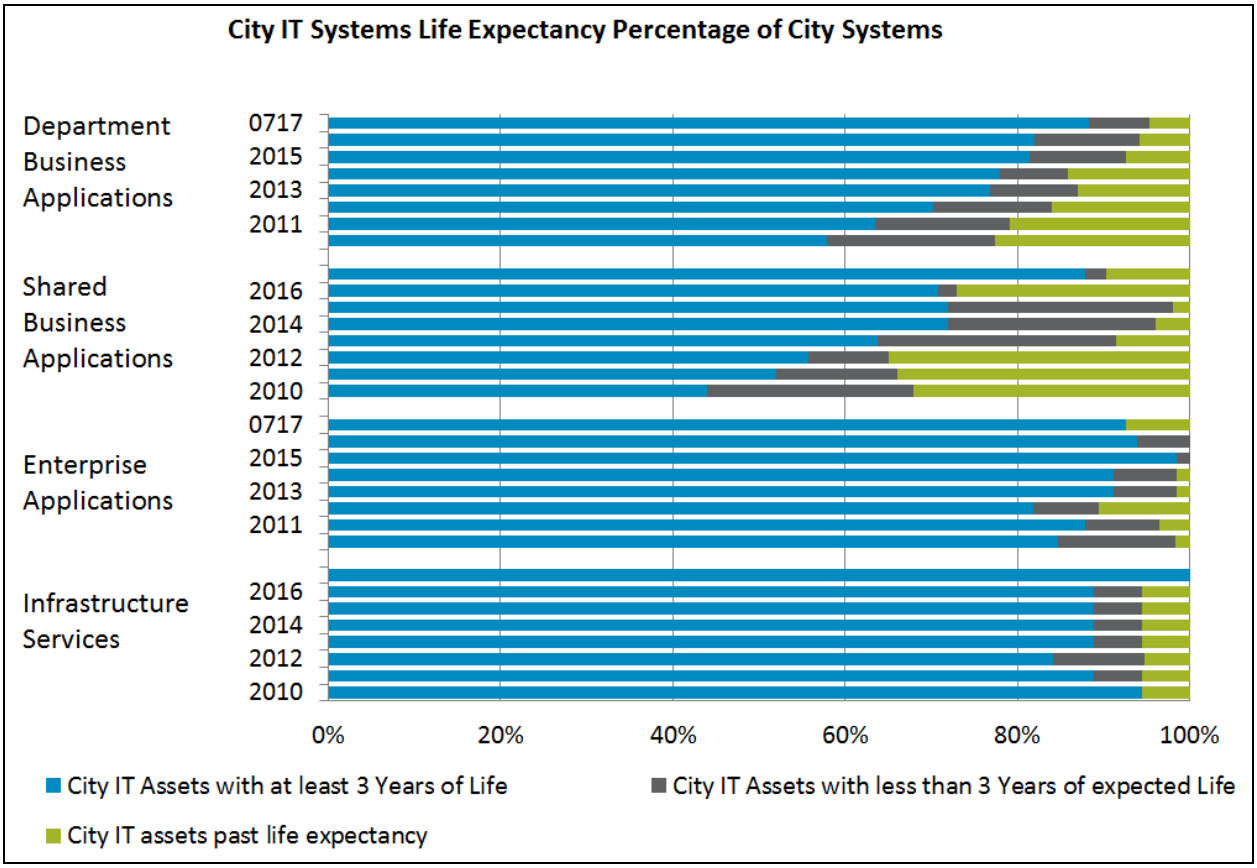


A City that Works

Workforce Enablement Services

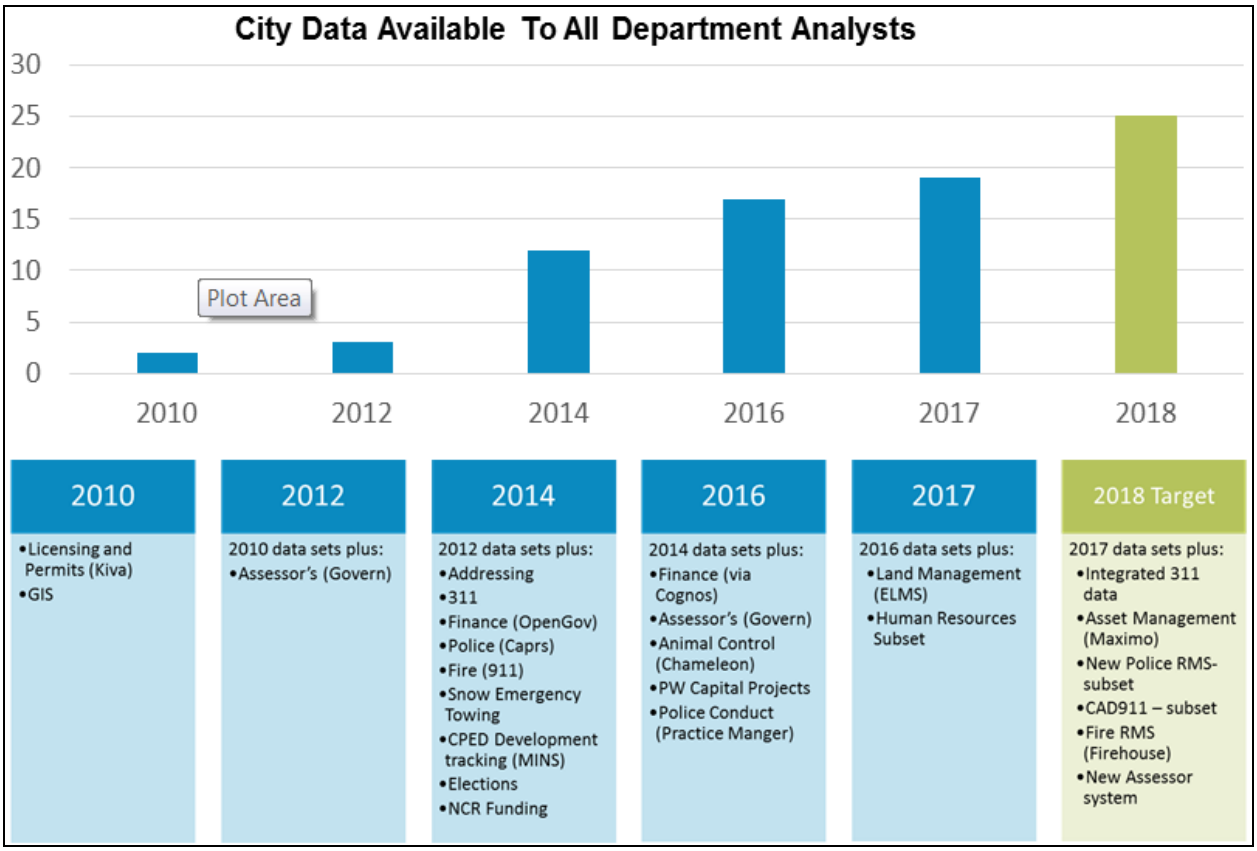
Other Funds: $15,005,227

Workforce Enablement Services leverages technology to increase worker productivity. It includes the project management office, contract administration, IT solution development and engineering services, and portfolio management for enterprise resource planning, public safety, and land management, etc.



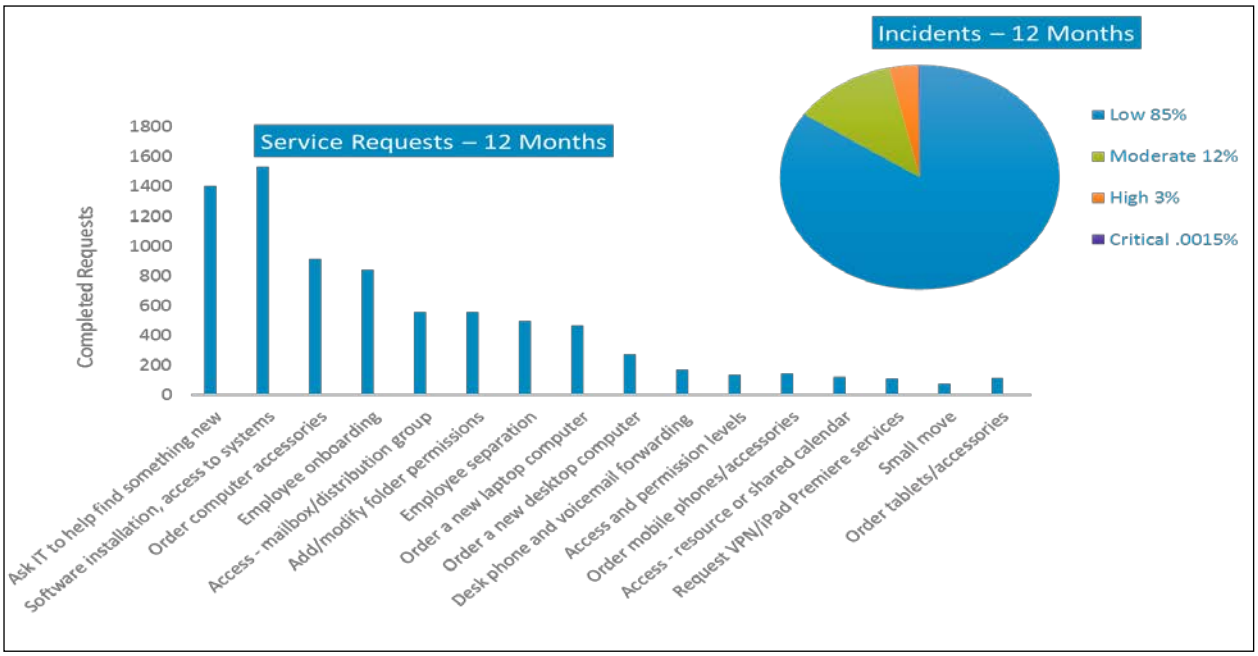
Decision Support Services Other Funds: $1,856,877

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, advanced analytics and data visualization. It provides work team support through electronic communications.



Infrastructure Services Other Funds: $19,730,767

The Infrastructure Services program maintains computers and networks for high availability, reliability and performance. It includes architect services, security services, service desk, deskside support, 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
The total Information Technology Department's budget decreases from $38.6 million to $36.6 million from 2017 to 2018. This is a decrease of $2.0 million, or 5.1% resulting from inflationary increases in operating expenditures, a one-time budget change item described below, and the elimination of $4.8 million one-time expenditures from 2017 budget.

Revenue
Revenues are projected to increase by 8.6% or $2.7 million. Department specific technology CARS requests funded in Information Technology department's 2017 budget are funded in their respective departments in 2018. The department's total revenues in 2018 are projected to be $34.1 million, excluding use of fund balance.

Fund Allocation
This department is funded completely in the Intergovernmental Services Fund.

Mayor's Recommended Budget
The Mayor recommends a $1.9 million one-time General Fund appropriation for the public website redesign project.

Council Adopted Budget
The City Council amended the Mayor's recommendation by reducing the one-time General Fund appropriation for the public website redesign project by $308,000.

INFORMATION TECHNOLOGY
EXPENSE AND REVENUE INFORMATION

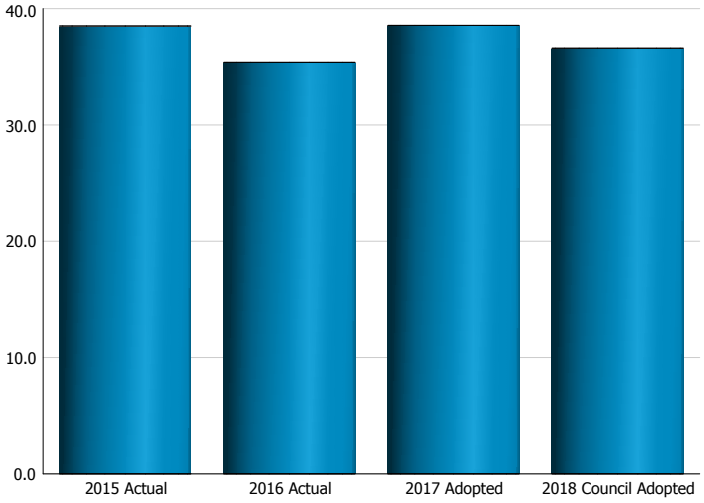
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
SALARIES AND WAGES	5,073,919	6,959,188	8,632,905	8,814,067	2.1%	181,162
FRINGE BENEFITS	4,177,890	2,045,010	2,927,587	2,960,748	1.1%	33,161
CONTRACTUAL SERVICES	25,990,158	21,484,179	19,105,274	19,814,037	3.7%	708,763
OPERATING COSTS	3,261,532	4,379,673	1,602,564	2,072,183	29.3%	469,619
CAPITAL		512,451	6,289,892	2,931,836	-53.4%	(3,358,056)
TOTAL INTERNAL SERVICE	**38,503,499**	**35,380,501**	**38,558,222**	**36,592,871**	**-5.1%**	**(1,965,351)**
TOTAL EXPENSE	**38,503,499**	**35,380,501**	**38,558,222**	**36,592,871**	**-5.1%**	**(1,965,351)**

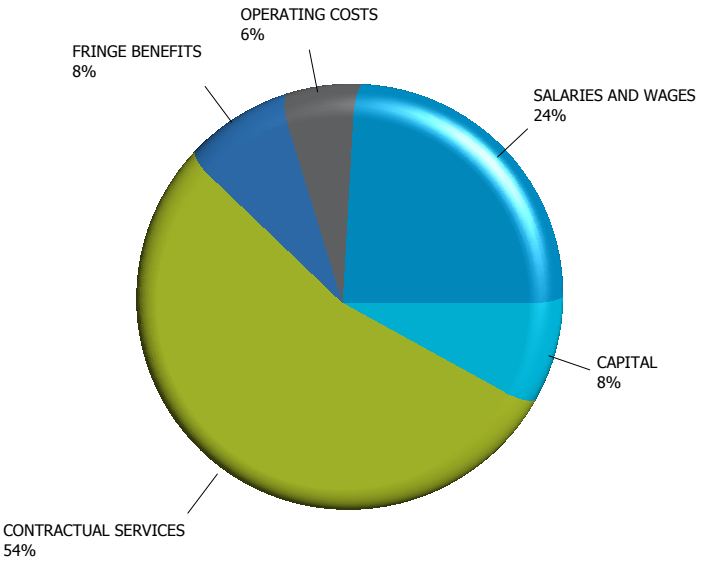
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	2,000				0.0%	0
CHARGES FOR SERVICES	40,611,419	40,551,480	31,384,174	34,079,269	8.6%	2,695,095
GAINS	(5,278)	(115,791)			0.0%	0
TRANSFERS IN	3,704,000				0.0%	0
USE OF FUND BALANCE			10,067,058	831,127	-91.7%	(9,235,931)
INTERNAL SERVICE	**44,312,142**	**40,435,689**	**41,451,232**	**34,910,396**	**-15.8%**	**(6,540,836)**
TOTAL REVENUE	**44,312,142**	**40,435,689**	**41,451,232**	**34,910,396**	**-15.8%**	**(6,540,836)**

INFORMATION TECHNOLOGY
EXPENSE AND REVENUE INFORMATION

Expense by Category

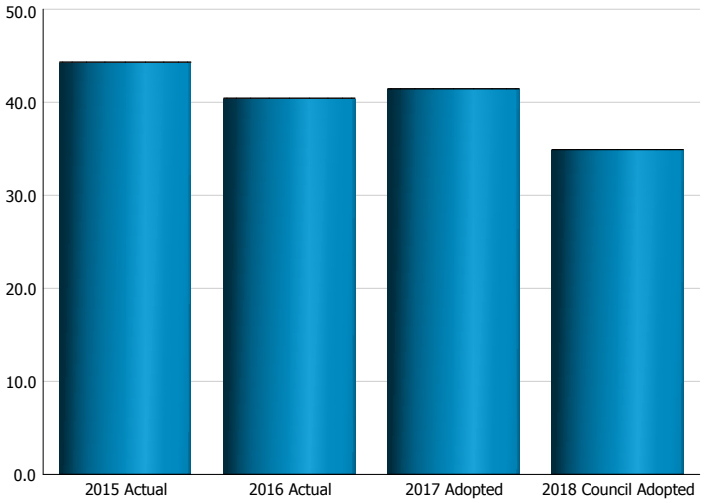
Expense 2015 - 2018
In Millions

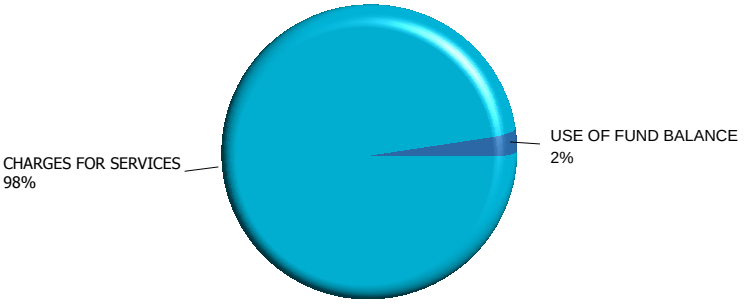




Revenue by Type

Revenue 2015 - 2018
In Millions

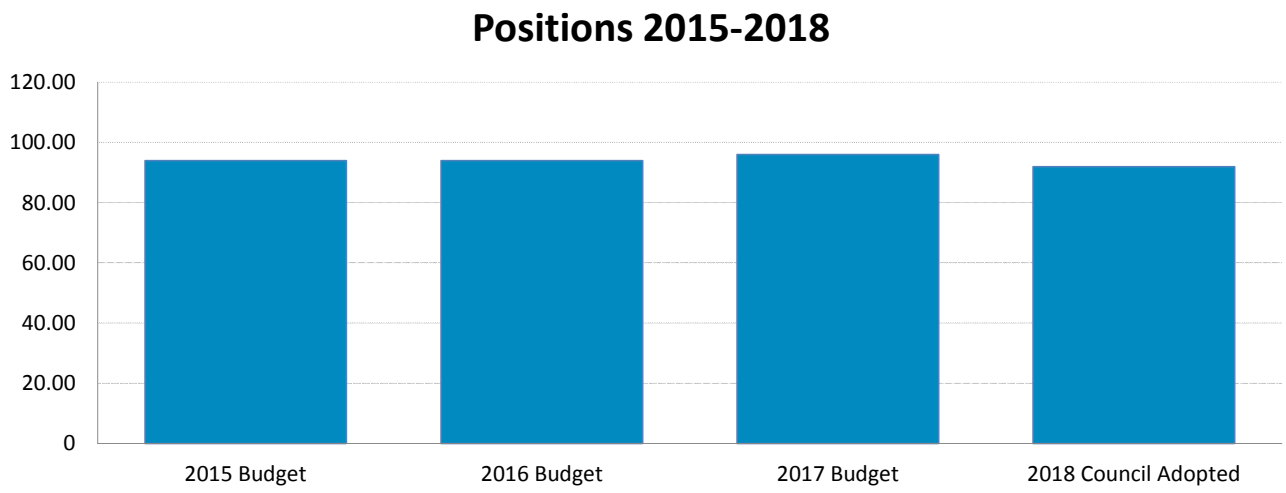




INFORMATION TECHNOLOGY

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
ADMINISTRATION	11.00	8.00	9.00	9.00	0.0%	0
BUSINESS INTELLIGENCE AND DATA SERVICES	7.80	5.00	6.80	6.80	0.0%	0
BUSINESS SERVICES	26.75	28.25	27.25	27.25	0.0%	0
ENTERPRISE SOLUTION SERVICES	7.70	8.90	7.10	10.10	42.3%	3.00
INFRASTRUCTURE SERVICES	15.75	18.85	17.85	17.85	0.0%	0
IT COLLABORATION SERVICES	4.00	4.00	5.00	5.00	0.0%	0
SECURITY SERVICES	3.00	3.00	3.00	3.00	0.0%	0
SERVICE DESK	18.00	18.00	20.00	13.00	-35.0%	(7.00)
Overall	94.00	94.00	96.00	92.00	-4.2%	(4.00)



INTERGOVERNMENTAL RELATIONS

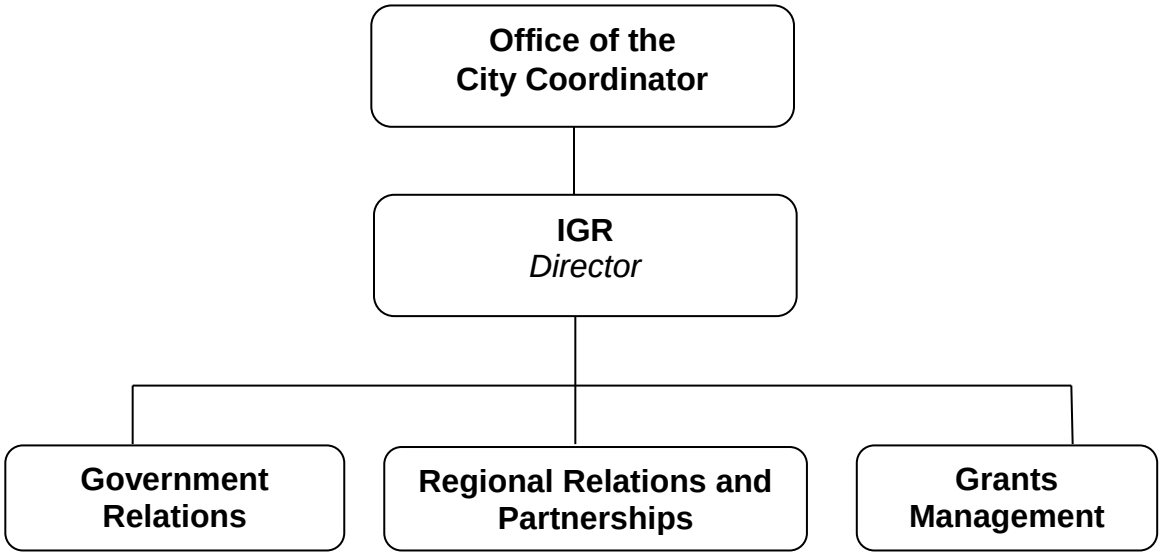
MISSION

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



Great Places

Grant Management

General Fund: $148,819
Other Funds: $1,469,250

This program provides and administers 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) providing technical assistance to city departments and the Promise Zone 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: $315,987

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: $734,533

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. A legislative agenda and policies that include city positions on numerous public policy issues is adopted annually by the city council. Additionally, this program is responsible for liaising with state agencies, other local units of government, partners associations, and outside organizations to further City objectives.

Services provided under this program are: (1) informing city staff on the legislative process and on legislation that could impact their respective areas of work; (2) preparation of the legislative agenda; (3) publication of a legislative newsletter; (4) assisting elected city officials and staff at legislative meetings; (5) drafting legislation and supporting documents; (6) advocating for the City's position on relevant legislation and providing information to state lawmakers regarding the impact of legislation on the City; and (7) maintaining communication with state agencies.

Regional Relations and Partnerships General Fund: $319,651

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 $3.1 million to $3.0 million from 2017 to 2018. This is an overall decrease of $92,322, or 3.0%. The General Fund portion of the expenditure budget reduces by $92,000, as inflationary increases in operating expenses are being wholly offset by an administrative reallocation of $20,000 to Office of

Emergency Management's budget and a further $80,000 ongoing reduction in the department's General Fund allocations. Special Revenue's grant funded activities are remaining constant as in 2017 at $1.5 million.

Revenue
This department does not produce revenue.

Fund Allocation
This department is funded 51.0% in the General Fund and 49.0% funding found in the Special Revenue grant funds.

Mayor's Recommended Budget
The Mayor recommends an ongoing General Fund appropriation reduction of $80,000 to the department to assist in funding new initiatives.

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

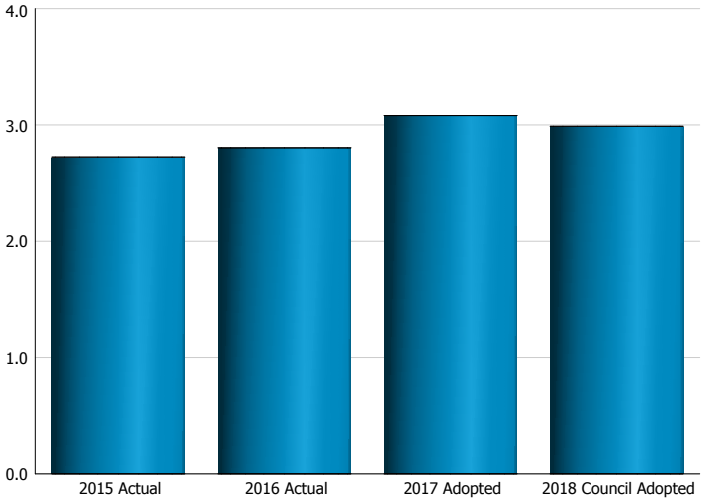
INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	557,729	594,324	627,444	647,405	3.2%	19,961
FRINGE BENEFITS	151,291	160,970	198,476	205,385	3.5%	6,908
CONTRACTUAL SERVICES	444,223	446,045	538,109	429,904	-20.1%	(108,205)
OPERATING COSTS	211,415	235,363	247,282	236,296	-4.4%	(10,986)
TOTAL GENERAL	**1,364,660**	**1,436,702**	**1,611,311**	**1,518,989**	**-5.7%**	**(92,322)**
SPECIAL REVENUE						
SALARIES AND WAGES	148,109	137,366	175,301	172,623	-1.5%	(2,678)
FRINGE BENEFITS	48,293	44,958	59,070	60,042	1.6%	972
CONTRACTUAL SERVICES	1,161,134	1,183,649	1,234,879	1,236,584	0.1%	1,705
OPERATING COSTS	551					0
TOTAL SPECIAL REVENUE	**1,358,087**	**1,365,973**	**1,469,250**	**1,469,250**	**0.0%**	**(1)**
TOTAL EXPENSE	**2,722,747**	**2,802,675**	**3,080,561**	**2,988,239**	**-3.0%**	**(92,322)**

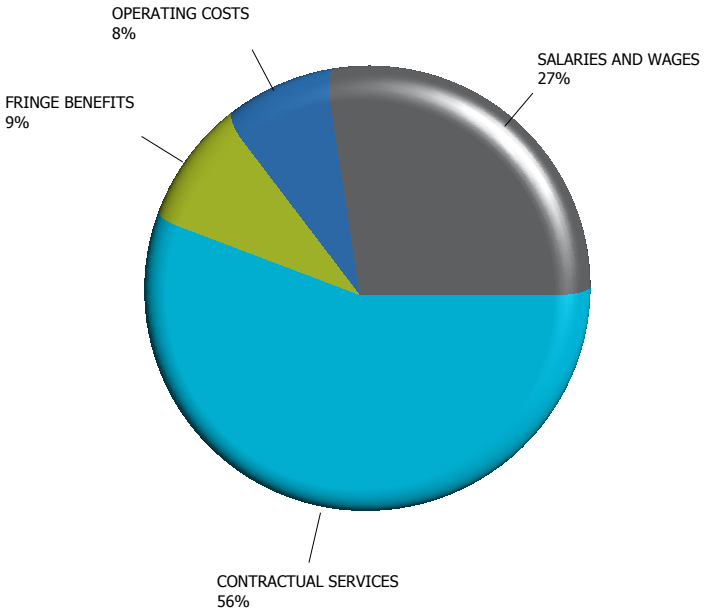
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS		6,755			0.0%	0
SPECIAL REVENUE		**6,755**				**0**
TOTAL REVENUE		**6,755**				

INTERGOVERNMENTAL RELATIONS
EXPENSE AND REVENUE INFORMATION

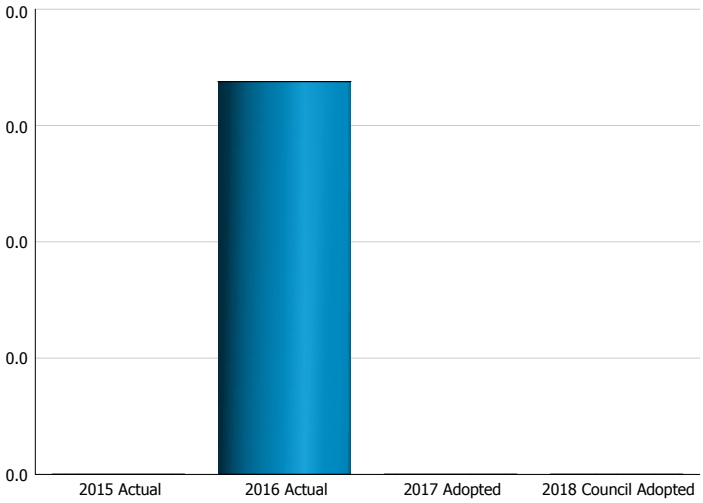
Expense 2015 - 2018
In Millions



Expense by Category



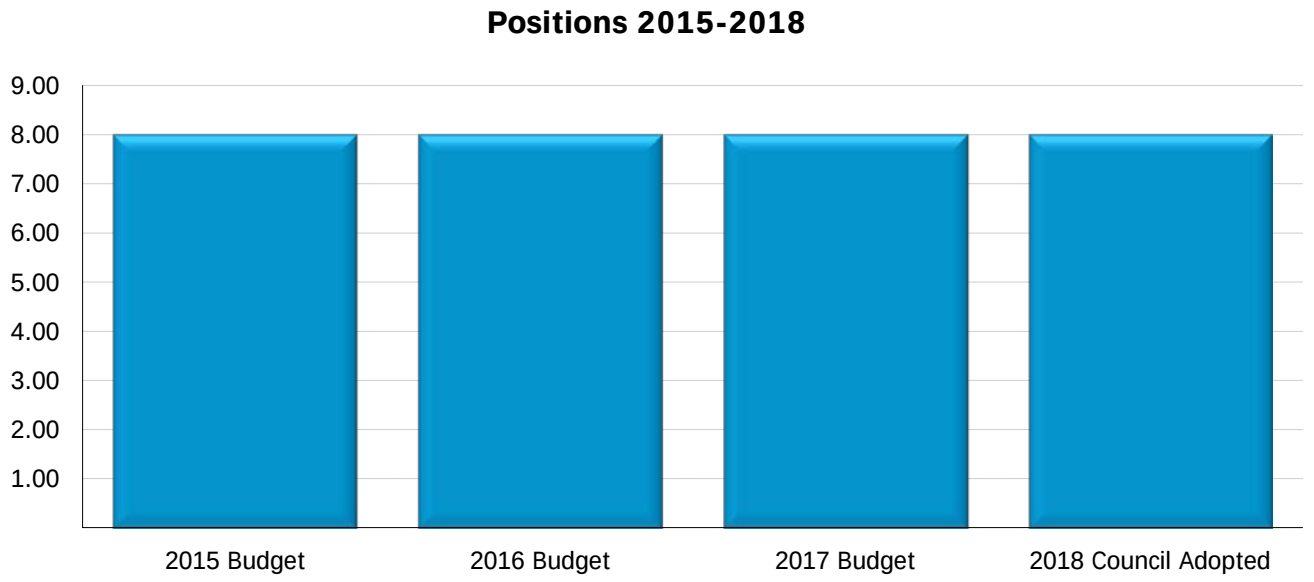
Revenue 2015 - 2018
In Millions



INTERGOVERNMENTAL RELATIONS

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
GRANTS & SPECIAL PROJECTS	3.25	3.25	3.25	3.25	0.0%	0
INTERGOVERNMENTAL RELATNS	4.75	4.75	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.

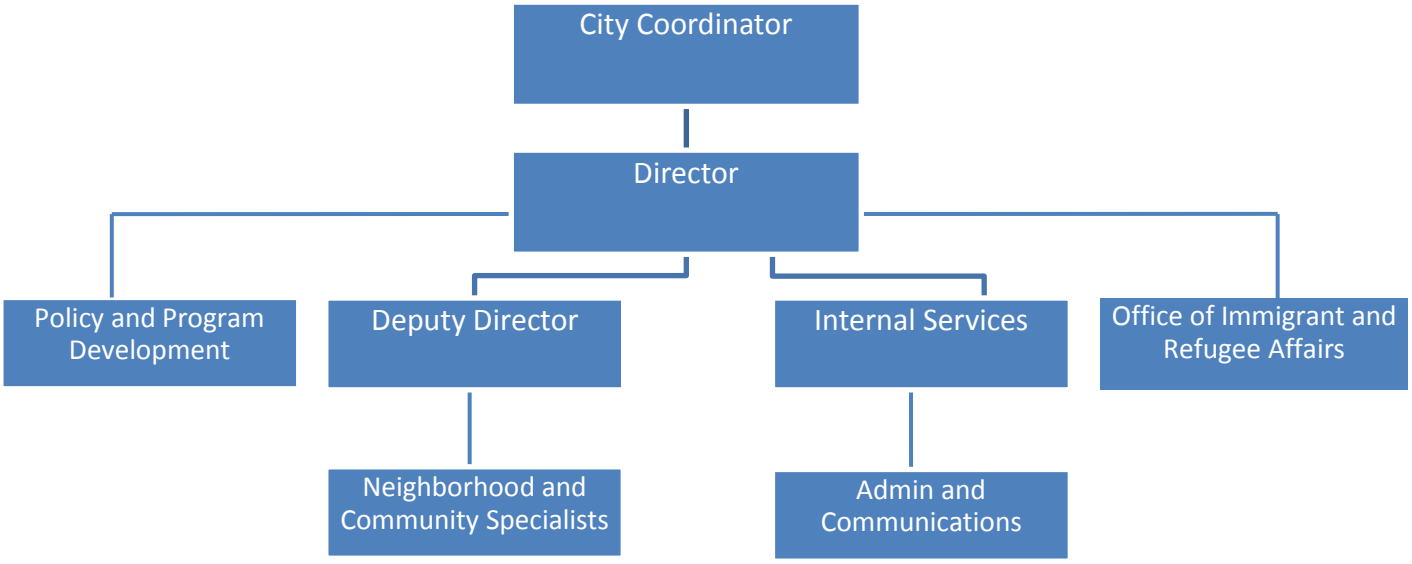
2. Coordinated Engagement Services

   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

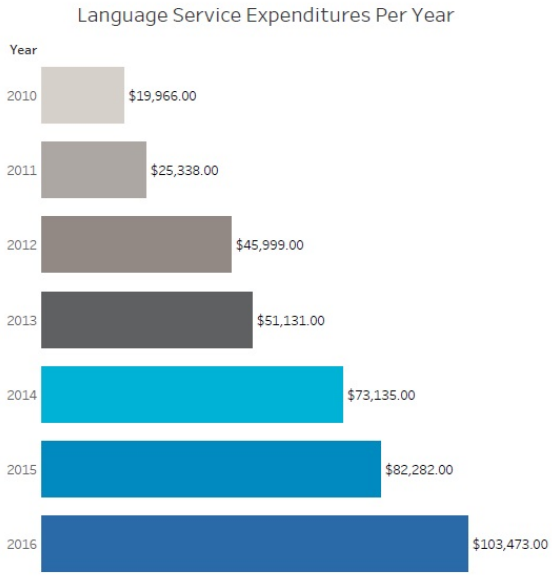


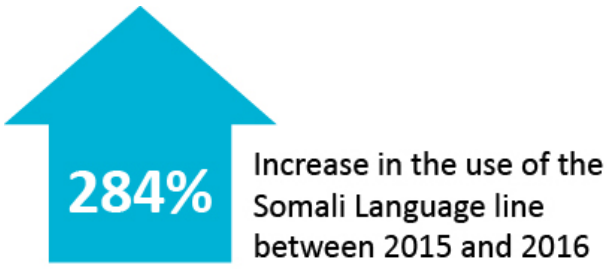
One Minneapolis

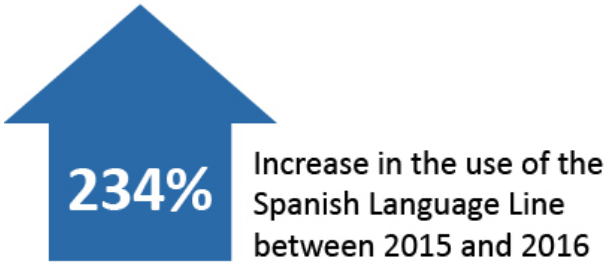
Access and Outreach Support

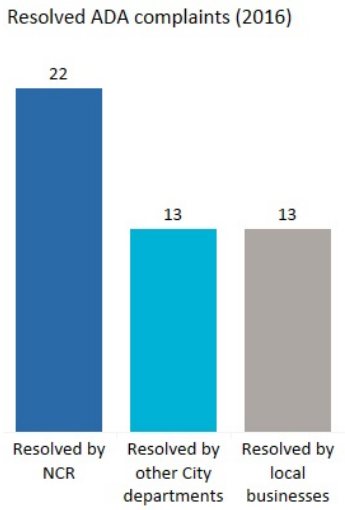
General Fund: $713,302
Other Funds: $572,374

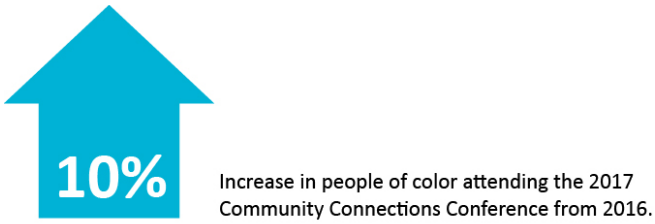
Access and Outreach provides the logistical and office support for cultural engagement services and federally mandated programming. The program is aimed at broadening engagement through enterprise support of federal mandates and the elimination of barriers to participation by underrepresented groups in neighborhood organizations, boards and commissions and City governance. The services provided include ADA compliance, implementation of the City's ADA transition plan, implementation of language access plan, interpretation and translation services, and administration of program funding for the One Minneapolis Fund.









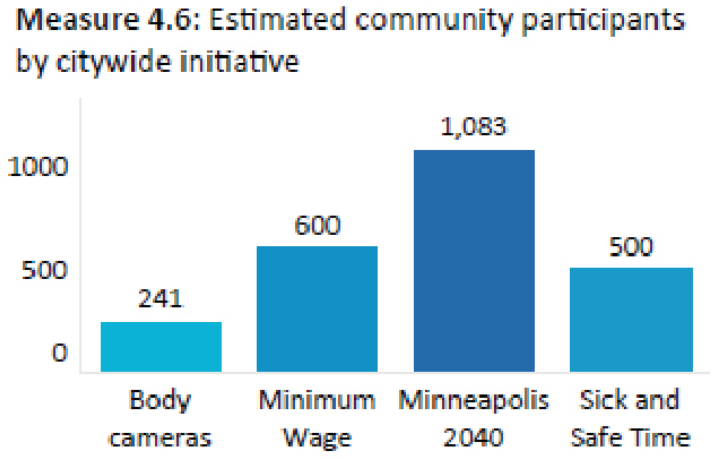


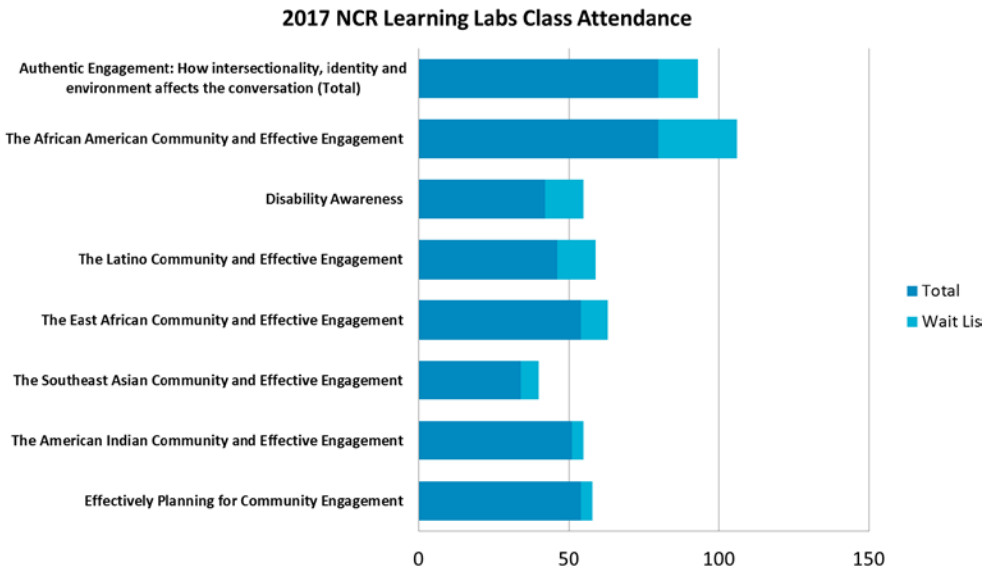


Living Well

Coordinated Engagement Services Other Funds: $1,270,514

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. This program includes a blueprint for equitable engagement, which includes American Indian Memorandum of Understanding, Latino Engagement Task Force, staff support to the city's 70 neighborhood organizations, Minneapolis for a Lifetime, ongoing engagement with cultural communities, diversification of the city's 18 advisory boards and commissions, city Academy, and staff support to four advisory commissions.



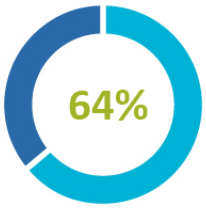


Neighborhood Engagement and Support Other Funds: $9,731,183

This program supports the department's support services for neighborhood organizations. The program helps sustain a world-class community engagement program through neighborhood-based priority setting, planning and implementation; and the coordination of this work with the work of the City. This program also includes the direct allocations to neighborhood organizations through the three primary funding programs. The services provided include Community Participation Program (CPP) allocation, Neighborhood Revitalization Program (NRP) allocation, Community Innovation Fund (CIF) funding, and other support services such as contract management, directors and officers insurance, auditing, training, legal support and other related activities.



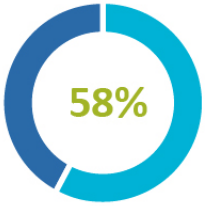
Nearly 44,000 households reached by neighborhood organizations' door knocking in 2015



of neighborhoods met with other agencies to address issues related to underrepresented groups.



of neighborhoods conducted outreach to renters.



of neighborhoods did targeted outreach to residents in apartment buildings.

Financial Analysis

Expenditure

For 2018, the Neighborhood and Community Relations budget is $12.3 million, an increase of 10.2% from the 2017 budget of $11.1 million.

Revenue

In 2018, the department anticipates $11.7 million in revenue, an increase of 8.5% from 2017 revenue of $10.8 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 recommends an ongoing General Fund appropriation of $100,000 for Collaborative Safety Strategies. The Mayor also recommends one-time General Fund appropriations from of $475,000 for Collaborative Safety Strategies, and $20,000 for Senior Support Services. The Mayor further recommends transferring on an ongoing basis $98,300 (including 1.0 FTE) from Civil Rights to Neighborhood and Community Relations (NCR) department for the Office of Immigrant and Refugee Affairs in the General Fund.

Council Adopted Budget

The City Council amended the Mayor's recommended budget in the General Fund on a one-time basis; increasing the appropriation for Senior Support Services by $40,000; reducing appropriation for Collaborative Safety Strategies by $125,000; and specifically designating the remaining $350,000 of funding for Collaborative Safety Strategies for Little Earth Community Safety ($50,000), Broadway Community Safety ($50,000), Penn Avenue Community Safety ($50,000), and Lake Street Community Safety ($200,000).

The City Council further amended the Mayor's recommended budget in the General Fund by eliminating the ongoing appropriation of $100,000 for Collaborative Safety Strategies.

NEIGHBORHOOD & COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION

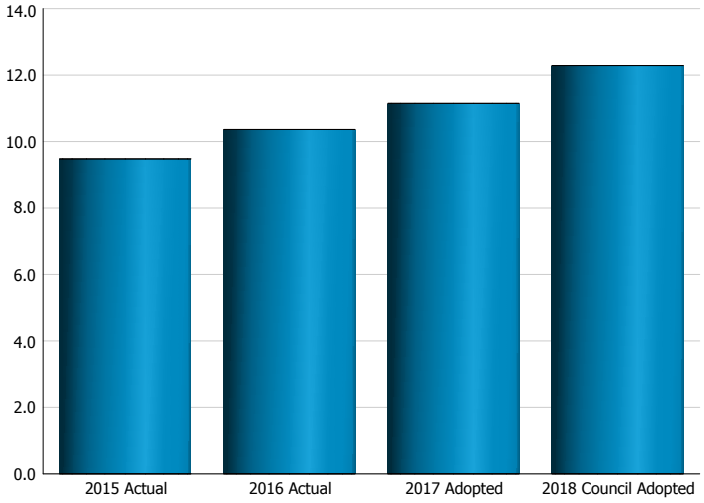
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	167,907	73,171	55,464	142,831	157.5%	87,367
FRINGE BENEFITS	50,664	15,957	24,690	55,935	126.6%	31,246
CONTRACTUAL SERVICES	135,474	270,861	184,071	514,536	179.5%	330,465
OPERATING COSTS	3,996					0
TOTAL GENERAL	**358,041**	**359,990**	**264,225**	**713,302**	**170.0%**	**449,078**
SPECIAL REVENUE						
SALARIES AND WAGES	976,741	1,175,119	1,300,746	1,331,041	2.3%	30,295
FRINGE BENEFITS	309,516	392,703	465,941	482,842	3.6%	16,902
CONTRACTUAL SERVICES	7,433,734	8,055,773	8,884,390	9,520,526	7.2%	636,136
OPERATING COSTS	192,313	167,177	234,390	239,662	2.2%	5,272
CAPITAL	133,558	210,780				0
TRANSFERS	72,756	2,417				0
TOTAL SPECIAL REVENUE	**9,118,620**	**10,003,968**	**10,885,467**	**11,574,071**	**6.3%**	**688,605**
TOTAL EXPENSE	**9,476,661**	**10,363,958**	**11,149,692**	**12,287,374**	**10.2%**	**1,137,682**

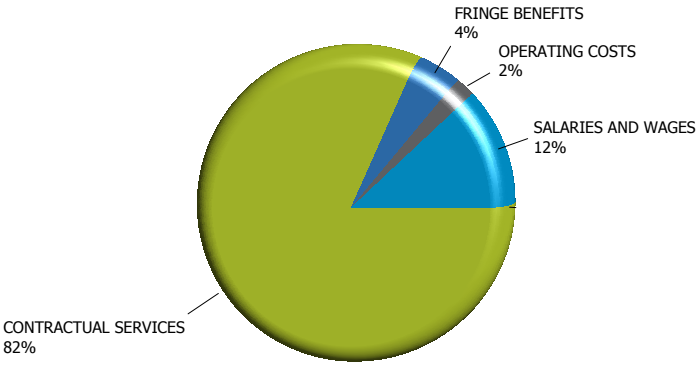
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
OTHER MISC REVENUES		5,574	4,300,000	4,800,000	11.6%	500,000
TRANSFERS IN	6,225,384	6,127,000	6,487,516	6,682,141	3.0%	194,625
USE OF FUND BALANCE				219,721	0.0%	219,721
SPECIAL REVENUE	**6,225,384**	**6,132,574**	**10,787,516**	**11,701,862**	**8.5%**	**914,346**
TOTAL REVENUE	**6,225,384**	**6,132,574**	**10,787,516**	**11,701,862**	**8.5%**	**914,346**

NEIGHBORHOOD & COMMUNITY RELATIONS
EXPENSE AND REVENUE INFORMATION

Expense by Category

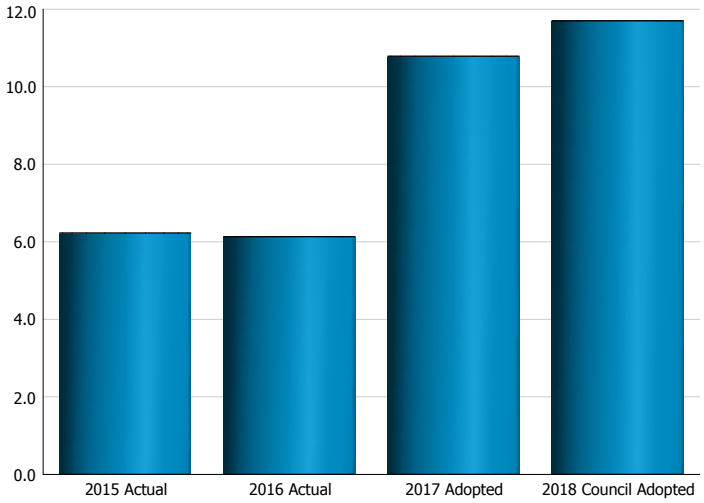
Expense 2015 - 2018
In Millions

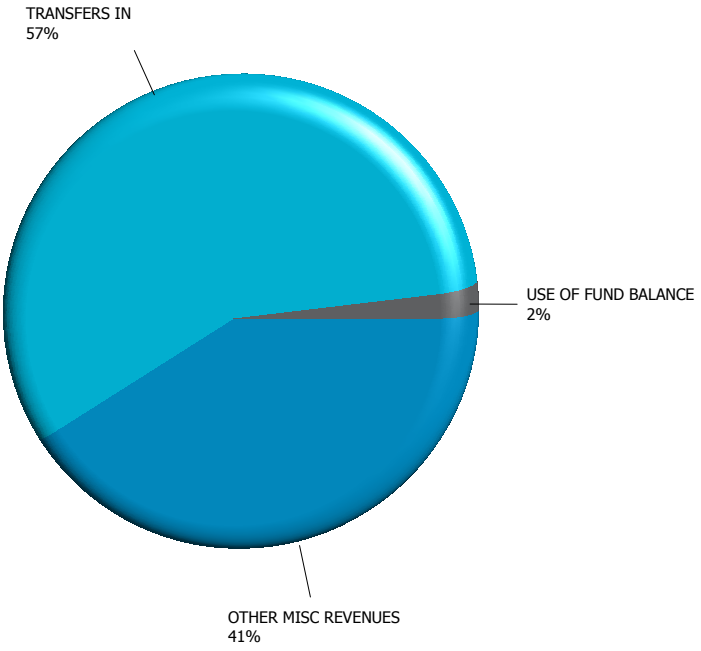




Revenue by Type

Revenue 2015 - 2018
In Millions

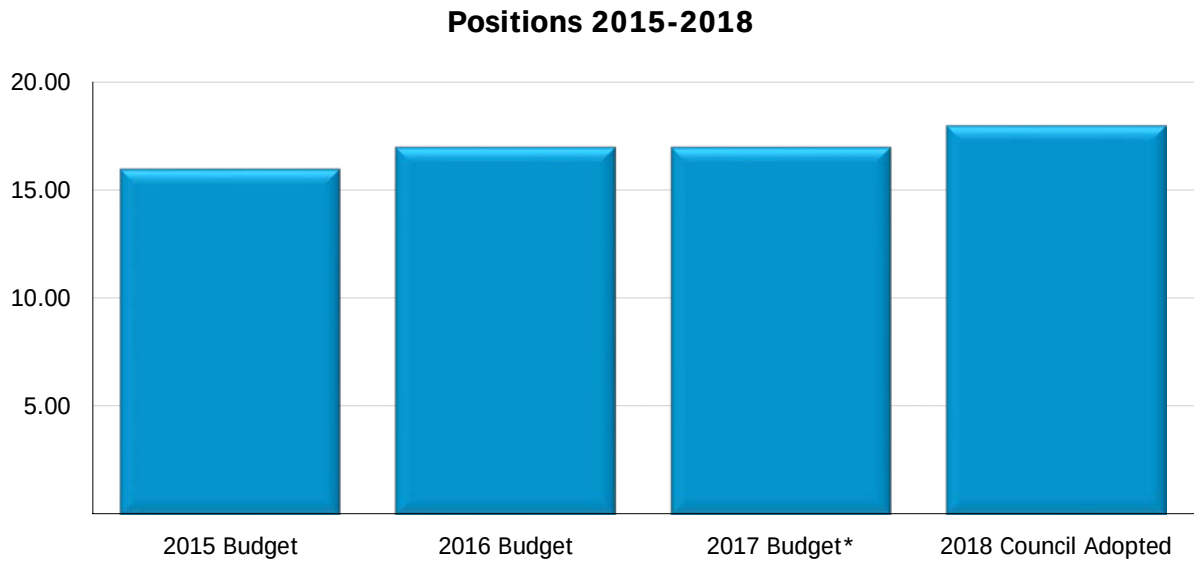




NEIGHBORHOOD & COMMUNITY RELATIONS

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
ADMINISTRATION	16.00	17.00	17.00	18.00	5.9%	1.00
Overall	16.00	17.00	17.00	18.00	5.9%	1.00



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

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); Title 2, Chapter 40 (workplace regulations); and to promote understanding of civil rights among residents, business and government.

BUSINESS LINES

The Minneapolis Department of Civil Rights (MDCR) is composed of five business lines: the Complaint Investigations Division; the Contract Compliance Division; the Office of Police Conduct Review; the Civil Rights Equity Division; and the Labor Standards Enforcement Division.

The Complaint Investigations Division (CID) investigates and resolves allegations of illegal discrimination as required by the Minneapolis Civil Rights Ordinance (MCRO) and a federal work share agreement with the US Equal Employment Opportunity Commission (EEOC). This program neutrally enforces the City's anti-discrimination laws and policies by investigating complaints of discrimination in multiple areas including, but not limited to: education, housing, and public services. Also, through a work share agreement with (EEOC), the City serves as a Fair Employment Practice Agency (FEPA), investigating employment discrimination claims dual-filed and/or cases transferred from the EEOC. In lieu of the formal investigatory process, the division maintains an Alternative Dispute Resolution (ADR) program.

Services provided:

- Handles complaints of discrimination in accordance with the Minneapolis Civil Rights Ordinance.
- Oversees an alternative dispute-resolution/mediation program.
- Coordinates the City's response and information regarding hate crimes and discrimination between the City and its partners.
- Engages with schools, communities, and non-profit organizations to further the work of the department.
- Reviews cases on appeal and preside over administrative hearings
- Provides administrative support to the Minneapolis Commission on Civil Rights

The Contract Compliance Division (CCD) works to eliminate discrimination by ensuring that City projects and contracts include women, minorities, and low income resident workers and businesses. The Division also ensures that all workers on construction projects are paid what the law requires. This division conducts compliance on five program areas that affect the general fund: 1) Affirmative Action, 2) Minority and Women Business Inclusion, 3) Female and Minority Workforce Inclusion, 4) Low Income Residents Workforce and Business Inclusion, and 5) Labor Compliance.

Services provided:

- Provides guidance, review and compliance on Affirmative Action Plans for City contractors to ensure affirmative action and equal employment opportunity laws are followed.

- Administers the Small and Underutilized Business Program to ensure minority and women owned businesses are included on City contracts and projects.
  - Sets business inclusion goals for all contracts and projects over $100,000.
  - Conducts good faith efforts reviews of City contractors.
  - Conducts outreach to and certify Disadvantaged Business Enterprises (DBEs). Enforces City's construction workforce goals to ensure female and minorities are utilized on City construction projects.
- Administers the HUD Section 3 Program to ensure low income resident workers and businesses are included on City construction projects.
- Monitors and enforces labor compliance and prevailing wage laws under the Federal Davis-Bacon and Related Acts to ensure workers are paid appropriately, including administering back payment of wages to workers.

The Office of Police Conduct Review (OPCR) processes 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 issue 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.

Services provided:
- Fairly, objectively, and neutrally addresses complaints of police misconduct through investigations, mediations, and the coaching process.
- Manages the Police Conduct Review Panel that makes recommendations based on supportive information to promote adherence to the highest standard of police conduct.
- 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.
- Provides administrative support to the Police Conduct Review Panel and the Police Conduct Oversight Commission.

The Civil Rights Equity Division (CRED) leads the department's equity work in support of the City wide goal of One Minneapolis and is charged with improving equitable service delivery and organizational culture across divisions through the use of an equity lens and framework and to support the City's various enterprise equity initiatives. By addressing racial bias in decision making through the implementation and increased use of racial equity tools and training, CRED aims to improve operations, internal systems, policies and programs, and organizational culture.

CRED also oversees Urban Scholars, the City's leadership and professional development program for students of diverse racial and ethnic backgrounds. The program works to raise awareness, and address the core causes, of the employment disparities across the Metro by partnering with organizations and growing the pipeline of recently-graduated professionals.

Services provided:
- Manages and administer the Urban Scholars Program for the City and its regional partners
- Improves equitable service delivery and organizational culture across MDCR divisions through the intentional use of an equity lens and framework.
- Creates, strengthens, and maintains external partnership in order to advance local and regional equity work.

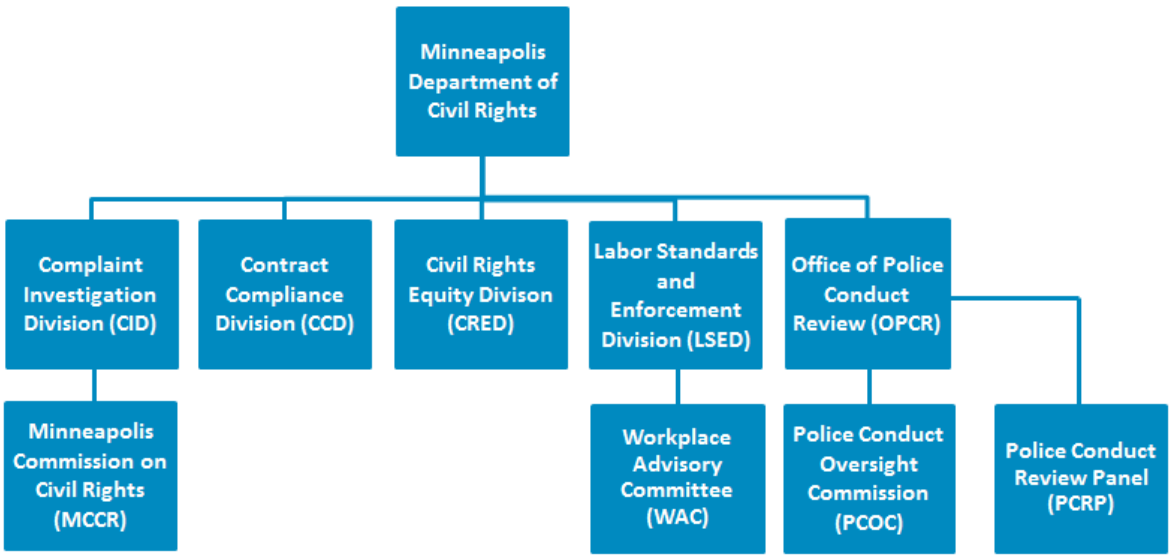
The Labor Standards Enforcement Division (LSED) oversees compliance with the Workplace Regulation ordinances which include enforcement of the City's Sick and Safe Time and Municipal Minimum Wage. The work of the division is performed in support of the City wide goal of One Minneapolis with a focus on resident safety, well-being and prosperity.

LSED also provides staff support to the Workplace Advisory Committee, an appointed group of approximately 15 community stakeholders that advises on workplace issues and policy and serves as a resource on implementation of new initiatives.

Services provided:

- Delivers culturally specific education and outreach and technical assistance to stakeholders.
- Engages public through awareness campaigns regarding rights and responsibilities.
- Addresses complaints alleging violations of ordinance via mediation and investigation.
- Conducts workplace audits to ascertain employer's thoroughness in adherence to the regulations.
- Prepares compliance reports for stakeholders for transparency and continuous improvement.

ORGANIZATION CHART



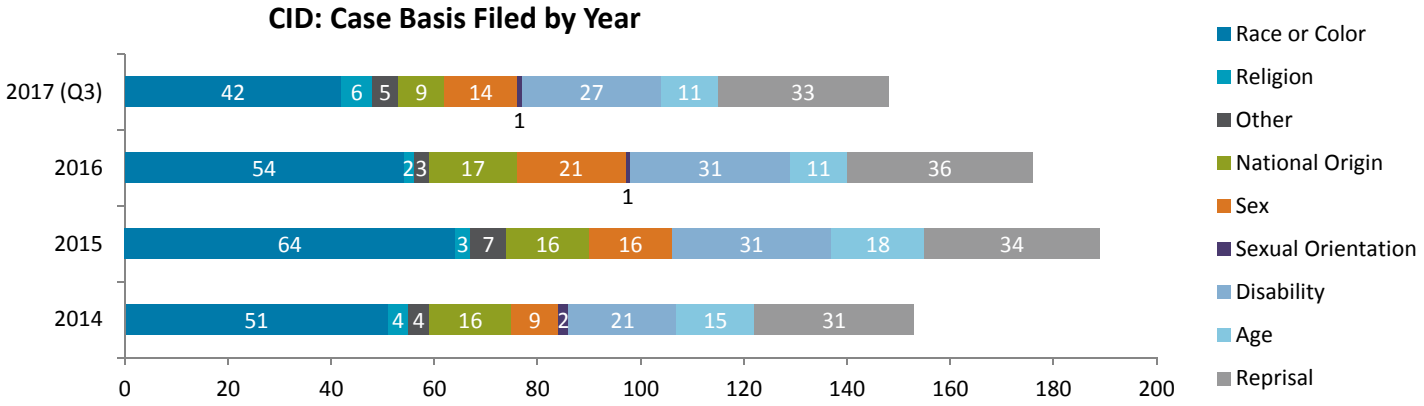
One Minneapolis

Complaint Investigations

General Fund: $632,636
Other Funds: $42,000

The Complaint Investigation Division (CID) is required by City Ordinance to neutrally enforce 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. This program also administers an Alternative Dispute Resolution (ADR) Program to resolve complaints that allege discrimination and provide staff support to the Minneapolis Civil Rights Commission.

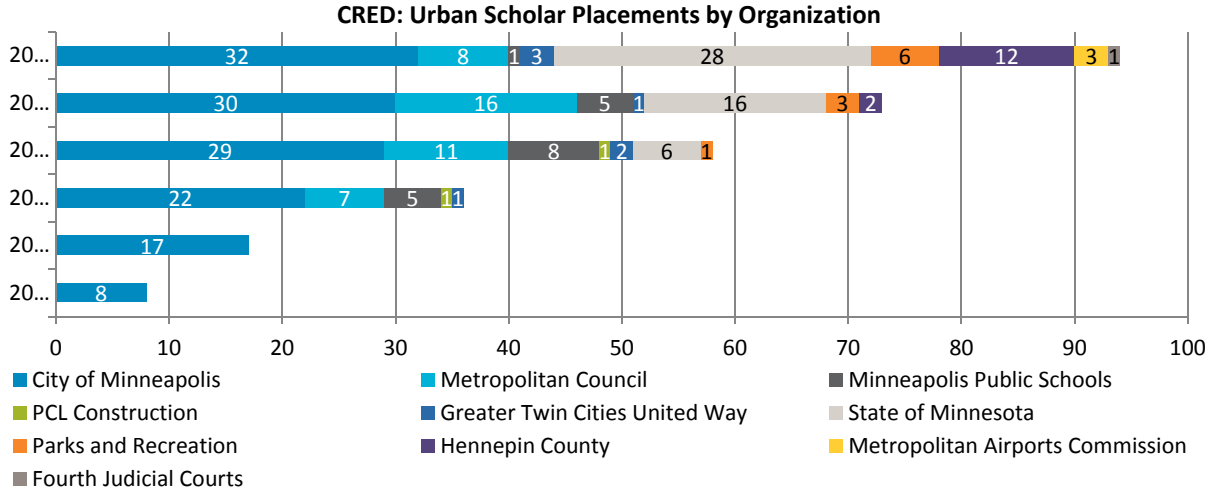


CID: Cases Closed in 2017 (Q1- Q3)					
Probable Cause	ADR Resolution	Dismissed/No Probable Cause	Transferred	Withdrawn	Not Filed/Inquiry
1	9	53	2	0	9

Equity Division

General Fund: $584,296

This Civil Rights Equity Division (CRED) program in collaboration with other City departments supports and encourages 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.



A City that Works

Contract Compliance

General Fund: $1,978,153
Other Funds: $321,644

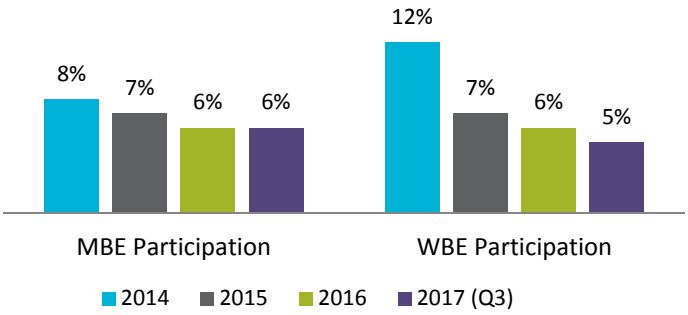
This Contract Compliance Division (CCD) ensures that City of Minneapolis procurement of construction and development services, commodities and supplies, and professional and technical services includes women, minorities, and low income workers and businesses. CCD also ensures that workers on construction 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.

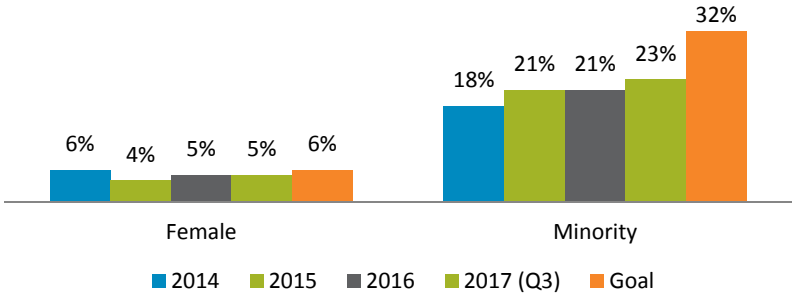
MBE and WBE Business Inclusion on Closed Construction and Development Projects

	# of Projects	Total Contract Amount	Participation	
			MBE	WBE
2017 (Q3)	28	$132,775,232	$8,408,937 (6%)	$6,649,078 (5%)
Total (2014-2017Q3)	164	$633,553,108	$42,285,942 (7%)	$50,264,815 (8%)

Female and Minority Workforce Inclusion on Closed Construction and Development Projects

	# of Projects	Total Project Hours	Final Participation	
			Female	Minority
2017 (Q3)	34	789,914	35,977 (5%)	185,314 (23%)
Total (2014-2017Q3)	219	3,974,412	201,442 (5%)	824,204 (21%)



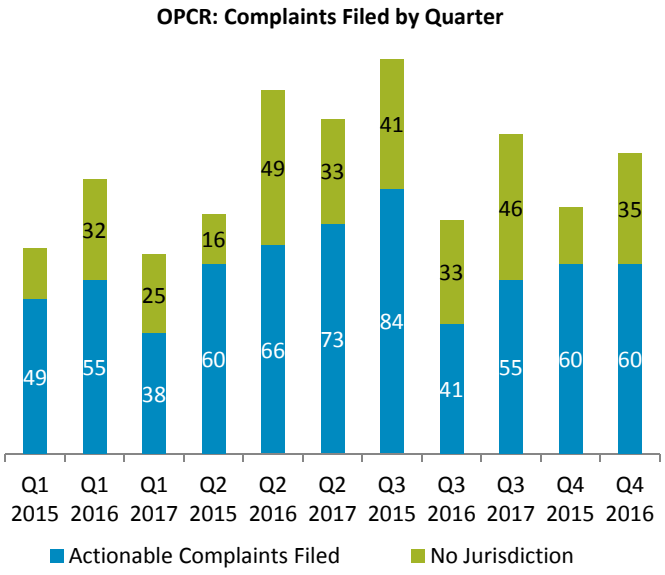


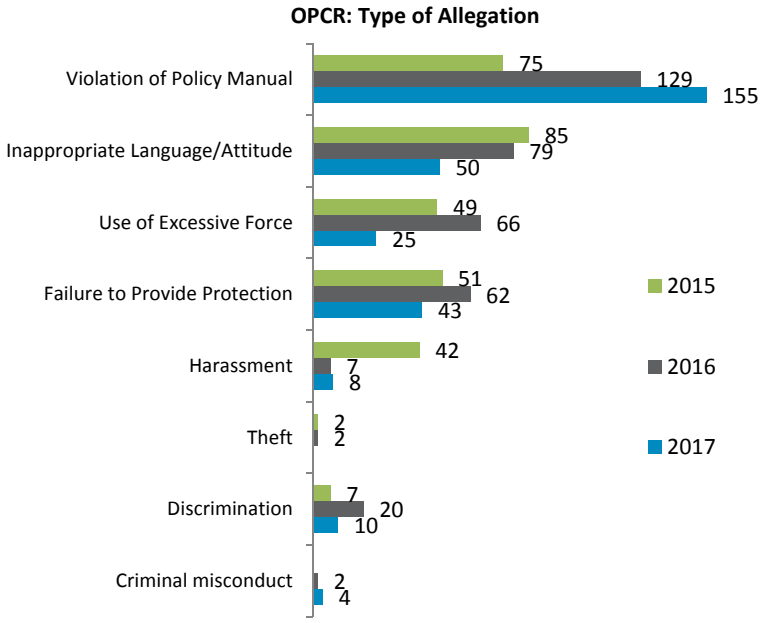
Living Well

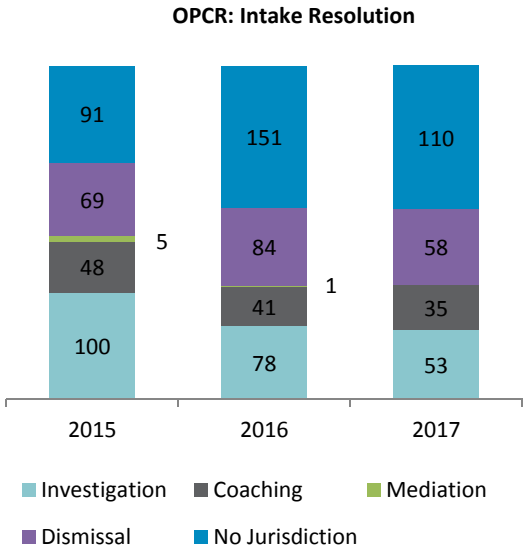
Office of Police Conduct Review

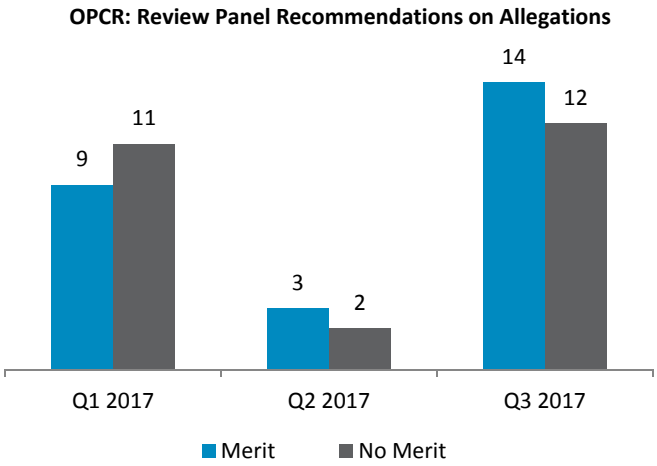
General Fund: $870,284

The Office of Police Conduct Review (OPCR) ensures the processing of police conduct complaints in a fair manner with a civilian-sworn leadership model of oversight. OPCR utilizes a hybrid review panel of community members and police officers to issue recommendations. The OPCR provides staff support to the Police Conduct Oversight Commission (Commission), an all civilian 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 Commission provides transparency, citizen engagement, and meaningful participation related to police conduct by advising on police policy, auditing OPCR cases, and engaging the community in discussions of police procedure. The ultimate goal is to foster mutual respect between the Minneapolis Police Department and all populations of the city of Minneapolis.









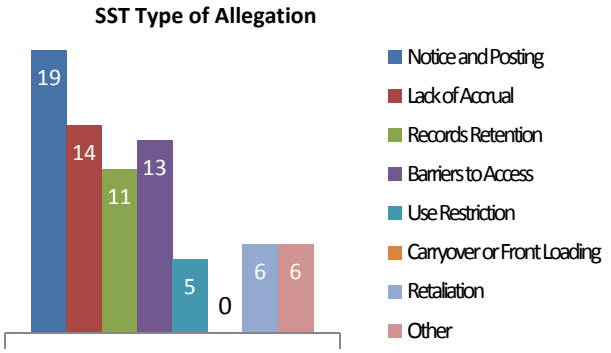
Labor Standards Enforcement

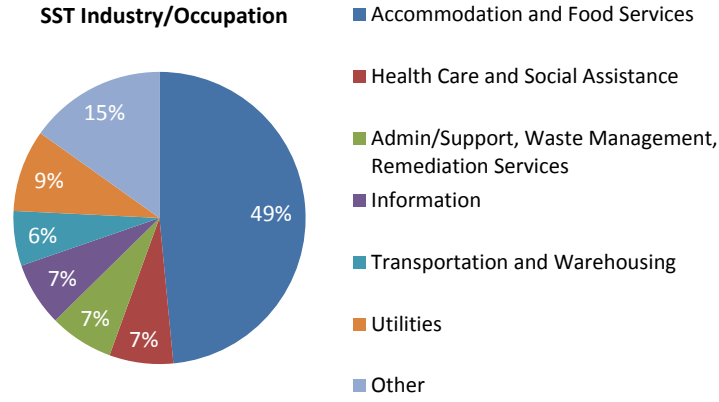
General Fund: $435,725

The Labor Standards Enforcement Division (LSED) oversees compliance with the City's Workplace Regulations ordinances which include Sick and Safe Time and Municipal Minimum Wage. The work of the division is performed in support of the City wide goal of One Minneapolis with a focus on resident safety, well-being and prosperity. The program also provides staff support to the Workplace Advisory Group, an appointed group of approximately 15 community stakeholders that focus on workplace issues and serves as a resource on

outreach and implementation of the Sick and Safe Time Ordinance and Municipal Minimum Wage ordinances. Services provided by this division include culturally specific education and outreach to employees; educating of employers on their requirements and their obligations; technical assistance to employers; complaint investigation; workplace audits; and, compliance reporting.

LSED: Sick and Safe Time (SST) Open Cases at Month's End				
July 2017	Aug. 2017	Sept. 2017	Oct. 2017	Nov. 2017
3	8	17	23	33





Financial Analysis

Expenditure

The total Civil Rights Department's budget increases from $4.2 million to $4.9 million from 2017 to 2018. This is an increase of $641,000, or 15.2%. The Civil Rights Department's 2018 expenditure budget reflects inflationary increases in operating expenditures, budgetary change items amounting to $712,000 and a transfer of $98,300 (1.0 FTE) to Neighborhood and Community Relations (NCR) department.

Revenue

Revenues are projected to increase by $1,000 due to an increase in Equal Employment Opportunities Commission (EEOC) charge resolutions in the City's federal grant fund.

Fund Allocation

This department is funded primarily by the General Fund at 92.5%, with the remainder of the department's funding found in the CDBG funds and other federal grant funds at 7.5%.

Mayor's Recommended Budget

The Mayor recommends ongoing General fund appropriations of $96,800 for an additional 1.0 FTE in the Office of Police Conduct Review, and $60,000 for education and outreach on the Minimum Wage ordinance in the Labor Standards Enforcement division (including 1.0 FTE). The Mayor further recommended transferring on an ongoing basis $98,300 (including 1.0 FTE) from Civil Rights to Neighborhood and Community Relations (NCR) department for the Office of Immigrant and Refugee Affairs in the General Fund.

The Mayor also recommends the following one-time appropriations; $450,000 for a Compliance Management System and $15,000 for improvements to the Police Misconduct Complaint Filing System. These appropriations are not available to be spent until the Civil Rights, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan for each project.

Council Adopted Budget

The Council amended the Mayor's recommendation; increasing the ongoing appropriation for the Labor Standards Enforcement Division by $40,000; and, adding a one-time appropriation of $50,000 for Labor Standards Education & Outreach.

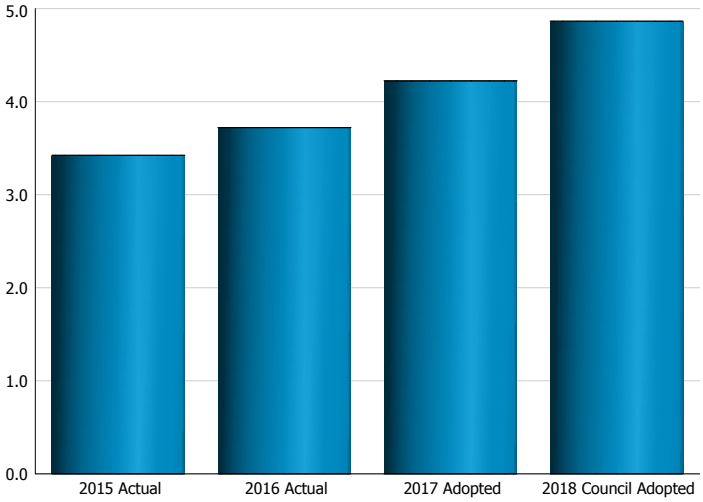
CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,517,522	1,612,333	1,824,391	2,071,782	13.6%	247,392
FRINGE BENEFITS	506,566	521,821	760,977	836,501	9.9%	75,524
CONTRACTUAL SERVICES	677,425	840,688	869,531	1,338,556	53.9%	469,025
OPERATING COSTS	405,671	412,486	406,187	254,254	-37.4%	(151,933)
TOTAL GENERAL	**3,107,184**	**3,387,328**	**3,861,086**	**4,501,094**	**16.6%**	**640,008**
SPECIAL REVENUE						
SALARIES AND WAGES	197,861	246,278	230,462	226,736	-1.6%	(3,726)
FRINGE BENEFITS	81,879	93,041	91,182	94,908	4.1%	3,726
CONTRACTUAL SERVICES	21,096	(17,373)	41,000	42,000	2.4%	1,000
OPERATING COSTS	15,565	11,944				0
TOTAL SPECIAL REVENUE	**316,402**	**333,889**	**362,644**	**363,644**	**0.3%**	**1,000**
TOTAL EXPENSE	**3,423,586**	**3,721,217**	**4,223,729**	**4,864,737**	**15.2%**	**641,008**

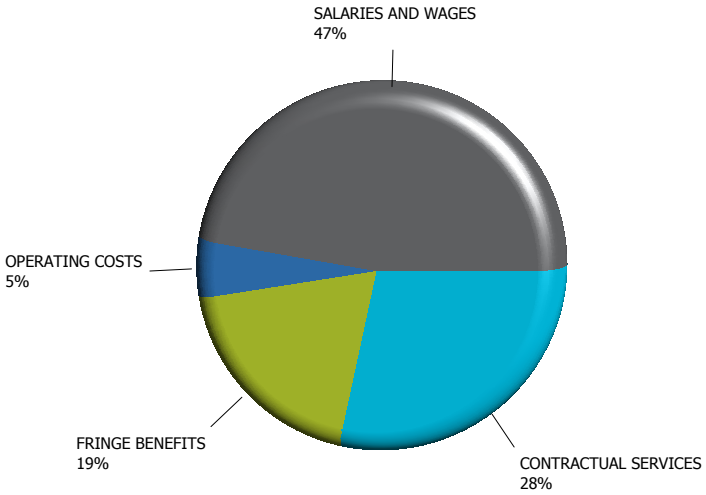
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	37				0.0%	0
GENERAL	**37**					**0**
SPECIAL REVENUE						
CHARGES FOR SERVICES	17,574	12,765			0.0%	0
CONTRIBUTIONS	4,500	72,713			0.0%	0
FEDERAL GOVERNMENT	28,234	32,021	41,000	42,000	2.4%	1,000
OTHER MISC REVENUES		3,500			0.0%	0
SPECIAL REVENUE	**50,308**	**120,999**	**41,000**	**42,000**	**2.4%**	**1,000**
TOTAL REVENUE	**50,344**	**120,999**	**41,000**	**42,000**	**2.4%**	**1,000**

CIVIL RIGHTS
EXPENSE AND REVENUE INFORMATION

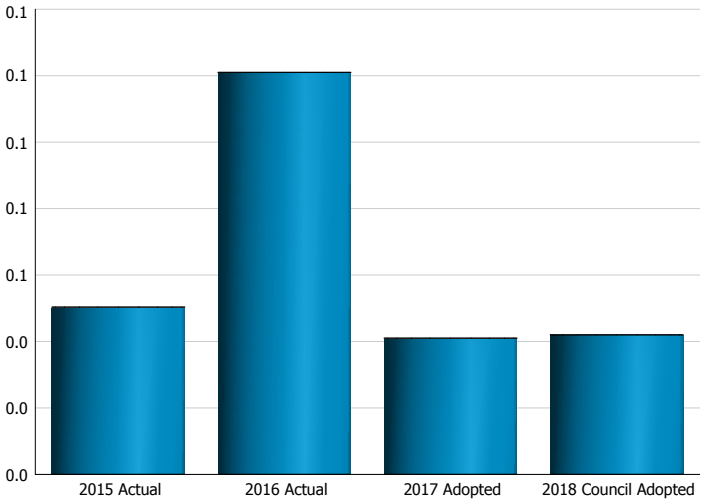
Expense 2015 - 2018
In Millions



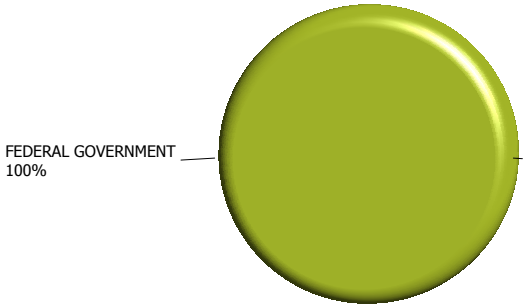
Expense by Category



Revenue 2015 - 2018
In Millions



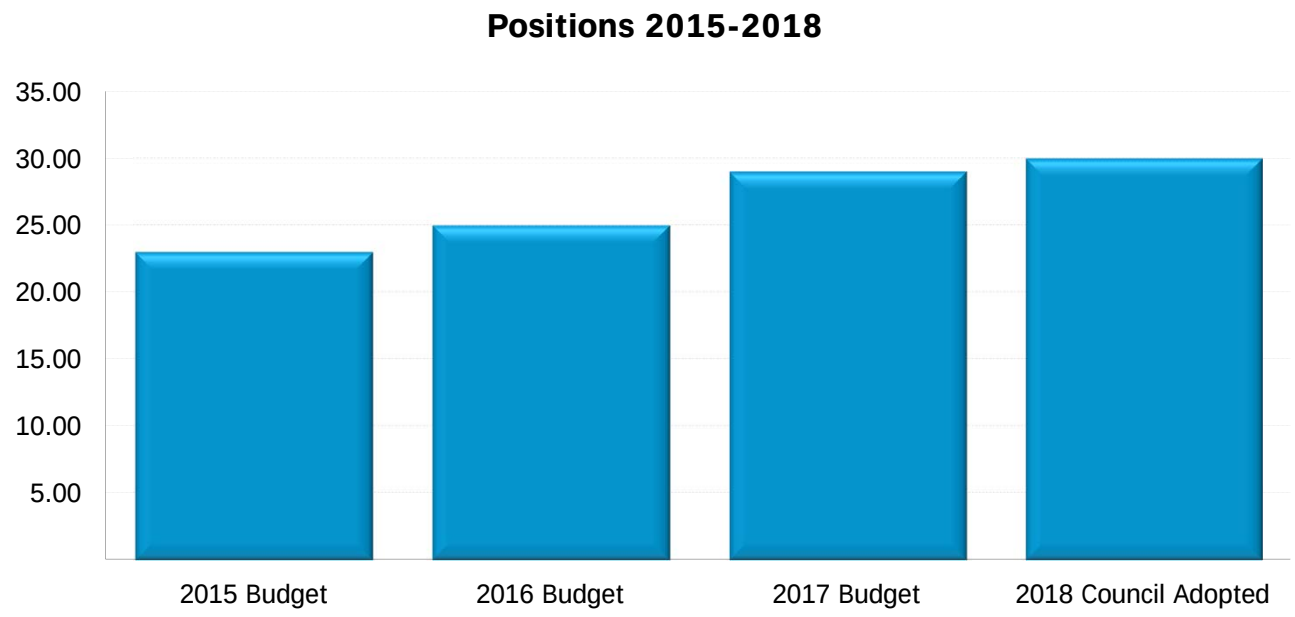
Revenue by Type



CIVIL RIGHTS

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
COMPLAINT INVESTIGATION	5.52	5.52	6.52	5.69	-12.7%	(0.83)
CONTRACT COMPLIANCE	9.74	9.74	10.74	10.05	-6.4%	(0.69)
EQUITY IN EMPLOYMENT	2.22	2.22	3.22	3.36	4.3%	0.14
LABOR STANDARDS ENFORCEMENT		2.00	2.00	3.21	60.5%	1.21
POLICE CONDUCT REVIEW	5.52	5.52	6.52	7.69	17.9%	1.17
Overall	23.00	25.00	29.00	30.00	3.4%	1.00



COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

MISSION

Grow a vibrant, livable, safely built city for everyone.

BUSINESS LINES

Long Range Planning
Long Range Planning conducts research, prepares and maintains the City's comprehensive plan, small area plans, citywide thematic, rezoning studies, and strategic planning initiatives; Long Range Planning oversees the Art in Public Places Program, guides the creation of public realm and urban design principles; guides and advises on housing and economic development, manages historic preservation studies, and partners in implementation activities.

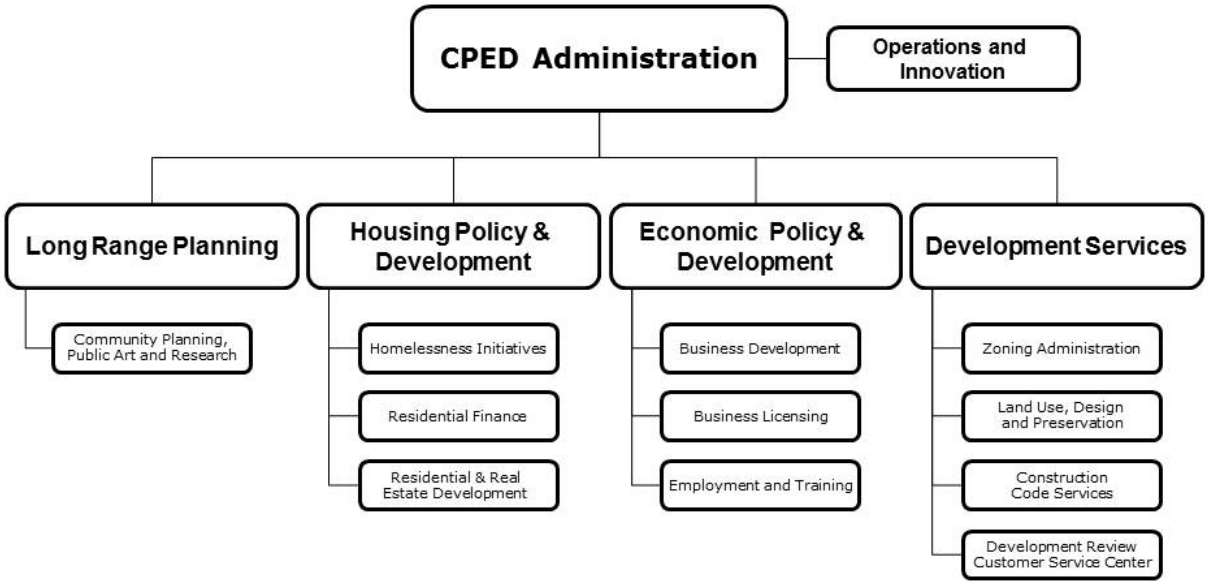
Economic Policy & Development
Economic policy & Development supports investment that grows businesses, jobs and the City's tax base, and works to ensure that Minneapolis residents are competitive for those jobs.

Housing Policy & Development
Housing Policy & Development 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
Development Services manages zoning administration, land use, design and preservation review, construction code services and the customer service center that serves as the front door for the City's consolidated development activities.

Operations & Innovation
Operations & Innovation supports the entire department by providing internal support services and solutions, interdepartmental coordination, and implementation of enterprise and department goals and policies.

ORGANIZATION CHART



A Hub of Economic Activity and Innovation

CPED Long Range Planning Division

General Fund: $2,435,191
Other Funds: $1,263,791

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 activities guide and inform our planning work; this includes developing and utilizing applied research derived from quantitative and qualitative methods and data.
(3) The Art in Public Places program is comprised of six areas of regular work activity which include the commissioning and creation of 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) Creating public realm guidelines and strategies, establishing a coordinated governmental framework for all public realm improvements.

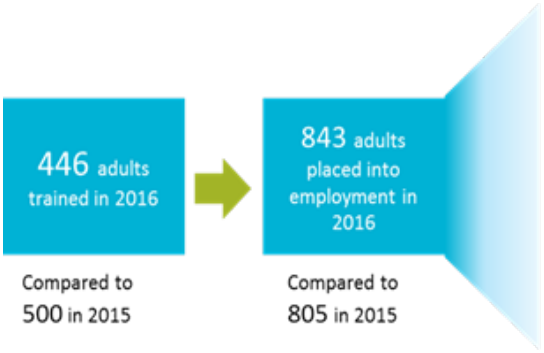
Adult Workforce Development

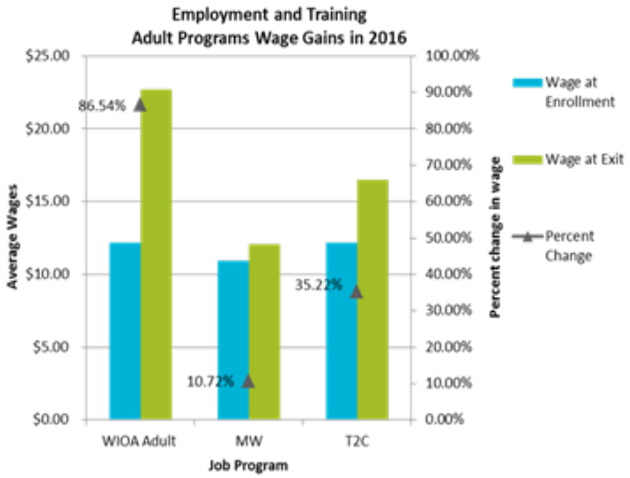
General Fund: $1,293,783
Other Funds: $5,177,992

Through a network of community-based employment service providers, Adult Workforce Development helps Minneapolis residents find and retain jobs or pursue training that will lead to employment. The Minneapolis Works, Career Pathways, and WIOA Adult programs serve low-income Minneapolis job seekers, while the Dislocated Worker Program helps recently laid-off adults return to the workforce. In partnership with 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 programs have multiple barriers to employment, including ex-offender status, lack of consistent work history, unstable housing, low educational attainment, and/or chemical dependency.

In 2016, the Adult Workforce Development programs assisted over 1,500 Minneapolis residents through employment training, career navigation, and job counseling services; nearly 850 gained employment. The remaining job seekers continue to utilize employment services provided by these programs to secure permanent or temporary employment. Annual reports can be found on the Minneapolis Employment and Training website.





Youth Training and Development

General Fund: $1,236,117
Other Funds: $3,648,483

The City of Minneapolis Youth Programs aim to create a strong future workforce by reducing youth unemployment and racial employment disparities. The STEP-UP Program and the Year Round WIOA Youth Program are distinct but well-linked programs that provide employment for low-income Minneapolis youth, ages 14-21. Both programs are designed to give Minneapolis youth from minority communities and low-income families the tools to find their place with the workforce.

STEP-UP, a nationally recognized youth employment program, serves nearly 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.

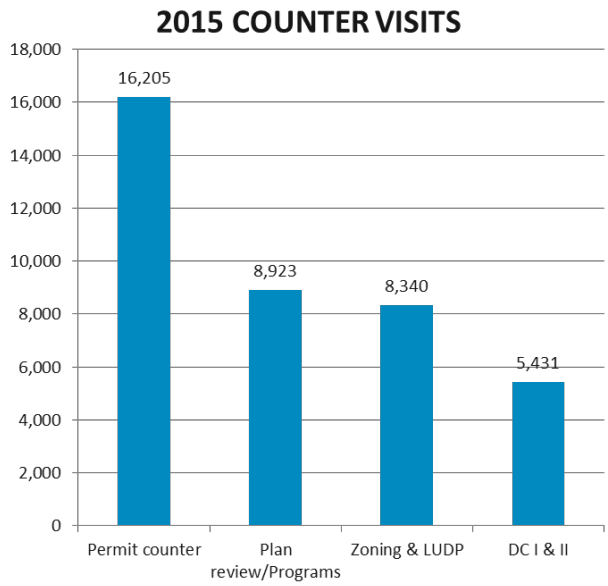
The Year Round WIOA Youth Program provides approximately 1,000 youth with year round stabilization programming, including employment placement services. All youth participants experience barriers to employment, including homelessness, high school dropout, and juvenile criminal records. This program increases youths' long-term employability by enhancing educational, occupational, and leadership skills.

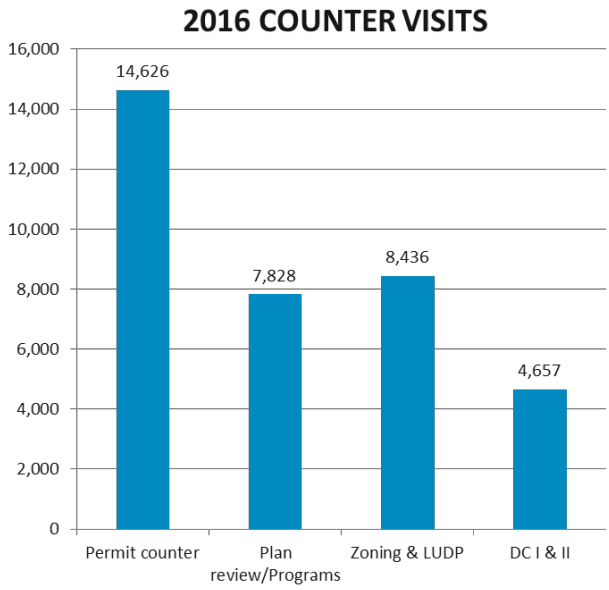


Development Services – Customer Service Center

General Fund: $2,939,953
Other Funds: $136,944

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.

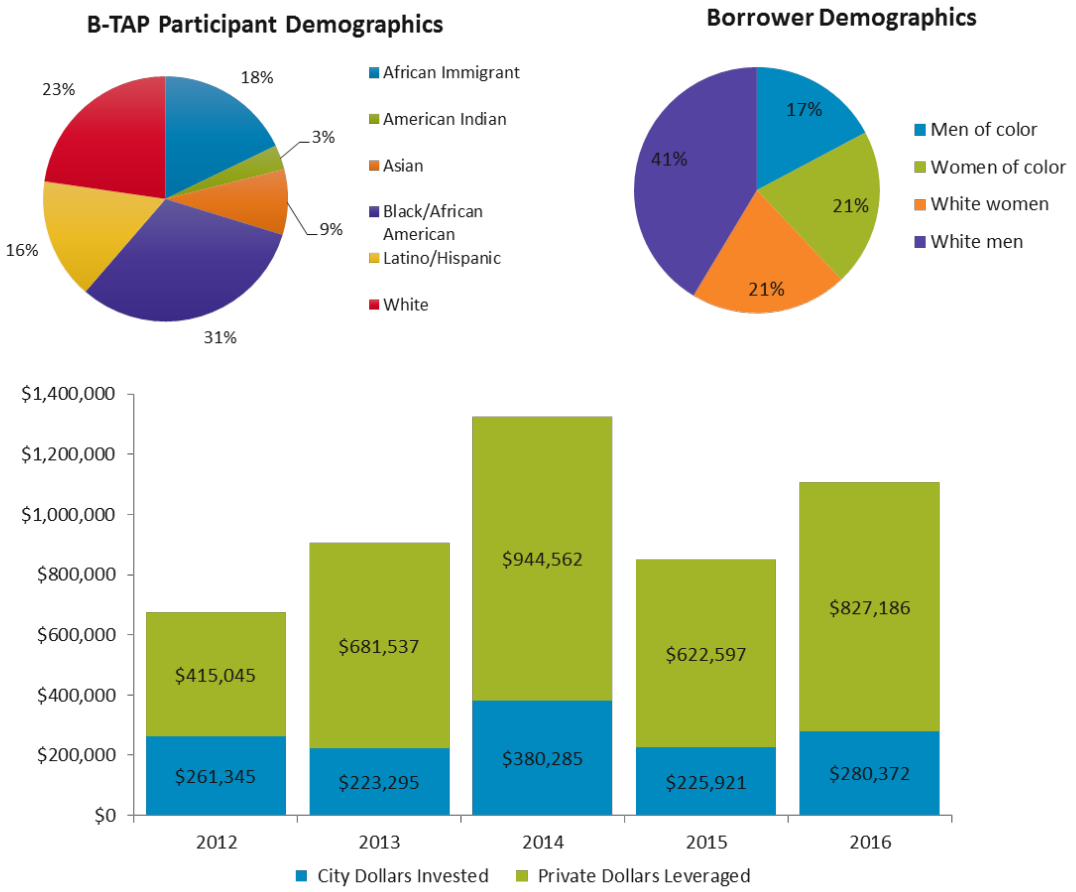




Business Development

General Fund: $5,798,959
Other Funds: $4,398,554

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.

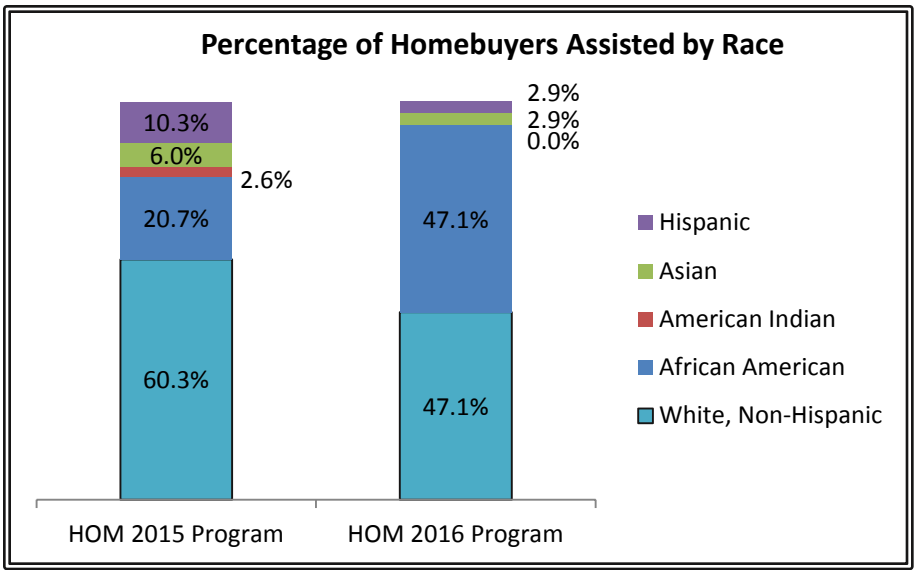


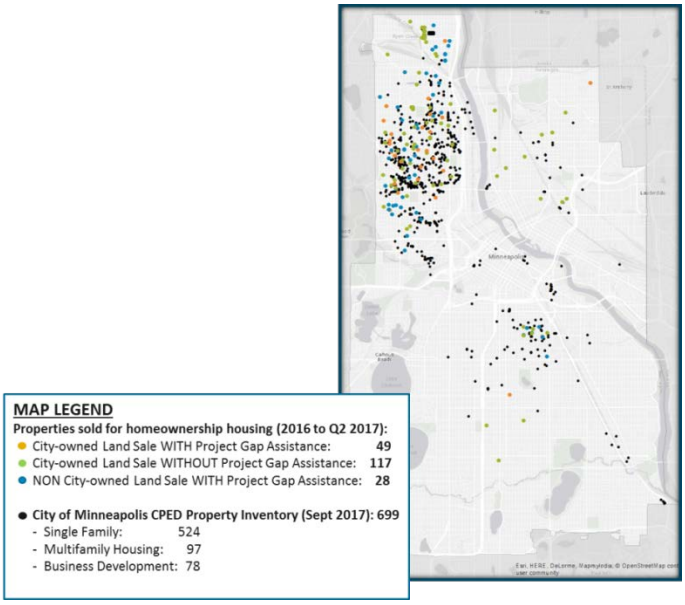
Living Well

Homeownership Support & Development

General Fund: $1,965,037
Other Funds: $7,072,051

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.

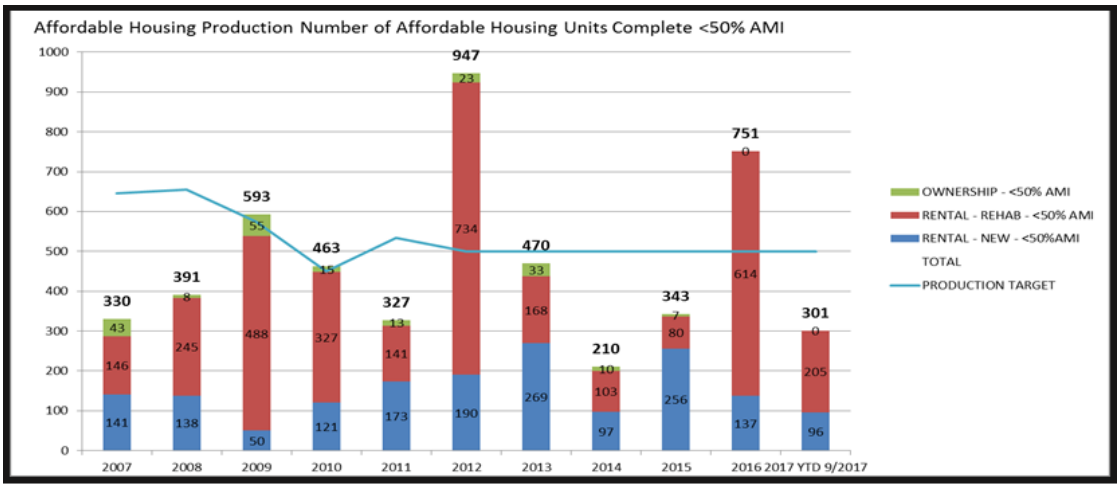


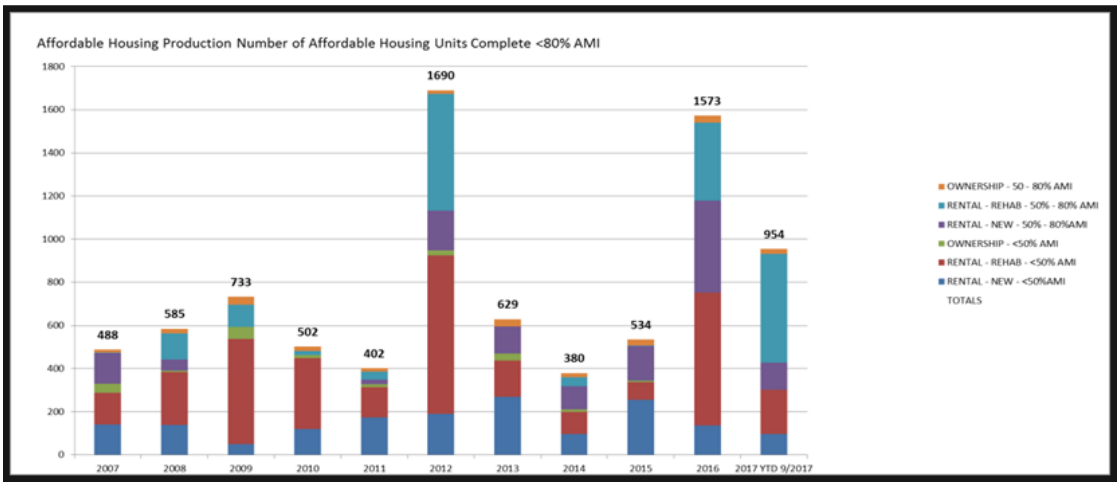


Affordable Housing Development

General Fund: $6,168,873
Other Funds: $8,903,175

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: $3,117,377
Other Funds: $916,723

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.

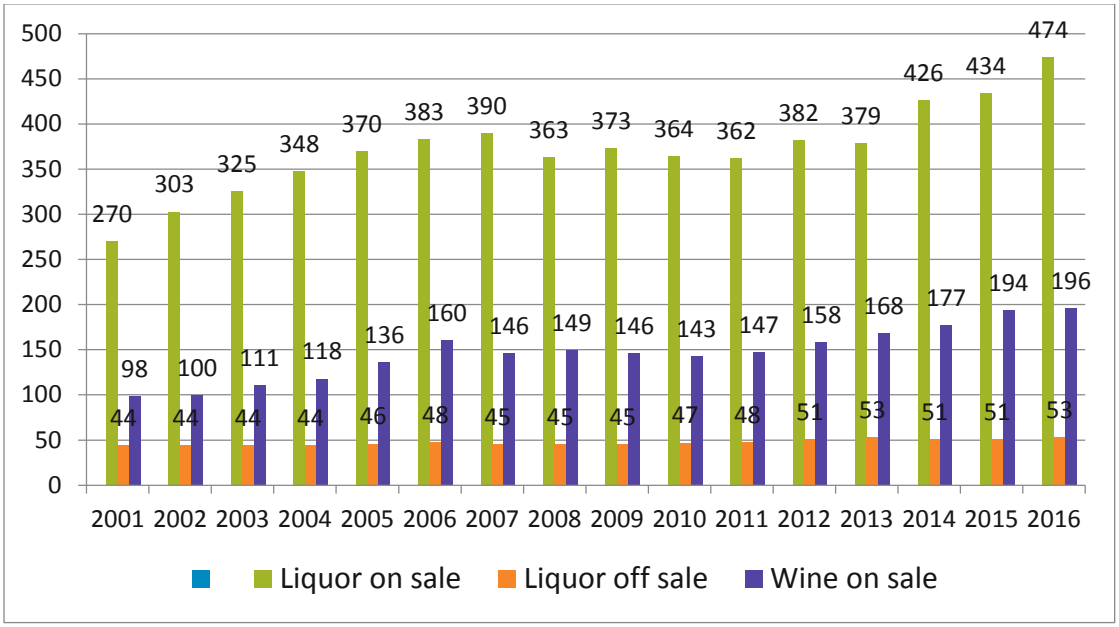
A Safe Place to Call Home

Business Licensing

General Fund: $4,473,859
Other Funds: $213,025

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

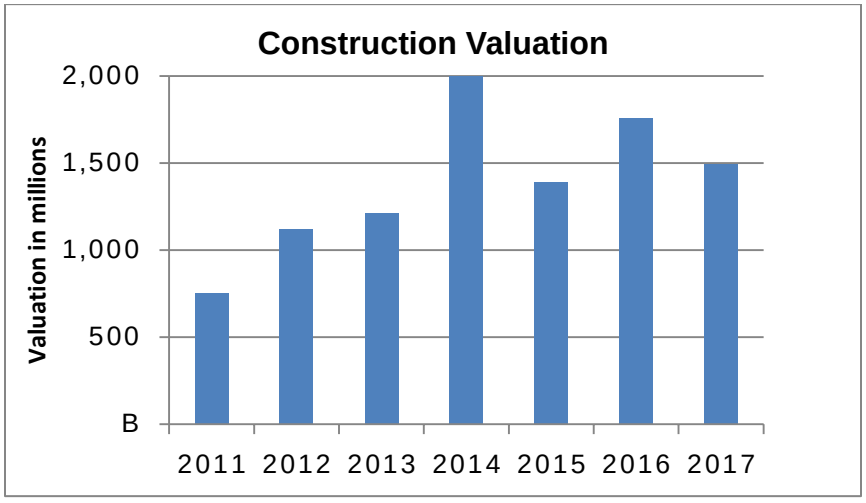
assisting business owners through various regulatory processes, license application review, background checks, on-site facility inspections, and the collection of license fees with an annual renewal billing system.

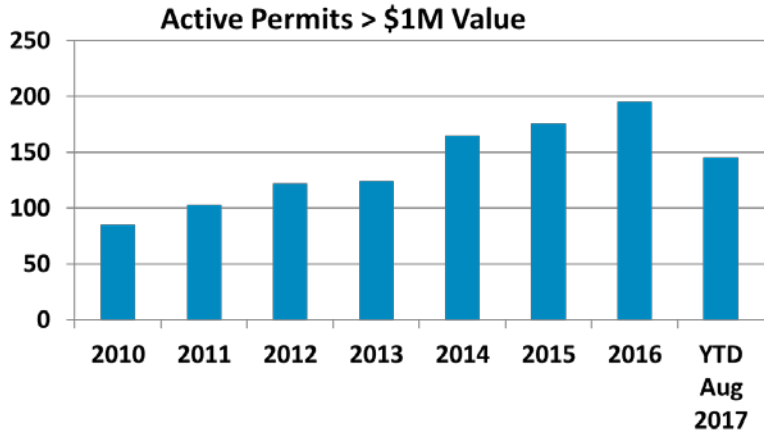


Construction Codes Services

General Fund: $11,629,530
Other Funds: $756,461

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: $36,650,161

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 2018, Community Planning and Economic Development's (CPED) budget is $110.2 million, an increase of 7.4% or $7.6 million from the 2017 budget. The increase is attributable to routine inflationary operating increases and the recommended additions.

Revenue
In 2018, the department anticipates $109.2 million in revenue, an increase of $4.2 million or 4.0% from 2017. Revenues in the department exceed expenditures due to the lagging nature of review work performed in association with the collection of license and permit fees.

Fund Allocation
In 2018, 37.3% of the department's budget is funded from general fund resources, or $41.0 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 recommends one-time General Fund appropriations of $1,000,000 for the Family Housing Initiative, $3,000,000 for the Housing Preservation Strategy, $250,000 for Minneapolis Homes, $75,000 for Minneapolis Career Pathways, $50,000 for the Cedar Riverside Opportunity Hub, and $1.719 million for the Management Information Network System (MINS). The appropriation for MINS is not available until CPED, IT, and Finance & Property Services have reached a mutually agreed upon work plan.

The Mayor also recommends non-general fund one-time appropriations of $650,000 for the Housing Preservation Strategy, $500,000 for Homeownership Minneapolis – Lease to Purchase, $500,000 for Minneapolis Homes, and $50,000 for a Commercial Land Trust Pilot. The Mayor also recommends $75,000 in Non-General Fund appropriations for Lake and Nicollet Property Management, and recommended replacing contracted services budget dollars to fund 2 FTE's for Homeowner Rehabilitation Programs – both on an ongoing basis.

The Mayor also recommends an ongoing General Fund reduction of $60,000 to assist in funding new initiatives.

Council Adopted Budget

The City Council amended the Mayor's recommended budget on a one-time basis by increasing the General Fund budget by $50,000 for the Cooperative Technical Assistance Program (C-TAP), increasing the General Fund appropriation by $50,000 for the Cedar Riverside Opportunity Hub, increasing the budget in fund 01SNR by $103,741 for Summit Academy for the Culinary Arts Initiative, increasing the operating budget in the capital projects fund by $28,000 for Art in Public Places, and decreasing the General Fund appropriation by $200,000 for the Management Information Network System (MINS).

The City Council also amended the Mayor's recommended budget on an ongoing basis in the General Fund; increasing the budget by $90,000 and 1.0 FTE for a Housing Policy Coordinator; and, decreasing the department's ongoing base by an additional $20,000.

The City Council also gave staff the following directions:

1. Directing staff from Finance & Property Service, the Health Department, Community Planning & Economic Development, the Police Department and Regulatory Services to perform a comprehensive study of the licenses granted and fees charged to businesses and individuals by the City. Licenses and fees to be studied include but are not limited to Food, Lodging, and Pools; Business Licenses; Pollution Control Annual Registration; Rental Licenses; Fire Inspection Services; etc. The study should consider all costs of providing services associated with the licenses and fees. Departments are encouraged to ensure that the fee schedule is structured in a way that most closely aligns with City business process. In so doing, processes should be simplified to support ease of engagement and compliance on the part of the public. Priority should be given to fees related to liquor, stadiums, and hotels. Staff shall report back to the home committees for each department listed above no later than May 30, 2018.

2. Directing staff from Community Planning and Economic Development, in consultation with staff from Finance and Property Services, to develop a plan to prioritize additional resources beyond any specifically appropriated in this budget, and within Community Planning and Economic Development, to fund the C-TAP program up to a total program budget of $100,000 for 2018.

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	13,708,079	14,855,781	15,232,955	15,918,161	4.5%	685,207
FRINGE BENEFITS	4,659,241	5,206,551	5,638,749	5,810,229	3.0%	171,480
CONTRACTUAL SERVICES	7,581,064	8,038,973	8,018,051	8,534,960	6.4%	516,909
OPERATING COSTS	2,695,912	2,202,583	2,799,857	2,967,143	6.0%	167,286
CAPITAL	2,164,350	2,344,288	5,158,730	7,828,185	51.7%	2,669,455
TOTAL GENERAL	**30,808,646**	**32,648,176**	**36,848,342**	**41,058,679**	**11.4%**	**4,210,337**
DEBT SERVICE						
CONTRACTUAL SERVICES			600	600	0.0%	0
CAPITAL		8,989	48,420	63,221	30.6%	14,801
DEBT SERVICE	25,671,736	2,074,552	3,959,730	2,094,809	-47.1%	(1,864,921)
TRANSFERS	2,422,866	1,103,546	4,780	2,000	-58.2%	(2,780)
TOTAL DEBT SERVICE	**28,094,602**	**3,187,087**	**4,013,530**	**2,160,630**	**-46.2%**	**(1,852,900)**
CAPITAL PROJECT						
SALARIES AND WAGES	(14,330)					0
FRINGE BENEFITS	(2,274)					0
CONTRACTUAL SERVICES	240,182	479,993				0
OPERATING COSTS	1,037	1,428				0
CAPITAL	97,340	3,244	653,000	716,000	9.6%	63,000
TOTAL CAPITAL PROJECT	**321,956**	**484,665**	**653,000**	**716,000**	**9.6%**	**63,000**
ENTERPRISE						
SALARIES AND WAGES	92,535	96,190	97,949	101,178	3.3%	3,229
FRINGE BENEFITS	35,500	34,742	31,556	32,777	3.9%	1,222
CONTRACTUAL SERVICES	1,208,951	1,144,515	1,237,507	1,237,507	0.0%	0
OPERATING COSTS	17,691		1,000	1,000	0.0%	0
CAPITAL	1,667	122,846				0
TOTAL ENTERPRISE	**1,356,344**	**1,398,294**	**1,368,012**	**1,372,462**	**0.3%**	**4,451**
SPECIAL REVENUE						
SALARIES AND WAGES	4,552,586	4,339,792	4,125,539	4,476,768	8.5%	351,228
FRINGE BENEFITS	1,271,176	1,236,067	1,454,987	1,593,748	9.5%	138,761
CONTRACTUAL SERVICES	12,044,414	11,103,691	22,672,596	24,201,666	6.7%	1,529,070
OPERATING COSTS	5,175,763	4,711,611	1,240,908	1,244,074	0.3%	3,166
CAPITAL	47,689,923	51,439,384	18,863,528	20,242,140	7.3%	1,378,612
DEBT SERVICE				20,000		20,000
TRANSFERS	17,370,565	17,560,492	11,333,971	13,109,872	15.7%	1,775,901
TOTAL SPECIAL REVENUE	**88,104,427**	**90,391,037**	**59,691,529**	**64,888,268**	**8.7%**	**5,196,738**
TOTAL EXPENSE	**148,685,974**	**128,109,258**	**102,574,413**	**110,196,039**	**7.4%**	**7,621,626**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	92	93	1,000	1,000	0.0%	0
CHARGES FOR SERVICES	2,823,489	3,238,128	3,340,000	3,240,000	-3.0%	(100,000)
FINES AND FORFEITS	87,872	138,446	157,000	157,000	0.0%	0
INTEREST	177,485	206,787			0.0%	0
LICENSE AND PERMITS	32,545,029	35,848,395	32,452,000	33,152,000	2.2%	700,000
OTHER MISC REVENUES	2,621,227	2,478,352	2,540,000	2,250,000	-11.4%	(290,000)
RENTS		2			0.0%	0
SPECIAL ASSESSMENTS	660		30,000	30,000	0.0%	0
GENERAL	**38,255,854**	**41,910,203**	**38,520,000**	**38,830,000**	**0.8%**	**310,000**
SPECIAL REVENUE						
CHARGES FOR SALES	4,426,714	1,697,216			0.0%	0
CHARGES FOR SERVICES	2,015,553	1,509,266	0	0	0.0%	0
CONTRIBUTIONS	112,269	156,493			0.0%	0
FEDERAL GOVERNMENT	6,991,613	3,829,222	4,640,982	4,630,982	-0.2%	(10,000)
FINES AND FORFEITS	(12,000)	54,000			0.0%	0
INTEREST	416,443	1,772,148	539,825	534,706	-0.9%	(5,119)
LICENSE AND PERMITS	197,694	144,915			0.0%	0
LOCAL GOVERNMENT	10,332,444	11,149,456			0.0%	0
OTHER MISC REVENUES	7,425,048	7,436,737	1,916,653	2,635,815	37.5%	719,162
PROPERTY TAXES	44,427,535	48,172,258	48,131,640	54,903,071	14.1%	6,771,431
RENTS	3,045,947	2,377,905	962,500	2,335,332	142.6%	1,372,832
SALES AND OTHER TAXES	42	(149)			0.0%	0
SPECIAL ASSESSMENTS	187,349	157,555	300,000	300,000	0.0%	0
STATE GOVERNMENT	5,717,612	5,066,477	2,000,000	2,000,000	0.0%	0
TRANSFERS IN	8,700,710	8,587,403	1,591,000	2,537,748	59.5%	946,748
USE OF FUND BALANCE			276,638	(3,796,778)	-1,472.5%	(4,073,416)
SPECIAL REVENUE	**93,984,973**	**92,110,902**	**60,359,238**	**66,080,876**	**9.5%**	**5,721,638**
CAPITAL PROJECT						
LONG TERM LIABILITIES PROCEEDS			653,000	716,000	9.6%	63,000
TRANSFERS IN	318,000	492,000			0.0%	0
CAPITAL PROJECT	**318,000**	**492,000**	**653,000**	**716,000**	**9.6%**	**63,000**
DEBT SERVICE						
INTEREST	(384)	59		49	0.0%	49
LONG TERM LIABILITIES PROCEEDS	22,844,573				0.0%	0
PROPERTY TAXES		9,988	53,800	70,246	30.6%	16,446
TRANSFERS IN	4,086,233	3,681,635	3,959,730	2,094,809	-47.1%	(1,864,921)
USE OF FUND BALANCE				(4,474)	0.0%	(4,474)
DEBT SERVICE	**26,930,422**	**3,691,682**	**4,013,530**	**2,160,630**	**-46.2%**	**(1,852,900)**

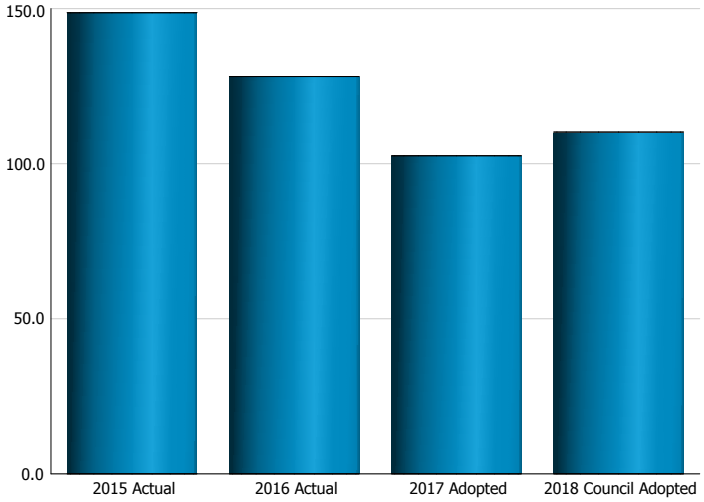
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

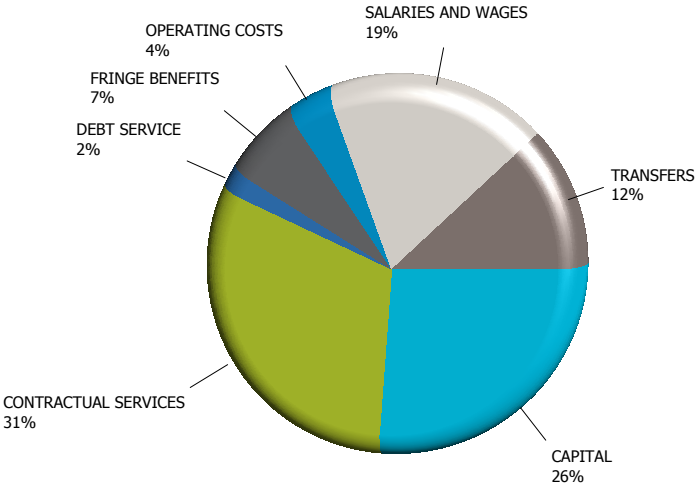
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES		2,000			0.0%	0
CHARGES FOR SERVICES	1,224,091	1,360,368	1,280,000	1,280,000	0.0%	0
INTEREST	25,500	23,097			0.0%	0
OTHER MISC REVENUES		45,269			0.0%	0
RENTS	208,167	213,701			0.0%	0
TRANSFERS IN	692,586	268,000			0.0%	0
USE OF FUND BALANCE			88,012	92,462	5.1%	4,450
ENTERPRISE	**2,150,344**	**1,912,435**	**1,368,012**	**1,372,462**	**0.3%**	**4,450**
TOTAL REVENUE	**161,639,593**	**140,117,222**	**104,913,780**	**109,159,968**	**4.0%**	**4,246,188**

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION

Expense by Category

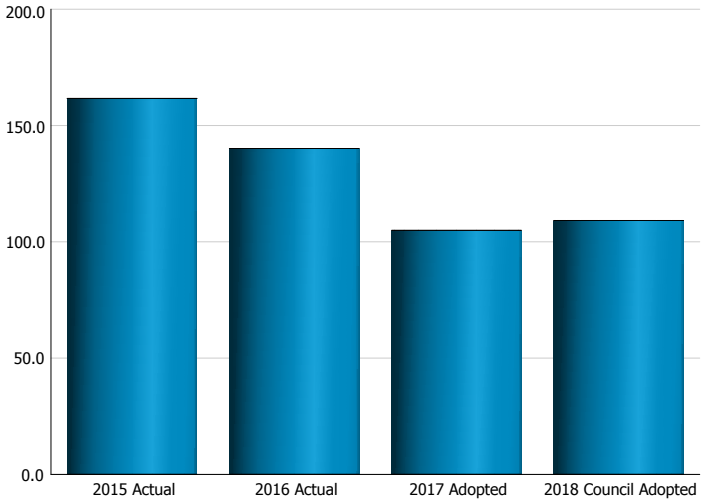
Expense 2015 - 2018
In Millions

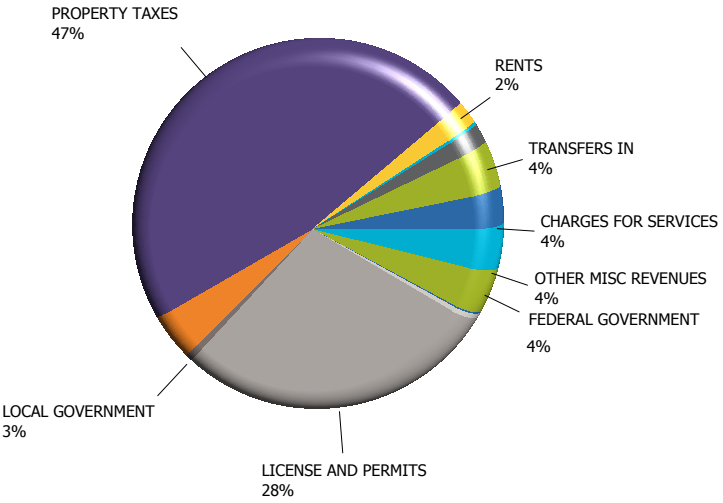




Revenue by Type

Revenue 2015 - 2018
In Millions

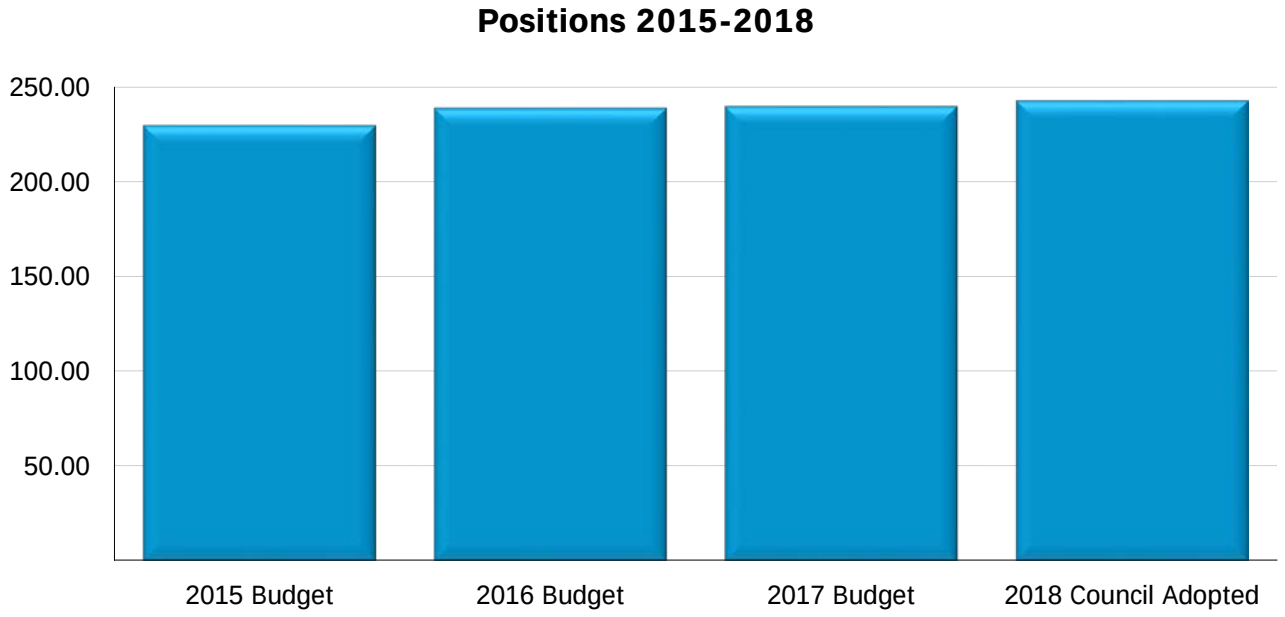




COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
TOTAL CPED	230.00	239.00	240.00	243.00	1.3%	3.00
Overall	230.00	239.00	240.00	243.00	1.3%	3.00



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.

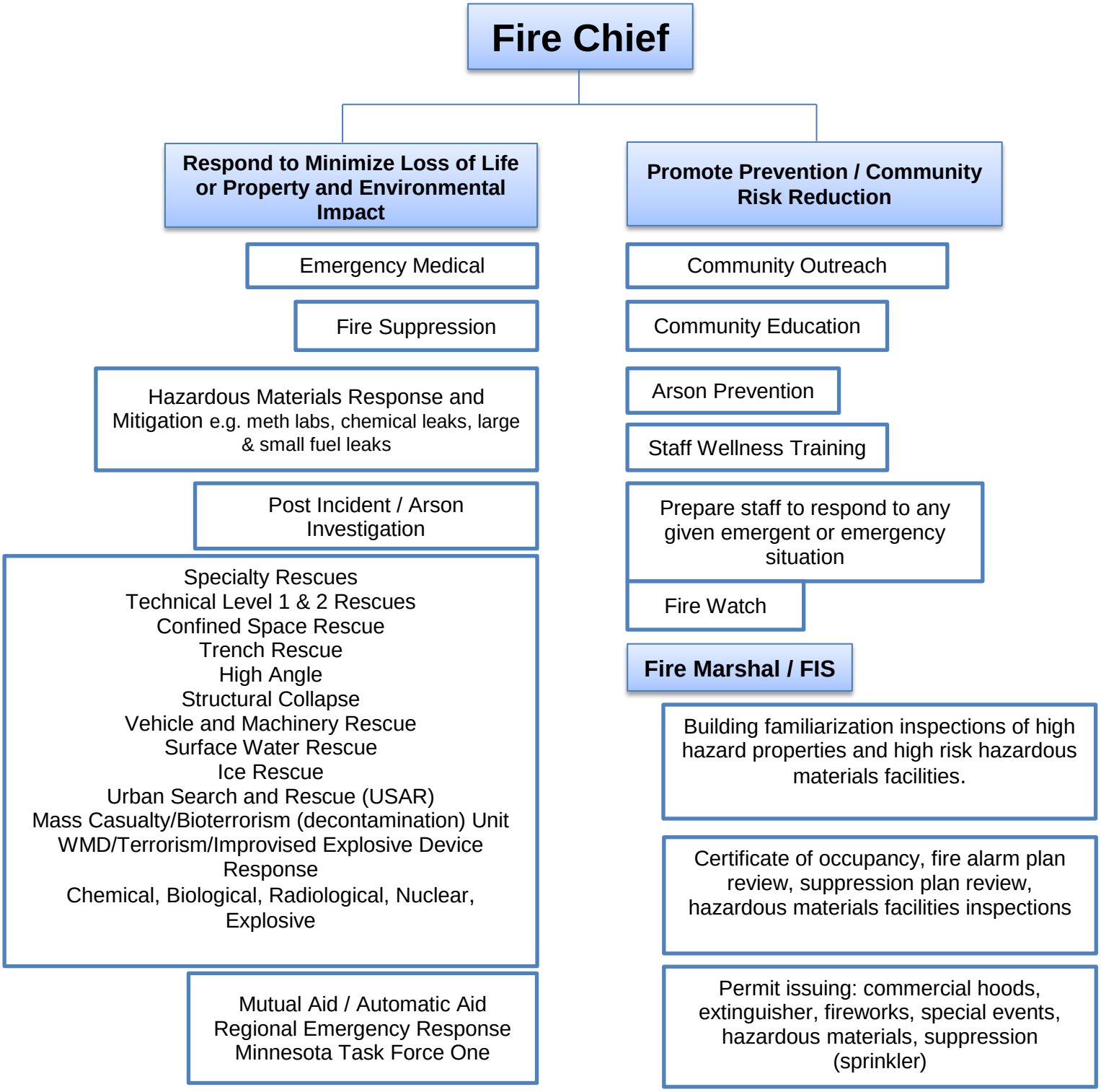
2. Promote prevention/community risk reduction by collaboratively working with and in the community to support changes to help preserve life, property and the environment

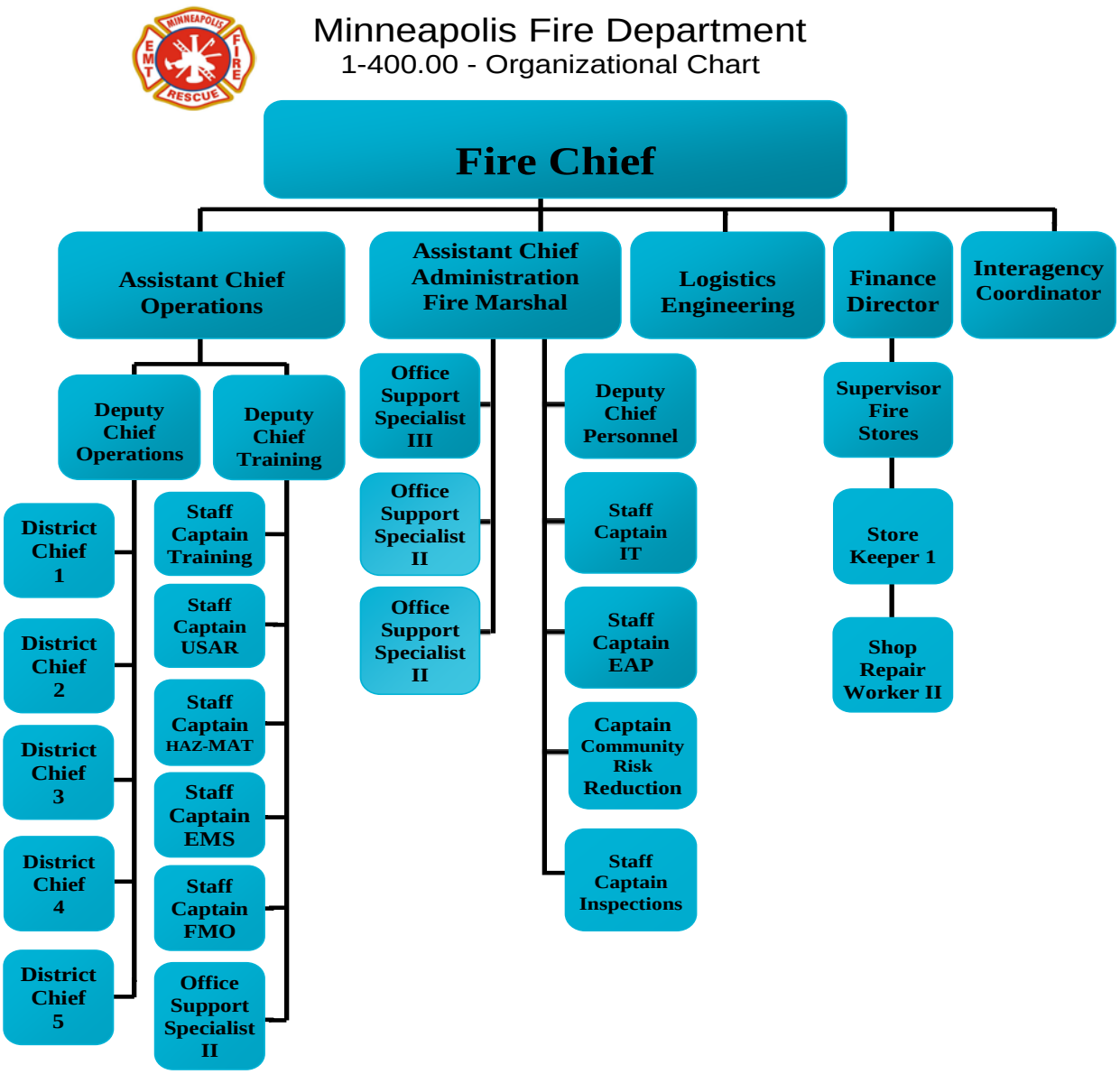
- Utilize the department's positive professional reputation to build lasting connections with residents and businesses throughout the community to foster safety education such as:
  Arson Prevention - Safety Awareness School Programs, - Emergency Evacuation Plans and Drills - Public Service Announcements - 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



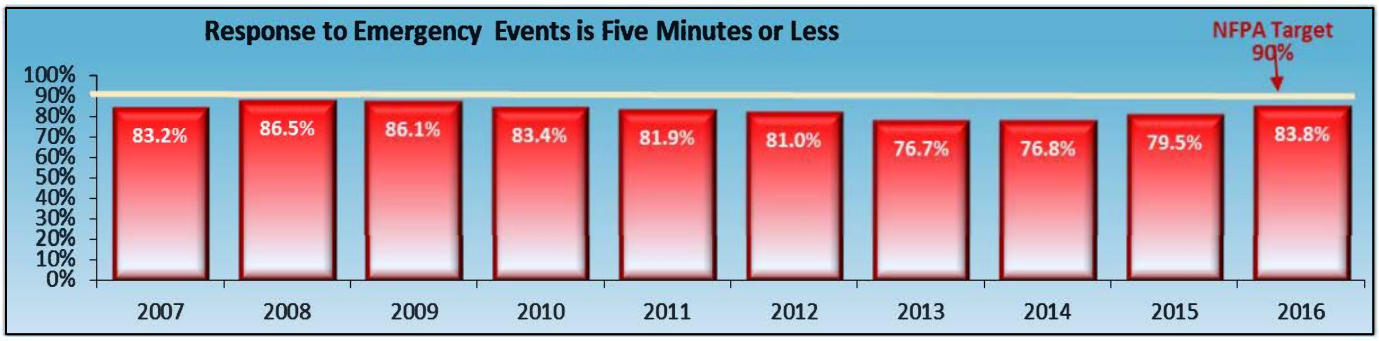


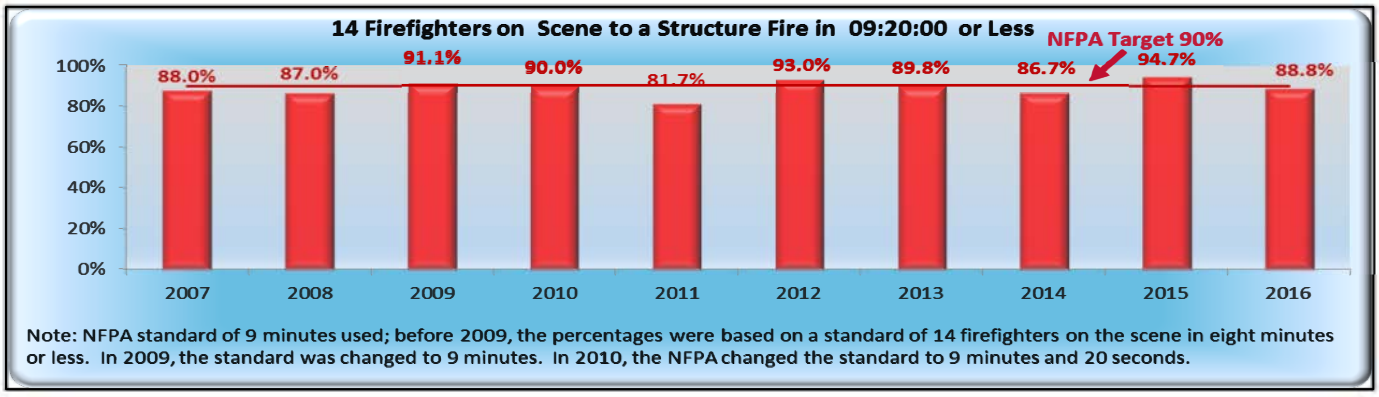
A City That Works

Fire Suppression, Emergency Medical Service and Technical Rescue

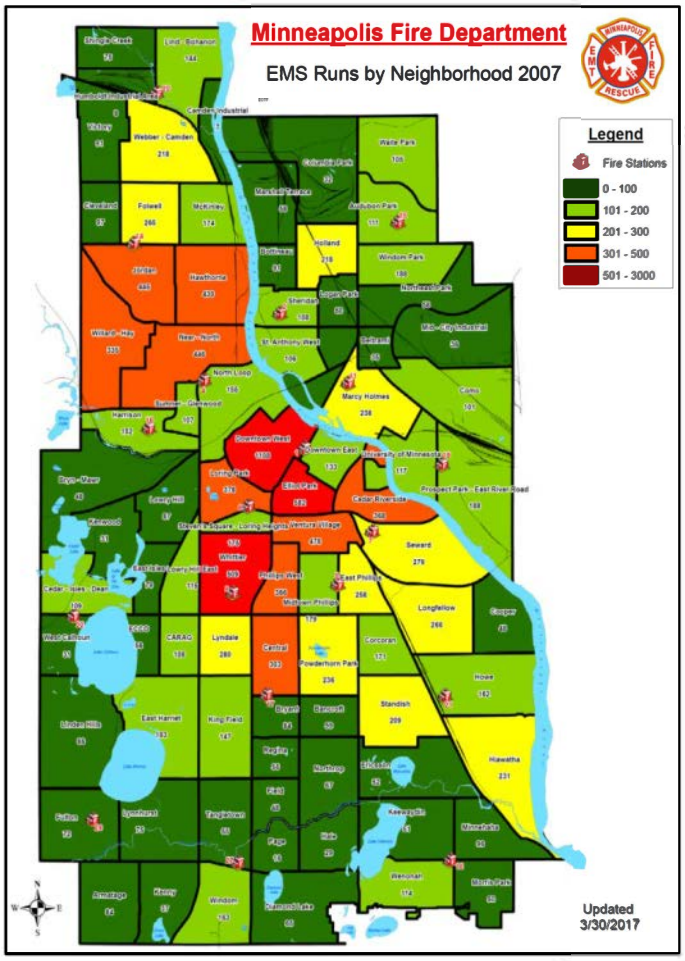
General Fund: $47,112,816
Other Funds: $10,000

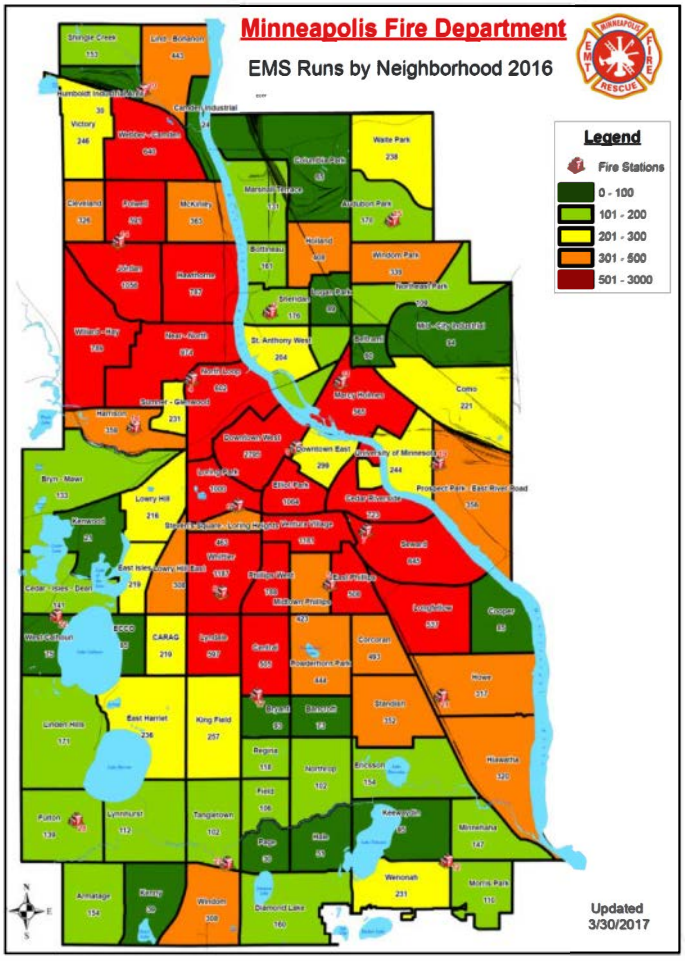
Fire Suppression, Emergency Medical Service and Technical Rescue describes the increased demand for services by cross-trained personnel who perform multiple functions in a growing range of services, such as Fire Response, Emergency & Medical Services, Hazardous Materials Response (Terrorism/WMD Response), Technical Rescue, Community Outreach and Prevention Education.

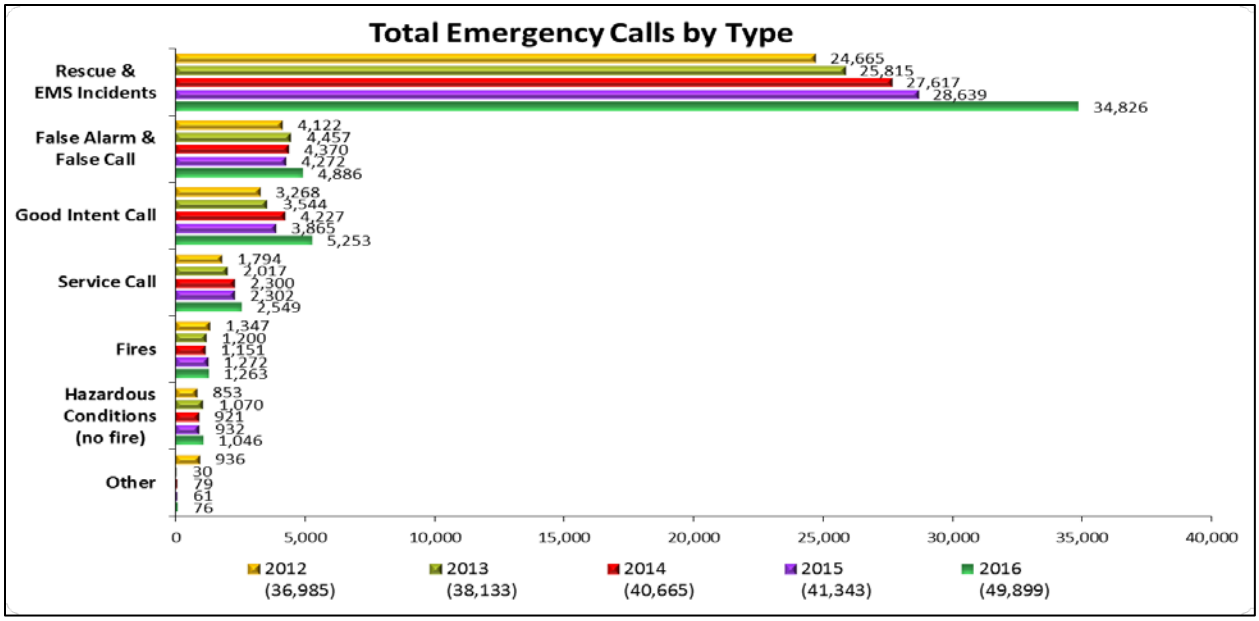




Note: NFPA standard of 9 minutes used; before 2009, the percentages were based on a standard of 14 firefighters on the scene in eight minutes or less. In 2009, the standard was changed to 9 minutes. In 2010, the NFPA changed the standard to 9 minutes and 20 seconds.





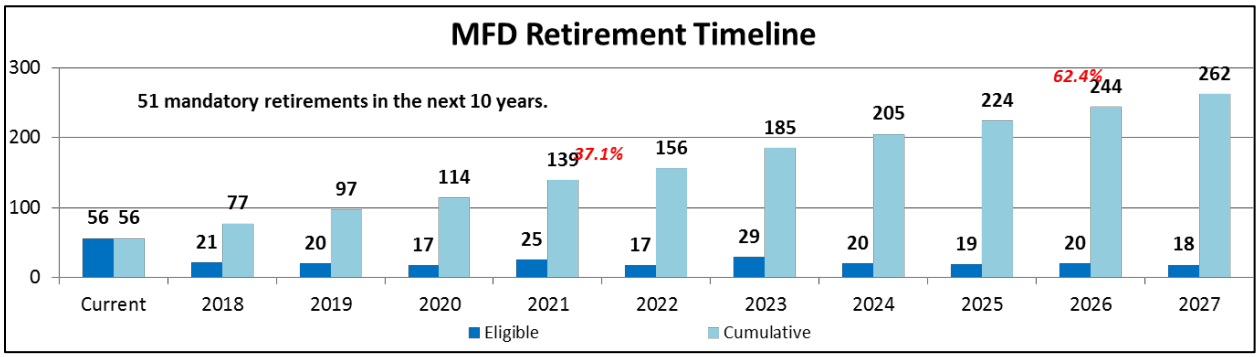


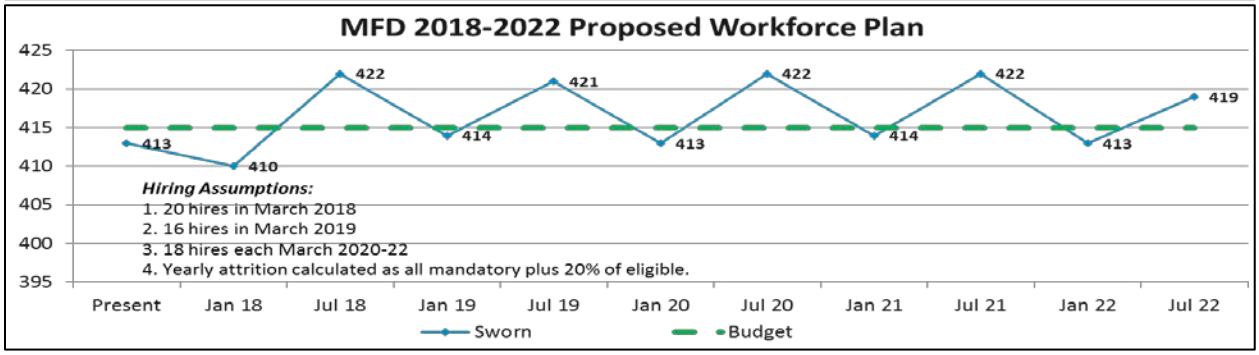
One Minneapolis

Training & Recruitment

General Fund: $9,895,316

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.





ELIGIBLE LIST		
	Number	% by Applicant Pool
Total Applicants	182	
Total People of Color	75	41.2%
Total Male	164	90.1%
Total Female	15	8.2%
Total Undetermined	3	1.6%
Total Veterans	70	38.5%
Toal Veterans of Color	13	7.1%
Total Male Veterans	69	37.9%
Total Female Veterans	1	0.5%

Ethnicity	Male	Male %	Female	Female %	Unk	Unk %	Total	Total %
American Indian	8	4.4%	1	0.5%	0	0.0%	9	4.9%
Asian/Pacific Islander	16	8.8%	1	0.5%	0	0.0%	17	9.3%
Black	26	14.3%	3	1.6%	0	0.0%	29	15.9%
Hispanic	19	10.4%	1	0.5%	0	0.0%	20	11.0%
Not Specified	6	3.3%	0	0.0%	1	0.5%	7	3.8%
White	89	48.9%	9	4.9%	2	1.1%	100	54.9%
Total	164	90.1%	15	8.2%	3	1.6%	182	100.0%

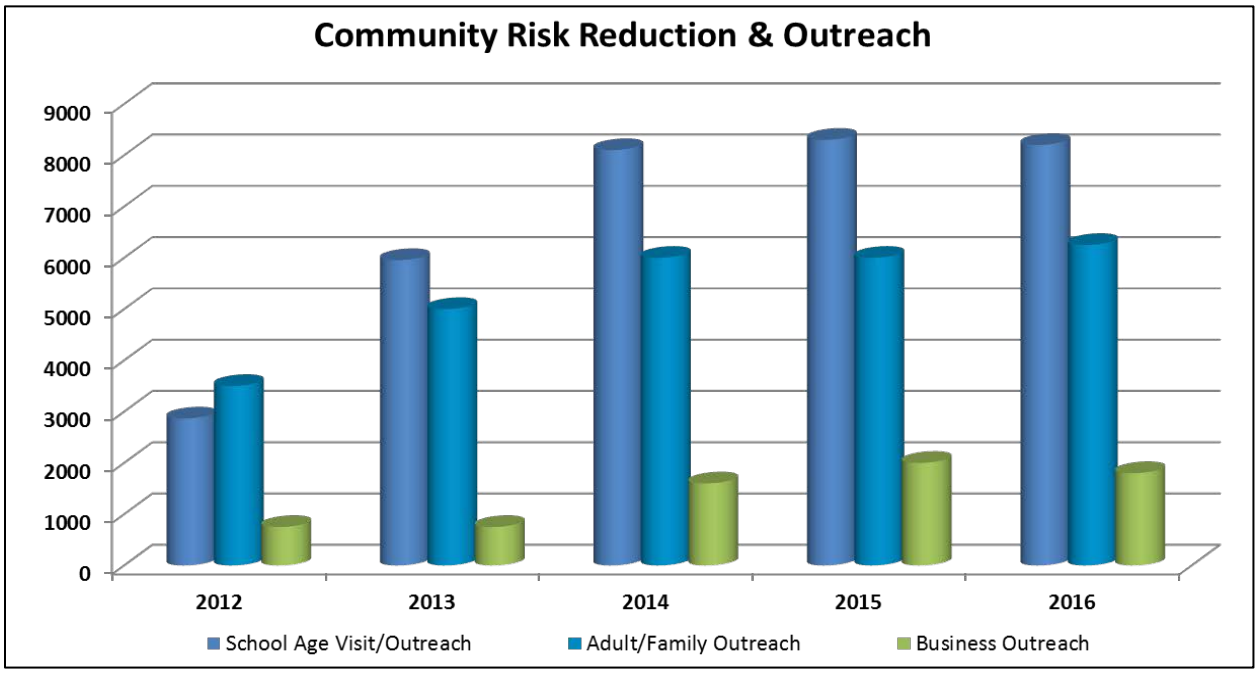
2017 EMS Academy Class		
	Number	% by Applicant Pool
Total Applicants	27	
Total People of Color	24	88.9%
Total Male	15	55.6%
Total Female	12	44.4%
Total Undetermined	0	0.0%
Total Veterans	1	3.7%
Toal Veterans of Color	1	3.7%
Total Male Veterans	1	3.7%
Total Female Veteran	0	0.0%

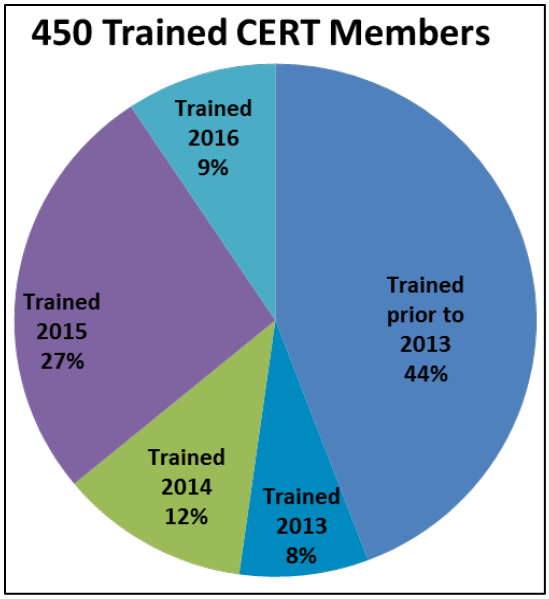
Ethnicity	Male	Male %	Female	Female %	Unk	Unk %	Total	Total %
American Indian	2	7.4%		0.0%	0	0.0%	2	7.4%
Asian/Pacific Islander	1	3.7%	1	3.7%	0	0.0%	2	7.4%
Black	8	29.6%	9	33.3%	0	0.0%	17	63.0%
Hispanic	3	11.1%	0	0.0%	0	0.0%	3	11.1%
Not Specified	0	0.0%	0	0.0%	0	0.0%	0	0.0%
White	1	3.7%	2	7.4%	0	0.0%	3	11.1%
Total	15	55.6%	12	44.4%	0	0.0%	27	100.0%

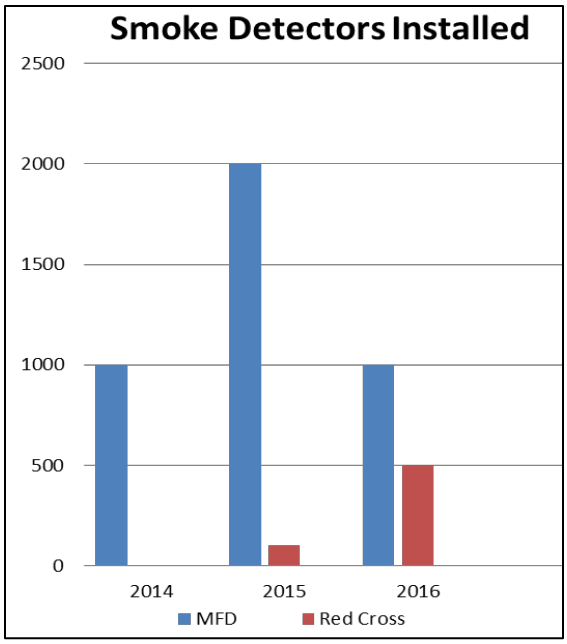
Living Well

Community Risk Reduction and Community Outreach General Fund: $9,492,103

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 $65.1 million to $66.5 million from 2017 to 2018. This is an increase of $1.4 million, or 2.2%. The Fire Department's 2018 expenditure budget reflects the following changes from 2017; routine inflationary increases in operation costs, $147,000 in one-time reimbursable expenses for Super Bowl, and the Mayor's recommended budgetary change items of $410,000.

Revenue
Revenues are projected to increase by 5.5% in this department due to a slight increase in state aid. The department's total revenues in 2018 are projected to be $2.1 million.

Fund Allocation
This department is funded completely in the General Fund at 99.5%, with the exception of $10,000 in private donations/ contributions.

Mayor's Recommended Budget
The Mayor recommends a $225,000 ongoing General Fund appropriation for Mobile Healthcare Providers (includes 4.0 FTEs).

The Mayor also recommends one-time General Fund appropriations of $75,000 for Mobile EMS vehicles, $110,000 for personal protective equipment, and $147,000 for planned overtime expense related to increased staffing for Super Super Bowl LII, reimbursable by the Super Bowl Committee.

Council Adopted Budget
The City Council amended the Mayor's recommendation by eliminating the ongoing appropriation of $225,000 for Mobile Healthcare Providers, and reducing by 4 FTE; and, adding an ongoing appropriation of $225,000 and three additional sworn firefighters (3 FTE).

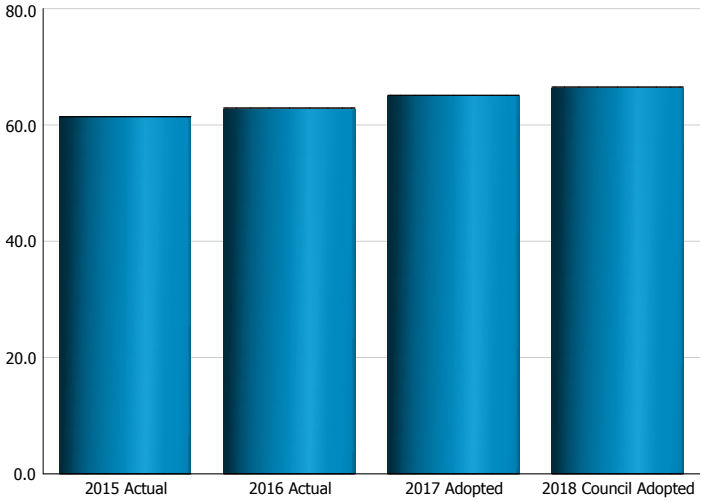
FIRE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	35,031,782	36,060,428	37,719,547	38,561,734	2.2%	842,187
FRINGE BENEFITS	15,364,176	16,125,646	15,531,486	16,655,037	7.2%	1,123,551
CONTRACTUAL SERVICES	7,109,342	8,051,177	8,728,946	8,843,008	1.3%	114,062
OPERATING COSTS	2,117,700	2,375,040	2,576,150	2,180,457	-15.4%	(395,693)
CAPITAL	1,691,629	35,990	529,999	259,999	-50.9%	(270,000)
TOTAL GENERAL	**61,314,629**	**62,648,282**	**65,086,128**	**66,500,235**	**2.2%**	**1,414,107**
SPECIAL REVENUE						
SALARIES AND WAGES	94,203	127,528				0
CONTRACTUAL SERVICES		36,911	10,000	10,000	0.0%	0
OPERATING COSTS	8,470	82,284				0
CAPITAL		9,460				0
TOTAL SPECIAL REVENUE	**102,672**	**256,182**	**10,000**	**10,000**	**0**	**0**
TOTAL EXPENSE	**61,417,301**	**62,904,464**	**65,096,128**	**66,510,235**	**2.2%**	**1,414,107**

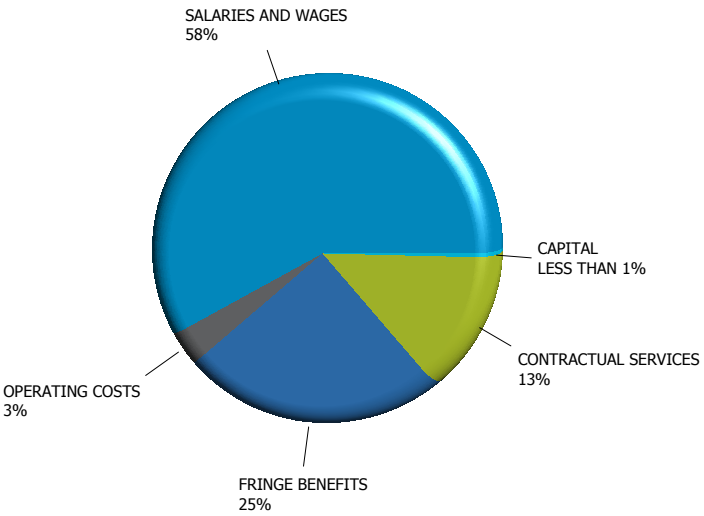
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	235	217	250	250	0.0%	0
CHARGES FOR SERVICES	164,949	113,832	186,000	116,000	-37.6%	(70,000)
OTHER MISC REVENUES	553	40,360			0.0%	0
SPECIAL ASSESSMENTS		31,335			0.0%	0
STATE GOVERNMENT	1,901,593	1,979,123	1,800,000	1,980,000	10.0%	180,000
GENERAL	**2,067,330**	**2,164,867**	**1,986,250**	**2,096,250**	**5.5%**	**110,000**
SPECIAL REVENUE						
CONTRIBUTIONS	1,292	80,711	10,000	10,000	0.0%	0
FEDERAL GOVERNMENT	7,177	77,027			0.0%	0
STATE GOVERNMENT	94,203	142,761			0.0%	0
SPECIAL REVENUE	**102,672**	**300,500**	**10,000**	**10,000**	**0**	**0**
TOTAL REVENUE	**2,170,002**	**2,465,367**	**1,996,250**	**2,106,250**	**5.5%**	**110,000**

FIRE
EXPENSE AND REVENUE INFORMATION

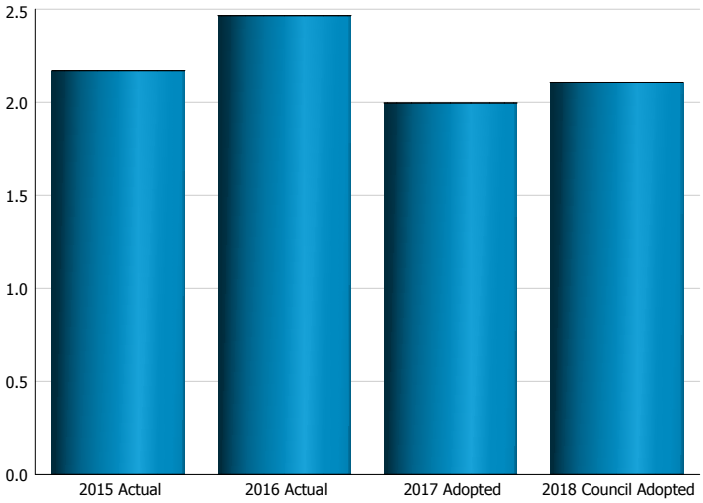
Expense 2015 - 2018
In Millions



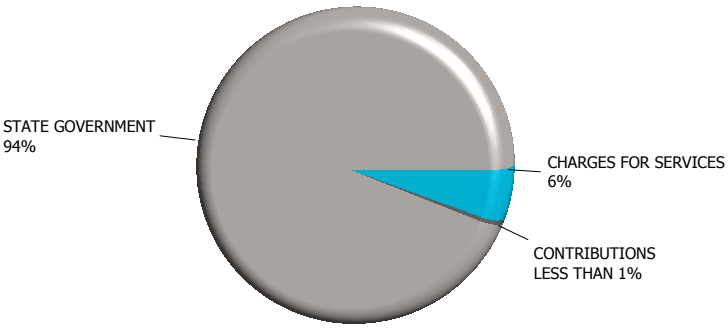
Expense by Category



Revenue 2015 - 2018
In Millions



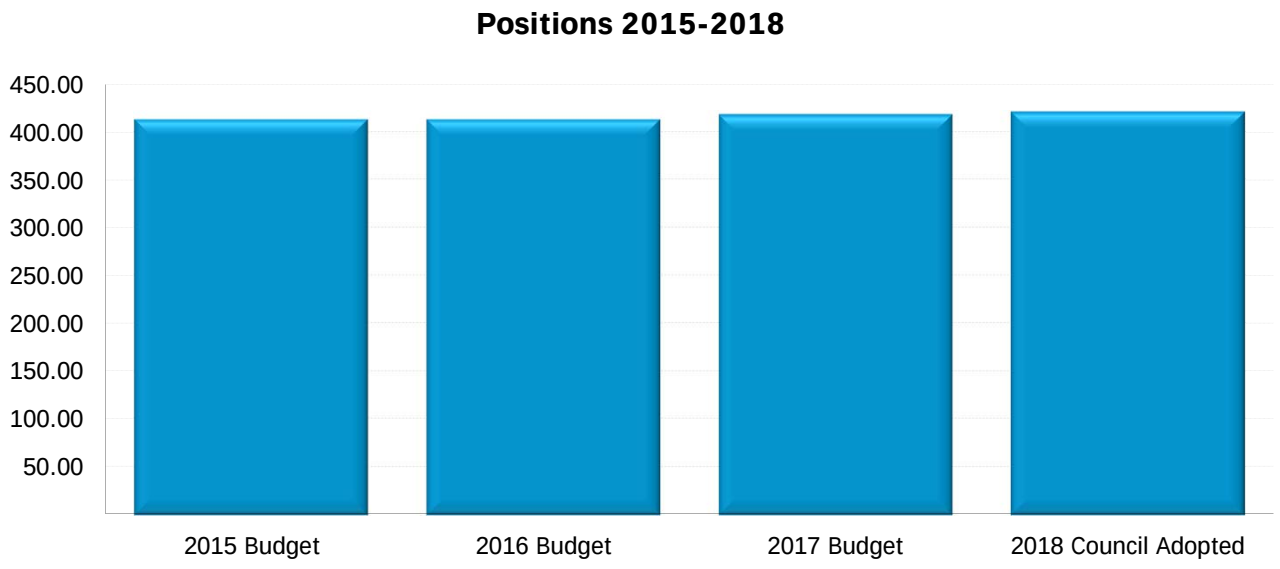
Revenue by Type



FIRE

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
FIRE EMERGENCY RESPONSE	283.85	288.83	293.83	296.83	1.0%	3.00
FIRE EMPLOYEE TRAINING AND DEV	65.67	60.68	60.68	60.68	0.0%	0
FIRE PREVENTION SERVICES	63.48	63.48	63.48	63.48	0.0%	0
Overall	413.00	413.00	418.00	421.00	0.7%	3.00



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 Community Health Board (City Council), the department is mandated by state statute 145A to provide directly or contract for essential public health services for Minneapolis residents: Assure an adequate public health infrastructure; Promote healthy communities and healthy behaviors; Prevent the spread of infectious disease; Protect against environmental health hazards; Prepare for and respond to disasters, and assist communities in recovery; and, Assure the quality and accessibility of health services. The Department does this through the following business lines:

- Adolescent Health and Youth Development
    - School Based Clinics
    - Youth development and teen pregnancy prevention
    - Youth violence prevention

- Environmental Health
    - Food Lodging and Pools

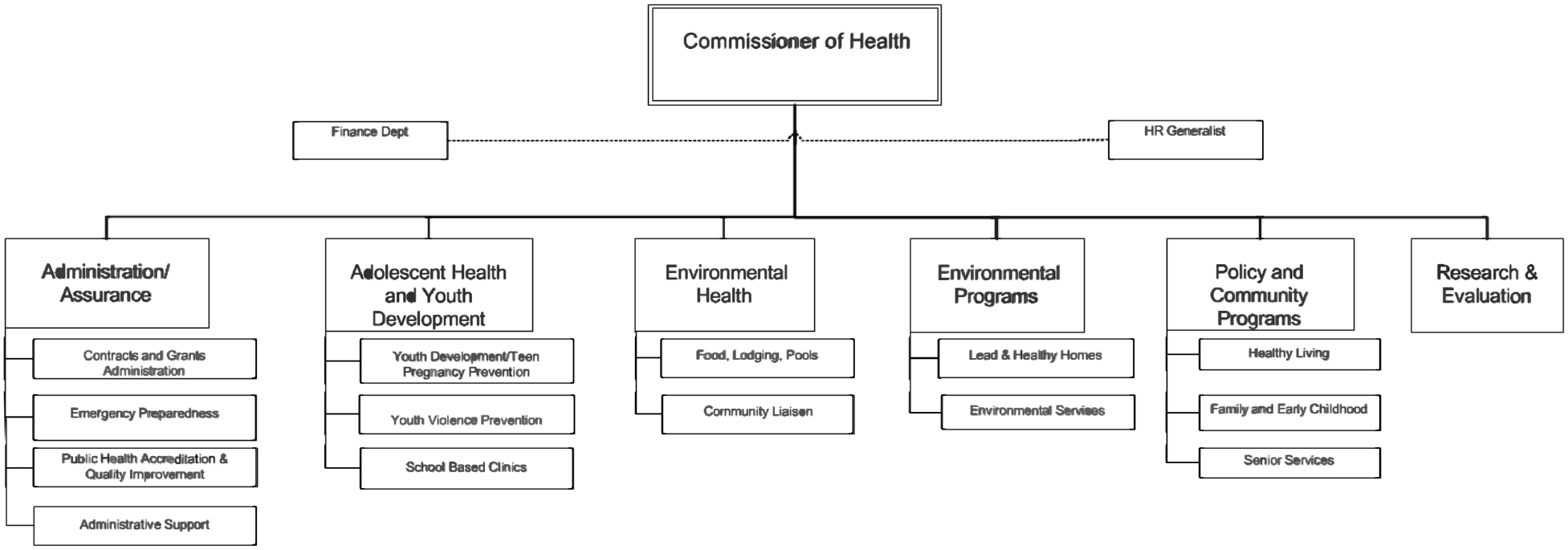
- Environmental Programs
    - Lead and Healthy Homes
    - Environmental Services

- Policy and Community Programs
    - Local, state and federal policy initiatives
    - Maternal/paternal and child health, Healthy Start
    - Healthy Living
    - Senior Services

- Research and Evaluation
    - Data collection, analysis and dissemination
    - Research projects
    - Program Evaluation

- Administration and Assurance
    - Emergency Preparedness
    - Contract management, grants
    - Administrative support
    - Enterprise liaison
    - Accreditation

Minneapolis Health Department Organizational Chart – October 2017



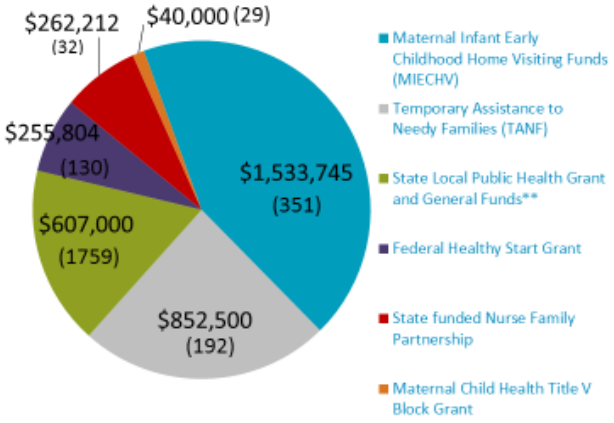
Many People, One Minneapolis

Family and Early Childhood

General Fund: $551,930
Other Funds: $3,102,764

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.

Prenatal and Early Childhood Home Visiting Funds (and number of families served*)



* A family may consist of a pregnant woman or a mother with children up to age 2 or 3 depending on the program. Some recipients are served through multiple funding sources.
** Less-intensive, shorter term home visiting services. This funding will be mostly allocated to support evidenced based models in 2017.

Home visiting and case management services were provided to 2461 low-income families in 2016.

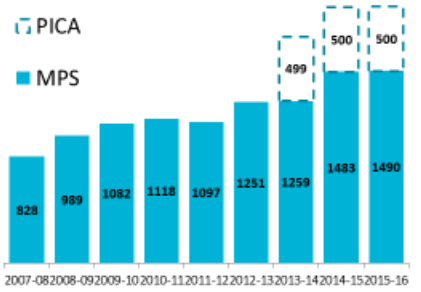
To provide these services, $3.5 million was aggregated from federal, state, and city funds which is almost a 25% increase ($700,000) from 2015.

About one-fifth or 513 families were in programs that offer intensive services during pregnancy and for 2-3 years after childbirth. This number represents only a small proportion (about 10% or less) of the 6,400 families that could benefit from these programs each year and is similar to 2015.

Early childhood screening

The Health Department is one of several sources of funding for early childhood screening. Minneapolis Public Schools (MPS) screened 1,490 three-year-olds out of an estimated 6000 children during the 2015-16 school year—a 1% increase from the previous year while maintaining the 16% increase from the previous year.

Early childhood screening, especially when completed by age three, helps children be ready for school. When developmental concerns are identified early, community resources can be mobilized to support parents and children in school readiness.



Parents in Community Action (PICA), a private, non-profit agency delivering Head Start and Early Head Start programs, also screens children but counts from recent years were unavailable; the number shown is an estimate. Screening also occurs in clinical settings.

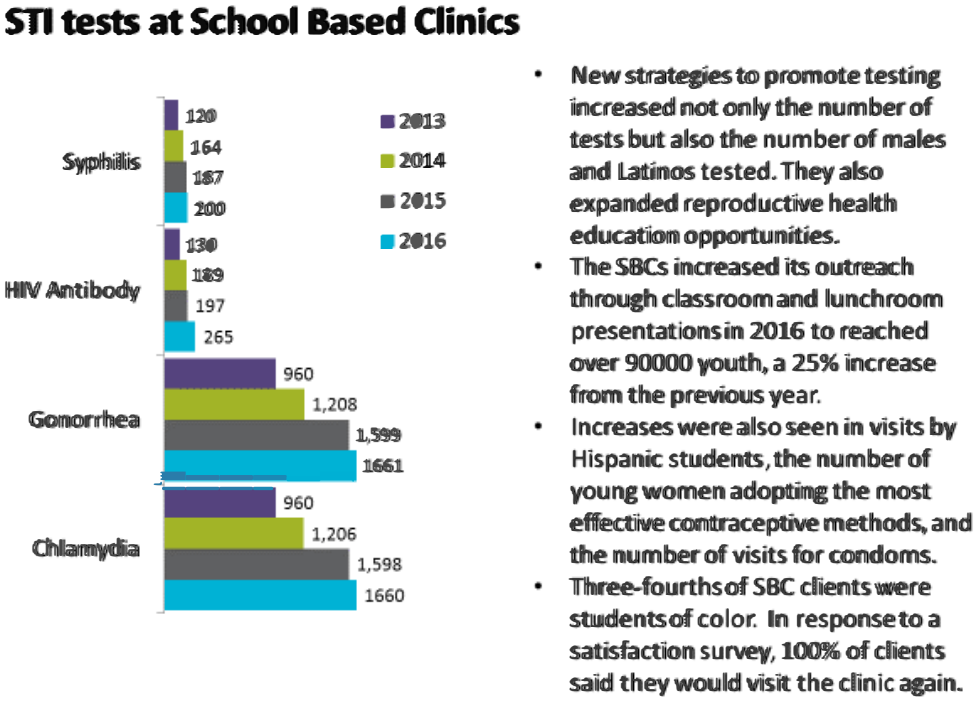
Close the Loop started as a collaboration between MPS and the Health Department and has grown to include 46 organizations and 65 program sites that work with MPS on these efforts. The purpose is to increase screening in all settings and ensure follow-through when screening leads to referrals for clinical assessment and/or early learning programming. Health Department staff remains involved to represent health concerns of Minneapolis children.

2

School Based Clinic Program

General Fund: $196,092
Other Funds: $2,945,269

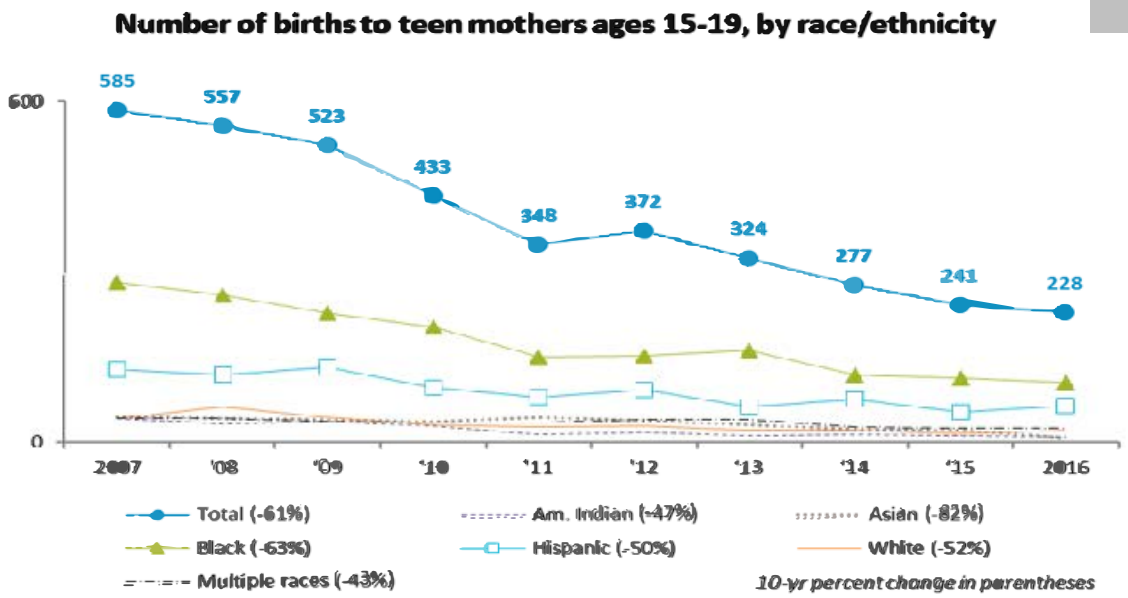
The Department operates School Based Clinics (SBC) in six Minneapolis public high schools and health education and screening services at one alternative school site for pregnant and parenting teens. All clinic services are provided by medical, behavioral health, and health education professionals.The focus is on adolescent health services including acute illness care, well-teen exams, reproductive care, nutrition education, immunizations, individual and group health education, and mental health screenings, diagnostic assessments and counseling.

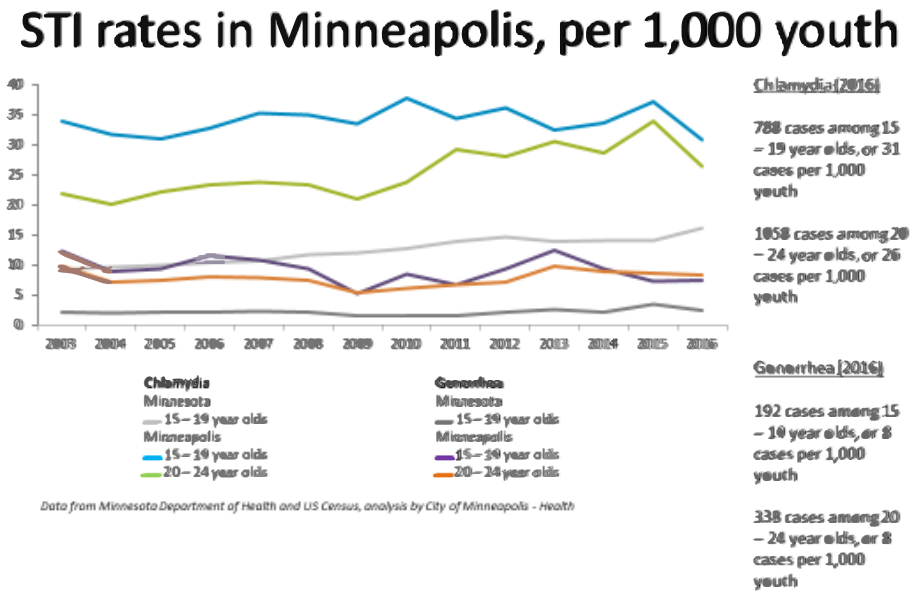


Youth Development and Sexual Health

General Fund: $740,824
Other Funds: $1,194,724

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.





With effective programming focus on prevention, Minneapolis STI rates will continue to have a downward trend, despite the increases in chlamydia and gonorrhea cases across Minnesota.

Youth Violence Prevention

General Fund: $745,384
Other Funds: $757,563

The Health Department leads and coordinates citywide efforts to implement the Youth Violence Prevention Blueprint for Action through policy, planning, community support, and programming. Activities include: planning and service coordination with jurisdictional partners, capacity building with small community based agencies and partnerships on community engagement activities. MHD provides: oversight of the Juvenile Supervision Center for curfew, truancy, and low-level offenders; individualized case management and mentoring for youth at risk of involvement with violence; and, collaborates with the Minneapolis Police department in implementing the Minneapolis Group Violence Intervention project.

The Group Violence Intervention (GVI) project is a 3-pronged approach to addressing gun violence that includes: Law Enforcement, Social Services, and the Community. The Minneapolis Health Department (MHD) coordinates the overall effort and facilitates cross-communications that ensures all three components are working collaboratively and effectively. MHD manages several contracts that support all 3 of the GVI strategies. Coordination and oversight of the strategy are critical functions of ensuring that GVI is implemented with fidelity which increase the overall effectiveness of the project. During the first law enforcement demonstration action (May 4, 2017-September 21, 2017) which was focused on the YNT group the following outcomes were documented:

- MPD made 65 arrests for everything from driving violations to felony gun charges.
- Several of those arrested have been charged with felony level crimes or have been revoked by probation. These cases will likely result in prison time.
- The recovery of 20 handguns, as well as drugs from weed to pills to heroin.

The chart below compares shootings and homicide incidents that happened between May 4 and September 21, 2016 prior to the GVI model and the same segment of time during the period of GVI's launch May 4 – September 21, 2017. The group member involved homicides and group member involved shootings have gone down since the implementation of the initiative.

	2016	2017
Group member involved (GMI) homicides	12	9
Non-GMI homicides	9	11
GMI non-fatal shootings	93	42
Non-GMI non-fatal shootings	29	18
Unknown non-fatal shootings	41	53

Senior Services General Fund: $70,000

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

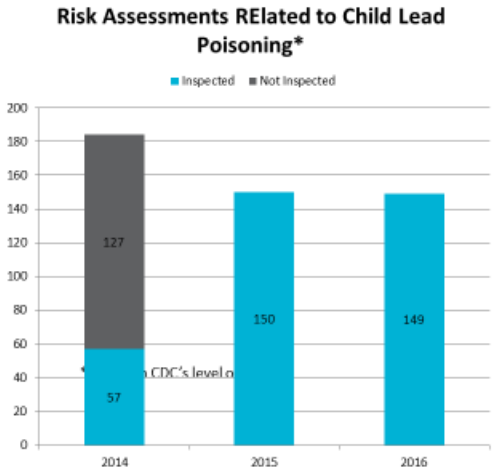
Lead Poisoning and Healthy Homes General Fund: $639,786
Other Funds: $757,261

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. The program 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 5 ug/dl of blood. A Federal grant also supports efforts to address other healthy homes concerns such as radon, asthma triggers, and slip/trip/fall hazards.

Child lead exposure and home inspections

Risk assessments conducted by the Health Department related to child lead poisoning increased substantially in 2015 and 2016 as a result in a change in the definition of threshold for harm from an elevated blood lead level.

City staff inspected all housing in which a child blood lead level was 5 ug/dl or greater.



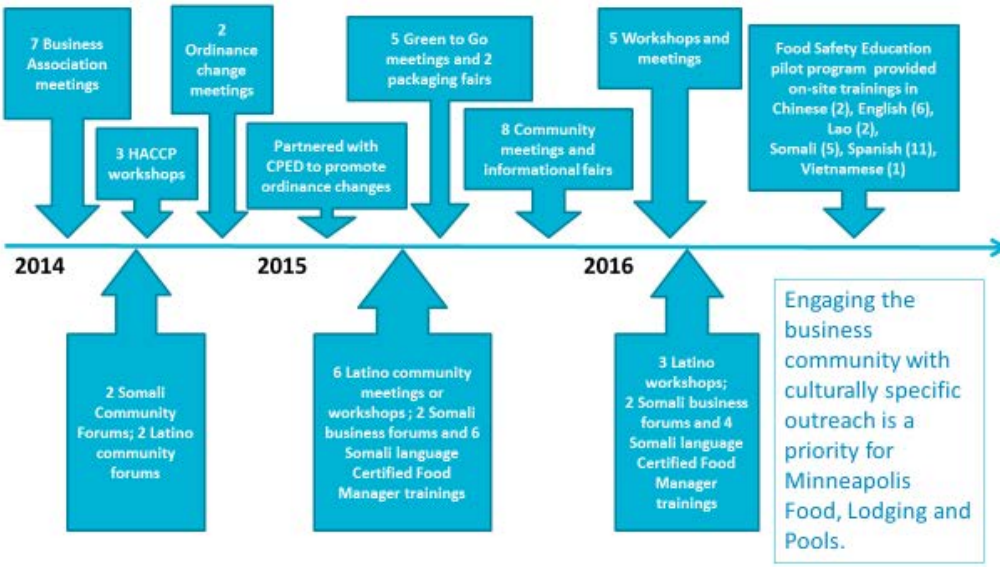
Emergency Preparedness and Infectious Disease Prevention General Fund: $81,107
Other Funds: $433,458

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; to prepare for and respond to emergencies; and assist the community in recovery. The Department does so through collaboration, contracts, and participation in a community-wide continuum of care. Public health response includes: routine prevention and intervention activities (provided through contract with Hennepin County); response to small events such as measles and food borne illness; planning and preparing to host large events such as the Super Bowl and NCAA Final Four; support for residents affected by natural or other disasters such as the Northside tornado; and, response to large public health emergencies such as a flu epidemic.

Food Lodging and Pools General Fund: $3,305,597

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.

Engaging the Business Community



An Effective Health Inspections Program

Since its disastrous audit in 2010, the Food, Lodging and Pools program has become a leader in Minnesota, developing a successful inspection program that maximizes the capacity of its staff to meet the needs of the business it serves.

Improved Business Support:

- Certified Food Manager trainings in Somali.
- Food safety materials in 7 languages.
- Spanish workshop of "Common Problems".
- HACCP consultations and trainings.
- Food safety training tailored to the business' needs.
- eNewletters sent to 8,700+ emails
- Multilingual online food safety training videos.

Improved Inspection Delivery:

- Peer inspections with co-workers and Hennepin County fosters consistency.
- Standardization of staff to MDA and MDH standards.
- Participation in voluntary FDA program standards.
- Full HACCP support.
- Specialized training in preparation for Super Bowl LII.

** While restaurant safety improved dramatically from 2014 to 2015, we are unable to provide 2016 data due to ELMS.*

Eco-Focused

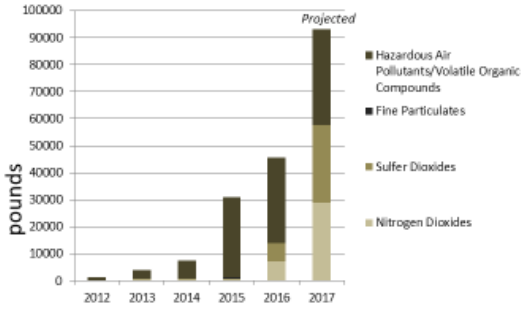
Environmental Services

General Fund: $2,034,121
Other Funds: $19,200

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, management of the Midwest's first energy disclosure policy, and provision of nationally recognized partnership programs with local businesses to improve neighborhood environmental quality.

Pollution Reduction: Green Business



The Green Business Cost Share Program has now worked with 57 businesses in Minneapolis for 90,000 lbs of pollution reduction leveraged through voluntary partnerships. This is equivalent to removing the 8th largest polluter in Minneapolis. For reference, Northern Metals is the 80th largest polluter.

The Green Business Cost Share Program continued expansion efforts throughout 2016 developing relationships with Xcel, CenterPoint, and the Chamber of Commerce, while maintaining partnerships with Environmental and the University of Minnesota Technical Assistance Program to minimize air pollution jointly through Clean Air Minnesota. The Green Business Program was recognized by the National Association of County and City Health Officials as a National Model Practice in 2016.

Green Business Investments Leveraged (2012-2017)

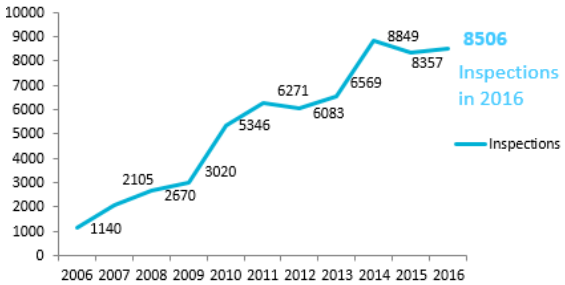


Environmental inspections

Environmental Services conducted 8,506 inspections in 2016 and continues to increase the quality of work produced. Over the last decade, the workload has significantly increased, with efforts ranging from erosion control to spill response and vapor intrusion cases.

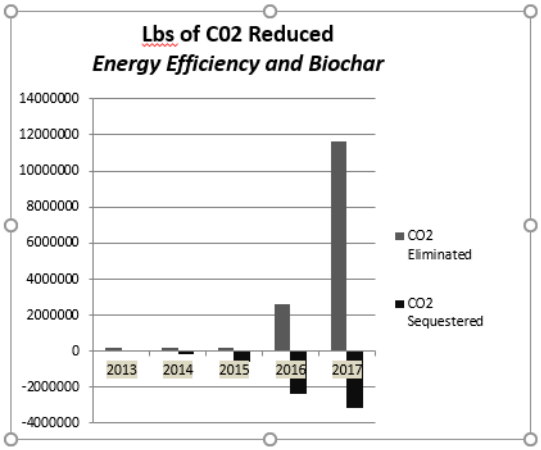
7.5 times greater number inspections than 10 years ago

Number of inspections by year



Health, resiliency, and climate change

The Health Department significantly minimized the City carbon footprint while improving air quality through an equity lens. The potential is enormous, leveraging investments 5 to 1. The Green Business Cost Share program incentivizes change with financial assistance to reduce energy use. The Energy Benchmarking Program requires all commercial buildings over 50,000 sq ft. to make their energy use public to drive down energy use in the free market. Biochar in urban farming, tree planting, and pollinator programs are creating carbon sinks out of soil in our city (referenced with black bars below zero in this chart).



Livable Communities, Healthy Lives

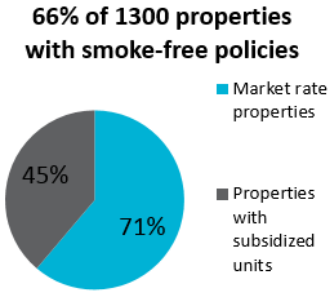
Minneapolis Healthy Living Initiative Other Funds: $1,553,759

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.

Tobacco Reduction Efforts

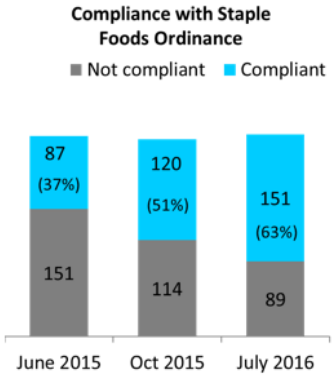
Recent smoke free housing activities

- 2016 property survey that revealed fewer smoke-free options for low-income renters.
- Assistance in adopting smoke free policies at 77 properties
- Smoke-free housing campaign for landlords and tenants
- Support to Minneapolis Public Housing Authority for expanding smoke free policy to Glendale Townhomes and 1000+ scattered sites.



Increasing access to healthy foods

Staple Foods Ordinance. Increased the percentage of licensed grocery stores meeting minimum healthy food stocking requirements from 37% in 2015 to 63% in 2016.

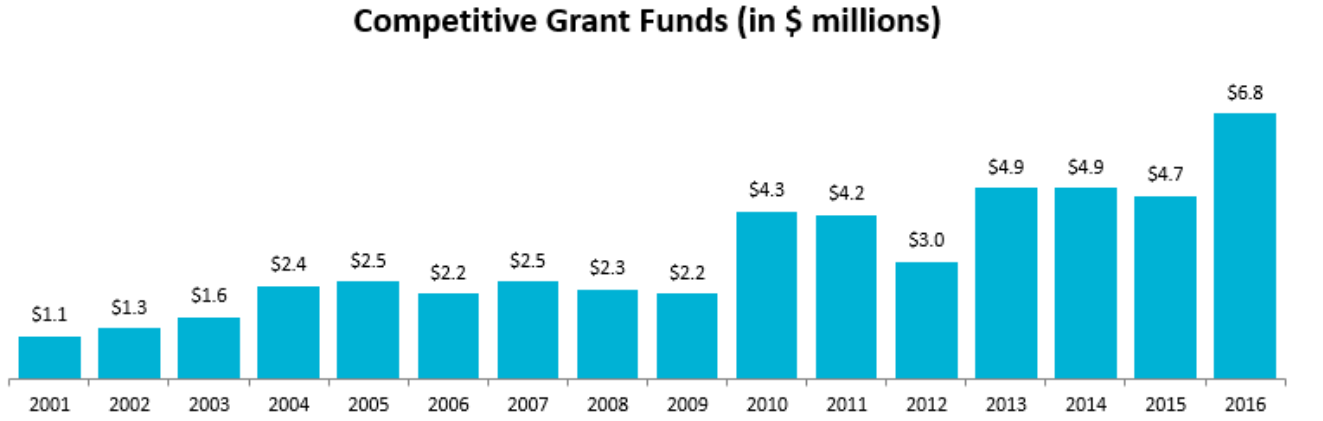


Healthy food vending. In partnership with the Minneapolis Park and Recreation Board, increased the number of community recreation centers with healthy snack vending machines from 0% to 69% between 2015-present.

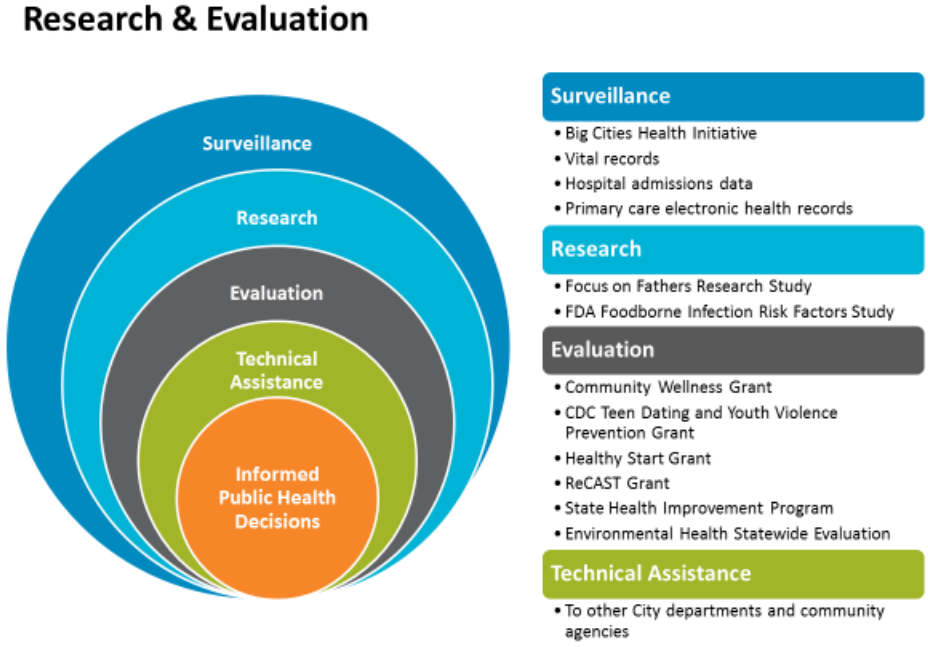
A City that Works

Core Public Health Infrastructure General Fund: $2,707,335
Other Funds: $858,589

As a local public health entity operating under a Community Health Board (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.



Competitive grant funding comprised **32%** of the Health Department's total 2016 budget.



Financial Analysis

Expenditure

For 2018, the Minneapolis Health Department budget is increasing to $22.7 million, a 6.8% increase over the 2017 budget. The General Fund portion of the department's budget is increasing by 6.4%, or $664,000, reflecting routine inflationary operating increases and internal service charges, as well as budgetary change items. Special revenue-funded expenditures are decreasing by $774,000 or 7.1%.

Revenue
Total revenue for the Minneapolis Health Department is projected to increase by 5.3% to $13.6 million in 2018. The increase is primarily associated with an increase in federal grants.

Fund Allocation
This department is funded partially by the General Fund (49%), with the remaining funding from in State and Other Funds and Federal Funds (51%).

Mayor's Recommended Budget
The Mayor recommends additional ongoing General Fund appropriations of $150,000 for Group Violence Intervention (1.5 FTE), $272,000 for Pollution Reduction via the Green Business Program, $74,000 for Residential Energy Benchmarking, $100,000 for Sexual Health STI Prevention, and an additional 1 FTE for Succession Planning and Right-sizing to be funded with existing department resources.

The Mayor also recommends one-time General Fund appropriations of $60,000 for Land Management Configuration Resources, $25,000 for Next Step Hospital Based Interventions, $25,000 for Intervention and Outreach to Victims of Sex Trafficking, $40,000 for the Minneapolis Children's Savings Account program, $30,000 to replace mandatory devices for Lead Testing, and $40,840 for expenses related to Super Bowl 52, reimbursable by the Super Bowl Committee.

Council Adopted Budget
The City Council amended the Mayor's recommended budget on an ongoing basis in the General Fund; adding an ongoing appropriation of $100,000 and 1 FTE for Lead Inspections; decreasing the Food, Lodging, and Pools budget by $50,000; and, decreasing the department's ongoing base appropriation by $10,000.

The City Council amended the Mayor's recommended budget on an ongoing basis in the grants (01300) fund; increasing the appropriation for the federal SAMHSA grant by $50,000.

The City Council also amended the Mayor's recommended budget on a one-time basis in the General Fund; increasing appropriation for Next Step Hospital Based Interventions by $105,000; adding an appropriation of $200,000 for two temporary Health Inspectors; and, adding an appropriation of $100,000 for Domestic Violence Prevention.

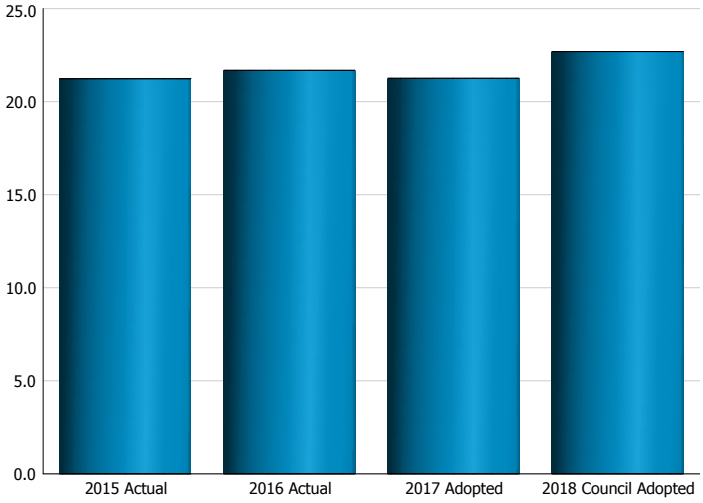
MINNEAPOLIS HEALTH DEPARTMENT
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	3,450,316	3,834,892	3,837,724	4,344,266	13.2%	506,542
FRINGE BENEFITS	1,291,388	1,475,971	1,540,081	1,721,201	11.8%	181,121
CONTRACTUAL SERVICES	3,066,172	3,311,588	3,605,370	4,379,766	21.5%	774,396
OPERATING COSTS	480,876	424,409	1,425,346	596,943	-58.1%	(828,403)
CAPITAL		14,570		30,000		30,000
TOTAL GENERAL	**8,288,752**	**9,061,430**	**10,408,521**	**11,072,176**	**6.4%**	**663,655**
SPECIAL REVENUE						
SALARIES AND WAGES	3,301,280	3,412,401	3,762,116	4,044,280	7.5%	282,164
FRINGE BENEFITS	1,138,654	1,159,713	1,460,904	1,535,989	5.1%	75,085
CONTRACTUAL SERVICES	8,022,588	7,566,396	4,143,262	4,533,061	9.4%	389,799
OPERATING COSTS	483,004	476,485	1,482,348	1,509,257	1.8%	26,909
CAPITAL		8,211				0
TOTAL SPECIAL REVENUE	**12,945,526**	**12,623,206**	**10,848,630**	**11,622,587**	**7.1%**	**773,957**
TOTAL EXPENSE	**21,234,277**	**21,684,636**	**21,257,151**	**22,694,763**	**6.8%**	**1,437,612**

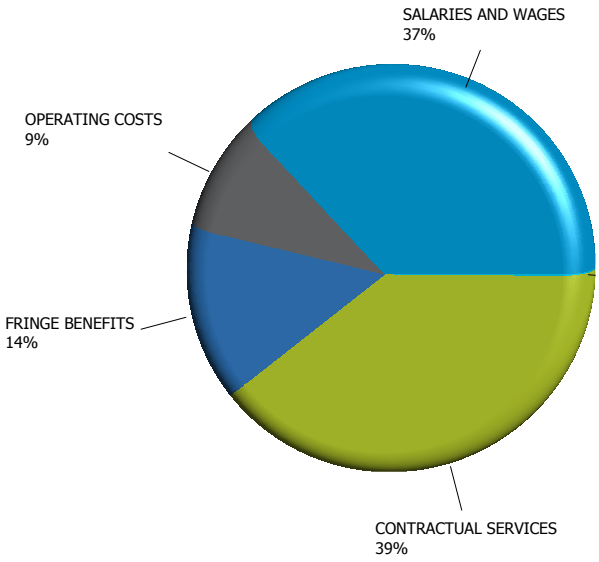
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	(4,628)	6,939			0.0%	0
FINES AND FORFEITS	89,896	52,032	90,000	65,000	-27.8%	(25,000)
LICENSE AND PERMITS	2,310,096	2,334,684	2,540,000	2,498,000	-1.7%	(42,000)
OTHER MISC REVENUES	110,363	104,111	100,000	100,000	0.0%	0
SPECIAL ASSESSMENTS	14,116	326,480			0.0%	0
GENERAL	**2,519,843**	**2,824,246**	**2,730,000**	**2,663,000**	**-2.5%**	**(67,000)**
SPECIAL REVENUE						
CHARGES FOR SALES		3,215			0.0%	0
CHARGES FOR SERVICES	934,687	996,018	985,811	1,316,805	33.6%	330,994
CONTRIBUTIONS	337,612	317,273	230,675	185,676	-19.5%	(44,999)
FEDERAL GOVERNMENT	6,486,922	6,638,434	5,022,485	4,991,531	-0.6%	(30,954)
INTEREST	58				0.0%	0
LOCAL GOVERNMENT	226,664	283,387		19,200	0.0%	19,200
OTHER MISC REVENUES	53,606	3,669	1,800	200,000	11,011.1%	198,200
SALES AND OTHER TAXES	114,895	59,346	7,000	7,000	0.0%	0
STATE GOVERNMENT	4,280,752	2,633,909	3,940,265	4,220,003	7.1%	279,738
SPECIAL REVENUE	**12,435,197**	**10,935,252**	**10,188,036**	**10,940,215**	**7.4%**	**752,179**
TOTAL REVENUE	**14,955,040**	**13,759,498**	**12,918,036**	**13,603,215**	**5.3%**	**685,179**

MINNEAPOLIS HEALTH DEPARTMENT
EXPENSE AND REVENUE INFORMATION

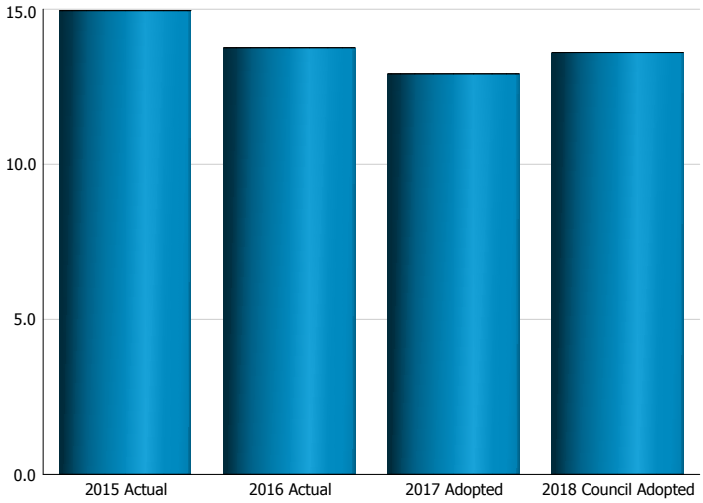
Expense 2015 - 2018
In Millions



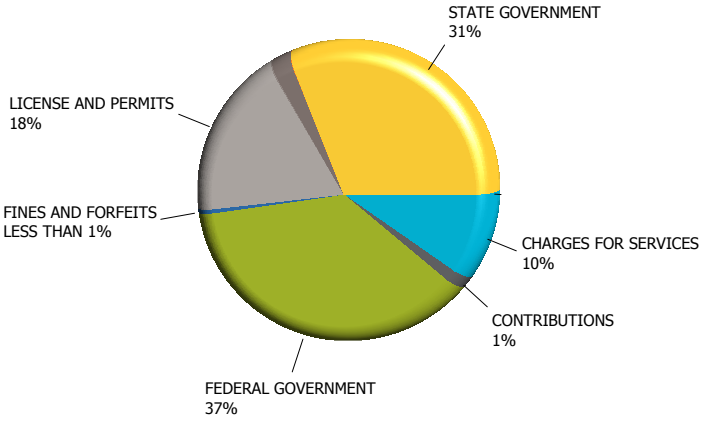
Expense by Category



Revenue 2015 - 2018
In Millions



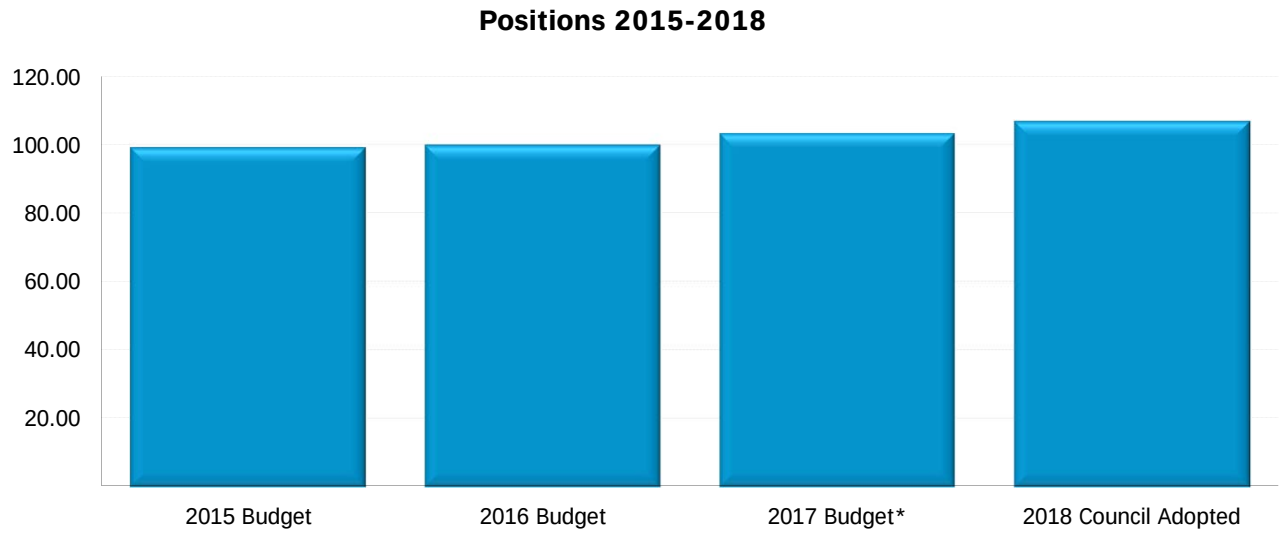
Revenue by Type



MINNEAPOLIS HEALTH DEPARTMENT

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
CORE INFRASTRUCTURE	14.55	15.75	14.30	14.55	1.7%	0.25
EMERGENCY PREP & INFECTIOUS DISEASE	2.70	2.60	2.70	2.70	0.0%	0
ENVIRONMENTAL SERVICES	11.50	11.75	12.75	12.75	0.0%	0
FOOD LODGING AND POOLS	22.00	23.00	25.00	25.00	0.0%	0
HEALTHY HOMES AND ENVIRONMENT						0
HEALTHY LIVING	7.35	7.40	6.65	6.65	0.0%	0
LEAD AND HEALTHY HOMES	9.00	9.00	9.00	10.00	11.1%	1.00
PERINATAL EARLY CHILDHOOD/FAMILY	4.00	2.35	2.55	2.55	0.0%	0
SCHOOL BASED CLINICS	22.30	23.30	23.05	23.05	0.0%	0
SENIOR SERVICES	1.10	1.00				0
YOUTH DEVEL- TEEN PREG PREV	1.30	1.40	2.25	2.25	0.0%	0
YOUTH VIOLENCE PREVENTION	3.50	2.50	5.25	7.50	42.9%	2.25
Overall	99.30	100.05	103.50	107.00	3.4%	3.50



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

INTERNAL AUDIT

MISSION

To serve the City of Minneapolis and the public interest by providing objective services that enhance the City's ability to manage risk, improve internal controls, optimize efficiencies, reduce costs and strengthen accountability.

BUSINESS LINES

Powers and duties of the Internal Auditor:

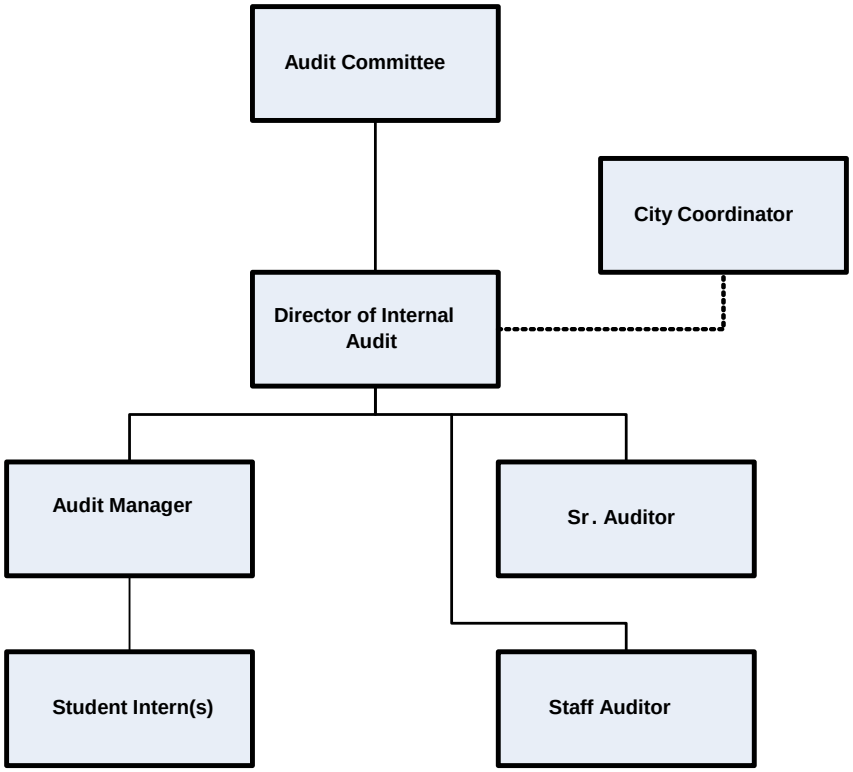
a) The internal auditor shall:

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: $760,662

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 to 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, investigations and Ad Hoc Projects.

FINANCIAL ANALYSIS

Expenditure

The total City Council Department's budget increases from $721,000 to $761,000 from 2017 to 2018. This is an increase of $40,000, or 5.6% due to increases in routine inflationary operating costs.

Revenue

This Department does not produce revenue.

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.

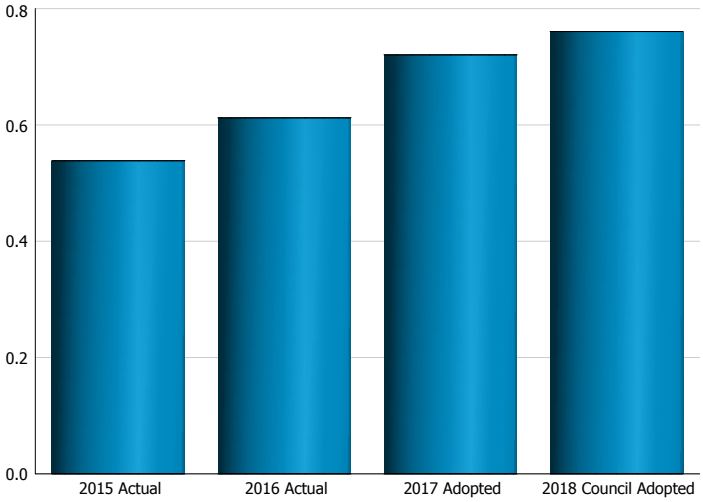
Council Adopted Budget
The City Council approved the Mayor's recommendations.

INTERNAL AUDIT
EXPENSE AND REVENUE INFORMATION

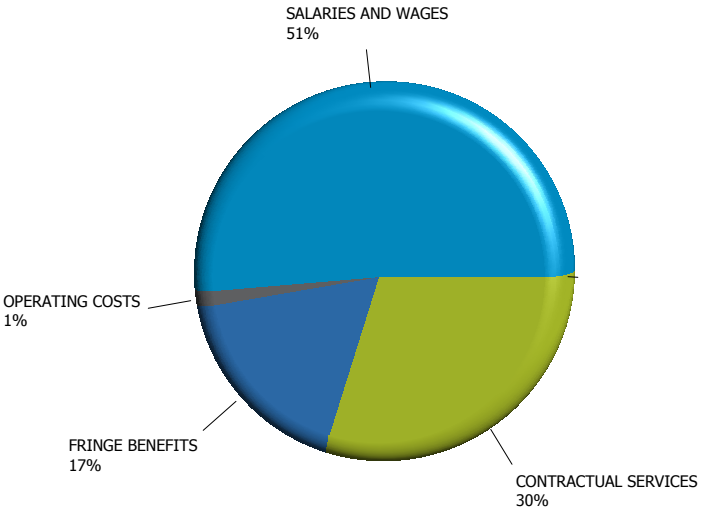
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	228,698	294,667	365,525	390,496	6.8%	24,971
FRINGE BENEFITS	60,453	70,922	125,692	132,776	5.6%	7,084
CONTRACTUAL SERVICES	236,286	237,172	218,901	226,959	3.7%	8,058
OPERATING COSTS	10,406	9,493	10,431	10,431	0.0%	0
CAPITAL	2,609					0
TOTAL GENERAL	**538,452**	**612,253**	**720,549**	**760,662**	**5.6%**	**40,113**
TOTAL EXPENSE	**538,452**	**612,253**	**720,549**	**760,662**	**5.6%**	**40,113**

INTERNAL AUDIT
EXPENSE AND REVENUE INFORMATION

Expense 2015 - 2018
In Millions



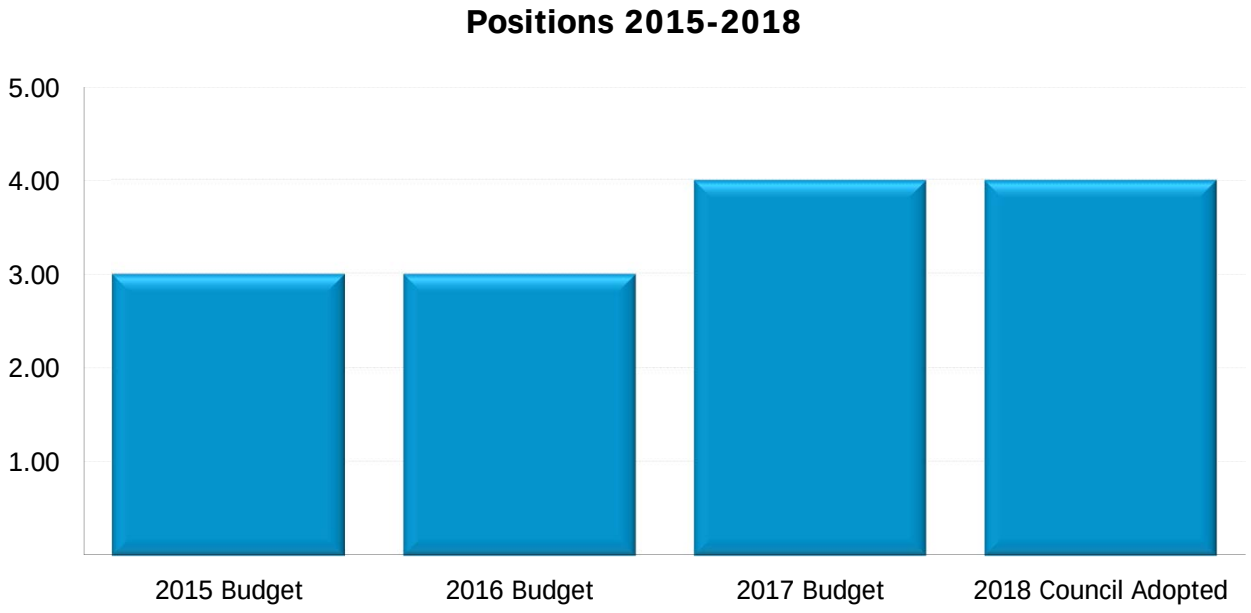
Expense by Category



INTERNAL AUDIT

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
INTERNAL AUDIT	3.00	3.00	4.00	4.00	0.0%	0
Overall	3.00	3.00	4.00	4.00	0.0%	0



MAYOR

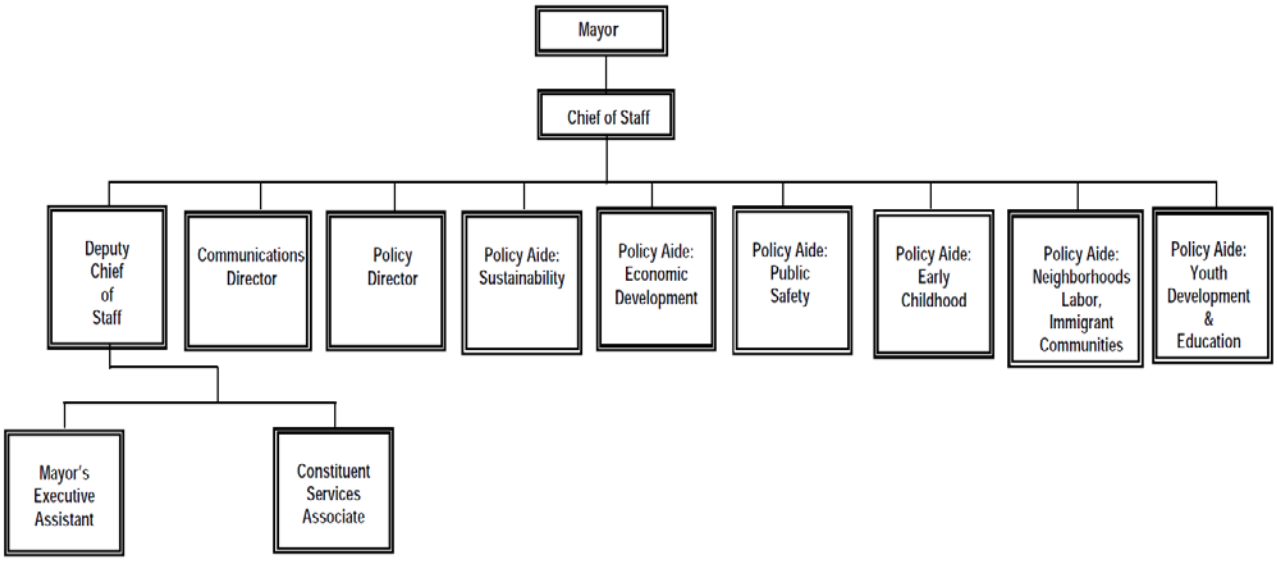
MISSION

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 Policy & Operations General Fund: $2,132,316

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 Mayor department's budget increases from $2.07 million to $2.13 million from 2017 to 2018. This is an increase of $60,000 or 2.9% due to inflationary increases in operating expenses and an additional $10,000 in budgetary change items.

Revenue
This department does not produce revenue.

Fund Allocation
This department is funded completely in the General Fund.

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

Council Adopted Budget
The City Council amended the Mayor's recommended budget in the General Fund on an ongoing basis; increasing the budget by $10,000 for the Mayor's salary.

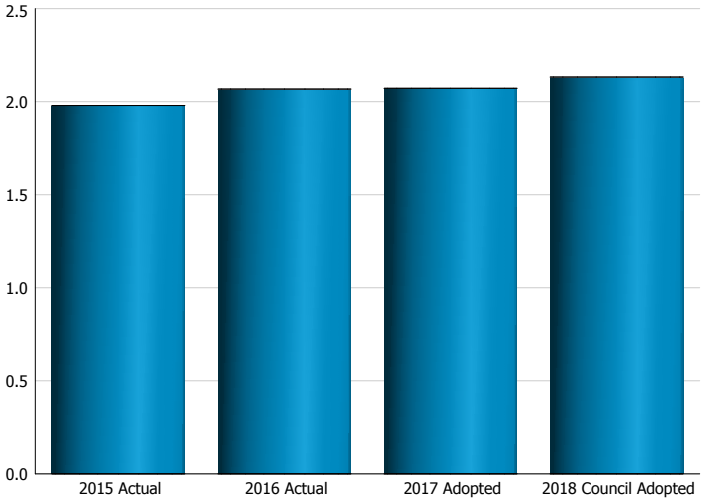
MAYOR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	933,335	1,083,924	1,077,552	1,126,344	4.5%	48,792
FRINGE BENEFITS	288,689	326,205	392,663	401,748	2.3%	9,085
CONTRACTUAL SERVICES	354,525	400,900	365,632	376,904	3.1%	11,272
OPERATING COSTS	355,931	248,076	236,078	227,320	-3.7%	(8,758)
TOTAL GENERAL	**1,932,480**	**2,059,105**	**2,071,925**	**2,132,316**	**2.9%**	**60,392**
SPECIAL REVENUE						
SALARIES AND WAGES	28,878	5,977				0
FRINGE BENEFITS	12,776	2,387				0
CONTRACTUAL SERVICES	5,238	145				0
TOTAL SPECIAL REVENUE	**46,891**	**8,509**				**0**
TOTAL EXPENSE	**1,979,371**	**2,067,613**	**2,071,925**	**2,132,316**	**2.9%**	**60,392**

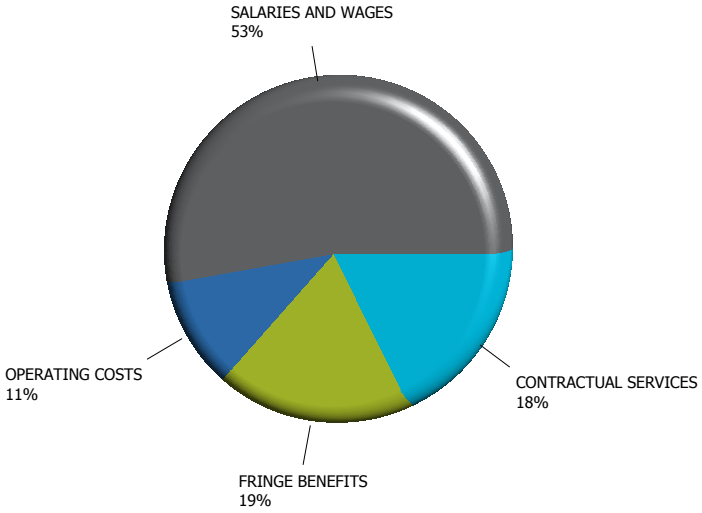
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRIBUTIONS	45,729	9,671			0.0%	0
SPECIAL REVENUE	**45,729**	**9,671**				**0**
TOTAL REVENUE	**45,729**	**9,671**				

MAYOR
EXPENSE AND REVENUE INFORMATION

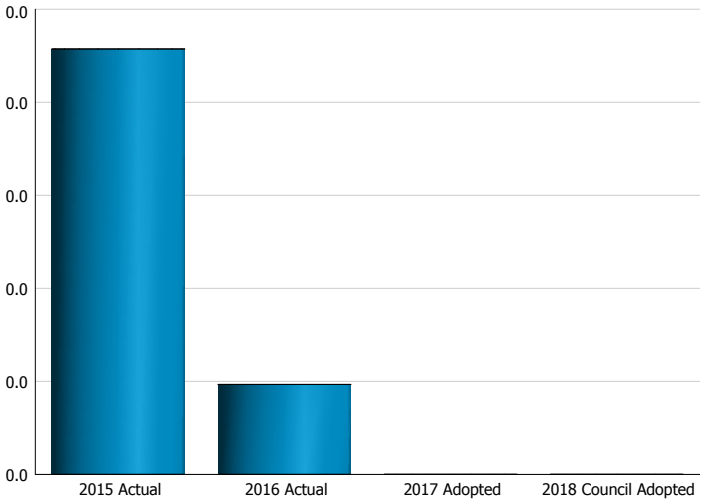
Expense 2015 - 2018
In Millions



Expense by Category



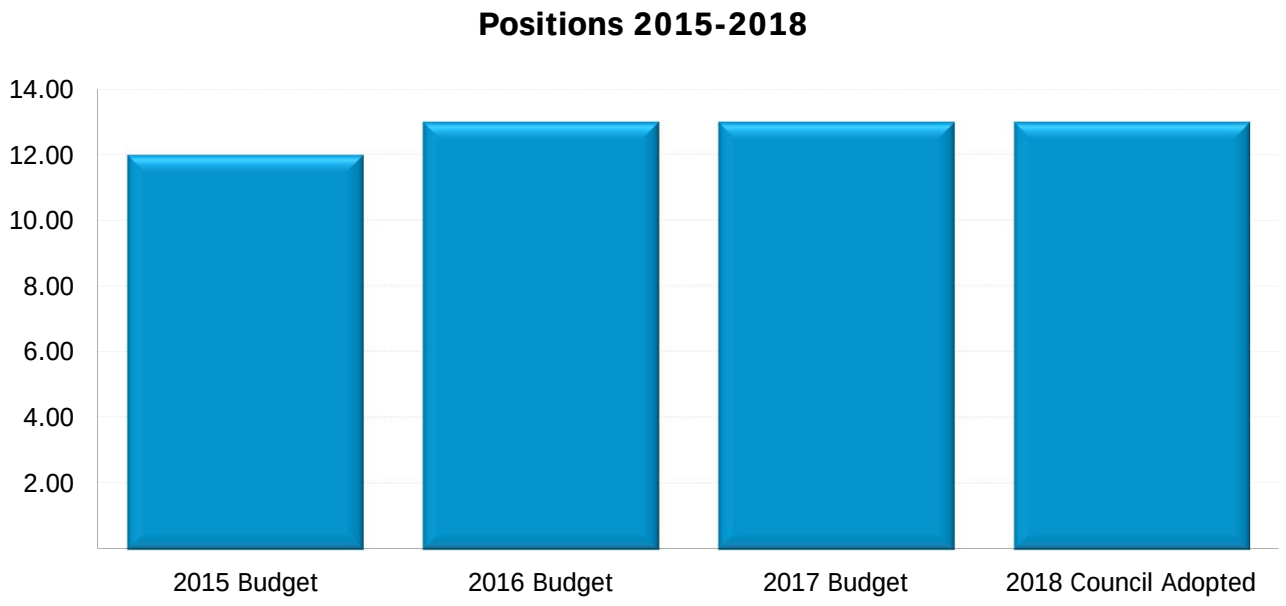
Revenue 2015 - 2018
In Millions



MAYOR

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
MAYOR - ADMINISTRATION	12.00	13.00	13.00	13.00	0.0%	0
Overall	12.00	13.00	13.00	13.00	0.0%	0



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

Operations Bureau

- Precincts
  - Patrol (911 Response, Directed Patrol), Property Crimes Investigations, Community Response Teams (CRT), Crime Prevention Specialists, Canine, Mounted Patrol, Bike Patrols (BRRT), Beat Officers.
- Strategic Information and Crime Analysis Division
  - Special Operations Unit - Bomb/Arson, Crisis Negotiations, Mobile Command, SWAT
  - Emergency Preparedness Unit - Special Events, Dignitary Protection, Reserves
  - Strategic Information Center - Crime Analysis, Gang Interdiction Team, Strategic Information Unit, Joint Terrorism Task Force

Investigations Bureau

- Violent Crimes Investigations Division
  - Assault, Violent Crime Investigations, Homicide, FBI Cold Cases, Violent Criminal Apprehension Team, Robbery, Safe Streets, Weapons Investigations
- Special Crimes Investigations Division
  - Crimes Against Children, Juvenile Trafficking, Domestic Assault, Licensing Investigations, Auto Theft Prevention, Financial Crimes Unit, Sex Crimes, Predatory Registration Section, Traffic Investigations, Arson, Narcotics Unit
- Juvenile Investigations Division
  - Juvenile Investigations, Juvenile Outreach and Diversion, PAL
- Forensics Division
  - Crime Lab, Field Operations, Firearms / Tool Mark, Forensic Garage, Photo Lab, Video Lab, MAFIN, Digital Evidence, Quality Assurance

Office of Professional Standards

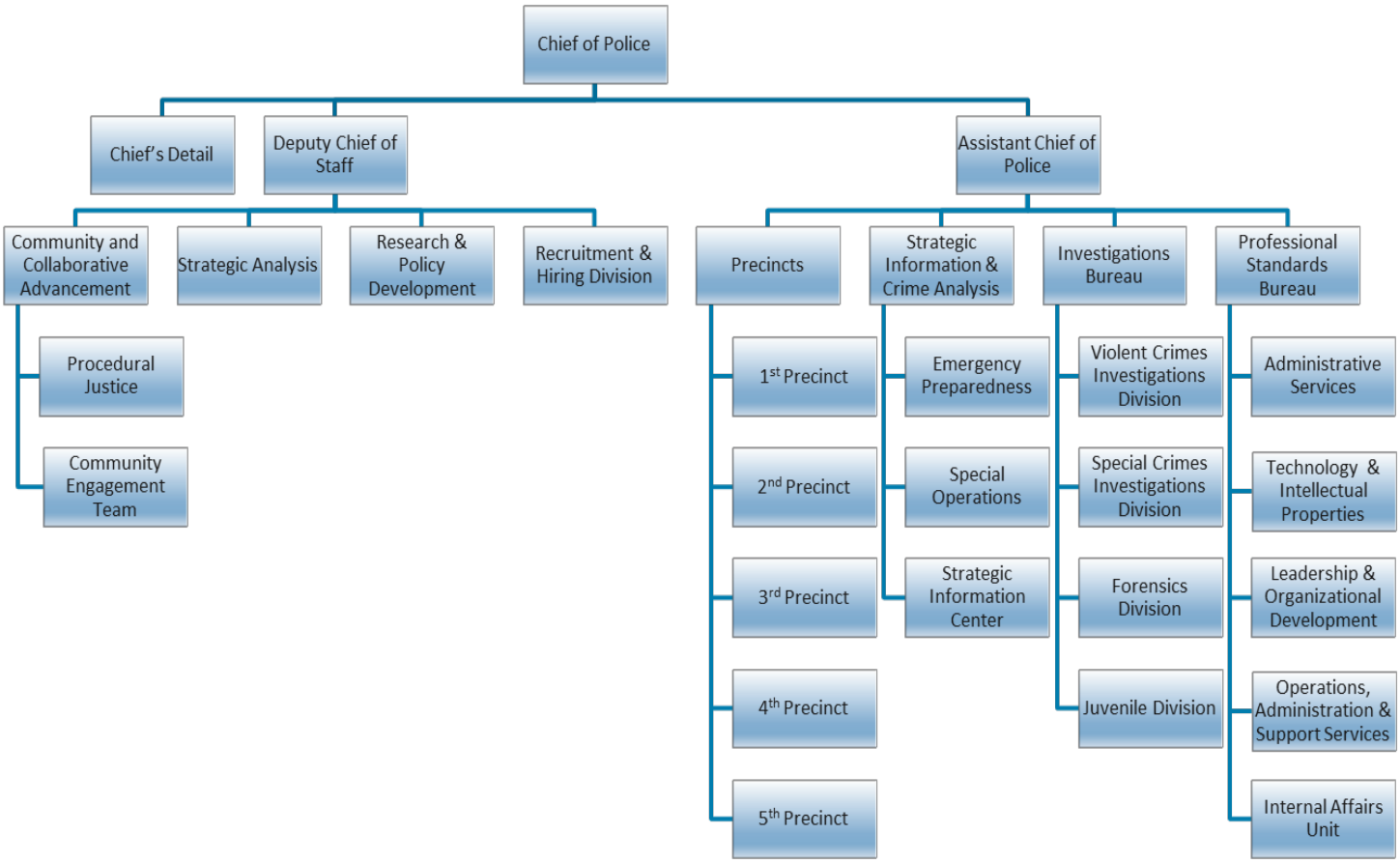
- Administrative Services Division
  - Health & Wellness, Quality Assurance, Early Intervention System
- Technology and Support Services Division
  - Fleet, Police Stores, Business Technology, Property & Evidence, Records, Transcriptions
- Internal Affairs Unit
- Leadership and Organizational Development Division
  - Academy, In-Service Training, Pre-Service Training

Chief of Staff

- Procedural Justice Unit Division

  - Community Engagement Team, Procedural Justice Unit, Chaplain Program
- Recruitment and Hiring Division
  - Backgrounds, CSO Program, Court Liaison, Recruitment
- Public Information Officers
- Research and Policy Development
- Strategic Analysis Unit

ORGANIZATION CHART



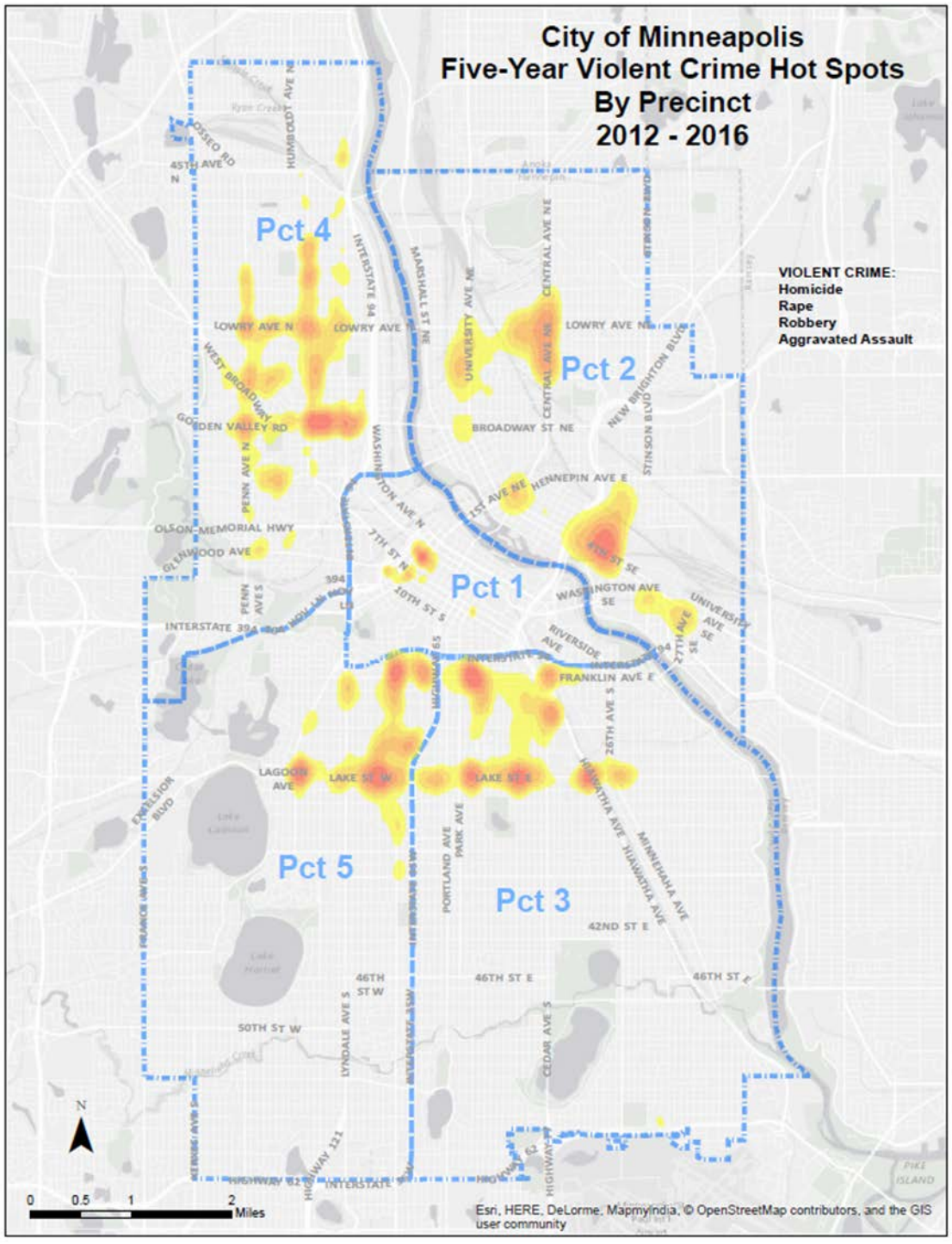
A City That Works

MPD Special Operations and Intelligence

General Fund: $6,762,231
Other Funds: $831,000

The Special Operations and Intelligence Program is designed to deliver specialized response 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. Special Operations 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. The program also includes the Strategic Information Center, which combines real-

time intelligence, deep data mining, and link 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 Operations Division Stats:

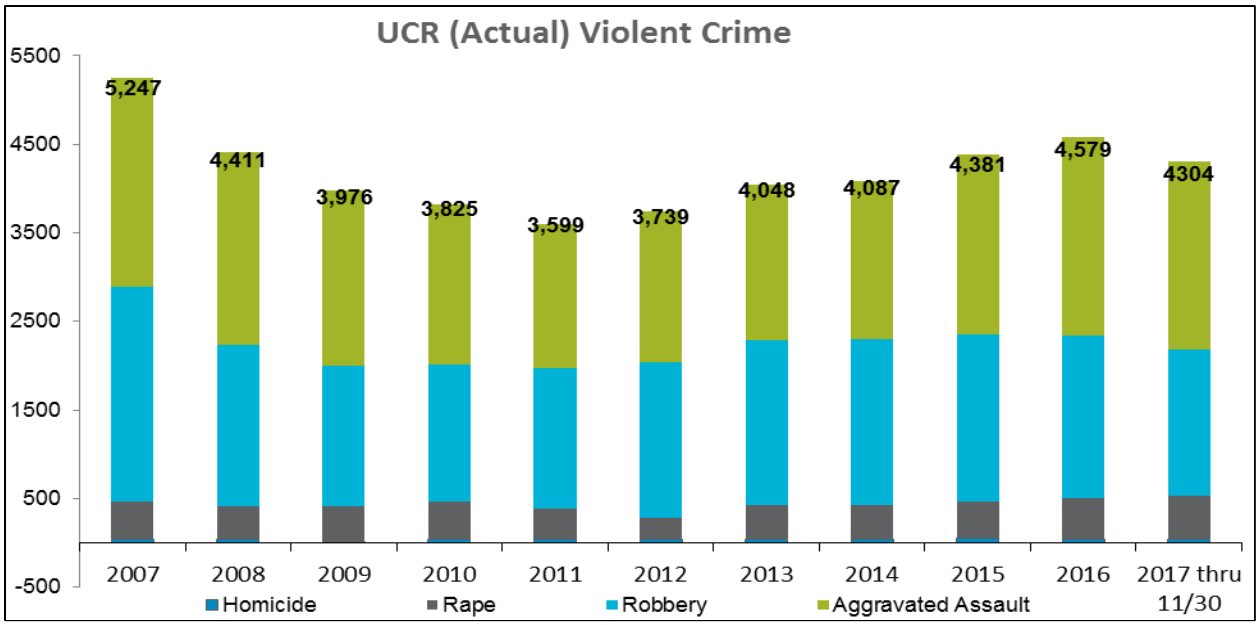
- **SWAT**
  - Served 126 high-risk search warrants
  - 29 call outs for SWAT Negotiators
  - 15 full negotiations conducted
  - Developed department-wide active shooter training MFD, MECC, as well as trained several other agencies.
  - SWAT Officers continue to train 20 hours/4-week work cycle and attend annual training for 40+ hours, within the National Standard
  - Conduct site surveys and advise on active shooter response to businesses and schools

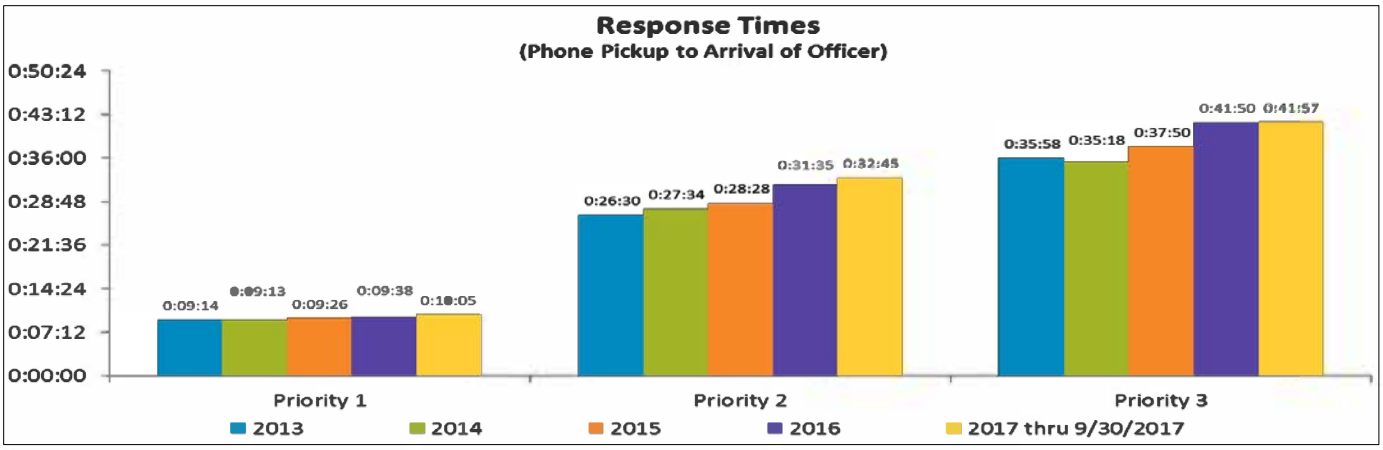
- **Bomb Squad in 2017**
  - 102 calls for service in 2016
  - 35 calls to assist other agencies with suspicious packages, explosives recovery, other
  - The Bomb Squad conducted 15 dignitary protective details/sweeps, and 88 sweeps prior to large events
  - Assist with in-service training and recruit training
  - Members train two 10 hour days/four week period, which is mandated by the FBI

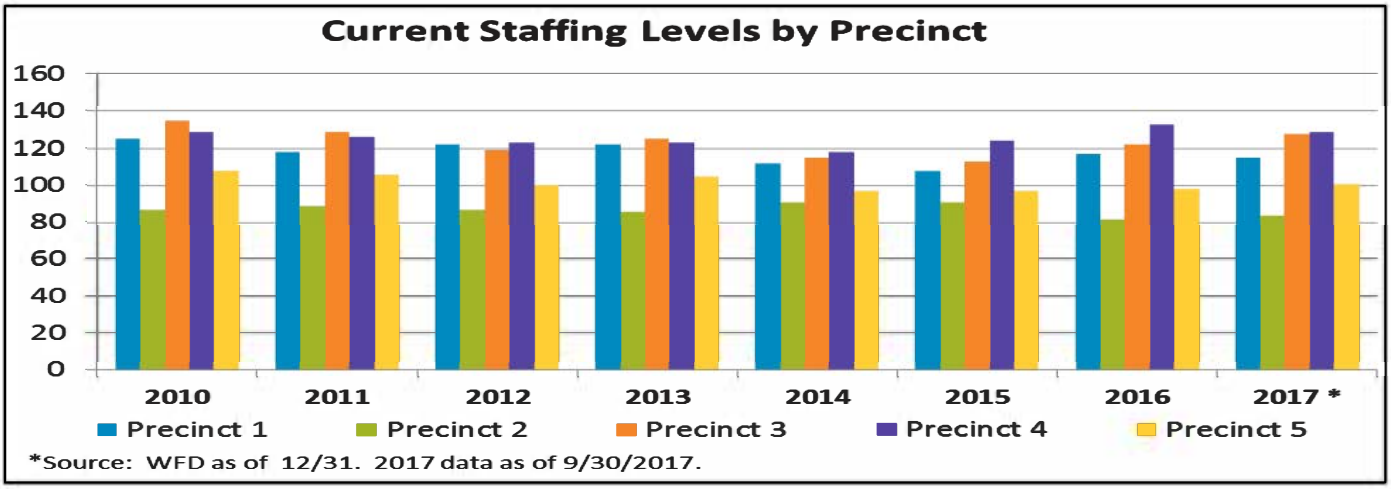
MPD Public Safety Services

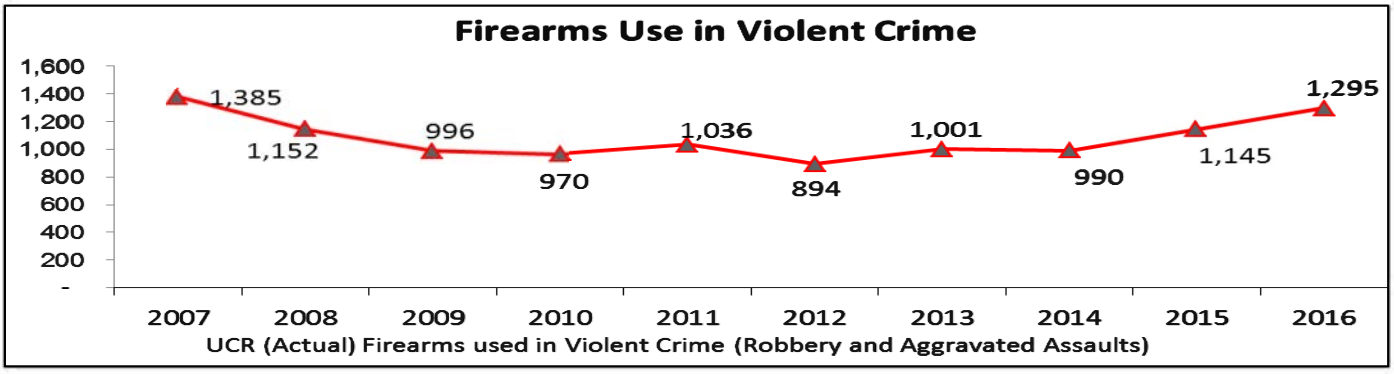
General Fund: $101,272,528
Other Funds: $1,305,403

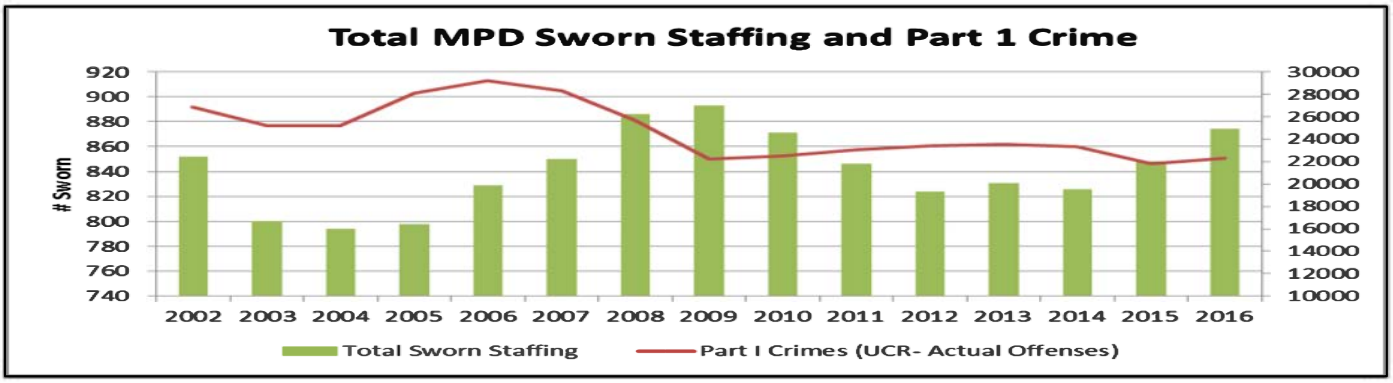
The chief responsibility of MPD is maintaining law and order and restoring peace when public safety is threatened. The Public Safety Services program is comprised of several components: 911 Responders from five precincts which include regular Patrol, Directed Patrol, Mounted Patrol, Canine Unit, Bike Patrol, and the Investigative Units from the precincts, which include Property Crimes and Community Response Teams (CRT). Services provided within this program are truly the "backbone" of the Minneapolis Police Department.




Response Times
(Phone Pickup to Arrival of Officer)
0:50:24
0:43:12
0:36:00
0:28:48
0:21:36
0:14:24
0:07:12
0:00:00
0:09:14
0:09:13
0:09:26
0:09:38
0:10:05
0:26:30
0:27:34
0:28:28
0:31:35
0:32:45
0:35:58
0:35:18
0:37:50
0:41:50
0:41:57
Priority 1
Priority 2
Priority 3
2013
2014
2015
2016
2017 thru 9/30/2017


Current Staffing Levels by Precinct
160
140
120
100
80
60
40
20
0
2010
2011
2012
2013
2014
2015
2016
2017 *
Precinct 1
Precinct 2
Precinct 3
Precinct 4
Precinct 5
*Source: WFD as of 12/31. 2017 data as of 9/30/2017.


Firearms Use in Violent Crime
1,600
1,400
1,200
1,000
800
600
400
200
-
1,385
1,152
996
970
1,036
894
1,001
990
1,145
1,295
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
UCR (Actual) Firearms used in Violent Crime (Robbery and Aggravated Assaults)

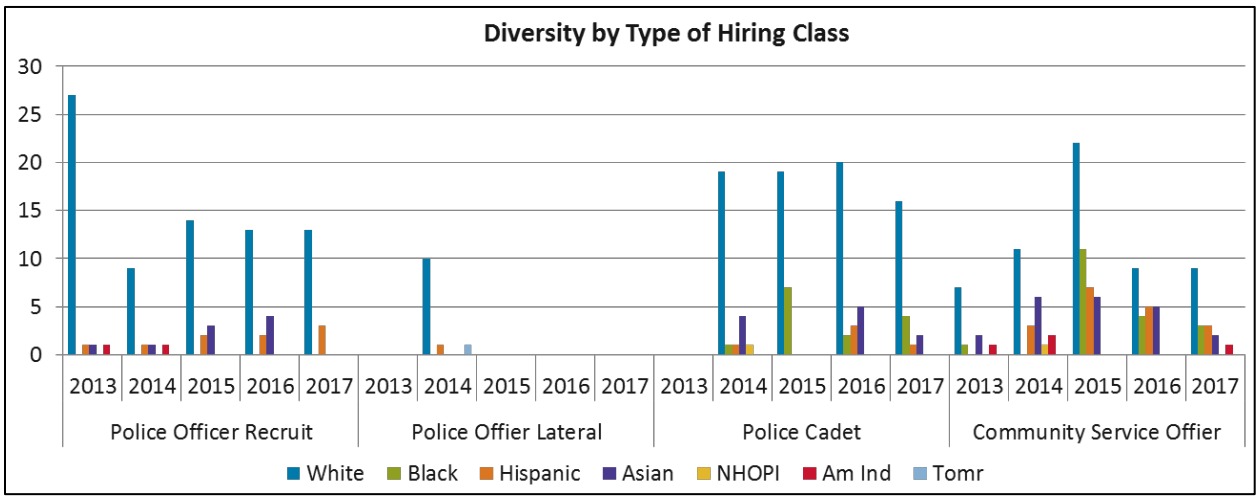

Total MPD Sworn Staffing and Part 1 Crime
Sworn
920
900
880
860
840
820
800
780
760
740
30000
28000
26000
24000
22000
20000
18000
16000
14000
12000
10000
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
Total Sworn Staffing
Part I Crimes (UCR- Actual Offenses)

Living Well

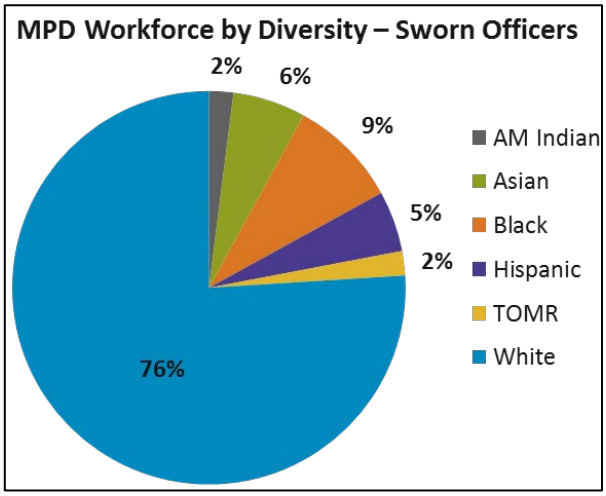
MPD Professional Standards, Administration, and Professional Development

General Fund: $26,484,023
Other Funds: $1,251,000

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. The Bureau ensures professional standards, integrity, and recruitment and training to maintain accountability, trust and responsibility. This program includes the Chief's Detail, Finance, Internal Affairs, Leadership and Organizational Development Training, Recruitment and Hiring, Academy, Community Service Officers Program, Property & Evidence, Business Technology, Fleet, and other Support Services.







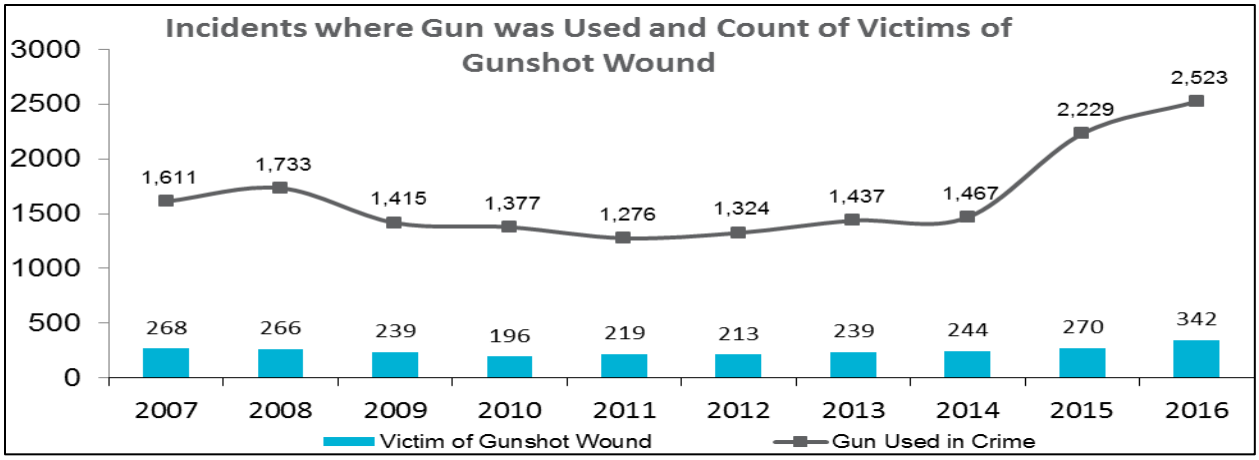
MPD Investigations and Forensics

General Fund: $33,614,143
Other Funds: $1,556,438

Investigations and Forensics provides both initial and follow-up investigations regarding criminal activity in Minneapolis, compiles comprehensive and factual case files to be presented in court, and assists with proactive enforcement to curtail future criminal activity from occurring. The program includes three units. Violent Crimes Investigations is responsible for investigating violent crimes, homicides, robbery, assault, weapons, and gang cases as well as some narcotics offenses. Investigators work with multiple task forces (DEA, VCAT, and Safe Streets) leveraging federal, state, local and private resources and skills to bring focus to high priority community issues and to investigate and hold offenders accountable. Special Crimes Investigations works collaboratively with criminal justice partners and community stakeholders to investigate and hold those who commit crimes accountable. Investigators work proactively through multi-agency partnerships, to reduce 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, and Licensing. MPD's Juvenile Investigations Division is responsible for investigating juvenile crime and works with partners to effectively provide outreach and diversion programs including PAL, School Resource Officers, and other. Forensics provides scientifically based information through the analysis of physical evidence collected at crime scenes, and is responsible for the identification, analysis, and preservation of physical evidence that meet professional standards in order to be admissible in court.

Investigations and Forensics – 2016 Results

- Assault Unit assigned 200 more cases in 2016, closing approximately 300 cases
- Homicide worked 36 cases, closing 20 in 2016
- Homicide worked 194 other cases including kidnapping, suicide, overdose, suspicious deaths, other
- Weapons Unit recovered 85 firearms, 12% increase over 2015, resulting in 103 local and 32 federal firearms charges
- Violent Criminal Apprehension Team made 288 arrests, including 15 homicide suspects, 72 assault suspects, and 82 robbery suspects, and negotiated the voluntary surrender of 38 wanted individuals.
- SAFE Streets/DEA Task Force focused on violent gang members, resulting in nearly 3000 months of sentencing
- The Sex Crimes Unit worked 412 cases, producing a 78% closure rate
- The Domestic Assault Group worked 680 cases, closing 303 by arrest
- Juvenile Investigations achieved an overall closure rate of 91% with a 61% charging rate for cases including robbery, misdemeanor assault, and weapon offenses
- Traffic Officers were assigned 1,640 cases, including 10 fatalities, increasing the charging rate by 63%
- Forensics processed 1,020 crime scenes, processed 6,138 items, developed 3,098 latent print impressions, examined 453 cell phones, performed 4,983 comparison exams, and examined 561 firearms
- The Juvenile Outreach and Diversion Unit recommended 162 juveniles for the Juvenile Diversion Program, designed to hold youth accountable to victims and community while forgoing the formal court process

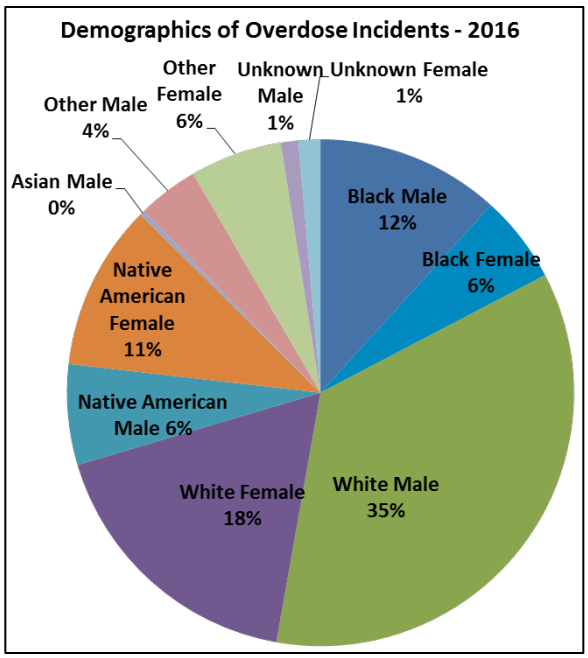


One Minneapolis

MPD Community and Collaborative Advancement

General Fund: $5,534,952
Other Funds: $827,400

The Community and Collaborative Advancement Program strives to develop working relationships with the citizen and business community to reduce crime, improve community/police cooperation, provide education, and improve the quality of life in the Community. The unit focuses on the way police interact with the public, and how the characteristics of those interactions shape the public's view of the police, their willingness to obey the law, and actual crime rates. The program's goal is to enable the MPD to respectfully provide effective, unbiased public safety, and enhance community partnerships that encourage collaborative problem solving. The Division is comprised of various components – Community Crime Prevention, a Community Engagement Team, the Procedural Justice Unit, the Strategic Analysis Unit, and Research and Policy Development. These units develop working relationships with neighborhoods and other stakeholders to improve community and police cooperation, promote crime prevention, and improve the quality of life in Minneapolis through education, collaboration, communication, and other.

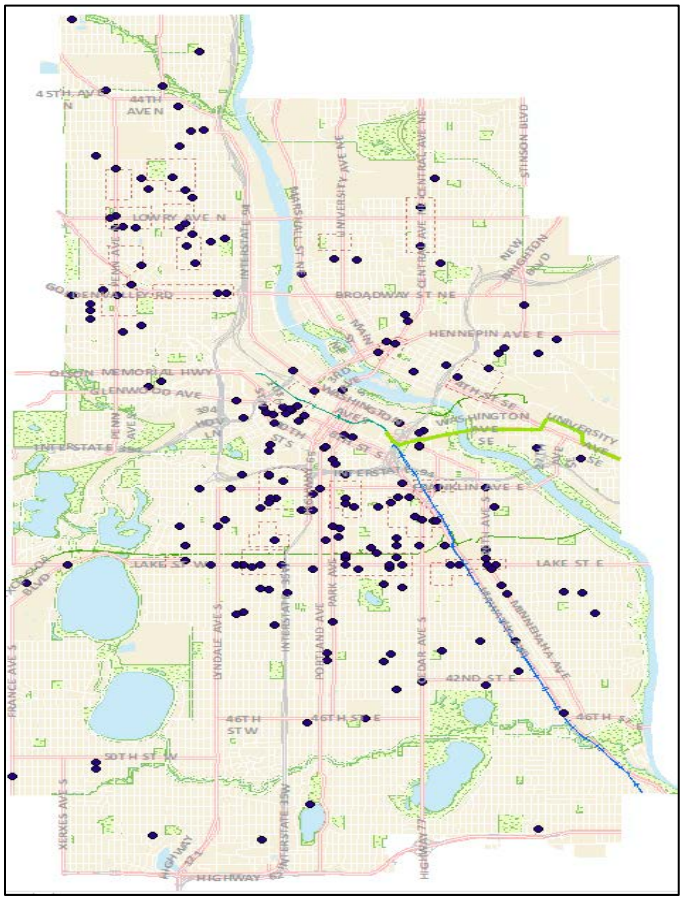


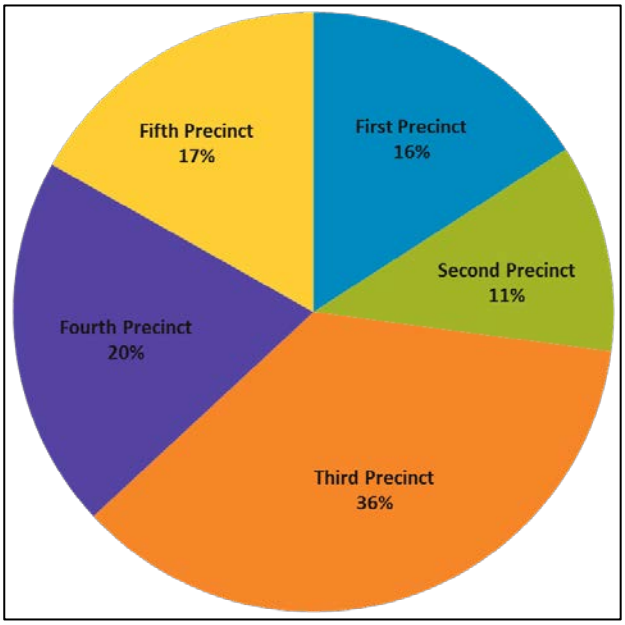
Community and Collaborative Advancement

Community Engagement

- **Community Engagement Team**
  - 4655 new contacts
  - 1155 Community Forums
  - 1897 Community issues addressed
  - 81 training programs delivered
- **Community Engagement Partnerships:**
  - North Loop Neighborhood Assoc.
  - MPD Citizen Academy
  - North High School
  - Police Athletic League Brain Camp
  - Procedural Justice trainings
  - MPD Chaplains
  - Others
- **Bike Cops for Kids**
  - 8300 kids met
  - 33 bikes donated
  - 1147 helmets distributed
  - 3500 water bottles distributed
  - 71 Community Events
  - 9 Support Programs

Overdose – accidental: 911 Calls by Precinct 2017 YTD





FINANCIAL ANALYSIS

Expenditure

The total Minneapolis Police Department's budget increases from $163.2 million to $179.4 million from 2017 to 2018. This is an increase of $16.3 million, or 10.0%. The Police Department's 2018 expenditure budget reflects routine inflationary increases in operating costs and additional personal cost associated with retroactive contract settlement to 2015 of $10.9 million and the budgetary change items of $5.3 million.

Revenue

Revenues are projected to decrease by 0.9% in this department due to reduction in charges for services and Federal grants. The department's total revenues in 2018 are projected to be $14.5 million excluding the use of fund balance.

Fund Allocation

This department is funded primarily in the General Fund at 96.8%, 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 recommends additional ongoing General Fund appropriations of $734,000 for hiring eight Crime Prevention Specialists (includes 8.0 FTEs), $79,400 to expand the records information unit (includes 1.0 FTE), $196,800 for unit and precinct administrative support (includes 2.0 FTEs), and $25,000 for late night safety/curfew awareness in downtown. The Mayor also recommends $122,500 for adding 1.0 sworn officer and $239,000 for transferring 2.0 sworn officers from Grant Fund to General Fund due to the completion of the grants. This will raise the authorized strength of the Police Department to 878 in 2018. The Mayor also recommends a reduction of $142,700 in ongoing General Fund resources to assist in funding new initiatives.

The Mayor also recommends one-time General Fund appropriations of $100,000 for the mental health co-responder program, $25,000 for restorative justice strategies, $80,000 for a sexual assault survivor advocate pilot program, $2,350,000 for planned overtime expense related to increased staffing for Super Bowl LII reimbursable by the Super Bowl Committee, and a transfer of $305,000 from the Self-Insurance Fund to the General Fund for body cameras.

The Mayor also recommends one-time General Fund appropriations of $225,000 for the Milestone Public Safety Camera System (MPSCS), $85,000 for a forensic comparison Microscope, $70,000 for In Squad Video, and $260,000 for additional police vehicles. The appropriation for the MPSCS is not available to be spent until the Police, IT, and Finance & Property Services departments have reached a mutually agreed upon work plan.

Council Adopted Budget

The City Council amended the Mayor's recommendation in the general fund; reducing the ongoing appropriation for Community Safety Liaisons by $347,662 and eliminating 4 FTE; increasing the department's ongoing appropriation by $545,662 for matching funds to support the 10.0 additional sworn officers funded via the 2017 Federal Community Oriented Policing Strategies (COPS) grant. This will raise the authorized strength to 888 in 2018. The Council also added an ongoing appropriation of $180,000 and 2 FTE for body camera data review specialists.

POLICE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	84,736,786	87,126,949	86,988,880	99,585,749	14.5%	12,596,869
FRINGE BENEFITS	30,649,998	32,343,411	33,826,762	37,356,132	10.4%	3,529,370
CONTRACTUAL SERVICES	20,176,588	22,717,392	23,010,492	25,403,637	10.4%	2,393,145
OPERATING COSTS	11,630,521	10,989,424	11,664,171	10,632,360	-8.8%	(1,031,811)
CAPITAL	690,441	1,066,404	1,630,202	690,000	-57.7%	(940,202)
TOTAL GENERAL	**147,884,333**	**154,243,580**	**157,120,507**	**173,667,878**	**10.5%**	**16,547,371**
SPECIAL REVENUE						
SALARIES AND WAGES	2,263,866	2,766,990	3,036,375	3,283,199	8.1%	246,824
FRINGE BENEFITS	551,744	651,849	853,269	924,838	8.4%	71,570
CONTRACTUAL SERVICES	990,551	721,128	938,301	849,801	-9.4%	(88,500)
OPERATING COSTS	336,439	866,458	1,214,213	583,402	-52.0%	(630,811)
CAPITAL	149,582	108,516		130,000		130,000
TOTAL SPECIAL REVENUE	**4,292,182**	**5,114,941**	**6,042,157**	**5,771,240**	**-4.5%**	**(270,917)**
TOTAL EXPENSE	**152,176,515**	**159,358,521**	**163,162,664**	**179,439,118**	**10.0%**	**16,276,454**

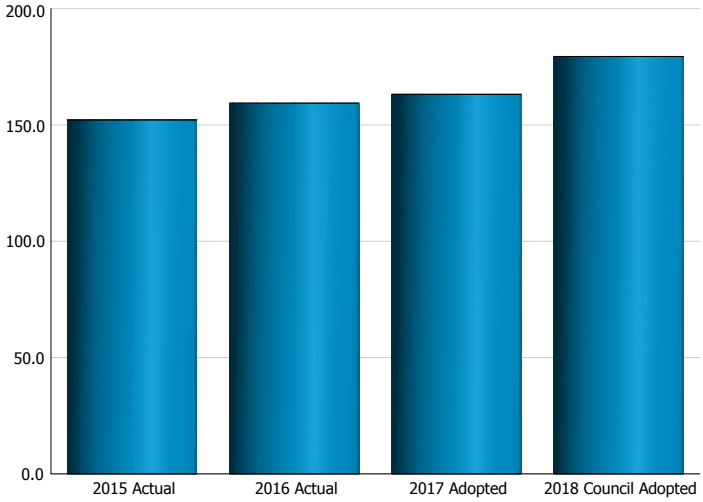
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	229				0.0%	0
CHARGES FOR SERVICES	1,299,953	1,377,074	1,575,000	1,450,000	-7.9%	(125,000)
FEDERAL GOVERNMENT	0				0.0%	0
FINES AND FORFEITS	1,542,644	1,344,691	1,300,000	1,300,000	0.0%	0
LICENSE AND PERMITS	(390)	1,500			0.0%	0
OTHER MISC REVENUES	3,621	67,115			0.0%	0
SALES AND OTHER TAXES		50			0.0%	0
STATE GOVERNMENT	6,784,253	7,163,963	6,800,000	7,160,000	5.3%	360,000
TRANSFERS IN		96			0.0%	0
GENERAL	**9,630,310**	**9,954,488**	**9,675,000**	**9,910,000**	**2.4%**	**235,000**
SPECIAL REVENUE						
CHARGES FOR SERVICES	450,342	1,101,997	2,339,582	2,074,000	-11.4%	(265,582)
CONTRIBUTIONS	16,069	142,572		30,000	0.0%	30,000
FEDERAL GOVERNMENT	1,696,337	2,328,755	2,012,608	1,621,145	-19.5%	(391,463)
FINES AND FORFEITS	502,885	406,061	400,000	338,000	-15.5%	(62,000)
INTEREST		2,892			0.0%	0
LICENSE AND PERMITS	1,073,277	973,597			0.0%	0
LOCAL GOVERNMENT	1,329				0.0%	0
OTHER MISC REVENUES	1,229	(641)			0.0%	0
SALES AND OTHER TAXES	186,863	212,556	184,826	200,000	8.2%	15,174
STATE GOVERNMENT	227,387	262,830	412,674	314,259	-23.8%	(98,415)
TRANSFERS IN		1,229			0.0%	0

POLICE
EXPENSE AND REVENUE INFORMATION

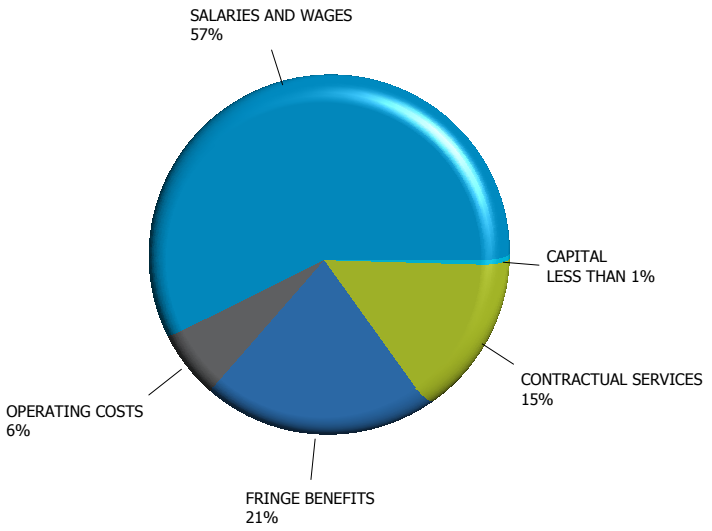
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
USE OF FUND BALANCE			100,000	500,000	400.0%	400,000
SPECIAL REVENUE	**4,155,719**	**5,431,849**	**5,449,690**	**5,077,404**	**-6.8%**	**(372,286)**
TOTAL REVENUE	**13,786,029**	**15,386,337**	**15,124,690**	**14,987,404**	**-0.9%**	**(137,286)**

POLICE
EXPENSE AND REVENUE INFORMATION

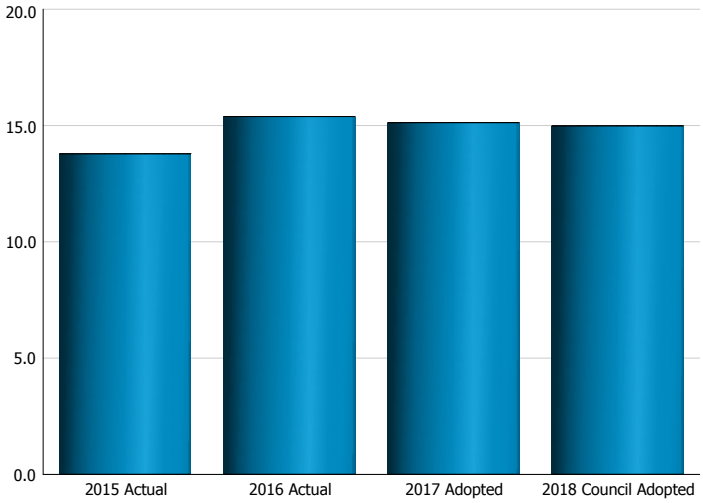
Expense 2015 - 2018
In Millions



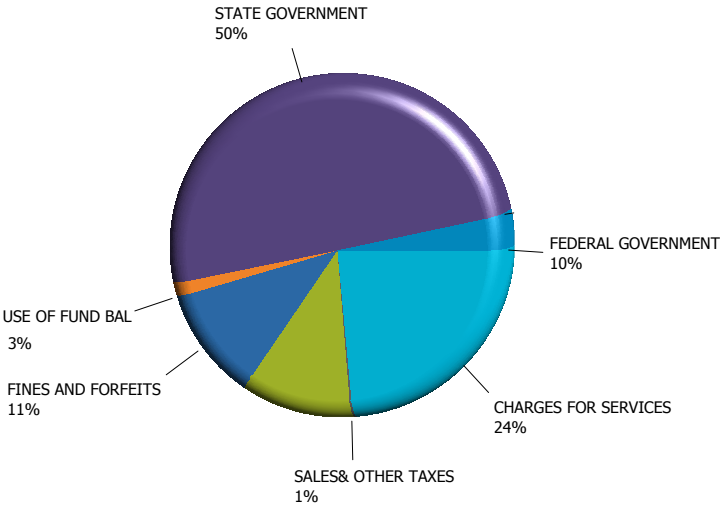
Expense by Category



Revenue 2015 - 2018
In Millions



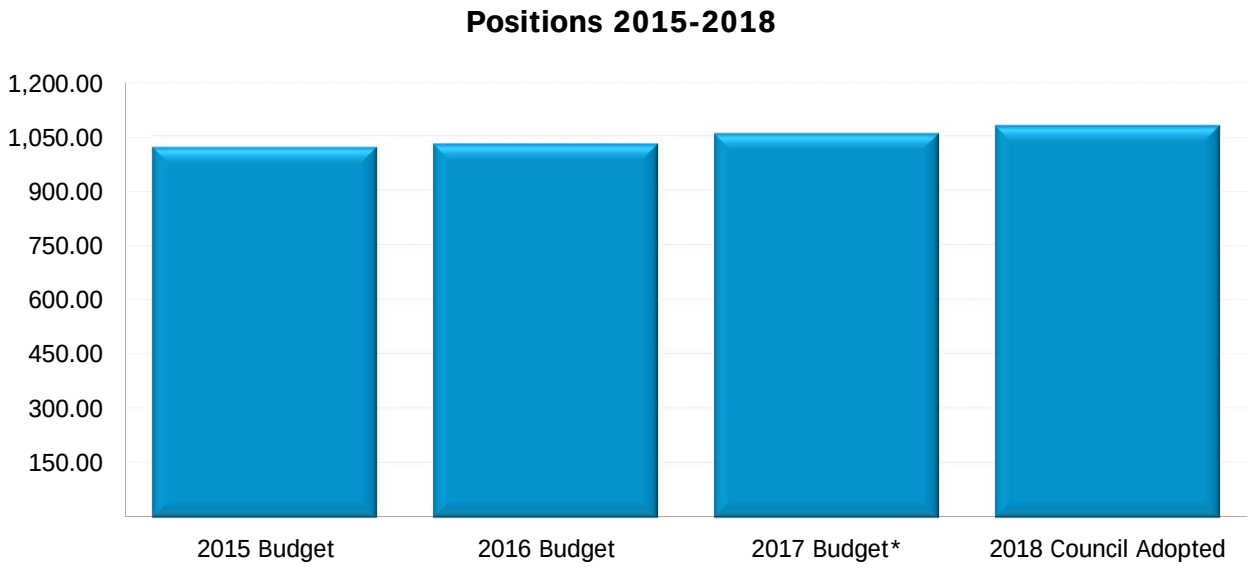
Revenue by Type



MINNEAPOLIS POLICE DEPARTMENT

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
INVESTIGATIONS	201.00	206.00	202.50	205.00	1.2%	2.50
PATROL	642.00	615.00	627.00	622.00	-0.8%	(5.00)
POLICE ADMINISTRATION	12.50	18.50	27.00	47.50	75.9%	20.50
PROFESSIONAL STANDARDS	138.00	140.00	156.00	166.00	6.4%	10.00
STRATEGIC INFORMATION MNGMT	27.00	50.00	46.00	40.00	-13.0%	(6.00)
Overall	1,020.50	1,029.50	1,058.50	1,080.50	2.1%	22.00



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

PUBLIC WORKS DEPARTMENT

MISSION

To be effective stewards of the public infrastructure, and provide valued city services that contributes to public safety, economic vitality and neighborhood livability in Minneapolis.

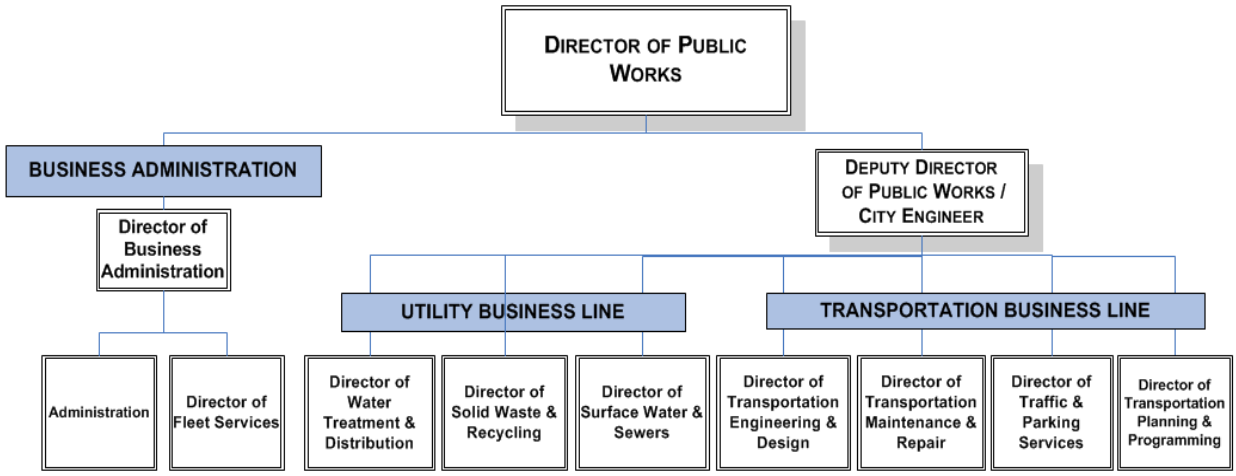
BUSINESS LINES

- 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 P Design, Transportation Planning and Programming, and Transportation Maintenance and Repair.

ORGANIZATION CHART



A City that Works

Fleet Operations Other Funds: $36,146,596

Fleet operations provides fleet management, service maintenance, and field support. Fleet management includes developing fleet replacement programs for all vehicles and equipment to meet the needs of using departments. Service maintenance includes set-up, maintenance, repair, and decommissioning of all vehicles and equipment as well as managing fueling sites at City-owned facilities and environmental compliance with federal, state, and local laws, rules, and policies. This program also provides support to field operations through staffing and equipment resources, as well as providing services in safety, training, and emergency management.

Public Works Administration General Fund: $3,992,928

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.

Traffic General Fund: $11,111,032
Other Funds: $330,387

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).

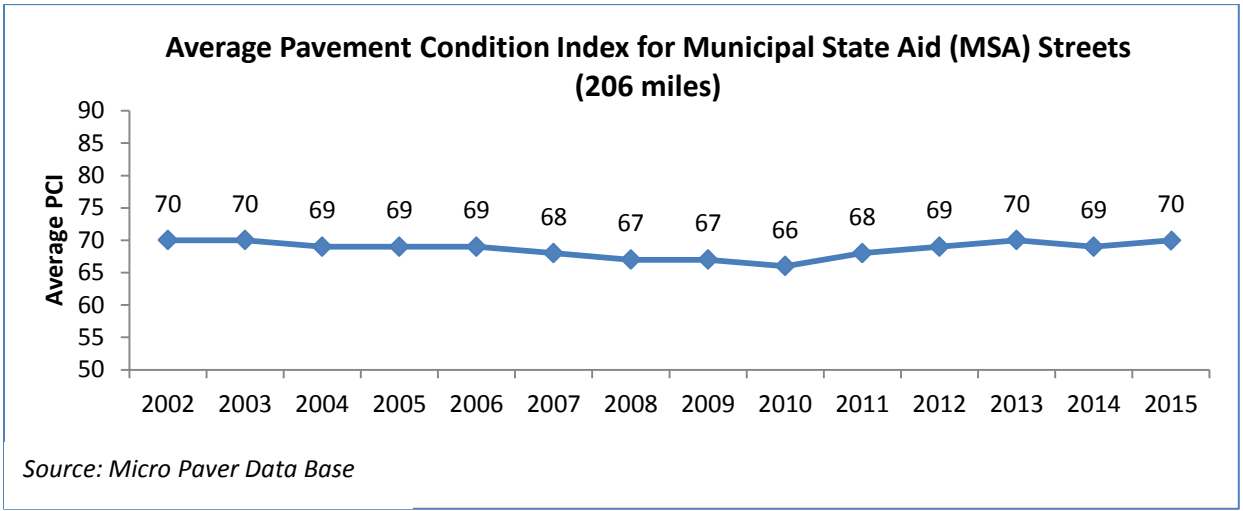
Construction Management Other Funds: $7,372,891

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.

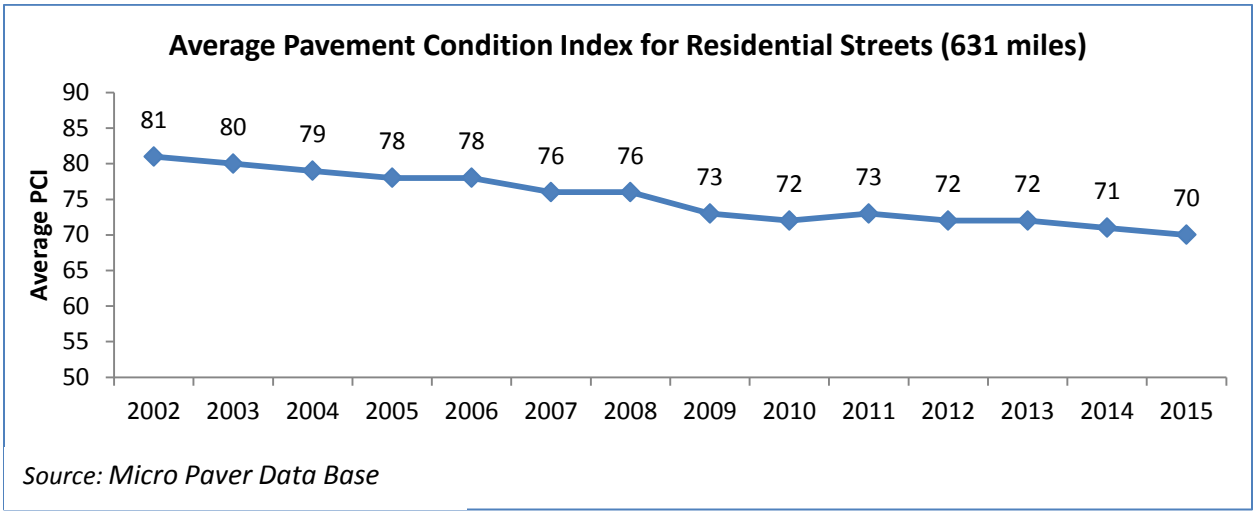
Additionally, Construction Management takes the lead on construction-related environmental contamination issues associated with construction projects, including a fully-trained staff to deal with site-specific construction contingency and remedial action plans, as well as managing the necessary contracts and consultants.

Street Maintenance and Repair General Fund: $11,110,309

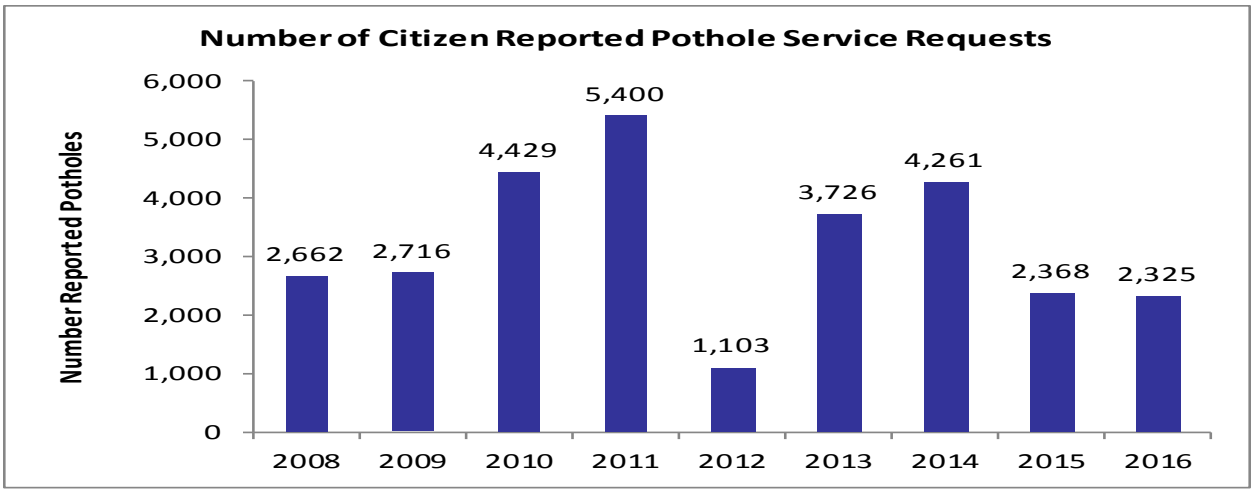
This program provides basic maintenance and repair services on over 1,000 miles of City streets and parkways as well as 400 miles of alleys. This program also includes general pothole patch and repair, preventative maintenance such as crack sealing and sealcoating, utility cut restoration, and other pavement-related repairs.



Source: Micro Paver Data Base



Source: Micro Paver Data Base



Snow and Ice Control General Fund: $13,521,130

This program provides snow and ice control as well as other winter maintenance services on City streets, alleys, bridges and public sidewalks.

Trails and Greenspaces General Fund: $2,344,404

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.

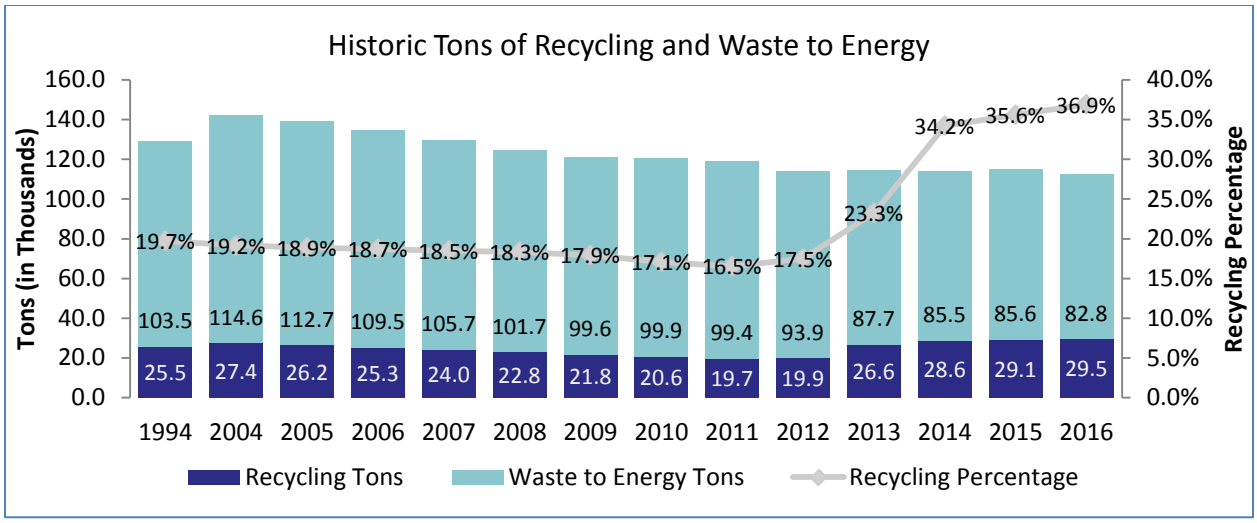
Ramp Maintenance and Repair General Fund: $3,265,940

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 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: $40,847,039

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: $9,866,351

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: $60,405,710

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.

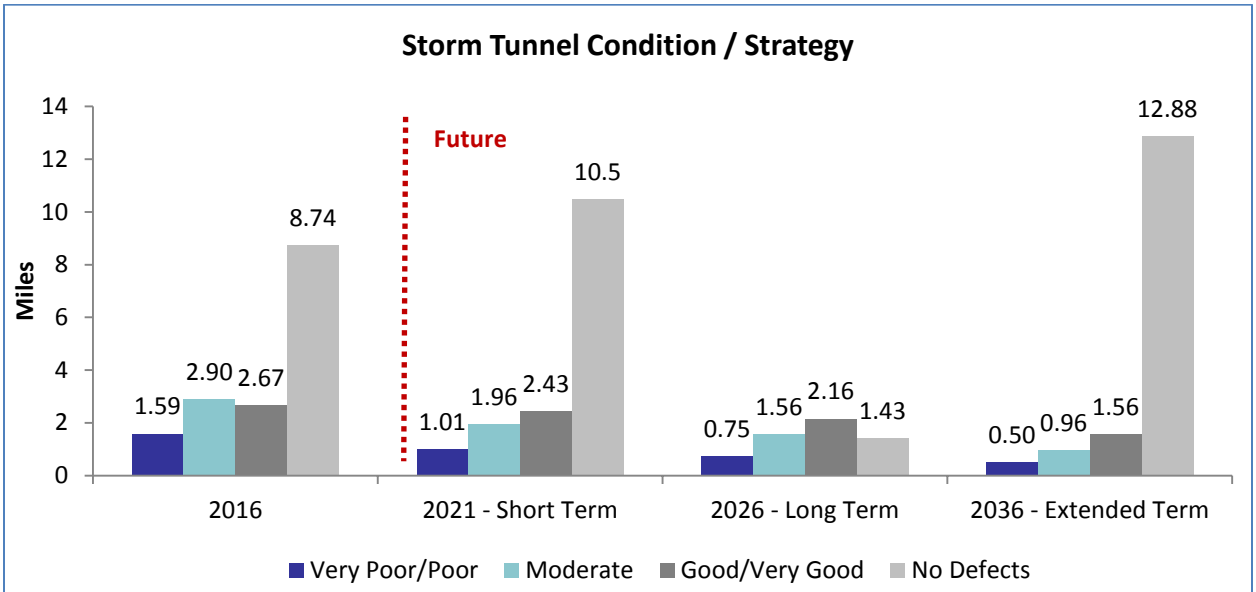
Sanitary - Collection and Treatment Other Funds: $67,450,203

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: $21,642,742

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.



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

Living Well

Minneapolis Impound Lot Other Funds: $5,816,513

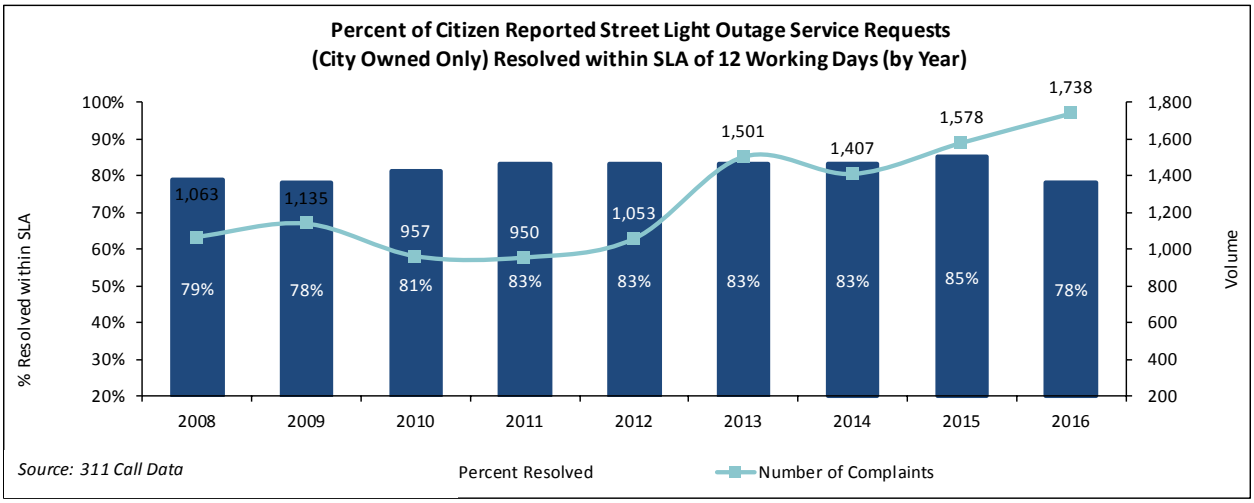
The Minneapolis Impound Lot, operated by the Public Works Department, is responsible for towing, storing and processing vehicles removed by law enforcement in accordance to applicable City ordinances and State statutes. It also auctions off unclaimed vehicles through public and dealer auctions and offers such services to other City departments and divisions whenever needed.

Sidewalk Other Funds: $1,287,556

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: $6,313,065

This program encompasses the operation and maintainance of the existing 48,000 streetlights including both city metal pole lights (20,000) and Xcel wood pole lights (28,000). 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: $2,689,321
Other Funds: $773,903

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 multi-model transportation planning; coordination and development of the Public Works Capital Improvement Plan; partnerships with other public agencies such as Met Council, Hennepin County, and the State of Minnesota; grant applications for outside funding sources; and community engagement around transportation projects 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: $3,103,944

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 Engineering and Design 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 Management General Fund: $2,032,420

This program encompasses the oversight or Right of Way management. The city's roads, sidewalks, and alleys exist on public Right of Way that requires management from a use and real estate perspective. This includes providing encroachment permits, banner permits, Right of Way vacation requests, real estate management, and special assessment support for all Public Works projects and programs.

Surface Transportation Capital Other Funds: $12,544,656

The Surface Transportation Capital group provides oversight of all engineering and design for Minneapolis roadways, bridges, streetscapes, and bike trails. This program also manages the coordination of work associated with State of Minnesota and Hennepin County projects within Minneapolis.

A Hub of Economic Activity and Innovation

On-Street Parking Other Funds: $4,577,485

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: $33,520,784

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: $1,700,000
Other Funds: $6,919,833

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 $370.7 million for 2018. This is an increase of 8.3% or $28.5 million over the 2017 budget. The largest appropriation increases are found in the internal services fund, with a budgeted increase of 29.3% from 2017. The 2018 budget includes budgetary change items of $1.9 million (includes 3.0 FTEs) with a reduction of $570,000 to assist in funding new initiatives.

Revenue

Total revenue for all Public Works divisions combined is projected to be $409.6 million, excluding the use of fund balance. This is an increase of 11.6% or $42.5 million over the 2017 budget.

Fund Allocation

The department is funded from a variety of sources including Enterprise Funds (76.6%), the General Funds (5.5%), Internal Service Funds (12.7%), Capital Project Funds (3.5%), and Special Revenue Funds (1.6%).

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

Council Adopted Budget
Please see the divisional sections below for the Council's amendments to the Mayor's recommendations.

EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
CAPITAL PROJECT						
SALARIES AND WAGES	1,863,170	3,349,883	3,905,488	4,525,490	15.9%	620,002
OPERATING COSTS	74,001	91,209	122,661	117,739	-4.0%	(4,922)
FRINGE BENEFITS	1,097,399	1,104,558	1,466,470	1,740,619	18.7%	274,149
CONTRACTUAL SERVICES	5,083,944	4,917,129	7,243,558	7,982,267	10.2%	738,709
CAPITAL	29,554	36,873	80,000	240,000	200.0%	160,000
TOTAL CAPITAL PROJECT	**8,148,068**	**9,499,651**	**12,818,177**	**14,606,114**	**13.9%**	**1,787,937**
ENTERPRISE						
SALARIES AND WAGES	31,751,946	33,794,996	36,657,466	38,935,175	6.2%	2,277,710
OPERATING COSTS	58,089,675	61,812,288	61,606,366	63,212,142	2.6%	1,605,775
FRINGE BENEFITS	26,833,177	15,524,207	17,730,366	19,275,145	8.7%	1,544,779
CONTRACTUAL SERVICES	98,302,446	107,965,561	111,409,530	120,225,989	7.9%	8,816,459
CAPITAL	700,644	406,261	2,541,794	2,723,376	7.1%	181,582
TOTAL ENTERPRISE	**215,677,888**	**219,503,313**	**229,945,522**	**244,371,826**	**6.3%**	**14,426,304**
GENERAL						
SALARIES AND WAGES	18,216,486	18,942,263	18,537,841	20,050,212	8.2%	1,512,371
OPERATING COSTS	8,742,229	8,340,000	10,568,994	9,060,358	-14.3%	(1,508,636)
FRINGE BENEFITS	7,790,406	8,674,335	8,525,961	9,495,011	11.4%	969,050
CONTRACTUAL SERVICES	17,947,171	20,739,948	21,286,530	22,179,910	4.2%	893,380
CAPITAL	323,023	214,462	160,502	154,002	-4.0%	(6,500)
TOTAL GENERAL	**53,019,315**	**56,911,008**	**59,079,828**	**60,939,493**	**3.1%**	**1,859,665**
INTERNAL SERVICE						
SALARIES AND WAGES	5,388,516	5,862,535	6,114,852	6,255,226	2.3%	140,374
OPERATING COSTS	6,944,926	6,010,041	7,738,866	13,377,425	72.9%	5,638,559
FRINGE BENEFITS	4,989,942	2,962,191	3,191,251	3,155,592	-1.1%	(35,659)
CONTRACTUAL SERVICES	6,029,049	7,498,011	6,898,884	8,135,207	17.9%	1,236,323
CAPITAL		7,888,822	9,956,695	12,926,423	29.8%	2,969,728
TOTAL INTERNAL SERVICE	**23,352,433**	**30,221,599**	**33,900,548**	**43,849,874**	**29.3%**	**9,949,326**
SPECIAL REVENUE						
SALARIES AND WAGES	20,182	11,646				0
OPERATING COSTS	205	3,667				0
FRINGE BENEFITS	7,087	4,086				0
CONTRACTUAL SERVICES	6,237,153	6,108,263	6,469,648	6,919,833	7.0%	450,185
TOTAL SPECIAL REVENUE	**6,264,627**	**6,127,663**	**6,469,648**	**6,919,833**	**7.0%**	**450,185**
TOTAL EXPENSE	**306,462,330**	**322,263,234**	**342,213,723**	**370,687,140**	**8.3%**	**28,473,417**

EXPENSE AND REVENUE INFORMATION

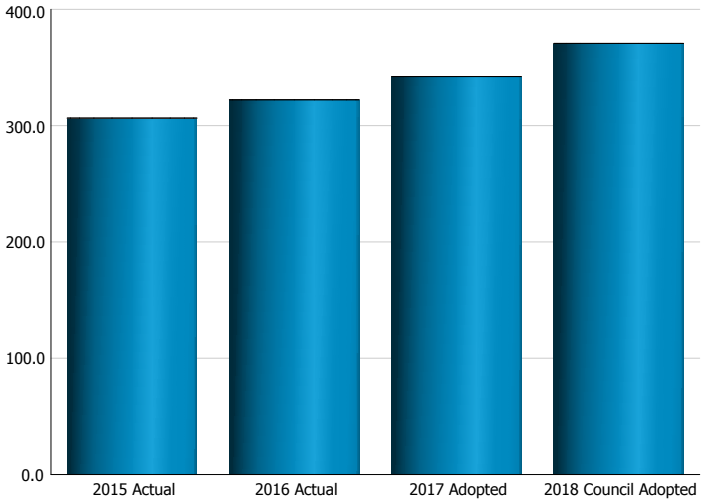
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
CAPITAL PROJECT						
CHARGES FOR SERVICES	7,930,601	7,632,596	3,865,000	16,290,500	321.5%	12,425,500
FEDERAL GOVERNMENT	39,339	89,051			0.0%	0
LICENSE AND PERMITS	289,534	117,660	310,000	310,000	0.0%	0
OTHER MISC REVENUES	70	570			0.0%	0
SPECIAL ASSESSMENTS	167,445	136,980	90,000	100,000	11.1%	10,000
USE OF FUND BALANCE			8,553,177	(2,094,385)	-124.5%	(10,647,562)
CAPITAL PROJECT	**8,426,989**	**7,976,857**	**12,818,177**	**14,606,115**	**208.1%**	**1,787,938**
ENTERPRISE						
CHARGES FOR SALES	1,657,660	3,401,353	1,163,000	1,668,000	43.4%	505,000
CHARGES FOR SERVICES	265,166,540	285,496,637	292,740,359	304,875,720	4.1%	12,135,361
FEDERAL GOVERNMENT	5,883				0.0%	0
FINES AND FORFEITS	15,349	64,967	45,000	45,000	0.0%	0
GAINS		207,891		6,000,000	0.0%	6,000,000
INTEREST		2,756			0.0%	0
LICENSE AND PERMITS	556,754	614,312	490,000	590,000	20.4%	100,000
LOCAL GOVERNMENT	1,338,876	1,935,131	1,398,502	2,035,277	45.5%	636,775
LONG TERM LIABILITIES PROCEEDS		364			0.0%	0
OTHER MISC REVENUES	21,244	512,027			0.0%	0
RENTS	9,867	31,701			0.0%	0
SPECIAL ASSESSMENTS	1,672,341	1,502,385	1,983,481	1,733,481	-12.6%	(250,000)
STATE GOVERNMENT	1,404,441	1,477,613	1,347,865	1,204,497	-10.6%	(143,368)
TRANSFERS IN	1,285,170	1,101,466			0.0%	0
USE OF FUND BALANCE			495,996	(1,414,490)	-385.2%	(1,910,486)
ENTERPRISE	**273,134,126**	**296,348,604**	**299,664,203**	**316,737,485**	**-294.9%**	**17,073,282**
GENERAL						
CHARGES FOR SALES	42,911	70,635	55,000	60,000	9.1%	5,000
CHARGES FOR SERVICES	12,915,609	14,114,661	11,080,335	11,961,357	8.0%	881,022
GAINS	5,016	1,638			0.0%	0
LICENSE AND PERMITS	3,664,356	3,138,264	2,242,000	2,360,000	5.3%	118,000
LOCAL GOVERNMENT	779,673	1,165,334	980,663	860,794	-12.2%	(119,869)
LONG TERM LIABILITIES PROCEEDS	(5,016)	(1,638)			0.0%	0
OTHER MISC REVENUES	364,271	161,666	209,000	215,000	2.9%	6,000
RENTS	8,957	52,126			0.0%	0
SPECIAL ASSESSMENTS	2,110,920	2,380,557	2,937,800	2,460,000	-16.3%	(477,800)
STATE GOVERNMENT	4,377,629	5,745,781	5,015,006	4,949,029	-1.3%	(65,977)
GENERAL	**24,264,326**	**26,829,025**	**22,519,804**	**22,866,180**	**-4.6%**	**346,376**
INTERNAL SERVICE						
CHARGES FOR SALES	7,846,434	6,763,987	8,233,826	14,242,042	73.0%	6,008,216
CHARGES FOR SERVICES	10,699,438	11,363,978	11,879,330	11,310,735	-4.8%	(568,595)

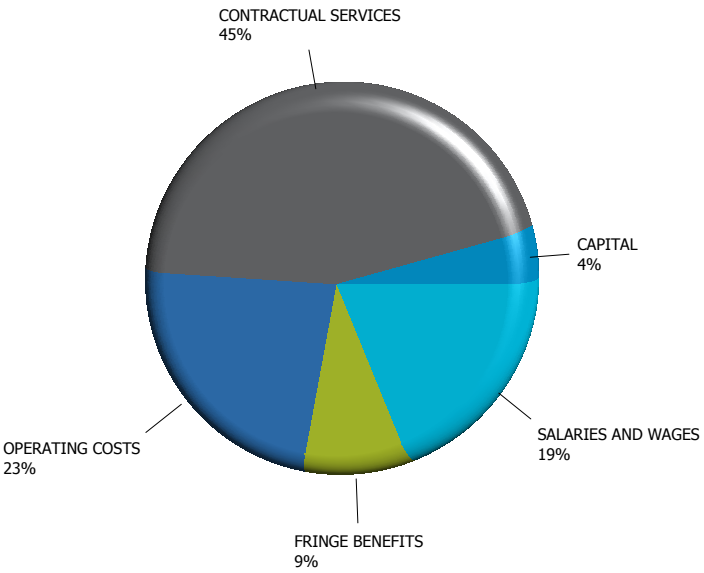
EXPENSE AND REVENUE INFORMATION

REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GAINS	259,521	424,434			0.0%	0
LONG TERM LIABILITIES PROCEEDS		(406,535)			0.0%	0
OTHER MISC REVENUES	97,448	73,511	10,000	10,000	0.0%	0
RENTS	13,907,011	16,445,662	14,754,974	19,639,053	33.1%	4,884,079
USE OF FUND BALANCE			(604,375)	7,310,850	-1,309.7%	7,915,225
INTERNAL SERVICE	**32,809,851**	**34,665,035**	**34,273,755**	**52,512,681**	**-1,208.4%**	**18,238,926**
SPECIAL REVENUE						
CONTRIBUTIONS	16,307				0.0%	0
LOCAL GOVERNMENT	8,000				0.0%	0
OTHER MISC REVENUES		19,192			0.0%	0
SPECIAL ASSESSMENTS	6,297,816	6,118,844	6,219,648	6,669,833	7.2%	450,185
STATE GOVERNMENT	10,000	355			0.0%	0
SPECIAL REVENUE	**6,332,123**	**6,138,390**	**6,219,648**	**6,669,833**	**7.2%**	**450,185**
TOTAL REVENUE	**344,967,415**	**371,957,911**	**375,495,587**	**413,392,294**	**-1,292.6%**	**37,896,707**

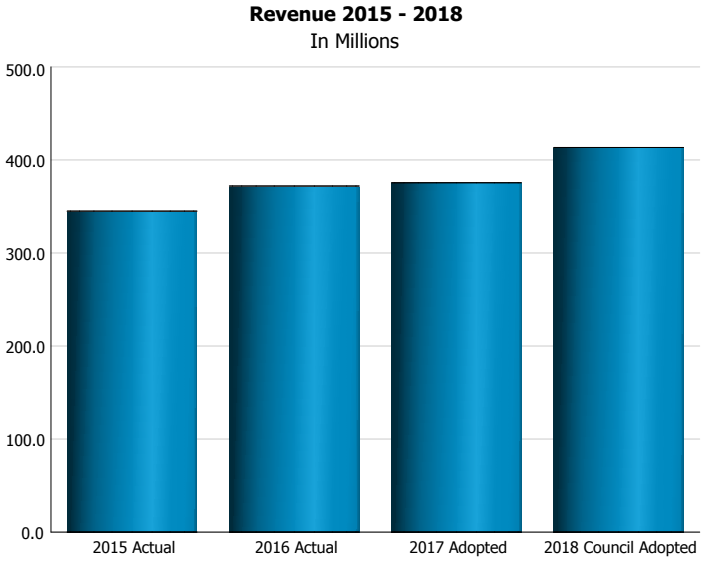
EXPENSE AND REVENUE INFORMATION

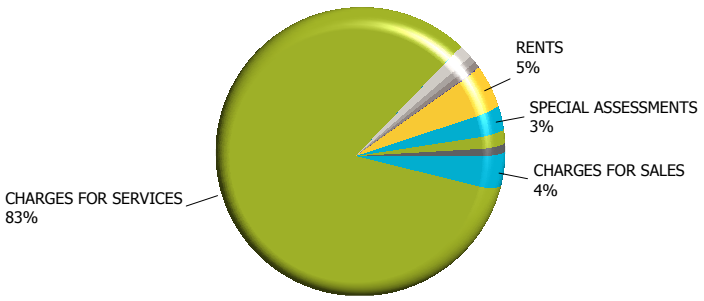
Expense by Category





Revenue by Type



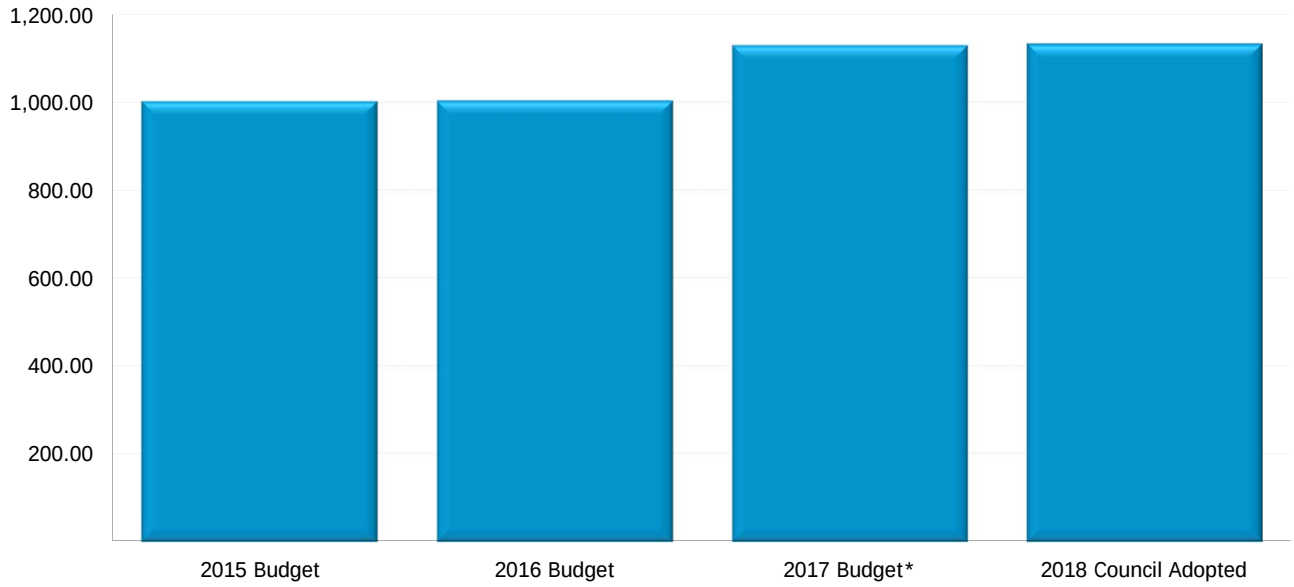


PUBLIC WORKS

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
PW - ADMINISTRATIVE SERVICES	16.00	16.00	16.00	16.00	0.0%	0
PW - FLEET	75.00	75.00	75.00	75.00	0.0%	0
PW - SOLID WASTE	151.00	151.00	151.00	151.00	0.0%	0
PW - SURFACE WATER & SEWERS-SANITARY	47.50	47.75	59.75	59.75	0.0%	0
PW - SURFACE WATER & SEWERS-STORMWATR	50.75	51.00	53.50	54.00	0.9%	0.50
PW - TRAFFIC AND PARKING SERVICES	104.10	103.00	112.40	114.40	1.8%	2.00
PW - TRANSPORTATION MAINTENANCE AND REPAIR	216.15	216.15	219.95	219.95	0.0%	0
PW - TRANSPORTATION PLAN/PROGRAMING	15.00	17.00	21.00	21.50	2.4%	0.50
PW - TRANSPORTATION PLANNING AND ENGINEERING	75.00	75.00	81.00	81.00	0.0%	0
PW - WATER TREATMENT & DISTR.	193.00	193.00	192.00	192.00	0.0%	0
PW - CAPITAL	61.00	61.00	150.00	150.00	0.0%	0
Overall	1,004.50	1,005.90	1,131.60	1,134.60	0.3%	3.00

Positions 2015-2018



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

Financial Analysis – Public Works Administration

Expenditure
The Administration Division's total budget increases from $3.9 million in 2017 to $4.0 million in 2018. This is an increase of $75,328, or 1.9%. This division's 2018 expenditure budget reflects a reduction of $500,000 in one-time allocation to maintain the Downtown East Commons included in the previous year's budget, budgetary change items of $750,000 listed below, and a reduction of $325,000 in ongoing General Fund resources to assist in funding new initiatives.

Revenue
Revenues are projected to increase by 5.8% in this department due to an increase in overhead charges. The department's total revenues in 2018 are projected to be $3.3 million.

Fund Allocation
This division is funded completely by the General Fund.

Mayor's Recommended Budget
The Mayor recommends a reduction of $325,000 in ongoing General Fund resources to this department to assist in funding new initiatives.

The Mayor also recommends one-time General Fund resources of $25,000 for public restrooms and $725,000 for planned overtime expense related to increased staffing for traffic operations and snow and ice control during Super Bowl LII, reimbursable by the Super Bowl Committee.

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

PW - ADMINISTRATIVE SERVICES
EXPENSE AND REVENUE INFORMATION

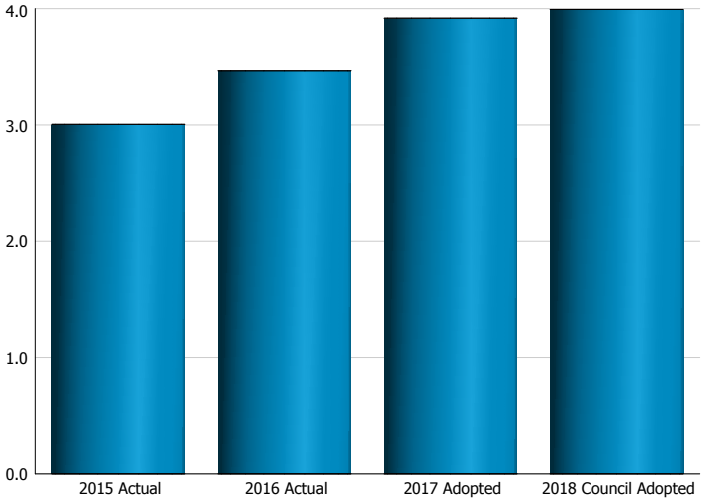
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,269,263	1,366,822	1,428,457	1,516,465	6.2%	88,008
FRINGE BENEFITS	373,548	416,846	493,052	513,933	4.2%	20,881
CONTRACTUAL SERVICES	631,124	923,697	742,820	1,502,382	102.3%	759,562
OPERATING COSTS	731,318	730,182	1,251,271	459,648	-63.3%	(791,623)
CAPITAL		28,276	2,000	500	-75.0%	(1,500)
TOTAL GENERAL	**3,005,253**	**3,465,824**	**3,917,600**	**3,992,928**	**1.9%**	**75,328**
TOTAL EXPENSE	**3,005,253**	**3,465,824**	**3,917,600**	**3,992,928**	**1.9%**	**75,328**

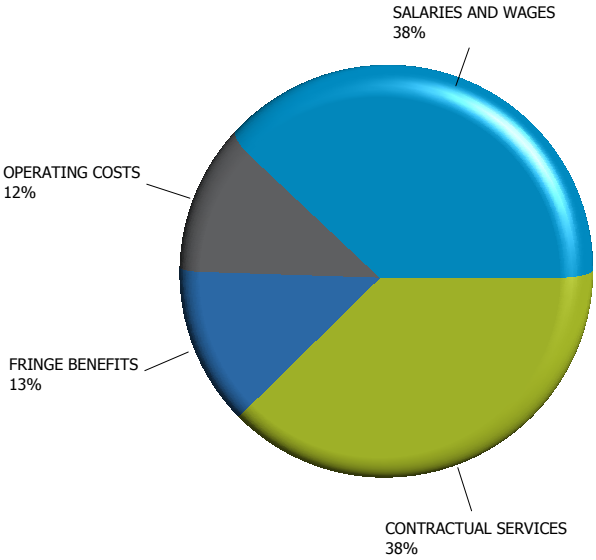
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	57	59			0.0%	0
CHARGES FOR SERVICES	2,446,707	2,358,486	2,485,589	2,664,869	7.2%	179,280
LICENSE AND PERMITS	663,828	840,067	600,000	600,000	0.0%	0
GENERAL	**3,110,592**	**3,198,612**	**3,085,589**	**3,264,869**	**5.8%**	**179,280**
TOTAL REVENUE	**3,110,592**	**3,198,612**	**3,085,589**	**3,264,869**	**5.8%**	**179,280**

PW - ADMINISTRATIVE SERVICES
EXPENSE AND REVENUE INFORMATION

Expense by Category

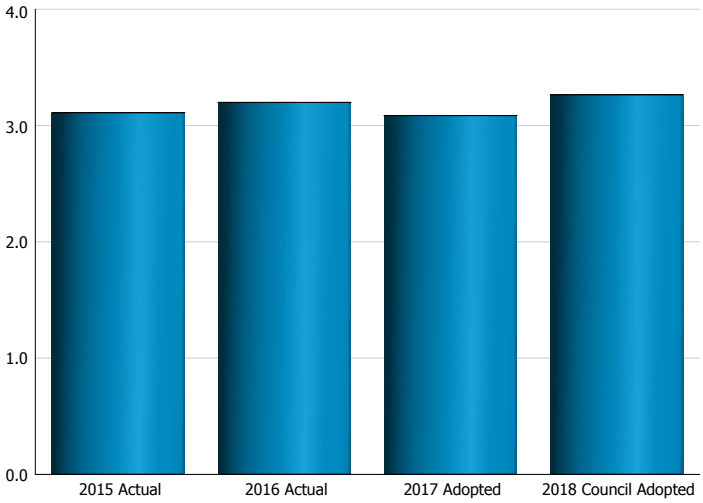
Expense 2015 - 2018
In Millions

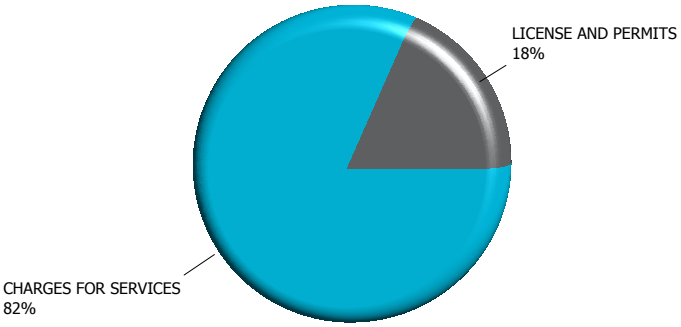




Revenue by Type

Revenue 2015 - 2018
In Millions

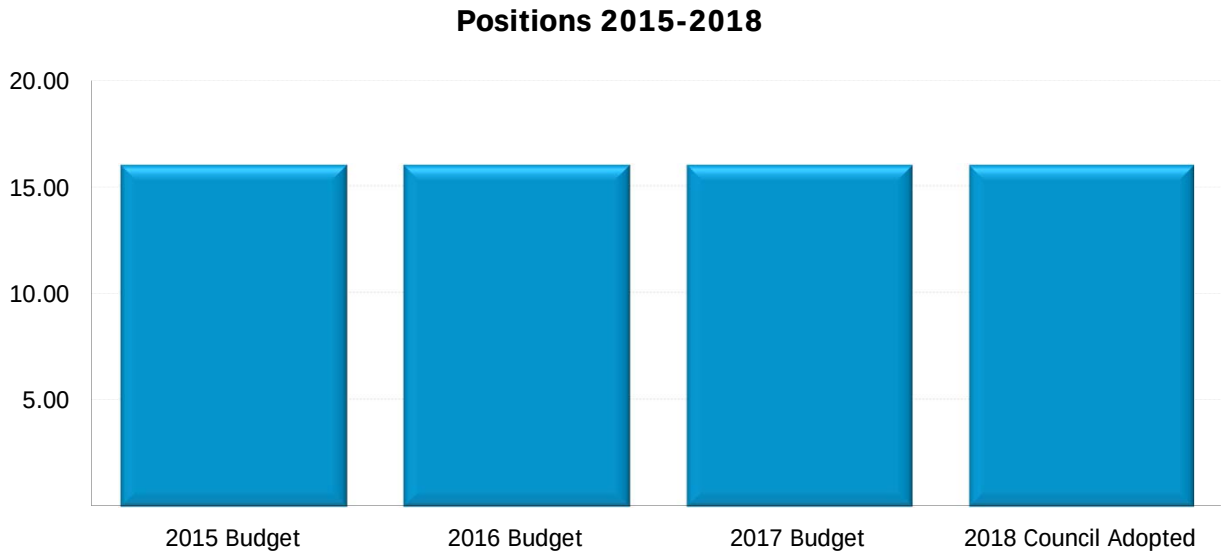




PW - ADMINISTRATIVE SERVICES

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 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 PW-Fleet Services Department's budget increases from $31.6 million to $36.1 million from 2017 to 2018. This is an increase of $4.5 million, or 14.3%. The PW-Fleet Services Department's 2018 expenditure budget reflects planned increases in capital purchases based on the vehicle and equipment replacement schedule and planned increases in debt service expenses based upon debt payment schedules.

Revenue
Revenues are projected to increase by 15.1% in this department due to an increase in fleet rental rates used to bill internal customers to cover the replacement cost of vehicles. The increase is also due to an increase in revenue received from the sale of parts and fuel. These increases are offset by a decrease in revenue received from labor services and transfers in. The department's total revenues in 2018 are projected to be $37.5 million excluding the use of fund balance.

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 recommends one-time appropriations of $280,000 from the General Fund and $1.4 million from the Fleet Services Fund for the replacement of vehicles in the Fire, Police, and Regulatory Services departments and the Traffic & Parking Services and Transportation Maintenance & Repair divisions of Public Works.

Council Adopted Budget
The City Council amended the Mayor's recommendation by increasing one-time Non-General Fund expense by $335,000 to upgrade the M5 Fleet Management Financial System.

PW - FLEET
EXPENSE AND REVENUE INFORMATION

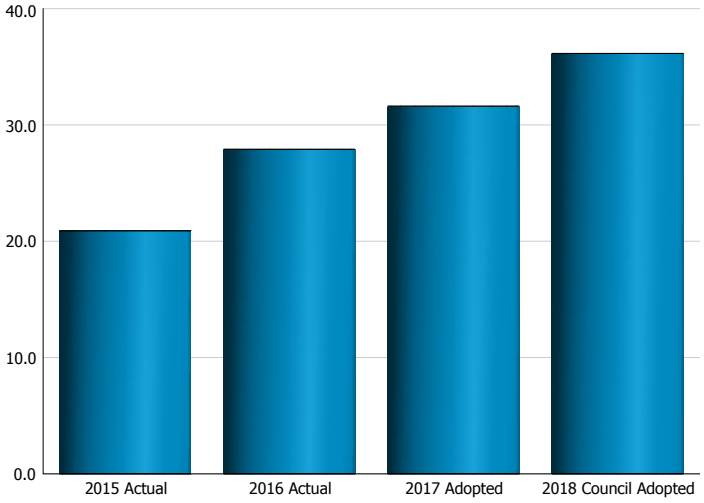
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
SALARIES AND WAGES	4,331,229	4,733,928	5,015,572	5,121,742	2.1%	106,170
FRINGE BENEFITS	4,251,416	2,569,666	2,748,269	2,693,467	-2.0%	(54,802)
CONTRACTUAL SERVICES	5,478,367	6,842,433	6,258,118	7,488,634	19.7%	1,230,516
OPERATING COSTS	6,839,155	5,868,914	7,632,214	7,916,329	3.7%	284,115
CAPITAL		7,888,822	9,956,695	12,926,423	29.8%	2,969,728
TOTAL INTERNAL SERVICE	**20,900,167**	**27,903,763**	**31,610,868**	**36,146,596**	**14.3%**	**4,535,728**
TOTAL EXPENSE	**20,900,167**	**27,903,763**	**31,610,868**	**36,146,596**	**14.3%**	**4,535,728**

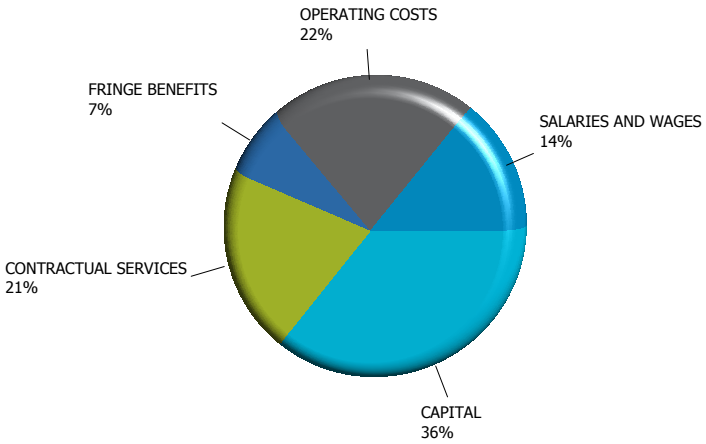
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
INTERNAL SERVICE						
CHARGES FOR SALES	7,550,657	6,440,957	7,913,826	8,624,542	9.0%	710,716
CHARGES FOR SERVICES	8,902,936	8,953,297	9,896,862	9,224,957	-6.8%	(671,905)
GAINS	259,521	424,434			0.0%	0
LONG TERM LIABILITIES PROCEEDS		(406,535)			0.0%	0
OTHER MISC REVENUES	87,365	4,361	10,000	10,000	0.0%	0
RENTS	13,907,011	16,445,662	14,754,974	19,639,053	33.1%	4,884,079
USE OF FUND BALANCE			(591,587)	7,310,850	-1,335.8%	7,902,437
INTERNAL SERVICE	**30,707,490**	**31,862,174**	**31,984,075**	**44,809,403**	**40.1%**	**12,825,328**
TOTAL REVENUE	**30,707,490**	**31,862,174**	**31,984,075**	**44,809,403**	**40.1%**	**12,825,328**

PW - FLEET
EXPENSE AND REVENUE INFORMATION

Expense by Category

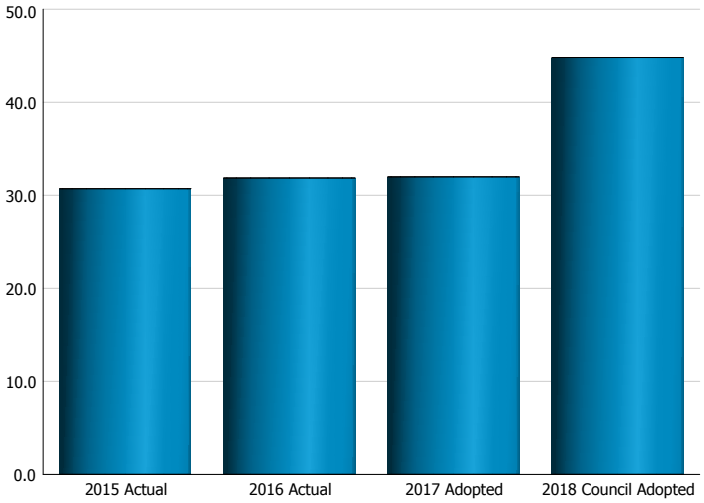
Expense 2015 - 2018
In Millions

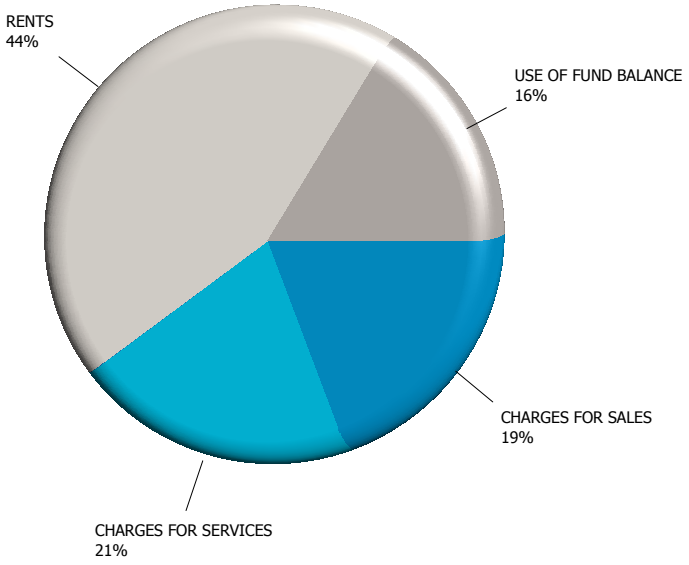




Revenue by Type

Revenue 2015 - 2018
In Millions



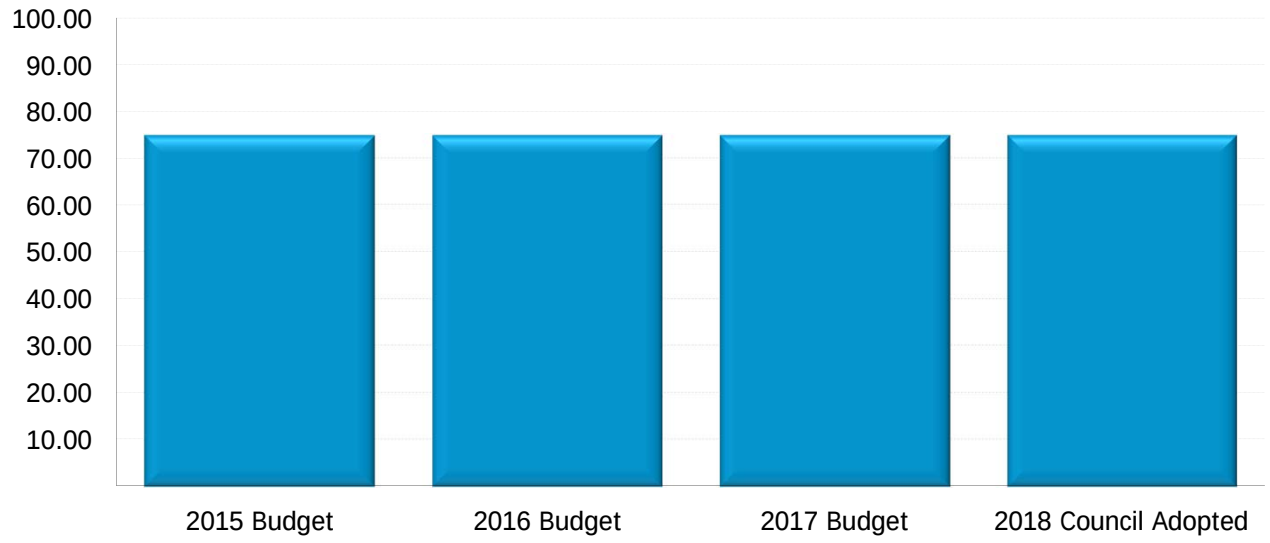


PW - FLEET

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
FSD Administration	10.00	10.00	10.00	10.00	0.0%	0
FSD Operations	5.00	5.00	4.00	5.00	25.0%	1.00
MAINTENANCE	60.00	60.00	61.00	60.00	-1.6%	(1.00)
Overall	75.00	75.00	75.00	75.00	0.0%	0

Positions 2015-2018



Financial Analysis – Public Works Solid Waste & Recycling

Expenditure

The total Solid Waste and Recycling Department's budget increases from $40.3 million in 2017 to $40.8 million in 2018. This is an increase of $501,901or 1.2%. The Solid Waste and Recycling Department's 2018 expenditure budget reflects the following changes from 2017: increase in personnel cost of $301,000 as result of new contracts and step increases; increase in yard waste, garbage, TV and mattress collection, hauling, disposing, and recycling contracts of $840,000; increase in outreach, zero studies, step-up, recycling studies and programs of $228,000; decrease in general maintenance, abatement, and contractual services of $347,000; and increases in payments allocable to the Solid Waste and Recycling Department for City information technology, fleet and equipment services based on the 2018 rate model.

Revenue

Revenues are projected to increase by 3.6% in this department due to following changes from 2017: increase in utility revenues of $641,000 as a result of rate increase in the monthly utility billing from $23.47 to $23.99 per dwelling unit, increase in recycling grants of $621,000 based on SCORE projections, and increase in miscellaneous sales and graffiti revenue by $143,000. The department's total revenues in 2018 are projected to be $40.5 million excluding the use of fund balance.

Fund Allocation

This division is funded completely by the Solid Waste & Recycling Fund, which is an enterprise activity.

Mayor's Recommended Budget

The Mayor recommends no changes to this department's base program proposal.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

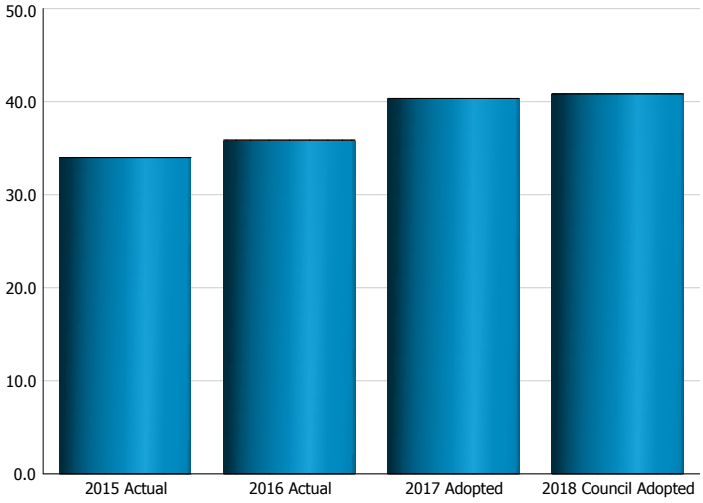
PW - SOLID WASTE
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	7,129,288	7,707,528	9,153,975	9,338,355	2.0%	184,380
FRINGE BENEFITS	6,603,882	4,200,328	4,865,550	5,078,507	4.4%	212,957
CONTRACTUAL SERVICES	17,562,993	21,188,894	22,151,273	23,063,691	4.1%	912,418
OPERATING COSTS	2,697,652	2,769,341	2,660,941	1,817,138	-31.7%	(843,803)
CAPITAL	0	0	1,513,399	1,549,348	2.4%	35,949
TOTAL ENTERPRISE	**33,993,815**	**35,866,090**	**40,345,138**	**40,847,039**	**1.2%**	**501,901**
TOTAL EXPENSE	**33,993,815**	**35,866,090**	**40,345,138**	**40,847,039**	**1.2%**	**501,901**

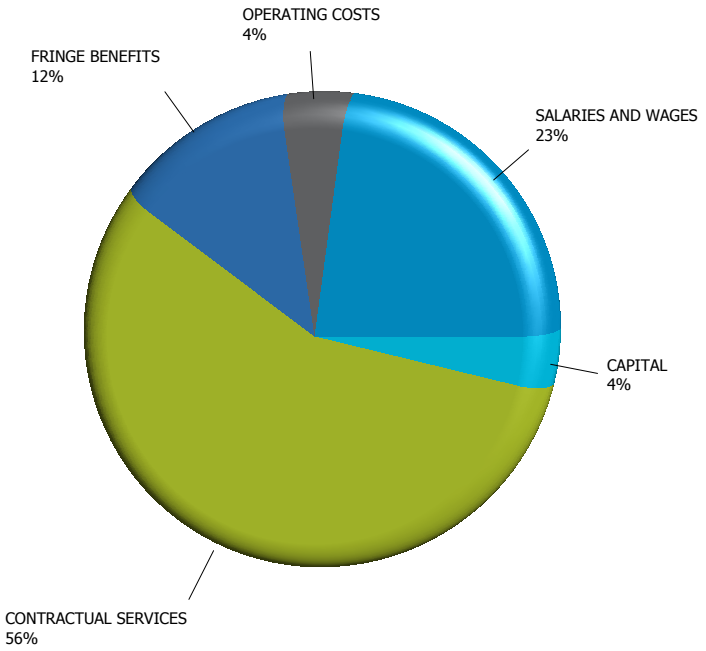
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	297,363	406,858	63,000	368,000	484.1%	305,000
CHARGES FOR SERVICES	35,203,584	36,601,051	37,756,995	38,247,259	1.3%	490,264
GAINS		206,740			0.0%	0
INTEREST		2,756			0.0%	0
LICENSE AND PERMITS	(360)				0.0%	0
LOCAL GOVERNMENT	1,002,790	1,594,587	1,080,000	1,700,733	57.5%	620,733
OTHER MISC REVENUES	264	37,704			0.0%	0
SPECIAL ASSESSMENTS	231,611	227,375	190,000	190,000	0.0%	0
STATE GOVERNMENT	19,283	20,919	20,374	8,157	-60.0%	(12,217)
USE OF FUND BALANCE			2,410,219	(138,111)	-105.7%	(2,548,330)
ENTERPRISE	**36,754,535**	**39,097,990**	**41,520,588**	**40,376,038**	**-2.8%**	**(1,144,550)**
TOTAL REVENUE	**36,754,535**	**39,097,990**	**41,520,588**	**40,376,038**	**-2.8%**	**(1,144,550)**

PW - SOLID WASTE
EXPENSE AND REVENUE INFORMATION

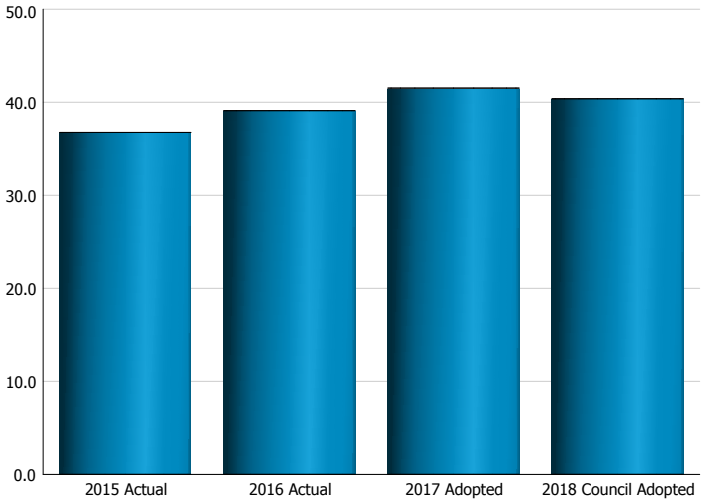
Expense 2015 - 2018
In Millions



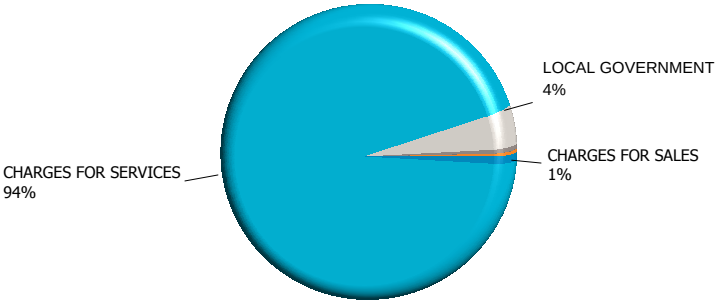
Expense by Category



Revenue 2015 - 2018
In Millions



Revenue by Type

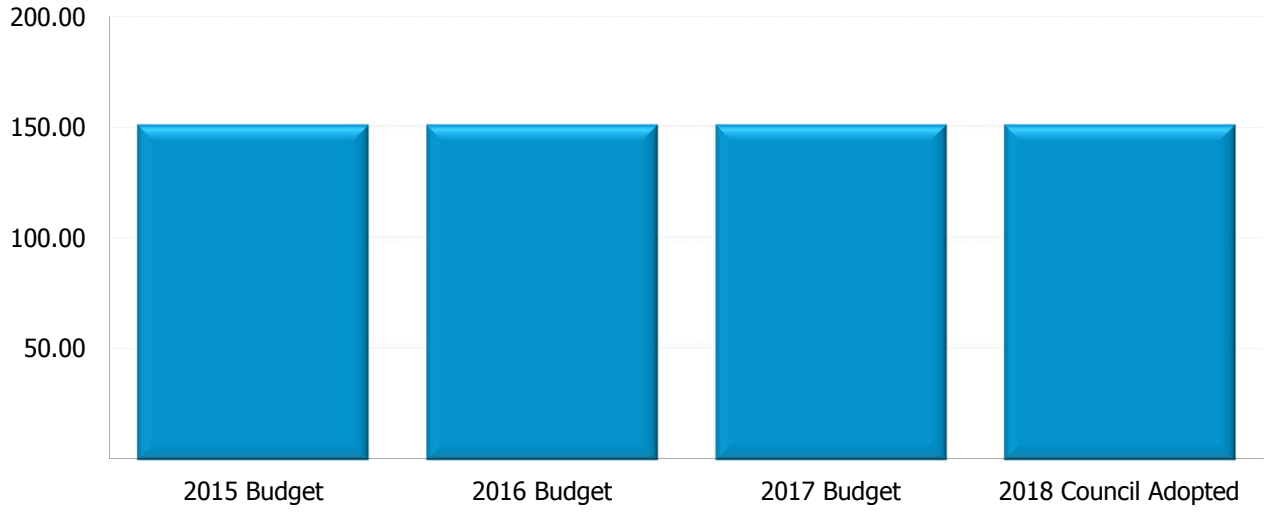


PW - SOLID WASTE

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% Change	Change
ADMINISTRATION	16.00	16.00	16.00	17.00	6.3%	1.00
CLEAN CITY	19.00	19.00	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	12.00	12.00	12.00	11.00	-8.3%	(1.00)
LARGE ITEM/PROBLEM MATERIAL	8.00	8.00	8.00	8.00	0.0%	0
ORGANICS	17.00	17.00	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	12.00	12.00	12.00	12.00	0.0%	0
Overall	151.00	151.00	151.00	151.00	0.0%	0

Positions 2015-2018



Financial Analysis – Public Works Sanitary Sewer

Expenditure

The Sanitary Sewer Department's total operating budget increases from $61.9 million in 2017 to $67.5 million in 2018. This is an increase of $5.6 million, or 9.0%. The Sanitary Sewer Department's 2018 expenditure budget reflects the following changes from 2017: estimated rate increase of 6.7% in monthly Met Council fees for waste water discharge totaling $41.3 million, an increase of $2.6 million over 2017; an increase in personnel costs from the addition of 11.5 FTEs in 2017, totaling $1.2 million in salaries and fringes; an increase in contractual services of $583,000 relating to design, cleaning, rehab, repairs, and maintenance work; and increases in payments allocable to the Sanitary Sewer Department for City information technology, fleet, and equipment services based on 2018 rate models.

Revenue

Revenues are projected to increase by 7.8% in this department due to following changes from 2017: an increase in service revenue by $5.2 million due to an increase in monthly variable and fixed utility rates of $0.33 and $0.50 per billing unit, and an increase in miscellaneous revenue by $275,000 due to an increase in design activities. The department's total revenues in 2018 are projected to be $74.8 million excluding the use of fund balance.

Fund Allocation

This division is funded completely in the Sanitary Sewer Fund, which is an enterprise activity.

Mayor's Recommended Budget

The Mayor recommends no changes to this department's base program proposal.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

PW - SURFACE WATER & SEWERS-SANITARY
EXPENSE AND REVENUE INFORMATION

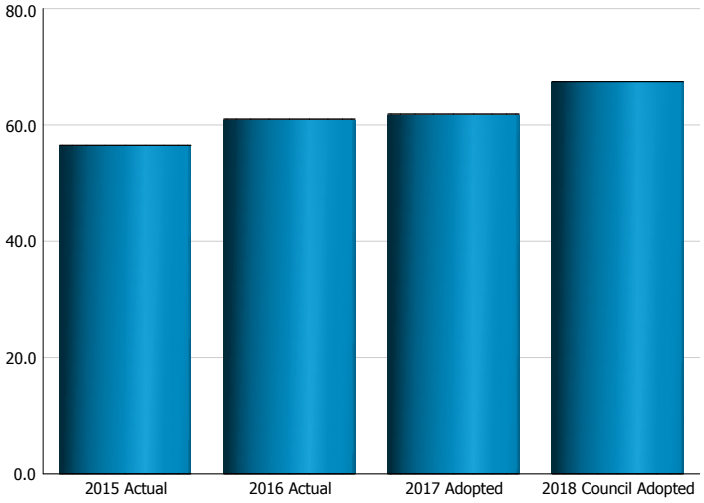
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	3,075,831	3,487,564	3,181,820	4,009,916	26.0%	828,096
FRINGE BENEFITS	2,890,507	1,719,994	1,643,844	2,075,435	26.3%	431,592
CONTRACTUAL SERVICES	13,475,237	16,867,695	17,298,596	18,824,707	8.8%	1,526,111
OPERATING COSTS	37,006,235	38,924,959	39,665,108	42,334,322	6.7%	2,669,214
CAPITAL	47,145		81,789	205,822	151.7%	124,033
TOTAL ENTERPRISE	**56,494,955**	**61,000,212**	**61,871,157**	**67,450,203**	**9.0%**	**5,579,046**
TOTAL EXPENSE	**56,494,955**	**61,000,212**	**61,871,157**	**67,450,203**	**9.0%**	**5,579,046**

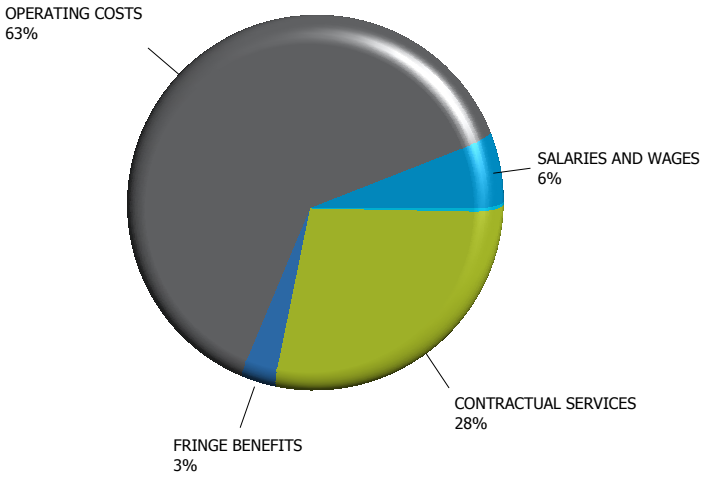
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
ENTERPRISE						
CHARGES FOR SALES	6,749	9,323			0.0%	0
CHARGES FOR SERVICES	60,100,041	67,648,785	69,266,268	74,748,347	7.9%	5,482,079
LICENSE AND PERMITS	80,985	78,603	100,000	50,000	-50.0%	(50,000)
OTHER MISC REVENUES	115				0.0%	0
SPECIAL ASSESSMENTS	118,273	103,360			0.0%	0
USE OF FUND BALANCE			(2,044,181)	89,003	-104.4%	2,133,184
ENTERPRISE	**60,306,164**	**67,840,071**	**67,322,087**	**74,887,350**	**11.2%**	**7,565,263**
TOTAL REVENUE	**60,306,164**	**67,840,071**	**67,322,087**	**74,887,350**	**11.2%**	**7,565,263**

PW - SURFACE WATER & SEWERS-SANITARY
EXPENSE AND REVENUE INFORMATION

Expense by Category

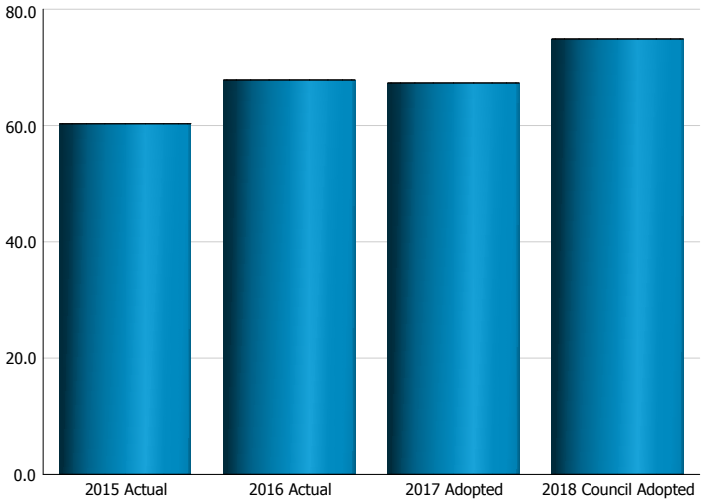
Expense 2015 - 2018
In Millions

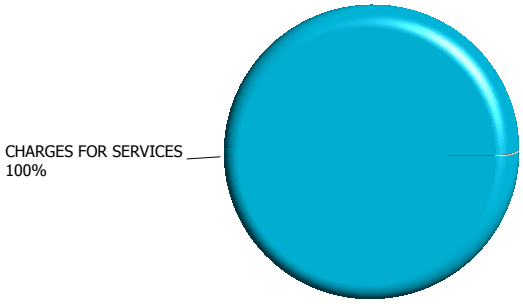




Revenue by Type

Revenue 2015 - 2018
In Millions

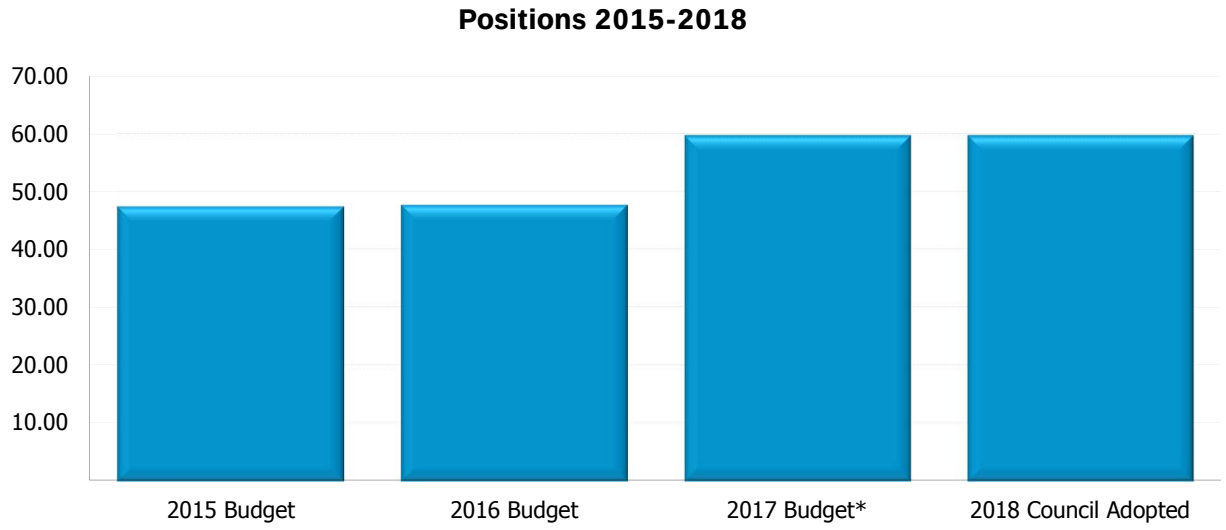




PW - SURFACE WATER & SEWERS-SANITARY

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
DESIGN	5.50	5.50	5.50	5.50	0.0%	0
SANITARY SEWER	38.75	38.75	47.25	47.25	0.0%	0
SEWER ADMINISTRATION	3.25	3.50	7.00	7.00	0.0%	0
Overall	47.50	47.75	59.75	59.75	0.0%	0



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

Financial Analysis – Public Works Stormwater

Expenditure

The Stormwater Department's total budget increases from $19.7 million in 2017 to $21.6 million in 2018. This is an increase of $2.0 million, or 9.9%. The Stormwater Department's 2018 expenditure budget reflects the following changes from 2017: an increase in personnel cost of $436,000 due to an increase in FTE's by 2.0 in 2017, new contracts, and step increases; an increase in professional services, storm tunnel cleaning, televising, upgrades, catch basin repairs, and maintenance work of $591,000; an increase in construction materials and contractual services of $382,000; and increases in payments allocable to the Stormwater Department for City information technology, fleet and equipment services based on 2018 rate models.

Revenue

Revenues are projected to increase by 4.4% in this department due to increase of $1.1 million in service (utility) revenues. Utility revenues increased due to a rate increase from $12.36 to $12.71 per ESU in the monthly billings and an increase in miscellaneous revenue by $672,000 due to additional design activities. The department's total revenues in 2018 are $41.9 million excluding the use of fund balance.

Fund Allocation

This division is funded completely in the Stormwater Fund, which is an enterprise activity.

Mayor's Recommended Budget

The Mayor recommends no changes to this department's base program proposal.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

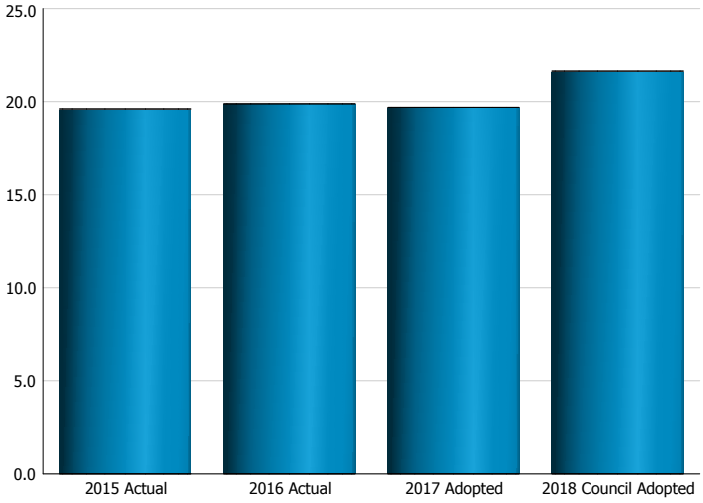
PW - SURFACE WATER & SEWERS-STORMWATR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
ENTERPRISE						
SALARIES AND WAGES	2,966,105	3,803,079	3,673,451	4,020,642	9.5%	347,190
FRINGE BENEFITS	3,680,917	1,652,545	1,781,084	1,916,210	7.6%	135,126
CONTRACTUAL SERVICES	9,415,597	10,587,827	11,348,566	12,180,113	7.3%	831,547
OPERATING COSTS	3,300,134	3,838,258	2,811,906	3,216,593	14.4%	404,688
CAPITAL	242,694	(328)	76,165	309,184	305.9%	233,019
TOTAL ENTERPRISE	**19,605,446**	**19,881,381**	**19,691,172**	**21,642,742**	**9.9%**	**1,951,570**
TOTAL EXPENSE	**19,605,446**	**19,881,381**	**19,691,172**	**21,642,742**	**9.9%**	**1,951,570**

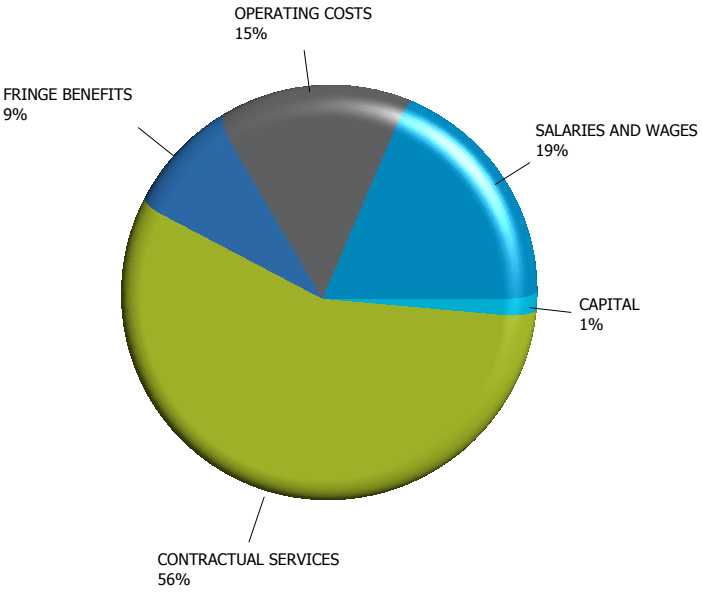
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
STATE GOVERNMENT		40,410			0.0%	0
GENERAL		**40,410**				**0**
ENTERPRISE						
CHARGES FOR SALES	232	(364)			0.0%	0
CHARGES FOR SERVICES	37,682,220	37,437,617	39,840,234	41,678,061	4.6%	1,837,827
FEDERAL GOVERNMENT	691				0.0%	0
FINES AND FORFEITS	14,099	64,967	45,000	45,000	0.0%	0
GAINS		1,151			0.0%	0
LICENSE AND PERMITS	1,276	800			0.0%	0
LOCAL GOVERNMENT		80,656	58,614	74,656	27.4%	16,042
LONG TERM LIABILITIES PROCEEDS		364			0.0%	0
OTHER MISC REVENUES	20				0.0%	0
SPECIAL ASSESSMENTS	235,264	159,783			0.0%	0
STATE GOVERNMENT	285,541	328,227	180,893	99,771	-44.8%	(81,122)
USE OF FUND BALANCE			1,873,059	2,759,148	47.3%	886,089
ENTERPRISE	**38,219,342**	**38,073,200**	**41,997,800**	**44,656,636**	**6.3%**	**2,658,836**
TOTAL REVENUE	**38,219,342**	**38,113,610**	**41,997,800**	**44,656,636**	**6.3%**	**2,658,836**

PW - SURFACE WATER & SEWERS-STORMWATR
EXPENSE AND REVENUE INFORMATION

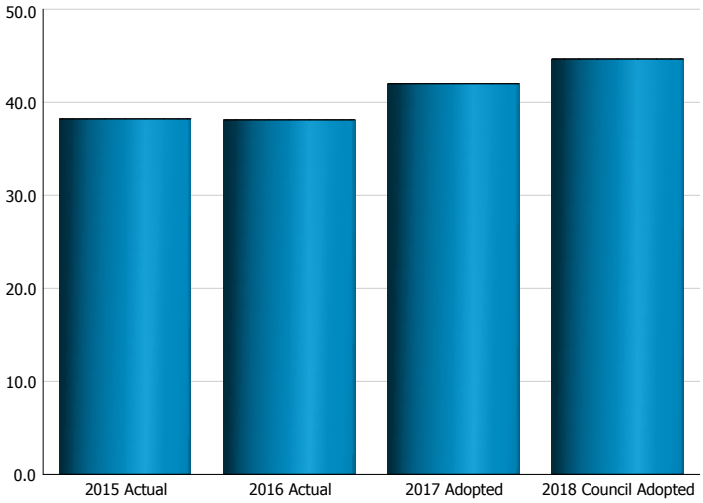
Expense 2015 - 2018
In Millions



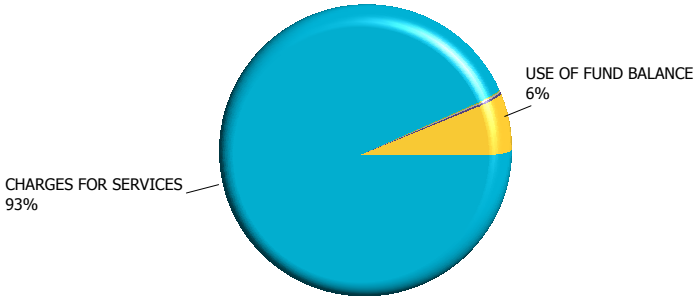
Expense by Category



Revenue 2015 - 2018
In Millions



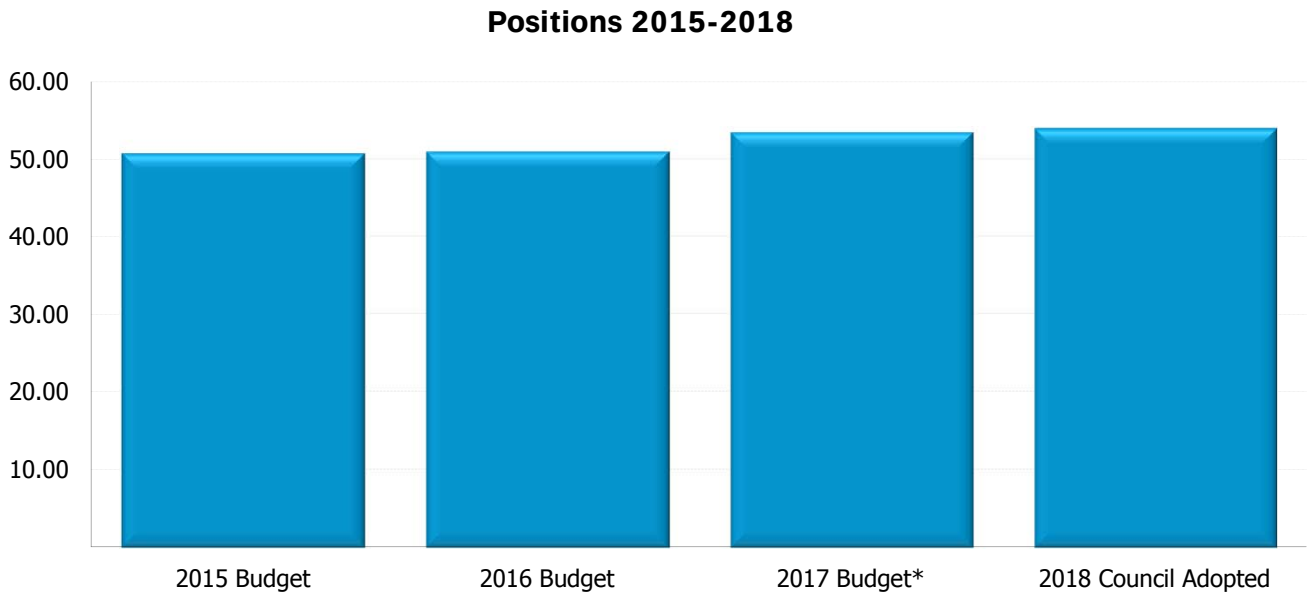
Revenue by Type



PW - SURFACE WATER & SEWERS-STORMWATR

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
CSO PHASE II	2.00	2.00			0.0%	0
SANITARY_STORMWATER DESIGN	22.00	22.00	24.00	24.00	0.0%	0
SEWER MAINTENANCE	22.50	22.50	23.00	23.00	0.0%	0
STORMWATER ADMINISTRATION	4.25	4.50	6.50	7.00	7.7%	0.50
Overall	50.75	51.00	53.50	54.00	0.9%	0.50



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

Financial Analysis – Public Works Traffic & Parking

Expenditure
The Traffic & Parking Division's total budget increases from $58.1 million in 2017 to $61.7 million in 2018. This is an increase of $3.6 million or 6.1%. This division's 2018 expenditure budget reflects the following changes from 2017: routine inflationary increases in operating costs of $1.2 million; the addition of $2.3 million to the Third Avenue Distributor ramps for updating the security system and elevators; and the budgetary change items described below.

Revenue
Revenues are projected to increase by 10.8% in this department due to increased services to the State managed ABC parking ramps adjacent to Target Field and alignment with historical actuals primarily in the parking use. The department's total revenues in 2018 are projected to be $4.8 million excluding the use of fund balance.

Fund Allocation
This department is funded primarily by the Parking Fund (92.2%), with the remainder of the department's funding found in the General Fund (7.4%) and Traffic Stores Department (0.5%).

Mayor's Recommended Budget
The Mayor recommends ongoing General Fund appropriations of $250,000 to hire an Engineer and Planner (includes 2.0 FTEs) for the comprehensive safety program and a one-time General Fund appropriation of $150,000 to launch the comprehensive safety program.

The Mayor also recommended a $245,000 ongoing General Fund reduction to the department due to cost savings from the LED lighting initiative.

Council Adopted Budget
The City Council amended the Mayor's recommendation, reducing the ongoing General Fund appropriation for the comprehensive safety program by $50,000 and increasing the one-time General Fund appropriation for the comprehensive safety program by $50,000.

PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	3,829,984	4,320,356	4,074,228	4,686,389	15.0%	612,161
FRINGE BENEFITS	1,723,456	1,877,444	1,588,048	1,924,693	21.2%	336,644
CONTRACTUAL SERVICES	6,983,292	7,558,352	7,646,857	7,728,271	1.1%	81,413
OPERATING COSTS	2,519,227	2,841,412	3,513,140	2,839,745	-19.2%	(673,395)
CAPITAL	1,982	12,048				0
TOTAL GENERAL	**15,057,941**	**16,609,612**	**16,822,274**	**17,179,097**	**2.1%**	**356,824**
INTERNAL SERVICE						
SALARIES AND WAGES	198,408	198,427	179,929	185,134	2.9%	5,205
FRINGE BENEFITS	130,831	74,126	81,923	84,924	3.7%	3,001
CONTRACTUAL SERVICES	51,613	87,910	34,996	33,567	-4.1%	(1,429)
OPERATING COSTS	6,505	61,757	26,762	26,762	0.0%	0
TOTAL INTERNAL SERVICE	**387,357**	**422,221**	**323,610**	**330,387**	**2.1%**	**6,777**
ENTERPRISE						
SALARIES AND WAGES	3,014,690	3,210,986	3,218,650	3,584,750	11.4%	366,100
FRINGE BENEFITS	2,218,936	1,110,375	1,414,792	1,644,237	16.2%	229,445
CONTRACTUAL SERVICES	32,898,975	34,663,376	32,960,224	35,556,676	7.9%	2,596,452
OPERATING COSTS	2,519,725	3,062,706	3,379,208	3,234,119	-4.3%	(145,089)
CAPITAL	87,750	221		140,000		140,000
TOTAL ENTERPRISE	**40,740,076**	**42,047,664**	**40,972,874**	**44,159,782**	**7.8%**	**3,186,908**
TOTAL EXPENSE	**56,185,374**	**59,079,497**	**58,118,757**	**61,669,266**	**6.1%**	**3,550,509**

REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	43,741	66,204	45,000	50,000	11.1%	5,000
CHARGES FOR SERVICES	1,345,666	1,150,586	1,015,000	1,045,000	3.0%	30,000
GAINS		158			0.0%	0
LICENSE AND PERMITS	2,959,143	2,228,721	1,612,000	1,710,000	6.1%	98,000
LOCAL GOVERNMENT	494,871	904,885	795,000	690,000	-13.2%	(105,000)
LONG TERM LIABILITIES PROCEEDS		(158)			0.0%	0
OTHER MISC REVENUES	363,907	161,383	208,000	215,000	3.4%	7,000
RENTS	8,957	52,126			0.0%	0
SPECIAL ASSESSMENTS	200,847	200,890	190,000	200,000	5.3%	10,000
STATE GOVERNMENT	1,277,986	1,610,378	1,315,000	1,315,000	0.0%	0
GENERAL	**6,695,117**	**6,375,172**	**5,180,000**	**5,225,000**	**0.9%**	**45,000**
INTERNAL SERVICE						
CHARGES FOR SALES		59,271			0.0%	0
CHARGES FOR SERVICES	553,173	838,725	325,935	330,387	1.4%	4,452

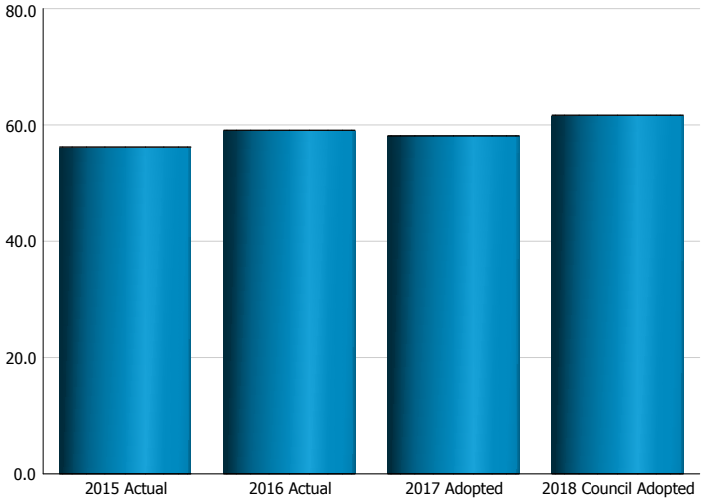
PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

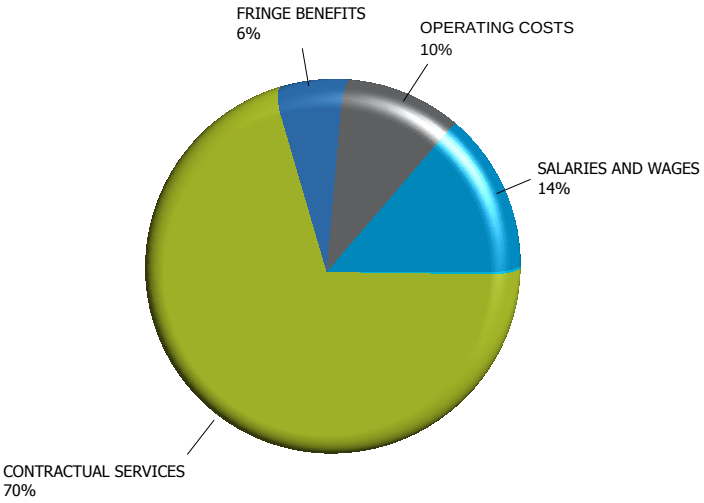
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
OTHER MISC REVENUES	9,218	68,605			0.0%	0
USE OF FUND BALANCE			(2,325)		-100.0%	2,325
INTERNAL SERVICE	**562,391**	**966,601**	**323,610**	**330,387**	**2.1%**	**6,777**
ENTERPRISE						
CHARGES FOR SALES	1,055,111	1,052,634	1,100,000	1,100,000	0.0%	0
CHARGES FOR SERVICES	59,645,093	66,065,913	60,042,000	61,139,000	1.8%	1,097,000
FINES AND FORFEITS	1,250				0.0%	0
GAINS				6,000,000	0.0%	6,000,000
LICENSE AND PERMITS	386,252	456,560	300,000	450,000	50.0%	150,000
OTHER MISC REVENUES	13,566	11,009			0.0%	0
RENTS	9,867	31,701			0.0%	0
SPECIAL ASSESSMENTS			543,481	543,481	0.0%	0
USE OF FUND BALANCE			192,967	(3,731,419)	-2,033.7%	(3,924,386)
ENTERPRISE	**61,111,139**	**67,617,817**	**62,178,448**	**65,501,062**	**5.3%**	**3,322,614**
TOTAL REVENUE	**68,368,648**	**74,959,590**	**67,682,058**	**71,056,449**	**5.0%**	**3,374,391**

PW - TRAFFIC AND PARKING SERVICES
EXPENSE AND REVENUE INFORMATION

Expense by Category

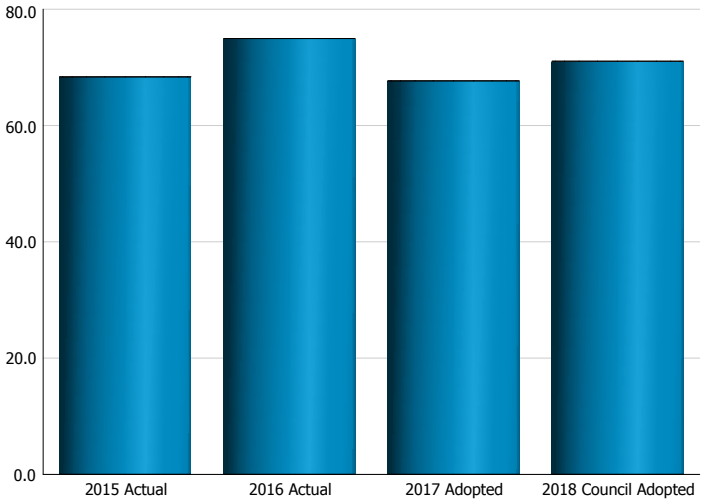
Expense 2015 - 2018
In Millions

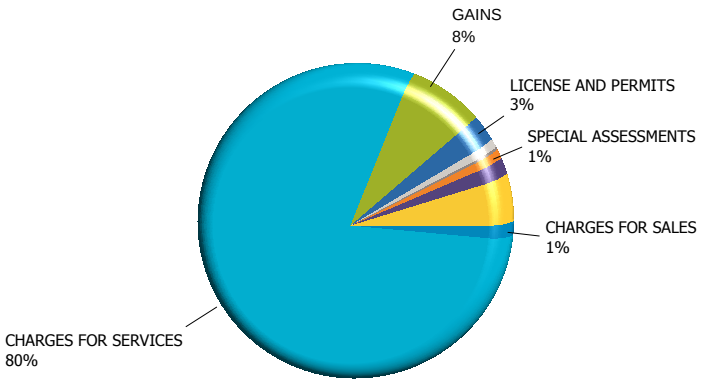




Revenue by Type

Revenue 2015 - 2018
In Millions

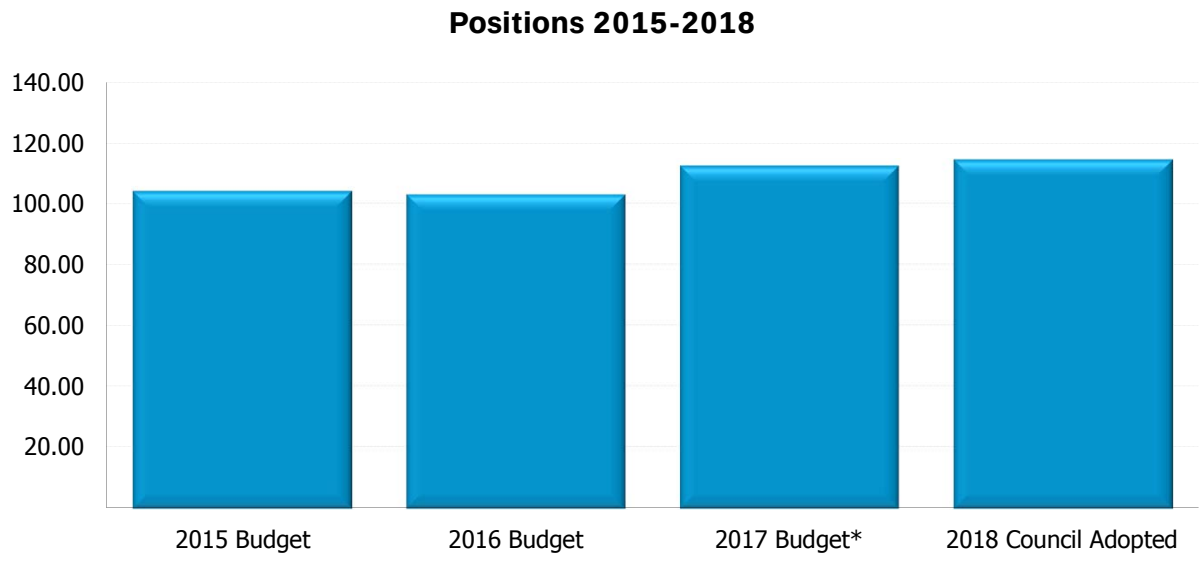




PW - TRAFFIC AND PARKING SERVICES

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
FIELD OPERATIONS	39.55	39.45	46.30	46.30	0.0%	0
INVENTORY	3.00	3.00	3.00	3.00	0.0%	0
OFF-STREET PARKING	11.50	11.50	11.95	11.95	0.0%	0
ON-STREET PARKING	15.05	15.05	15.90	17.90	12.6%	2.00
PLANNING & DESIGN	5.65	5.65	6.50	6.50	0.0%	0
STREET LIGHTING	6.45	5.45	5.85	5.85	0.0%	0
TOWING AND IMPOUND	22.90	22.90	22.90	22.90	0.0%	0
Overall	104.10	103.00	112.40	114.40	1.8%	2.00



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational change

Financial Analysis – Public Works Transportation Maintenance & Repair

Expenditure

The Transportation Maintenance and Repair Division's total budget increases from $51.0 million in 2017 to $53.1 million in 2018. This is an increase of $2.1 million or 4.2%. The Transportation Maintenance and Repair Division's 2018 expenditure budget reflects the following changes from 2017: a reduction of $438,000 to represent the 15 Special Service Districts' cumulative budget; an increase in contractual services of $117,000 to maintain 2017 bikeway expansion; an increase in work for others in street maintenance and repair, ramp maintenance and repair and snow & ice equipment of $1.4 million; as well as the budgetary amendments described below.

Revenue

Revenues are projected to increase by 2.1% in this department due to an increase in ramp maintenance and repair work as well as the City Council amendments described below, offset by a decrease in Special Service Districts' revenue budget. The division's total revenues in 2018 are projected to be $22.1 million excluding the use of fund balance.

Fund Allocation

This division is funded primarily by the General Fund (59.5%), with the remainder of the division's funding found in the Special Revenue Funds (29.0%), Enterprise Funds (5.9%) and Capital Project Funds (5.6%).

Mayor's Recommended Budget

The Mayor recommends no changes to this department's base program proposal.

Council Adopted Budget

The City Council amended the Mayor's recommendation, increasing the Downtown Improvement District's Non-General Fund revenues and expenses by $450,185 to reflect the Downtown Improvement District's approved 2018 operating plan.

The City Council also increased the department's budget by adding $250,000 in one-time General Fund appropriation for the City's payment to the Downtown Improvement District for community-based policing strategies, with an emphasis on Hennepin and Nicollet Avenues.

PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	10,075,402	11,252,989	10,552,527	11,117,215	5.4%	564,689
FRINGE BENEFITS	5,015,136	5,657,387	5,542,730	6,046,539	9.1%	503,809
CONTRACTUAL SERVICES	9,355,829	11,021,166	12,151,233	12,050,585	-0.8%	(100,648)
OPERATING COSTS	5,428,262	4,704,541	5,732,602	5,680,385	-0.9%	(52,217)
CAPITAL	321,041	174,138	156,002	151,002	-3.2%	(5,000)
TOTAL GENERAL	**30,195,670**	**32,810,220**	**34,135,094**	**35,045,726**	**2.7%**	**910,633**
SPECIAL REVENUE						
SALARIES AND WAGES		1,384				0
FRINGE BENEFITS		509				0
CONTRACTUAL SERVICES	6,242,408	6,108,118	6,469,648	6,919,833	7.0%	450,185
OPERATING COSTS	4	3,667				0
TOTAL SPECIAL REVENUE	**6,242,412**	**6,113,677**	**6,469,648**	**6,919,833**	**7.0%**	**450,185**
CAPITAL PROJECT						
SALARIES AND WAGES	284,306	262,337	377,325	393,598	4.3%	16,273
FRINGE BENEFITS	97,830	91,681	151,944	157,319	3.5%	5,375
CONTRACTUAL SERVICES	316,750	364,354	679,616	726,828	6.9%	47,212
OPERATING COSTS	12,507	13,786	10,044	9,810	-2.3%	(234)
CAPITAL	6,604	11,757				0
TOTAL CAPITAL PROJECT	**717,997**	**743,915**	**1,218,929**	**1,287,556**	**5.6%**	**68,626**
ENTERPRISE						
SALARIES AND WAGES	2,618,209	2,398,897	2,654,616	2,716,045	2.3%	61,429
FRINGE BENEFITS	1,035,448	1,007,990	1,302,248	1,478,802	13.6%	176,554
CONTRACTUAL SERVICES	4,177,849	4,595,355	4,457,641	4,893,127	9.8%	435,485
OPERATING COSTS	764,782	576,497	733,608	778,378	6.1%	44,770
TOTAL ENTERPRISE	**8,596,288**	**8,578,740**	**9,148,113**	**9,866,351**	**7.9%**	**718,238**
TOTAL EXPENSE	**45,752,367**	**48,246,552**	**50,971,784**	**53,119,466**	**4.2%**	**2,147,682**

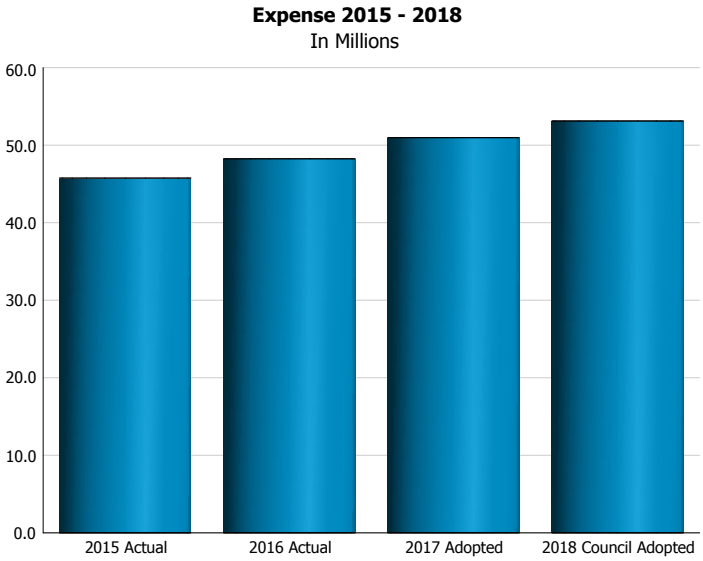
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES	(887)	4,372	10,000	10,000	0.0%	0
CHARGES FOR SERVICES	8,214,519	9,777,338	6,979,746	7,601,488	8.9%	621,742
GAINS	5,016	1,480			0.0%	0
LOCAL GOVERNMENT	134,802	260,449	185,663	170,794	-8.0%	(14,869)
LONG TERM LIABILITIES PROCEEDS	(5,016)	(1,480)			0.0%	0
OTHER MISC REVENUES	363	13	1,000		-100.0%	(1,000)
SPECIAL ASSESSMENTS	1,910,073	2,179,668	2,747,800	2,260,000	-17.8%	(487,800)
STATE GOVERNMENT	3,099,643	4,094,994	3,700,006	3,634,029	-1.8%	(65,977)

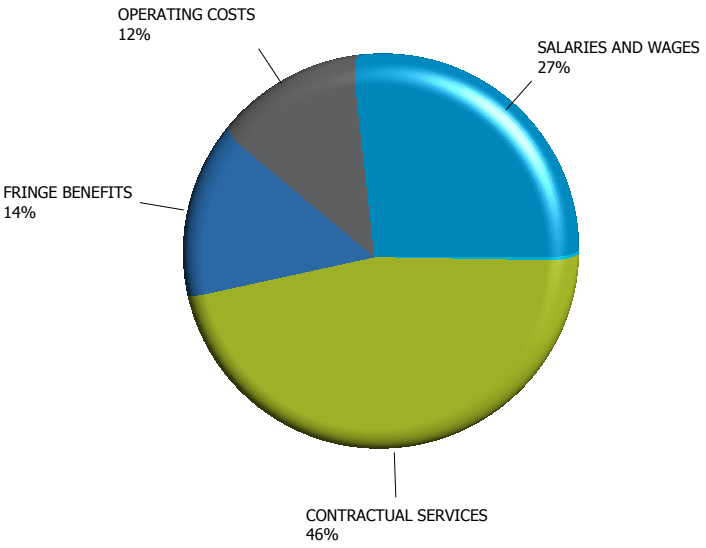
PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL	**13,358,513**	**16,316,833**	**13,624,215**	**13,676,311**	**0.4%**	**52,096**
SPECIAL REVENUE						
CONTRIBUTIONS	1,675				0.0%	0
LOCAL GOVERNMENT	8,000				0.0%	0
OTHER MISC REVENUES		19,192			0.0%	0
SPECIAL ASSESSMENTS	6,297,816	6,118,844	6,219,648	6,669,833	7.2%	450,185
STATE GOVERNMENT		355			0.0%	0
SPECIAL REVENUE	**6,307,491**	**6,138,390**	**6,219,648**	**6,669,833**	**7.2%**	**450,185**
CAPITAL PROJECT						
LICENSE AND PERMITS	289,534	117,660	310,000	310,000	0.0%	0
SPECIAL ASSESSMENTS	167,445	136,980	90,000	100,000	11.1%	10,000
USE OF FUND BALANCE			818,929	877,556	7.2%	58,627
CAPITAL PROJECT	**456,979**	**254,640**	**1,218,929**	**1,287,556**	**5.6%**	**68,627**
ENTERPRISE						
CHARGES FOR SALES	1,802	480			0.0%	0
CHARGES FOR SERVICES	324	512	10,000	1,000	-90.0%	(9,000)
FEDERAL GOVERNMENT	5,192				0.0%	0
LOCAL GOVERNMENT	336,086	259,888	259,888	259,888	0.0%	0
STATE GOVERNMENT	1,099,617	1,128,467	1,146,598	1,096,569	-4.4%	(50,029)
ENTERPRISE	**1,443,022**	**1,389,347**	**1,416,486**	**1,357,457**	**-4.2%**	**(59,029)**
TOTAL REVENUE	**21,566,005**	**24,099,211**	**22,479,278**	**22,991,157**	**2.3%**	**511,879**

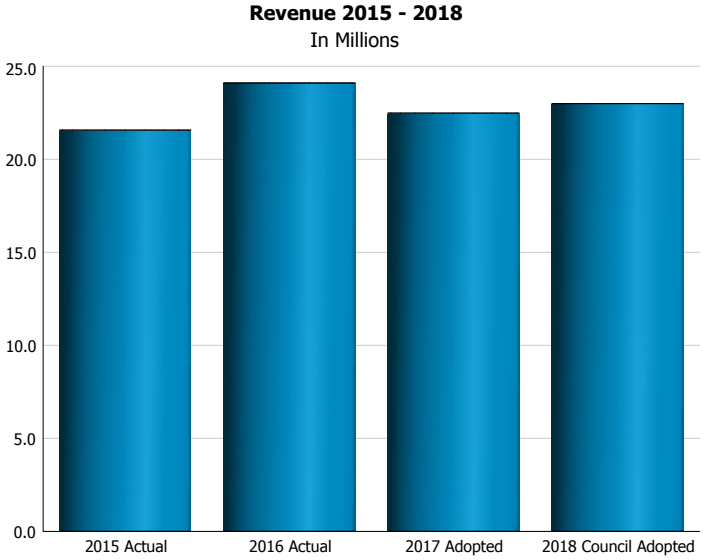
PW - TRANSPORTATION MAINTENANCE AND REPAIR
EXPENSE AND REVENUE INFORMATION

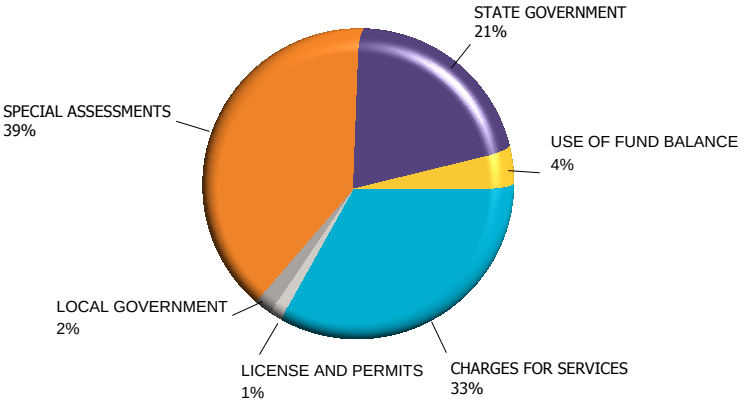
Expense by Category





Revenue by Type



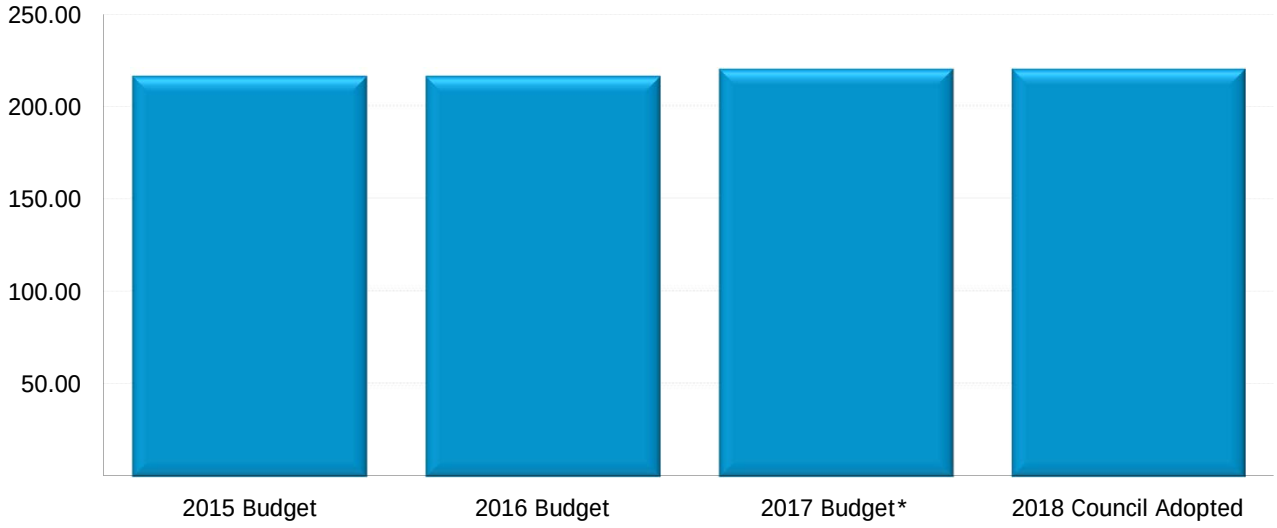


PW - TRANSPORTATION MAINTENANCE AND REPAIR

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
BRIDGE MAINTENANCE & REPAIR	17.00	17.00	17.00	17.00	0.0%	0
MALLS & PLAZAS - MAINTENANCE	10.20	10.20	14.00	14.00	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	52.40	52.40	52.40	52.40	0.0%	0
STREET ADMINISTRATION	10.50	10.50	10.50	10.50	0.0%	0
STREET CLEANING	46.05	46.05	46.05	46.05	0.0%	0
STREET MAINTENANCE & REPAIR	57.00	57.00	57.00	57.00	0.0%	0
Overall	216.15	216.15	219.95	219.95	0.0%	0

Positions 2015-2018



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

Financial Analysis – Public Works Transportation Engineering & Design

Expenditure
The Transportation Engineering & Design Department's total budget increases from $15.4 million in 2017 to $21.9 million in 2018. This is an increase of $6.6 million or 43.0% due to an increase in contractual services in the Capital Fund for specialized services and a change in accounting methodology for the purchase and sale of asphalt and concrete.

Revenue
Revenues are projected to increase by 265.5% in this department due to the timing of Capital Project startup and a change in accounting methodology for the purchase and sale of asphalt and concrete. The department's total revenues in 2018 are projected to be $23.5 million excluding the use of fund balance.

Fund Allocation
This division is funded primarily by the Capital Transportation Planning & Engineering Fund (60.6%), with the remainder of the division's funding found in the General Fund (3.4%) and Internal Service Funds (36.0%).

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

Council Adopted Budget
The City Council amended the Mayor's recommendation by increasing one-time Non-General Fund revenue and expense by $160,000 for the addition of seven vehicles.

PW - TRANSPORTATION ENGINEERING & DESIGN
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	2,686,870	1,053,272	1,120,620	1,145,796	2.2%	25,176
FRINGE BENEFITS	553,285	419,922	425,780	442,976	4.0%	17,195
CONTRACTUAL SERVICES	621,472	517,511	321,881	390,522	21.3%	68,641
OPERATING COSTS	62,457	33,007	43,804	53,127	21.3%	9,323
TOTAL GENERAL	**3,924,085**	**2,023,712**	**1,912,086**	**2,032,420**	**6.3%**	**120,335**
SPECIAL REVENUE						
SALARIES AND WAGES	20,182	10,263				0
FRINGE BENEFITS	7,087	3,577				0
CONTRACTUAL SERVICES	(15,255)	145				0
OPERATING COSTS	201					0
TOTAL SPECIAL REVENUE	**12,215**	**13,985**				**0**
CAPITAL PROJECT						
SALARIES AND WAGES	1,578,864	2,971,202	3,436,320	3,886,866	13.1%	450,546
FRINGE BENEFITS	999,569	996,710	1,283,957	1,494,422	16.4%	210,465
CONTRACTUAL SERVICES	4,767,194	4,172,217	6,563,942	6,815,439	3.8%	251,497
OPERATING COSTS	61,494	77,423	112,617	107,929	-4.2%	(4,688)
CAPITAL	22,950	25,115	80,000	240,000	200.0%	160,000
TOTAL CAPITAL PROJECT	**7,430,071**	**8,242,667**	**11,476,836**	**12,544,656**	**9.3%**	**1,067,819**
INTERNAL SERVICE						
SALARIES AND WAGES	858,561	930,179	919,352	948,350	3.2%	28,999
FRINGE BENEFITS	607,559	318,398	361,059	377,200	4.5%	16,141
CONTRACTUAL SERVICES	498,241	567,668	605,770	613,006	1.2%	7,236
OPERATING COSTS	69,639	79,519	79,890	5,434,334	6,702.3%	5,354,444
TOTAL INTERNAL SERVICE	**2,033,999**	**1,895,765**	**1,966,071**	**7,372,891**	**275.0%**	**5,406,820**
TOTAL EXPENSE	**13,400,370**	**12,176,129**	**15,354,993**	**21,949,967**	**43.0%**	**6,594,974**

REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SERVICES	908,718	828,251	600,000	650,000	8.3%	50,000
LICENSE AND PERMITS	41,385	69,475	30,000	50,000	66.7%	20,000
OTHER MISC REVENUES		241			0.0%	0
GENERAL	**950,103**	**897,967**	**630,000**	**700,000**	**11.1%**	**70,000**
SPECIAL REVENUE						
CONTRIBUTIONS	14,632				0.0%	0
SPECIAL REVENUE	**14,632**					**0**

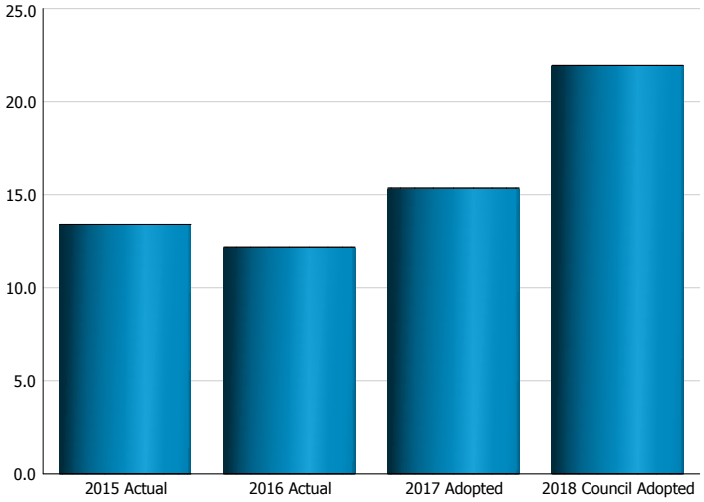
PW - TRANSPORTATION ENGINEERING & DESIGN
EXPENSE AND REVENUE INFORMATION

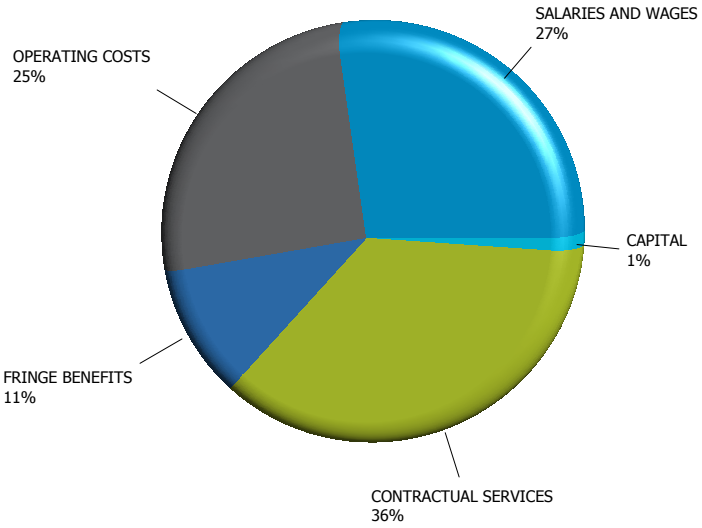
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
CAPITAL PROJECT						
CHARGES FOR SERVICES	7,930,601	7,423,797	3,815,000	15,400,000	303.7%	11,585,000
FEDERAL GOVERNMENT	39,339	89,051			0.0%	0
OTHER MISC REVENUES	70	570			0.0%	0
USE OF FUND BALANCE			7,734,248	(2,971,941)	-138.4%	(10,706,189)
CAPITAL PROJECT	**7,970,010**	**7,513,418**	**11,549,248**	**12,428,059**	**7.6%**	**878,811**
INTERNAL SERVICE						
CHARGES FOR SALES	295,777	263,759	320,000	5,617,500	1,655.5%	5,297,500
CHARGES FOR SERVICES	1,243,328	1,571,956	1,656,533	1,755,391	6.0%	98,858
OTHER MISC REVENUES	865	545			0.0%	0
USE OF FUND BALANCE			(10,463)		-100.0%	10,463
INTERNAL SERVICE	**1,539,970**	**1,836,260**	**1,966,070**	**7,372,891**	**275.0%**	**5,406,821**
TOTAL REVENUE	**10,474,715**	**10,247,645**	**14,145,318**	**20,500,950**	**44.9%**	**6,355,632**

PW - TRANSPORTATION ENGINEERING & DESIGN
EXPENSE AND REVENUE INFORMATION

Expense by Category

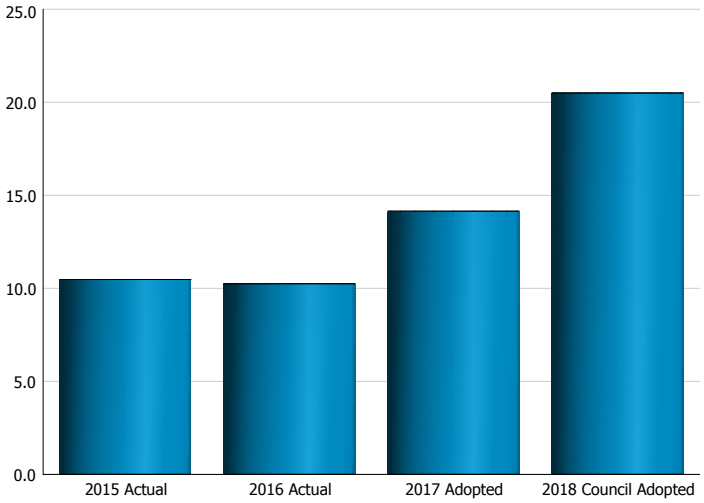
Expense 2015 - 2018
In Millions

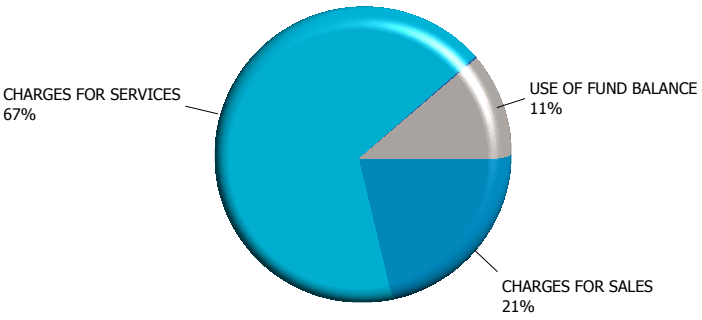




Revenue by Type

Revenue 2015 - 2018
In Millions

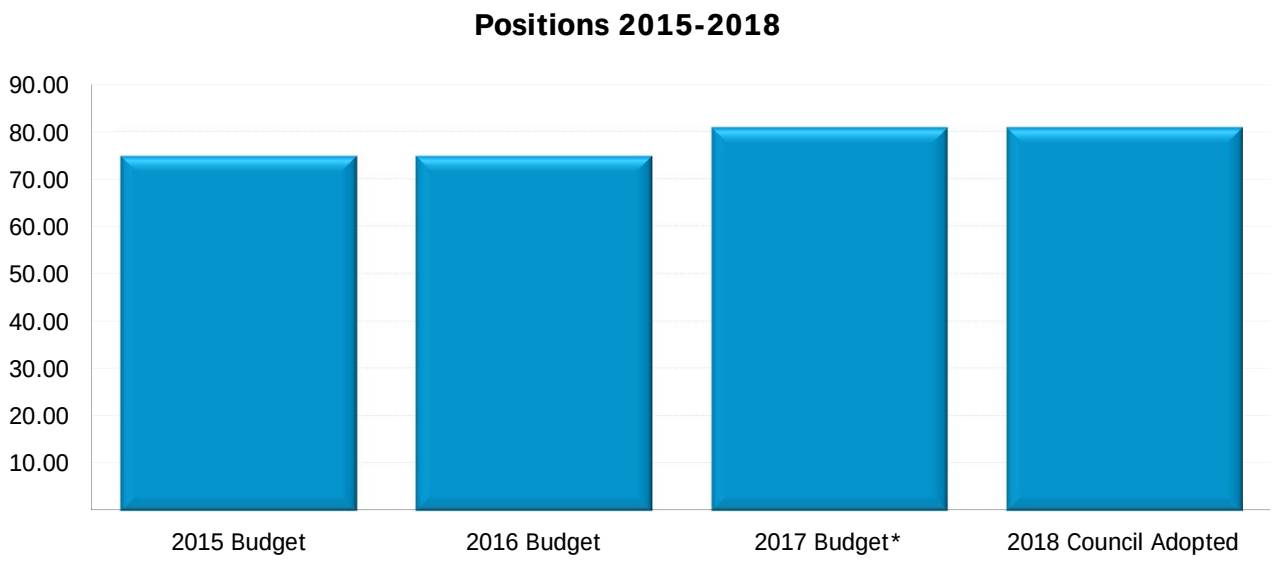




PW - TRANSPORTATION ENGINEERING & DESIGN

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
Bridge Inspections	2.50	2.50	2.50	2.50	0.0%	0
ENGINEERING LABORATORY	13.50	13.50	13.50	13.50	0.0%	0
PLANNING AND DESIGN	46.00	46.00	52.00	52.00	0.0%	0
SP ASSESS & ROW MGNT	6.00	6.00	6.00	6.00	0.0%	0
Utility Connections	7.00	7.00	7.00	7.00	0.0%	0
Overall	75.00	75.00	81.00	81.00	0.0%	0



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

Financial Analysis – Public Works Transportation Planning & Programming

Expenditure

The Transportation Planning & Programming Department's total budget increases from $2.4 million in 2017 to $3.5 million in 2018. This is an increase of $1.0 million, or 43.4%. The Transportation Planning & Programming Department's 2018 expenditure budget reflects the following changes from 2017: an increase of $420,000 contractual services in the General Fund for specialized services, an increase of $440,000 contractual services for design services in the Capital Fund funded with capital project revenue, and budgetary change items of $400,000 detailed below.

Revenue

Revenues are projected to increase by 1681.0% in this department due to the timing of Capital Project startup. The department's total revenues in 2018 are projected to be $890,500.

Fund Allocation

This department is funded primarily by the General Fund with the remainder in the Capital Transportation Planning & Engineering Fund.

Mayor's Recommended Budget

The Mayor recommends ongoing General Fund appropriations of $75,000 (includes 0.5 FTE) and ongoing Non-General Fund appropriations of $75,000 through the Storm Water Fund (includes 0.5 FTE), to fund Green Storm Water Management and the Public Realm Greening program.

The Mayor also recommends one-time General Fund appropriations of $250,000 to develop the Access Minneapolis Action Plan.

Council Adopted Budget

The City Council approved the Mayor's recommendations.

PW - TRANSPORTATION PLAN/PROGRAMING
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	354,966	948,823	1,362,008	1,584,346	16.3%	222,338
FRINGE BENEFITS	124,981	302,736	476,350	566,870	19.0%	90,520
CONTRACTUAL SERVICES	355,454	719,223	423,739	508,151	19.9%	84,412
OPERATING COSTS	965	30,858	28,177	27,453	-2.6%	(724)
CAPITAL			2,500	2,500	0.0%	0
TOTAL GENERAL	**836,365**	**2,001,641**	**2,292,774**	**2,689,321**	**17.3%**	**396,546**
CAPITAL PROJECT						
SALARIES AND WAGES		116,344	91,843	245,026	166.8%	153,183
FRINGE BENEFITS		16,167	30,569	88,877	190.7%	58,308
CONTRACTUAL SERVICES		380,558		440,000		440,000
TOTAL CAPITAL PROJECT		**513,069**	**122,412**	**773,903**	**532.2%**	**651,491**
TOTAL EXPENSE	**836,365**	**2,514,710**	**2,415,186**	**3,463,224**	**43.4%**	**1,048,038**

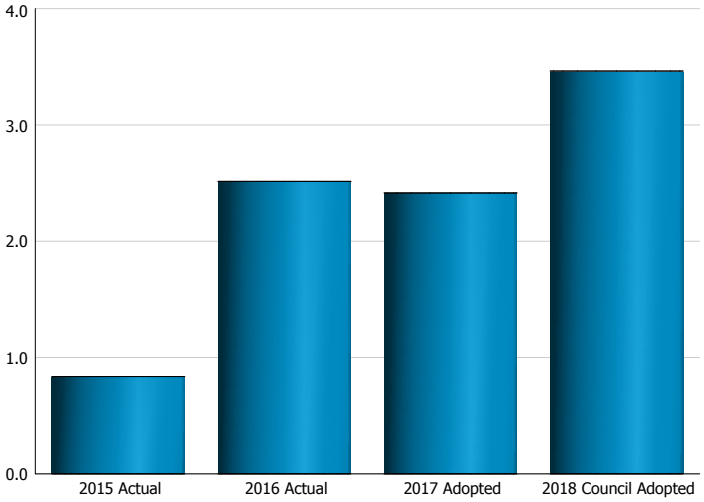
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
LOCAL GOVERNMENT	150,000				0.0%	0
OTHER MISC REVENUES		30			0.0%	0
GENERAL	**150,000**	**30**				**0**
CAPITAL PROJECT						
CHARGES FOR SERVICES		208,800	50,000	890,500	1,681.0%	840,500
CAPITAL PROJECT		**208,800**	**50,000**	**890,500**	**1,681.0%**	**840,500**
TOTAL REVENUE	**150,000**	**208,830**	**50,000**	**890,500**	**1,681.0%**	**840,500**

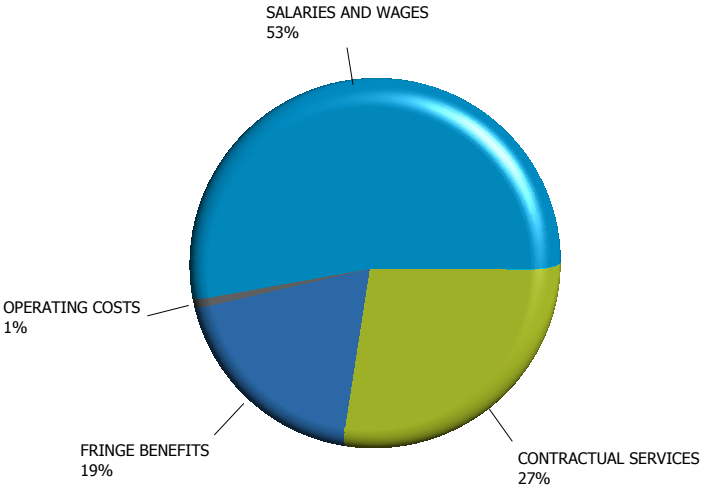
PW - TRANSPORTATION PLAN/PROGRAMING
EXPENSE AND REVENUE INFORMATION

Expense by Category

Expense 2015 - 2018

In Millions

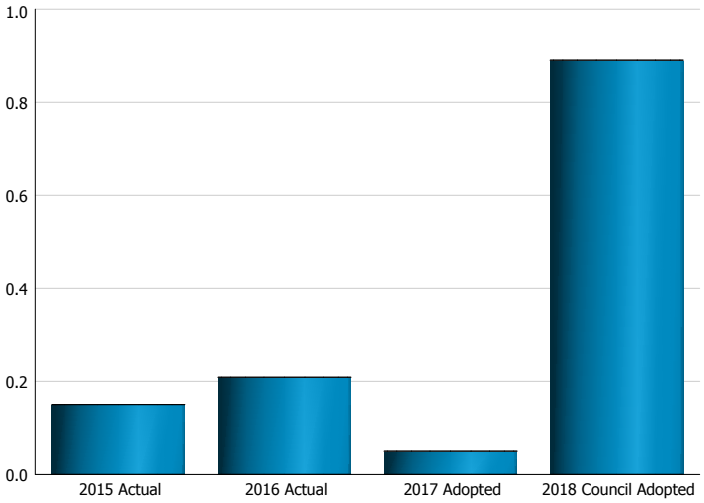


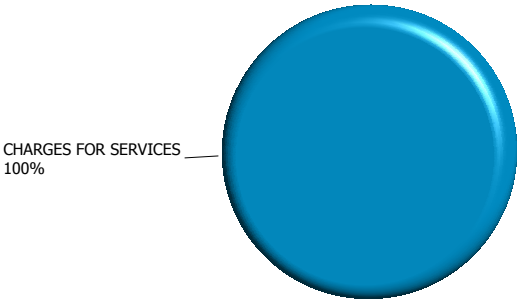


Revenue by Type

Revenue 2015 - 2018

In Millions

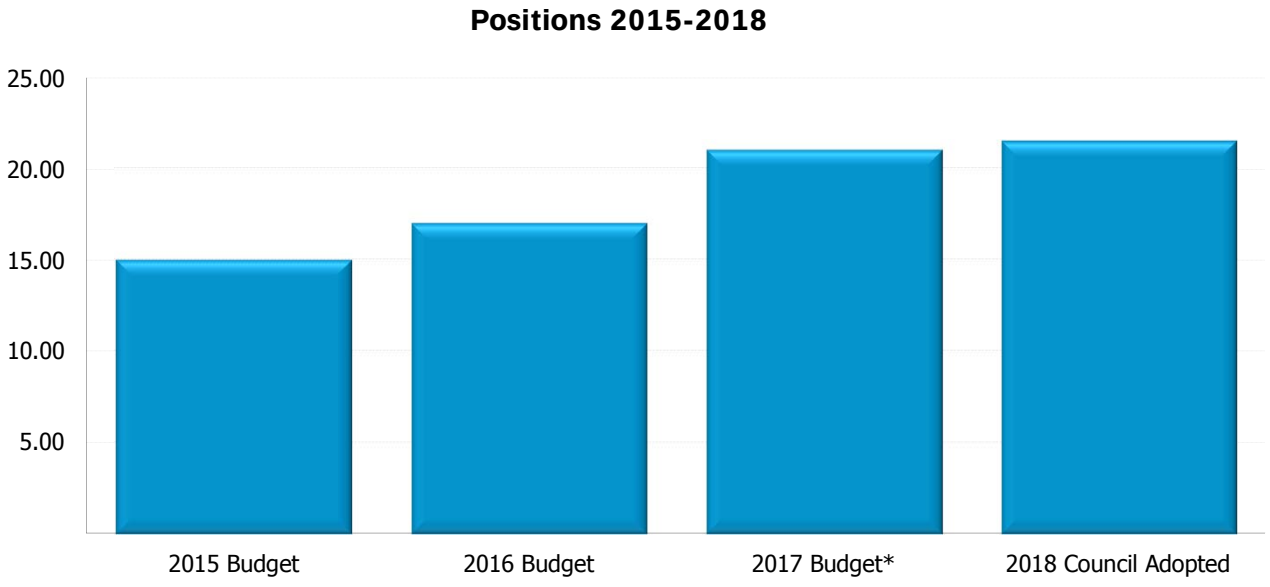




PW - TRANSPORTATION PLAN/PROGRAMING

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
TRANSPORTATION PLAN/PROGRAMING	15.00	17.00	21.00	21.50	2.4%	0.50
Overall	15.00	17.00	21.00	21.50	2.4%	0.50



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

Financial Analysis – Public Works Water Treatment & Distribution Services

Expense
The Water Treatment and Distribution Services Department's total budget increases from $57.9 million in 2017 to $60.4 million from in 2018. This is an increase of $2.5 million or 4.3%. The Water Treatment and Distribution Services Department's 2018 expenditure budget reflects the following changes from 2017: a $2.1 million transfer between operating departments, as well as routine inflationary increases in operating costs. There is a corresponding increase in revenue related to this transfer.

Revenue
Revenues are projected to increase by 3.7% in this department due to a fixed charge rate increase of 50 cents per month and a water volume charge rate increase of 5 cents per unit. A short term Wholesale contract with the City of New Brighton is expected to bring in $1.7 million in water volume sales. The department's total revenues in 2018 are projected to be $90.4 million excluding the use of fund balance.

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 recommends no changes to this department's base program proposal.

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

PW - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION

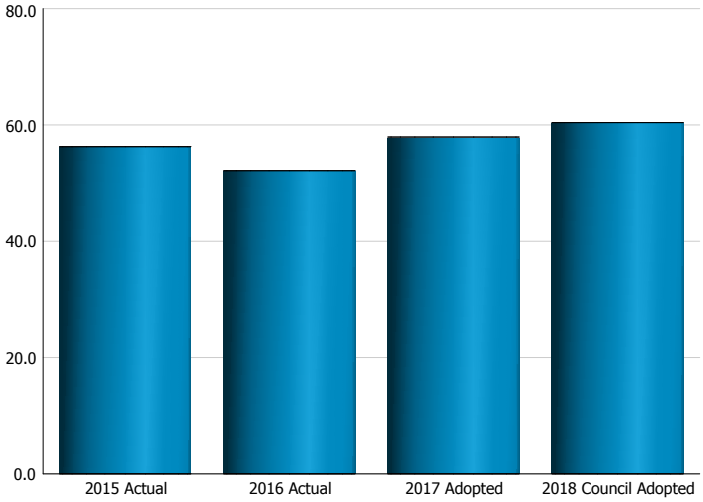
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CONTRACTUAL SERVICES	10,000					0
TOTAL SPECIAL REVENUE	**10,000**					**0**
ENTERPRISE						
SALARIES AND WAGES	12,947,823	13,186,941	14,774,954	15,265,468	3.3%	490,514
FRINGE BENEFITS	10,403,487	5,832,974	6,722,849	7,081,954	5.3%	359,105
CONTRACTUAL SERVICES	20,771,796	20,062,414	23,193,229	25,707,675	10.8%	2,514,446
OPERATING COSTS	11,801,148	12,640,528	12,355,596	11,831,592	-4.2%	(524,004)
CAPITAL	323,055	406,369	870,441	519,021	-40.4%	(351,420)
TOTAL ENTERPRISE	**56,247,307**	**52,129,225**	**57,917,069**	**60,405,710**	**4.3%**	**2,488,641**
TOTAL EXPENSE	**56,257,307**	**52,129,225**	**57,917,069**	**60,405,710**	**4.3%**	**2,488,641**

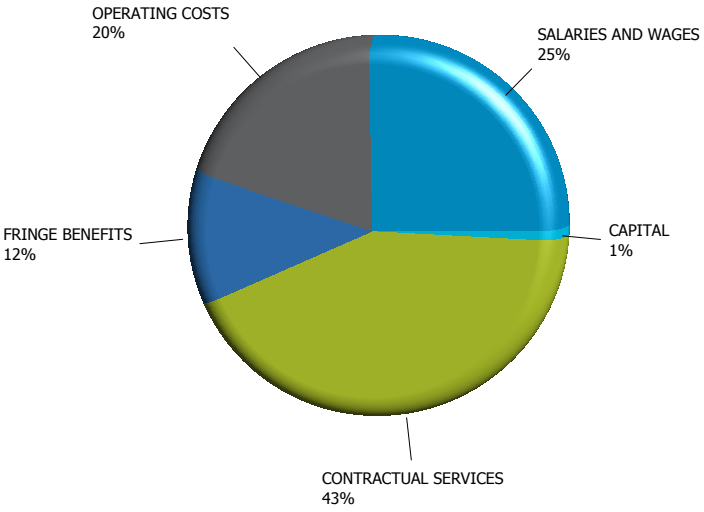
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
STATE GOVERNMENT	10,000				0.0%	0
SPECIAL REVENUE	**10,000**					**0**
ENTERPRISE						
CHARGES FOR SALES	296,402	1,932,422		200,000	0.0%	200,000
CHARGES FOR SERVICES	72,535,279	77,742,760	85,824,862	89,062,053	3.8%	3,237,191
LICENSE AND PERMITS	88,602	78,350	90,000	90,000	0.0%	0
OTHER MISC REVENUES	7,279	463,314			0.0%	0
SPECIAL ASSESSMENTS	1,087,192	1,011,867	1,250,000	1,000,000	-20.0%	(250,000)
TRANSFERS IN	1,285,170	1,101,466			0.0%	0
USE OF FUND BALANCE			(1,936,068)	(393,111)	-79.7%	1,542,957
ENTERPRISE	**75,299,924**	**82,330,178**	**85,228,794**	**89,958,942**	**5.5%**	**4,730,148**
TOTAL REVENUE	**75,309,924**	**82,330,178**	**85,228,794**	**89,958,942**	**5.5%**	**4,730,148**

PW - WATER TREATMENT & DISTR.
EXPENSE AND REVENUE INFORMATION

Expense by Category

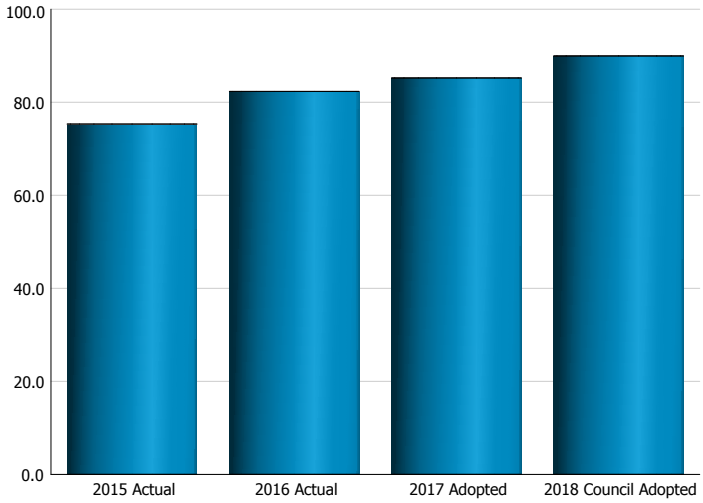
Expense 2015 - 2018
In Millions

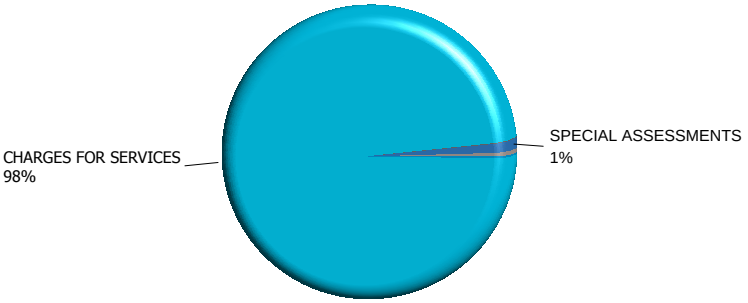




Revenue by Type

Revenue 2015 - 2018
In Millions

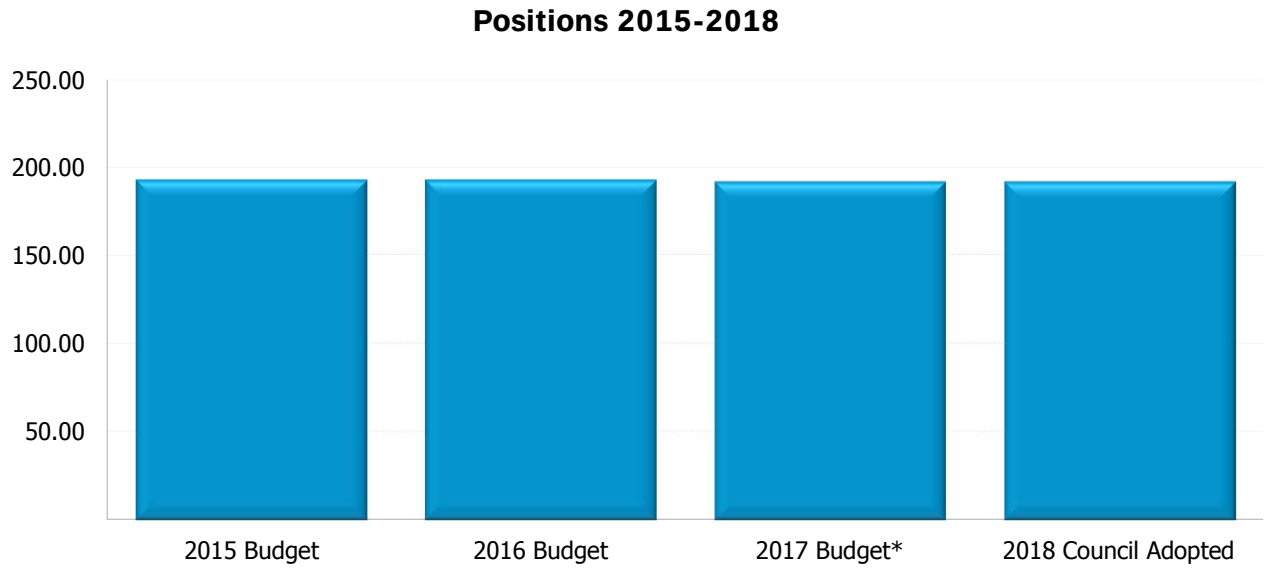




PW - WATER TREATMENT & DISTR.

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
DISTRIBUTION	59.50	59.50	61.50	56.00	-8.9%	(5.50)
METER SHOP	20.00	20.00	19.00	17.00	-10.5%	(2.00)
OPERATIONS - WATER	89.50	89.50	88.50	81.00	-8.5%	(7.50)
REIMBURSABLE ALTERATIONS	9.00	9.00	9.00	24.00	166.7%	15.00
WATER ADMINISTRATION & PERMITS	6.00	6.00	5.00	5.00	0.0%	0
WATER ENGINEERING	9.00	9.00	9.00	9.00	0.0%	0
Overall	193.00	193.00	192.00	192.00	0.0%	0



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

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

Animal Care & Control
Minneapolis Animal Care & 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.

Fire Inspection Services
Fire Inspection 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.

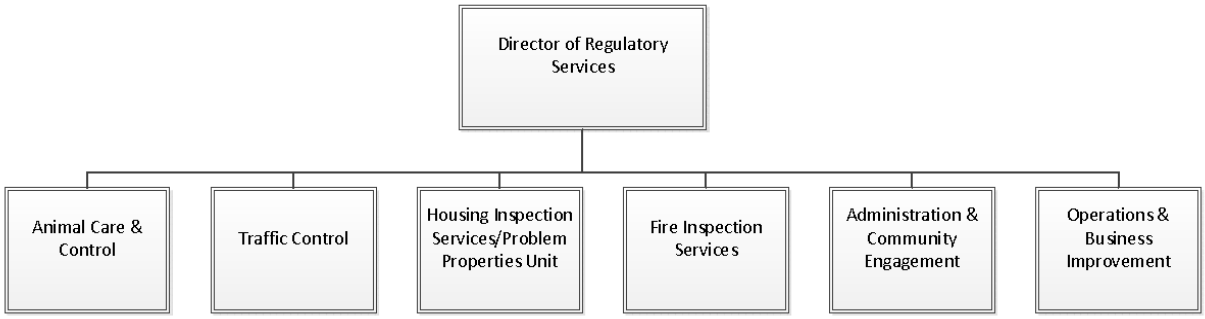
Housing Inspection Services
Housing Inspection Services provides quality and consistent enforcement of the Minneapolis Housing Maintenance and other applicable codes to maintain, improve, and preserve the city's existing housing stock and promote neighborhood stabilization. The division's services include 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.

Traffic Control
Traffic Control 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.

Administration & Community Engagement
The Administration & Community Engagement division has a unique dual focus as it strives to ensure data quality of our systems and enforcement activities while also enhancing our internal and external engagement efforts.

Operations
The Operations division provides analysis and professional administrative support for departmental and enterprise programs. The division is responsible for management of data related to field operations, management of administrative hearings and departmental budget, technology, human resource and public policy coordination.

ORGANIZATION CHART

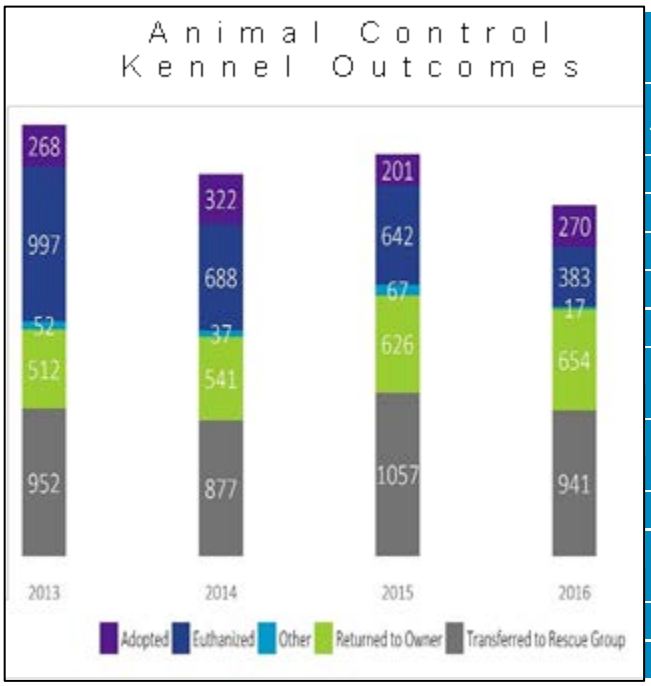


Living Well

Animal Care & Control (MACC)

General Fund: $3,275,031
Other Funds: $75,000

Minneapolis Animal Care & Control 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.

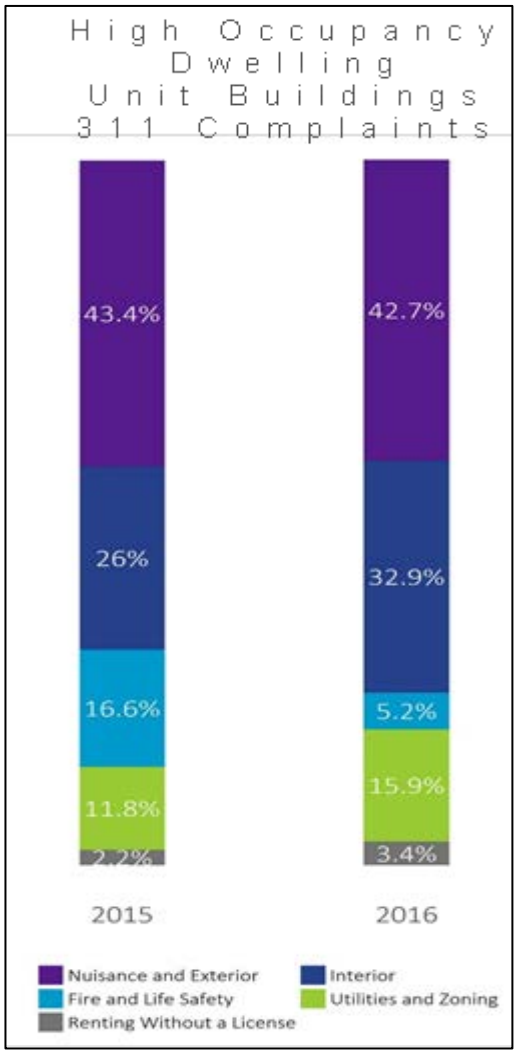


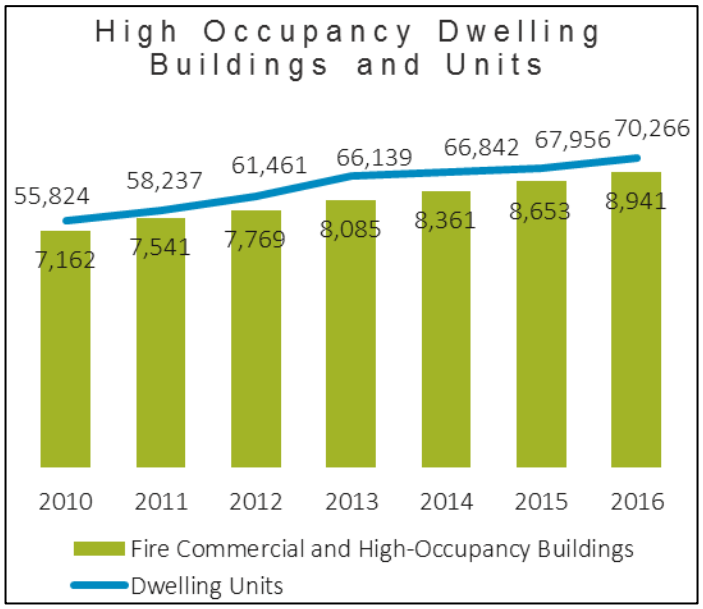
Animal Control Calls for Services				
Type of Activity	2014	2015	2016	% Change
Investigations	685	2,447	3,622	429%
Assist	256	212	184	-28%
At Large/Stray	6,157	3,646	3,668	-40%
Barking	885	937	723	-18%
Bite/Incident	2,233	1,920	2,030	-9%
Community Outreach	NA	13	116	NA
Declared/ Investigation	1,018	1,101	1,162	14%
DOA Pick Up	1,324	1,407	1,493	13%
Information Request	469	1,162	1,801	284%
Inspections	610	107	174	75%
Wildlife	191	615	988	417%

Fire Inspection Services (FIS)

General Fund: $3,183,662

Fire Inspection Services 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. FIS also reviews and inspects thousands of fire suppression systems and supports and answers complex fire code questions. FIS inspects high-occupancy residential dwelling units and conducts hundreds of commercial inspections annually.

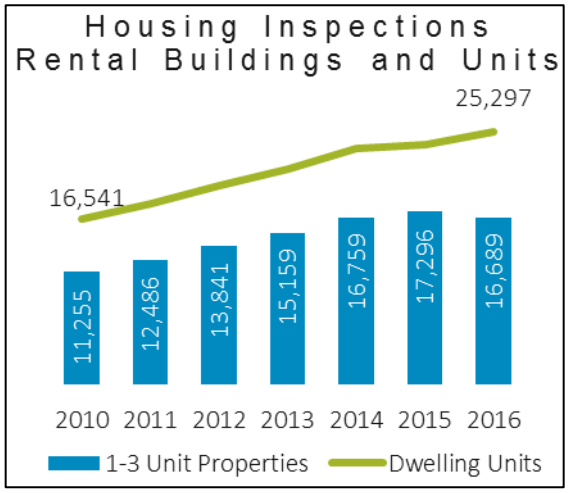


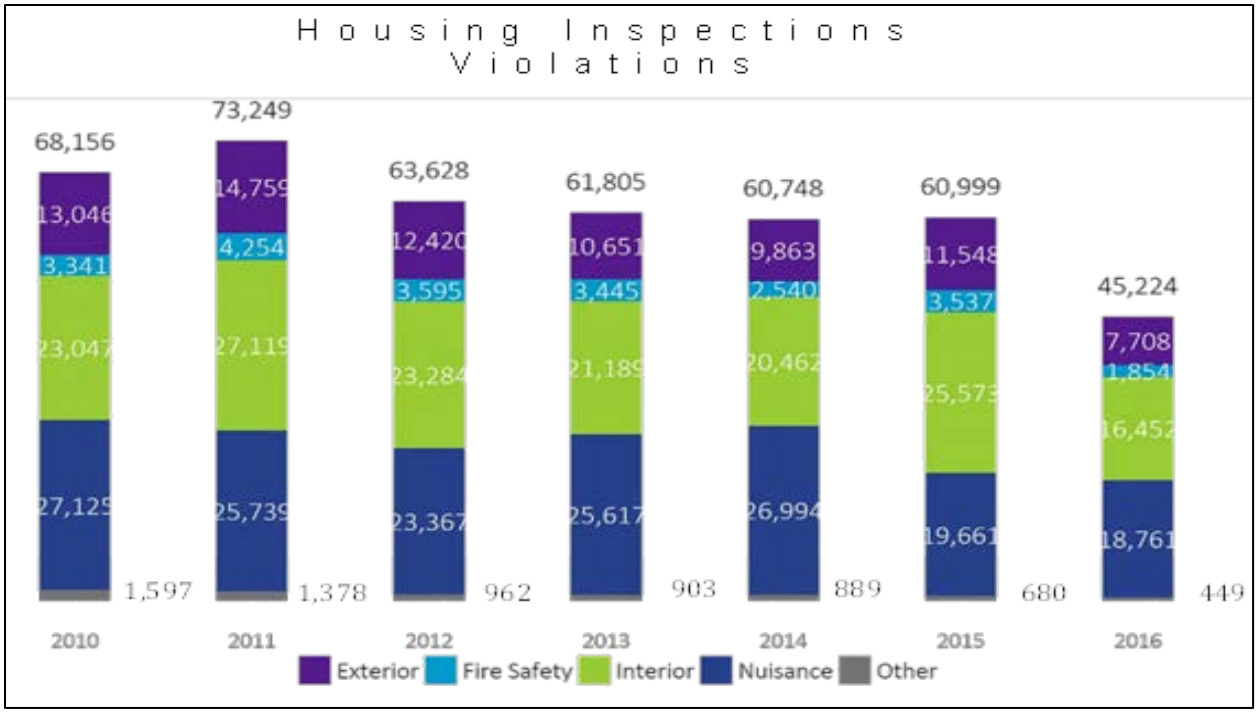


Housing Inspections Services (HIS)

General Fund: $4,496,397
Other Funds: $4,074,788

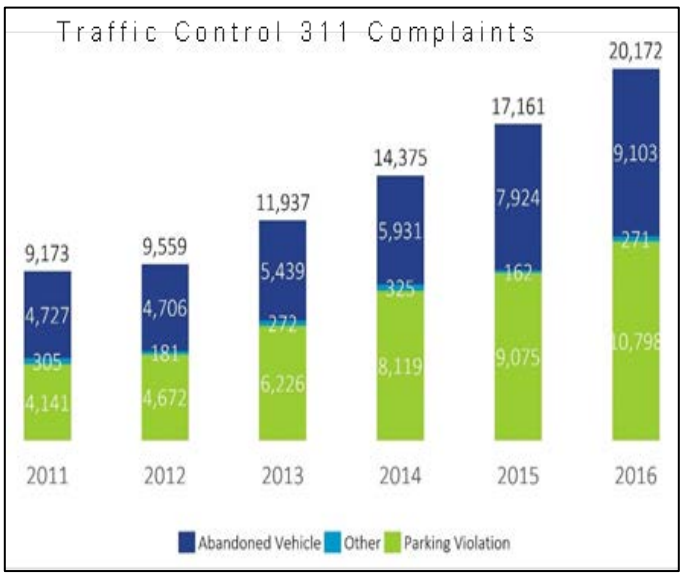
HIS provides a range of programs and activities designed to ensure safe and quality properties. Mandated activities include enforcement of those portions of the International Property Maintenance Code pertaining to rental licensing, removal of hazardous structures and legal due process requirements for special assessments. HIS 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 of 1-3 units and all vacant residential buildings, removing substandard housing through demolition activity and creating incentives to rehab vacant properties by using and managing redevelopment thorough restoration agreements.

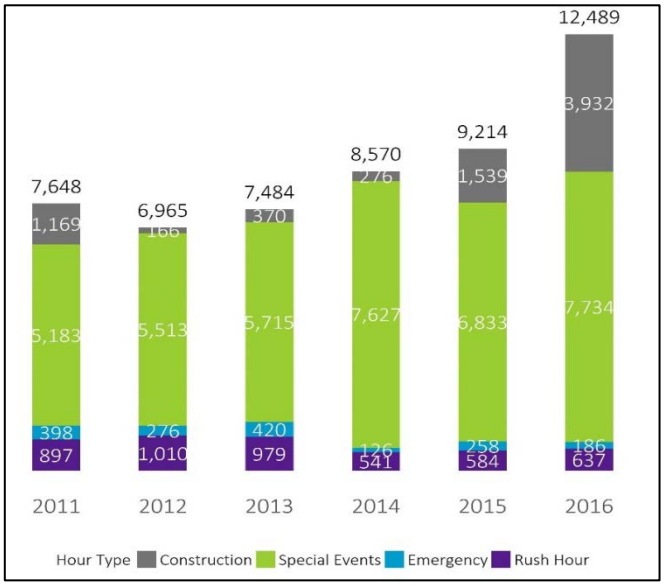




Traffic Control (TC) General Fund: $6,089,087

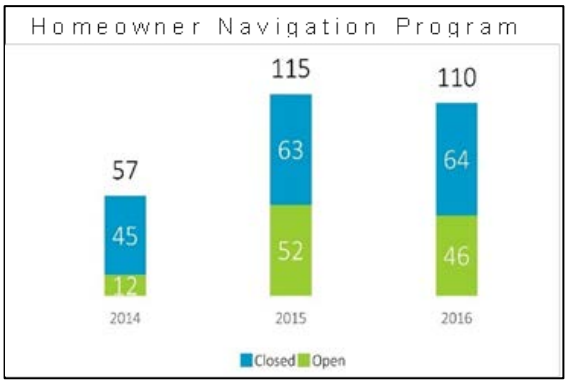
Traffic Control provides parking enforcement and intersection control to assist traffic flow at intersections by providing for additional throughput on lights, allowing for additional turns and pedestrian movement. This allows for safer, more efficient traffic flow during rush hour, special events, around construction sites and during emergencies and natural disasters. TC also coordinates with public works for street cleaning operations and snow emergencies. TC also responds to 311-reported parking violation and abandoned vehicle service requests.





Administration & Community Engagement

General Fund: $776,517
Other Funds: $592,346



This division 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 the Homeowner Navigation program which works to identify the unique needs of our senior, disabled and low-income population as they work to meet compliance goals.

All Together Now program
Violations per Neighborhood

2016 Neighborhoods	2014 Total Violations	2015 Total Violations	2016 Total Violations	Percent Change (2014 to 2016)
Central	1,235	729	458	-63%
Como	322	493	484	50%
Folwell	1,583	924	1,182	-25%
Howe	400	546	196	-51%
Jordan	1,729	890	1,145	-34%
Kingfield	1,208	428	182	-85%
Lind-Bohanon	1,141	1,108	490	-57%
McKinley	828	1,120	786	-5%
Powderhorn Park	1,277	777	310	-76%
Willard - Hay	1,891	861	991	-48%

Note: White boxes represent time points when a neighborhood was not involved in the All Together Now program.

Operations

General Fund: $2,418,264
Other Funds: $161,997

This division provides department-wide leadership and support for budget, technology services, business planning, process improvement, analytics, finances, IT, space and workforce planning. It oversees the administrative hearing program and is responsible for coordination of projects, public policy process and implementation, committee actions and council process.

Financial Analysis

Expenditure
For 2018, the Department of Regulatory Services budget is $25.1 million, an increase of 3.7%, or $899,000 over the 2017 budget of $24.2 million. The General Fund portion of the department's budget is increasing by 6.1%, or $1.2 million, reflecting routine inflationary operating increases and internal service charges. Special revenue funded expenditures are budgeted to decrease by 5.2%, or $270,000 for community engagement activities.

Revenue
Total revenues associated with Regulatory Services' activities are budgeted to decrease by 4.0% or $702,000 over the 2017 level. The projected General Fund revenue for 2018 is $12.1 million, a decrease of 3.9%, or $493,000 from 2017. The department's Special Revenue Funds revenues are projected to decrease by 4.2%, or $209,000. Special Revenue Fund revenue is projected at $4.8 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 recommends an additional ongoing General Fund appropriation of $131,000 (1 FTE) to increase capacity for High Occupancy Dwelling Inspections and $478,000 for Nighttime Mobility. The Mayor also recommends one-time General Fund appropriations of $375,000 to increase Traffic Control service hours, $140,000 for Land Management Configuration Resources, $145,000 for Nighttime Mobility, $50,000 for Equity and Inclusion, $30,000 for Replacement IPads for Traffic Control, and $75,600 for Traffic Management and Fire Inspections for Super Bowl 52, reimbursable by the Super Bowl Committee.

Council Adopted Budget
The City Council amended the Mayor's recommendation in the general fund; eliminating the one-time appropriation of $145,000 for Nighttime Mobility; eliminating the ongoing appropriation of $478,000 for Nighttime Mobility; increasing the ongoing appropriation by $200,000 and adding 2 FTE for Housing Inspection Services; and, decreasing the department's ongoing base appropriation by $10,000.

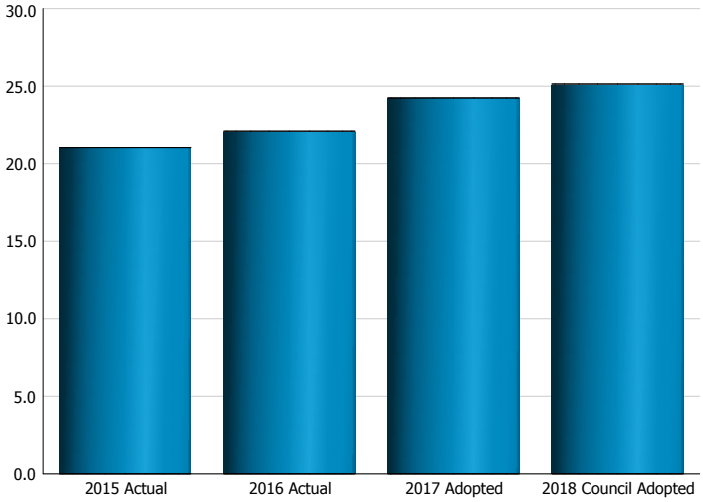
REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
SALARIES AND WAGES	7,967,769	9,318,552	9,649,043	10,512,208	8.9%	863,165
FRINGE BENEFITS	3,186,639	3,663,677	4,058,849	4,470,866	10.2%	412,016
CONTRACTUAL SERVICES	3,642,080	3,982,370	3,812,965	4,044,805	6.1%	231,840
OPERATING COSTS	1,569,949	1,304,976	1,170,809	1,177,735	0.6%	6,926
CAPITAL		110,983	375,000	30,000	-92.0%	(345,000)
TOTAL GENERAL	**16,366,436**	**18,380,557**	**19,066,666**	**20,235,614**	**6.1%**	**1,168,948**
SPECIAL REVENUE						
SALARIES AND WAGES	2,379,702	1,737,059	2,412,594	2,176,560	-9.8%	(236,034)
FRINGE BENEFITS	887,110	673,786	975,563	919,964	-5.7%	(55,598)
CONTRACTUAL SERVICES	1,188,523	1,038,594	1,299,267	1,316,987	1.4%	17,720
OPERATING COSTS	82,944	68,852	61,785	65,619	6.2%	3,834
CAPITAL	135,368	198,929	425,000	425,000	0.0%	0
TOTAL SPECIAL REVENUE	**4,673,647**	**3,717,220**	**5,174,209**	**4,904,131**	**-5.2%**	**(270,078)**
TOTAL EXPENSE	**21,040,083**	**22,097,778**	**24,240,875**	**25,139,745**	**3.7%**	**898,869**

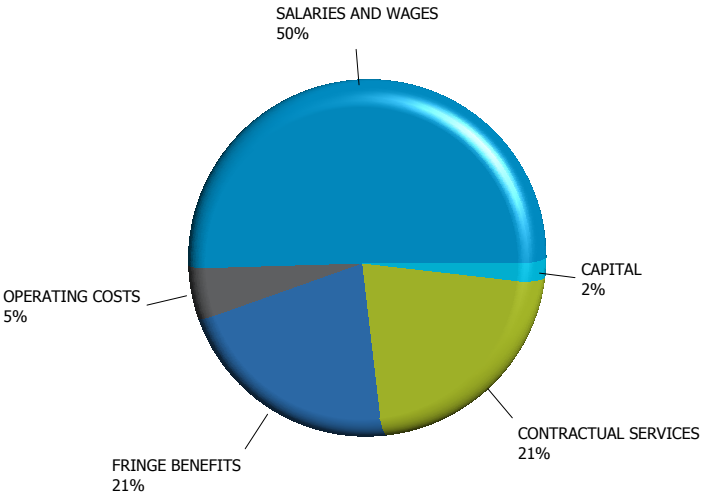
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Council Adopted	Percent Change	Change
GENERAL						
CHARGES FOR SALES		205			0.0%	0
CHARGES FOR SERVICES	734,212	696,879	593,000	690,000	16.4%	97,000
FINES AND FORFEITS	4,704,782	4,749,820	4,998,000	5,031,000	0.7%	33,000
GAINS		3,105			0.0%	0
LICENSE AND PERMITS	5,795,200	5,704,152	5,698,400	5,557,000	-2.5%	(141,400)
LONG TERM LIABILITIES PROCEEDS		(3,105)			0.0%	0
OTHER MISC REVENUES	198,368	491,107	201,000	310,000	54.2%	109,000
SPECIAL ASSESSMENTS	1,209,976	711,400	1,102,500	511,500	-53.6%	(591,000)
GENERAL	**12,642,538**	**12,353,564**	**12,592,900**	**12,099,500**	**-3.9%**	**(493,400)**
SPECIAL REVENUE						
CHARGES FOR SERVICES	109,132	56,602	125,000	162,500	30.0%	37,500
CONTRIBUTIONS	160,727	111,713	25,000	75,000	200.0%	50,000
LOCAL GOVERNMENT				85,000	0.0%	85,000
OTHER MISC REVENUES	48,559		50,000		-100.0%	(50,000)
SPECIAL ASSESSMENTS	3,748,121	3,575,247	3,000,000	2,816,277	-6.1%	(183,723)
USE OF FUND BALANCE			1,828,299	1,680,804	-8.1%	(147,495)
SPECIAL REVENUE	**4,066,539**	**3,743,562**	**5,028,299**	**4,819,581**	**-4.2%**	**(208,718)**
TOTAL REVENUE	**16,709,077**	**16,097,126**	**17,621,199**	**16,919,081**	**-4.0%**	**(702,118)**

REGULATORY SERVICES
EXPENSE AND REVENUE INFORMATION

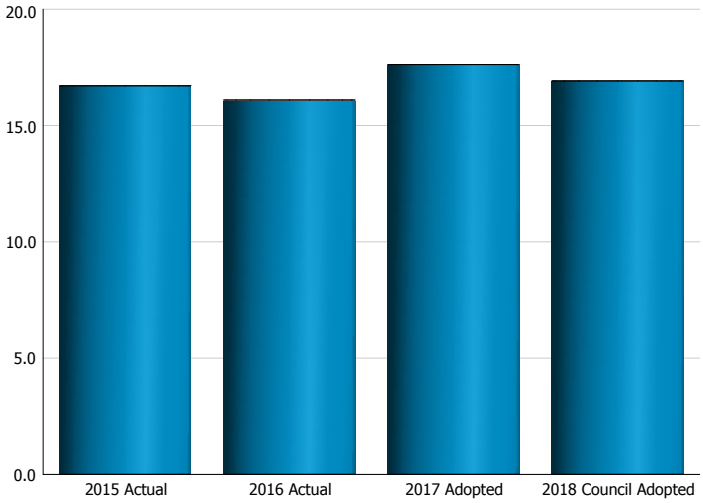
Expense 2015 - 2018
In Millions



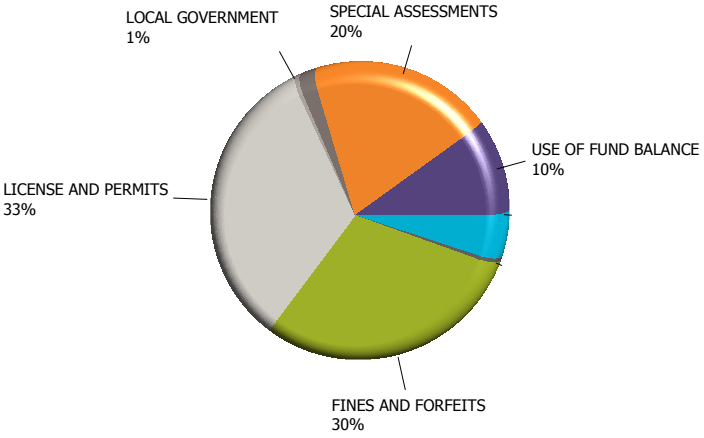
Expense by Category



Revenue 2015 - 2018
In Millions



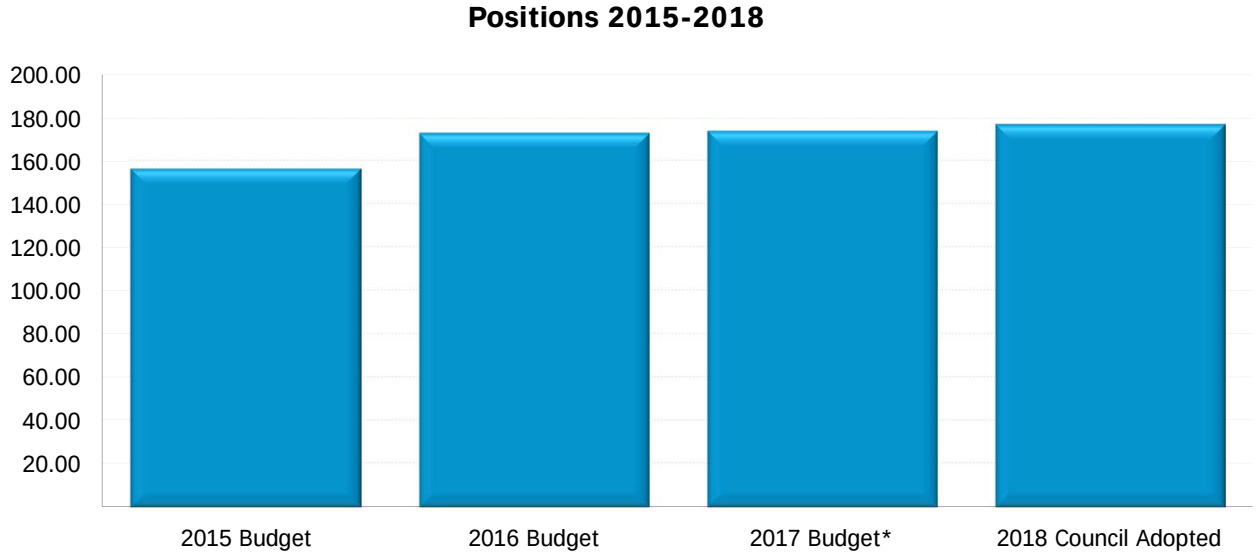
Revenue by Type



REGULATORY SERVICES

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	% Change	Change
ADMIN AND COMMUNITY ENGAGEMENT	11.50	13.00	11.00	11.00	0.0%	0
ADMINISTRATION	6.00					0
ANIMAL CONTROL	23.00	23.00	26.00	26.00	0.0%	0
FIRE INSPECTIONS	18.00	22.00	21.00	24.00	14.3%	3.00
HOUSING INSPECTIONS	36.00	45.00	45.00	45.00	0.0%	0
OPS & BUSINESS PROCESS IMPROVEMENT	8.00	16.00	15.00	15.00	0.0%	0
PROBLEM PROPERTIES	10.00	10.00	10.00	10.00	0.0%	0
TRAFFIC CONTROL	44.00	44.00	46.00	46.00	0.0%	0
Overall	156.50	173.00	174.00	177.00	1.7%	3.00



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

City of Minneapolis
2018 Budget

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City of Minneapolis

2018 – 2022 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 2018 - 2022, there were 105 CBRs reviewed and rated. The total requested capital budget for the five years was $988.65 million.

HIGHLIGHTS OF THE 2018 - 2022 ADOPTED CAPITAL IMPROVEMENT PROGRAM

Five-Year Capital Program Totals: For 2018 – 2022, the five-year capital program for City departments, independent boards and commissions totals $909.61 million including all funding sources. The 2018 portion of this program is $201.49 million. This budget demonstrates significant commitments to improving the City and Park Board's infrastructure.

The table below provides a high level summary of the Council Adopted five-year capital program. Funding for individual projects can be found in the "Capital Budget Detail for Funded Projects" report later in this document.

Submitting Agency	Infrastructure Category	2018	2019	2020	2021	2022	Total	Percent of Total
						Budget in Thousands		
PARK BOARD	NEIGHBORHOOD PARKS	12,335	12,342	12,337	12,980	13,140	63,134	6.94%
PUBLIC WORKS	TRANSPORTATION	96,654	86,023	81,585	83,455	107,002	454,719	49.99%
	UTILITY FEE BASED ENTERPRISES	60,773	90,520	68,695	57,240	60,700	337,928	37.15%
	Public Works Department Totals	**157,427**	**176,543**	**150,280**	**140,695**	**167,702**	**792,647**	**87.14%**
OTHER AGENCIES	CITY HALL, PUBLIC BLDGS, MISC.	31,726	10,522	6,721	1,619	3,241	53,829	5.92%
COUNCIL ADOPTED FIVE-YEAR CAPITAL PROGRAM		**201,488**	**199,407**	**169,338**	**155,294**	**184,083**	**909,610**	**100.00%**

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 NDB program for additional infrastructure improvements over the last several years and the new 20 year funding plan for streets and parks, the bond redemption levy begins to show increases in 2018 and future years to support the additional debt service to be incurred. These increases are possible due to reduced pension costs, lower current debt levels and the decertification of the consolidated tax increment district in 2020 which will increase the tax capacity in 2021. 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 averaging approximately $158 million for each five-year plan over the last three capital budget cycles. This budget increases the base amount for 2018 - 2022 to $168.18 million in the five-year plan to continue significant improvements to the City's infrastructure. In addition, the table below reflects the increases in the Street Infrastructure & Neighborhood Park Plan to be funded with NDB. The new higher NDB levels will improve all classes of City infrastructure with a greater emphasis on paving projects, pedestrian and bikeway connections, traffic safety, signage and lighting improvements, bridge improvements and significant additional park 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	2018	2019	2020	2021	2022	TOTAL
NDB Base Funding Totals	$ 44.59	$ 33.91	$ 30.10	$ 26.79	$ 32.79	$ 168.18
Streets Infrastructure Incr	$ 6.20	$ 7.50	$ 9.50	$ 10.10	$ 10.14	$ 43.44
Neighborhood Parks Incr	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.16	$ 40.16
Total NDB by year	$ 58.79	$ 49.41	$ 47.60	$ 44.89	$ 51.09	$ 251.78

Street Infrastructure and Neighborhood Park Funding Plan: The new expanded 20 year funding (over base) for streets and neighborhood parks is included in this budget. The total dollar increases for the five-year plan have been broken out into several existing and new paving projects for Street Infrastructure along with additional special assessments and municipal state aid adjustments as determined by the Public Works Department. For the Park Board, funds of $8 million per year were added to various neighborhood park projects with the final year increased by 2% to $8.16 million. The total resources added by funding source (excluding special assessments and municipal state aid) are summarized in the table below:

$ millions	2018	2019	2020	2021	2022	TOTAL
NDB - Parks	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.16	$ 40.16
NDB - Streets-all lines below	$ 6.20	$ 7.50	$ 9.50	$10.10	$10.14	$ 43.44
Transfer from Storm Sew Rev	$ 1.52	$ 1.53	$ 1.54	$ 1.56	$ 1.58	$ 7.73
Transfer from Gen Fund	$ 5.91	$ 5.53	$ 4.95	$11.29	$11.68	$ 39.36
Transfer from Self Ins Fund	$ 8.00	$ 0	$ 0	$ 0	$ 0	$ 8.00
Transfer from Spec Rev Fund	$ 0	$ 7.50	$ 6.50	$ 0	$ 0	$ 14.00
Total funding added by year	$29.63	$30.06	$30.49	$30.95	$31.56	$152.69

Public Works – NDB funding: The 2018 capital budget includes $20.58 million in base NDB funding for Public Works projects and $6.20 million in new Street Infrastructure NDB. Below is a summary of the 2018 - 2022 NDB allocation for Public Works infrastructure programs.

$ millions	2018	2019	2020	2021	2022	TOTAL
NDB – Public Works base	$ 20.58	$ 21.92	$ 21.50	$ 23.10	$ 27.21	$ 114.31
NDB – Street Infrastructure	$ 6.20	$ 7.50	$ 9.50	$ 10.10	$ 10.14	$ 43.44
Total Public Works NDB	$ 26.78	$ 29.42	$ 31.00	$ 33.20	$37.35	$ 157.75

Neighborhood Parks NDB and Park Capital Levy funding: The 2018 – 2022 capital budget includes $2.50 million of base NDB and $8 million of new Neighborhood Parks NDB funding for each year with an additional 2% in 2022 or $8.16 million. The 2018 budget includes $10.50 million of net debt bonds, and $1.53 million of park capital levy. Below is a summary of the total 2018 – 2022 funding for neighborhood parks capital improvements, excluding the Diseased Tree Removal Program.

$ millions	2018	2019	2020	2021	2022	TOTAL
NDB – Park Board base	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 12.50
NDB – Neighborhood Parks	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.16	$ 40.16
Park Capital Levy	$ 1.53	$ 1.54	$ 1.54	$ 2.18	$ 2.18	$ 8.97
Total Neighborhood Parks	$12.03	$12.04	$12.04	$12.68	$12.84	$ 61.63

The Park Capital Levy is a portion of the Park Board's total tax levy dedicated to capital improvements at the discretion of the Park Board. In addition to the neighborhood parks funding mentioned above, the Park Board also allocated $.531 and $.331 million of Park Capital Levy respectively in 2018 and 2019 for Parkway Street Light Replacement. This project will be managed by the Public Works Department and will also utilize additional City net debt bond funding.

NDB funding for Municipal Building Commission (MBC), Public Grounds & Facilities, and Miscellaneous Projects: The 2018 capital budget includes $21.52 million in NDB funding for these categories. Projects include building improvements for Police, Fire and other City buildings, including City Hall, public safety radio system replacements and public art. These categories comprise 16.4% of the available NDB resources in the five-year plan. Below is a summary of the 2018 - 2022 NDB funding for MBC, Public Grounds & Facilities, and Miscellaneous projects, including Public Art at 1.5% of the total NDB in 2018 - 2022.

$ millions	2018	2019	2020	2021	2022	TOTAL
NDB - Other	$ 21.52	$ 9.49	$ 6.10	$ 1.19	$ 3.07	$ 41.37

Utility Fee/Rate Supported Capital: The 2018 - 2022 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 $11.92 million over the five-year period for utility work performed as part of certain paving projects, most of which relates to storm sewer contributions on the new street infrastructure program. 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	2018	2019	2020	2021	2022	Total	Percent of Total
						Budget in Thousands		
PUBLIC WORKS	UTILITY FEE BASED ENTERPRISES							
	SANITARY SEWERS	10,500	12,500	12,500	12,500	12,500	60,500	17.90%
	STORM SEWERS	16,038	27,170	26,750	26,750	29,750	126,458	37.42%
	WATER INFRASTRUCTURE	34,235	50,850	29,445	17,990	18,450	150,970	44.68%
	Public Works Utility Fee Based Totals	**60,773**	**90,520**	**68,695**	**57,240**	**60,700**	**337,928**	**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.

CITY DEBT

Minneapolis' total general obligation debt increased from $654 million at 12/31/2016 to $664 million at 12/31/2017.

In 2017, the City of Minneapolis issued general obligation bonds and notes totaling $191.638 million. Of this amount, $56.01 million were issued to refund existing debt and $135.628 million were issued to finance new capital improvements. Below are details of the 2017 debt issuances.

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 renovating the Nicollet Mall roadway and streetscape in downtown Minneapolis. The note was issued on December 18, 2015 to provide up to 24 months of drawdown flexibility to reimburse expenses during construction. The note was issued in variable rate mode and accrued interest based on the weekly SIFMA index plus a bank spread. During 2015 and 2016, the City completed draws totaling $8.50 million and during 2017, the City completed additional note draws totaling $16.50 million. In May 2017, the City issued $37.875 million of General Obligation Improvement and Various Purpose Bonds, Series 2017

and $17.00 million of proceeds from this series was used to refund and convert a like amount of the 2015A note to fixed rate bonds. The fixed rate bonds and remaining variable rate note are paid with special assessments levied on benefitting property owners starting in 2017. In September 2017, the City utilized special assessment prepayments to reduce the outstanding note from $8.00 million to $4.80 million and in December 2017, the City extended the note arrangement to a new mandatory prepayment date of June 17, 2021. The extended note remains tax-exempt in variable rate mode priced at 70 percent of the one-week London Interbank Offered Rate (LIBOR) plus a bank spread. The refunding series is described in more detail below.

In March 2016, the City issued a $74.00 million Taxable General Obligation Sales Tax Note (Target Center Project), Series 2016 to Wells Fargo Bank, National Association to finance the City's share of the re-construction and upgrade of the Target Center Arena in downtown Minneapolis. Other funding partners include an estimated $57.11 million from the Minnesota Timberwolves Basketball Limited Partnership and $5.90 million from AEG Management, the manager of the facility. The note was issued on March 23, 2016 and provided an initial 364 days of drawdown flexibility to reimburse expenses during construction. In December 2016, the City and the bank agreed to extend the mandatory prepayment date of the drawdown facility from March 21, 2017 to March 21, 2018. During 2016, the City completed draws totaling $27.982 million and during 2017 completed additional note draws of $41.018 million. The taxable note is in variable rate mode and accrues interest based on the weekly LIBOR index rate plus a bank spread.

In May 2017, the City issued $39.915 million of Taxable General Obligation Sales Tax Refunding Bonds (Target Center Project), Series 2017 to refund and convert a portion of the Taxable General Obligation Sales Tax Note (Target Center Project), Series 2016 to fixed rate bonds. The City received bond proceeds of $41.146 million including an original issue premium of $1.427 million offset by a $.196 million underwriter's discount. On May 17, 2017, the City used $40.00 million of the proceeds to prepay a portion of the Series 2016 note and the balance to pay cost of issuance expenses and capitalized interest during the construction period. The refunding bonds were dated May 17, 2017 and were issued with fixed interest rates ranging from 3.25% to 4.25% and a final maturity date of December 1, 2035. Aggregate change in debt service and net present value calculations are not able to be calculated since future variable rate information is not available. This refunding was performed to minimize the risk of rising variable rates and to establish a permanent debt structure for a portion of the Target Center project. The City continues to draw on the balance of the variable rate note and is considering extending the note and/or refunding all or a portion of the note in 2018.

In May 2017, the City issued $37.875 million of General Obligation Improvement and Various Purpose Bonds, Series 2017. These bonds were issued for a variety of purposes including $9.355 million for special assessment projects related to street reconstruction and resurfacing, $13.645 million for a variety of capital infrastructure improvements and $17.00 million for refunding a portion of the Tax-Exempt General Obligation Note, Series 2015A with US Bank. The City received bond proceeds of $40.071 million including an original issue premium of $2.324 million offset by a $.128 million underwriter's discount. With net premium received, the par amount of bonds required for the purposes described above were reduced to $8.82 million, $12.96 million and $16.095 million respectively. The balance of the proceeds not required for project expenses were used to pay cost of issuance expenses. The bonds were dated May 17, 2017 and were issued with fixed interest rates ranging from 3.00% to 4.00% and a final maturity date of December 1, 2027. The refunding portion of this bond sale was performed to minimize the risk of rising variable rates and to establish a permanent debt structure for a portion of the

special assessment debt related to the Nicollet Mall reconstruction project. Aggregate change in debt service and net present value calculations were not able to be calculated since future variable rate information is not available.

In December 2017, the City issued $56.33 million of General Obligation Various Purpose Bonds, Series 2017. These bonds were issued for a variety of purposes including $2.10 million for a parking project, $6.58 million for sanitary sewer projects, $12.32 million for water projects and $39.00 million for a variety of capital infrastructure improvements. The City received proceeds of $60.093 million including an original issue premium of $3.80 million offset by a $.037 million underwriter's discount. With net premium received, the par amount of bonds required for the purposes described above were reduced to $1.995 million, $5.96 million, $11.32 million and $37.055 million respectively. The balance of the proceeds not required for project expenses were used to pay cost of issuance expenses. The bonds were dated December 5, 2017 and were issued with a fixed interest rate of 5.00% and a final maturity date of December 1, 2022.

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, 2017, the outstanding debt balance of the six general obligation notes in this program is $64.99 million.

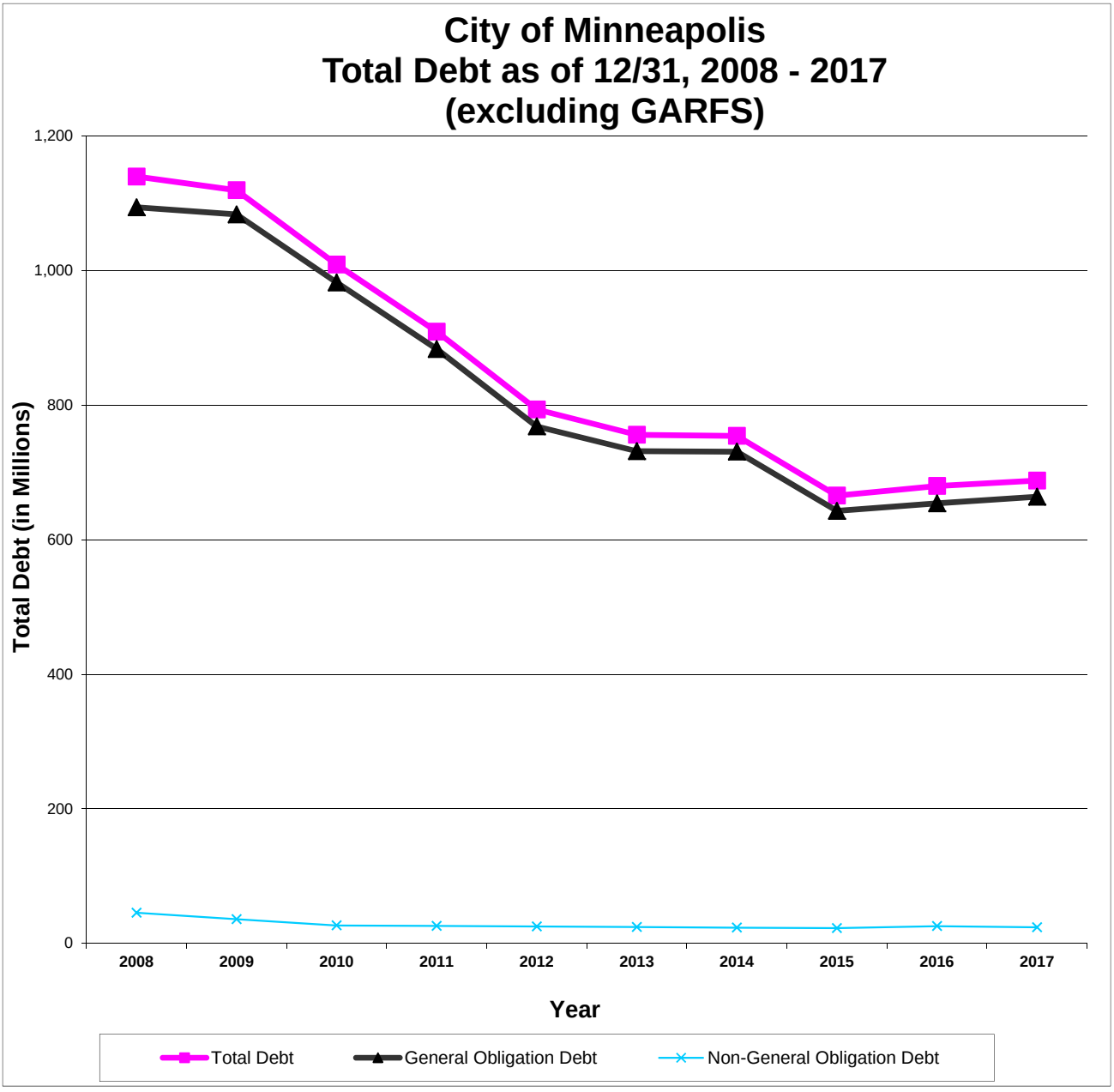
Discrete Component Unit Debt

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, 2017, $86.06 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, $54.425 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

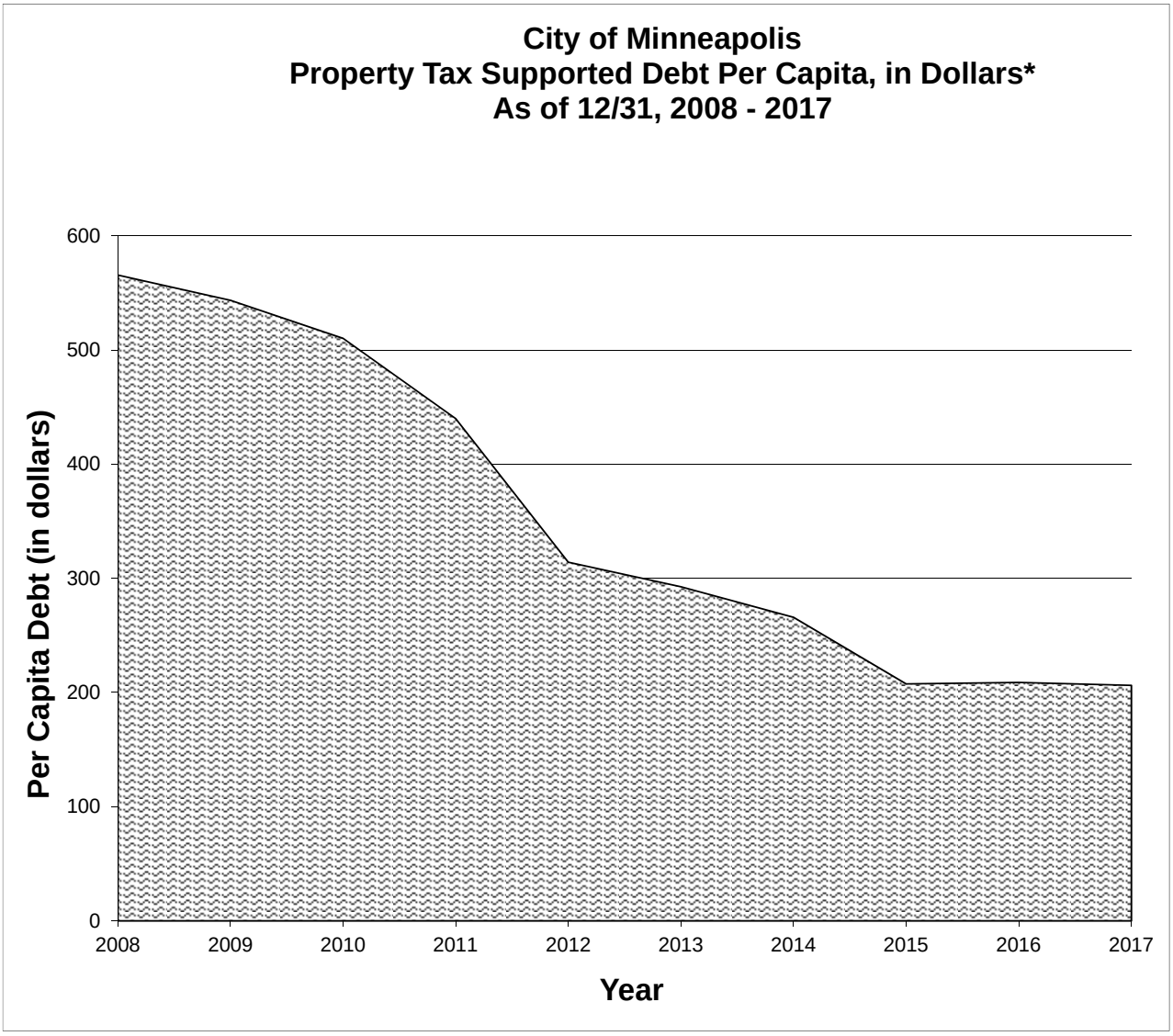
Management of the City's debt involves consideration of not only the absolute amount of debt, but also attention to yearly trends in the relationship of the debt to other financial measures. For purposes of the charts below, $64.3 million of General Agency Reserve Fund System (GARFS or common bond fund) bonds are not included as City Debt.

The accompanying chart shows a ten-year history of the total City debt level for years 2008 – 2017. 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 2008 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. Since 2015, all City closed pension plans have been merged into the State of Minnesota's public pension plans.

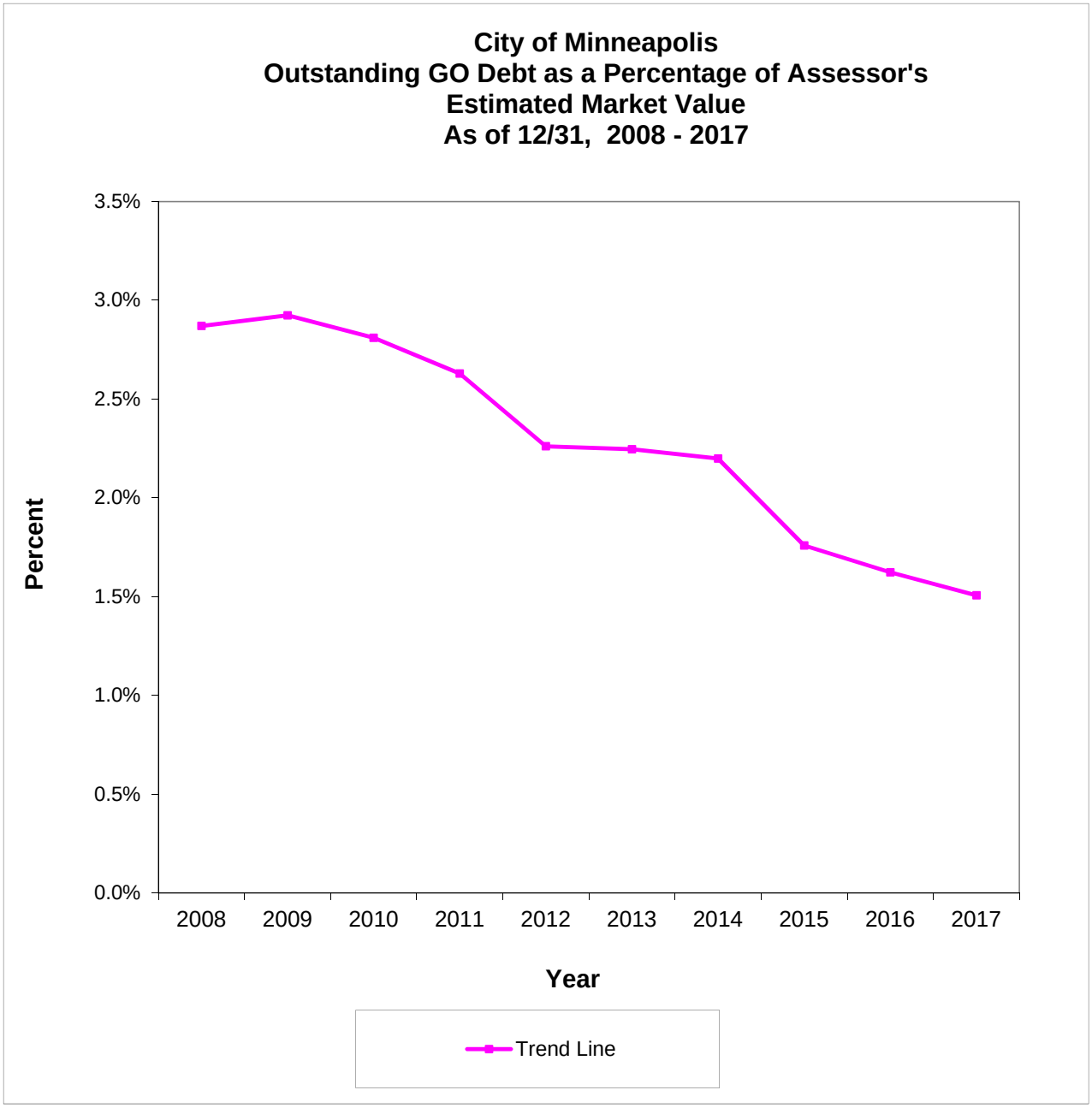


* Figures shown are adjusted indebtedness, which represents the total general obligation indebtedness of the City less that indebtedness supported by revenues other than general property taxes. Funding from self-supporting enterprises of the City offset a portion of the property tax supported pension 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 estimated 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 GO debt applicable to the calculation. Property values have recovered from the recession and recent new development has created significant additional market value which is contributing to the large improvement in the ratio from 2014 to 2017.



COMPUTATION OF THE CITY'S LEGAL DEBT MARGIN

The following is the computation of the estimated legal debt margin as of December 31, 2017. 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 (2017 Assessed Market Value)	$	43,591,679
Personal Property (2017 Assessed Market Value)		475,844
Adjustment for Exempt Personal Property (1966 Market Value)		298,030
Adjustment for Net Fiscal Disparities (Contribution)/Distribution		(191,651)
Total Assessed Market Value (as adjusted)		44,173,902
Debt Limit (3-1/3% of Market Value Applicable to Debt Limit)	$	1,472,463
General Obligation Bonds Subject to Debt Limit:		
Supported by Property Tax Levy		110,920
Supported by Special Assessments:		
Park Diseased Trees		740
Self-Supporting (Supported by Internal User Charges):		
Park Board - Land for athletic fields & energy efficiency		11,190
Public Works Fleet and Equipment		8,990
Property Services Fund		820
Total General Obligation Bonds Subject to Debt Limit		132,660
Less: Estimated Assets in Debt Service Fund at 12/31/17		(25,149)
Total Debt Applicable to Debt Limit		107,511
Legal Margin for New Bonds Subject to Debt Limit	$	1,364,952

SUMMARY OF OUTSTANDING CITY DEBT

Long-term liabilities (in thousands) at December 31, 2017 are detailed below.

	Balance 1/1/2017	Additions	Retirements	Balance 12/31/2017	Amounts Due Within One Year
Governmental activities:					
Bonds and Notes					
Property Tax Supported GO Bonds*	$ 114,615	$ 49,715	$ 53,410	$ 110,920	$ 49,090
Property Tax Supported GO Notes*	700	-	700	-	-
Self-Supporting GO Bonds	168,855	39,915	22,590	186,180	24,975
Self-Supporting GO Notes	27,982	41,018	40,000	29,000	2,000
GO Improvement Bonds	35,176	25,215	10,706	49,685	10,575
GO Improvement Notes	8,500	16,500	20,200	4,800	300
Tax Increment GO Bonds	62,680		4,915	57,765	5,385
Tax Increment GO Notes	3,210	-	460	2,750	490
Revenue Bonds	21,625	-	1,320	20,305	1,365
Revenue Notes	4,115	-	410	3,705	435
Internal Service Fund Related GO Bonds	12,970	-	3,160	9,810	9,810
Total Governmental Bonds and Notes	460,428	172,363	157,871	474,920	104,425
Business-type activities:					
Bonds and Notes					
Stormwater Fund GO Bonds	-	-	-	-	-
Sanitary Sewer Fund GO Bonds	24,550	5,960	2,700	27,810	4,480
Water Fund GO Bonds	27,690	11,320	6,235	32,775	6,815
Water Fund GO Notes	71,520	-	6,530	64,990	7,875
Municipal Parking Fund GO Bonds	52,209	1,995	8,764	45,440	3,240
Municipal Parking Fund GO Notes	43,470	-	1,475	41,995	3,175
CPED Related Non-GO Bonds					
General Agency Reserve Fund System Bonds	76,315	-	12,015	64,300	2,235
Total Bonds and Notes	295,754	19,275	37,719	277,310	28,320
Grand Total Bonds & Notes	$ 756,182	$ 191,638	$ 195,590	$ 752,230	$ 132,745

* 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, 2017, annual debt service requirements for Governmental activities* (in thousands) to maturity follows:

Year Ending	Bonds		Notes	
Dec 31:	Principal	Interest	Principal	Interest
2018	$ 91,390	$ 15,112	$ 3,225	$ 923
2019	81,265	12,007	3,095	1,174
2020	51,185	9,341	3,210	1,071
2021	18,200	7,472	3,330	963
2022	18,080	6,827	3,455	852
2023 – 2027	84,280	24,427	15,845	2,769
2028 – 2032	29,020	14,266	8,095	514
2033 – 2037	22,360	9,006	-	-
2038 – 2042	19,350	4,612	-	-
2043 – 2044	9,725	457	-	-
Total	$ 424,855	$ 103,527	$ 40,255	$ 8,266

Year Ending	Internal Service Fund Bonds		Total Governmental Activity Bonds & Notes	
Dec 31:	Principal	Interest	Principal	Interest
2018	$ 9,810	$ 294	$ 104,425	$ 16,329
2019	-	-	84,360	13,181
2020	-		54,395	10,412
2021	-	-	21,530	8,435
2022	-	-	21,535	7,679
2023 – 2027	-	-	100,125	27,196
2028 – 2032	-	-	37,115	14,780
2033 – 2037	-	-	22,360	9,006
2038 – 2042	-	-	19,350	4,612
2043 – 2044	-	-	9,725	457
Total	$ 9,810	$ 294	$ 474,920	$ 112,087

* 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, 2017, 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
2018	$ 17,270	$ 6,510	$ 11,050	$ 2,980	$ 28,320	$ 9,490
2019	18,815	5,944	11,300	2,684	30,115	8,628
2020	16,090	5,323	11,840	2,382	27,930	7,705
2021	15,965	4,826	10,500	2,061	26,465	6,887
2022	18,005	4,337	7,150	1,779	25,155	6,116
2023 – 2027	43,505	15,679	36,900	6,125	80,405	21,804
2028 – 2032	15,055	10,327	15,245	1,778	30,300	12,105
2033 – 2037	16,900	5,309	3,000	90	19,900	5,399
2038 – 2040	8,720	906	-	-	8,720	906
Total	$ 170,325	$ 59,161	$ 106,985	$ 19,879	$ 277,310	$ 79,040

* 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

Submitting Agency	2018	2019	2020	2021	2022	Total	% of Total
MUNICIPAL BUILDING COMMISSION	5,600	2,066	1,246	856	330	10,098	1.11%
PARK BOARD	12,335	12,342	12,337	12,980	13,140	63,134	6.94%
PUBLIC WORKS DEPARTMENT	157,427	176,543	150,280	140,695	167,702	792,647	87.14%
PUBLIC GROUNDS & FACILITIES	25,410	7,700	4,700	0	2,144	39,954	4.39%
MISCELLANEOUS PROJECTS	716	756	775	763	767	3,777	0.42%

Public Works Department Breakdown

Budget in Thousands

STREET PAVING	80,888	73,147	58,790	66,140	67,927	346,892	38.14%
SIDEWALKS	4,190	4,400	4,610	4,820	5,030	23,050	2.53%
BRIDGES	400	400	6,570	1,525	24,450	33,345	3.67%
TRAFFIC CONTROL & STREET LIGHTING	9,176	5,936	6,550	8,225	7,595	37,482	4.12%
BIKE - PED PROJECTS	2,000	2,140	5,065	2,745	2,000	13,950	1.53%
SANITARY SEWERS	10,500	12,500	12,500	12,500	12,500	60,500	6.65%
STORM SEWERS	16,038	27,170	26,750	26,750	29,750	126,458	13.90%
WATER INFRASTRUCTURE	34,235	50,850	29,445	17,990	18,450	150,970	16.60%

Five-Year Capital Funding Summary

Council Adopted Budget

General Infrastructure Funding Summary	Budget in Thousands 2018	2019	2020	2021	2022	Total
Federal Grants	7,595	9,070	8,000	0	0	**24,665**
Hennepin County Grants	3,575	1,508	1,823	2,178	815	**9,899**
Municipal State Aid	11,200	10,000	9,900	12,080	11,380	**54,560**
Net Debt Bonds	58,795	49,405	47,595	44,893	51,092	**251,780**
Other Local Govts	3,050	1,000	0	0	5,400	**9,450**
Park Capital Levy	2,066	1,873	1,537	2,180	2,180	**9,836**
Private Contributions	0	0	0	0	0	**0**
Reimbursements	4,100	4,100	4,100	4,100	4,100	**20,500**
Special Assessments	25,515	16,020	16,385	19,775	13,100	**90,795**
State Grants	0	0	0	0	22,050	**22,050**
Transfer from General Fund	5,909	5,526	4,953	11,287	11,689	**39,364**
Transfer from Self Ins Fund	8,000	0	0	0	0	**8,000**
Transfer from Special Revenue Funds	0	7,500	6,500	0	0	**14,000**
Transfer from Stormwater Fund	1,515	1,530	1,545	1,561	1,577	**7,728**
Total General Infrastructure Funding	**131,320**	**107,532**	**102,338**	**98,054**	**123,383**	**562,627**

Enterprise Fund Capital Funding Summary	Budget in Thousands 2018	2019	2020	2021	2022	Total
Other Local Govts	2,388	9,920	0	0	0	**12,308**
Parking Bonds	3,700	0	0	0	0	**3,700**
Reimbursements	5,000	5,000	5,000	5,000	5,000	**25,000**
Sanitary Bonds	11,000	10,500	10,500	10,500	10,500	**53,000**
Sanitary Revenue	1,600	1,600	1,600	1,000	1,000	**6,800**
Solid Waste Bonds	3,710	0	0	0	0	**3,710**
Stormwater Bonds	2,500	0	9,000	9,000	18,000	**38,500**
Stormwater Revenue	12,880	16,005	17,380	15,750	9,750	**71,765**
Water Bonds	13,635	34,400	8,970	1,340	1,200	**59,545**
Water Revenue	13,755	14,450	14,550	14,650	15,250	**72,655**
Total Enterprise Fund Capital Funding	**70,168**	**91,875**	**67,000**	**57,240**	**60,700**	**346,983**

City-Wide Capital Funding Summary	Budget in Thousands 2018	2019	2020	2021	2022	Total	Breakdown
Enterprise Bonds	34,545	44,900	28,470	20,840	29,700	**158,455**	**17.42%**
Enterprise Revenue	28,235	32,055	33,530	31,400	26,000	**151,220**	**16.62%**
Municipal State Aid	11,200	10,000	9,900	12,080	11,380	**54,560**	**6.00%**
Net Debt Bonds	58,795	49,405	47,595	44,893	51,092	**251,780**	**27.68%**
Other	43,198	47,027	33,458	26,306	52,811	**202,800**	**22.30%**
Special Assessments	25,515	16,020	16,385	19,775	13,100	**90,795**	**9.98%**
Total City-Wide Capital Program Funding	**201,488**	**199,407**	**169,338**	**155,294**	**184,083**	**909,610**	**100.00%**

Five-Year Capital Funding Summary (Public Works)

Council Adopted Budget

General Infrastructure Funding Summary	Budget in Thousands 2018	2019	2020	2021	2022	Total
Federal Grants	7,595	9,070	8,000	0	0	**24,665**
Hennepin County Grants	775	475	1,200	1,750	650	**4,850**
Municipal State Aid	11,200	10,000	9,900	12,080	11,380	**54,560**
Net Debt Bonds	26,779	29,416	30,997	33,202	37,356	**157,750**
Other Local Govts	3,050	1,000	0	0	5,400	**9,450**
Park Capital Levy	531	331	0	0	0	**862**
Reimbursements	4,100	4,100	4,100	4,100	4,100	**20,500**
Special Assessments	25,215	15,720	16,085	19,475	12,800	**89,295**
State Grants	0	0	0	0	22,050	**22,050**
Transfer from General Fund	5,909	5,526	4,953	11,287	11,689	**39,364**
Transfer from Self Ins Fund	8,000	0	0	0	0	**8,000**
Transfer from Special Revenue Funds	0	7,500	6,500	0	0	**14,000**
Transfer from Stormwater Fund	1,515	1,530	1,545	1,561	1,577	**7,728**
Total General Infrastructure Funding	**94,669**	**84,668**	**83,280**	**83,455**	**107,002**	453,074

Enterprise Fund Capital Funding Summary	Budget in Thousands 2018	2019	2020	2021	2022	Total
Other Local Govts	2,388	9,920	0	0	0	**12,308**
Reimbursements	5,000	5,000	5,000	5,000	5,000	**25,000**
Sanitary Bonds	11,000	10,500	10,500	10,500	10,500	**53,000**
Sanitary Revenue	1,600	1,600	1,600	1,000	1,000	**6,800**
Stormwater Bonds	2,500	0	9,000	9,000	18,000	**38,500**
Stormwater Revenue	12,880	16,005	17,380	15,750	9,750	**71,765**
Water Bonds	13,635	34,400	8,970	1,340	1,200	**59,545**
Water Revenue	13,755	14,450	14,550	14,650	15,250	**72,655**
Total Enterprise Fund Capital Funding	**62,758**	**91,875**	**67,000**	**57,240**	**60,700**	339,573

City-Wide Capital Funding Summary	Budget in Thousands 2018	2019	2020	2021	2022	Total	Breakdown
Enterprise Bonds	27,135	44,900	28,470	20,840	29,700	**151,045**	**19.06%**
Enterprise Revenue	28,235	32,055	33,530	31,400	26,000	**151,220**	**19.08%**
Municipal State Aid	11,200	10,000	9,900	12,080	11,380	**54,560**	**6.88%**
Net Debt Bonds	26,779	29,416	30,997	33,202	37,356	**157,750**	**19.90%**
Other	38,863	44,452	31,298	23,698	50,466	**188,777**	**23.82%**
Special Assessments	25,215	15,720	16,085	19,475	12,800	**89,295**	**11.27%**
Total Public Works Capital Program Funding	**157,427**	**176,543**	**150,280**	**140,695**	**167,702**	792,647	**100.00%**

2018 - 2022 Council Adopted Capital Resources For Property Tax Supported (Net Debt) Bond Program

Recommended Resources by Category	2018	2019	2020	2021	2022	Totals (000's)
Available Resources:						
2018 - 2022 Base NDB Program	**31,660**	**32,470**	**33,215**	**34,685**	**35,000**	**167,030**
Council Adjustments to Base NDB Program	**12,935**	**1,435**	**-3,120**	**-7,892**	**-2,208**	**1,150**
Council Adopted Base NDB Program*	**44,595**	**33,905**	**30,095**	**26,793**	**32,792**	**168,180**

***** Base funding includes an average of $13.33 M per year for Streets and $2.5 M per year for Parks based on 2016 funding levels before the Streets & Parks Infrastructure Ordinance was approved on April 29, 2016.

Expanded Street Infrastructure and Neighborhood Park Funding Plan (NDB portion only):						
Street Infrastructure NDB Increase	6,200	7,500	9,500	10,100	10,140	43,440
Neighborhood Parks NDB Increase	8,000	8,000	8,000	8,000	8,160	40,160
Total NDB increases for Streets and Neighborhood Parks	**14,200**	**15,500**	**17,500**	**18,100**	**18,300**	**83,600**
Grand Total Council Adopted NDB Program	**58,795**	**49,405**	**47,595**	**44,893**	**51,092**	**251,780**

This resource summary represents the City's commitment for General Infrastructure assets which includes parks, public buildings, streets, bridges, bike & pedestrian improvements, 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.

2018 Bond Redemption Levy for Capital Program

	Amount (000's)	
Tax Levy Certified for Bond Redemption in 2017	37,800	
Bond Redemption Levy Base Adjustment	0	Per Five-Year Financial Direction 2018 - 2022
Streets & Parks Funding Increase	1,550	Per Streets & Parks Ordinance Funding Plan
Tax Levy Certified for Bond Redemption in 2018	**39,350**	For supporting ongoing Capital Programs

Net Debt Bond Allocation
Council Adopted Budget
Summarized by Major Type of Infrastructure

Budget in Thousands

Description of Major Category	2018	2019	2020	2021	2022	Total	% Total
MUNICIPAL BUILDING COMMISSION	2,800	1,033	623	428	165	**5,049**	**2.0%**
PARK BOARD	10,500	10,500	10,500	10,500	10,660	**52,660**	**20.9%**
PUBLIC WORKS DEPARTMENT	26,779	29,416	30,997	33,202	37,356	**157,750**	**62.7%**
PUBLIC GROUNDS & FACILITIES	18,000	7,700	4,700	0	2,144	**32,544**	**12.9%**
MISCELLANEOUS PROJECTS	716	756	775	763	767	**3,777**	**1.5%**
Total Net Debt Bond Allocation	**58,795**	**49,405**	**47,595**	**44,893**	**51,092**	**251,780**	**100%**

Budget in Thousands

Major Category	Type of Infrastructure	2018	2019	2020	2021	float 2022	Total
MUNICIPAL BUILDING COMMISSION		2,800	1,033	623	428	165	**5,049**
		4.8%	2.1%	1.3%	1.0%	0.3%	**2.0%**
PARK BOARD		10,500	10,500	10,500	10,500	10,660	**52,660**
		17.9%	21.3%	22.1%	23.4%	20.9%	**20.9%**
PUBLIC WORKS DEPARTMENT	STREET PAVING	20,004	22,601	15,242	24,627	27,641	**110,115**
		34.0%	45.7%	32.0%	54.9%	54.1%	**43.7%**
	SIDEWALKS	485	495	505	515	525	**2,525**
		0.8%	1.0%	1.1%	1.1%	1.0%	**1.0%**
	BRIDGES	400	400	3,855	1,215	2,400	**8,270**
		0.7%	0.8%	8.1%	2.7%	4.7%	**3.3%**
	TRAFFIC CONTROL & STREET LIGHTING	3,890	3,780	3,605	4,100	4,790	**20,165**
		6.6%	7.7%	7.6%	9.1%	9.4%	**8.0%**
	BIKE - PED PROJECTS	2,000	2,140	3,865	2,745	2,000	**12,750**
		3.4%	4.3%	8.1%	6.1%	3.9%	**5.1%**
	WATER INFRASTRUCTURE	0	0	3,925	0	0	**3,925**
		0.0%	0.0%	8.2%	0.0%	0.0%	**1.6%**
PUBLIC GROUNDS & FACILITIES		18,000	7,700	4,700	0	2,144	**32,544**
		30.6%	15.6%	9.9%	0.0%	4.2%	**12.9%**
MISCELLANEOUS PROJECTS		716	756	775	763	767	**3,777**
		1.2%	1.5%	1.6%	1.7%	1.5%	**1.5%**
Total Net Debt Bond Allocation		**58,795**	**49,405**	**47,595**	**44,893**	**51,092**	**251,780**

Capital Budget Summary
Council Adopted Budget

Budget in Thousands

			2018	2019	2020	2021	2022	Total
MUNICIPAL BUILDING COMMISSION		MBC01 Life Safety Improvements	1,100	1,240	146	140	0	2,626
		MBC02 Mechanical Systems Upgrade	0	826	1,100	716	330	2,972
		MBC10 Exterior Improvements	3,860	0	0	0	0	3,860
		MBC11 Elevator Upgrades and Modernization	640	0	0	0	0	640
Total for MUNICIPAL BUILDING COMMISSION			5,600	2,066	1,246	856	330	10,098
PARK BOARD		PRK02 Playground and Site Improvements Program	521	2,551	2,980	839	1,379	8,270
		PRK03 Shelter - Pool - Site Improvements Program	0	367	1,800	804	0	2,971
		PRK04 Athletic Fields -Site Improvements Program	330	255	0	236	0	821
		PRK33 Bryn Mawr Meadows Field Improvements	0	0	0	3,445	0	3,445
		PRKCP Neighborhood Parks Capital Infrastructure	6,876	4,819	3,062	3,156	7,701	25,614
		PRKDT Diseased Tree Removal	300	300	300	300	300	1,500
		PRKRP Neighborhood Parks Rehabilitation Program	4,308	4,050	4,195	4,200	3,760	20,513
Total for PARK BOARD			12,335	12,342	12,337	12,980	13,140	63,134
PUBLIC WORKS DEPARTMENT	STREET PAVING	PV001 Parkway Paving Program	750	1,750	750	750	750	4,750
		PV006 Alley Renovation Program	250	250	250	250	250	1,250
		PV054 8th St S (Hennepin Ave to Chicago Ave)	1,389	15,846	0	0	0	17,235
		PV056 Asphalt Pavement Resurfacing Program	6,915	7,015	7,015	7,015	7,015	34,975
		PV059 Major Pavement Maintenance Program	250	250	250	250	250	1,250
		PV063 Unpaved Alley Construction	200	200	200	200	200	1,000
		PV074 CSAH & MnDOT Cooperative Projects	9,735	2,645	2,900	1,800	1,300	18,380
		PV075 Development Infrastructure Program	500	0	0	0	0	500
		PV087 34th Ave S (54th St E to Minnehaha Pkwy)	10,525	0	0	0	0	10,525
		PV092 Technology Dr (37th Ave NE to Marshall S NE)	0	0	0	0	0	0
		PV095 4th St N & S (2nd Ave N to 4th Ave S)	0	10,725	0	0	0	10,725
		PV097 18th Ave NE Trail Gap	645	0	0	0	0	645
		PV098 Hiawatha Trail Gap (28th to 32nd St E)	1,355	0	0	0	0	1,355
		PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	4,945	0	0	0	0	4,945
		PV104 ADA Ramp Replacement Program	500	500	500	500	500	2,500
		PV108 Concrete Streets Rehabilitation Program	4,309	4,326	4,752	5,187	5,130	23,704
		PV113 29th St W Phase 2	0	0	0	2,115	0	2,115
		PV114 U of M Protected Bikeways	0	1,985	0	0	0	1,985
		PV115 Emerson-Fremont Ave N Ped Enhancements	3,535	0	0	0	0	3,535
		PV116 North Loop Pedestrian Improvements	0	3,830	0	0	0	3,830
		PV117 Broadway St NE (Stinson Blvd to City Limits)	7,945	0	0	0	0	7,945
		PV118 Hennepin Ave (Wash Ave N to 12th St S)	0	0	15,378	4,112	0	19,490
		PV121 Hennepin Ave (Lake St W to 36th St W)	7,725	0	0	0	0	7,725
		PV122 Dowling Ave (I-94 to 1st St N)	0	0	0	1,325	0	1,325
		PV123 Logan Park Industrial	0	0	0	6,650	0	6,650
		PV124 Mid City Industrial	15,160	0	0	0	0	15,160
		PV125 35th St E (RR Tracks to Dight Ave)	0	1,495	0	0	0	1,495

Capital Budget Summary
Council Adopted Budget

Budget in Thousands

			2018	2019	2020	2021	2022	Total
PUBLIC WORKS DEPARTMENT	STREET PAVING	PV126 Bryant Ave S (50th St E to Lake St E)	0	0	0	9,990	12,998	22,988
		PV127 37th Ave NE (Central Ave NE to Stinson Blvd)	0	0	0	0	10,800	10,800
		PV131 Res Neighborhood Reconst Projects	0	6,000	4,850	6,000	4,850	21,700
		PV133 33rd St E (Minnehaha to Hiawatha)	0	1,820	0	0	0	1,820
		PV134 28th Ave S (TH62 Ramp to 59th St E)	755	0	0	0	0	755
		PV135 North Loop Paving	0	8,430	0	0	0	8,430
		PV137 29th Ave NE (Central to Stinson)	0	0	0	5,186	3,854	9,040
		PV138 26th St E (Minnehaha Ave to 29th Ave S)	0	0	0	0	0	0
		PV139 18th Ave NE (Johnson to Stinson)	0	0	5,465	0	0	5,465
		PV141 Grand Ave S (Lake to 46th)	0	2,135	12,560	0	0	14,695
		PV142 Downtown East Paving	0	0	0	4,665	0	4,665
		PV143 North Industrial	0	0	0	4,690	0	4,690
		PV146 9th St SE (6th Ave SE to 9th Ave SE)	0	0	0	1,955	0	1,955
		PV147 Girard Ave S (Lake St to Lagoon Ave)	0	0	420	0	0	420
		PV148 6th St NE (1st Ave NE to Central Ave)	0	445	0	0	0	445
		PV150 1st Ave N (10th St N to Wash Ave)	0	0	0	0	8,880	8,880
		PV152 Plymouth Ave (Xerxes Ave to Penn Ave)	0	0	0	0	5,025	5,025
		PV154 Franklin Ave W (Hennepin to Lyndale)	0	0	0	0	2,625	2,625
		PV99R Reimbursable Paving Projects	3,500	3,500	3,500	3,500	3,500	17,500
	Total for STREET PAVING		80,888	73,147	58,790	66,140	67,927	346,892
	SIDEWALKS	SWK01 Defective Hazardous Sidewalks	4,040	4,250	4,460	4,670	4,880	22,300
		SWK02 Sidewalk Gaps	150	150	150	150	150	750
	Total for SIDEWALKS		4,190	4,400	4,610	4,820	5,030	23,050
	BRIDGES	BR101 Major Bridge Repair and Rehabilitation	400	400	400	400	400	2,000
		BR106 1st Ave S over HCRRA	0	0	4,790	0	0	4,790
		BR117 1st St N Bridge over Bassetts Creek	0	0	1,380	0	0	1,380
		BR127 Nicollet Ave over Minnehaha Creek	0	0	0	0	24,050	24,050
		BR133 Cedar Lake Road Bridges over Bassett Cr & RR	0	0	0	1,125	0	1,125
	Total for BRIDGES		400	400	6,570	1,525	24,450	33,345
	TRAFFIC CONTROL & STREET LIGHTING	TR008 Parkway Street Light Replacement	801	681	350	350	350	2,532
		TR010 Traffic Management Systems	210	1,030	875	1,150	1,200	4,465
		TR011 City Street Light Renovation	625	0	0	0	0	625
		TR021 Traffic Signals	1,675	1,750	1,800	2,000	2,500	9,725
		TR022 Traffic Safety Improvements	3,920	480	1,530	2,730	1,450	10,110
		TR024 Pedestrian Street Lighting Corridors	450	500	500	500	600	2,550
		TR025 Sign Replacement Program	895	895	895	895	895	4,475
		TR99R Reimbursable Transportation Projects	600	600	600	600	600	3,000
	Total for TRAFFIC CONTROL & STREET LIGHTING		9,176	5,936	6,550	8,225	7,595	37,482
	BIKE - PED PROJECTS	BIK28 Protected Bikeways Program	1,000	1,140	1,940	1,000	1,000	6,080
		BP001 Safe Routes to School Program	400	400	400	400	400	2,000

Capital Budget Summary
Council Adopted Budget

Budget in Thousands

			2018	2019	2020	2021	2022	Total
PUBLIC WORKS DEPARTMENT	BIKE - PED PROJECTS	BP002 Prospect Park Trail	0	0	0	0	0	0
		BP003 Midtown Greenway Trail Mill & Overlay	0	0	0	745	0	745
		BP004 Intersection and Crossing Improvements	600	600	600	600	600	3,000
		BP005 Queen Ave N Bike Boulevard	0	0	2,125	0	0	2,125
	Total for BIKE - PED PROJECTS		2,000	2,140	5,065	2,745	2,000	13,950
	SANITARY SEWERS	SA001 Sanitary Tunnel & Sewer Rehab Program	6,000	8,000	8,000	8,000	8,000	38,000
		SA036 Infiltration & Inflow Removal Program	3,500	3,500	3,500	3,500	3,500	17,500
		SA99R Reimbursable Sanitary Sewer Projects	1,000	1,000	1,000	1,000	1,000	5,000
	Total for SANITARY SEWERS		10,500	12,500	12,500	12,500	12,500	60,500
	STORM SEWERS	SW004 Implementation of US EPA Storm Water Regs	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 Rehab Program	5,000	6,000	7,000	7,000	7,000	32,000
		SW018 Flood Area 29 & 30 - Fulton Neighborhood	3,288	6,580	0	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 - Stormwater Alternatives	3,000	5,000	5,000	5,000	5,000	23,000
		SW040 Central City Parallel Storm Tunnel	1,000	1,000	11,000	11,000	13,000	37,000
		SW99R Reimbursable Sewer & Storm Drain Projects	2,000	2,000	2,000	2,000	2,000	10,000
	Total for STORM SEWERS		16,038	27,170	26,750	26,750	29,750	126,458
	WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	9,350	9,450	9,550	9,650	9,750	47,750
		WTR18 Water Distribution Facility	6,235	15,285	3,925	0	0	25,445
		WTR23 Treatment Infrastructure Improvements	4,000	5,000	5,000	5,000	5,500	24,500
		WTR24 Fridley Filter Plant Rehabilitation	0	0	0	0	0	0
		WTR27 Automated Meter Infrastructure	5,200	4,690	1,770	0	0	11,660
		WTR28 Ultrafiltration Module Replacement	2,200	2,200	2,200	0	0	6,600
		WTR29 Columbia Heights Campus Upgrades	250	2,225	5,000	1,340	1,200	10,015
		WTR30 10th Avenue Bridge Main	5,000	10,000	0	0	0	15,000
		WTR9R Reimbursable Watermain Projects	2,000	2,000	2,000	2,000	2,000	10,000
	Total for WATER INFRASTRUCTURE		34,235	50,850	29,445	17,990	18,450	150,970
Total for PUBLIC WORKS DEPARTMENT			157,427	176,543	150,280	140,695	167,702	792,647
PUBLIC GROUNDS & FACILITIES		FIR11 Fire Station #11	0	0	0	0	2,144	2,144
		FIR12 Fire Station No. 1 Renovation & Expansion	1,000	5,000	2,000	0	0	8,000
		FIR13 Fire Station No. 4 Apparatus Bay Addition	0	0	0	0	0	0
		MPD02 Property & Evidence Warehouse	0	0	0	0	0	0
		PSD15 Traffic Maintenance Facility Improvement	0	0	0	0	0	0
		PSD16 Farmers Market Improvements	0	0	0	0	0	0
		PSD17 East Side Storage and Maintenance Facility	18,710	0	0	0	0	18,710
		PSD18 Regulatory Services Facility	0	0	0	0	0	0
		PSD19 Impound Lot Facility	3,700	0	0	0	0	3,700
		RAD01 Public Safety Radio System Replacement	2,000	2,700	2,700	0	0	7,400

Capital Budget Summary
Council Adopted Budget

			Budget in Thousands					
			2018	2019	2020	2021	2022	
Total for PUBLIC GROUNDS & FACILITIES			**25,410**	**7,700**	**4,700**	**0**	**2,144**	**39,954**
MISCELLANEOUS PROJECTS		**ART01 Art in Public Places**	**716**	**756**	**775**	**763**	**767**	**3,777**
Total for MISCELLANEOUS PROJECTS			**716**	**756**	**775**	**763**	**767**	**3,777**
Grand Totals			**201,488**	**199,407**	**169,338**	**155,294**	**184,083**	**909,610**

Capital Budget Detail for Funded Projects
Council Adopted Budget

MUNICIPAL BUILDING COMMISSION		MBC01 Life Safety Improvements	Hennepin County Grants	550	620	73	70	0	1,313
			Net Debt Bonds	550	620	73	70	0	1,313
		Total		**1,100**	**1,240**	**146**	**140**	**0**	**2,626**
		MBC02 Mechanical Systems Upgrade	Hennepin County Grants	0	413	550	358	165	1,486
			Net Debt Bonds	0	413	550	358	165	1,486
		Total		**0**	**826**	**1,100**	**716**	**330**	**2,972**
		MBC10 Exterior Improvements	Hennepin County Grants	1,930	0	0	0	0	1,930
			Net Debt Bonds	1,930	0	0	0	0	1,930
		Total		**3,860**	**0**	**0**	**0**	**0**	**3,860**
		MBC11 Elevator Upgrades and Modernization	Hennepin County Grants	320	0	0	0	0	320
			Net Debt Bonds	320	0	0	0	0	320
		Total		**640**	**0**	**0**	**0**	**0**	**640**
Total for MUNICIPAL BUILDING COMMISSION				**5,600**	**2,066**	**1,246**	**856**	**330**	**10,098**
PARK BOARD		PRK02 Playground and Site Improvements Program	Net Debt Bonds	99	1,853	2,303	816	365	5,436
			Park Capital Levy	422	698	677	23	1,014	2,834
		Total		**521**	**2,551**	**2,980**	**839**	**1,379**	**8,270**
		PRK03 Shelter - Pool - Site Improvements Program	Net Debt Bonds	0	367	1,800	804	0	2,971
		Total		**0**	**367**	**1,800**	**804**	**0**	**2,971**
		PRK04 Athletic Fields -Site Improvements Program	Net Debt Bonds	250	6	0	0	0	256
			Park Capital Levy	80	249	0	236	0	565
		Total		**330**	**255**	**0**	**236**	**0**	**821**
		PRK33 Bryn Mawr Meadows Field Improvements	Net Debt Bonds	0	0	0	2,303	0	2,303
			Park Capital Levy	0	0	0	1,142	0	1,142
		Total		**0**	**0**	**0**	**3,445**	**0**	**3,445**
		PRKCP Neighborhood Parks Capital Infrastructure	Net Debt Bonds	6,175	4,574	2,697	2,877	7,035	23,358
			Park Capital Levy	701	245	365	279	666	2,256
		Total		**6,876**	**4,819**	**3,062**	**3,156**	**7,701**	**25,614**
		PRKDT Diseased Tree Removal	Special Assessments	300	300	300	300	300	1,500
		Total		**300**	**300**	**300**	**300**	**300**	**1,500**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PARK BOARD		PRKRP Neighborhood Parks Rehabilitation Program	Net Debt Bonds	3,976	3,700	3,700	3,700	3,260	18,336
			Park Capital Levy	332	350	495	500	500	2,177
		Total		4,308	4,050	4,195	4,200	3,760	20,513
Total for PARK BOARD				12,335	12,342	12,337	12,980	13,140	63,134
PUBLIC WORKS DEPARTMENT	STREET PAVING	PV001 Parkway Paving Program	Net Debt Bonds	700	700	700	700	700	3,500
			Other Local Govts	0	1,000	0	0	0	1,000
			Special Assessments	50	50	50	50	50	250
		Total		750	1,750	750	750	750	4,750
		PV006 Alley Renovation Program	Net Debt Bonds	200	200	200	200	200	1,000
			Special Assessments	50	50	50	50	50	250
		Total		250	250	250	250	250	1,250
		PV054 8th St S (Hennepin Ave to Chicago Ave)	Federal Grants	0	6,960	0	0	0	6,960
			Municipal State Aid	0	1,915	0	0	0	1,915
			Net Debt Bonds	0	452	0	0	0	452
			Special Assessments	0	1,470	0	0	0	1,470
			Stormwater Revenue	0	460	0	0	0	460
			Transfer from General Fund	0	1,268	0	0	0	1,268
			Transfer from Self Ins Fund	1,389	0	0	0	0	1,389
			Transfer from Special Revenue Funds	0	2,551	0	0	0	2,551
			Transfer from Stormwater Fund	0	770	0	0	0	770
		Total		1,389	15,846	0	0	0	17,235
		PV056 Asphalt Pavement Resurfacing Program	Net Debt Bonds	2,000	2,100	2,100	2,100	2,100	10,400
			Special Assessments	4,915	4,915	4,915	4,915	4,915	24,575
		Total		6,915	7,015	7,015	7,015	7,015	34,975
		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	150	150	150	750
			Special Assessments	50	50	50	50	50	250
		Total		200	200	200	200	200	1,000

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STREET PAVING	PV074 CSAH & MnDOT Cooperative Projects	Municipal State Aid	1,000	0	0	0	0	1,000
			Net Debt Bonds	3,410	1,700	1,730	1,300	1,000	9,140
			Other Local Govts	3,050	0	0	0	0	3,050
			Sanitary Revenue	600	600	600	0	0	1,800
			Special Assessments	1,590	345	570	500	300	3,305
			Stormwater Revenue	85	0	0	0	0	85
		Total		**9,735**	**2,645**	**2,900**	**1,800**	**1,300**	**18,380**
		PV075 Development Infrastructure Program	Net Debt Bonds	500	0	0	0	0	500
		Total		**500**	**0**	**0**	**0**	**0**	**500**
		PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Municipal State Aid	5,330	0	0	0	0	5,330
			Net Debt Bonds	540	0	0	0	0	540
			Special Assessments	1,440	0	0	0	0	1,440
			Stormwater Revenue	490	0	0	0	0	490
			Transfer from General Fund	2,105	0	0	0	0	2,105
			Transfer from Stormwater Fund	620	0	0	0	0	620
		Total		**10,525**	**0**	**0**	**0**	**0**	**10,525**
		PV095 4th St N & S (2nd Ave N to 4th Ave S)	Municipal State Aid	0	5,945	0	0	0	5,945
			Net Debt Bonds	0	2,575	0	0	0	2,575
			Special Assessments	0	1,440	0	0	0	1,440
			Stormwater Revenue	0	295	0	0	0	295
			Transfer from Stormwater Fund	0	470	0	0	0	470
		Total		**0**	**10,725**	**0**	**0**	**0**	**10,725**
		PV097 18th Ave NE Trail Gap	Net Debt Bonds	645	0	0	0	0	645
		Total		**645**	**0**	**0**	**0**	**0**	**645**
		PV098 Hiawatha Trail Gap (28th to 32nd St E)	Net Debt Bonds	1,355	0	0	0	0	1,355
		Total		**1,355**	**0**	**0**	**0**	**0**	**1,355**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STREET PAVING	PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	Municipal State Aid	685	0	0	0	0	685
			Special Assessments	1,460	0	0	0	0	1,460
			Stormwater Revenue	255	0	0	0	0	255
			Transfer from General Fund	975	0	0	0	0	975
			Transfer from Self Ins Fund	1,320	0	0	0	0	1,320
			Transfer from Stormwater Fund	250	0	0	0	0	250
		Total		**4,945**	**0**	**0**	**0**	**0**	**4,945**
		PV104 ADA Ramp Replacement Program	Net Debt Bonds	500	500	500	500	500	2,500
		Total		**500**	**500**	**500**	**500**	**500**	**2,500**
		PV108 Concrete Streets Rehabilitation Program	Net Debt Bonds	3,809	3,826	4,252	4,687	4,630	21,204
			Special Assessments	500	500	500	500	500	2,500
		Total		**4,309**	**4,326**	**4,752**	**5,187**	**5,130**	**23,704**
		PV113 29th St W Phase 2	Net Debt Bonds	0	0	0	1,785	0	1,785
			Special Assessments	0	0	0	330	0	330
		Total		**0**	**0**	**0**	**2,115**	**0**	**2,115**
		PV114 U of M Protected Bikeways	Federal Grants	0	1,030	0	0	0	1,030
			Net Debt Bonds	0	955	0	0	0	955
		Total		**0**	**1,985**	**0**	**0**	**0**	**1,985**
		PV115 Emerson-Fremont Ave N Ped Enhancements	Federal Grants	1,060	0	0	0	0	1,060
			Net Debt Bonds	2,475	0	0	0	0	2,475
		Total		**3,535**	**0**	**0**	**0**	**0**	**3,535**
		PV116 North Loop Pedestrian Improvements	Federal Grants	0	1,080	0	0	0	1,080
			Municipal State Aid	0	1,390	0	0	0	1,390
			Net Debt Bonds	0	1,360	0	0	0	1,360
		Total		**0**	**3,830**	**0**	**0**	**0**	**3,830**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STREET PAVING	PV117 Broadway St NE (Stinson Blvd to City Limits)	Federal Grants	3,460	0	0	0	0	3,460
			Municipal State Aid	585	0	0	0	0	585
			Special Assessments	2,570	0	0	0	0	2,570
			Stormwater Revenue	150	0	0	0	0	150
			Transfer from General Fund	490	0	0	0	0	490
			Transfer from Self Ins Fund	505	0	0	0	0	505
			Transfer from Stormwater Fund	125	0	0	0	0	125
			Water Revenue	60	0	0	0	0	60
		Total		**7,945**	**0**	**0**	**0**	**0**	**7,945**
		PV118 Hennepin Ave (Wash Ave N to 12th St S)	Federal Grants	0	0	7,000	0	0	7,000
			Municipal State Aid	0	0	246	2,891	0	3,137
			Net Debt Bonds	0	0	1,000	721	0	1,721
			Special Assessments	0	0	1,110	0	0	1,110
			Stormwater Revenue	0	0	250	0	0	250
			Transfer from General Fund	0	0	2,725	0	0	2,725
			Transfer from Special Revenue Funds	0	0	2,197	0	0	2,197
			Transfer from Stormwater Fund	0	0	850	500	0	1,350
		Total		**0**	**0**	**15,378**	**4,112**	**0**	**19,490**
		PV121 Hennepin Ave (Lake St W to 36th St W)	Municipal State Aid	2,890	0	0	0	0	2,890
			Net Debt Bonds	65	0	0	0	0	65
			Special Assessments	1,025	0	0	0	0	1,025
			Stormwater Revenue	175	0	0	0	0	175
			Transfer from General Fund	2,029	0	0	0	0	2,029
			Transfer from Self Ins Fund	1,021	0	0	0	0	1,021
			Transfer from Stormwater Fund	520	0	0	0	0	520
		Total		**7,725**	**0**	**0**	**0**	**0**	**7,725**
		PV122 Dowling Ave (I-94 to 1st St N)	Net Debt Bonds	0	0	0	1,035	0	1,035
			Special Assessments	0	0	0	290	0	290
		Total		**0**	**0**	**0**	**1,325**	**0**	**1,325**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STREET PAVING	PV123 Logan Park Industrial	Net Debt Bonds	0	0	0	740	0	740
			Special Assessments	0	0	0	2,500	0	2,500
			Transfer from General Fund	0	0	0	3,410	0	3,410
		Total		0	0	0	6,650	0	6,650
		PV124 Mid City Industrial	Net Debt Bonds	3,065	0	0	0	0	3,065
			Special Assessments	7,850	0	0	0	0	7,850
			Stormwater Revenue	75	0	0	0	0	75
			Transfer from General Fund	310	0	0	0	0	310
			Transfer from Self Ins Fund	3,765	0	0	0	0	3,765
			Water Revenue	95	0	0	0	0	95
		Total		15,160	0	0	0	0	15,160
		PV125 35th St E (RR Tracks to Dight Ave)	Net Debt Bonds	0	1,370	0	0	0	1,370
			Special Assessments	0	125	0	0	0	125
		Total		0	1,495	0	0	0	1,495
		PV126 Bryant Ave S (50th St E to Lake St E)	Municipal State Aid	0	0	0	4,694	2,580	7,274
			Net Debt Bonds	0	0	0	840	3,363	4,203
			Special Assessments	0	0	0	2,680	0	2,680
			Transfer from General Fund	0	0	0	760	6,265	7,025
			Transfer from Stormwater Fund	0	0	0	1,016	790	1,806
		Total		0	0	0	9,990	12,998	22,988
		PV127 37th Ave NE (Central Ave NE to Stinson Blvd)	Municipal State Aid	0	0	0	0	3,730	3,730
			Net Debt Bonds	0	0	0	0	1,325	1,325
			Other Local Govts	0	0	0	0	5,400	5,400
			Special Assessments	0	0	0	0	345	345
		Total		0	0	0	0	10,800	10,800

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STREET PAVING	PV131 Res Neighborhood Reconst Projects	Net Debt Bonds	0	1,500	3,990	5,220	4,220	14,930
			Special Assessments	0	780	630	780	630	2,820
			Transfer from General Fund	0	0	230	0	0	230
			Transfer from Special Revenue Funds	0	3,720	0	0	0	3,720
		Total		0	6,000	4,850	6,000	4,850	21,700
		PV133 33rd St E (Minnehaha to Hiawatha)	Net Debt Bonds	0	516	0	0	0	516
			Special Assessments	0	390	0	0	0	390
			Transfer from Special Revenue Funds	0	914	0	0	0	914
		Total		0	1,820	0	0	0	1,820
		PV134 28th Ave S (TH62 Ramp to 59th St E)	Municipal State Aid	405	0	0	0	0	405
			Net Debt Bonds	340	0	0	0	0	340
			Special Assessments	10	0	0	0	0	10
		Total		755	0	0	0	0	755
		PV135 North Loop Paving	Net Debt Bonds	0	2,232	0	0	0	2,232
			Special Assessments	0	1,650	0	0	0	1,650
			Transfer from General Fund	0	4,258	0	0	0	4,258
			Transfer from Stormwater Fund	0	290	0	0	0	290
		Total		0	8,430	0	0	0	8,430
		PV137 29th Ave NE (Central to Stinson)	Municipal State Aid	0	0	0	1,410	0	1,410
			Net Debt Bonds	0	0	0	650	3,854	4,504
			Special Assessments	0	0	0	1,435	0	1,435
			Transfer from General Fund	0	0	0	1,646	0	1,646
			Transfer from Stormwater Fund	0	0	0	45	0	45
		Total		0	0	0	5,186	3,854	9,040
		PV139 18th Ave NE (Johnson to Stinson)	Special Assessments	0	0	505	0	0	505
			Transfer from General Fund	0	0	1,998	0	0	1,998
			Transfer from Special Revenue Funds	0	0	2,925	0	0	2,925
			Transfer from Stormwater Fund	0	0	37	0	0	37
		Total		0	0	5,465	0	0	5,465

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STREET PAVING	PV141 Grand Ave S (Lake to 46th)	Municipal State Aid	0	0	6,974	0	0	6,974
			Net Debt Bonds	0	2,135	0	0	0	2,135
			Special Assessments	0	0	3,550	0	0	3,550
			Transfer from Special Revenue Funds	0	0	1,378	0	0	1,378
			Transfer from Stormwater Fund	0	0	658	0	0	658
		Total		0	2,135	12,560	0	0	14,695
		PV142 Downtown East Paving	Municipal State Aid	0	0	0	1,000	0	1,000
			Net Debt Bonds	0	0	0	1,400	0	1,400
			Special Assessments	0	0	0	570	0	570
			Transfer from General Fund	0	0	0	1,695	0	1,695
		Total		0	0	0	4,665	0	4,665
		PV143 North Industrial	Net Debt Bonds	0	0	0	2,349	0	2,349
			Special Assessments	0	0	0	220	0	220
			Transfer from General Fund	0	0	0	2,121	0	2,121
		Total		0	0	0	4,690	0	4,690
		PV146 9th St SE (6th Ave SE to 9th Ave SE)	Special Assessments	0	0	0	300	0	300
			Transfer from General Fund	0	0	0	1,655	0	1,655
		Total		0	0	0	1,955	0	1,955
		PV147 Girard Ave S (Lake St to Lagoon Ave)	Net Debt Bonds	0	0	370	0	0	370
			Special Assessments	0	0	50	0	0	50
		Total		0	0	420	0	0	420
		PV148 6th St NE (1st Ave NE to Central Ave)	Net Debt Bonds	0	80	0	0	0	80
			Special Assessments	0	50	0	0	0	50
			Transfer from Special Revenue Funds	0	315	0	0	0	315
		Total		0	445	0	0	0	445

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STREET PAVING	PV150 1st Ave N (10th St N to Wash Ave)	Net Debt Bonds	0	0	0	0	1,499	1,499
			Special Assessments	0	0	0	0	1,170	1,170
			Transfer from General Fund	0	0	0	0	5,424	5,424
			Transfer from Stormwater Fund	0	0	0	0	787	787
		Total		**0**	**0**	**0**	**0**	**8,880**	**8,880**
		PV152 Plymouth Ave (Xerxes Ave to Penn Ave)	Municipal State Aid	0	0	0	0	3,515	3,515
			Net Debt Bonds	0	0	0	0	1,270	1,270
			Special Assessments	0	0	0	0	240	240
		Total		**0**	**0**	**0**	**0**	**5,025**	**5,025**
		PV154 Franklin Ave W (Hennepin to Lyndale)	Net Debt Bonds	0	0	0	0	2,580	2,580
			Special Assessments	0	0	0	0	45	45
		Total		**0**	**0**	**0**	**0**	**2,625**	**2,625**
		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			**80,888**	**73,147**	**58,790**	**66,140**	**67,927**	**346,892**
	SIDEWALKS	SWK01 Defective Hazardous Sidewalks	Net Debt Bonds	335	345	355	365	375	1,775
			Special Assessments	3,705	3,905	4,105	4,305	4,505	20,525
		Total		**4,040**	**4,250**	**4,460**	**4,670**	**4,880**	**22,300**
		SWK02 Sidewalk Gaps	Net Debt Bonds	150	150	150	150	150	750
		Total		**150**	**150**	**150**	**150**	**150**	**750**
	Total for SIDEWALKS			**4,190**	**4,400**	**4,610**	**4,820**	**5,030**	**23,050**
	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	Municipal State Aid	0	0	1,335	0	0	1,335
			Net Debt Bonds	0	0	3,455	0	0	3,455
		Total		**0**	**0**	**4,790**	**0**	**0**	**4,790**
		BR117 1st St N Bridge over Bassetts Creek	Stormwater Revenue	0	0	1,380	0	0	1,380
		Total		**0**	**0**	**1,380**	**0**	**0**	**1,380**

Capital Budget Detail for Funded Projects
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PUBLIC WORKS DEPARTMENT	BRIDGES	BR127 Nicollet Ave over Minnehaha Creek	Net Debt Bonds	0	0	0	0	2,000	2,000
			State Grants	0	0	0	0	22,050	22,050
		Total		**0**	**0**	**0**	**0**	**24,050**	**24,050**
		BR133 Cedar Lake Road Bridges over Bassett Cr & RR	Municipal State Aid	0	0	0	310	0	310
			Net Debt Bonds	0	0	0	815	0	815
		Total		**0**	**0**	**0**	**1,125**	**0**	**1,125**
	Total for BRIDGES			**400**	**400**	**6,570**	**1,525**	**24,450**	**33,345**
	TRAFFIC CONTROL & STREET LIGHTING	TR008 Parkway Street Light Replacement	Net Debt Bonds	270	350	350	350	350	1,670
			Park Capital Levy	531	331	0	0	0	862
		Total		**801**	**681**	**350**	**350**	**350**	**2,532**
		TR010 Traffic Management Systems	Hennepin County Grants	175	350	225	275	200	1,225
			Municipal State Aid	0	320	625	695	500	2,140
			Net Debt Bonds	35	360	25	180	500	1,100
		Total		**210**	**1,030**	**875**	**1,150**	**1,200**	**4,465**
		TR011 City Street Light Renovation	Net Debt Bonds	625	0	0	0	0	625
		Total		**625**	**0**	**0**	**0**	**0**	**625**
		TR021 Traffic Signals	Hennepin County Grants	400	125	125	125	250	1,025
			Municipal State Aid	0	125	125	125	250	625
			Net Debt Bonds	1,275	1,500	1,550	1,750	2,000	8,075
		Total		**1,675**	**1,750**	**1,800**	**2,000**	**2,500**	**9,725**
		TR022 Traffic Safety Improvements	Federal Grants	3,075	0	0	0	0	3,075
			Hennepin County Grants	200	0	650	1,350	200	2,400
			Municipal State Aid	0	0	290	650	500	1,440
			Net Debt Bonds	645	480	590	730	750	3,195
		Total		**3,920**	**480**	**1,530**	**2,730**	**1,450**	**10,110**
		TR024 Pedestrian Street Lighting Corridors	Net Debt Bonds	450	500	500	500	600	2,550
		Total		**450**	**500**	**500**	**500**	**600**	**2,550**
		TR025 Sign Replacement Program	Municipal State Aid	305	305	305	305	305	1,525
			Net Debt Bonds	590	590	590	590	590	2,950
		Total		**895**	**895**	**895**	**895**	**895**	**4,475**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	TRAFFIC CONTROL & STREET LIGHTING	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			**9,176**	**5,936**	**6,550**	**8,225**	**7,595**	**37,482**
	BIKE - PED PROJECTS	BIK28 Protected Bikeways Program	Net Debt Bonds	1,000	1,140	1,940	1,000	1,000	6,080
		Total		**1,000**	**1,140**	**1,940**	**1,000**	**1,000**	**6,080**
		BP001 Safe Routes to School Program	Net Debt Bonds	400	400	400	400	400	2,000
		Total		**400**	**400**	**400**	**400**	**400**	**2,000**
		BP003 Midtown Greenway Trail Mill & Overlay	Net Debt Bonds	0	0	0	745	0	745
		Total		**0**	**0**	**0**	**745**	**0**	**745**
		BP004 Intersection and Crossing Improvements	Net Debt Bonds	600	600	600	600	600	3,000
		Total		**600**	**600**	**600**	**600**	**600**	**3,000**
		BP005 Queen Ave N Bike Boulevard	Federal Grants	0	0	1,000	0	0	1,000
			Hennepin County Grants	0	0	200	0	0	200
			Net Debt Bonds	0	0	925	0	0	925
		Total		**0**	**0**	**2,125**	**0**	**0**	**2,125**
	Total for BIKE - PED PROJECTS			**2,000**	**2,140**	**5,065**	**2,745**	**2,000**	**13,950**
	SANITARY SEWERS	SA001 Sanitary Tunnel & Sewer Rehab Program	Sanitary Bonds	6,000	8,000	8,000	8,000	8,000	38,000
		Total		**6,000**	**8,000**	**8,000**	**8,000**	**8,000**	**38,000**
		SA036 Infiltration & Inflow Removal Program	Sanitary Bonds	2,500	2,500	2,500	2,500	2,500	12,500
			Sanitary Revenue	1,000	1,000	1,000	1,000	1,000	5,000
		Total		**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**17,500**
		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			**10,500**	**12,500**	**12,500**	**12,500**	**12,500**	**60,500**
	STORM SEWERS	SW004 Implementation of US EPA Storm Water Regs	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**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	STORM SEWERS	SW011 Storm Drains and Tunnels Rehab Program	Stormwater Bonds	0	0	4,000	4,000	4,000	12,000
			Stormwater Revenue	5,000	6,000	3,000	3,000	3,000	20,000
		Total		**5,000**	**6,000**	**7,000**	**7,000**	**7,000**	**32,000**
		SW018 Flood Area 29 & 30 - Fulton Neighborhood	Other Local Govts	2,388	5,525	0	0	0	7,913
			Stormwater Revenue	900	1,055	0	0	0	1,955
		Total		**3,288**	**6,580**	**0**	**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	Other Local Govts	0	4,395	0	0	0	4,395
			Stormwater Revenue	0	445	0	0	0	445
		Total		**0**	**4,840**	**0**	**0**	**0**	**4,840**
		SW039 Flood Mitigation - Stormwater Alternatives	Stormwater Revenue	3,000	5,000	5,000	5,000	5,000	23,000
		Total		**3,000**	**5,000**	**5,000**	**5,000**	**5,000**	**23,000**
		SW040 Central City Parallel Storm Tunnel	Stormwater Bonds	0	0	5,000	5,000	13,000	23,000
			Stormwater Revenue	1,000	1,000	6,000	6,000	0	14,000
		Total		**1,000**	**1,000**	**11,000**	**11,000**	**13,000**	**37,000**
		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			**16,038**	**27,170**	**26,750**	**26,750**	**29,750**	**126,458**
	WATER INFRASTRUCTURE	WTR12 Water Distribution Improvements	Water Revenue	9,350	9,450	9,550	9,650	9,750	47,750
		Total		**9,350**	**9,450**	**9,550**	**9,650**	**9,750**	**47,750**
		WTR18 Water Distribution Facility	Net Debt Bonds	0	0	3,925	0	0	3,925
			Sanitary Bonds	2,500	0	0	0	0	2,500
			Stormwater Bonds	2,500	0	0	0	0	2,500
			Water Bonds	1,235	15,285	0	0	0	16,520
		Total		**6,235**	**15,285**	**3,925**	**0**	**0**	**25,445**
		WTR23 Treatment Infrastructure Improvements	Water Revenue	4,000	5,000	5,000	5,000	5,500	24,500
		Total		**4,000**	**5,000**	**5,000**	**5,000**	**5,500**	**24,500**
		WTR27 Automated Meter Infrastructure	Water Bonds	5,200	4,690	1,770	0	0	11,660
		Total		**5,200**	**4,690**	**1,770**	**0**	**0**	**11,660**

Capital Budget Detail for Funded Projects
Council Adopted Budget

PUBLIC WORKS DEPARTMENT	WATER INFRASTRUCTURE	WTR28 Ultrafiltration Module Replacement	Water Bonds	2,200	2,200	2,200	0	0	6,600
		Total		**2,200**	**2,200**	**2,200**	**0**	**0**	**6,600**
		WTR29 Columbia Heights Campus Upgrades	Water Bonds	0	2,225	5,000	1,340	1,200	9,765
			Water Revenue	250	0	0	0	0	250
		Total		**250**	**2,225**	**5,000**	**1,340**	**1,200**	**10,015**
		WTR30 10th Avenue Bridge Main	Water Bonds	5,000	10,000	0	0	0	15,000
		Total		**5,000**	**10,000**	**0**	**0**	**0**	**15,000**
		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			**34,235**	**50,850**	**29,445**	**17,990**	**18,450**	**150,970**
Total for PUBLIC WORKS DEPARTMENT				**157,427**	**176,543**	**150,280**	**140,695**	**167,702**	**792,647**
PUBLIC GROUNDS & FACILITIES		FIR11 Fire Station #11	Net Debt Bonds	0	0	0	0	2,144	2,144
		Total		**0**	**0**	**0**	**0**	**2,144**	**2,144**
		FIR12 Fire Station No. 1 Renovation & Expansion	Net Debt Bonds	1,000	5,000	2,000	0	0	8,000
		Total		**1,000**	**5,000**	**2,000**	**0**	**0**	**8,000**
		PSD17 East Side Storage and Maintenance Facility	Net Debt Bonds	15,000	0	0	0	0	15,000
			Solid Waste Bonds	3,710	0	0	0	0	3,710
		Total		**18,710**	**0**	**0**	**0**	**0**	**18,710**
		PSD19 Impound Lot Facility	Parking Bonds	3,700	0	0	0	0	3,700
		Total		**3,700**	**0**	**0**	**0**	**0**	**3,700**
		RAD01 Public Safety Radio System Replacement	Net Debt Bonds	2,000	2,700	2,700	0	0	7,400
		Total		**2,000**	**2,700**	**2,700**	**0**	**0**	**7,400**
Total for PUBLIC GROUNDS & FACILITIES				**25,410**	**7,700**	**4,700**	**0**	**2,144**	**39,954**
MISCELLANEOUS PROJECTS		ART01 Art in Public Places	Net Debt Bonds	716	756	775	763	767	3,777
		Total		**716**	**756**	**775**	**763**	**767**	**3,777**
Total for MISCELLANEOUS PROJECTS				**716**	**756**	**775**	**763**	**767**	**3,777**
Grand Totals				**201,488**	**199,407**	**169,338**	**155,294**	**184,083**	**909,610**

2018 - 2022 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 program includes renovation and upgrade of the heating, ventilating and air conditioning (HVAC) systems in City Hall.

MBC10 Exterior Improvements

This project addresses building envelope issues including waterproofing, exterior windows and doors, and masonry.

MBC11 Elevator Upgrades and Modernization

This project will upgrade and modernize six (6) of the fifteen (15) existing elevators at the City Hall / Courthouse.

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 -Site Improvements Program

Improvements include soil amendments, re-grading, re-seeding, irrigation, lighting, drainage, amenities and parking.

PRK33 Bryn Mawr Meadows Field Improvements

Renovation and possible redesign for athletic fields at Bryn Mawr Meadows.

PRKCP Neighborhood Parks Capital Infrastructure

This project reflects the additional resources for neighborhood parks approved by ordinance as part of the 20 year "Neighborhood Park and Street Infrastructure Plans" on April 29, 2016.

PRKDT Diseased Tree Removal

Removing diseased trees from private property.

2018 - 2022 Capital Program Descriptions

PRKRP Neighborhood Parks Rehabilitation Program

Rehabilitation of existing park facilities, as authorized under the "Neighborhood Park and Street Infrastructure Plans" in 10 distinct categories.

PUBLIC WORKS DEPARTMENT

STREET PAVING

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.

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. Until specific paving projects are defined, this project will also reflect the additional resources for street infrastructure approved by ordinance as part of the 20 year "Neighborhood Park and Street Infrastructure Plans" on April 29, 2016.

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.

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.

PV087 34th Ave S (54th St E to Minnehaha Pkwy)

Reconstruction of existing roadway.

2018 - 2022 Capital Program Descriptions

PV092 Technology Dr (37th Ave NE to Marshall S NE)

Reconstruction of existing roadway.

PV095 4th St N & S (2nd Ave N to 4th Ave S)

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 the light rail transit/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.

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 Ave N Ped Enhancements

Implementation of pedestrian enhancements on the project corridor.

PV116 North Loop Pedestrian Improvements

Implementation of bump outs, enhanced pedestrian crossings and signal modifications.

PV117 Broadway St NE (Stinson Blvd to City Limits)

Reconstruction of existing roadway to include pedestrian and bicycle amenities.

2018 - 2022 Capital Program Descriptions

PV118 Hennepin Ave (Wash Ave N to 12th St S)

Reconstruction of existing roadway with pedestrian and bicycle amenities.

PV121 Hennepin Ave (Lake St W to 36th St W)

Reconstruct the existing street.

PV122 Dowling Ave (I-94 to 1st St N)

Reconstruct existing street to new connection at 1st St N.

PV123 Logan Park Industrial

Reconstruction of oil dirt and paver streets.

PV124 Mid City Industrial

Reconstruction of existing concrete and oil dirt streets.

PV125 35th St E (RR Tracks to Dight Ave)

Repair existing railroad crossing and street.

PV126 Bryant Ave S (50th St E to Lake St E)

Reconstruction of existing street/bike boulevard.

PV127 37th Ave NE (Central Ave NE to Stinson Blvd)

Reconstruction of existing concrete roadway, narrowing traffic area and adding an off-street trail in cooperation with Columbia Heights.

PV131 Res Neighborhood Reconst Projects

The project includes reconstruction of segments of residential streets within a residential paving area that warrant repairs beyond those provided in the residential resurfacing program. This includes new sidewalks with ADA pedestrian ramps, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include new signage and new pavement markings, where necessary.

PV133 33rd St E (Minnehaha to Hiawatha)

Reconstruction of roadway and grade crossing.

PV134 28th Ave S (TH62 Ramp to 59th St E)

The project includes new sidewalks with ADA pedestrian ramps, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include new signage and pavement markings.

2018 - 2022 Capital Program Descriptions

PV135 North Loop Paving

The project includes reconstruction of 5th Ave N (north of 5th St N to Washington Ave), 7th Ave N (4th St N to Washington Ave), and 3rd St N (5th Ave N to 10th Ave N). The project will include new sidewalks with ADA pedestrian ramps, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include new signage and pavement markings.

PV137 29th Ave NE (Central to Stinson)

The project will include new sidewalks with ADA pedestrian ramps, on-street bike lanes, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include signal improvements, new signage, and new pavement markings.

PV138 26th St E (Minnehaha Ave to 29th Ave S)

Reconstruction of existing roadway.

PV139 18th Ave NE (Johnson to Stinson)

The project will include new sidewalks with ADA pedestrian ramps, improving the existing trail facility, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include signal improvements, new signage, and new pavement markings.

PV141 Grand Ave S (Lake to 46th)

The project includes new sidewalks with ADA pedestrian ramps, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include signal improvements, new signage, and pavement markings.

PV142 Downtown East Paving

Reconstruction of several streets in the area near the US Bank Stadium.

PV143 North Industrial

The project includes reconstruction of segments of local streets within the industrial areas between I-94, 23rd Ave N, 34th Ave N, and the Mississippi River. This project will include new sidewalks with ADA pedestrian ramps, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include new signage and new pavement markings, where necessary.

PV146 9th St SE (6th Ave SE to 9th Ave SE)

Reconstruction of existing roadway.

PV147 Girard Ave S (Lake St to Lagoon Ave)

Reconstruction of existing roadway.

PV148 6th St NE (1st Ave NE to Central Ave)

Reconstruction of existing roadway.

PV150 1st Ave N (10th St N to Wash Ave)

Reconstruction of exsting roadway.

2018 - 2022 Capital Program Descriptions

PV152 Plymouth Ave (Xerxes Ave to Penn Ave)

Reconstruction of existing roadway.

PV154 Franklin Ave W (Hennepin to Lyndale)

Reconstruction of existing roadway.

PV99R Reimbursable Paving Projects

Work to be done for others with 100% recovery from requesting agency.

SIDEWALKS

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.

SWK02 Sidewalk Gaps

Construction of sidewalks where gaps in the sidewalk system exist.

BRIDGES

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.

BR117 1st St N Bridge over Bassetts Creek

Reconstruction of a structurally deficient bridge.

BR127 Nicollet Ave over Minnehaha Creek

Bridge Rehabilitation.

BR133 Cedar Lake Road Bridges over Bassett Cr & RR

Reconstruct existing bridges over Bassett Creek and Burlington Northern Santa Fe railroad.

TRAFFIC CONTROL & STREET LIGHTING

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.

2018 - 2022 Capital Program Descriptions

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.

BIKE - PED PROJECTS

BIK28 Protected Bikeways Program

This program will create a network of bikeways which provide bicyclists with a physical means of protection from motor vehicles on roadways as recommended in the Bicycle Master Plan.

BP001 Safe Routes to School Program

This program will make safety improvements to roadways and intersections to encourage bicycling and walking to and from Minneapolis Schools.

BP002 Prospect Park Trail

This project will add a Bike/Ped trail from Franklin Ave SE to 27th Ave SE utilizing the existing railroad right of way.

BP003 Midtown Greenway Trail Mill & Overlay

Phase I renovation of the Midtown Greenway.

2018 - 2022 Capital Program Descriptions

BP004 Intersection and Crossing Improvements

Street improvements to create safer pedestrian/bicycle crossings at intersections.

BP005 Queen Ave N Bike Boulevard

Creation of a bicycle boulevard on Queen Ave N.

SANITARY SEWERS

SA001 Sanitary Tunnel & Sewer Rehab 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.

STORM SEWERS

SW004 Implementation of US EPA Storm Water Regs

This project provides solutions for stormwater pollution mitigation measures.

SW005 Combined Sewer Overflow Improvements

Construction of stormwater systems so that catch basins and drains in public right of way can be disconnected from the sanitary sewer and reconnected to a storm sewer.

SW011 Storm Drains and Tunnels Rehab 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.

2018 - 2022 Capital Program Descriptions

SW039 Flood Mitigation - Stormwater Alternatives

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.

SW040 Central City Parallel Storm Tunnel

Construction of a new parallel tunnel in the Central City storm tunnel system.

SW99R Reimbursable Sewer & Storm Drain Projects

Work to be done for others with 100% recovery from requesting agency.

WATER INFRASTRUCTURE

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. This project was approved in total for years 2018 - 2020 in 2017 prior to the final 2018 Council Budget Adoption process to allow the City of Minneapolis to apply for a loan program offered by the Public Facilities Authority of the State of Minnesota.

WTR27 Automated Meter Infrastructure

Implementation of advanced metering infrastructure.

WTR28 Ultrafiltration Module Replacement

Replace membrane modules in the Columbia Heights ultrafiltration plant.

WTR29 Columbia Heights Campus Upgrades

Improve or replace century-old structures on Columbia Heights campus.

WTR30 10th Avenue Bridge Main

Replace the 54" diameter water transmission main on the 10th Avenue Bridge.

2018 - 2022 Capital Program Descriptions

WTR9R Reimbursable Watermain Projects

This project provides working capital for watermain projects reimbursable by other City Departments or private businesses.

PUBLIC GROUNDS & FACILITIES

FIR11 Fire Station #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.

FIR13 Fire Station No. 4 Apparatus Bay Addition

This project will build an apparatus bay addition at Fire Station No. 4.

MPD02 Property & Evidence Warehouse

Acquire and modify an existing warehouse facility.

PSD15 Traffic Maintenance Facility Improvement

The scope of the project is to complete the final phase of the renovation and modernization of the Traffic Maintenance Facility.

PSD16 Farmers Market Improvements

This project will provide for the long term capital improvement plan for the Farmer's Market site and facilities.

PSD17 East Side Storage and Maintenance Facility

Redevelop 340 27th Ave NE for municipal operations for large scale storage and maintenance facilities for Public Works.

PSD18 Regulatory Services Facility

To acquire an adequate site and to design and construct a new facility to meet the program needs of Housing and Fire Inspections.

PSD19 Impound Lot Facility

This project will provide for needed site improvements (drainage, lighting, security, landscape screening), and for the comprehensive renovation and expansion, or replacement, of the Impound service building at or near its current location.

RAD01 Public Safety Radio System Replacement

Replace hardware and update infrastructure of the ARMER interoperable radio system.

2018 - 2022 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.

Operating Cost Implications for Approved 2018 Projects

MBC01 Life Safety Improvements

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase / (Decrease) Amount: 5,000

Year Increase / (Decrease) takes effect: 2018

Project Description:

The MBC life safety program includes installation of building sprinkler, fire alarm, smoke detection, and public address systems.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There will be some additional operating costs for testing and inspections of the fire sprinkler and fire alarm items. We anticipate additional costs of $5,000 / year. This is equal to the cost of testing one fourth of the building per year.

MBC10 Exterior Improvements

Existing or New Infrastructure: New

Operating Cost Implication: Decrease

Increase / (Decrease) Amount: (130,000)

Year Increase / (Decrease) takes effect: 2020

Project Description:

This project addresses building envelope issues including waterproofing, exterior windows and doors, and masonry.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Operating costs relating to the Exterior Improvements Project.
Costs below are construction costs only for Waterproofing and Masonry

Year Waterproofing and Heat Tape costs / Masonry costs / Window Film costs

2012 $157,000
2013 / / $10,400
2014 $45,000 / $46,000 / $10,400
2015 $152,500 / / $10,400
Totals $354,500 / $46,000 / $31,200

Grand Total: $431,700
Cost/year based on last 3 years: $143,900

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Not applicable

Operating Cost Implications for Approved 2018 Projects

MBC11 Elevator Upgrades and Modernization

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

This project will upgrade and modernize six (6) of the fifteen (15) existing elevators at the City Hall / Courthouse.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There will be some electrical cost savings relative to traditional elevators for all upcoming elevator projects because they will utilize regenerative drive technology, which results in 20-40% energy savings relative to traditional elevators. We do not meter electrical consumption at each elevator and so the existing consumption and cost is not known.

PRK02 Playground and Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

This project will reconfigure and replace worn out play equipment and additional amenities where budget allows.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Operating costs are generally decreased, as replacement and updating of playgrounds at the end of the expected lifespan reduces the need for emergency repairs and removal of damaged or unsafe equipment from public use. However, direct operating cost savings are unlikely to be realized as there are many playgrounds in the system and operational savings will be shifted to other aging playgrounds.

PRK04 Athletic Fields -Site Improvements Program

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase / (Decrease) Amount: 5,000

Year Increase / (Decrease) takes effect: 2021

Project Description:

Improvements include soil amendments, re-grading, re-seeding, irrigation, lighting, drainage, amenities and parking.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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 2018 Projects

PRKCP Neighborhood Parks Capital Infrastructure

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2019

Project Description:

This project reflects the additional resources for neighborhood parks approved by ordinance as part of the 20 year "Neighborhood Park and Street Infrastructure Plans" on April 29, 2016.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

In those areas where service area master plans have been completed (South and Downtown), comprehensive analysis of maintenance impacts were calculated. This calculation was based on real-world assessments of costs to maintain existing facilities drawn from MPRB's system as well as national models. Each master planned park includes a maintenance cost change estimate at full build out. For instance, at Phelps Park, the conversion of the wading pool to splash pad will result in a $20,000 annual maintenance cost increase--the result of a $15,000 annual credit for removing the wading pool and a $35,000 add for the splash pad. The playground at Phelps will see no maintenance increase nor decrease, because though newer equipment is easier to maintain, those maintenance allocations must be shifted elsewhere in the system to cover other aging infrastructure.

An overall maintenance change number has not been provided for PRKCP, however, because the details of many projects are unknown. In some cases, parks may see increased maintenance costs (like at Phelps) while at others there may be decreases (for instance, at parks that will have fewer diamonds and larger multi-use field areas). Though a comprehensive maintenance cost accounting has not been provided to CLIC under this project, MPRB operations and planning staff are working together to ensure proper maintenance allocations when individual improvements are implemented, using the service area master plans as a guide.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

In cases where new infrastructure will be implemented, MPRB will pay for cost changes through its annual general fund budgeting process for departmental allocations.

PRKDT Diseased Tree Removal

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

Removing diseased trees from private property.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

N/A

Operating Cost Implications for Approved 2018 Projects

PRKRP Neighborhood Parks Rehabilitation Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

Rehabilitation of existing park facilities, as authorized under the "Neighborhood Park and Street Infrastructure Plans" in 10 distinct categories.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

N/A

PV001 Parkway Paving Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

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.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget; Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

In general, the cost to maintain a parkway is estimated at $7,000 per mile per year for this type of roadway. It is estimated that approximately 3 miles of parkway will be resurfaced, resulting in a net decrease of $21,000.

PV006 Alley Renovation Program

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

Repair and overlay existing alleys and repair or replace retaining walls that are currently in poor condition.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget, Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

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. Approximately 10 alleys per year will be resurfaced, the estimated annual cost to maintain these alleys is $5,000 per year.

Operating Cost Implications for Approved 2018 Projects

PV054 8th St S (Hennepin Ave to Chicago Ave)

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (8,000) **Year Increase / (Decrease) takes effect:** 2019

Project Description:

Reconstruction of existing roadway.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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.

PV056 Asphalt Pavement Resurfacing Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2018

Project Description:

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. Until specific paving projects are defined, this project will also reflect the additional resources for street infrastructure approved by ordinance as part of the 20 year "Neighborhood Park and Street Infrastructure Plans" on April 29, 2016.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget as Public Works will reallocate the dollars to aging infrastructure elsewhere in the system. In general, the cost to maintain a street in fair to poor condition is estimated at $2,500 per mile per year. The current estimate is that approximately 30 miles of streets per year can be resurfaced with this program, and the estimated annual cost to maintain these 30 miles of streets is $75,000.

PV059 Major Pavement Maintenance Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2018

Project Description:

This project will upgrade pavement conditions and/or extend the life of the roadways in the City.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget, Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

In general, the cost to maintain a street/alley in poor condition is estimated at $10,000 per mile per year for a commercial/MSA type of roadway.

Operating Cost Implications for Approved 2018 Projects

PV063 Unpaved Alley Construction

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

Place concrete pavement and any necessary storm drain and retaining walls in existing dirt or oiled dirt surfaced alleys.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget as Public Works will reallocate the dollars to aging infrastructure elsewhere in the system. In general, the cost to maintain an alley in poor condition is estimated at $2,000 per mile per year. The estimate is that this program will complete the construction of one to two alleys per year with an average length of 357’ per alley, or 0.10 miles of alleys, and the estimated annual cost to maintain these 0.1 miles of alley is $200.

PV074 CSAH & MnDOT Cooperative Projects

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

Project funding to be used for City's share of cooperative paving/bridge projects with Hennepin County and MnDOT.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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:

Year Increase / (Decrease) takes effect:

Project Description:

This project would provide funding for various City wide development projects.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget; Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

In general, the cost to maintain a street/alley in poor condition is estimated at $10,000 per mile per year for a commercial/MSA type of roadway.

Operating Cost Implications for Approved 2018 Projects

PV087 34th Ave S (54th St E to Minnehaha Pkwy)

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (12,500) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Reconstruction of existing roadway.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget; Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

In general, the cost to maintain a street/alley in poor condition is estimated at $10,000 per mile per year for a commercial/MSA type of roadway.The current street maintenance expenditure is estimated at approximately $10,000 per mile for a commercial/MSA type of roadway. This project is approximately 1.25 miles which is $12,500 per year.

PV097 18th Ave NE Trail Gap

Existing or New Infrastructure: New **Operating Cost Implication:** Increase

Increase / (Decrease) Amount: 600 **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Complete existing facility from 6th St NE to Washington St NE.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Trail maintenance has been determined to cost $2 per linear foot, this project is approximately 300 feet in length so the estimated operating cost is $600 annually.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Increased costs will need to be absorbed into the existing operating budget.

PV098 Hiawatha Trail Gap (28th to 32nd St E)

Existing or New Infrastructure: New **Operating Cost Implication:** Increase

Increase / (Decrease) Amount: 5,280 **Year Increase / (Decrease) takes effect:** 2019

Project Description:

Extend existing trail to fill gap along the light rail transit/Hiawatha Corridor.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Trail maintenance has been determined to cost $3.50 per linear foot. This project is a half mile in length so the estimated cost is $9,240 per year.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

If funded, the new infrastructure costs will need to be funded with existing operations funding.

Operating Cost Implications for Approved 2018 Projects

PV103 61st St W (Lyndale Ave S to Nicollet Ave S)

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (5,000) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Reconstruct existing street.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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 mile of commercial/MSA type of roadway. At 0.5 miles long, the annual cost to maintain this roadway is $5,000.

PV104 ADA Ramp Replacement Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Replace pedestrian ramps to meet new standards set by the Americans with Disabilities Act.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget.

PV108 Concrete Streets Rehabilitation Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2018

Project Description:

This program would repair and rehabilitate various existing concrete streets in the City.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget, Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

In general, the cost to maintain a street/alley in poor condition is estimated at $5,000 per mile per year for a residential type of roadway.

Operating Cost Implications for Approved 2018 Projects

PV115 Emerson-Fremont Ave N Ped Enhancements

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2019

Project Description:

Implementation of pedestrian enhancements on the project corridor.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Not Applicable

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Not Applicable

PV117 Broadway St NE (Stinson Blvd to City Limits)

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (8,000) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Reconstruction of existing roadway to include pedestrian and bicycle amenities.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget; Public Works will reallocate those dollars to aging infrastructure elsewhere in the system. In general, the cost to maintain a street/alley in poor condition is estimated at $10,000 per mile per year for a commercial/MSA type of street. Given the length of this project at 0.8 miles, the estimated annual cost to maintain this roadway is $8,000.

PV121 Hennepin Ave (Lake St W to 36th St W)

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (7,500) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Reconstruct the existing street.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget, Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

In general, the cost to maintain a street/alley in poor condition is estimated at $10,000 per mile per year for a commercial/MSA type of roadway. Given the length of this project at 0.75 miles, the estimated annual cost to maintain this roadway is $7,500 per year.

Operating Cost Implications for Approved 2018 Projects

PV124 Mid City Industrial

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (20,000) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Reconstruction of existing concrete and oil dirt streets.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget, Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

In general, the cost to maintain a street/alley in poor condition is estimated at $10,000 per mile per year for a commercial/MSA type of roadway. Given the length of this project at 2 miles, the estimated annual cost to maintain these roadways is $20,000 per year.

PV134 28th Ave S (TH62 Ramp to 59th St E)

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (1,000) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

The project includes new sidewalks with ADA pedestrian ramps, roadway pavement, curb and gutter, and utility improvements. The project is also expected to include new signage and pavement markings.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget; Public Works will reallocate those dollars to aging infrastructure elsewhere in the system. In general, the cost to maintain a street/alley in poor condition is estimated at $10,000 per mile per year for a commercial/MSA type of street. Given the length of this project at 0.1 miles, the estimate annual cost to maintain this roadway is $1,000.

PV99R Reimbursable Paving Projects

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Work to be done for others with 100% recovery from requesting agency.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Operating Cost Implications for Approved 2018 Projects

SWK01 Defective Hazardous Sidewalks

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect:

Project Description:

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.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Not Applicable

SWK02 Sidewalk Gaps

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

Construction of sidewalks where gaps in the sidewalk system exist.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

The proposal has no effect on annual operating/maintenance costs. New sidewalks will be inspected for repair or replacement by the Sidewalk Inspection office in accordance with normal City practices. Funds for the operation of the Sidewalk Inspection office are provided by:
1. 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
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.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Not Applicable

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: 2018

Project Description:

Major repair and rehabilitation of existing city bridges to extend the operational life.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

There is no net change in the annual operating budget, Public Works will reallocate those dollars to aging infrastructure elsewhere in the system.

Operating Cost Implications for Approved 2018 Projects

Cost impacts represent an analysis of “Routine Bridge Maintenance” expenses.

TR008 Parkway Street Light Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: Decrease

Increase / (Decrease) Amount: (6,000)

Year Increase / (Decrease) takes effect: 2018

Project Description:

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.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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. At 40 poles and fixtures replaced per year the annual energy and maintenance savings cost is $5,000.

TR010 Traffic Management Systems

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

This project consists of updating and retiming all the traffic signal systems within the City.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

The new communication links require about the same operating and maintenance costs as the existing network.

Operating Cost Implications for Approved 2018 Projects

TR011 City Street Light Renovation

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (7,500) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

This project consists of renovating the City's existing decorative street lighting facilities.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Approximately 500 LED fixtures can be converted per year in the 2017 budget. These should save approximately $50 per year energy savings and $50 per year in amortized maintenance savings for a total of $100 per fixture or $50,000 per year. Pole painting about 150 poles per year should add 10 years of life per pole at $30 per year amortized replacement cost for a total of $45,000. Pole replacements should save $5000 per year in emergency overtime costs. Total savings of $100,000 per year.

TR021 Traffic Signals

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (20,000) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

This project consists of replacing old and outdated traffic signal equipment.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

In general, the cost to maintain the signal system will be reduced by $20,000 per year. 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:** 2018

Project Description:

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.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Not Applicable

Operating Cost Implications for Approved 2018 Projects

TR024 Pedestrian Street Lighting Corridors

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Construct pedestrian level lighting on various pedestrian corridors throughout the City.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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. Some marginal energy savings from replacing pre-existing wood pole lighting, but added LED poles should offset that savings.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Not Applicable

TR025 Sign Replacement Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Replace deficient signs with new signs that meet current reflectivity standards.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Not Applicable

TR99R Reimbursable Transportation Projects

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Work for others funding to be reimbursed by department, business or individuals requesting the work.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Operating Cost Implications for Approved 2018 Projects

BIK28 Protected Bikeways Program

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

This program will create a network of bikeways which provide bicyclists with a physical means of protection from motor vehicles on roadways as recommended in the Bicycle Master Plan.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Public Works is still assessing the costs of maintenance for protected bikeways. A winter walking and biking study is currently underway. Public Works is having ongoing discussions regarding the appropriate level of maintenance for protected bikeways, particularly for winter operations including plowing.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Maintenance costs for protected bikeways will vary depending on the type of facility installed. Public Works has calculated estimates for annual maintenance of protected bikeways, although it is based on a very small sample of locations. As more protected bikeway projects are implemented Public Works will better understand maintenance costs and expects to build efficiencies into its operations.

BP001 Safe Routes to School Program

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase / (Decrease) Amount: 1,000

Year Increase / (Decrease) takes effect: 2018

Project Description:

This program will make safety improvements to roadways and intersections to encourage bicycling and walking to and from Minneapolis Schools.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

A typical project within this program would add an additional $1000 in annual operating costs. This includes some additional winter maintenance costs, sign and pavement marking replacement, and pedestrian signal repair. Additional winter maintenance costs were estimated for typical treatments within the program such as pedestrian medians, traffic circles, and curb extensions. An additional allowance was given for signage, striping and pedestrian signal maintenance based on the typical frequency of these items.

BP004 Pedestrian Safety Program

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase / (Decrease) Amount: 1,000

Year Increase / (Decrease) takes effect: 2018

Project Description:

Street improvements to create safer pedestrian/bicycle crossings at intersections.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Additional winter maintenance costs were estimated for typical treatments within the program such as pedestrian medians and curb extensions. An additional allowance was given for signage, striping and pedestrian signal

maintenance based on the typical frequency of these items.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

The existing maintenance budget will be used to maintain this new infrastructure.

SA001 Sanitary Tunnel & Sewer Rehab Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (100,000) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

This program will rehabilitate and repair sanitary sewer pipes, lift stations & tunnels.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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 the MCES treatment costs.

SA036 Infiltration & Inflow Removal Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2018

Project Description:

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.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Operating Costs were determined with past practices, and this work does not result in a change in operating costs.

Operating Cost Implications for Approved 2018 Projects

SA99R Reimbursable Sanitary Sewer Projects

Existing or New Infrastructure: **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Work to be done for others with 100% recovery from requesting agency.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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 Regs

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

This project provides solutions for stormwater pollution mitigation measures.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Construction of new stormwater Best Management Practices (BMP) may require additional maintenance costs, which will be paid for through 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 and the department is working towards tracking and identifying these costs.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

see above

SW005 Combined Sewer Overflow Improvements

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Construction of stormwater systems so that catch basins and drains in public right of way can be disconnected from the sanitary sewer and reconnected to a storm sewer.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Operating Costs were determined with past practices, and this work does not result in increased operating costs.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

see above

Operating Cost Implications for Approved 2018 Projects

SW011 Storm Drains and Tunnels Rehab Program

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (300,000) **Year Increase / (Decrease) takes effect:** 2016

Project Description:

The rehab and repair of storm pipes, pump stations and tunnels throughout the City.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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.

SW018 Flood Area 29 & 30 - Fulton Neighborhood

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

The goal of this project is to protect Fulton neighborhood homes and businesses from flooding by using runoff volume and runoff rate control.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Operating Costs have not been determined yet. This work may result in increased operating costs given the potential alternatives including green solutions that require regular maintenance. Operating costs associated with localized flooding response may be decreased. Until specific alternatives are selected, accurate estimates of the annual operating cost cannot be determined.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

See above

Operating Cost Implications for Approved 2018 Projects

SW039 Flood Mitigation - Stormwater Alternatives

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2018

Project Description:

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.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

See above

SW040 Central City Parallel Storm Tunnel

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect:

Project Description:

Construction of a new parallel tunnel in the Central City storm tunnel system.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

The decreased amount of operating costs represents savings in labor, equipment and material expenses associated with the ongoing tunnel inspections and maintenance within the Central City storm tunnel system.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Not Applicable

Operating Cost Implications for Approved 2018 Projects

SW99R Reimbursable Sewer & Storm Drain Projects

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Work to be done for others with 100% recovery from requesting agency.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

WTR12 Water Distribution Improvements

Existing or New Infrastructure: Existing **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (10,000) **Year Increase / (Decrease) takes effect:** 2018

Project Description:

Maintain and sustain existing water distribution system infrastructure citywide.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

- Reduced maintenance needed for replaced fire hydrants.

- A significant portion of the allocation for WTR12 is used for water main cleaning and lining or structural lining, which consists of scraping the inside of cast iron water mains to remove built up mineral deposits and installing a smooth liner. The improved flow characteristics (reduced frictional loss) of the lined water main will incrementally reduce pumping costs in maintaining water system pressures.

- Water meters under-report when they are past their service life and the internal components are worn. This means that the customer is not paying for all of the water used. Water meter replacement does not necessarily achieve cost savings but does assist in cost recovery.

WTR18 Water Distribution Facility

Existing or New Infrastructure: New **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:** 2017

Project Description:

Site acquisition, planning, design, and construction of a new water distribution maintenance facility.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

To be determined. 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 effectiveness of the operation.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

If there are any additional operating costs (compared to existing), these costs will be included in the 5 year financial plan for the City.

WTR23 Treatment Infrastructure Improvements

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Maintain viability of existing water infrastructure through regular upgrades.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Planning for neutral change or decrease in operating cost. Attempts to improve efficiency are pursued wherever possible.

WTR27 Automated Meter Infrastructure

Existing or New Infrastructure: New **Operating Cost Implication:** Decrease

Increase / (Decrease) Amount: (100,000) **Year Increase / (Decrease) takes effect:** 2023

Project Description:

Implementation of advanced metering infrastructure.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Annual operating costs are expected to decline for this project.

Operating Cost Implications for Approved 2018 Projects

WTR28 Ultrafiltration Module Replacement

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Replace membrane modules in the Columbia Heights ultrafiltration plant.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

The project will decrease operating costs, but it is difficult to predict the amount. As ultrafiltration modules near the end of their life, the repair frequency increases, causing the need for increased labor costs. Replacing the modules in a timely manner will reduce the cost of repair labor.

WTR29 Columbia Heights Campus Upgrades

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Improve or replace century-old structures on Columbia Heights campus.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Planning for neutral change or decrease in operating cost.

WTR30 10th Avenue Bridge Main

Existing or New Infrastructure: Existing **Operating Cost Implication:** No Change

Increase / (Decrease) Amount: **Year Increase / (Decrease) takes effect:**

Project Description:

Replace the 54" diameter water transmission main on the 10th Avenue Bridge.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

None

Operating Cost Implications for Approved 2018 Projects

WTR9R Reimbursable Watermain Projects

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect:

Project Description:

This project provides working capital for watermain projects reimbursable by other City Departments or private businesses.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

This work is for various projects for outside agencies, other utilities, and sometimes for other divisions of public works. Operating cost impacts cannot really be determined but since the work is primarily a one-for-one re-location of existing water main or distribution system components, the operating costs would not change. The Water Distribution operating budget 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.

FIR12 Fire Station No. 1 Renovation & Expansion

Existing or New Infrastructure: Existing

Operating Cost Implication: Increase

Increase / (Decrease) Amount: 60,000

Year Increase / (Decrease) takes effect: 2019

Project Description:

The project would plan, design, renovate and expand the current Fire Station #1 at its current location.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

It is anticipated that the additional square footage would cost $6.00 per square foot to maintain and provide utilities for. Without a completed design it is anticipated that the new addition will be 10,000 square feet. Therefore an additional $60,000 of expense is anticipated for the future.

PSD17 East Side Storage and Maintenance Facility

Existing or New Infrastructure: New

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2019

Project Description:

Redevelop 340 27th Ave NE for municipal operations for large scale storage and maintenance facilities for Public Works.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

Increased operating costs will be accounted for in the rates for services as part of the City's 5-year financial plan.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Fees for service.

Operating Cost Implications for Approved 2018 Projects

PSD19 Impound Lot Facility

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase / (Decrease) Amount: 10,000

Year Increase / (Decrease) takes effect: 2018

Project Description:

This project will provide for needed site improvements (drainage, lighting, security, landscape screening), and for the comprehensive renovation and expansion, or replacement, of the Impound service building at or near its current location.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

New buildings have more complex mechanical, electrical, and life-safety systems than those that were original to the building. The advantage is that the systems provide for a healthier and safer environment for the City 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, having the maintenance savings (fewer break-down repairs) of having new systems is offset by having more systems to maintain. The larger savings is the cost avoidance of complete system failure that would require relocation of staff until the problem is resolved.

The end result is there will not be significant operational savings with the systems.

The building will be either expanded or replaced, therefore there will be a small increase in operating costs estimated to be $10,000 per year.

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Any increased costs can be absorbed within the current operating budget.

RAD01 Public Safety Radio System Replacement

Existing or New Infrastructure: Existing

Operating Cost Implication: No Change

Increase / (Decrease) Amount:

Year Increase / (Decrease) takes effect: 2020

Project Description:

Replace hardware and update infrastructure of the ARMER interoperable radio system.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

No Change

Operating Cost Implications for Approved 2018 Projects

ART01 Art in Public Places

Existing or New Infrastructure: New

Operating Cost Implication: Increase

Increase / (Decrease) Amount: 3,300

Year Increase / (Decrease) takes effect: 2020

Project Description:

This ongoing program incorporates public art into the City's capital program as stand alone artworks or as integrated into public infrastructure.

Describe how operating cost increases or decreases were determined and include details such as personnel costs, materials, contracts, energy savings, etc:

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 implement 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.)

If new infrastructure, discuss how the department/agency will pay for the increased annual operating costs:

Basic annual maintenance, such as cleaning and debris removal is provided by project partners and property owners. More complex annual maintenance procedures, such as graffiti removal and new coatings are funded annually through CPED’s general fund. The 2017 maintenance budget for public art is $75,000.

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2018 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
MBC01 Life Safety Improvements	MBC	1,050	1,050	1,100	1,100
MBC10 Exterior Improvements	MBC	5,040	1,730	3,860	3,860
MBC11 Elevator Upgrades and Modernization	MBC	605	0	640	640
PRK02 Playground and Site Improvements Program	Park Board	521	521	521	521
PRK04 Athletic Fields -Site Improvements Program	Park Board	330	330	330	330
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	6,876	6,876	6,876	6,876
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PRKRP Neighborhood Parks Rehabilitation Program	Park Board	4,308	4,308	4,308	4,308
PV001 Parkway Paving Program	Public Works	750	1,250	750	750
PV006 Alley Renovation Program	Public Works	250	0	250	250
PV054 8th St S (Hennepin Ave to Chicago Ave)	Public Works	1,389	1,389	1,389	1,389
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	7,460	6,915	6,915
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200	0	200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	9,735	9,735	9,735	9,735
PV075 Development Infrastructure Program	CPED	500	0	500	500
PV087 34th Ave S (54th St E to Minnehaha Pkwy)	Public Works	10,525	10,525	10,525	10,525
PV097 18th Ave NE Trail Gap	Public Works	645	645	645	645
PV098 Hiawatha Trail Gap (28th to 32nd St E)	Public Works	1,355	1,355	1,355	1,355
PV103 61st St W (Lyndale Ave S to Nicollet Ave S)	Public Works	4,945	4,945	4,945	4,945
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	4,309	4,309	4,309	4,309
PV115 Emerson-Fremont Ave N Ped Enhancements	Public Works	3,535	3,535	3,535	3,535
PV117 Broadway St NE (Stinson Blvd to City Limits)	Public Works	7,945	7,945	7,945	7,945
PV121 Hennepin Ave (Lake St W to 36th St W)	Public Works	7,725	7,725	7,725	7,725
PV124 Mid City Industrial	Public Works	15,160	15,160	15,160	15,160
PV134 28th Ave S (TH62 Ramp to 59th St E)	Public Works	755	755	755	755
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SWK01 Defective Hazardous Sidewalks	Public Works	4,040	4,040	4,040	4,040
SWK02 Sidewalk Gaps	Public Works	150	150	150	150
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
TR008 Parkway Street Light Replacement	Public Works	801	801	801	801
TR010 Traffic Management Systems	Public Works	210	210	210	210
TR011 City Street Light Renovation	Public Works	625	625	625	625
TR021 Traffic Signals	Public Works	1,675	1,675	1,675	1,675
TR022 Traffic Safety Improvements	Public Works	3,920	3,920	3,920	3,920
TR024 Pedestrian Street Lighting Corridors	Public Works	450	450	450	450
TR025 Sign Replacement Program	Public Works	895	895	895	895
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
BIK28 Protected Bikeways Program	Public Works	1,000	1,000	1,000	1,000

2018 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
BP001 Safe Routes to School Program	Public Works	400	400	400	400
BP004 Pedestrian Safety Program	Public Works	600	100	600	600
SA001 Sanitary Tunnel & Sewer Rehab Program	Public Works	6,000	6,000	6,000	6,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,500	3,500	3,500	3,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regs	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 Rehab Program	Public Works	5,000	5,000	5,000	5,000
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	3,288	250	3,288	3,288
SW039 Flood Mitigation - Stormwater Alternatives	Public Works	3,000	3,000	3,000	3,000
SW040 Central City Parallel Storm Tunnel	Public Works	1,000	1,000	1,000	1,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
WTR12 Water Distribution Improvements	Public Works	9,350	9,350	9,350	9,350
WTR18 Water Distribution Facility	Public Works	12,500	6,235	10,160	6,235
WTR23 Treatment Infrastructure Improvements	Public Works	4,000	4,000	4,000	4,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	10,000	10,000	10,000	0
WTR27 Automated Meter Infrastructure	Public Works	5,200	5,200	5,200	5,200
WTR28 Ultrafiltration Module Replacement	Public Works	2,200	2,200	2,200	2,200
WTR29 Columbia Heights Campus Upgrades	Public Works	250	250	250	250
WTR30 10th Avenue Bridge Main	Public Works	5,000	5,000	5,000	5,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	6,000	3,000	1,000	1,000
MPD02 Property & Evidence Warehouse	Police Department	2,500	2,000	0	0
PSD16 Farmers Market Improvements	Other Departments	500	0	0	0
PSD17 East Side Storage and Maintenance Facility	Public Works	12,500	3,710	3,710	18,710
PSD19 Impound Lot Facility	Public Works	3,700	0	3,700	3,700
RAD01 Public Safety Radio System Replacement	Other Departments	2,000	2,000	2,000	2,000
ART01 Art in Public Places	CPED	688	688	716	716
Total		**220,610,000**	**190,497,000**	**200,413,000**	**201,488,000**

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2019 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
MBC01 Life Safety Improvements	MBC	2,520	1,375	1,240	1,240
MBC02 Mechanical Systems Upgrade	MBC	788	788	826	826
MBC11 Elevator Upgrades and Modernization	MBC	3,104	0	0	0
PRK02 Playground and Site Improvements Program	Park Board	2,551	2,551	2,551	2,551
PRK03 Shelter - Pool - Site Improvements Program	Park Board	367	367	367	367
PRK04 Athletic Fields -Site Improvements Program	Park Board	255	255	255	255
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	4,819	4,819	4,819	4,819
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PRKRP Neighborhood Parks Rehabilitation Program	Park Board	4,050	4,050	4,050	4,050
PV001 Parkway Paving Program	Public Works	1,750	1,750	1,750	1,750
PV006 Alley Renovation Program	Public Works	250	0	250	250
PV054 8th St S (Hennepin Ave to Chicago Ave)	Public Works	15,846	15,846	15,846	15,846
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	7,015	7,015
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200	0	200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	2,645	2,645	2,645	2,645
PV075 Development Infrastructure Program	CPED	500	0	0	0
PV095 4th St N & S (2nd Ave N to 4th Ave S)	Public Works	10,725	10,725	10,725	10,725
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	4,826	4,740	4,326	4,326
PV114 U of M Protected Bikeways	Public Works	1,985	1,985	1,985	1,985
PV116 North Loop Pedestrian Improvements	Public Works	3,810	3,810	3,830	3,830
PV125 35th St E (RR Tracks to Dight Ave)	Public Works	1,495	1,495	1,495	1,495
PV131 Res Neighborhood Reconst Projects	Public Works	6,000	6,000	6,000	6,000
PV133 33rd St E (Minnehaha to Hiawatha)	Public Works	1,820	0	1,820	1,820
PV135 North Loop Paving	Public Works	8,430	8,430	8,430	8,430
PV141 Grand Ave S (Lake to 46th)	Public Works	2,135	2,135	2,135	2,135
PV148 6th St NE (1st Ave NE to Central Ave)	Public Works	445	445	445	445
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SWK01 Defective Hazardous Sidewalks	Public Works	4,250	4,250	4,250	4,250
SWK02 Sidewalk Gaps	Public Works	150	150	150	150
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
TR008 Parkway Street Light Replacement	Public Works	681	681	681	681
TR010 Traffic Management Systems	Public Works	1,030	1,030	1,030	1,030
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	0
TR021 Traffic Signals	Public Works	1,750	1,750	1,750	1,750
TR022 Traffic Safety Improvements	Public Works	480	480	480	480
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

2019 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
BIK28 Protected Bikeways Program	Public Works	1,140	1,140	1,140	1,140
BP001 Safe Routes to School Program	Public Works	400	400	400	400
BP004 Pedestrian Safety Program	Public Works	600	100	600	600
SA001 Sanitary Tunnel & Sewer Rehab Program	Public Works	8,000	8,000	8,000	8,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,500	3,500	3,500	3,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regs	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 Rehab Program	Public Works	6,000	6,000	6,000	6,000
SW018 Flood Area 29 & 30 - Fulton Neighborhood	Public Works	6,580	0	6,580	6,580
SW034 Flood Area 21 - Bloomington Pond	Public Works	4,840	4,840	4,840	4,840
SW039 Flood Mitigation - Stormwater Alternatives	Public Works	5,000	5,000	5,000	5,000
SW040 Central City Parallel Storm Tunnel	Public Works	1,000	1,000	1,000	1,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
WTR12 Water Distribution Improvements	Public Works	9,450	9,450	9,450	9,450
WTR18 Water Distribution Facility	Public Works	15,285	15,285	15,285	15,285
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	12,500	12,500	12,500	0
WTR27 Automated Meter Infrastructure	Public Works	4,690	4,690	4,690	4,690
WTR28 Ultrafiltration Module Replacement	Public Works	2,200	2,200	2,200	2,200
WTR29 Columbia Heights Campus Upgrades	Public Works	2,225	2,225	2,225	2,225
WTR30 10th Avenue Bridge Main	Public Works	10,000	10,000	10,000	10,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	2,000	5,000	5,000	5,000
PSD15 Traffic Maintenance Facility Improvement	Public Works	2,000	0	0	0
PSD17 East Side Storage and Maintenance Facility	Public Works	10,650	0	0	0
RAD01 Public Safety Radio System Replacement	Other Departments	5,400	2,700	2,700	2,700
ART01 Art in Public Places	CPED	720	719	756	756
Total		**230,447,000**	**203,911,000**	**212,907,000**	**199,407,000**

2020 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
MBC01 Life Safety Improvements	MBC	136	136	146	146
MBC02 Mechanical Systems Upgrade	MBC	1,050	1,050	1,100	1,100
PRK02 Playground and Site Improvements Program	Park Board	2,980	2,980	2,980	2,980
PRK03 Shelter - Pool - Site Improvements Program	Park Board	1,800	1,800	1,800	1,800
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	3,062	3,062	3,062	3,062
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PRKRP Neighborhood Parks Rehabilitation Program	Park Board	4,195	4,195	4,195	4,195
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV006 Alley Renovation Program	Public Works	250	0	250	250
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	7,015	7,015
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200	0	200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	2,900	2,900	2,900	2,900
PV075 Development Infrastructure Program	CPED	500	0	0	0
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	5,252	4,252	4,752	4,752
PV118 Hennepin Ave (Wash Ave N to 12th St S)	Public Works	15,378	15,378	15,378	15,378
PV131 Res Neighborhood Reconst Projects	Public Works	6,000	5,000	4,850	4,850
PV139 18th Ave NE (Johnson to Stinson)	Public Works	5,465	5,465	5,465	5,465
PV141 Grand Ave S (Lake to 46th)	Public Works	12,560	12,560	12,560	12,560
PV143 North Industrial	Public Works	0	4,690	0	0
PV147 Girard Ave S (Lake St to Lagoon Ave)	Public Works	420	0	420	420
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SWK01 Defective Hazardous Sidewalks	Public Works	4,460	4,460	4,460	4,460
SWK02 Sidewalk Gaps	Public Works	150	150	150	150
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR106 1st Ave S over HCRRA	Public Works	4,790	4,790	4,790	4,790
BR117 1st St N Bridge over Bassetts Creek	Public Works	1,380	1,380	1,380	1,380
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR010 Traffic Management Systems	Public Works	875	875	875	875
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	0
TR021 Traffic Signals	Public Works	1,800	1,800	1,800	1,800
TR022 Traffic Safety Improvements	Public Works	1,530	1,530	1,530	1,530
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
BIK28 Protected Bikeways Program	Public Works	1,940	1,940	1,940	1,940
BP001 Safe Routes to School Program	Public Works	400	400	400	400
BP004 Pedestrian Safety Program	Public Works	600	200	600	600
BP005 Queen Ave N Bike Boulevard	Public Works	2,125	2,125	2,125	2,125

2020 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SA001 Sanitary Tunnel & Sewer Rehab Program	Public Works	8,000	8,000	8,000	8,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,500	3,500	3,500	3,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regs	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 Rehab Program	Public Works	7,000	7,000	7,000	7,000
SW039 Flood Mitigation - Stormwater Alternatives	Public Works	5,000	5,000	5,000	5,000
SW040 Central City Parallel Storm Tunnel	Public Works	11,000	11,000	11,000	11,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
WTR12 Water Distribution Improvements	Public Works	9,550	9,550	9,550	9,550
WTR18 Water Distribution Facility	Public Works	0	1,000	0	3,925
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR24 Fridley Filter Plant Rehabilitation	Public Works	3,500	3,500	3,500	0
WTR27 Automated Meter Infrastructure	Public Works	1,770	1,770	1,770	1,770
WTR28 Ultrafiltration Module Replacement	Public Works	2,200	2,200	2,200	2,200
WTR29 Columbia Heights Campus Upgrades	Public Works	5,000	5,000	5,000	5,000
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
FIR11 Fire Station #11	Fire Department	7,000	7,000	7,000	0
FIR12 Fire Station No. 1 Renovation & Expansion	Fire Department	0	0	2,000	2,000
PSD15 Traffic Maintenance Facility Improvement	Public Works	2,000	0	0	0
PSD18 Regulatory Services Facility	Other Departments	1,000	0	0	0
RAD01 Public Safety Radio System Replacement	Other Departments	0	2,700	2,700	2,700
ART01 Art in Public Places	CPED	761	761	775	775
Total		**177,189,000**	**178,809,000**	**176,913,000**	**169,338,000**

2021 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
MBC01 Life Safety Improvements	MBC	137	137	140	140
MBC02 Mechanical Systems Upgrade	MBC	682	682	716	716
PRK02 Playground and Site Improvements Program	Park Board	839	839	839	839
PRK03 Shelter - Pool - Site Improvements Program	Park Board	804	804	804	804
PRK04 Athletic Fields -Site Improvements Program	Park Board	236	236	236	236
PRK33 Bryn Mawr Meadows Field Improvements	Park Board	3,445	3,445	3,445	3,445
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	3,156	3,156	3,156	3,156
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PRKRP Neighborhood Parks Rehabilitation Program	Park Board	4,200	4,200	4,200	4,200
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV006 Alley Renovation Program	Public Works	250	0	250	250
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	7,015	7,015
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200	0	200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,800	1,800	1,800	1,800
PV075 Development Infrastructure Program	CPED	500	0	0	0
PV092 Technology Dr (37th Ave NE to Marshall S NE)	Public Works	1,505	0	0	0
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	5,687	6,347	5,187	5,187
PV113 29th St W Phase 2	Public Works	2,115	2,115	2,115	2,115
PV118 Hennepin Ave (Wash Ave N to 12th St S)	Public Works	4,112	4,112	4,112	4,112
PV122 Dowling Ave (I-94 to 1st St N)	Public Works	1,325	1,325	1,325	1,325
PV123 Logan Park Industrial	Public Works	6,650	6,650	6,650	6,650
PV126 Bryant Ave S (50th St E to Lake St E)	Public Works	9,990	9,990	9,990	9,990
PV131 Res Neighborhood Reconst Projects	Public Works	6,000	6,000	6,000	6,000
PV137 29th Ave NE (Central to Stinson)	Public Works	5,186	5,186	5,186	5,186
PV142 Downtown East Paving	Public Works	4,665	0	4,665	4,665
PV143 North Industrial	Public Works	4,690	0	4,690	4,690
PV146 9th St SE (6th Ave SE to 9th Ave SE)	Public Works	1,955	1,955	1,955	1,955
PV152 Plymouth Ave (Xerxes Ave to Penn Ave)	Public Works	0	5,025	0	0
PV154 Franklin Ave W (Hennepin to Lyndale)	Public Works	0	2,625	0	0
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SWK01 Defective Hazardous Sidewalks	Public Works	4,670	4,670	4,670	4,670
SWK02 Sidewalk Gaps	Public Works	150	150	150	150
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR133 Cedar Lake Road Bridges over Bassett Cr & RR	Public Works	1,125	0	1,125	1,125
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR010 Traffic Management Systems	Public Works	1,150	1,150	1,150	1,150
TR011 City Street Light Renovation	Public Works	1,000	1,000	1,000	0
TR021 Traffic Signals	Public Works	2,000	2,000	2,000	2,000

2021 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
TR022 Traffic Safety Improvements	Public Works	2,730	2,730	2,730	2,730
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
BIK28 Protected Bikeways Program	Public Works	1,000	1,000	1,000	1,000
BP001 Safe Routes to School Program	Public Works	400	400	400	400
BP002 Prospect Park Trail	Public Works	4,320	0	0	0
BP003 Midtown Greenway Trail Mill & Overlay	Public Works	745	745	745	745
BP004 Pedestrian Safety Program	Public Works	600	300	600	600
SA001 Sanitary Tunnel & Sewer Rehab Program	Public Works	8,000	8,000	8,000	8,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,500	3,500	3,500	3,500
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regs	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 Rehab Program	Public Works	7,000	7,000	7,000	7,000
SW039 Flood Mitigation - Stormwater Alternatives	Public Works	5,000	5,000	5,000	5,000
SW040 Central City Parallel Storm Tunnel	Public Works	11,000	11,000	11,000	11,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
WTR12 Water Distribution Improvements	Public Works	9,650	9,650	9,650	9,650
WTR23 Treatment Infrastructure Improvements	Public Works	5,000	5,000	5,000	5,000
WTR29 Columbia Heights Campus Upgrades	Public Works	1,340	1,340	1,340	1,340
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
FIR11 Fire Station #11	Fire Department	2,000	2,000	2,000	0
FIR13 Fire Station No. 4 Apparatus Bay Addition	Fire Department	0	925	0	0
PSD17 East Side Storage and Maintenance Facility	Public Works	0	3,000	3,000	0
PSD18 Regulatory Services Facility	Other Departments	3,750	0	0	0
ART01 Art in Public Places	CPED	792	792	763	763
Total		**168,761,000**	**159,691,000**	**161,294,000**	**155,294,000**

Minneapolis
City of Lakes

2022 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
MBC02 Mechanical Systems Upgrade	MBC	315	315	330	330
PRK02 Playground and Site Improvements Program	Park Board	1,379	1,379	1,379	1,379
PRKCP Neighborhood Parks Capital Infrastructure	Park Board	7,701	7,701	7,701	7,701
PRKDT Diseased Tree Removal	Park Board	300	300	300	300
PRKRP Neighborhood Parks Rehabilitation Program	Park Board	3,600	3,600	3,760	3,760
PV001 Parkway Paving Program	Public Works	750	750	750	750
PV006 Alley Renovation Program	Public Works	250	0	250	250
PV056 Asphalt Pavement Resurfacing Program	Public Works	6,915	6,915	7,015	7,015
PV059 Major Pavement Maintenance Program	Public Works	250	250	250	250
PV063 Unpaved Alley Construction	Public Works	200	0	200	200
PV074 CSAH & MnDOT Cooperative Projects	Public Works	1,300	1,300	1,300	1,300
PV075 Development Infrastructure Program	CPED	500	0	0	0
PV104 ADA Ramp Replacement Program	Public Works	500	500	500	500
PV108 Concrete Streets Rehabilitation Program	Public Works	6,130	4,130	5,130	5,130
PV126 Bryant Ave S (50th St E to Lake St E)	Public Works	12,998	12,998	12,998	12,998
PV127 37th Ave NE (Central Ave NE to Stinson Blvd)	Public Works	10,800	10,800	10,800	10,800
PV131 Res Neighborhood Reconst Projects	Public Works	6,000	5,442	4,850	4,850
PV137 29th Ave NE (Central to Stinson)	Public Works	3,854	3,854	3,854	3,854
PV138 26th St E (Minnehaha Ave to 29th Ave S)	Public Works	4,230	0	0	0
PV150 1st Ave N (10th St N to Wash Ave)	Public Works	8,880	8,880	8,880	8,880
PV152 Plymouth Ave (Xerxes Ave to Penn Ave)	Public Works	5,025	0	5,025	5,025
PV154 Franklin Ave W (Hennepin to Lyndale)	Public Works	2,625	0	2,625	2,625
PV99R Reimbursable Paving Projects	Public Works	3,500	3,500	3,500	3,500
SWK01 Defective Hazardous Sidewalks	Public Works	4,880	4,880	4,880	4,880
SWK02 Sidewalk Gaps	Public Works	150	150	150	150
BR101 Major Bridge Repair and Rehabilitation	Public Works	400	400	400	400
BR127 Nicollet Ave over Minnehaha Creek	Public Works	24,694	24,694	24,694	24,050
TR008 Parkway Street Light Replacement	Public Works	350	350	350	350
TR010 Traffic Management Systems	Public Works	1,200	1,200	1,200	1,200
TR011 City Street Light Renovation	Public Works	1,500	1,500	1,500	0
TR021 Traffic Signals	Public Works	2,500	2,500	2,500	2,500
TR022 Traffic Safety Improvements	Public Works	1,450	1,450	1,450	1,450
TR024 Pedestrian Street Lighting Corridors	Public Works	600	600	600	600
TR025 Sign Replacement Program	Public Works	895	895	895	895
TR99R Reimbursable Transportation Projects	Public Works	600	600	600	600
BIK28 Protected Bikeways Program	Public Works	1,000	1,000	1,000	1,000
BP001 Safe Routes to School Program	Public Works	400	400	400	400
BP004 Pedestrian Safety Program	Public Works	600	600	600	600
SA001 Sanitary Tunnel & Sewer Rehab Program	Public Works	8,000	8,000	8,000	8,000
SA036 Infiltration & Inflow Removal Program	Public Works	3,500	3,500	3,500	3,500

2022 Capital Budget Decision Summary

Project	Submitting Agency	Department Requested	CLIC Recommended	Mayor Recommended	Council Adopted
SA99R Reimbursable Sanitary Sewer Projects	Public Works	1,000	1,000	1,000	1,000
SW004 Implementation of US EPA Storm Water Regs	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 Rehab Program	Public Works	7,000	7,000	7,000	7,000
SW032 I-35W Storm Tunnel Reconstruction	Public Works	1,000	1,000	1,000	1,000
SW039 Flood Mitigation - Stormwater Alternatives	Public Works	5,000	5,000	5,000	5,000
SW040 Central City Parallel Storm Tunnel	Public Works	13,000	13,000	13,000	13,000
SW99R Reimbursable Sewer & Storm Drain Projects	Public Works	2,000	2,000	2,000	2,000
WTR12 Water Distribution Improvements	Public Works	9,750	9,750	9,750	9,750
WTR23 Treatment Infrastructure Improvements	Public Works	5,500	5,500	5,500	5,500
WTR29 Columbia Heights Campus Upgrades	Public Works	1,200	1,200	1,200	1,200
WTR9R Reimbursable Watermain Projects	Public Works	2,000	2,000	2,000	2,000
FIR11 Fire Station #11	Fire Department	0	0	0	2,144
FIR13 Fire Station No. 4 Apparatus Bay Addition	Fire Department	925	0	0	0
ART01 Art in Public Places	CPED	792	800	767	767
Total		**191,638**	**175,333**	**184,083**	**184,083**

City of Minneapolis
2018 Budget

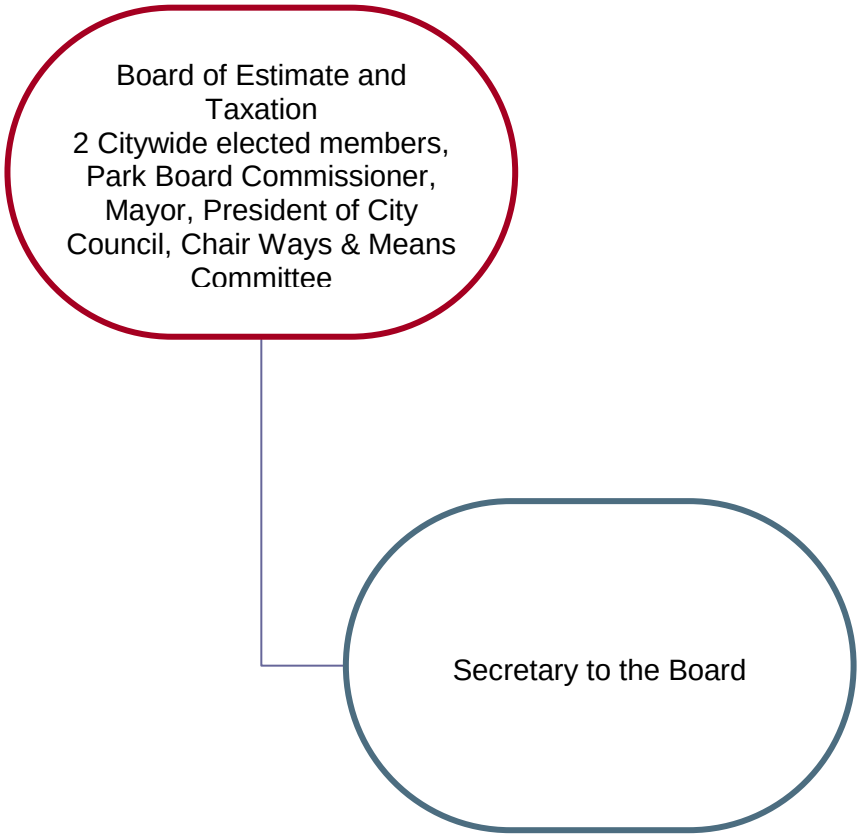
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BOARD OF ESTIMATE AND TAXATION

MISSION

The mission of the Board of Estimate & Taxation ("BET") is to obtain citizen input relating to setting the maximum tax levies of the City for compliance with the City Charter and The Truth In Taxation State Statute. The Board, after receiving recommendations from the Mayor, City Council, Minneapolis Park Board, 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 levy, 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 4 members, 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, 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. 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 2018 expense budget for BET is $0.2 million, a 1.9% increase from 2017. Personnel related costs comprise 87% of the budget, with contractual and operating expenses representing the remaining 13%.

Revenue
The revenue budget is $0.2 million, an increase of 2.1% from the 2017 adopted budget. The Board receives all of 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

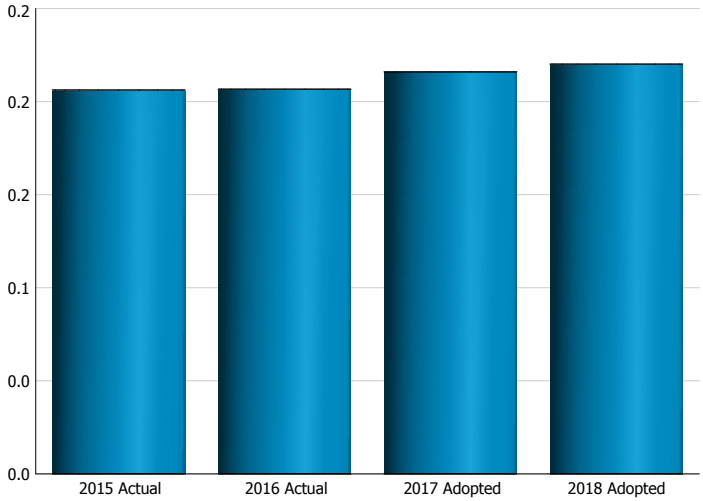
EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	146,491	157,558	149,812	154,020	2.8%	4,208
FRINGE BENEFITS	22,686	23,338	34,974	36,854	5.4%	1,881
CONTRACTUAL SERVICES	21,428	16,658	17,784	18,227	2.5%	443
OPERATING COSTS	15,644	9,164	13,430	11,065	-17.6%	(2,365)
TOTAL SPECIAL REVENUE	**206,249**	**206,717**	**216,000**	**220,166**	**1.9%**	**4,167**
TOTAL EXPENSE	**206,249**	**206,717**	**216,000**	**220,166**	**1.9%**	**4,167**

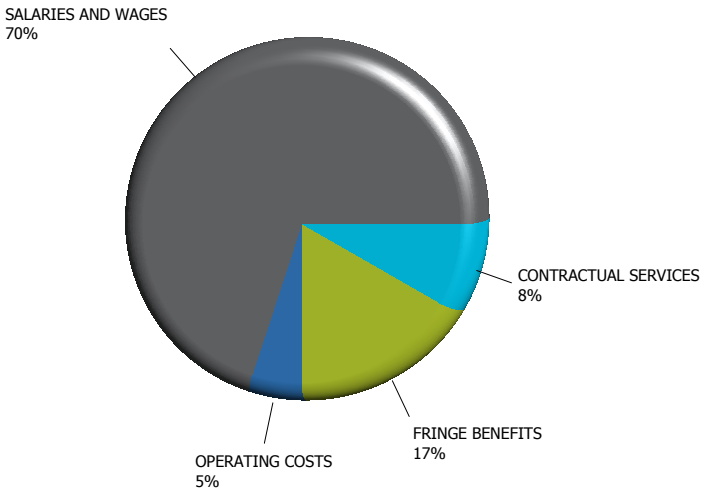
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Adopted	Percent Change	Change
SPECIAL REVENUE						
PROPERTY TAXES	163,067	170,084	180,000	190,000	5.6%	10,000
SALES AND OTHER TAXES	9	(15)			0.0%	0
STATE GOVERNMENT	223	249			0.0%	0
USE OF FUND BALANCE			31,683	26,166	-17.4%	(5,517)
SPECIAL REVENUE	**163,298**	**170,319**	**211,683**	**216,166**	**2.1%**	**4,483**
TOTAL REVENUE	**163,298**	**170,319**	**211,683**	**216,166**	**2.1%**	**4,483**

BOARD OF ESTIMATE & TAXATION
EXPENSE AND REVENUE INFORMATION

Expense by Category

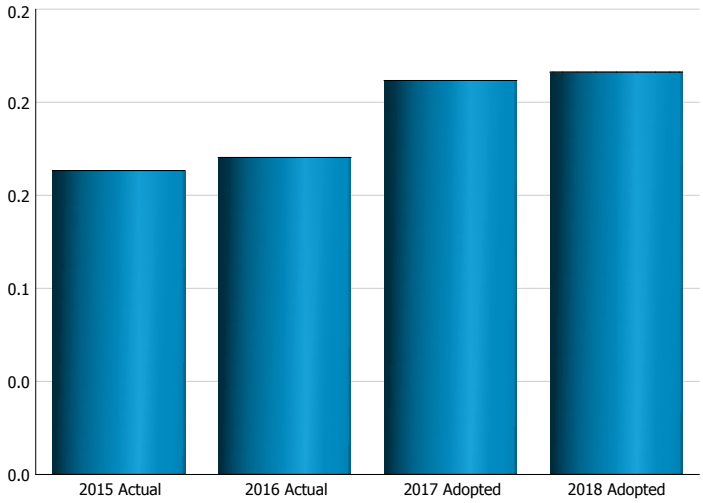
Expense 2015 - 2018
In Millions

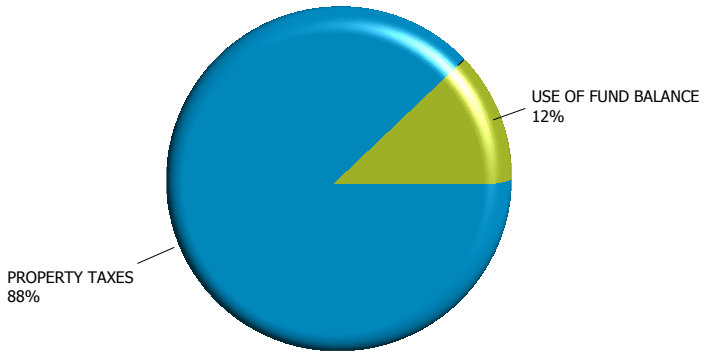




Revenue by Type

Revenue 2015 - 2018
In Millions

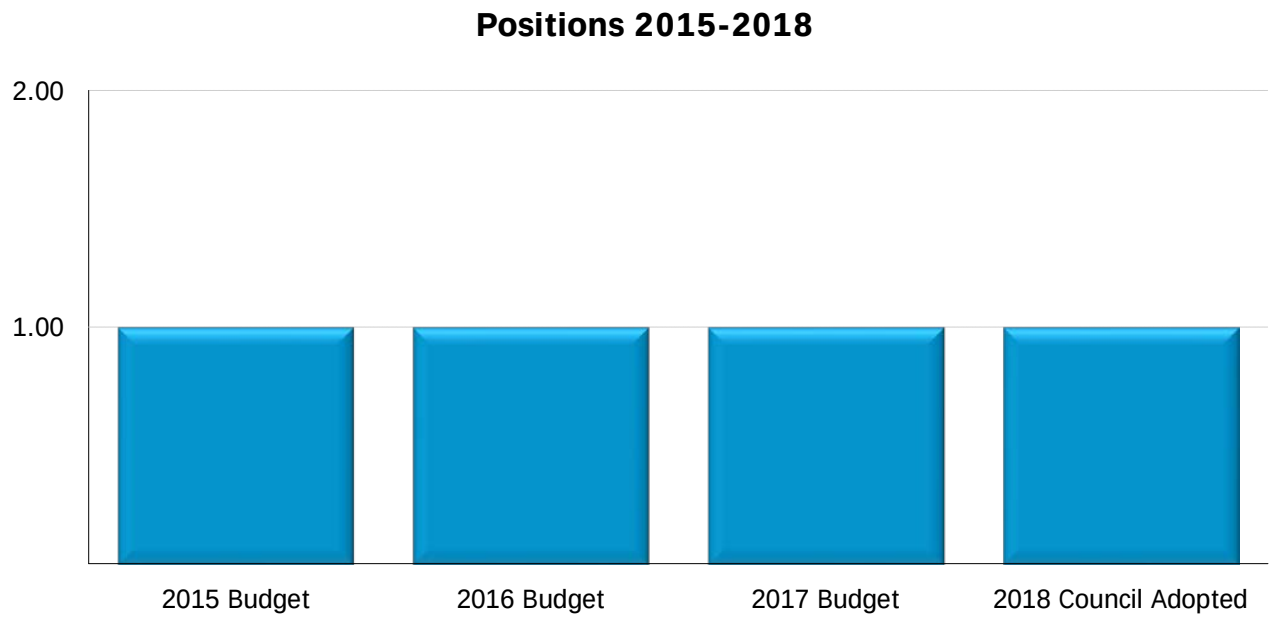




BOARD OF ESTIMATE AND TAXATION

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Council Adopted	% 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.

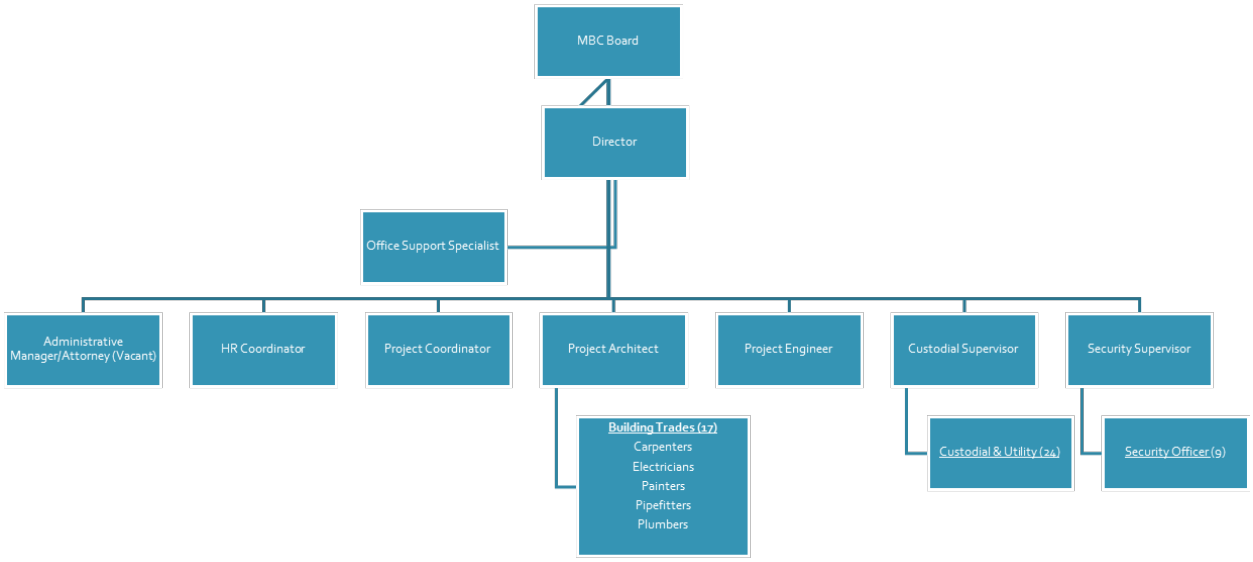
Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse Building:
The MBC is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activity, both operating and capital, in keeping with the agency's mission to provide 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. The MBC recently celebrated the completion of the historic Clock Restoration Project and completion of repairs to the Bells Support system. The City Hall/Courthouse Catering and Events program helps facilitate historic preservation activities in the building by providing financial support of the Historic Preservation Fund.

Significant Budget Changes

The MBC shared-services budget (Administrative, Custodial & Security, and Repair & Improvement programs) costs are divided between the City (60%) and County (40%). The County funds all of the Adult Detention Center costs.

The 2018 shared-services budget is 2.9% higher than the 2017 budget. Significant changes include approximately $170,000 in new expenses related to the transition from City payroll and benefits to independent programs for the MBC, and an estimated $300,000 in one-time expenses related to 2018 owner-occupied stage work.

MBC ORGANIZATION CHART



FINANCIAL ANALYSIS

Expense
Municipal Building Commission's 2018 budget of $9.8 million is a 4.0% increase over the 2017 budget of $9.5 million. Personnel costs and contractual services represent 54% and 39% of the expenditure budget, respectively.

Revenue
The revenue budget for MBC is $9.8 million, a 4.0% increase from 2017. The board will receive nearly all of its revenues from charges for services.

Mayor's Recommended Budget
The mayor made no changes to the proposed budget.

Adopted Budget
The Board approved the Mayor's recommendations.

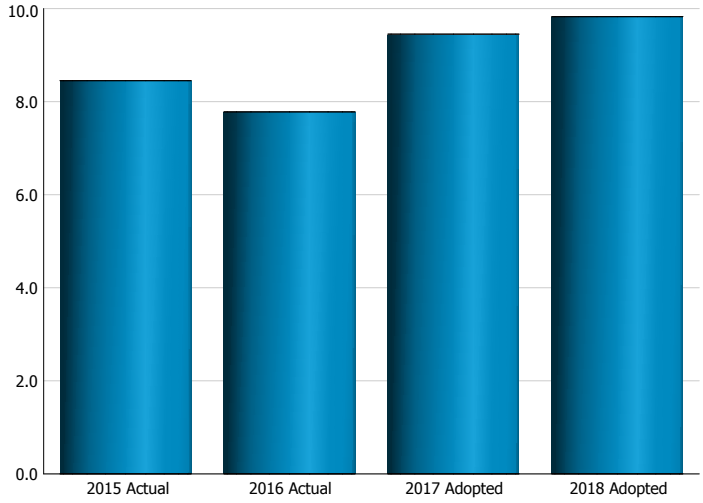
MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	2,418,031	2,515,199	3,540,492	3,795,350	7.2%	254,858
FRINGE BENEFITS	1,040,069	1,047,307	1,514,806	1,544,697	2.0%	29,891
CONTRACTUAL SERVICES	3,947,367	3,297,366	3,597,702	3,872,635	7.6%	274,933
OPERATING COSTS	1,037,449	790,574	762,224	588,260	-22.8%	(173,964)
CAPITAL	8,290	5,028	35,552	25,823	-27.4%	(9,729)
TRANSFERS		125,000				0
TOTAL SPECIAL REVENUE	**8,451,206**	**7,780,474**	**9,450,776**	**9,826,765**	**4.0%**	**375,989**
TOTAL EXPENSE	**8,451,206**	**7,780,474**	**9,450,776**	**9,826,765**	**4.0%**	**375,989**

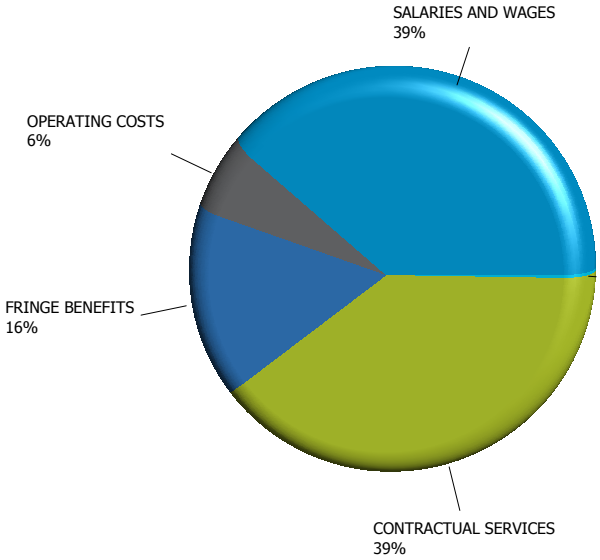
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	3,181				0.0%	0
CHARGES FOR SERVICES	8,228,605	7,971,335	9,216,052	9,588,167	4.0%	372,115
CONTRIBUTIONS		22			0.0%	0
OTHER MISC REVENUES	1,471	4,047			0.0%	0
RENTS	73,801	76,562			0.0%	0
STATE GOVERNMENT	307,889	234,144	234,724	238,599	1.7%	3,875
SPECIAL REVENUE	**8,614,947**	**8,286,110**	**9,450,776**	**9,826,766**	**4.0%**	**375,990**
TOTAL REVENUE	**8,614,947**	**8,286,110**	**9,450,776**	**9,826,766**	**4.0%**	**375,990**

MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION

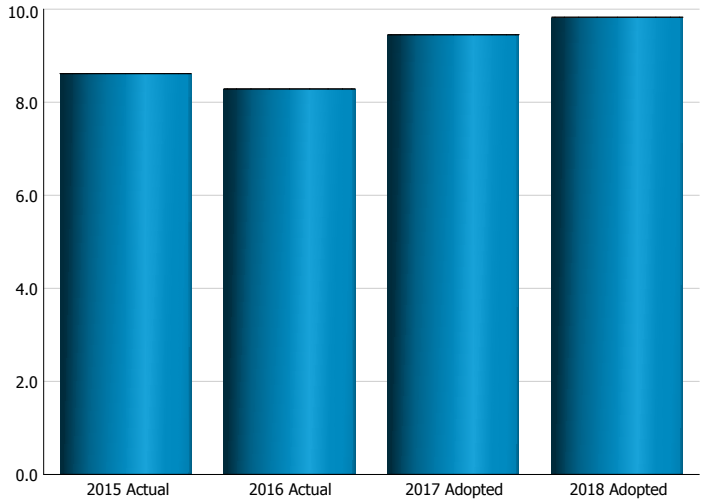
Expense 2015 - 2018
In Millions



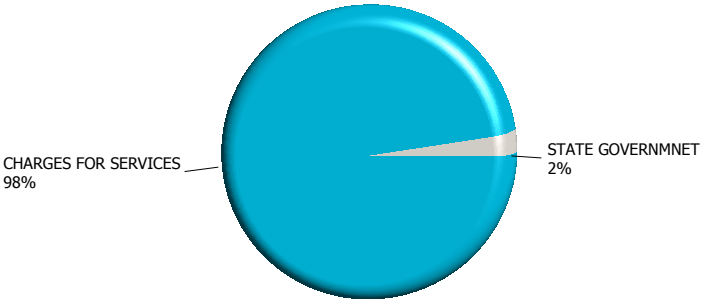
Expense by Category



Revenue 2015 - 2018
In Millions



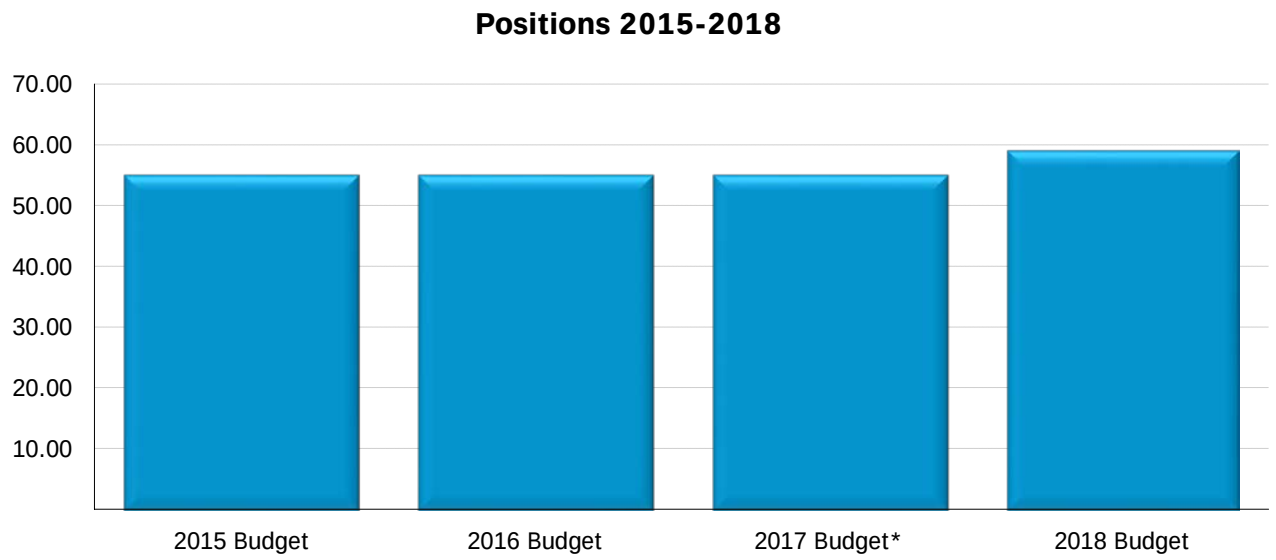
Revenue by Type



MUNICIPAL BUILDING COMMISSION

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget*	2018 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	33.00	13.8%	4.00
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	59.00	7.3%	4.00



* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational changes.

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

- Care & Maintenance of the Park System
- Recreation Facility Operations and Programming
- Planning for Development & Redevelopment of the Park System
- Park Safety & Security
- Executive Management
- Administrative Support Services
- Park System Communications & Marketing
- Enterprise Operations
- Acquisition, Construction and Improvement of the Park System

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 2017 Annual Budget

More information regarding the Minneapolis Park and Recreation Board (MPRB) 2017 Annual Budget, and the Board's published budget book can be found at www.minneapolisparks.org.

FINANCIAL ANALYSIS

Expense
The Board's 2018 expense budget is $117.8 million, a 4.5% increase over 2017. Special Revenue funded activities accounts for most of this increase ($4.9 million) with the remainder found in enterprise and internal service charges. The Park Board expenditure budget reflects additional 32.6 FTE's in 2018.

Revenue
The Board's 2018 revenue budget is $117.8 million, a 4.5% increase over 2017. Special revenues account for approximately 82% of the MPRB revenues with internal service and enterprise fees accounting for 8% and 10% respectively.

Mayor's Recommended Budget
The Mayor made no changes to the proposed budget.

Board Adopted Budget
The Board approved the Mayor's recommendations.

PARK BOARD
EXPENSE AND REVENUE INFORMATION

EXPENSE	2015 Actual	2016 Actual	2017 Adopted	2018 Adopted	Percent Change	Change
CAPITAL PROJECT						
CONTRACTUAL SERVICES	5					0
TOTAL CAPITAL PROJECT	**5**					**0**
INTERNAL SERVICE						
SALARIES AND WAGES	1,526,405	1,674,770	2,025,496	2,150,855	6.2%	125,359
FRINGE BENEFITS	2,512,883	2,622,299	2,565,612	2,711,102	5.7%	145,490
CONTRACTUAL SERVICES	1,182,270	855,730	926,740	967,701	4.4%	40,961
OPERATING COSTS	1,376,531	1,221,582	1,818,670	1,464,706	-19.5%	(353,964)
CAPITAL	2,015,313	1,138,851	2,976,450	2,646,620	-11.1%	(329,830)
TOTAL INTERNAL SERVICE	**8,613,403**	**7,513,232**	**10,312,968**	**9,940,984**	**-3.6%**	**(371,984)**
SPECIAL REVENUE						
SALARIES AND WAGES	31,936,170	34,602,089	38,154,410	40,366,190	5.8%	2,211,780
FRINGE BENEFITS	12,782,865	13,376,157	15,181,478	16,113,888	6.1%	932,410
CONTRACTUAL SERVICES	16,223,939	17,046,623	16,690,028	17,053,910	2.2%	363,882
OPERATING COSTS	16,733,467	16,256,154	16,814,831	17,974,896	6.9%	1,160,065
CAPITAL	1,113,348	922,934	3,203,621	3,610,652	12.7%	407,031
TRANSFERS	4,238,569	4,821,724	1,747,383	1,527,383	-12.6%	(220,000)
TOTAL SPECIAL REVENUE	**83,028,358**	**87,025,681**	**91,791,751**	**96,646,919**	**5.3%**	**4,855,168**
ENTERPRISE						
SALARIES AND WAGES	3,388,588	3,587,295	3,604,119	3,655,994	1.4%	51,875
FRINGE BENEFITS	1,233,255	1,311,496	1,186,142	1,231,350	3.8%	45,208
CONTRACTUAL SERVICES	4,206,952	3,621,399	3,422,439	3,510,297	2.6%	87,858
OPERATING COSTS	1,211,599	1,317,348	1,443,452	1,577,229	9.3%	133,777
CAPITAL	1,337,009	255,498	998,780	1,236,000	23.8%	237,220
TRANSFERS	200,000	165,050	25,000	25,000	0.0%	0
TOTAL ENTERPRISE	**11,577,403**	**10,258,086**	**10,679,932**	**11,235,870**	**5.2%**	**555,938**
TOTAL EXPENSE	**103,219,168**	**104,796,999**	**112,784,651**	**117,823,773**	**4.5%**	**5,039,122**

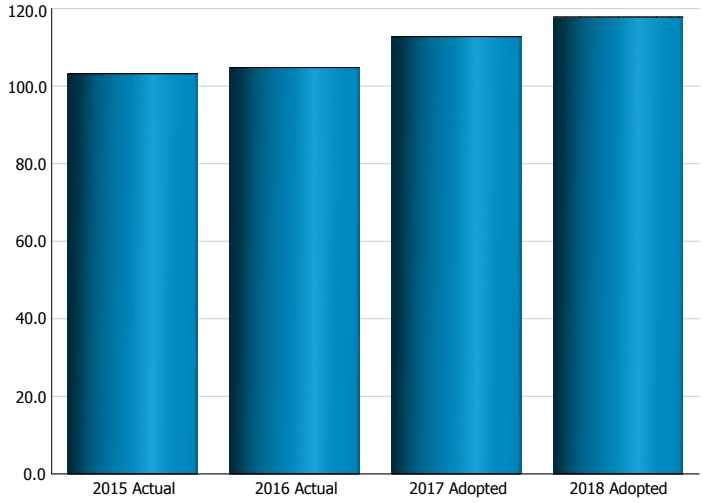
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	13,410	14,913			0.0%	0
CHARGES FOR SERVICES	6,390,158	12,243,768	7,116,307	8,591,127	20.7%	1,474,820
CONTRIBUTIONS	157,189	234,305	97,269	135,769	39.6%	38,500
FEDERAL GOVERNMENT	249,821	258,408			0.0%	0
FINES AND FORFEITS	304,308	303,467	327,000	352,000	7.6%	25,000
INTEREST		(245)			0.0%	0
LICENSE AND PERMITS	220,528	182,915	294,375	294,375	0.0%	0
LOCAL GOVERNMENT	1,308,960	2,984,284	1,366,418	1,366,418	0.0%	0
OTHER MISC REVENUES	2,903,091	129,421	18,678	16,000	-14.3%	(2,678)
PROPERTY TAXES	62,986,691	65,846,377	71,150,093	74,357,556	4.5%	3,207,463
RENTS	1,364,189	1,377,143	987,445	1,077,401	9.1%	89,956

PARK BOARD
EXPENSE AND REVENUE INFORMATION

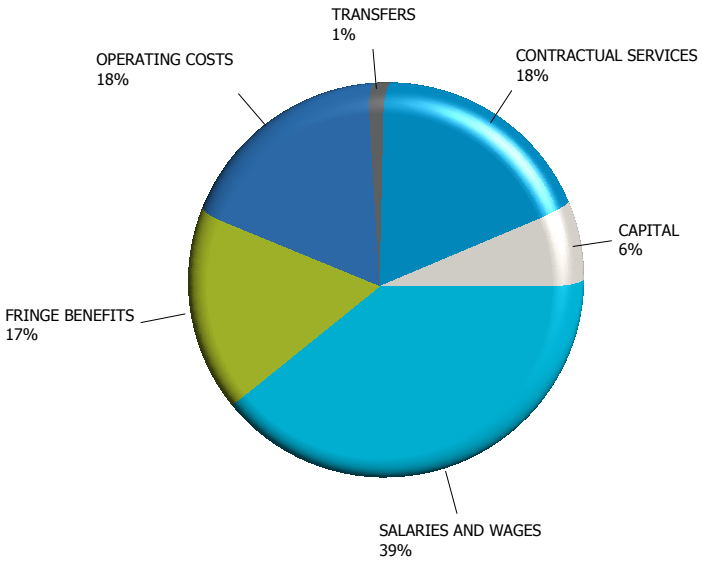
REVENUE	2015 Actual	2016 Actual	2017 Adopted	2018 Adopted	Percent Change	Change
SALES AND OTHER TAXES	2,899	(4,756)	303,000	300,000	-1.0%	(3,000)
SPECIAL ASSESSMENTS		(645)			0.0%	0
STATE GOVERNMENT	10,209,970	10,087,036	9,945,732	10,088,120	1.4%	142,388
TRANSFERS IN	125,000	26,434	25,000	25,000	0.0%	0
USE OF FUND BALANCE			160,434	43,153	-73.1%	(117,281)
SPECIAL REVENUE	**86,236,215**	**93,682,824**	**91,791,751**	**96,646,919**	**5.3%**	**4,855,168**
INTERNAL SERVICE						
CHARGES FOR SALES	219,421	124,084	33,000	33,000	0.0%	0
CHARGES FOR SERVICES	1,524,757	1,718,122	1,789,672	2,012,767	12.5%	223,095
OTHER MISC REVENUES	2,142,910	2,446,109	2,197,208	2,176,361	-0.9%	(20,847)
RENTS	4,922,690	4,995,531	5,731,389	5,593,856	-2.4%	(137,533)
TRANSFERS IN	178,600	270,050			0.0%	0
USE OF FUND BALANCE			561,699	125,000	-77.7%	(436,699)
INTERNAL SERVICE	**8,988,378**	**9,553,895**	**10,312,968**	**9,940,984**	**-3.6%**	**(371,984)**
ENTERPRISE						
CHARGES FOR SALES		161			0.0%	0
CHARGES FOR SERVICES	7,980,674	8,186,495	9,585,956	9,770,034	1.9%	184,078
CONTRIBUTIONS	476,664	1,860			0.0%	0
FEDERAL GOVERNMENT	148,290				0.0%	0
LICENSE AND PERMITS	11,749	12,775			0.0%	0
OTHER MISC REVENUES	25,075	16,475	16,000	16,000	0.0%	0
RENTS	2,310,873	2,455,234	2,064,459	2,210,631	7.1%	146,172
TRANSFERS IN	98,735	42,239			0.0%	0
USE OF FUND BALANCE			(986,483)	(760,795)	-22.9%	225,688
ENTERPRISE	**11,052,060**	**10,715,239**	**10,679,932**	**11,235,870**	**5.2%**	**555,938**
TOTAL REVENUE	**106,276,653**	**113,951,958**	**112,784,651**	**117,823,773**	**4.5%**	**5,039,122**

PARK BOARD
EXPENSE AND REVENUE INFORMATION

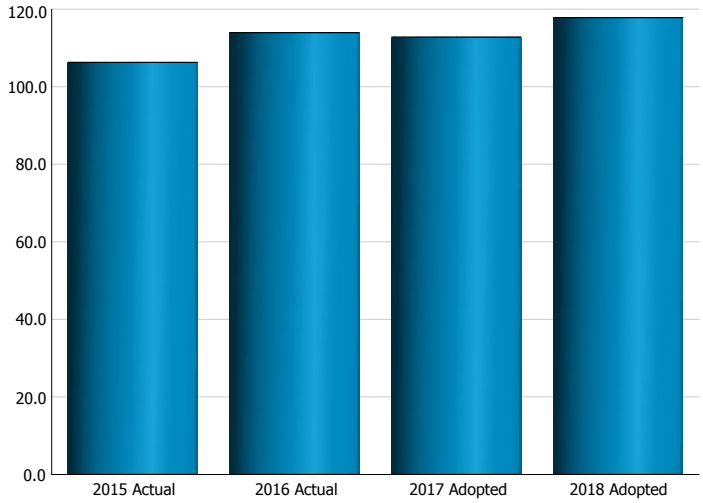
Expense 2015 - 2018
In Millions



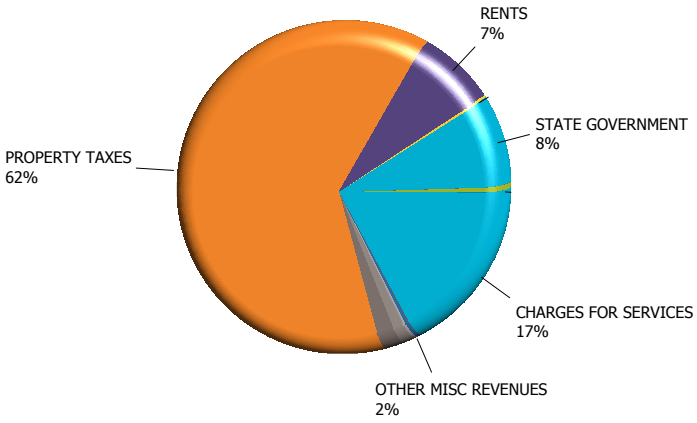
Expense by Category



Revenue 2015 - 2018
In Millions



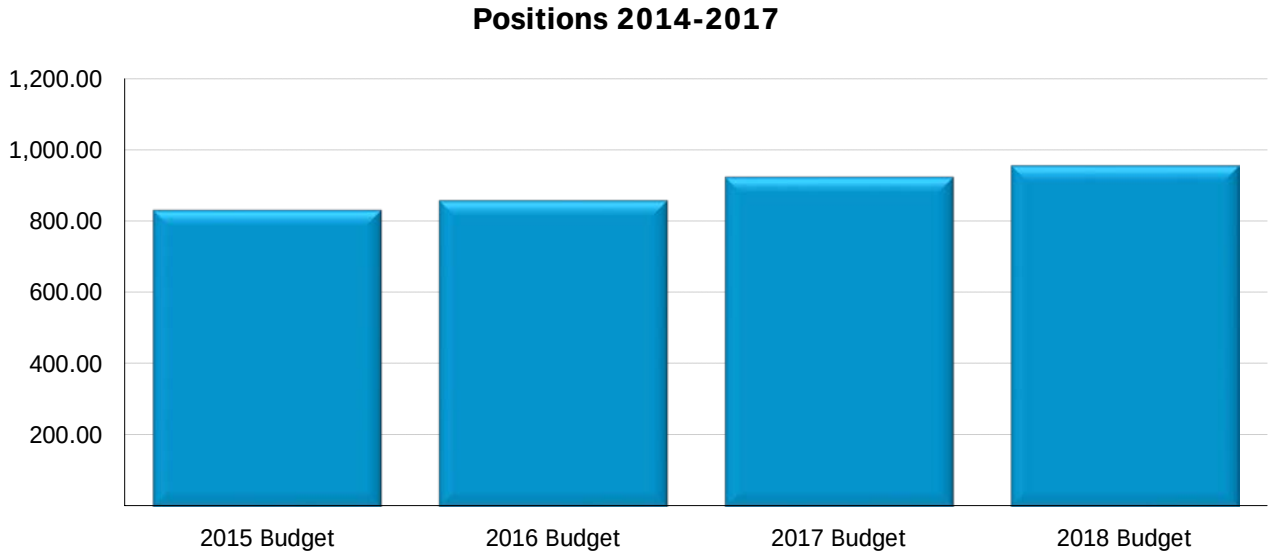
Revenue by Type



PARK BOARD

Staffing Information

Division	2015 Budget	2016 Budget	2017 Budget	2018 Budget	% Change	Change
Park Board	832.00	859.26	924.36	956.91	3.5%	32.55
Overall	832.00	859.26	924.36	956.91	3.5%	32.55



City of Minneapolis
2018 Budget

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SCHEDULE ONE
FUND SUMMARY - CHANGES TO FUND BALANCE

		Total Revenue	Total Expense	Change in Fund Balance
GENERAL	GENERAL FUND	463,256,988	480,579,319	(17,322,331)
	GENERAL FUND - FUND BALANCE USES	17,322,331	0	
TOTAL GENERAL & USE OF FUND BALANCE		**480,579,319**	**480,579,319**	**0**
SPECIAL	TAX INCREMENT ADMINISTRATION	10,000	10,000	0
REVENUE	ECONOMIC DEVELOPMENT	61,809,821	61,809,820	0
	DOWNTOWN ASSETS	78,072,000	78,072,000	0
	PEAVEY PLAZA	4,400,000	4,400,000	0
	COMMONS	750,000	750,000	0
	BOARD OF ESTIMATE AND TAXATION	220,166	220,166	0
	DOWNTOWN IMPROVEMENT DISTRICT	6,919,833	6,919,833	0
	POLICE DEPT - SPECIAL REVENUE	3,112,000	3,112,000	0
	ARENA - RESERVE	6,636,893	6,636,893	0
	GRANTS - FEDERAL	11,234,676	11,234,676	0
	CDBG & UDAG FUNDS	14,788,401	14,788,403	0
	HOME	2,030,982	2,030,983	0
	GRANTS - OTHER	10,548,423	10,548,424	0
	CONVENTION CENTER OPERATIONS	71,208,141	71,208,141	0
	NCR - SPECIAL REVENUE	6,676,121	6,676,121	0
	REGULATORY SRVS SPECIAL REVENUE	5,044,582	5,044,581	0
	EMPLOYEE RETIREMENT	32,644,000	32,644,000	0
	PARK	96,646,919	96,646,919	0
	MUNICIPAL BUILDING COMMISSION	9,826,766	9,826,765	0
TOTAL SPECIAL REVENUE		**422,579,724**	**422,579,724**	**0**
CAPITAL	CAPITAL IMPROVEMENTS	113,385,000	113,385,000	0
PROJECT	CAPITAL TP & E	13,318,559	13,318,559	0
	CAPITAL SIDEWALK INSPECTIONS	1,287,556	1,287,556	0
	PARK - CAPITAL IMPROVEMENTS	12,335,000	12,335,000	0
	MBC - CAPITAL IMPROVEMENTS	5,600,000	5,600,000	0
TOTAL CAPITAL PROJECT		**145,926,115**	**145,926,115**	**0**
DEBT	DC GROUP	65,821	65,821	0
SERVICE	DOWNTOWN EAST PROJECT FUND	420,000	420,000	0
	IMPROVEMENT BONDS	12,338,321	12,338,321	0
	DECEASED TREE ASSESSMENT D/S	128,700	128,700	0
	BOND REDEMPTION - DEBT SERVICE	39,369,554	39,369,554	0
	OTH SELF SUPPORTING DEBT SERVC	1,166,488	1,166,488	0
	MIDTOWN EXCH 108 LOAN ACCOUNT	557,550	557,550	0
	CPED DEBT SERVICE	2,094,809	2,094,809	0
	DOWNTOWN EAST	2,972,301	2,972,301	0
	LIBRARY REF DEBT SERVICE	13,877,100	13,877,100	0
	CONVENTION CENTER-DEBT SERVICE	24,811,125	24,811,125	0
	TARGET CENTER	5,248,253	5,248,253	0
	TARGET CTR SALES TAX DS	5,661,000	5,661,000	0
	TAX INCREMENT - DEBT SERVICE	3,077,313	3,077,313	0
TOTAL DEBT SERVICE		**111,788,335**	**111,788,335**	**0**
INTERNAL	MATERIALS & LAB-INTERNAL SVC	7,372,891	7,372,890	0
SERVICE	EQUIPMENT - INTERNAL SERVICE	32,508,372	32,508,373	0
	EQUIPMENT ACQUISITION FUND	12,897,923	12,897,923	0
	PROPERTY SERVICES	23,797,598	23,797,598	0
	STORES - INTERNAL SERVICE	1,450,517	1,450,517	0
	INFO TECH - INTERNAL SERVICE	37,995,875	37,995,874	0
	SELF INSURANCE-INTERNAL SVC	39,247,669	39,247,669	0
	PARK - INTERNAL SERVICE	7,764,623	7,764,623	0
	PARK-SELF INSURE-INTERNAL SVC	2,176,361	2,176,361	0
TOTAL INTERNAL SERVICE		**165,211,830**	**165,211,830**	**0**
ENTERPRISE	RIVER TERMINAL	1,193,007	1,193,007	0
	GARFS	179,455	179,455	0
	SURFACE WATER & SEWER-SANITARY	86,887,350	86,887,350	0
	SURFACE WATER & SEWER-STORMWATER	52,902,094	52,902,095	0
	WATER - ENTERPRISE	106,305,089	106,305,089	0
	MUNICIPAL PARKING-ENTERPRISE	70,337,730	70,337,730	0
	SOLID WASTE - ENTERPRISE	44,557,038	44,557,039	0
	PARK - OPERATIONS - ENTERPRISE	11,235,870	11,235,870	0
TOTAL ENTERPRISE		**373,597,635**	**373,597,635**	**0**
TOTAL ALL FUNDS		**1,699,682,958**	**1,699,682,958**	**0**

SHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

		2015 Adopted	2016 Adopted	2017 Adopted	2018 Council Adopted	% Change
GENERAL	PROPERTY TAXES	160,487,056	160,575,000	178,170,071	194,555,813	9.2%
	SALES AND OTHER TAXES	76,722,142	76,000,000	82,300,000	-	-100.0%
	FRANCHISE FEES	30,118,463	31,450,000	30,900,000	33,450,000	8.3%
	LICENSE AND PERMITS	44,316,671	43,411,474	42,934,400	43,570,000	1.5%
	STATE GOVERNMENT	81,833,964	82,674,393	82,978,397	84,583,863	1.9%
	LOCAL GOVERNMENT	779,673	698,860	980,663	860,794	-12.2%
	CHARGES FOR SERVICES	46,827,716	47,339,813	45,554,692	48,877,529	7.3%
	CHARGES FOR SALES	45,882	77,190	58,550	63,050	7.7%
	FINES AND FORFEITS	6,539,031	7,312,500	6,545,000	6,558,000	0.2%
	SPECIAL ASSESSMENTS	3,201,518	3,347,601	4,070,300	3,001,500	-26.3%
	INTEREST	1,612,918	2,200,000	2,200,000	3,050,000	38.6%
	RENTS	9,451	-	-	-	
	OTHER MISC REVENUES	3,388,668	5,110,200	3,080,000	6,299,440	104.5%
	USE OF FUND BALANCE	-	24,022,384	5,533,496	17,322,331	213.0%
	TOTAL GENERAL FUND	**455,883,153**	**484,219,415**	**485,305,569**	**442,192,320**	**-8.9%**
SPECIAL REVENUE	PROPERTY TAXES	137,407,727	135,072,884	146,165,533	154,060,627	5.4%
	SALES AND OTHER TAXES	1,887,362	1,839,925	1,764,826	87,856,413	4878.2%
	LICENSE AND PERMITS	1,507,242	290,000	294,375	294,375	0.0%
	FEDERAL GOVERNMENT	32,770,788	23,530,390	26,099,662	24,698,244	-5.4%
	STATE GOVERNMENT	26,489,162	21,591,213	21,905,875	22,156,461	1.1%
	LOCAL GOVERNMENT	13,515,059	403,578	1,566,418	1,670,618	6.7%
	CHARGES FOR SERVICES	24,671,081	24,434,382	26,482,752	29,032,599	9.6%
	CHARGES FOR SALES	4,473,051	-	-	-	
	FINES AND FORFEITS	795,193	750,000	727,000	690,000	-5.1%
	SPECIAL ASSESSMENTS	10,233,286	9,187,796	9,519,648	9,786,110	2.8%
	INTEREST	1,993,922	828,096	1,366,563	1,305,826	-4.4%
	RENTS	13,709,141	10,585,063	11,218,576	13,070,017	16.5%
	CONTRIBUTIONS	1,830,642	1,210,454	1,407,519	941,445	-33.1%
	OTHER MISC REVENUES	18,914,464	18,813,874	15,312,131	15,419,815	0.7%
	USE OF FUND BALANCE	-	12,071,908	24,400,113	2,634,291	-89.2%
	LONG TERM LIABILITIES PROCEEDS	-	-	-	-	
	TOTAL SPECIAL REVENUE	**290,198,120**	**260,609,563**	**288,230,991**	**363,616,841**	**26.2%**
CAPITAL PROJECT/ GOVERNMENTAL FUNDS	PROPERTY TAXES	1,013,322	1,000,000	1,062,000	-	-100.0%
	SALES AND OTHER TAXES	56	-	-	-	
	LICENSE AND PERMITS	289,534	310,000	310,000	310,000	0.0%
	FEDERAL GOVERNMENT	3,985,120	6,210,000	1,640,000	7,595,000	363.1%
	STATE GOVERNMENT	21,021,016	10,000,000	4,820,000	11,200,000	132.4%
	LOCAL GOVERNMENT	1,998,793	2,335,000	4,716,000	6,625,000	40.5%
	CHARGES FOR SERVICES	19,518,814	9,600,000	7,965,000	20,390,500	156.0%
	CHARGES FOR SALES	482,942	-	-	-	
	SPECIAL ASSESSMENTS	2,050,755	12,290,000	15,485,000	25,615,000	65.4%
	INTEREST	(21,234)	-	-	-	
	RENTS	76,454	-	-	-	
	CONTRIBUTIONS	143,509	-	-	-	
	OTHER MISC REVENUES	2,070,425	1,652,000	2,423,000	2,066,000	-14.7%
	USE OF FUND BALANCE	-	3,558,937	8,553,177	(2,094,385)	-124.5%
	LONG TERM LIABILITIES PROCEEDS	-	29,630,000	43,375,000	58,795,000	35.6%
	TOTAL CAPITAL PROJECT	**52,629,505**	**76,585,937**	**90,349,177**	**130,502,115**	**44.4%**
DEBT SERVICE	PROPERTY TAXES	48,378,975	46,914,000	51,731,200	49,720,246	-3.9%
	SALES AND OTHER TAXES	2,000	-	-	-	
	STATE GOVERNMENT	49,473	-	-	-	
	SPECIAL ASSESSMENTS	10,294,888	8,691,963	9,931,577	12,467,021	25.5%
	INTEREST	322,140	-	-	49	
	RENTS	181,384	-	-	-	
	CONTRIBUTIONS	500,000	-	-	-	
	OTHER MISC REVENUES	1,348,884	393,888	5,647,865	5,306,042	-6.1%
	USE OF FUND BALANCE	-	1,877,308	2,744,928	2,844,927	3.6%
	LONG TERM LIABILITIES PROCEEDS	37,844,573	-	-	-	
	TOTAL DEBT SERVICE	**98,922,317**	**57,877,159**	**70,055,570**	**70,338,285**	**0.4%**

SHEDULE TWO
REVENUES BY FUND AND TYPE
(excludes transfers)

		2015 Adopted	2016 Adopted	2017 Adopted	2018 Council Adopted	% Change
INTERNAL SERVICE	FEDERAL GOVERNMENT	-	-	-	-	
	CHARGES FOR SERVICES	89,658,050	77,524,790	79,079,362	81,188,333	2.7%
	CHARGES FOR SALES	10,253,074	10,142,673	8,591,119	14,885,350	73.3%
	FINES AND FORFEITS	27,854	-	-	-	
	GAINS	234,226	-	-	-	
	RENTS	34,876,758	39,071,243	40,780,544	45,476,237	11.5%
	OTHER MISC REVENUES	3,495,649	3,186,359	3,214,708	3,194,361	-0.6%
	USE OF FUND BALANCE	-	(252,656)	11,120,672	17,529,800	57.6%
	LONG TERM LIABILITIES PROCEEDS	23,665	3,300,000	-	-	
	TOTAL INTERNAL SERVICE	**138,569,277**	**132,972,409**	**142,786,405**	**162,274,082**	**13.6%**
ENTERPRISE	LICENSE AND PERMITS	568,503	416,000	490,000	590,000	20.4%
	FEDERAL GOVERNMENT	154,173	-	-	-	
	STATE GOVERNMENT	1,430,897	1,404,601	1,347,865	1,204,497	-10.6%
	LOCAL GOVERNMENT	2,042,753	1,453,275	1,398,502	4,423,277	216.3%
	CHARGES FOR SERVICES	274,501,602	294,790,865	308,606,315	320,925,754	4.0%
	CHARGES FOR SALES	1,661,340	1,019,000	1,163,000	1,668,000	43.4%
	FINES AND FORFEITS	15,349	45,000	45,000	45,000	0.0%
	SPECIAL ASSESSMENTS	1,985,771	1,993,231	1,983,481	1,733,481	-12.6%
	INTEREST	27,684	-	-	-	
	GAINS	-	-	-	6,000,000	
	RENTS	2,528,907	1,529,288	2,064,459	2,210,631	7.1%
	CONTRIBUTIONS	476,664	-	-	-	
	OTHER MISC REVENUES	46,319	16,000	16,000	16,000	0.0%
	USE OF FUND BALANCE	-	2,493,163	(402,475)	(2,082,823)	417.5%
	LONG TERM LIABILITIES PROCEEDS	-	23,750,000	60,470,000	34,545,000	-42.9%
	TOTAL ENTERPRISE	**285,439,961**	**328,910,423**	**377,182,147**	**371,278,817**	**-1.6%**
TOTAL FUNDS		**1,321,642,332**	**1,341,174,906**	**1,453,909,860**	**1,540,202,460**	**5.9%**

* Detailed schedule by specific fund and specific department will be available upon request.

** For 2018 Council Adopted, transfers in the amount of $135,216,239 are deatiled in Schedule 8.

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

		2015 Adopted	2016 Adopted	2017 Adopted	2018 Council Adopted	% Change
GENERAL	311	3,646,020	3,772,825	4,100,907	4,097,275	-0.1%
	911	8,759,610	9,212,137	9,877,790	9,973,959	1.0%
	ASSESSOR	4,612,972	5,027,275	5,241,649	6,874,947	31.2%
	ATTORNEY	8,513,667	9,575,487	10,188,219	10,373,249	1.8%
	CITY CLERK	3,079,209	2,983,919	3,477,174	3,579,278	2.9%
	CITY COORDINATOR	3,159,157	4,270,552	4,817,440	7,161,617	48.7%
	CITY COUNCIL	4,803,574	4,881,494	4,884,293	5,152,283	5.5%
	CIVIL RIGHTS	3,107,184	3,310,246	3,861,086	4,501,094	16.6%
	COMMUNICATIONS	2,090,834	2,236,818	2,253,700	2,307,308	2.4%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	30,808,646	35,783,507	36,848,342	41,058,679	11.4%
	EMERGENCY MANAGEMENT	767,233	812,740	1,204,900	1,052,745	-12.6%
	ELECTIONS & REGISTRATION	1,311,022	4,278,276	1,420,628	2,796,004	96.8%
	FINANCE AND PROPERTY SERV	22,153,993	21,576,983	22,463,575	22,908,437	2.0%
	FIRE	61,314,629	62,323,551	65,086,128	66,500,235	2.2%
	GENERAL FUND CONTINGENCY	-	4,000,000	4,000,000	4,500,000	12.5%
	HUMAN RESOURCES	6,846,865	6,692,288	7,539,160	7,565,923	0.4%
	INFORMATION TECHNOLOGY	-	-	-	-	
	INTERGOVERNMENTAL RELATIONS	1,364,660	1,541,315	1,611,311	1,518,989	-5.7%
	INTERNAL AUDIT	538,452	592,261	720,549	760,662	5.6%
	LIBRARY BOARD	2,363,131	1,560,000	780,000	-	-100.0%
	MAYOR	1,932,480	1,987,715	2,071,925	2,132,316	2.9%
	MINNEAPOLIS HEALTH DEPARTMENT	8,288,752	8,913,842	10,408,521	11,072,176	6.4%
	NEIGHBORHOOD & COMMUNITY RELATIONS	358,041	220,000	264,225	713,302	170.0%
	POLICE	147,884,333	152,773,308	157,120,507	173,667,878	10.5%
	PW - ADMINISTRATIVE SERVICES	3,005,253	3,282,491	3,917,600	3,992,928	1.9%
	PW - TRAFFIC AND PARKING SERVICES	15,057,941	16,727,820	16,822,274	17,179,097	2.1%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	30,195,670	32,572,339	34,135,094	35,045,726	2.7%
	PW - TRANSPORTATION PLAN/PROGRAMING	-	2,443,428	2,292,774	2,689,321	17.3%
	PW - TRANSPORTATION ENGINEERING & DESIGN	3,924,085	2,005,055	1,912,086	2,032,420	6.3%
	REGULATORY SERVICES	16,366,436	18,717,164	19,066,666	20,235,614	6.1%
	TOTAL GENERAL FUND	**396,253,850**	**424,074,838**	**438,388,522**	**471,443,464**	**7.5%**
SPECIAL REVENUE	911	409,970	515,480	515,480	515,480	0.0%
	ATTORNEY	439,371	474,161	334,933	333,565	-0.4%
	BOARD OF ESTIMATE & TAXATION	206,249	214,000	216,000	220,166	1.9%
	CAPITAL IMPROVEMENTS	1,043,455	-	10,500,000	-	-100.0%
	CITY COORDINATOR	484,215	900,000	1,994,575	2,405,001	20.6%
	CIVIL RIGHTS	316,402	322,940	362,644	363,644	0.3%
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	70,795,900	45,271,931	48,357,558	51,778,396	7.1%
	CONVENTION CENTER	47,031,838	54,611,080	53,785,986	53,033,909	-1.4%
	DOWNTOWN ASSETS	-	-	-	5,150,000	
	EMERGENCY MANAGEMENT	1,044,651	1,000,000	1,000,000	1,030,000	3.0%
	FINANCE AND PROPERTY SERV	159,974	227,560	282,961	161,181	-43.0%
	FIRE	102,673	10,000	10,000	10,000	0.0%
	INTERGOVERNMENTAL RELATIONS	1,358,087	1,081,302	1,469,250	1,469,250	0.0%
	MAYOR	46,891	-	-	-	
	MINNEAPOLIS HEALTH DEPARTMENT	12,945,526	11,085,299	10,848,630	11,622,587	7.1%
	MPLS EMPLOYEE RETIREMT FD	37,612,164	38,673,800	36,363,800	32,644,000	-10.2%
	MUNICIPAL BUILDING COMMISSION	8,451,206	9,123,974	9,450,776	9,826,765	4.0%
	NEIGHBORHOOD & COMMUNITY RELATIONS	9,045,864	13,211,490	10,885,467	11,574,071	6.3%
	NON DEPARTMENTAL	64,803	64,803	64,803	64,803	0.0%
	NON-CPED	13,232	-	-	-	
	PARK BD - CAP IMPROV	47,339	-	-	-	
	PARK BOARD	78,789,789	83,563,308	90,044,368	95,119,536	5.6%
	POLICE	4,292,182	5,024,442	6,042,157	5,771,240	-4.5%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	6,242,412	6,203,796	6,469,648	6,919,833	7.0%
	REGULATORY SERVICES	4,673,647	5,033,437	5,174,209	4,904,131	-5.2%
	TOTAL SPECIAL REVENUE	**285,617,840**	**276,612,805**	**294,173,245**	**294,917,558**	**0.3%**

SCHEDULE THREE
EXPENSES BY FUND AND DEPARTMENT
(excludes transfers)

		2015 Adopted	2016 Adopted	2017 Adopted	2018 Council Adopted	% Change
CAPITAL	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	321,956	-	653,000	716,000	9.6%
PROJECT/	CAPITAL IMPROVEMENTS	71,765,646	73,425,000	79,655,000	118,269,000	48.5%
	PARK BD - CAP IMPROV	18,470,761	4,452,000	13,223,000	12,335,000	-6.7%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	717,997	1,181,218	1,218,929	1,287,556	5.6%
	PW - TRANSPORTATION PLAN/PROGRAMING	-	-	122,412	773,903	532.2%
	PW - TRANSPORTATION ENGINEERING & DESIGN	7,430,071	8,277,719	11,476,836	12,544,656	9.3%
	TOTAL CAPITAL PROJECT/ GOVERNMENTAL FUNDS	**98,706,431**	**87,335,936**	**106,349,177**	**145,926,114**	**37.2%**
DEBT	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	25,671,736	3,184,960	4,008,750	2,158,630	-46.2%
SERVICE	DEBT SERVICE	100,294,064	89,830,377	103,296,404	109,207,705	5.7%
	TOTAL DEBT SERVICE	**125,965,801**	**93,015,337**	**107,305,154**	**111,366,335**	**3.8%**
INTERNAL	ATTORNEY	8,388,585	7,340,639	7,584,711	7,737,639	2.0%
SERVICE	CAPITAL IMPROVEMENTS	1,264,057	3,300,000	-	-	
	CITY CLERK	1,806,272	1,383,892	1,375,717	1,403,003	2.0%
	DEBT SERVICE	389,220	5,509,150	3,546,100	10,104,300	184.9%
	FINANCE AND PROPERTY SERV	25,453,686	24,381,244	26,231,195	26,029,922	-0.8%
	HEALTH AND WELFARE	989,728	2,593,363	2,658,197	2,724,652	2.5%
	HUMAN RESOURCES	2,012,766	1,948,647	1,804,004	1,856,387	2.9%
	INFORMATION TECHNOLOGY	38,503,499	32,275,773	38,558,222	36,592,871	-5.1%
	LIABILITY	3,806,300	7,551,027	7,188,875	4,912,616	-31.7%
	PARK BOARD	8,613,403	9,076,985	10,312,968	9,940,984	-3.6%
	PW - FLEET	20,900,167	33,985,258	31,610,868	36,146,596	14.3%
	PW - TRAFFIC AND PARKING SERVICES	387,357	331,158	323,610	330,387	2.1%
	PW - TRANSPORTATION ENGINEERING & DESIGN	2,033,999	1,929,276	1,966,071	7,372,891	275.0%
	WORKERS COMPENSATION	10,957,175	8,607,208	8,872,521	11,437,688	28.9%
	TOTAL INTERNAL SERVICE	**125,506,213**	**140,213,621**	**142,033,060**	**156,589,936**	**10.2%**
ENTERPRISE	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	1,356,344	1,363,253	1,368,012	1,372,462	0.3%
	CAPITAL IMPROVEMENTS	109,908	56,790,000	94,915,000	73,668,000	-22.4%
	DEBT SERVICE	5,025,986	28,778,777	28,777,235	29,335,892	1.9%
	PARK BOARD	11,377,403	9,443,446	10,654,932	11,210,870	5.2%
	PW - SOLID WASTE	33,993,815	40,100,506	40,345,138	40,847,039	1.2%
	PW - TRAFFIC AND PARKING SERVICES	40,740,076	38,888,020	40,972,874	44,159,782	7.8%
	PW - TRANSPORTATION MAINTENANCE AND REPAIR	8,596,288	8,562,781	9,148,113	9,866,351	7.9%
	PW - WATER TREATMENT & DISTR.	56,247,307	57,754,014	57,917,069	60,405,710	4.3%
	PW - SURFACE WATER & SEWERS-SANITARY	98,706,436	59,929,908	61,871,157	67,450,203	9.0%
	PW - SURFACE WATER & SEWERS-STORMWATR	97,628,756	20,550,292	19,691,172	21,642,742	9.9%
	TOTAL ENTERPRISE	**353,782,319**	**322,160,997**	**365,660,701**	**359,959,051**	**-1.6%**
TOTAL FUNDS		**1,385,832,453**	**1,343,413,533**	**1,453,909,860**	**1,540,202,460**	**5.9%**

* Detailed schedule by specific fund and specific department will be available upon request.

** For 2018 Council Adopted, transfers in the amount of $135,216,239 are detailed in Schedule 8.

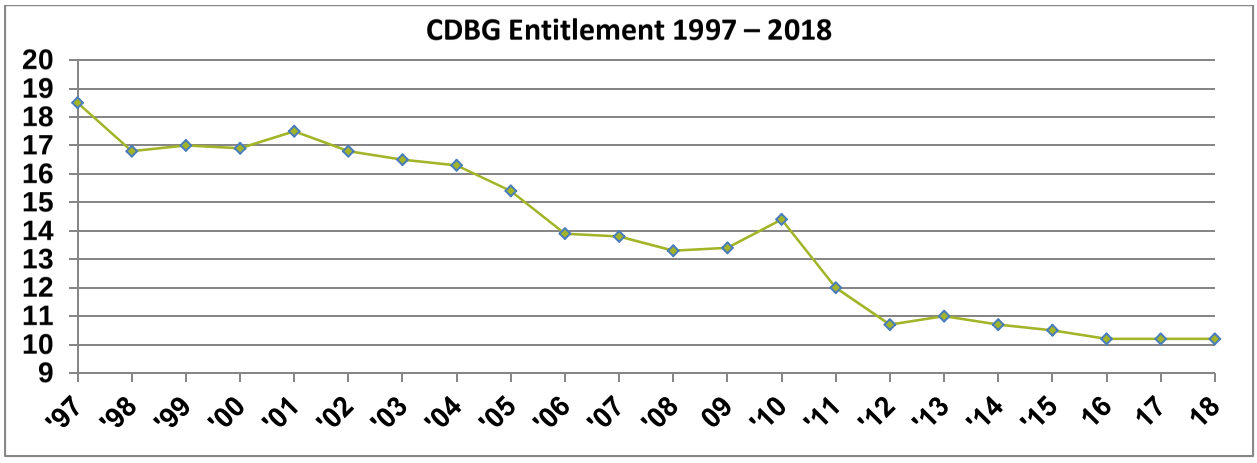
City of Minneapolis
2018 Budget
Community Development Block Grant (CDBG)

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 21 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 2017, the funding level has remained around $10 million. For 2018, the City is anticipating the funding to be similar to the 2017 funding of $10.2 million.



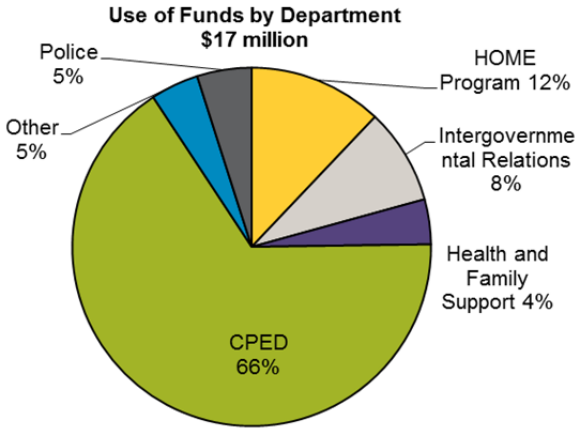
2018 Budget

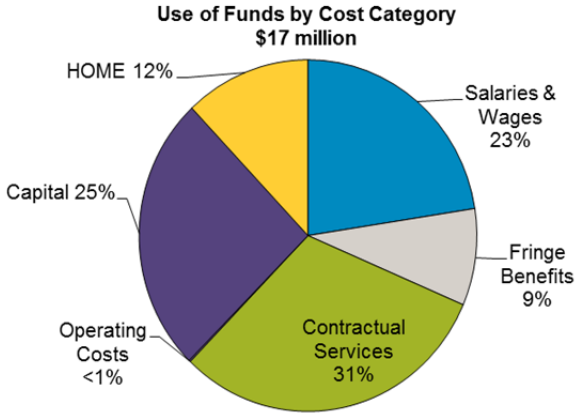
Revenues
The entitlement funds drawn from HUD are budgeted based on the past relationship between national appropriations and local entitlement amounts. Amounts are based on the most recent actions of Congress.

The other HUD Consolidated Plan programs, HOME and ESG are also projected to remain similar to the amounts allocated for the 2017 funding levels while HOPWA is projected to have about a 3% increase. Final award numbers from Congress should be available in early 2018. 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. In addition to entitlement funds, the expenditures include the reprogramming of program income generated in the prior year. The graphs below reflect the distribution of the budgeted Consolidated Plan and program income by department and by cost category.

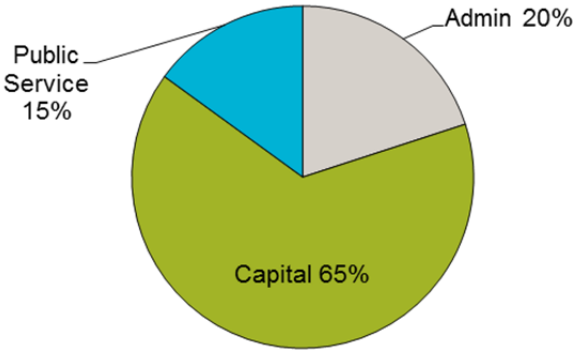




CDBG Allocations

The graph below shows the distribution of the CDBG allocation for 2018. 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 $10.2 million



Debt Service

The CDBG entitlement is obligated over and above the current grant budgets by $4.0 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's Recommended Budget
The Mayor recommended the estimated funding level for 2018 to remain consistent with the 2017 actual allocations taking into consideration spending caps in the public service and administration categories. The actual HUD allocations were 1.1% higher in total than the 2017 Council adopted budget.

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

SCHEDULE FOUR
Year 44 (2018) - COMMUNITY DEVELOPMENT BLOCK GRANT

Organization	Project	2016 Consolidated Plan	2017 Consolidated Plan	2018 Council Adopted
Capital /Other---CDBG				
Community Planning & Economic Development	Adult Training, Placement and Retention	1,169,841	1,228,610	1,228,610
	High Density Corridor Initiative	542,962	462,730	462,730
	Multi-Family/Affordable Housing	3,073,613	3,202,122	3,202,122
	NEDF/CEDF (Great Streets)	115,386	84,167	87,726
	Home Ownership Support & Development	300,000	182,803	182,803
	Vacant and Boarded Building Program	1,343,897	1,440,353	1,440,353
Subtotal CPED capital		**6,545,699**	**6,600,785**	**6,604,344**
Health Department	Lead Reduction	57,260	57,260	57,260
Total Capital/Other (65%)		**6,602,959**	**6,658,045**	**6,661,604**
Public Service---CDBG				
Community Planning & Economic Development	Youth Employment	210,208	233,941	234,093
	Build Leaders	320,000	100,000	100,000
Police Department	Community Crime Prevention Specialists	742,985	826,864	827,400
Health Department	Way to Grow	163,218	206,466	206,600
	Juvenile Supervision Center (Curfew Truancy Program)	100,000	100,000	100,000
	Domestic Abuse Project	59,527	69,200	69,200
Total Public Service (15%)		**1,595,938**	**1,536,471**	**1,537,293**
Public Service - 15% Cap		**1,537,293**	**1,536,472**	**1,537,293**
Administration---CDBG				
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance/Monitoring	321,644	321,347	321,644
Community Planning & Economic Development	Planning - Administration	864,031	863,232	864,031
Health Department	Mid-Minnesota Legal Aid	23,650	23,650	23,650
	Grant Administration	59,520	59,520	59,520
	Way to Grow Administration	14,388	14,388	14,388
	Youth Violence Prevention	151,756	151,756	151,756
Finance Department	Program Administration	161,181	161,181	161,181
Intergovernmental Relations	Grants & Special Projects	167,818	167,818	167,818
	Mid-Minnesota Legal Aid	38,432	38,432	38,432
Youth Coordinating Board	Administration	64,803	64,803	64,803
Neighborhood & Community Relations	Access & Outreach (Multicultural Affairs)	97,951	97,951	97,951
Regulatory Services	New Problem Properties Strategy	84,550	84,550	84,550
Total Administration (20%)		**2,049,724**	**2,048,628**	**2,049,724**
Administration 20% cap		**2,049,724**	**2,048,629**	**2,049,724**
CDBG Total of Requests (100%)		**10,248,621**	**10,243,144**	**10,248,621**
CDBG Revenue		**10,248,621**	**10,243,144**	**10,248,621**
Other Consolidated Plan Entitlement Funds				
HOME Investment Partnerships				
Community Planning & Economic Development	Affordable Housing Trust Fund (AHTF)	1,205,214	1,216,292	1,195,261
	Home Ownership Works (HOW)	632,623	643,754	632,623
	CPED Administration	189,204	191,671	188,098
Intergovernmental Relations	Grants & Special Projects Administration	15,000	15,000	15,000
Emergency Solutions Grant (ESG)				
Community Planning & Economic Development	Emergency Solutions Grant Programs	720,394	703,458	720,394
	Street Outreach	150,000	150,000	150,000
	CPED Administration	65,572	64,199	65,572
Intergovernmental Relations	Grants & Special Projects Administration	5,000	5,000	5,000
Housing Opportunities for Persons with AIDS (HOPWA)	Third Party Contractors/Subrecipients/Subgrantees	1,055,095	1,202,248	1,243,000
Grand Total Consolidated Plan		**14,286,723**	**14,434,766**	**14,463,569**

*This schedule represents the distribution of entitlement funds only excluding any program income.

SCHEDULE FIVE
SUMMARY OF POSITIONS BY DEPARTMENT

	2015 Budget	2016 Budget	2017 Budget*	2018 Council Adopted	Change	% change
CITY COORDINATOR						
311	31.00	30.00	30.00	30.00	-	0.0%
911	84.00	85.00	85.00	85.00	-	0.0%
CITY COORDINATOR	20.00	21.00	27.00	31.00	4.00	14.8%
COMMUNICATIONS	12.00	12.00	12.00	12.00	-	0.0%
CONVENTION CENTER	173.30	173.30	173.30	173.30	-	0.0%
EMERGENCY MANAGEMENT	6.50	8.50	8.50	8.50	-	0.0%
FINANCE AND PROPERTY SERV	251.00	252.50	255.50	258.50	3.00	1.2%
HUMAN RESOURCES	51.80	52.80	53.80	55.00	1.20	2.2%
INFORMATION TECHNOLOGY	94.00	94.00	96.00	92.00	(4.00)	-4.2%
INTERGOVERNMENTAL RELATIONS	8.00	8.00	8.00	8.00	-	0.0%
NEIGHBORHOOD & COMMUNITY RELATIONS	16.00	17.00	17.00	18.00	1.00	5.9%
CITY COORDINATOR	**747.60**	**754.10**	**766.10**	**771.30**	**5.20**	**0.7%**
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT						
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	230.00	239.00	240.00	243.00	3.00	1.3%
COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	**230.00**	**239.00**	**240.00**	**243.00**	**3.00**	**1.3%**
OTHER CHARTER DEPARTMENTS						
ASSESSOR	36.00	37.00	38.00	38.00	-	0.0%
ATTORNEY	110.00	112.00	110.00	113.30	3.30	3.0%
CITY CLERK	31.00	32.00	26.00	26.00	-	0.0%
ELECTIONS & REGISTRATION	6.00	6.00	6.00	6.00	-	0.0%
CITY COUNCIL	39.00	39.00	39.00	39.00	-	0.0%
CIVIL RIGHTS	23.00	25.00	29.00	30.00	1.00	3.4%
FIRE	413.00	413.00	418.00	421.00	3.00	0.7%
INTERNAL AUDIT	3.00	3.00	4.00	4.00	-	0.0%
MAYOR	12.00	13.00	13.00	13.00	-	0.0%
MINNEAPOLIS HEALTH DEPARTMENT	99.30	100.05	103.50	107.00	3.50	3.4%
POLICE	1,020.50	1,029.50	1,058.50	1,080.50	22.00	2.1%
REGULATORY SERVICES	156.50	173.00	174.00	177.00	3.00	1.7%
OTHER CHARTER DEPARTMENTS	**1,949.30**	**1,982.55**	**2,019.00**	**2,054.80**	**35.80**	**1.8%**
PUBLIC WORKS						
PW - ADMINISTRATIVE SERVICES	16.00	16.00	16.00	16.00	-	0.0%
PW - FLEET SERVICES	75.00	75.00	75.00	75.00	-	0.0%
PW - SOLID WASTE & RECYCLING	151.00	151.00	151.00	151.00	-	0.0%
PW - TRAFFIC AND PARKING SERVICES	104.10	103.00	112.40	114.40	2.00	1.8%
PW - TRANSPORTATION MAINTENANCE AND REPAIR	216.15	216.15	219.95	219.95	-	0.0%
PW - TRANSPORTATION ENGINEERING & DESIGN	75.00	75.00	81.00	81.00	-	0.0%
PW - WATER TREATMENT & DISTRIBUTION	193.00	193.00	192.00	192.00	-	0.0%
PW - SURFACE WATER & SEWERS-SANITARY	47.50	47.75	59.75	59.75	-	0.0%
PW - SURFACE WATER & SEWERS-STORMWATER	50.75	51.00	53.50	54.00	0.50	0.9%
PW - TRANSPORTATION PLANNING & PROGRAMING	15.00	17.00	21.00	21.50	0.50	2.4%
PW - CAPITAL	61.00	61.00	150.00	150.00	-	0.0%
PUBLIC WORKS	**1,004.50**	**1,005.90**	**1,131.60**	**1,134.60**	**3.00**	**0.3%**
TOTAL CITY	**3,931.40**	**3,981.55**	**4,156.70**	**4,203.70**	**47.00**	**1.1%**
INDEPENDENT BOARDS						
MINNEAPOLIS PARK & RECREATION BOARD	832.00	859.26	924.36	956.91	32.55	3.5%
BOARD OF ESTIMATE & TAXATION	1.00	1.00	1.00	1.00	-	0.0%
MUNICIPAL BUILDING COMMISSION	55.00	55.00	55.00	59.00	4.00	7.3%
INDEPENDENT BOARDS	**888.00**	**915.26**	**980.36**	**1,016.91**	**36.55**	**3.7%**
TOTAL CITY	**4,819.40**	**4,896.81**	**5,137.06**	**5,220.61**	**83.55**	**1.6%**

* 2017 FTE counts may differ from 2017 adopted budget due to mid year adjustments, including funding and organizational change

SCHEDULE SIX

2018 CPED PROGRAM ALLOCATION BY FUNDING SOURCE

	2016	2017	2018	Sources									
	Adopted Budget	Adopted Budget	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	**2,698,263**	**3,477,727**	**3,698,982**	**2,435,191**	**456,496**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**807,295**
ADMINISTRATION AND OPERATIONS	2,698,263	2,754,727	2,812,982	2,265,191	456,496	-	-	-	-	-	-	-	91,295
ART IN PUBLIC PLACES	-	723,000	786,000	70,000	-	-	-	-	-	-	-	-	716,000
MAPPING PREJUDICE	-	-	100,000	100,000	-	-	-	-	-	-	-	-	-
Prog #2 - AFFORDABLE HOUSING	**14,588,599**	**14,332,000**	**15,072,048**	**6,168,873**	**4,600,821**	**1,310,389**	**-**	**-**	**-**	**2,000,000**	**-**	**885,453**	**106,512**
ADMINISTRATION AND OPERATIONS	2,393,150	2,320,794	2,510,838	2,168,873	-	-	-	-	-	-	-	235,453	106,512
AFFORDABLE HSG TRUST FUND	9,788,039	8,112,510	6,512,514	-	3,202,125	1,310,389	-	-	-	2,000,000	-	-	-
AFFORDABLE HOUSING PROGRAMS (Multi-Family Initiative)	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-	-	-	-	-	-
NOAH - Naturally Occurring Affordable Housing	-	1,500,000	3,650,000	3,000,000	-	-	-	-	-	-	-	650,000	-
EMERGENCY SOLUTIONS GRANT PROG	903,119	935,966	935,966	-	935,966	-	-	-	-	-	-	-	-
HIGH DENSITY CORRIDOR HOUSING	504,291	462,730	462,730	-	462,730	-	-	-	-	-	-	-	-
Prog #3 - HOMEOWNERSHIP SUPPORT & DEV	**5,401,675**	**6,553,679**	**9,037,088**	**1,965,037**	**2,888,628**	**705,594**	**-**	**-**	**1,886,229**	**-**	**-**	**1,515,517**	**76,083**
ADMINISTRATION AND OPERATIONS	1,130,007	1,154,218	1,977,577	823,761	-	-	-	-	62,216	-	-	1,015,517	76,083
MINNEAPOLIS HOMES (FORMER GREEN HOMES NORTH & INFILL)	596,900	867,187	1,616,276	866,276	-	-	-	-	750,000	-	-	-	-
VACANT & BOARDED HOUSING PROG	1,400,751	1,488,462	1,440,353	-	1,440,353	-	-	-	-	-	-	-	-
HOM (Homeownership Opportunity in Minneapolis)	395,000	500,000	524,013	-	0	-	-	-	524,013	-	-	-	-
HOMEOWNERSHIP COUNSELING AND OUTREACH	250,000	188,218	175,000	175,000	0	-	-	-	-	-	-	-	-
HOW - HOME OWERSHIP WORKS	829,017	1,205,594	1,205,594	-	0	705,594	-	-	-	-	-	500,000	-
HOMEOWNERSHIP CAPACITY	-	100,000	100,000	100,000	0	-	-	-	-	-	-	-	-
HOMEOWNER REHABILITATION PROGRAMS	800,000	1,050,000	1,998,275	-	1,448,275	-	-	-	550,000	-	-	-	-
Prog #4 - BUSINESS DEVELOPMENT	**10,529,372**	**10,199,419**	**10,197,513**	**5,798,959**	**87,737**	**-**	**-**	**-**	**2,281,451**	**-**	**179,455**	**1,682,533**	**167,378**
ADMINISTRATION AND OPERATIONS	3,746,461	3,493,656	3,867,291	3,093,462	-	-	-	-	606,451	-	-	-	167,378
SMALL BUSINESS REVOLVING LOAN PROG	2,200,000	2,200,000	2,200,000	2,200,000	-	-	-	-	-	-	-	-	-
GREATER MSP	125,000	10,000	-	-	-	-	-	-	-	-	-	-	-
SMALL BUSINESS PARTNERSHIP	100,000	215,000	105,497	105,497	-	-	-	-	-	-	-	-	-
OPPORTUNITY HUB - CEDAR RIVERSIDE	100,000	193,202	-	-	-	-	-	-	-	-	-	-	-
GREAT STREETS PROGRAM	988,006	937,726	937,737	-	87,737	-	-	-	850,000	-	-	-	-
BUSINESS TECHNICAL ASSISTANCE PROG	350,000	350,000	350,000	350,000	-	-	-	-	-	-	-	-	-
ENERGY EFFECIENCY REVOLVING LOAN PROG	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-
CO-OP TECHNICAL ASSISTANCE PROG	-	-	50,000	50,000	-	-	-	-	-	-	-	-	-
CAPITAL ACQUISATION REVOLVING FUND	500,000	500,000	500,000	-	-	-	-	-	500,000	-	-	-	-
COMMERCIAL PROPERTY MANAGEMENT	120,000	120,000	120,000	-	-	-	-	-	120,000	-	-	-	-
COMMON PROJECTS UNCERTIFIED	581,652	433,974	390,503	-	-	-	-	-	-	-	-	390,503	-
RIVER TERMINAL	1,255,000	1,370,857	1,372,030	-	-	-	-	-	155,000	-	-	1,217,030	-
GARFS	263,253	175,004	179,455	-	-	-	-	-	-	-	179,455	-	-
COMMERCIAL LAND TRUST ASSESSMENT	-		50,000	-	-	-	-	-	50,000	-	-	-	-
LAKE STREET AND NICOLLET	-		75,000	-	-	-	-	-	-	-	-	75,000	-
Prog #5 - BUSINESS LICENSING	**4,272,516**	**4,315,724**	**4,686,884**	**4,473,859**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**213,025**
Prog #6 - ADULT WORKFORCE DEVELOPMENT	**5,843,020**	**5,738,797**	**6,471,775**	**1,293,783**	**1,977,130**	**-**	**2,150,000**	**-**	**990,000**	**-**	**-**	**-**	**60,862**
Prog #7 - YOUTH TRAINING AND DEVELOPMENT	**4,459,420**	**4,677,031**	**4,884,600**	**1,236,117**	**334,093**	**-**	**2,450,000**	**-**	**715,000**	**-**	**-**	**103,741**	**45,649**
Prog #8 - LAND USE, DESIGN & PRESERVATION	**3,676,806**	**3,742,389**	**4,034,100**	**3,117,377**	**749,347**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**167,376**
Prog #9 - DEVELOPMENT SERVICES - CSC	**2,892,356**	**2,909,460**	**3,076,897**	**2,939,953**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**136,944**
Prog #10 - CONSTRUCTION CODE SERVICES	**11,327,809**	**11,123,109**	**12,385,991**	**11,629,530**	**-**	**-**	**-**	**300,000**	**-**	**-**	**-**	**-**	**456,461**
Prog #11 - TRANSFER AND DEBT SERVICES	**31,785,220**	**35,505,078**	**36,650,161**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**36,650,161**	**-**
TOTAL	**97,475,056**	**102,574,413**	**110,196,039**	**41,058,679**	**11,094,252**	**2,015,983**	**4,600,000**	**300,000**	**5,872,680**	**2,000,000**	**179,455**	**40,837,405**	**2,237,585**

SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2018	311	Purchase Replacement Agent Chairs	10	Replacement	Medium	49,500	-	-	-	-	49,500	-	49,500	-		
2018	311	Squiz Knowledge Base Reporting	10	Upgrade	High	48,000	-	-	-	-	48,000	82,000	48,000	48,000		48,000
2018	911	911 Logging Recorder	15	Replacement	Must Do	100,000	-	-	-	-	100,000	68,000	500,000	100,000		100,000
2018	911	911 Workstation Furniture	15	Replacement	Must Do	270,000	-	-	-	-	270,000	10,000	540,000	170,000		170,000
2018	Assessor	Technology System: Property Records and CAMA system	10	Replacement	Must Do	1,700,000	-	-	-	-	1,700,000	440,000	2,300,000	1,275,000		1,275,000
2018	City Clerk	Voting Booths	20	Replacement	Must Do	40,000	-	-	-	-	40,000	40,000	200,000	-		
2018	Civil Rights	Compliance Management System	8	Replacement	High	450,000	-	-	-	-	450,000	75,000	525,000	450,000		450,000
2018	Civil Rights	Police Misconduct Complaint Filing Improvements	5	Addition	High	15,000	-	-	-	-	15,000	-	15,000	15,000		15,000
2018	Communications	Audio production capability	8	Addition	High	20,000	-	-	-	-	20,000	20,000	20,000			
2018	Communications	Prevent overheating of cable TV equipment	15	Renovation	Must Do	20,000	-	-	-	-	20,000	20,000	20,000	20,000		20,000
2018	Communications	Video storage and software efficiency upgrade	6	Upgrade	Must Do	40,000	-	-	-	-	40,000	40,000	40,000	20,000		20,000
2018	CPED	Management Information Network System (MINS) - CPED	5	Replacement	Must Do	2,292,606	-	-	-	-	2,292,606	150,000	3,252,212	1,719,455		1,719,455
2018	Emergency Management	EOTF audio-visual equipment maintenance		Replacement	Medium	16,500	-	-	-	-	16,500	-	92,000	-		
2018	Finance and Property Serv	Access Management System	12	Replacement	Medium	85,000	-	-	-	-	85,000		100,000	50,000		50,000
2018	Finance and Property Serv	Accounts Payable Automation Solution	5	Addition	High	200,000	-	-	-	-	200,000	100,000	200,000	-		
2018	Finance and Property Serv	Traka Key Management System	12	Addition	Medium	90,000	-	-	-	-	90,000		105,000	-		
2018	Finance and Property Serv	Video Management System	8	Replacement	Medium	150,000	-	-	-	-	150,000		185,000	50,000		50,000
2018	Fire	Hazardous Materials Equipment		Replacement	High	20,000	-	-	-	-	20,000		100,000	-		
2018	Fire	Jaws of Life		Replacement	Medium	-	-	-	-	-	-		105,000	-		
2018	Fire	Personal Protective Equipment		Replacement	High	200,000	-	-	-	-	200,000		1,175,000	110,000		110,000
2018	Fire	Projectors (EOTF)		Other	Medium	20,000	-	-	-	-	20,000		96,000	-		
2018	Fire	Thermal Imagers	4	Replacement	High	50,000	-	-	-	-	50,000		150,000	-		
2018	Health	Replace mandatory devices for lead testing	10	Replacement	Must Do	30,000	-	-	-	-	30,000	10,000	70,000	30,000		30,000
2018	Human Resources	Annual license fees for onboarding system software.		Addition	High	55,500	-	-	-	-	55,500	55,500	222,000	-		
2018	Human Resources	Gideon Taylor-Electronic Form Development & Workflow	10	Addition	High	30,000	-	-	-	-	30,000	30,000	150,000	-		
2018	Human Resources	Learning Management System	5	Upgrade	High	60,000	-	-	-	-	60,000	60,000	60,000	-		
2018	Information Technology	Air Quality Sensor Pilot	5	Addition	High	75,000	-	-	-	-	75,000	5,700	175,000	-		
2018	Information Technology	ECMS/Public Website Project	10	Replacement	Must Do	2,500,000	-	-	-	-	2,500,000	300,000	3,500,000	1,567,000		1,567,000
2018	Police	13 Volcanic Bicycles for the Bicycle Rapid Response Team	5	Addition	High	26,000	-	-	-	-	26,000	-	52,000	-		
2018	Police	3D Laser Scanner	10	Addition	Medium	90,000	-	-	-	-	90,000	-	90,000	-		
2018	Police	40mm Less-lethal projectile launcher, ammo, carry-bag	10	Addition	High	115,508	-	-	-	-	115,508	-	115,508	-		
2018	Police	Advance Public Safety Citation Writer (APS)	4	Replacement	High	-	-	-	-	-	-	-	120,000	-		
2018	Police	Ballistic Blanket	5	Replacement	Must Do	10,000	-	-	-	-	10,000	-	10,000	-		
2018	Police	Bomb Squad Robot	10	Upgrade	High	-	-	-	-	-	-	-	277,000	-		
2018	Police	Bomb Squad TCV	20	Upgrade	High	175,000	-	-	-	-	175,000	-	175,000	-		
2018	Police	Camera Trailers	8	Replacement	Must Do	120,000	-	-	-	-	120,000	-	280,000	-		
2018	Police	Cell phones for all investigators and specialty units	5	Addition	Must Do	55,000	-	-	-	-	55,000	145,000	55,000	-		
2018	Police	Computer Server	5	Addition	Low	12,500	-	-	-	-	12,500	-	12,500	-		
2018	Police	Digital Image Management System (DIMS)	4	Replacement	Low	40,000	-	-	-	-	40,000	-	40,000	-		
2018	Police	Fixed Shelving	25	Addition	Must Do	25,000	-	-	-	-	25,000	-	25,000	-		
2018	Police	Forensic Comparison Microscope - Firearms	20	Replacement	Must Do	85,000	-	-	-	-	85,000	-	85,000	85,000		85,000
2018	Police	Forklifts and people lift	10	Addition	High	100,000	-	-	-	-	100,000	-	100,000	-		
2018	Police	High Density Shelving	20	Addition	Medium	25,000	-	-	-	-	25,000	-	25,000	-		
2018	Police	In Squad Video	6	Replacement	Must Do	240,000	-	-	-	-	240,000	-	380,000	70,000		70,000
2018	Police	Invisio communications	10	Addition	High	-	-	-	-	-	-	-	38,000	-		
2018	Police	Level 3 Ballistic Bunkers	5	Replacement	Must Do	10,000	-	-	-	-	10,000	-	10,000	-		
2018	Police	License Plate Recognition System	6	Replacement	High	200,000	-	-	-	-	200,000	5,000	280,000	-		
2018	Police	MAFIN entry station	10	Addition	Medium	35,000	-	-	-	-	35,000	-	35,000	-		
2018	Police	Milestone Public Safety Camera System	5	Addition	Must Do	225,000	-	-	-	-	225,000	-	450,000	225,000		225,000
2018	Police	Mobile Data Computers (MDCs)	8	Replacement	Must Do	350,000	-	-	-	-	350,000	-	910,000	-		
2018	Police	Mobile Squad Printers	5	Replacement	Must Do	9,000	-	-	-	-	9,000	-	27,000	-		
2018	Police	MPD share of technology at Strategic Information Ctr	5	Replacement	Must Do	-	-	-	-	-	-	21,000	599,500	-		
2018	Police	Negotiator throw phone	10	Replacement	High	28,000	-	-	-	-	28,000	-	28,000	-		
2018	Police	PEQ-15 IR illuminator	8	Addition	Must Do	30,000	-	-	-	-	30,000	-	30,000	-		
2018	Police	Police Temp Precinct Security Lockers	20	Addition	Must Do	25,000	-	-	-	-	25,000	-	25,000	-		
2018	Police	PVS 31 night vision	10	Replacement	High	40,000	-	-	-	-	40,000	-	200,000	-		
2018	Police	Range - R	10	Addition	Medium	-	-	-	-	-	-	-	9,000	-		

HOME

SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2018	Police	Recon robot	8	Replacement	High	-	-	-	-	-	-	-	16,000	-		
2018	Police	Replacement Horses for the MPD's Mounted Patrol Unit	5	Replacement	High	15,000	-	-	-	-	15,000	-	15,000	-		
2018	Police	Rimage Disc Publishing System	4	Replacement	High	35,000	-	-	-	-	35,000	-	70,000	-		
2018	Police	Stereo scope w/Camera	10	Addition	Medium	6,000	6,000	-	-	-	-	-	6,000	-		
2018	Police	Suppressors (M4 and AI rifles)	5	Addition	High	40,000	-	-	-	-	40,000	-	80,000	-		
2018	Police	Thermal Scope	10	Addition	Medium	-	-	-	-	-	-	-	12,000	-		
2018	Police	Walk-in refrigeration and freezer units	15	Replacement	Must Do	40,000	-	-	-	-	40,000	-	40,000	-		
2018	Police	Windscribe Digital Dictation System	4	Replacement	Medium	15,000	-	-	-	-	15,000	-	45,000	-		
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - CPED		Replacement	Must Do	66,225	-	-	-	63,581	2,644		1,126,036	66,225	66,225	
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Fire		Replacement	Must Do	2,361,049	-	-	-	1,876,740	484,309		10,872,266	2,361,049	2,292,273	68,776
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - FSD		Replacement	Must Do	28,000	-	-	1,854	26,146	0		459,148	28,000	28,000	
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - IT		Replacement	Must Do	24,848	-	-	626	24,222	0		24,848	24,848	24,848	
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Police		Replacement	Must Do	1,382,000	-	-	-	1,155,192	226,808		7,757,607	1,382,000	1,313,224	68,776
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Prop Serv		Replacement	Must Do	32,272	-	-	1,630	30,642	-		178,267	32,272	32,272	
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Reg Serv		Replacement	Must Do	107,056	-	-	-	80,106	26,950		1,491,308	107,056	80,106	26,950
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - SurWater&Sew		Replacement	Must Do	1,335,886	-	337,881	-	998,005	-		4,662,361	1,335,886	1,335,886	
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TED		Replacement	Must Do	153,079	-	-	3,593	149,486	-		353,008	153,079	153,079	
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TMR		Replacement	Must Do	3,605,094	-	52,233	-	2,874,903	677,958		14,427,635	3,605,094	3,536,318	68,776
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Traff&Park Se		Replacement	Must Do	646,210	-	-	-	599,489	46,721		1,693,850	646,210	599,489	46,721
2018	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - WaterTreat		Replacement	Must Do	111,707	-	11,221	-	100,486	-		1,208,023	111,707	111,707	
2018	PW - Fleet Services	Fleet Vehicle Additions 2018 - Police		Addition	Must Do	354,000	-	-	-	-	354,000		730,000	260,000		260,000
2018	PW - Fleet Services	Fleet Vehicle Additions 2018 - Reg Services		Addition	Must Do	12,000	-	-	-	-	12,000		12,000	-		
2018	PW - Fleet Services	Fleet Vehicle Additions 2018 - TED		Addition	Must Do	160,000	-	-	160,000	-	-		160,000	160,000	160,000	
2018	PW - Fleet Services	Fleet Vehicle Additions 2018 - TMR		Addition	Must Do	250,000	-	125,000	-	-	125,000		250,000	-		
2018	PW - Fleet Services	Fleet Vehicle Additions 2018 - Traff&Park Se		Addition	Must Do	48,000	-	-	-	-	48,000		48,000	-		
2018	PW - Fleet Services	M5 Upgrade	10	Upgrade	Must Do	335,000	-	-	-	335,000	-		335,000	335,000	335,000	
2018	PW- Solid Waste	Annual Vehicle Replacement Funding	14	Replacement	Must Do	1,011,000		1,011,000	-	-	-		5,512,500	1,011,000	1,011,000	
2018	PW - Water Treatment & Distr.	Annual Capital program	99	Other	Must Do	950,000	-	950,000	-	-	-		4,750,000	950,000	950,000	
2018	Regulatory Services	Additional License Plate Recognition cameras	5	Other	High	-	-	-	-	-	-		100,000	-		
2018	Regulatory Services	Adjustable work surfaces	10	Other	Medium	18,000	-	-	-	-	18,000		18,000	-		
2018	Regulatory Services	Body cameras for Traffic Control Field Staff	5	Addition	High	1,000,000	-	-	-	-	1,000,000	40,000	1,000,000	-		
2018	Regulatory Services	MACC space improvements	20	Renovation	High	30,000	-	-	-	-	30,000	-	1,530,000	-		
2018	Regulatory Services	Reconfigure space at Traffic Control	20	Renovation	Medium	-	-	-	-	-	-		300,000	-		
2018	Regulatory Services	Replacement Ipads for Traffic Control	5	Replacement	Must Do	30,000	-	-	-	-	30,000	20,000	55,000	30,000		30,000
2018	Regulatory Services	River Road renovation to create meeting space	10	Renovation	High	10,500	-	-	-	-	10,500	-	10,500	-		
2018	Sanitary Sewer	Sewer & Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-		375,000	75,000	75,000	
2018	Stormwater	Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000	75,000	75,000	
2018	Traffic and Parking Services	Annual Capital Parking System ramps and their systems	99	Renovation	Medium	3,500,000	-	3,500,000	-	-	-		12,000,000	3,500,000	3,500,000	
2018 Total						**28,561,040**	**6,000**	**6,137,335**	**167,703**	**8,313,998**	**13,936,004**	**1,737,200**	**90,577,577**	**22,253,881**	**15,679,427**	**6,574,454**

Summary of 2018 Requests							
By Type							
	Renovation	3,560,500	-	3,500,000	-	-	60,500
	Replacement	20,085,032	-	1,412,335	7,703	7,978,998	10,685,996
	Addition	3,119,508	6,000	125,000	160,000	-	2,828,508
	Upgrade	658,000	-	-	-	335,000	323,000
	Other	1,138,000	-	1,100,000	-	-	38,000
	Total	**28,561,040**	**6,000**	**6,137,335**	**167,703**	**8,313,998**	**13,936,004**
By Priority							
	Must Do	21,370,032	-	2,637,335	167,703	8,313,998	10,250,996
	High	3,038,508	-	-	-	-	3,038,508
	Medium	4,100,000	6,000	3,500,000	-	-	594,000
	Low	52,500	-	-	-	-	52,500
	Total	**28,561,040**	**6,000**	**6,137,335**	**167,703**	**8,313,998**	**13,936,004**

SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2019	311	Purchase Replacement Agent Chairs	10	Replacement	Medium	-	-	-	-	-	-	-	49,500			
2019	311	Squiz Knowledge Base Reporting	10	Upgrade	High	-	-	-	-	-	-	82,000	48,000			
2019	911	911 Logging Recorder	15	Replacement	Must Do	400,000	-	-	-	-	400,000	68,000	500,000			
2019	911	911 Workstation Furniture	15	Replacement	Must Do	270,000	-	-	-	-	270,000	10,000	540,000			
2019	Assessor	Technology System: Property Records and CAMA system	10	Replacement	Must Do	600,000	-	-	-	-	600,000	440,000	2,300,000			
2019	City Clerk	Voting Booths	20	Replacement	Must Do	40,000	-	-	-	-	40,000	40,000	200,000			
2019	Civil Rights	Compliance Management System	8	Replacement	High	75,000	-	-	-	-	75,000	75,000	525,000			
2019	Civil Rights	Police Misconduct Complaint Filing Improvements	5	Addition	High	-	-	-	-	-	-	-	15,000			
2019	Communications	Audio production capability	8	Addition	High	-	-	-	-	-	-	20,000	20,000			
2019	Communications	Prevent overheating of cable TV equipment	15	Renovation	Must Do	-	-	-	-	-	-	20,000	20,000			
2019	Communications	Video storage and software efficiency upgrade	6	Upgrade	Must Do	-	-	-	-	-	-	40,000	40,000			
2019	CPED	Management Information Network System (MINS) - CPED	5	Replacement	Must Do	654,606	-	-	-	-	654,606	150,000	3,252,212			
2019	Emergency Management	EOTF audio-visual equipment maintenance		Replacement	Medium	9,000	-	-	-	-	9,000	-	92,000			
2019	Finance and Property Serv	Access Management System	12	Replacement	Medium	15,000	-	-	-	-	15,000		100,000			
2019	Finance and Property Serv	Accounts Payable Automation Solution	5	Addition	High	-	-	-	-	-	-	100,000	200,000			
2019	Finance and Property Serv	Traka Key Management System	12	Addition	Medium	15,000	-	-	-	-	15,000		105,000			
2019	Finance and Property Serv	Video Management System	8	Replacement	Medium	35,000	-	-	-	-	35,000		185,000			
2019	Fire	Hazardous Materials Equipment		Replacement	High	20,000	-	-	-	-	20,000		100,000			
2019	Fire	Jaws of Life		Replacement	Medium	35,000	-	-	-	-	35,000		105,000			
2019	Fire	Personal Protective Equipment		Replacement	High	225,000	-	-	-	-	225,000		1,175,000			
2019	Fire	Projectors (EOTF)		Other	Medium	8,000	-	-	-	-	8,000		96,000			
2019	Fire	Thermal Imagers	4	Replacement	High	25,000	-	-	-	-	25,000		150,000			
2019	Health	Replace mandatory devices for lead testing	10	Replacement	Must Do	10,000	-	-	-	-	10,000	10,000	70,000			
2019	Human Resources	Annual license fees for onboarding system software.		Addition	High	55,500	-	-	-	-	55,500	55,500	222,000			
2019	Human Resources	Gideon Taylor-Electronic Form Development & Workflow	10	Addition	High	30,000	-	-	-	-	30,000	30,000	150,000			
2019	Human Resources	Learning Management System	5	Upgrade	High	-	-	-	-	-	-	60,000	60,000			
2019	Information Technology	Air Quality Sensor Pilot	5	Addition	High	50,000	-	-	-	-	50,000	5,700	175,000			
2019	Information Technology	ECMS/Public Website Project	10	Replacement	Must Do	500,000	-	-	-	-	500,000	300,000	3,500,000			
2019	Police	13 Volcanic Bicycles for the Bicycle Rapid Response Team	5	Addition	High	26,000	-	-	-	-	26,000	-	52,000			
2019	Police	3D Laser Scanner	10	Addition	Medium	-	-	-	-	-	-	-	90,000			
2019	Police	40mm Less-lethal projectile launcher, ammo, carry-bag	10	Addition	High	-	-	-	-	-	-	-	115,508			
2019	Police	Advance Public Safety Citation Writer (APS)	4	Replacement	High	60,000	-	-	-	-	60,000	-	120,000			
2019	Police	Ballistic Blanket	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2019	Police	Bomb Squad Robot	10	Upgrade	High	277,000	-	-	-	-	277,000	-	277,000			
2019	Police	Bomb Squad TCV	20	Upgrade	High	-	-	-	-	-	-	-	175,000			
2019	Police	Camera Trailers	8	Replacement	Must Do	40,000	-	-	-	-	40,000	-	280,000			
2019	Police	Cell phones for all investigators and specialty units	5	Addition	Must Do	-	-	-	-	-	-	145,000	55,000			
2019	Police	Computer Server	5	Addition	Low	-	-	-	-	-	-	-	12,500			
2019	Police	Digital Image Management System (DIMS)	4	Replacement	Low	-	-	-	-	-	-	-	40,000			
2019	Police	Fixed Shelving	25	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2019	Police	Forensic Comparison Microscope - Firearms	20	Replacement	Must Do	-	-	-	-	-	-	-	85,000			
2019	Police	Forklifts and people lift	10	Addition	High	-	-	-	-	-	-	-	100,000			
2019	Police	High Density Shelving	20	Addition	Medium	-	-	-	-	-	-	-	25,000			
2019	Police	In Squad Video	6	Replacement	Must Do	140,000	-	-	-	-	140,000	-	380,000			
2019	Police	Invisio communications	10	Addition	High	38,000	-	-	-	-	38,000	-	38,000			
2019	Police	Level 3 Ballistic Bunkers	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2019	Police	License Plate Recognition System	6	Replacement	High	40,000	-	-	-	-	40,000	5,000	280,000			
2019	Police	MAFIN entry station	10	Addition	Medium	-	-	-	-	-	-	-	35,000			
2019	Police	Milestone Public Safety Camera System	5	Addition	Must Do	112,500	-	-	-	-	112,500	-	450,000			
2019	Police	Mobile Data Computers (MDCs)	8	Replacement	Must Do	280,000	-	-	-	-	280,000	-	910,000			
2019	Police	Mobile Squad Printers	5	Replacement	Must Do	9,000	-	-	-	-	9,000	-	27,000			
2019	Police	MPD share of technology at Strategic Information Ctr	5	Replacement	Must Do	242,000	-	-	-	-	242,000	21,000	599,500			
2019	Police	Negotiator throw phone	10	Replacement	High	-	-	-	-	-	-	-	28,000			
2019	Police	PEQ-15 IR illuminator	8	Addition	Must Do	-	-	-	-	-	-	-	30,000			
2019	Police	Police Temp Precinct Security Lockers	20	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2019	Police	PVS 31 night vision	10	Replacement	High	40,000	-	-	-	-	40,000	-	200,000			
2019	Police	Range - R	10	Addition	Medium	9,000	-	-	-	-	9,000	-	9,000			
2019	Police	Recon robot	8	Replacement	High	16,000	-	-	-	-	16,000	-	16,000			
2019	Police	Replacement Horses for the MPD's Mounted Patrol Unit	5	Replacement	High	-	-	-	-	-	-	-	15,000			
2019	Police	Rimage Disc Publishing System	4	Replacement	High	-	-	-	-	-	-	-	70,000			
2019	Police	Stereo scope w/Camera	10	Addition	Medium	-	-	-	-	-	-	-	6,000			
2019	Police	Suppressors (M4 and AI rifles)	5	Addition	High	40,000	-	-	-	-	40,000	-	80,000			
2019	Police	Thermal Scope	10	Addition	Medium	-	-	-	-	-	-	-	12,000			
2019	Police	Walk-in refrigeration and freezer units	15	Replacement	Must Do	-	-	-	-	-	-	-	40,000			

HOME

SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2019	Police	Windscribe Digital Dictation System	4	Replacement	Medium	15,000	-	-	-	-	15,000	-	45,000			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - CPED		Replacement	Must Do	137,067	-	-	-	137,067	-		1,126,036			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Fire		Replacement	Must Do	7,903,198	-	-	-	7,372,034	531,164		10,872,266			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - FSD		Replacement	Must Do	207,148	-	-	26,674	180,474	-		459,148			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - IT		Replacement	Must Do	-	-	-	-	-	-		24,848			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Police		Replacement	Must Do	2,468,706	-	-	-	1,991,530	477,176		7,757,607			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Prop Serv		Replacement	Must Do	38,183	-	-	2,214	35,969	-		178,267			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Reg Serv		Replacement	Must Do	297,706	-	-	-	246,003	51,703		1,491,308			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - SurWater&Sew		Replacement	Must Do	511,374	-	176,634	-	334,740	-		4,662,361			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TED		Replacement	Must Do	69,929	-	-	12,476	57,453	-		353,008			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TMR		Replacement	Must Do	1,583,913	-	29,849	1,319	1,540,899	11,846		14,427,635			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Traff&Park Se		Replacement	Must Do	312,184	-	-	-	312,184	-		1,693,850			
2019	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - WaterTreat		Replacement	Must Do	429,892	-	49,731	-	380,161	-		1,208,023			
2019	PW - Fleet Services	Fleet Vehicle Additions 2018 - Police		Addition	Must Do	-	-	-	-	-	-		730,000			
2019	PW - Fleet Services	Fleet Vehicle Additions 2018 - Reg Services		Addition	Must Do	-	-	-	-	-	-		12,000			
2019	PW - Fleet Services	Fleet Vehicle Additions 2018 - TED		Addition	Must Do	-	-	-	-	-	-		160,000			
2019	PW - Fleet Services	Fleet Vehicle Additions 2018 - TMR		Addition	Must Do	-	-	-	-	-	-		250,000			
2019	PW - Fleet Services	Fleet Vehicle Additions 2018 - Traff&Park Se		Addition	Must Do	-	-	-	-	-	-		48,000			
2019	PW - Fleet Services	M5 Upgrade	10	Upgrade	Must Do	-	-	-	-	-	-	-	335,000			
2019	PW- Solid Waste	Annual Vehicle Replacement Funding	14	Replacement	Must Do	505,100		505,100	-	-	-		5,512,500			
2019	PW - Water Treatment & Distr.	Annual Capital program	99	Other	Must Do	950,000	-	950,000	-	-	-		4,750,000			
2019	Regulatory Services	Additional License Plate Recognition cameras	5	Other	High	50,000	-	-	-	-	50,000		100,000			
2019	Regulatory Services	Adjustable work surfaces	10	Other	Medium	-	-	-	-	-	-	-	18,000			
2019	Regulatory Services	Body cameras for Traffic Control Field Staff	5	Addition	High	-	-	-	-	-	-	40,000	1,000,000			
2019	Regulatory Services	MACC space improvements	20	Renovation	High	750,000	-	-	-	-	750,000	-	1,530,000			
2019	Regulatory Services	Reconfigure space at Traffic Control	20	Renovation	Medium	300,000	-	-	-	-	300,000		300,000			
2019	Regulatory Services	Replacement Ipads for Traffic Control	5	Replacement	Must Do	25,000	-	-	-	-	25,000	20,000	55,000			
2019	Regulatory Services	River Road renovation to create meeting space	10	Renovation	High	-	-	-	-	-	-	-	10,500			
2019	Sanitary Sewer	Sewer & Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-		375,000			
2019	Stormwater	Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000			
2019	Traffic and Parking Services	Annual Capital Parking System ramps and their systems	99	Renovation	Medium	1,000,000	-	1,000,000	-	-	-		12,000,000			
	2019 Total					**22,146,006**	**-**	**2,861,314**	**42,683**	**12,588,514**	**6,653,495**	**1,737,200**	**90,577,577**			

SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2020	311	Purchase Replacement Agent Chairs	10	Replacement	Medium	-	-	-	-	-	-	-	49,500			
2020	311	Squiz Knowledge Base Reporting	10	Upgrade	High	-	-	-	-	-	-	82,000	48,000			
2020	911	911 Logging Recorder	15	Replacement	Must Do	-	-	-	-	-	-	68,000	500,000			
2020	911	911 Workstation Furniture	15	Replacement	Must Do	-	-	-	-	-	-	10,000	540,000			
2020	Assessor	Technology System: Property Records and CAMA system	10	Replacement	Must Do	-	-	-	-	-	-	440,000	2,300,000			
2020	City Clerk	Voting Booths	20	Replacement	Must Do	40,000	-	-	-	-	40,000	40,000	200,000			
2020	Civil Rights	Compliance Management System	8	Replacement	High	-	-	-	-	-	-	75,000	525,000			
2020	Civil Rights	Police Misconduct Complaint Filing Improvements	5	Addition	High	-	-	-	-	-	-	-	15,000			
2020	Communications	Audio production capability	8	Addition	High	-	-	-	-	-	-	20,000	20,000			
2020	Communications	Prevent overheating of cable TV equipment	15	Renovation	Must Do	-	-	-	-	-	-	20,000	20,000			
2020	Communications	Video storage and software efficiency upgrade	6	Upgrade	Must Do	-	-	-	-	-	-	40,000	40,000			
2020	CPED	Management Information Network System (MINS) - CPED	5	Replacement	Must Do	160,000	-	-	-	-	160,000	150,000	3,252,212			
2020	Emergency Management	EOTF audio-visual equipment maintenance		Replacement	Medium	47,000	-	-	-	-	47,000	-	92,000			
2020	Finance and Property Serv	Access Management System	12	Replacement	Medium	-	-	-	-	-	-		100,000			
2020	Finance and Property Serv	Accounts Payable Automation Solution	5	Addition	High	-	-	-	-	-	-	100,000	200,000			
2020	Finance and Property Serv	Traka Key Management System	12	Addition	Medium	-	-	-	-	-	-		105,000			
2020	Finance and Property Serv	Video Management System	8	Replacement	Medium	-	-	-	-	-	-		185,000			
2020	Fire	Hazardous Materials Equipment		Replacement	High	20,000	-	-	-	-	20,000		100,000			
2020	Fire	Jaws of Life		Replacement	Medium	35,000	-	-	-	-	35,000		105,000			
2020	Fire	Personal Protective Equipment		Replacement	High	250,000	-	-	-	-	250,000		1,175,000			
2020	Fire	Projectors (EOTF)		Other	Medium	46,000	-	-	-	-	46,000		96,000			
2020	Fire	Thermal Imagers	4	Replacement	High	25,000	-	-	-	-	25,000		150,000			
2020	Health	Replace mandatory devices for lead testingn	10	Replacement	Must Do	10,000	-	-	-	-	10,000	10,000	70,000			
2020	Human Resources	Annual license fees for onboarding system software.		Addition	High	55,500	-	-	-	-	55,500	55,500	222,000			
2020	Human Resources	Gideon Taylor-Electronic Form Development & Workflow	10	Addition	High	30,000	-	-	-	-	30,000	30,000	150,000			
2020	Human Resources	Learning Management System	5	Upgrade	High	-	-	-	-	-	-	60,000	60,000			
2020	Information Technology	Air Quality Sensor Pilot	5	Addition	High	50,000	-	-	-	-	50,000	5,700	175,000			
2020	Information Technology	ECMS/Public Website Project	10	Replacement	Must Do	500,000	-	-	-	-	500,000	300,000	3,500,000			
2020	Police	13 Volcanic Bicycles for the Bicycle Rapid Response Team	5	Addition	High	-	-	-	-	-	-	-	52,000			
2020	Police	3D Laser Scanner	10	Addition	Medium	-	-	-	-	-	-	-	90,000			
2020	Police	40mm Less-lethal projectile launcher, ammo, carry-bag	10	Addition	High	-	-	-	-	-	-	-	115,508			
2020	Police	Advance Public Safety Citation Writer (APS)	4	Replacement	High	60,000	-	-	-	-	60,000	-	120,000			
2020	Police	Ballistic Blanket	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2020	Police	Bomb Squad Robot	10	Upgrade	High	-	-	-	-	-	-	-	277,000			
2020	Police	Bomb Squad TCV	20	Upgrade	High	-	-	-	-	-	-	-	175,000			
2020	Police	Camera Trailers	8	Replacement	Must Do	40,000	-	-	-	-	40,000	-	280,000			
2020	Police	Cell phones for all investigators and specialty units	5	Addition	Must Do	-	-	-	-	-	-	145,000	55,000			
2020	Police	Computer Server	5	Addition	Low	-	-	-	-	-	-	-	12,500			
2020	Police	Digital Image Management System (DIMS)	4	Replacement	Low	-	-	-	-	-	-	-	40,000			
2020	Police	Fixed Shelving	25	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2020	Police	Forensic Comparison Microscope - Firearms	20	Replacement	Must Do	-	-	-	-	-	-	-	85,000			
2020	Police	Forklifts and people lift	10	Addition	High	-	-	-	-	-	-	-	100,000			
2020	Police	High Density Shelving	20	Addition	Medium	-	-	-	-	-	-	-	25,000			
2020	Police	In Squad Video	6	Replacement	Must Do	-	-	-	-	-	-	-	380,000			
2020	Police	Invisio communications	10	Addition	High	-	-	-	-	-	-	-	38,000			
2020	Police	Level 3 Ballistic Bunkers	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2020	Police	License Plate Recognition System	6	Replacement	High	40,000	-	-	-	-	40,000	5,000	280,000			
2020	Police	MAFIN entry station	10	Addition	Medium	-	-	-	-	-	-	-	35,000			
2020	Police	Milestone Public Safety Camera System	5	Addition	Must Do	112,500	-	-	-	-	112,500	-	450,000			
2020	Police	Mobile Data Computers (MDCs)	8	Replacement	Must Do	280,000	-	-	-	-	280,000	-	910,000			
2020	Police	Mobile Squad Printers	5	Replacement	Must Do	9,000	-	-	-	-	9,000	-	27,000			
2020	Police	MPD share of technology at Strategic Information Ctr	5	Replacement	Must Do	129,500	-	-	-	-	129,500	21,000	599,500			
2020	Police	Negotiator throw phone	10	Replacement	High	-	-	-	-	-	-	-	28,000			
2020	Police	PEQ-15 IR illuminator	8	Addition	Must Do	-	-	-	-	-	-	-	30,000			
2020	Police	Police Temp Precinct Security Lockers	20	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2020	Police	PVS 31 night vision	10	Replacement	High	40,000	-	-	-	-	40,000	-	200,000			
2020	Police	Range - R	10	Addition	Medium	-	-	-	-	-	-	-	9,000			
2020	Police	Recon robot	8	Replacement	High	-	-	-	-	-	-	-	16,000			
2020	Police	Replacement Horses for the MPD's Mounted Patrol Unit	5	Replacement	High	-	-	-	-	-	-	-	15,000			
2020	Police	Rimage Disc Publishing System	4	Replacement	High	-	-	-	-	-	-	-	70,000			
2020	Police	Stereo scope w/Camera	10	Addition	Medium	-	-	-	-	-	-	-	6,000			
2020	Police	Suppressors (M4 and AI rifles)	5	Addition	High	-	-	-	-	-	-	-	80,000			
2020	Police	Thermal Scope	10	Addition	Medium	12,000	-	-	-	-	12,000	-	12,000			
2020	Police	Walk-in refrigeration and freezer units	15	Replacement	Must Do	-	-	-	-	-	-	-	40,000			

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SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2020	Police	Windscribe Digital Dictation System	4	Replacement	Medium	15,000	-	-	-	-	15,000	-	45,000			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - CPED		Replacement	Must Do	897,744	-	-	-	897,744	-	-	1,126,036			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Fire		Replacement	Must Do	215,134	-	-	-	215,134	-	-	10,872,266			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - FSD		Replacement	Must Do	131,000	-	-	22,548	108,452	-	-	459,148			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - IT		Replacement	Must Do	-	-	-	-	-	-	-	24,848			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Police		Replacement	Must Do	1,272,906	-	-	-	1,158,488	114,418	-	7,757,607			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Prop Serv		Replacement	Must Do	25,812	-	-	2,187	23,625	-	-	178,267			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Reg Serv		Replacement	Must Do	748,915	-	-	-	748,915	-	-	1,491,308			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - SurWater&Sew		Replacement	Must Do	1,008,389	-	148,433	-	859,956	-	-	4,662,361			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TED		Replacement	Must Do	23,000	-	-	1,096	21,904	-	-	353,008			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TMR		Replacement	Must Do	4,356,464	-	371,302	90,492	3,679,462	215,208	-	14,427,635			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Traff&Park Se		Replacement	Must Do	388,456	-	-	-	372,805	15,651	-	1,693,850			
2020	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - WaterTreat		Replacement	Must Do	408,289	-	48,753	-	359,536	-	-	1,208,023			
2020	PW - Fleet Services	Fleet Vehicle Additions 2018 - Police		Addition	Must Do	-	-	-	-	-	-	-	730,000			
2020	PW - Fleet Services	Fleet Vehicle Additions 2018 - Reg Services		Addition	Must Do	-	-	-	-	-	-	-	12,000			
2020	PW - Fleet Services	Fleet Vehicle Additions 2018 - TED		Addition	Must Do	-	-	-	-	-	-	-	160,000			
2020	PW - Fleet Services	Fleet Vehicle Additions 2018 - TMR		Addition	Must Do	-	-	-	-	-	-	-	250,000			
2020	PW - Fleet Services	Fleet Vehicle Additions 2018 - Traff&Park Se		Addition	Must Do	-	-	-	-	-	-	-	48,000			
2020	PW - Fleet Services	M5 Upgrade	10	Upgrade	Must Do	-	-	-	-	-	-	-	335,000			
2020	PW- Solid Waste	Annual Vehicle Replacement Funding	14	Replacement	Must Do	1,515,600		1,515,600	-	-	-		5,512,500			
2020	PW - Water Treatment & Distr.	Annual Capital program	99	Other	Must Do	950,000	-	950,000	-	-	-	-	4,750,000			
2020	Regulatory Services	Additional License Plate Recognition cameras	5	Other	High	50,000	-	-	-	-	50,000	-	100,000			
2020	Regulatory Services	Adjustable work surfaces	10	Other	Medium	-	-	-	-	-	-	-	18,000			
2020	Regulatory Services	Body cameras for Traffic Control Field Staff	5	Addition	High	-	-	-	-	-	-	40,000	1,000,000			
2020	Regulatory Services	MACC space improvements	20	Renovation	High	750,000	-	-	-	-	750,000	-	1,530,000			
2020	Regulatory Services	Reconfigure space at Traffic Control	20	Renovation	Medium	-	-	-	-	-	-	-	300,000			
2020	Regulatory Services	Replacement Ipads for Traffic Control	5	Replacement	Must Do	-	-	-	-	-	-	20,000	55,000			
2020	Regulatory Services	River Road renovation to create meeting space	10	Renovation	High	-	-	-	-	-	-	-	10,500			
2020	Sanitary Sewer	Sewer & Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000			
2020	Stormwater	Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000			
2020	Traffic and Parking Services	Annual Capital Parking System ramps and their systems	99	Renovation	Medium	3,000,000	-	3,000,000	-	-	-	-	12,000,000			
	2020 Total					**17,898,209**	**-**	**6,184,088**	**116,323**	**8,446,021**	**3,151,777**	**1,737,200**	**90,577,577**			

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SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2021	311	Purchase Replacement Agent Chairs	10	Replacement	Medium	-	-	-	-	-	-	-	49,500			
2021	311	Squiz Knowledge Base Reporting	10	Upgrade	High	-	-	-	-	-	-	82,000	48,000			
2021	911	911 Logging Recorder	15	Replacement	Must Do	-	-	-	-	-	-	68,000	500,000			
2021	911	911 Workstation Furniture	15	Replacement	Must Do	-	-	-	-	-	-	10,000	540,000			
2021	Assessor	Technology System: Property Records and CAMA system	10	Replacement	Must Do	-	-	-	-	-	-	440,000	2,300,000			
2021	City Clerk	Voting Booths	20	Replacement	Must Do	40,000	-	-	-	-	40,000	40,000	200,000			
2021	Civil Rights	Compliance Management System	8	Replacement	High	-	-	-	-	-	-	75,000	525,000			
2021	Civil Rights	Police Misconduct Complaint Filing Improvements	5	Addition	High	-	-	-	-	-	-	-	15,000			
2021	Communications	Audio production capability	8	Addition	High	-	-	-	-	-	-	20,000	20,000			
2021	Communications	Prevent overheating of cable TV equipment	15	Renovation	Must Do	-	-	-	-	-	-	20,000	20,000			
2021	Communications	Video storage and software efficiency upgrade	6	Upgrade	Must Do	-	-	-	-	-	-	40,000	40,000			
2021	CPED	Management Information Network System (MINS) - CPED	5	Replacement	Must Do	145,000	-	-	-	-	145,000	150,000	3,252,212			
2021	Emergency Management	EOTF audio-visual equipment maintenance		Replacement	Medium	3,000	-	-	-	-	3,000	-	92,000			
2021	Finance and Property Serv	Access Management System	12	Replacement	Medium	-	-	-	-	-	-	-	100,000			
2021	Finance and Property Serv	Accounts Payable Automation Solution	5	Addition	High	-	-	-	-	-	-	100,000	200,000			
2021	Finance and Property Serv	Traka Key Management System	12	Addition	Medium	-	-	-	-	-	-	-	105,000			
2021	Finance and Property Serv	Video Management System	8	Replacement	Medium	-	-	-	-	-	-	-	185,000			
2021	Fire	Hazardous Materials Equipment		Replacement	High	20,000	-	-	-	-	20,000	-	100,000			
2021	Fire	Jaws of Life		Replacement	Medium	35,000	-	-	-	-	35,000	-	105,000			
2021	Fire	Personal Protective Equipment		Replacement	High	250,000	-	-	-	-	250,000	-	1,175,000			
2021	Fire	Projectors (EOTF)		Other	Medium	2,000	-	-	-	-	2,000	-	96,000			
2021	Fire	Thermal Imagers	4	Replacement	High	25,000	-	-	-	-	25,000	-	150,000			
2021	Health	Replace mandatory devices for lead testing	10	Replacement	Must Do	10,000	-	-	-	-	10,000	10,000	70,000			
2021	Human Resources	Annual license fees for onboarding system software.		Addition	High	55,500	-	-	-	-	55,500	55,500	222,000			
2021	Human Resources	Gideon Taylor-Electronic Form Development & Workflow	10	Addition	High	30,000	-	-	-	-	30,000	30,000	150,000			
2021	Human Resources	Learning Management System	5	Upgrade	High	-	-	-	-	-	-	60,000	60,000			
2021	Information Technology	Air Quality Sensor Pilot	5	Addition	High	-	-	-	-	-	-	5,700	175,000			
2021	Information Technology	ECMS/Public Website Project	10	Replacement	Must Do	-	-	-	-	-	-	300,000	3,500,000			
2021	Police	13 Volcanic Bicycles for the Bicycle Rapid Response Team	5	Addition	High	-	-	-	-	-	-	-	52,000			
2021	Police	3D Laser Scanner	10	Addition	Medium	-	-	-	-	-	-	-	90,000			
2021	Police	40mm Less-lethal projectile launcher, ammo, carry-bag	10	Addition	High	-	-	-	-	-	-	-	115,508			
2021	Police	Advance Public Safety Citation Writer (APS)	4	Replacement	High	-	-	-	-	-	-	-	120,000			
2021	Police	Ballistic Blanket	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2021	Police	Bomb Squad Robot	10	Upgrade	High	-	-	-	-	-	-	-	277,000			
2021	Police	Bomb Squad TCV	20	Upgrade	High	-	-	-	-	-	-	-	175,000			
2021	Police	Camera Trailers	8	Replacement	Must Do	40,000	-	-	-	-	40,000	-	280,000			
2021	Police	Cell phones for all investigators and specialty units	5	Addition	Must Do	-	-	-	-	-	-	145,000	55,000			
2021	Police	Computer Server	5	Addition	Low	-	-	-	-	-	-	-	12,500			
2021	Police	Digital Image Management System (DIMS)	4	Replacement	Low	-	-	-	-	-	-	-	40,000			
2021	Police	Fixed Shelving	25	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2021	Police	Forensic Comparison Microscope - Firearms	20	Replacement	Must Do	-	-	-	-	-	-	-	85,000			
2021	Police	Forklifts and people lift	10	Addition	High	-	-	-	-	-	-	-	100,000			
2021	Police	High Density Shelving	20	Addition	Medium	-	-	-	-	-	-	-	25,000			
2021	Police	In Squad Video	6	Replacement	Must Do	-	-	-	-	-	-	-	380,000			
2021	Police	Invisio communications	10	Addition	High	-	-	-	-	-	-	-	38,000			
2021	Police	Level 3 Ballistic Bunkers	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2021	Police	License Plate Recognition System	6	Replacement	High	-	-	-	-	-	-	5,000	280,000			
2021	Police	MAFIN entry station	10	Addition	Medium	-	-	-	-	-	-	-	35,000			
2021	Police	Milestone Public Safety Camera System	5	Addition	Must Do	-	-	-	-	-	-	-	450,000			
2021	Police	Mobile Data Computers (MDCs)	8	Replacement	Must Do	-	-	-	-	-	-	-	910,000			
2021	Police	Mobile Squad Printers	5	Replacement	Must Do	-	-	-	-	-	-	-	27,000			
2021	Police	MPD share of technology at Strategic Information Ctr	5	Replacement	Must Do	207,000	-	-	-	-	207,000	21,000	599,500			
2021	Police	Negotiator throw phone	10	Replacement	High	-	-	-	-	-	-	-	28,000			
2021	Police	PEQ-15 IR illuminator	8	Addition	Must Do	-	-	-	-	-	-	-	30,000			
2021	Police	Police Temp Precinct Security Lockers	20	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2021	Police	PVS 31 night vision	10	Replacement	High	40,000	-	-	-	-	40,000	-	200,000			
2021	Police	Range - R	10	Addition	Medium	-	-	-	-	-	-	-	9,000			
2021	Police	Recon robot	8	Replacement	High	-	-	-	-	-	-	-	16,000			
2021	Police	Replacement Horses for the MPD's Mounted Patrol Unit	5	Replacement	High	-	-	-	-	-	-	-	15,000			
2021	Police	Rimage Disc Publishing System	4	Replacement	High	-	-	-	-	-	-	-	70,000			
2021	Police	Stereo scope w/Camera	10	Addition	Medium	-	-	-	-	-	-	-	6,000			
2021	Police	Suppressors (M4 and AI rifles)	5	Addition	High	-	-	-	-	-	-	-	80,000			
2021	Police	Thermal Scope	10	Addition	Medium	-	-	-	-	-	-	-	12,000			
2021	Police	Walk-in refrigeration and freezer units	15	Replacement	Must Do	-	-	-	-	-	-	-	40,000			

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SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2021	Police	Windscribe Digital Dictation System	4	Replacement	Medium	-	-	-	-	-	-	-	45,000			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - CPED		Replacement	Must Do	-	-	-	-	-	-	-	1,126,036			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Fire		Replacement	Must Do	362,400	-	-	-	305,168	57,232	-	10,872,266			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - FSD		Replacement	Must Do	58,000	-	-	2,087	55,913	-	-	459,148			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - IT		Replacement	Must Do	-	-	-	-	-	-	-	24,848			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Police		Replacement	Must Do	2,072,995	-	-	-	2,030,182	42,813	-	7,757,607			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Prop Serv		Replacement	Must Do	82,000	-	-	9,446	72,554	-	-	178,267			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Reg Serv		Replacement	Must Do	90,000	-	-	-	90,000	-	-	1,491,308			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - SurWater&Sew		Replacement	Must Do	1,066,000	-	90,921	-	975,079	-	-	4,662,361			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TED		Replacement	Must Do	84,000	-	-	-	84,000	-	-	353,008			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TMR		Replacement	Must Do	3,307,164	-	64,496	70,593	2,942,097	229,978	-	14,427,635			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Traff&Park Se		Replacement	Must Do	120,000	-	-	-	120,000	-	-	1,693,850			
2021	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - WaterTreat		Replacement	Must Do	145,000	-	8,605	-	136,395	-	-	1,208,023			
2021	PW - Fleet Services	Fleet Vehicle Additions 2018 - Police		Addition	Must Do	-	-	-	-	-	-	-	730,000			
2021	PW - Fleet Services	Fleet Vehicle Additions 2018 - Reg Services		Addition	Must Do	-	-	-	-	-	-	-	12,000			
2021	PW - Fleet Services	Fleet Vehicle Additions 2018 - TED		Addition	Must Do	-	-	-	-	-	-	-	160,000			
2021	PW - Fleet Services	Fleet Vehicle Additions 2018 - TMR		Addition	Must Do	-	-	-	-	-	-	-	250,000			
2021	PW - Fleet Services	Fleet Vehicle Additions 2018 - Traff&Park Se		Addition	Must Do	-	-	-	-	-	-	-	48,000			
2021	PW - Fleet Services	M5 Upgrade	10	Upgrade	Must Do	-	-	-	-	-	-	-	335,000			
2021	PW- Solid Waste	Annual Vehicle Replacement Funding	14	Replacement	Must Do	1,365,600		1,365,600	-	-	-		5,512,500			
2021	PW - Water Treatment & Distr.	Annual Capital program	99	Other	Must Do	950,000	-	950,000	-	-	-	-	4,750,000			
2021	Regulatory Services	Additional License Plate Recognition cameras	5	Other	High	-	-	-	-	-	-	-	100,000			
2021	Regulatory Services	Adjustable work surfaces	10	Other	Medium	-	-	-	-	-	-	-	18,000			
2021	Regulatory Services	Body cameras for Traffic Control Field Staff	5	Addition	High	-	-	-	-	-	-	40,000	1,000,000			
2021	Regulatory Services	MACC space improvements	20	Renovation	High	-	-	-	-	-	-	-	1,530,000			
2021	Regulatory Services	Reconfigure space at Traffic Control	20	Renovation	Medium	-	-	-	-	-	-	-	300,000			
2021	Regulatory Services	Replacement Ipads for Traffic Control	5	Replacement	Must Do	-	-	-	-	-	-	20,000	55,000			
2021	Regulatory Services	River Road renovation to create meeting space	10	Renovation	High	-	-	-	-	-	-	-	10,500			
2021	Sanitary Sewer	Sewer & Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000			
2021	Stormwater	Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000			
2021	Traffic and Parking Services	Annual Capital Parking System ramps and their systems	99	Renovation	Medium	1,500,000	-	1,500,000	-	-	-	-	12,000,000			
	2021 Total					**12,255,659**	**-**	**4,129,622**	**82,126**	**6,811,388**	**1,232,523**	**1,737,200**	**90,577,577**			

HOME

SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2022	311	Purchase Replacement Agent Chairs	10	Replacement	Medium	-	-	-	-	-	-	-	49,500			
2022	311	Squiz Knowledge Base Reporting	10	Upgrade	High	-	-	-	-	-	-	82,000	48,000			
2022	911	911 Logging Recorder	15	Replacement	Must Do	-	-	-	-	-	-	68,000	500,000			
2022	911	911 Workstation Furniture	15	Replacement	Must Do	-	-	-	-	-	-	10,000	540,000			
2022	Assessor	Technology System: Property Records and CAMA system	10	Replacement	Must Do	-	-	-	-	-	-	440,000	2,300,000			
2022	City Clerk	Voting Booths	20	Replacement	Must Do	40,000	-	-	-	-	40,000	40,000	200,000			
2022	Civil Rights	Compliance Management System	8	Replacement	High	-	-	-	-	-	-	75,000	525,000			
2022	Civil Rights	Police Misconduct Complaint Filing Improvements	5	Addition	High	-	-	-	-	-	-	-	15,000			
2022	Communications	Audio production capability	8	Addition	High	-	-	-	-	-	-	20,000	20,000			
2022	Communications	Prevent overheating of cable TV equipment	15	Renovation	Must Do	-	-	-	-	-	-	20,000	20,000			
2022	Communications	Video storage and software efficiency upgrade	6	Upgrade	Must Do	-	-	-	-	-	-	40,000	40,000			
2022	CPED	Management Information Network System (MINS) - CPED	5	Replacement	Must Do	-	-	-	-	-	-	150,000	3,252,212			
2022	Emergency Management	EOTF audio-visual equipment maintenance		Replacement	Medium	16,500	-	-	-	-	16,500	-	92,000			
2022	Finance and Property Serv	Access Management System	12	Replacement	Medium	-	-	-	-	-	-	-	100,000			
2022	Finance and Property Serv	Accounts Payable Automation Solution	5	Addition	High	-	-	-	-	-	-	100,000	200,000			
2022	Finance and Property Serv	Traka Key Management System	12	Addition	Medium	-	-	-	-	-	-	-	105,000			
2022	Finance and Property Serv	Video Management System	8	Replacement	Medium	-	-	-	-	-	-	-	185,000			
2022	Fire	Hazardous Materials Equipment		Replacement	High	20,000	-	-	-	-	20,000	-	100,000			
2022	Fire	Jaws of Life		Replacement	Medium	-	-	-	-	-	-	-	105,000			
2022	Fire	Personal Protective Equipment		Replacement	High	250,000	-	-	-	-	250,000	-	1,175,000			
2022	Fire	Projectors (EOTF)		Other	Medium	20,000	-	-	-	-	20,000	-	96,000			
2022	Fire	Thermal Imagers	4	Replacement	High	25,000	-	-	-	-	25,000	-	150,000			
2022	Health	Replace mandatory devices for lead testingn	10	Replacement	Must Do	10,000	-	-	-	-	10,000	10,000	70,000			
2022	Human Resources	Annual license fees for onboarding system software.		Addition	High	-	-	-	-	-	-	55,500	222,000			
2022	Human Resources	Gideon Taylor-Electronic Form Development & Workflow	10	Addition	High	30,000	-	-	-	-	30,000	30,000	150,000			
2022	Human Resources	Learning Management System	5	Upgrade	High	-	-	-	-	-	-	60,000	60,000			
2022	Information Technology	Air Quality Sensor Pilot	5	Addition	High	-	-	-	-	-	-	5,700	175,000			
2022	Information Technology	ECMS/Public Website Project	10	Replacement	Must Do	-	-	-	-	-	-	300,000	3,500,000			
2022	Police	13 Volcanic Bicycles for the Bicycle Rapid Response Team	5	Addition	High	-	-	-	-	-	-	-	52,000			
2022	Police	3D Laser Scanner	10	Addition	Medium	-	-	-	-	-	-	-	90,000			
2022	Police	40mm Less-lethal projectile launcher, ammo, carry-bag	10	Addition	High	-	-	-	-	-	-	-	115,508			
2022	Police	Advance Public Safety Citation Writer (APS)	4	Replacement	High	-	-	-	-	-	-	-	120,000			
2022	Police	Ballistic Blanket	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2022	Police	Bomb Squad Robot	10	Upgrade	High	-	-	-	-	-	-	-	277,000			
2022	Police	Bomb Squad TCV	20	Upgrade	High	-	-	-	-	-	-	-	175,000			
2022	Police	Camera Trailers	8	Replacement	Must Do	40,000	-	-	-	-	40,000	-	280,000			
2022	Police	Cell phones for all investigators and specialty units	5	Addition	Must Do	-	-	-	-	-	-	145,000	55,000			
2022	Police	Computer Server	5	Addition	Low	-	-	-	-	-	-	-	12,500			
2022	Police	Digital Image Management System (DIMS)	4	Replacement	Low	-	-	-	-	-	-	-	40,000			
2022	Police	Fixed Shelving	25	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2022	Police	Forensic Comparison Microscope - Firearms	20	Replacement	Must Do	-	-	-	-	-	-	-	85,000			
2022	Police	Forklifts and people lift	10	Addition	High	-	-	-	-	-	-	-	100,000			
2022	Police	High Density Shelving	20	Addition	Medium	-	-	-	-	-	-	-	25,000			
2022	Police	In Squad Video	6	Replacement	Must Do	-	-	-	-	-	-	-	380,000			
2022	Police	Invisio communications	10	Addition	High	-	-	-	-	-	-	-	38,000			
2022	Police	Level 3 Ballistic Bunkers	5	Replacement	Must Do	-	-	-	-	-	-	-	10,000			
2022	Police	License Plate Recognition System	6	Replacement	High	-	-	-	-	-	-	5,000	280,000			
2022	Police	MAFIN entry station	10	Addition	Medium	-	-	-	-	-	-	-	35,000			
2022	Police	Milestone Public Safety Camera System	5	Addition	Must Do	-	-	-	-	-	-	-	450,000			
2022	Police	Mobile Data Computers (MDCs)	8	Replacement	Must Do	-	-	-	-	-	-	-	910,000			
2022	Police	Mobile Squad Printers	5	Replacement	Must Do	-	-	-	-	-	-	-	27,000			
2022	Police	MPD share of technology at Strategic Information Ctr	5	Replacement	Must Do	21,000	-	-	-	-	21,000	21,000	599,500			
2022	Police	Negotiator throw phone	10	Replacement	High	-	-	-	-	-	-	-	28,000			
2022	Police	PEQ-15 IR illuminator	8	Addition	Must Do	-	-	-	-	-	-	-	30,000			
2022	Police	Police Temp Precinct Security Lockers	20	Addition	Must Do	-	-	-	-	-	-	-	25,000			
2022	Police	PVS 31 night vision	10	Replacement	High	40,000	-	-	-	-	40,000	-	200,000			

HOME

SCHEDULE 7

2018 - 2022 CAPITAL ASSET REQUEST SYSTEM (CARS) - SUMMARY OF ANNUAL REQUESTS (BY YEAR - BY DEPARTMENT)

														2018 Council Adopted		
Year	Department	Project Title	Life (Yrs)	Project Type	Priority	Annual Cost	Grant Funding	Utility Funding	Special Revenue	Fund Bal. Funding	General Fund	Operating Cost/Yr.	Five-Year Cost	Total Amout	Other Funding	General Fund
2022	Police	Range - R	10	Addition	Medium	-	-	-	-	-	-	-	9,000			
2022	Police	Recon robot	8	Replacement	High	-	-	-	-	-	-	-	16,000			
2022	Police	Replacement Horses for the MPD's Mounted Patrol Unit	5	Replacement	High	-	-	-	-	-	-	-	15,000			
2022	Police	Rimage Disc Publishing System	4	Replacement	High	35,000	-	-	-	-	35,000	-	70,000			
2022	Police	Stereo scope w/Camera	10	Addition	Medium	-	-	-	-	-	-	-	6,000			
2022	Police	Suppressors (M4 and AI rifles)	5	Addition	High	-	-	-	-	-	-	-	80,000			
2022	Police	Thermal Scope	10	Addition	Medium	-	-	-	-	-	-	-	12,000			
2022	Police	Walk-in refrigeration and freezer units	15	Replacement	Must Do	-	-	-	-	-	-	-	40,000			
2022	Police	Windscribe Digital Dictation System	4	Replacement	Medium	-	-	-	-	-	-	-	45,000			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - CPED		Replacement	Must Do	25,000	-	-	-	25,000	-	-	1,126,036			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Fire		Replacement	Must Do	30,485	-	-	-	24,249	6,236	-	10,872,266			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - FSD		Replacement	Must Do	35,000	-	-	-	35,000	-	-	459,148			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - IT		Replacement	Must Do	-	-	-	-	-	-	-	24,848			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Police		Replacement	Must Do	561,000	-	-	-	487,897	73,103	-	7,757,607			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Prop Serv		Replacement	Must Do	-	-	-	-	-	-	-	178,267			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Reg Serv		Replacement	Must Do	247,631	-	-	-	199,804	47,827	-	1,491,308			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - SurWater&Sew		Replacement	Must Do	740,712	-	162,119	-	578,593	-	-	4,662,361			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TED		Replacement	Must Do	23,000	-	-	-	23,000	-	-	353,008			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - TMR		Replacement	Must Do	1,575,000	-	36,473	94,406	1,387,856	56,265	-	14,427,635			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - Traff&Park Se		Replacement	Must Do	227,000	-	-	-	227,000	-	-	1,693,850			
2022	PW - Fleet Services	Annual Vehicle Replacement Funding 2018 - WaterTreat		Replacement	Must Do	113,135	-	39,300	-	73,835	-	-	1,208,023			
2022	PW - Fleet Services	Fleet Vehicle Additions 2018 - Police		Addition	Must Do	-	-	-	-	-	-	-	730,000			
2022	PW - Fleet Services	Fleet Vehicle Additions 2018 - Reg Services		Addition	Must Do	-	-	-	-	-	-	-	12,000			
2022	PW - Fleet Services	Fleet Vehicle Additions 2018 - TED		Addition	Must Do	-	-	-	-	-	-	-	160,000			
2022	PW - Fleet Services	Fleet Vehicle Additions 2018 - TMR		Addition	Must Do	-	-	-	-	-	-	-	250,000			
2022	PW - Fleet Services	Fleet Vehicle Additions 2018 - Traff&Park Se		Addition	Must Do	-	-	-	-	-	-	-	48,000			
2022	PW - Fleet Services	M5 Upgrade	10	Upgrade	Must Do	-	-	-	-	-	-	-	335,000			
2022	PW- Solid Waste	Annual Vehicle Replacement Funding	14	Replacement	Must Do	1,115,200		1,115,200	-	-	-		5,512,500			
2022	PW - Water Treatment & Distr.	Annual Capital program	99	Other	Must Do	950,000	-	950,000	-	-	-	-	4,750,000			
2022	Regulatory Services	Additional License Plate Recognition cameras	5	Other	High	-	-	-	-	-	-	-	100,000			
2022	Regulatory Services	Adjustable work surfaces	10	Other	Medium	-	-	-	-	-	-	-	18,000			
2022	Regulatory Services	Body cameras for Traffic Control Field Staff	5	Addition	High	-	-	-	-	-	-	40,000	1,000,000			
2022	Regulatory Services	MACC space improvements	20	Renovation	High	-	-	-	-	-	-	-	1,530,000			
2022	Regulatory Services	Reconfigure space at Traffic Control	20	Renovation	Medium	-	-	-	-	-	-	-	300,000			
2022	Regulatory Services	Replacement Ipads for Traffic Control	5	Replacement	Must Do	-	-	-	-	-	-	20,000	55,000			
2022	Regulatory Services	River Road renovation to create meeting space	10	Renovation	High	-	-	-	-	-	-	-	10,500			
2022	Sanitary Sewer	Sewer & Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000			
2022	Stormwater	Storm Annual Capital	99	Other	Must Do	75,000	-	75,000	-	-	-	-	375,000			
2022	Traffic and Parking Services	Annual Capital Parking System ramps and their systems	99	Renovation	Medium	3,000,000	-	3,000,000	-	-	-	-	12,000,000			
2022 Total						**9,340,663**	**-**	**5,453,092**	**94,406**	**3,062,234**	**730,931**	**1,737,200**	**90,577,577**			

Summary of Requests for all Years

Funding Source	2018	2019	2020	2021	2022	Total
Grant Funding	6,000	-	-	-	-	**6,000**
Utility Funding	6,137,335	2,861,314	6,184,088	4,129,622	5,453,092	**24,765,451**
Special Revenue	167,703	42,683	116,323	82,126	94,406	**503,241**
Accumulated Fund Bal	8,313,998	12,588,514	8,446,021	6,811,388	3,062,234	**38,887,155**
General Fund	13,936,004	6,653,495	3,151,777	1,232,523	730,931	**26,415,730**
Total Requests	**28,561,040**	**22,146,006**	**17,898,209**	**12,255,659**	**9,340,663**	**90,577,577**

Requests by Year and Type

Project Type	2018	2019	2020	2021	2022	Total
Renovation	3,560,500	2,050,000	3,750,000	1,500,000	3,000,000	**13,860,500**
Replacement	20,085,032	18,285,006	12,692,209	9,568,159	5,190,663	**65,821,069**
Addition	3,119,508	376,000	260,000	85,500	30,000	**4,247,008**
Other	658,000	1,158,000	1,196,000	1,102,000	1,120,000	**5,234,000**
Upgrade	1,138,000	277,000	-	-	-	**1,415,000**
Total Requests	**28,561,040**	**22,146,006**	**17,898,209**	**12,255,659**	**9,340,663**	**90,577,577**

SCHEDULE EIGHT
INTERFUND TRANSFER EXPENSE

HOME

	2015 Actual	2016 Actual	2017 Budget	2018 Council Adopted	Description (2018 transfers)
TRANSFER TO OTHER SPEC REV FDS 01000	-	4,000	4,317	4,000	Transfer related to Centralized Leases Action
TRANSFER TO OTHER SPEC REV FDS 01100	-	-	-	250,000	Downtown Community Based Policing Strategies
TRANSFER TO CONV CTR 01760	50,340,000	50,050,000	49,786,220	-	Local Taxes collected in the General Fund
TRANSFER TO EMPLOYEE RETIREMENT 01990	2,004,000	-	-	-	Pension Management Plan
TRANSFER TO CAPITAL 04100	-	-	5,500,000	5,909,000	Street Infrastructure and Neighborhood Park Funding Plan
	306,874	500,000	-	-	10th Ave Bridge, DTE Commons, and Development Infrastructure Program
TRANSFER TO EQUIPMENT 06100	1,595,603	2,385,750	1,958,030	280,000	Transfer related to CARS
TRANSFER TO PROP SVCS 06200	818,727	279,322	300,260	219,071	Transfer related to Centralized Leases Action
	-	-	1,000,000	-	Downtown Campus
	-	520,000	-	100,000	Transfer related toCARS
TRANSFER TO INFO TECH 06400	3,792,482	185,139	191,708	192,784	Includes transfers related to Centralized Leases Action
	-	1,430,000	-	1,567,000	Transfer related to CARS
	-	50,000	-	-	Service Now Infrastructure Services
TRANSFER TO CITY SELF INS 06900	292,000	261,000	296,657	262,000	Transfer related to Centralized Leases Action
TRANSFER TO WATER 07400	25,000	24,000	24,511	27,000	Centralized Leases Action
TRNSFR TO SOLID WASTE 07700	325,000	423,000	325,000	325,000	Graffiti remediation efforts
	-	50,000	-	-	Zero Waste Studies
00100 - GENERAL FUND	**59,499,686**	**56,162,211**	**59,386,703**	**9,135,855**	
01279 - CONVENTION CENTER FACILITIES -RESERVE					
TRANSFER TO OTHER SPEC REV FDS	5,400,450		-	-	
019MO - MERF PENSION BONDS	**5,400,450**		**-**	**-**	
01700 - DOWNTOWN ASSETS	-	-	-	-	
TRANSFER TO CITY GENERAL 00100	-	-	-	21,000,000	Entertainment Taxes supporting the General Fund
TRANSFER TO CITY GENERAL 00100	-	-	-	9,850,000	Local Taxes supporting CPED
TRANSFER TO CONV CTR 01760	-	-	-	26,811,000	Convention Center Operating and Capital
TRANSFER TO OTHER DEBT SERVICE FUNDS	-	-	-	5,661,000	Arena Debt Service
TRANSFER TO PEAVY PLAZA 01710	-	-	-	4,400,000	Peavy Capital & Operating
TRANSFER TO COMMONS 01720	-	-	-	750,000	Commons Operating
01700 - DOWNTOWN ASSETS	-	-	-	**68,472,000**	
01760 - CONVENTION CENTER OPERATIONS					
TRANSFER TO CITY GENERAL 00100	-	-	3,859,657	-	Transfer related to CARS & one-times
TRANSFER TO SPECIAL REVENUE 01100	-	-	250,000	-	Community Based Policing Strategies
TRANSFER TO CITY CAPITAL 04100	-	-	6,000,000	-	Street Infrastructure and Neighborhood Park Funding Plan
TRNSFR TO CNV CTR DBT SVC 05300	24,320,713	24,430,742	24,669,125	24,811,125	Convention Center related debt
01760 - CONVENTION CENTER OPERATIONS	**24,320,713**	**24,430,742**	**34,778,782**	**24,811,125**	
VARIOUS - TIF FUNDS					
TRANSFER TO CITY GENERAL 00100	-	-	-	122,000	Interest Earnings to General Fund
TRNSFR TO TAX INC DBT SVC 05900	7,162,026	9,019,061	3,007,463	3,077,313	TIF debt service reimbursement
TRNSFR TO PARKING 07500	525,443	690,460	704,273	1,136,668	TIF debt service reimbursement
TRANSFER TO OTHER DEBT SVC FDS	4,875,571	5,158,610	5,618,046	5,805,803	TIF debt service reimbursement
VARIOUS - TIF FUNDS	**12,563,040**	**14,868,131**	**9,329,782**	**10,141,784**	
VARIOUS PURPOSE BOND FUNDS					
TRANSFER TO CITY CAPITAL 04100	24,155,347	26,908,247	-	-	
TRANSFER TO MBC CAPITAL 34200	647,042	615,846	-	-	
TRANSFER TO PARK GENERAL 11500	125,000	-	-	-	
TRANSFER TO PARK CAPITAL 14300	2,082,610	5,983,859	-	-	
TRNSFR TO GEN DEBT SVC 05250	82,219	811,950	-	-	
TRNSFR TO OTHER DEBT SVC FDS	2,665,308	1,333,141	-	-	
TRNSFR TO INFO TECH 06400	115,538	1,409,045	-	-	
TRNSFR TO SANITARY SEW 07100	-	-	-	-	
VARIOUS PURPOSE BOND FUNDS	**29,873,064**	**37,062,088**	**-**	**-**	
IMPROVEMENT BOND ARBITRAGE					
TRANSFER TO DOWNTOWN ASSETS 01720	-	-	-	420,000	Commons Operating
TRNSFR TO OTHER DEBT SVC FDS	498,116	-	-	-	
TRNSFR TO WATER 07400	80,035	-	-	-	
IMPROVEMENT BOND ARBITRAGE	**578,151**	**-**	**-**	**420,000**	

SCHEDULE EIGHT
INTERFUND TRANSFER EXPENSE

HOME

	2015 Actual	2016 Actual	2017 Budget	2018 Council Adopted	Description (2018 transfers)
05250 - BOND REDEMPTION - DEBT SERVICE					
TRANSFER TO INFO TECH 06400	2,751,188	-	-	-	IT new capital
05250 - BOND REDEMPTION - DEBT SERVICE	**2,751,188**	**-**	**-**	**-**	
05270 - PENSION FUND - DEBT SERVICE					
TRNSFR TO GEN DEBT SVC 05250	-	1,413	-	-	IT new capital
05270 - PENSION FUND - DEBT SERVICE	**-**	**1,413**	**-**	**-**	
06200 - PROPERTY - INTERNAL SERVICE					
TRANSFER TO CITY GENERAL 00100	-	-	1,500,000	-	Transfer related to CARS
TRANSFER TO EQUIPMENT 06100	316,216	326,161	345,663	316,893	Property Services debt paid by Fleet
06200 - PROPERTY - INTERNAL SERVICE	**316,216**	**326,161**	**1,845,663**	**316,893**	
06400 - INFO TECH - INTERNAL SERVICE					
TRANSFER TO CITY CAPITAL 04100	-	-	3,000,000	-	Street Infrastructure and Neighborhood Park Funding Plan
06400 - INFO TECH - INTERNAL SERVICE	**-**	**-**	**3,000,000**	**-**	
06900 - SELF INSURANCE-INTERNAL SVC					
TRANSFER TO CITY GENERAL 00100	-	-	-	305,000	Body Cameras for Front Line Officers
TRANSFER TO CITY CAPITAL 04100	-	-	-	8,000,000	Street Infrastructure and Neighborhood Park Funding Plan
TRANSFER TO INFO TECH 06400	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**	**-**	**-**	**8,305,000**	
07100 - SANITARY SEWER FUND					
TRNSFR TO GEN DEBT SVC 05250	-	492,878	-	-	Bond Sale Premium to cover Cost Of Issuance
TRANSFER TO WATER 07400	1,285,170	1,101,466	1,212,666	684,147	To fund Sanitary Sewer's obligation to support the Meter Shop operations
07100 - SANITARY SEWER FUND	**1,285,170**	**1,594,344**	**1,212,666**	**684,147**	
07300 - STORMWATER FUND					
TRANSFER TO CITY GENERAL 00100	110,000	110,000	110,000	110,000	Funds 2 Environmental Services FTEs
TRANSFER TO CITY CAPITAL 04100	-	-	1,500,000	1,515,000	Street Infrastructure & Neighborhood Funding Plan
07300 - STORMWATER FUND	**110,000**	**110,000**	**1,610,000**	**1,625,000**	
07400 - WATER - ENTERPRISE					
TRNSFR TO GEN DEBT SVC 05250	-	273,161	-	-	
07400 - WATER - ENTERPRISE	**-**	**273,161**	**-**	**-**	
07500 - MUNICIPAL PARKING-ENTERPRISE					
TRANSFER TO CITY GENERAL 00100	4,148,200	3,919,000	7,000,000	7,000,000	Includes, annual contribution from parking fund per the parking fund workout plan
TRANSFER TO OTHER SPEC REV FDS	3,522,696	3,728,377	3,940,228	4,158,435	Target center finance plan
TRNSFR TO GEN DEBT SVC 05250	45,925		-	-	Bond Sale Premium to cover Cost Of Issuance
TRNSFR TO SOLID WASTE 07700	146,000	146,000	146,000	146,000	Litter container collection (added in 2001)
07500 - MUNICIPAL PARKING-ENTERPRISE	**7,862,821**	**7,793,377**	**11,086,228**	**11,304,435**	
SUMMARY	**145,560,499**	**142,620,215**	**122,249,824**	**135,216,239**	

SCHEDULE 9

UTILITY FEES SCHEDULE

The **2018 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 **2017 to 2018.**

Combined Utility Bill
Monthly and Annual Cost for Average Customer

	2017	2018 Monthly Average*	2018 Annual Average	2018 monthly dollar change	2018 % change
Water*	$28.71	$29.56	$355	$0.85	3.0%
Sanitary Sewer	$26.10	$28.58	$343	$2.48	9.5%
Stormwater	$12.36	$12.71	$153	$0.35	2.8%
Solid Waste/Recycling**	$28.47	$28.99	$348	$0.52	1.8%
Total	$95.64	$99.84	$1,199	$4.20	4.4%

*The average household rate for water is based on 7 units of consumption at $3.58 per unit plus a $4.50 fixed charge. Sanitary rates are based on 6 units of water consumption at $3.88 per unit plus a fixed charge of $5.30. 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 $23.99 monthly charge with a large recycling cart fee of $5.00. Customers can substitute a small cart with a $2.00 fee. The increase in the monthly charge is due to routine inflationary increases in operation costs, new vendor contracts, carts, and vehicle replacement costs.

Water

The following rates are effective with utility billings for water meters read from and after **January 1, 2018**. 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	$3.58 / 100 cubic feet
Municipalities, Municipal Corporations, Villages & customers outside the corporate limits of the city	$3.73 / 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

SCHEDULE 9

UTILITY FEES SCHEDULE

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	$ 4.50
3/4	6.75
1	11.25
1 1/2	22.50
2	36.00
3	72.00
4	112.50
6	225.00
8	360.00
10	517.50
12	1,485.00

Sanitary Sewer

The sanitary sewer rates rate shall be applied to utility billings for water meters read from and after **January 1, 2018**.

Service	Rate
Sanitary Sewer (Inside City of Minneapolis)	$3.88 / 100 cubic feet
Sanitary Sewer (Outside City of Minneapolis)*	$3.88 / 100 cubic feet*
Sanitary Sewer only (Outside the City of Minneapolis)	$28.58 / 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	$ 5.30
3/4	7.95
1	13.25
1 1/2	26.50
2	42.40
3	84.80
4	132.50
6	265.00
8	424.00
10	609.50
12	1,749.00

SCHEDULE 9

UTILITY FEES SCHEDULE

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	$ 15.89
Medium (≥1485 & ≤1578 sq. ft.) *ESU=1.00	12.71
Low (<1485 sq. ft.) *ESU=0.75	9.53

*The Equivalent Stormwater Unit (ESU) rate is **$12.71.** 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 **$ 12.71**

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

SCHEDULE 9

UTILITY FEES SCHEDULE

Solid Waste and Recycling

Solid waste and recycling variable rate charges associated with water meter read dates from and after **January 1, 2018**, the charges shall be as follows:

Type of Charge	Rate (Dwelling Unit / Month)
Base Charge	$ 23.99
Small Cart Disposal	2.00
Large Cart Disposal	5.00

SCHEDULE TEN

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*	2015	2016	2017
Fund Balance - Policy	$83.0	$84.6	$81.9
Fund Balance - Actual	$106.0	$107.5	$107.3

** in millions; 2017 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*	2015	2016	2017
Sanitary Sewer Fund - Policy	$13.9	$15.3	$15.4
Sanitary Sewer Fund - Actual	$12.4	$18.3	$19.5
Stormwater Fund - Policy	$6.5	$7.1	$6.9
Stormwater Fund - Actual	$35.9	$35.9	$31.3
Solid Waste Fund - Policy	$8.4	$9.4	$9.4
Solid Waste Fund - Actual	$22.6	$25.3	$24.4
Water Fund - Policy	$14.0	$14.4	$14.5
Water Fund - Actual	$30.1	$42.1	$35.6
Parking Fund - Policy	$9.3	$8.0	$8.0
Parking Fund - Actual	$14.0	$14.0	$12.3

** in millions; 2017 amounts represent estimated year-end balances.*
Funds that are not meeting the Fund Policy are *highlighted and italicized*

SCHEDULE TEN

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.

- 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.
- 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 Positions equal to 15% of the fund's annual operating budget.

Internal Service Fund Balance Requirements*	2015	2016	2017
Self Insurance Fund Cash Balance Policy	$53.0	$52.9	$57.4
Self Insurance Fund Cash Balance Actual	$76.0	$80.0	$89.1
Self Insurance Fund Net Position Policy	$0.0	$0.0	$0.0
Self Insurance Fund Net Position Actual	$16.8	$21.2	$29.1
Fleet Services Fund Cash Balance Policy	$2.8	$2.8	$3.0
Fleet Services Fund Cash Balance Actual	$23.7	$26.9	$27.8
Fleet Services Fund Net Position Policy	$13.2	$14.2	$15.3
Fleet Services Fund Net Position Actual	$61.9	$67.1	$70.4
Intergovernmental Services Fund Cash Balance Policy	$6.1	$5.4	$5.7
Intergovernmental Services Fund Cash Balance Actual	$38.4	$30.9	$24.6
Intergovernmental Services Fund Net Position Policy	$9.1	$13.7	$17.9
Intergovernmental Services Fund Net Position Actual	$62.7	$59.8	$54.6
Property Services Fund Cash Balance Policy	$2.4	$2.4	$2.9
Property Services Fund Cash Balance Actual	$5.0	$8.1	$8.2
Property Services Fund Net Position Policy	$2.7	$2.7	$2.6
Property Services Fund Net Position Actual	$29.5	$32.7	$30.3
Stores Fund Cash Balance Policy	$0.2	$0.2	$0.2
Stores Fund Cash Balance Actual	***-$0.1***	$1.2	$2.1
Stores Fund Net Position Policy	$0.2	$0.2	$0.2
Stores Fund Net Position Actual	$4.4	$4.6	$5.6
Engineering Materials & Testing Fund Cash Balance Policy	$0.3	$0.3	$1.0
Engineering Materials & Testing Fund Cash Balance Actual	$1.6	$1.4	$1.4
Engineering Materials & Testing Fund Net Position Policy	$0.3	$0.3	$1.0
Engineering Materials & Testing Fund Net Position Actual	$0.8	$0.6	***$0.1***

** in millions; 2017 amounts represent estimated year-end balances.*
Funds that are not meeting the Fund Policy are *highlighted and italicized*

SCHEDULE TEN

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	2015	2016	2017
Total General Obligation Debt	9.7%	12.4%	11.8%
Property Tax Supported Debt	14.3%	0.6%	0.0%
Special Assessment Debt	12.7%	19.5%	8.8%
Tax Increment Debt	4.6%	4.9%	4.5%
Parking Fund Debt	***36.4%***	***45.4%***	***48.0%***

Policy: No more than 25%; 2017 amounts represent year-end
Rates that are not meeting the Rate Policy are *highlighted and italicized*

City of Minneapolis
2018 Budget

Glossary of Terms

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.

Balanced Budget – Refers to a budget in which revenues are equal to expenditures.

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.

CCD – Contract Compliance 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 – City of Minneapolis Enterprise Technology – an upgraded City software system for human resources, financials, and business information reporting and analysis.

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 uncertainly 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.

Depreciation – reduction in the value of an asset with the passage of time, due in particular to wear and tear.

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.

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.

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.

MACC – Minneapolis Animal Care & Control.

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.

NRP – Neighborhood Revitalization Program.

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 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.

Transfer – Movement of funds from one City Fund to another.

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.

RESOLUTION

By Quincy

Approving the 2017 property tax levies, payable in 2018, 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 2017 for taxes payable in 2018 for the following funds:

FUND	CERTIFIED LEVY AMOUNT
General Fund	$189,453,000
Municipal Building Commission	$5,103,000
Bond Redemption	$39,350,000
Firefighters Relief Association (MFRA)	$1,700,000
Police Relief Association (MPRA)	$7,710,000
Minneapolis Employees Retirement (MERF)	$12,900,000
Total	**$256,216,000**

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 $10,300,000 be assessed against and levied based on market value upon the real and personal property in the City of Minneapolis in 2017 for taxes payable in 2018 for debt service associated with the voter approved Library Referendum Bond authorization of 2000 for $140,000,000.

Be It Further Resolved that the Certified Local Government Aid (LGA) Amount estimated at $79,268,565 shall be initially distributed as follows:

Municipal Building Commission	$238,598
Minneapolis Park & Recreation Board	$9,355,276
General Fund	$69,674,691
Total	**$79,268,565**

RESOLUTION

By Quincy

Fixing the maximum amounts to be expended by the various departments for 2018 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 named fund types 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 2018 Adopted Budget Book.

That the proper City officers be authorized to execute and/or carry out the intent of the 2018 Consolidated Plan program allocations (CDBG, HOME, ESG and HOPWA entitlement grants), as amended, including the 2018 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 2018 Consolidated Plan funding.

2018 Operating Budget
Resolution Footnotes

1. Financial Management Policies, as included in the Financial Policies Section of the 2018 Adopted Budget book, are hereby adopted as part of the 2018 budget.

2. That this resolution may be cited as the "2018 General Appropriation Resolution."

Changes to the Recommended Budget

1. Amending the 2018 Mayor's Recommended Budget for the departments of Regulatory Services and Health on a one-time basis. Reducing the one-time appropriation in Regulatory Services for Nighttime Mobility by $100,000, and increasing the budget in Health by adding a one-time $100,000 appropriation for Domestic Violence Prevention.

2. Amending the 2018 Mayor's Recommended Budget for the departments of Regulatory Services, Neighborhood and Community Relations, and Health on a one-time basis. Reducing the one-time appropriation in Regulatory Services for Nighttime Mobility by $45,000; reducing the one-time appropriation in Neighborhood & Community Relations for Collaborative Safety Strategies by $60,000; and, increasing the one-time appropriation in Health for Next Step Hospital Based Interventions by $105,000.

3. Amending the 2018 Mayor's Recommended Budget for the department of Neighborhood & Community Relations a one-time basis to reallocate $350,000 of the appropriation for Community Safety Strategies for the following purposes:

    a. Little Earth Community Safety $50,000
    b. Broadway Community Safety $50,000
    c. Penn Avenue Community Safety $50,000
    d. Lake Street Community Safety $200,000

4. Amending the 2018 Mayor's Recommended Budget for the departments of Regulatory Services and Police on an ongoing basis. Reducing the ongoing appropriation in Regulatory Services for Nighttime Mobility by $478,000; reducing the ongoing appropriation in Police for Community Safety Liaisons by $67,662 and eliminating 1 FTE from that program; and, increasing the ongoing appropriation for the Minneapolis Police Department by $545,662 for matching funds to support the 10 additional sworn officers funded via the 2017 Federal Community Oriented Policing Strategies (COPS) grant.

5. Amending the 2018 Mayor's Recommended Budget for the departments of Minneapolis Convention Center (MCC) and Public Works on a one-time basis. Eliminating the $250,000 one-time appropriation to MCC for Meet Minneapolis – Tell Our Story; increasing the one-time transfer from the Downtown Assets Fund to the General Fund from $30,600,000 to $30,850,000; and, increasing the Public Works Department by $250,000 for the City's payment to the Downtown Improvement District for community-based policing strategies, with an emphasis on Hennepin and Nicollet.

6. Amending the 2018 Mayor's Recommended Budget for the departments of Police, Neighborhood & Community Relations, and Regulatory Services on an ongoing basis. Reducing the ongoing appropriation in Police for Community Safety Liaisons by $100,000 and eliminating 1 FTE from that program; reducing the ongoing appropriation in Neighborhood & Community Relations for Collaborative Safety Strategies by $100,000; and, increasing the budget in Regulatory Services by $200,000 ongoing and adding 2 FTE for Housing Inspection Services.

7. Amending the 2018 Mayor's Recommended Budget for the department of Police on an ongoing basis. Reducing the ongoing appropriation in Police for Community Safety Liaisons by $180,000 and eliminating 2 FTEs from that program, and increasing the budget in Police by $180,000 and adding 2 FTE for Body Camera Data Review.

8. Amending the 2018 Mayor's Recommended Budget for the department of Neighborhood & Community Relations on a one-time basis. Reducing the one-time appropriation in Neighborhood & Community Relations for Collaborative Safety Strategies by $40,000, and increasing the appropriation for Senior Support Services in Neighborhood & Community Relations by $40,000 onetime.

9. Amending the 2018 Mayor's Recommended Budget for the departments of Neighborhood & Community Relations and City Attorney on a one-time basis. Reducing the one-time appropriation in Neighborhood & Community Relations for Collaborative Safety Strategies by $25,000, and increasing the budget in City Attorney by $25,000 for a contract with The Link to work with youth and families to overcome the impacts of poverty and social injustice.

10. Amending the 2018 Mayor's Recommended Budget for the departments of City Coordinator and Civil Rights on an ongoing basis. Reducing the ongoing appropriation in City Coordinator for Strategic Planning & Continuous Improvement by $40,000, and increasing the ongoing appropriation for the Labor Standards Enforcement Division in Civil Rights by $40,000.

11. Amending the 2018 Mayor's Recommended Budget for the departments of City Coordinator and Civil Rights on a one-time basis. Eliminating the one-time appropriation in City Coordinator of $25,000 for Community Economic Development Plan; eliminating the one-time appropriation in City Coordinator of $25,000 for Downtown Mobility Plan Assessment; and, increasing the appropriation in Civil Rights by $50,000 one-time for Labor Standards Education & Outreach.

12. Amending the 2018 Mayor's Recommended Budget for the Community Planning & Economic Development (CPED) Department on a one-time basis. CPED is directed to spend up to $100,000, within the Mayor's Recommended base budget for the department, for a contract with the Mapping Prejudice Project.

13. Amending the 2018 Mayor's Recommended Budget for the department of Community Planning and Economic Development on a one-time basis. $103,741 of fund balance from Fund 01SNR that was originally approved to fund "Rebuild Our Communities," approved under Resolution 2012R-109, is added to Community Planning and Economic Development for a contract with Summit Academy OIC for the Culinary Arts Initiative.

14. Amending the 2018 Mayor's Recommended Budget for the departments of Community Planning and Economic Development (CPED) and Health on a one-time basis. Decreasing the one-time appropriation in CPED for the Management Information Network System from $1,719,000 to $1,519,000; and, increasing the appropriation to Health for Food, Lodging, and Pools on a one-time basis by $200,000 for two temporary Health Inspectors to meet industry demand.

Directions to Staff

1. Directing staff from Finance & Property Service, the Health Department, Community Planning & Economic Development, the Police Department and Regulatory Services to perform a comprehensive study of the licenses granted and fees charged to businesses and individuals by the City. Licenses and fees to be studied include but are not limited to Food, Lodging, and Pools; Business Licenses; Pollution Control Annual Registration; Rental Licenses; Fire Inspection Services; etc. The study should consider all costs of providing services associated with the licenses and fees. Departments are encouraged to ensure that the fee schedule is structured in a way that most closely aligns with City business process. In so doing, processes should be simplified to support ease of engagement and compliance on the part of the public. Priority should be given to fees related to liquor, stadiums, and hotels. Staff shall report back to the home committees for each department listed above no later than May 30, 2018.

Technical Changes

1. Amending the Mayor's 2018 Recommended Budget by moving $90,000 of ongoing additional funding and 1 FTE from City Coordinator to Community Planning and Economic Development for a new Housing Policy Coordinator.

2. Amending the Mayor's 2018 Recommended budget by reducing revenues and expenditures for Emergency Management in fund 01300 by $1,000,000 to reflect receipt of the federal UASI grant in 2017.

3. Amending the Mayor's 2018 Recommended budget by moving $20,000 of one-time funding in Communications from Audio Production Capability to Video Storage and Software Efficiency Upgrade in the same department.

4. Amending the Mayor's 2018 Recommended budget by reducing revenues and expenditures for City Coordinator in fund 01300 by $72,898, and increasing revenues and expenditures for Health Department in fund 01300 by $50,000 for changes to the federal SAMHSA grant.

5. Amending the Mayor's 2018 Recommended budget by increasing the approved FTE complement for the Human Resources Department by 0.2 FTE to be paid for from department resources.

6. Amending the Mayor's 2018 Recommended budget by increasing the operating budget for Community Planning & Economic Development in fund 04100 by $28,000 for Art in Public Places to match the Capital Budget.

7. Amending the Mayor's 2018 Recommended budget by eliminating funding for the WTR24-Fridley Filter Plant Rehabilitation capital project from the five year capital improvement plan.

8. Amending the Mayor's 2018 Recommended budget by increasing the expenditures in fund 06900 by $1,000,000 to reflect the full expense of workers' compensation payments – excluding anticipated reimbursements from the State of Minnesota.

9. Amending the Mayor's 2018 Recommended budget by adding $160,000 one-time expenditures in fund 04160 for the addition of 7 vehicles for Transportation Planning & Engineering.

10. Amending the Mayor's 2018 Recommended budget by increasing expenditures in fund 06100 by $335,000 for an upgrade to the M5 fleet management system.

11. Amending the Mayor's 2018 Recommended budget by replacing all instances of the division title, "Transportation Planning & Engineering" with "Transportation Engineering & Design."

12. Amending the Mayor's 2018 Recommendation by increasing the revenue and expenditure budget in the 01100 fund in Public Works / Transportation Maintenance & Repair by $450,185 for the Downtown Improvement District special service district contract.

13. Amending the Mayor's 2018 Recommendation by updating the Financial Policies; reordering generally, clarifying Budget and Allocation Model policies, clarifying Grants policies, and clarifying Local Taxes section of the Revenue policies.

Amendments to the 2018 General Appropriation Resolution

1. Motion by A. Johnson, Palmisano, and Cano to amend the 2018 Mayor's Recommended Budget for the Fire Department on an ongoing basis. Eliminating the ongoing appropriation of $225,000 in the Fire Department for Mobile Healthcare Providers, and reducing by 4 FTE; and, adding an ongoing appropriation of $225,000 and 3 FTE in the Fire Department for three additional sworn firefighters.
   Adopted.

2. Motion by Reich to amend the 2018 Mayor's Recommended Budget for the departments of Information Technology and Community Planning and Economic Development on a one-time basis. Decreasing the one-time appropriation in Information Technology for the public website redesign project by $50,000, and adding a one-time appropriation of $50,000 in Community Planning and Economic Development for the Cooperative Technical Assistance Program (C-TAP).

   Directing staff from Community Planning and Economic Development, in consultation with staff from Finance and Property Services, to develop a plan to prioritize additional resources beyond any specifically appropriated in this budget, and within Community Planning and Economic Development, to fund the C-TAP program up to a total program budget of $100,000 for 2018.
   Adopted.

3. Motion by Cano, Frey, and Gordon to amend the 2018 Mayor's Recommended Budget to direct the Neighborhood and Community Relations' Office of Immigrant and Refugee Affairs, the City Coordinator's Office, the Finance Department, and the City Attorney's Office to establish the Municipal ID Workgroup.

   The Municipal ID Workgroup shall report back to Committee of the Whole no later than March 31, 2018, to present a framework and budgetary needs to inform the Municipal ID program for the City of Minneapolis. The work plan shall include, but not be limited to, identifying the research, engagement, and resources required to develop a Municipal ID ordinance and program that serves all residents of Minneapolis including the immigrant, transgender, homeless, student, and elderly communities.
   Adopted.

4. Motion by Cano to amend the 2018 Mayor's Recommended budget for the departments of Information Technology and the City Coordinator's office on a one-time basis. Decreasing the one-time appropriation in Information Technology for the public website redesign project by $75,000, and adding a one-time appropriation of $75,000 in the City Coordinator's office to fund the Southside Green Zone initiative, with specific focus on green and culturally specific entrepreneurial activities.
   Adopted.

5. Motion by Yang and Warsame to amend the 2018 Mayor's Recommended Budget for the departments of Information Technology and City Coordinator on a one-time basis. Decreasing the one-time appropriation in Information Technology for the public website redesign project by $90,000, and adding a one-time appropriation of $90,000 in City Coordinator for a contract with Mind Foundry for after-school Science, Technology, Engineering and Math (STEM) education.
   Adopted.

6. Motion by Warsame to amend the 2018 Mayor's Recommended Budget for the departments of Community Planning and Economic Development, City Coordinator, Public Works, and Information Technology on a one-time basis. Decreasing the one-time appropriation in Information Technology for the public website redesign project by $43,000; decreasing the one-time appropriation in City Coordinator for Arts, Culture, and Creative Economy/Poet Laureate program by $7,000, but maintaining the Poet Laureate program; and, increasing the one-time appropriation in Community Planning and Economic Development for the Cedar Riverside Opportunity Hub by $50,000.
   Adopted.

7. Motion by Frey to amend the 2018 Mayor's Recommended Budget, as follows:
   1. For the departments of Public Works and Health on an ongoing basis. Decreasing the ongoing appropriation in Public Works for Comprehensive Safety Program by $50,000; reducing the Health base budget for Food, Lodging, and Pools by $50,000 on an ongoing basis; and, adding an ongoing appropriation of $100,000 and 1 FTE in Health for Lead Inspections.

   2. For the departments of Information Technology and Public Works on a one-time basis. Decreasing the one-time appropriation in Information Technology for the public website redesign project by $50,000, and increasing the one-time funding in Public Works for Comprehensive Safety Planning by $50,000.

   Substitute motion by A. Johnson and Gordon to amend the 2018 Mayor's Recommended Budget for the departments of City Coordinator and Health on a one-time basis. Decreasing the one-time appropriation in City Coordinator for Partnerships Initiatives specifically in conjunction with Greater MSP from $125,000 to $25,000, and adding a one-time appropriation in Health of $100,000 for a temporary Lead Inspector.
   Failed.

   Frey's amendment was adopted.

8. Motion by Gordon to amend the 2018 Mayor's Recommended Budget directing Finance and Property Services staff to present options in the first quarter of 2018 to the Ways & Means/Budget Subcommittee to reduce the use of General Fund dollars for the Renewable Connect Program in 2018, after the Minnesota Public Utilities Commission grants a waiver to the limit on Renewable Connect and the City is able to determine the actual cost and scope of the program.
   Adopted.

9. Motion by B. Johnson to amend the 2018 Mayor's Recommended Budget for the department of City Coordinator on a one-time basis. Decreasing the one-time appropriation in City Coordinator for the Arts, Culture, and Creative Economy/Poet Laureate program by $15,000, but maintaining the Poet Laureate program; and, adding a one-time appropriation to the City Coordinator’s Office of $15,000 for the Community Commemoration of the 100th Anniversary of the Armistice ending WWI, as a match to Hennepin County funds.
   Adopted.

RESOLUTION

By Johnson

Amending the 2018 General Appropriation Resolution, and setting the salary schedule for 2018 through 2021 for the Mayor and Council Members.

Whereas, Laws of Minnesota, 1971, Chapter 744, Section 3, authorizes the City Council by resolution to fix the annual salary of the Mayor and each Council Member prior to the commencement of the term to which the Mayor and Council Member has been elected; and

Whereas, the City Council last set the salary schedule for the Mayor and Council Members on December 13, 2013;

Now, Therefore, Be It Resolved, by The City Council of The City of Minneapolis:

That the 2018 General Appropriation Resolution be amended for the Mayor's Office, the City Council, and departments of the City Coordinator, Finance and Property Services, City Clerk, Health, Community Planning and Economic Development, Human Resources, and Neighborhood and Community Relations on an on-going basis. Decreasing the ongoing appropriation for the City Coordinator by $50,000, decreasing the ongoing appropriation for Finance and Property Services by $30,000, decreasing the ongoing appropriation for the City Clerk by $10,000, decreasing the ongoing appropriation for Health by $10,000, decreasing the ongoing appropriation for Community Planning and Economic Development by $20,000, decreasing the ongoing appropriation for Regulatory Services by $10,000, decreasing the ongoing appropriation for Human Resources by $10,000; and, increasing the ongoing appropriation of $10,000 in the Mayor's Office, and increasing the on-going appropriation in the City Council by $130,000.

And, that the salary schedule for the Mayor for the four year term commencing January 2, 2018, and ending January 1, 2022, and for each Council Member for the four year term commencing January 1, 2018, and ending January 1, 2022, shall be set in the following fashion: A one-time increase of $10,000 for each council member and for the Mayor beginning with the first pay period in 2018. For each succeeding year of the term, the percentage salary increase for the Mayor and each Council Member shall be the average annual across the board percentage salary increase of the collective bargaining agreements approved by the City Council in the preceding year as determined by the Human Resources Department.

RESOLUTION 2017R-492

Adopting the 2018 - 2022 Five-Year Capital Program and fixing the maximum amounts for 2018 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 2018 - 2022 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 2018 as detailed in the Capital Section of the 2018 Adopted Budget:

Fund	Department	Amount (thousands $)
34200	9010901 MBC CAPITAL IMPROVEMENTS	5,600
14300	9101000 PARK CAPITAL IMPROVEMENTS	12,035
14370	9103000 PARK CAPITAL IMPROVEMENTS – ASSESSED	300
04100	9010937 PUBLIC WORKS STREET PAVING CAPITAL IMPROVEMENTS	78,903
04100	9010937 PUBLIC WORKS BIKE-PED CAPITAL IMPROVEMENTS	1,000
04100	9010938 PUBLIC WORKS BRIDGE CAPITAL IMPROVEMENTS	400
04100	9010939 PUBLIC WORKS SIDEWALK CAPITAL IMPROVEMENTS	4,190
04100	9010943 PUBLIC WORKS TRAFFIC CAPITAL IMPROVEMENTS	10,176
04100	*TOTAL PUBLIC WORKS FUND 04100 CAPITAL IMPROVEMENTS*	*94,669*
04100	9010923 PROPERTY SERVICES CAPITAL IMPROVEMENTS	18,000
04100	8900420 COMMUNITY PLANNING	*716*
04100	*TOTAL CITY FUND 04100 CAPITAL IMPROVEMENTS*	*113,385*
07100	9010932 SANITARY SEWER ENTERPRISE FUND CAPITAL	13,600
07300	9010932 STORM SEWER ENTERPRISE FUND CAPITAL	19,768
07400	9010950 WATER SEWER ENTERPRISE FUND CAPITAL	29,390
07500	9010946 PARKING RAMP ENTERPRISE FUND CAPITAL	3,700
07700	9010923 SOLID WASTE ENTERPRISE FUND CAPITAL	3,710
GRAND TOTAL ALL FUNDS		*201,488*

RESOLUTION 2017R-493

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 $21,510,000 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 $21,510,000, 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 (PV1801)	$50,000
PV006	Alley Renovation Program (PV1806)	50,000
PV056	Asphalt Pavement Resurfacing Program (PV1856)	4,915,000
PV063	Unpaved Alley Construction (PV1863)	50,000
PV074	CSAH & MnDOT Cooperative Project (PV1874)	1,590,000
PV087	34th Ave S (54th St E to Minnehaha Parkway)	1,440,000
PV103	61st St W (Lyndale Ave S to Nicollet Ave S)	1,460,000
PV108	Concrete Streets Rehabilitation Program (PV18108)	500,000
PV117	Broadway St NE (Stinson Blvd to City Limits)	2,570,000
PV121	Hennepin Ave (Lake St W to 36th St W)	1,025,000
PV124	Mid City Industrial	7,850,000
PV134	28th Ave S (TH62 Ramp to 59th	10,000

RESOLUTION 2017R-494

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 $300,000 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 $300,000, the proceeds of which are to be used for the PRKDT Diseased Tree Removal program. Assessments shall be collected in five successive equal annual installments, payable in the same manner as real estate taxes.

RESOLUTION 2017R-495

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 $58,795,000 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 $58,795,000, the proceeds of which are to be used as follows:

Municipal Building Commission, in the amount of $2,800,000

MBC01	MBC Safety Improvements	$550,000
MBC10	Exterior Improvements	1,930,000
MBC11	Elevator Upgrades and Modernization	320,000

Park & Recreation Board, in the amount of $10,500,000

PRK02	Playground and Site Improvements Program	99,000
PRK04	Athletic Fields – Site Improvements Program	250,000
PRKCP	Neighborhood Parks Capital Infrastructure	6,175,000
PRKRP	Neighborhood Parks Rehabilitation Program	3,976,000

City Council, in the amount of $45,495,000

PV001	Parkway Paving Program (PV1801)	700,000
PV006	Alley Renovation Program (PV1806)	200,000
PV056	Asphalt Pavement Resurfacing Program (PV1856)	2,000,000
PV059	Major Pavement Maintenance Program (PV1859)	250,000
PV063	Unpaved Alley Construction (PV1863)	150,000
PV074	CSAH & MnDOT Cooperative Projects (PV1874)	3,410,000
PV075	Development Infrastructure Program	500,000
PV087	34th Ave S (54th St E to Minnehaha Pkwy)	540,000
PV097	18th Ave NE Trail Gap	645,000
PV098	Hiawatha Trail Gap (28th to 32nd St E)	1,355,000
PV104	ADA Ramp Replacement Program (PV18104)	500,000
PV108	Concrete Streets Rehabilitation Program (PV18108)	3,809,000
PV115	Emerson-Fremont Ave N Ped Enhancements	2,475,000
PV121	Hennepin Ave (Lake St W to 36th St W)	65,000
PV124	Mid City Industrial	3,065,000
PV134	28th Ave S (TH62 Ramp to 59th St E)	340,000
SWK01	Defective Hazardous Sidewalks (SWK1801)	335,000
SWK02	Sidewalk Gaps (SWK1802)	150,000
BR101	Major Bridge Repair and Rehabilitation (BR18101)	400,000
TR008	Parkway Street Light Replacement (TR1808)	270,000
TR010	Traffic Management Systems (TR1810)	35,000
TR011	City Street Light Renovation (TR1811)	625,000
TR021	Traffic Signals (TR1821)	1,275,000
TR022	Traffic Safety Improvements (TR1822)	645,000

TR024	Pedestrian Street Lighting Corridors (TR1824)	450,000
TR025	Sign Replacement Program (TR1825)	590,000
BIK28	Protected Bikeways Program (BIK1828)	1,000,000
BP001	Safe Routes to School Program (BP1801)	400,000
BP004	Intersection and Crossing Improvements (BP1804)	600,000
FIR12	Fire Station No. 1 Renovation & Expansion	1,000,000
PSD17	East Side Storage and Maintenance Facility	15,000,000
RAD01	Public Safety Radio System Replacement	2,000,000
ART01	Art in Public Places (ART2018)	716,000

RESOLUTION 2017R-496

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 $34,545,000 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 $34,545,000, the proceeds of which are to be used for sanitary sewer, water and solid waste projects as follows:

Sanitary Sewer Projects – Fund 07100 - $11,000,000:	
SA001 Sanitary Tunnel & Sewer Rehab Program (SA1801)	$6,000,000
SA036 Infiltration & Inflow Removal Program (SA1836)	2,500,000
WTR18 Water Distribution Facility	2,500,000
Stormwater Projects – Fund 07300 - $2,500,000	
WTR18 Water Distribution Facility	2,500,000
Water Projects – Fund 07400 - $13,635,000	
WTR18 Water Distribution Facility	1,235,000
WTR27 Automated Meter Infrastructure	5,200,000
WTR28 Ultrafiltration Module Replacement	2,200,000
WTR30 10th Avenue Bridge Main	5,000,000
Parking Projects- Fund 07500 - $3,700,000:	
PSD19 Impound Lot Facility	3,700,000
Solid Waste Projects – Fund 07700 - $3,710,000:	
PSD17 East Side Storage and Maintenance Facility	3,710,000

RESOLUTION

By Quincy

Designating the utility rates for water, sewer, stormwater, solid waste and recycling service effective with water meters read on and after January 1, 2018.

Resolved by The City Council of The City of Minneapolis:

Water Rate
Effective with utility billings for water meters read from and after January 1, 2018, 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 fifty-eight cents ($3.58) per one hundred (100) cubic feet for customers not otherwise mentioned.

2. Three dollars and seventy-three cents ($3.73) 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	$ 4.50
3/4-inch	6.75
1-inch	11.25
1 1/2-inch	22.50
2-inch	36.00
3-inch	72.00
4-inch	112.50
6-inch	225.00
8-inch	360.00
10-inch	517.50
12-inch	1,485.00

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.

   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 resealed by authority of the director of the Minneapolis Water Treatment and Distribution Services Division. All connections for fire systems must have a post indicator valve installed at the curb if ordered by the director of the Minneapolis Water Treatment and Distribution Services Division. (98-Or-135, § 4, 11-13-98; 2012-Or-076, § 75, 11-16-12)

The sanitary sewer rates and stormwater service rate shall be applied to utility billings for water meters read from and after January 1, 2018.

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 eighty-eight cents ($3.88) 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	$ 5.30
3/4-inch	7.95
1-inch	13.25
1 1/2-inch	26.50
2-inch	42.40
3-inch	84.80
4-inch	132.50
6-inch	265.00
8-inch	424.00
10-inch	609.50
12-inch	1,749.00

3. The sanitary sewer rate applicable outside the City of Minneapolis for all sewage flow generated is three dollars and eighty-eight cents ($3.88) 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 eight dollars and fifty-eight cents ($28.58) 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 twelve dollars and seventy-one cents ($12.71). 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 (3) 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 fifteen dollars and eighty-nine cents ($15.89).

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 twelve dollars and seventy-one cents ($12.71).

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 nine dollars and fifty-three cents ($9.53).

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 $ 12.71 = 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

Solid Waste and Recycling Rate

Solid waste and recycling variable rate charges associated with water meter read dates from and after January 1, 2018, the charges shall be as follows:

1. The base unit charge shall be twenty-three dollars and ninety-nine cents ($23.99) 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.