

City of Moorhead, Minnesota

2006 Operating & Capital Budget



Transportation & Infrastructure



Community Vitality



Housing



Economic Development



Good Government



Public Safety

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The Fiscal Year 2006 Capital and Operating Budget Summary for the City of Moorhead, Minnesota is intended to serve four purposes:

The Budget as a Policy Guide

As a policy guide the budget serves to inform the reader about the organization and its policies. The budget includes organization-wide financial and programmatic policies and goals that address long-term concerns and issues, as well as its short-term financial and operational policies that guide the development of the budget for the upcoming year. This budget summary details the services the City will provide during the twelve-month period from January 1, 2006 through December 31, 2006. The departmental and division budgets section provides program descriptions, goals and objectives, budget impact items and achievements.

The Budget as a Financial Plan

As a financial plan, the budget details the costs associated with providing municipal services and how the services will be funded. The Consolidated Summary illustrates all revenues and expenditures and fund distribution. The budget document explains the underlying assumptions for the revenue estimates and discusses significant revenue trends. In addition, there is discussion of the City's accounting structure and budgetary procedures.

The Budget as an Operations Guide

As an operations guide, the budget details how departments and the general fund are organized. The budget informs the reader of all the activities, services and functions carried out by each department. Each departmental budget section includes a description of the department's function, its goals and objectives, authorized positions, budget highlights and the budgetary appropriation.

The Budget as a Communication Device

As a communication device, the budget provides summary information to aid the reader in interpreting the document. Charts, graphs, tables and text are included in every section to consolidate the information as much as possible. The budget document also includes a detailed table of contents and a glossary of terms to make it easy to locate and understand its contents. Finally, the budget includes the Budget Message, which provides readers with a condensed analysis of the fiscal plans of the City for the upcoming fiscal year.



The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Presentation to the City of Moorhead for its annual budget for the fiscal year beginning January 1, 2005. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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INTRODUCTORY SECTION

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The City of Moorhead, incorporated in 1881, is situated in the heart of the Red River Valley, 250 miles northwest of Minneapolis. It is the county seat of Clay County and a community rich in history, tradition and diversity. While Moorhead is part of a growing metropolitan region, it is distinct because of its liberal arts based college atmosphere, quality educational system, plentiful parks and strong, diverse neighborhoods. The city is approximately 16.89 square miles and has a population of 32,177 per the 2000 census.



The City of Moorhead has operated under the council-manager form of government since 1985. Policy-making and legislative authority are vested in a city council consisting of the mayor and eight council members representing four wards. City elections are held in odd numbered years, with all Council members and the Mayor serving four-year terms. Terms are staggered with one representative being elected from each ward every two years.

The City of Moorhead provides a full range of services. The general governmental functions include police and fire protection, emergency medical services, street maintenance, engineering, planning and zoning, environmental health, transit, parks and recreation, economic and community development and general legislative and administrative services. The City also operates as enterprise funds the following services: electric, water, wastewater and storm water collection and treatment, sanitation, sports center, golf courses, pest control, forestry and airport. Vehicles and equipment, radio and information technology services are provided through internal service funds.



The City of Moorhead seeks to ensure that a full range of housing opportunities is available, particularly to first-time homebuyers. The City is involved in partnerships with Minnesota Housing Finance Agency and Greater Minnesota Housing Fund to offer down-payment assistant programs. Homebuyer and tenant education are important components of the housing program offerings as well.

City Council



MORRIS KELSVEN
WARD 1



NANCY OTTO
WARD 1



HONORABLE
MARK VOXLAND
MAYOR



JOHN ROWELL
WARD 2



DIANE WRAY WILLIAMS
WARD 2



LAURI WINTERFELDT-
SHANKS
WARD 3



DAN HUNT
WARD 3



JIM DANIELSON
WARD 4



GREG LEMKE
WARD 4

City Administration



BRUCE MESSELT
CITY MANAGER



MIKE REDLINGER
ASSISTANT CITY MANAGER

JOEL HEWITT
FIRE CHIEF

CHAD MARTIN
OPERATIONS DEPARTMENT
DIRECTOR

SCOTT HUTCHINS
COMMUNITY SERVICES
DIRECTOR

GRANT WEYLAND
POLICE CHIEF

BRIAN NEUGEBAUER
CITY ATTORNEY

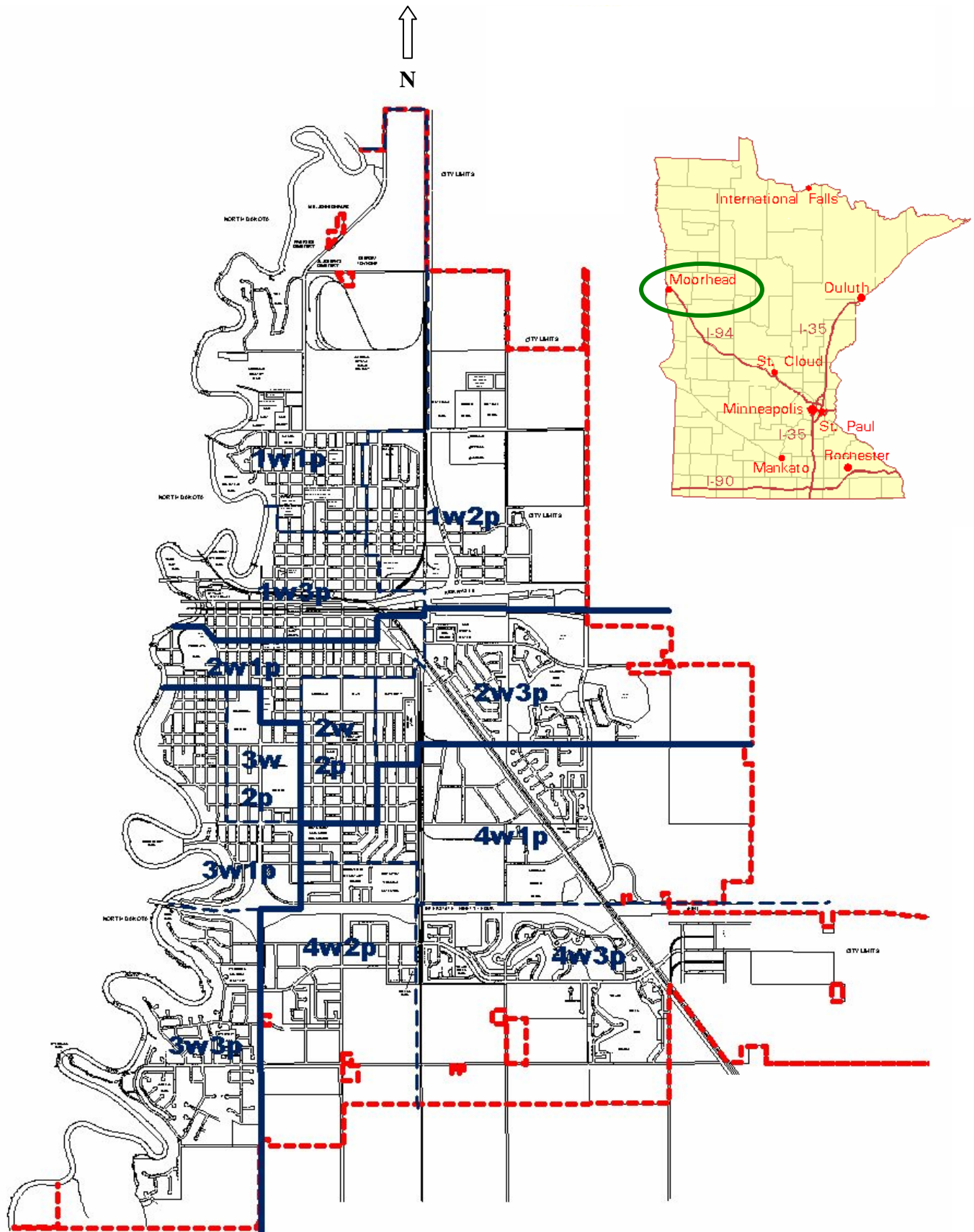
ROBERT ZIMMERMAN
CITY ENGINEER

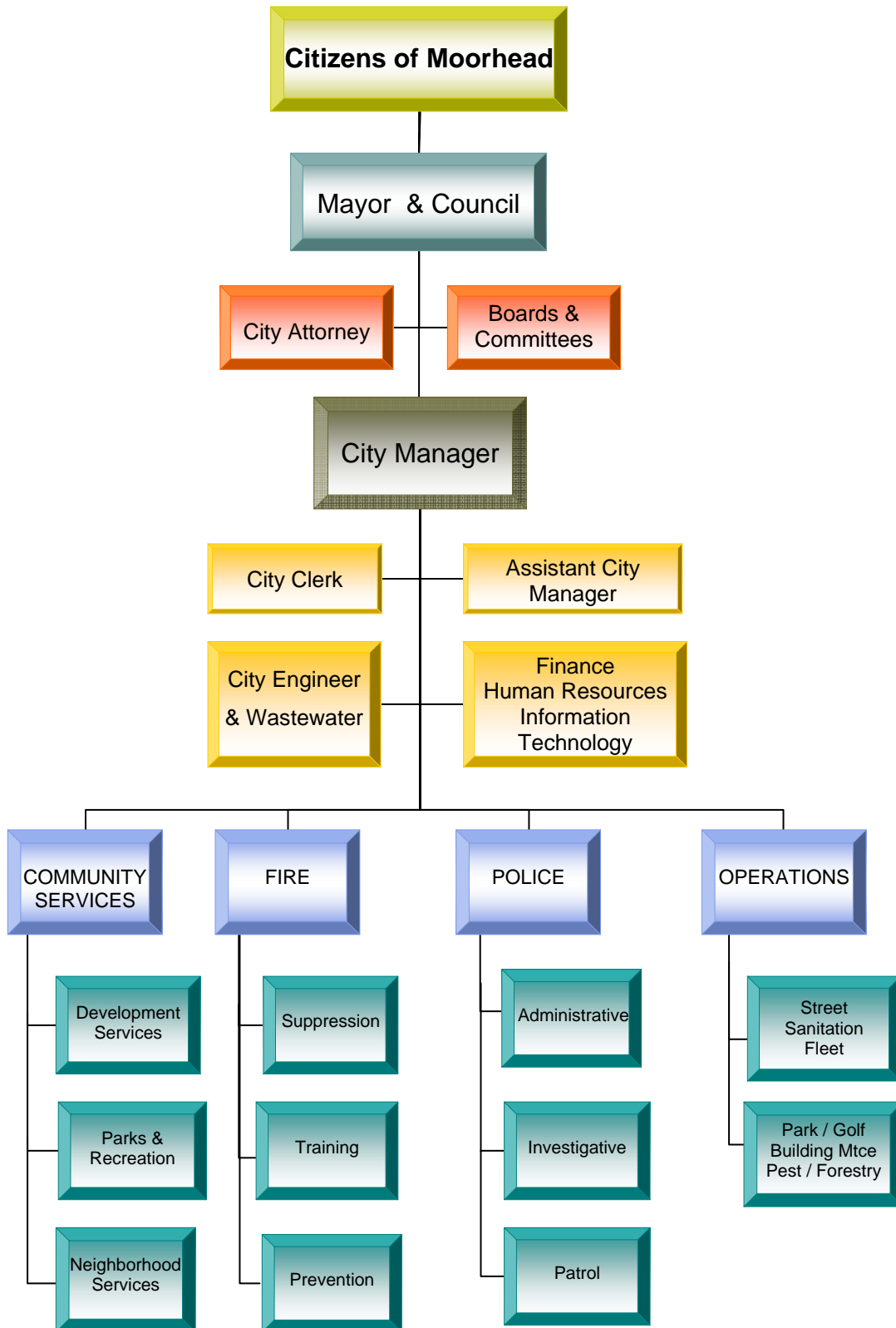
KAYE BUCHHOLZ
CITY CLERK

HARLYN AULT
FINANCE DIRECTOR

JEAN THOMPSON
HUMAN RESOURCES

DON REDDEN
INFORMATION TECHNOLOGY





OVERVIEW

&

SUMMARY

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October 3, 2005

Honorable Mayor and City Council
Moorhead, Minnesota

Dear Mayor and Members of the City Council:

In compliance with Section 7.04 of the Charter of the City of Moorhead, I am pleased to submit a balanced Operating and Capital Budget of \$51,605,170 for the fiscal year commencing on January 1, 2006 and ending on December 31, 2006. This budget format is intended to communicate to the Mayor and City Council and citizenry of Moorhead the overall operations of the City, the services provided and the funding sources for these programs. Emphasis is placed on articulating the main directives and goals of the different departments and business units of the City. Services, efforts, and accomplishments achieved have been presented along with directives for future year accomplishments.

The City of Moorhead currently employs a *target-based* budgeting strategy. As such, the 2006 budgeting process was initiated in early 2005 by the City Council's assessment of 2004 accomplishments, review of desired 2005 objectives, and setting of strategic priorities for 2006 and beyond. Under the City's *target-based* budgeting strategy, the budgeting process is completed via review, modification and ratification by the decision-making body (by September 15th, 2005 for the *Preliminary Budget* and December 31st, 2005 for the *Final Budget*), implementation of the approved Budget (through utilization of the annual Work Plan and including periodic review and adjustment by the Mayor & City Council), and subsequent evaluation as to the success and effectiveness of the budgeting effort (including through formal audits and Council assessments).

The Mayor & City Council's setting of 2006 strategic priorities was followed by the juxtaposition of these against projected available resources and anticipated expenditures, resulting in the distribution of budgeting targets and directives to business units, designed to guide each entity through the initial budgeting process. Emphasis was placed upon keeping expenses to a 3% increase over the previous year. Policies limiting personnel costs and capital outlay dictated that no additional requests would be included in the base budget but would be prioritized and considered separately, as *supplemental budget requests*, by the City Manager as part of the generation of the Budget. Of note: These instructions were imposed across the board to all funds, not just to the tax supported funds that have the greatest impact on City residents and businesses.

The City's departments and other business units have worked diligently to recommend a feasible and affordable plan of action for 2006, designed to provide an array of quality municipal services throughout the upcoming year. Periodic discussions with the Mayor and City Council during spring and summer 2005 have also ensured that the 2006 Budget is aligned with the collective will and direction of the decision-making body.

The City's 2006 Budget includes the Governmental Funds budget (General, Special Revenue, Debt Service, and Capital Projects), covering the major operating departments and functions of the City that rely to some extent on property tax revenues (i.e. police, fire, building codes, parks, engineering, street maintenance, economic development and City administrative programs). The 2006 Budget also includes the City's Enterprise Funds, those funds that are supported by user fees and charges such as Waste Water Treatment, Storm Water, Sanitation, Pest Control, Forestry, Golf Course, Sports Center, and Airport. In addition, the 2006 Budget includes the City's Computer, Vehicle, and Radio Internal Service funds. Finally the, 2006 Budget also includes reporting for the City's two agency funds, Armory and Moorhead Community Access Television (MCAT).

2006 Budget Summary

The City of Moorhead's 2006 Operating & Capital Budget is \$51,605,170, a projected increase of \$7,424,176 over the previous year. Major justification for this increase in both revenues and expenditures are as follows:

Projected Revenues

- o Anticipated receipt of major state and federal grants for both capital and operating activities of the City, including for Moorhead Fire Department, Transit, and Engineering/Transportation;
- o A projected \$474,200 increase in Local Government Aid allocation from the State of Minnesota;
- o A proposed increase of \$233,567 in the City's Property Tax Levy, estimated to result in little or no increase in the effective Tax Rate for taxes payable in 2006;
- o Modest Fee increases in the Sanitation Fund (to cover higher County tipping fees), Forestry Fund (for additional work crews), and Golf Course Fund (for higher operating costs); and
- o Adoption of the third of a four-year rate increase in the Wastewater Treatment Fund, pursuant to council action taken in 2003.

Projected Expenditures

- o \$2,299,333 in capital spending in the Mass Transit Fund for the City's share of a Joint Transit Facility with Fargo;
- o \$1,809,018 in scheduled capital replacements in the Vehicle, Information Technology and Radio Internal Service funds;
- o Increased operating expenditures of 3%, plus significant supplemental support for fuel and consumable costs, as well as a citywide 2% Cost of Living Adjustment (COLA) for employee wages;
- o Proposed staffing increase of 11 full-time equivalent (FTE) employees, as well as resulting capital expenditures, to address new community growth and development, including for: 3 New Firefighters, 3 Engineering Personnel, 1 Community/Neighborhood Service Specialist, 3 Forestry/Parks Personnel, and 1 Street/Park Maintenance Employee; and
- o \$1,321,054 in increased debt service for G.O. Special Assessment Bonds used to provide funding for expanding infrastructure needs (and repaid via Special Assessment collections).

Major adjustments made to the 2006 Budget following presentation of the Recommended 2006 Budget in September, include the following:

ORIGINAL 2006 PROPOSED BUDGET	\$51,605,170
<u>Staffing Changes:</u>	
Reallocate funds from reserves to wage and benefit accounts for AFSCME, Negotiating Team & Management Group	104,912
Fund Reserves	(104,912)
<u>Increase from City Manager recommendation:</u>	
Rourke Art Gallery Museum	5,000
Humane Society	1,220
Lake Agassiz Regional Library	5,281
Reduce Council Discretionary	(11,501)
<u>Park Supplemental Capital Requests</u>	
Replace Light Fixtures in Meadows Parking Lot	4,000
Unallocated	(4,000)
ADOPTED 2006 BUDGET	<u>\$51,605,170</u>

Challenges for the 2006 Budget

Preparation of the 2006 Operating and Capital Budget has been significantly impacted by a series of both ongoing and, hopefully, one-time challenges. As of publication of this 2006 Budget, many of the impacts emanating from these challenges remain projected, at best, and in some cases potentially understated if conditions continue to worsen. Among these are the following:

- ❖ **State of Minnesota Actions** – The recently completed state Legislative Session was not a good one for Minnesota cities and towns, though some individual positive outcomes were also evident (such as the continued funding of Border Cities programs). Among the key decisions that will affect the 2006 Fiscal Year:
 - **PERA Rate Increases** – The Minnesota Legislature dramatically increased employee and employer contribution rates for the Public Employees Retirement Association's (PERA) Coordinated Plan and Police and Fire Plan. Member contribution rates for Coordinated Plan employees will increase by 0.9% of salary between January 2006 and January 2008, with employer contribution rates increase a whopping 1.47% of salary, from 5.53% today to 7.0% by 2010. For Police and Fire Plan contributions, employers will see even greater increases, from 9.3% of salary today to 14.1% by 2009. This represents the single largest unfunded mandate faced by the City.
 - **Local Government Aid** – Despite a late Session adjustment of \$48 million to the State's Local Government Aid (LGA) program targeted at specific sub-recipient groups, the City of Moorhead will receive no additional LGA in 2006, beyond that already projected and assumed. In fact, the City's 2006 LGA allocation of \$8,059,765 is significantly less than its 2002 allocation of \$8,241,938, notwithstanding significant annual inflationary pressures and continued state and local limitations in accessing additional revenues through property tax increases or fee collections.
 - **Unfunded Mandates** – True to form, the 2005 Legislative Session authorized or considered a bevy of new, unfunded mandates on local governments, including new reporting requirements regarding Pay Equity, Public Employee Salaries and utilization of User or Service Fees. Additional mandates proposed but not passed this Session which are likely to resurface again in the future include those relating to environmental clean-up (water, wastewater), Enterprise Funds, property tax/truth in taxation, economic development, and levy limits.
- ❖ **Community Growth and Development** – The 2006 Operating and Capital Budget reflects the City's plans and efforts to address a continued and heightened demand for municipal services, based in large part upon significant community growth and development, as well as an evolving definition of "essential services."
 - **Geographic & Population Changes** – Successful economic development activities have resulted in the City expanding its geographic service area and its population base, most recently evidenced by annexation of approximately 1800 acres for future well-planned development and an increase of 748 persons to the City's official population (April 1st, 2003 to April 1st, 2004). With continued equally strong development activity, similar official population increases can be reasonably expected to be confirmed for 2004 and 2005.

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- **Programmatic Changes** – National economic conditions and local opportunities have converged to present additional challenges to Moorhead's normal array of municipal services. Among these are increasing interest in more urbanization (via rezoning and more dense developments), increases in new construction and rental housing activity (and resulting permitting/registration, inspections, compliance issues, etc.), and greater need for infrastructure expansion and maintenance. Interest also remains high in increasing the City's role in the re-definition and provision of affordable housing, addressing private property maintenance and upkeep issues and disputes, and establishing local standards for wages and access to public funds and programs.
 - **Demographic Changes** – As Moorhead continues to grow and develop, its per capita income, job creation, and tax base continues to rise concomitantly. However, remaining and resulting challenges exist for certain members of our community not directly experiencing or participating in these improvements; thereby dictating a periodic re-evaluation of available and/or desirable municipal responses and activities. Among the communities experiencing significant challenges are the elderly (especially those on fixed incomes), youth in general and younger, economically disadvantaged youth, in particular, and certain distressed populations once served by State and Federal programs that no longer exist or are no longer receiving needed levels of financial or programmatic support.
- ❖ **Employee Salary and Compensation** – Good faith negotiations continue with the City's six bargaining and negotiating units regarding Labor Agreements for 2006 and beyond. In addition to discussions regarding across-the-board COLAs, interest continues in addressing exploding health care costs and in establishing a means by which City employees can receive additional compensatory remuneration relative to their public sector counterparts, as identified in the recent employee-driven Classification and Compensation Study, for continued satisfactory performance. For the purposes of the 2006 Budget, a 2% economic package is projected to address adjustments for cost of living. No resources are budgeted for continued diversion of 0.5% of employee salaries to cover exploding health care costs. Similarly, no resources are budgeted for citywide implementation of a new employee Compensation system, leaving this objective for continued discussions and hopeful inclusion in future annual budgets.
- ❖ **Health Care Costs** – The City's employee-driven, three-year effort to not only contain health care costs, but also improve overall coverage, has met with relative success. While some diminishing coverage changes have occurred, the City has been able to increase its support for family and single+1 options while not depleting its innovative "health care reserve fund." However, a recently announced 16% premium increase for 2006 will force significant changes to the City's health care plan and likely eradicate this reserve fund.
- ❖ **Fuel & Other Consumable Costs** – Finally, recent exponential growth in fuel costs and likely resulting cost increases on all consumables remains the greatest unknown for the 2006 budgeting process. While these costs do show some signs of stabilizing for the short-term, few indications exist that these costs will either return to previous levels or not continue to rise over the mid- to long-term. As such, it is likely that, despite budgeting for significantly additional increases in fuel expenditures in 2006, the City may have to address these concerns through periodic budget reviews and adjustments.

2006 Staffing

Primary to the 2006 budget is to provide staffing in those areas that have a high priority for maintaining the ongoing functions of the City and to begin addressing the needs of a growing and expanding community. The goal is to accomplish this while keeping the tax rate increase for the City at a minimum. The following staffing changes have been incorporated into the 2006 budget:

- Three new Firefighters, to be hired under the auspices of the Federal Government's Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program. Similar to the Community Oriented Policing (COPs) grants of the 1980's and 1990's, the SAFER grant program is designed to address needed increases in firefighters to accomplish evolving missions, including Hazardous Materials (HAZMAT), Homeland Security, Emergency Preparedness, and Disaster Relief;
- One additional Operations Employee for increases in street and parks maintenance, and reconfiguration of current part-time and seasonal employees to three full-time employees, thereby allowing for additional Forestry and Street Maintenance operations. Of note: These changes assume completion of a new Labor Agreement with American Federation of State, County and Municipal Employees (AFSCME) regarding transition of the part-time and seasonal employees to full-time status;
- One additional Neighborhood Services Specialist to address increased property maintenance and rental registration responsibilities. Of note: This position is to be funded through an increase in rental registration fees;
- Three additional Engineering employees, all funded via additional Engineering Revenues, to better manage and address anticipated economic development activities in 2006 and beyond; and
- Replacement of several key Police Department employees due to retirements, including the Chief and Deputy Chief of Police.

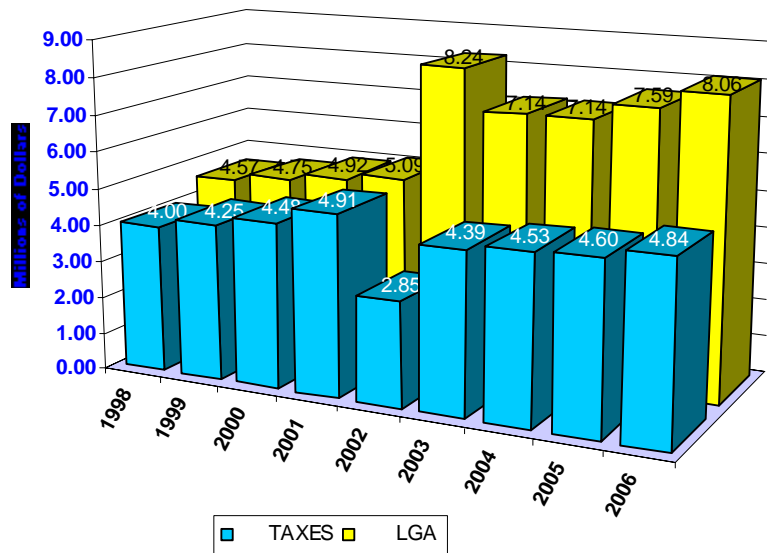
The 2006 Budget includes a proposal to add 11 FTE's to the City. Not reflected in this increase, however, are several offsetting reductions in part-time and seasonal employees (which do not count toward the City's FTE calculation). Even when only evaluating the City's FTE total, it should be noted that the 2006 FTE staffing of 240.525 remains less than that of 2001 through 2003 (244.88, 253.51 and 241.51 FTEs respectively).

Tax Levy and Local Government Aid

The proposed City Tax Levy to support the 2006 Budget is \$4,835,500, an increase of \$233,567 (5.0754%) over 2005 but below the Truth-In-Taxation maximum allowable levy increase of 5.0776%. The State of Minnesota's Department of Revenue has certified the LGA for the City of Moorhead in the amount of \$8,059,765. This is an increase of \$474,200 (6.25%) over last year.

The City's Economic Development Authority (EDA) has a 2006 Budget of \$205,000, a \$65,000 increase over 2005 to be wholly funded via an increase in the EDA property tax levy. As a separate taxing jurisdiction, State Statutes authorize the EDA to levy taxes under their Housing & Redevelopment Authority powers, but requires City consent by resolution. Proceeds of the EDA levy will continue to be used to fund marketing and enhanced economic development activities, especially through the efforts of the Greater Fargo-Moorhead Economic Development Corporation (GFMEDC).

The following table and graphic summarize Local Government Aid and Property Tax Levies for payable years 1998 thru 2006.



	<u>1998</u> *	<u>1999</u> *	<u>2000</u> *	<u>2001</u>	<u>2002</u> *	<u>2003</u> *	<u>2004</u> *	<u>2005</u>	<u>2006</u>
TAXES	4,001,051	4,247,025	4,476,359	4,914,371	2,847,112	4,391,017	4,533,350	4,601,933	4,835,500
LGA	4,569,100	4,745,176	4,916,955	5,087,570	8,241,938	7,140,044	7,140,044	7,585,565	8,059,765
TOTAL	<u>8,570,151</u>	<u>8,992,201</u>	<u>9,393,314</u>	<u>10,001,941</u>	<u>11,089,050</u>	<u>11,531,061</u>	<u>11,673,394</u>	<u>12,187,498</u>	<u>12,895,265</u>
\$ Change		422,050	401,113	608,627	1,087,109	442,011	142,333	514,104	707,767
% Change		4.92%	4.46%	6.48%	10.87%	3.99%	1.23%	4.40%	5.81%

* Years in which the State legislature imposed levy limits.

In 2003, the City received special legislation from the State of Minnesota to levy taxes on 3a & 3b property classifications to compensate for the loss of tax increments that resulted from new legislation restructuring the property classification rates. This levy is dedicated to the retirement of debt within tax increment districts and expires in 2011. In 2006, the 3a & 3b levy is \$1,058,700.

Property Tax Rate

The 2005 taxable market value for the City reported by the Clay County Auditor is \$1,424,971,500. Using the State's property classification rates, the market value is converted to a tax capacity, which amounts to \$16,308,007. For purposes of projecting the payable 2006 property tax rate, existing market values are estimated to increase about 8% in 2005, resulting in approximately \$2,000,000 in additional tax capacity along with a relatively conservative estimate of \$720,000 for tax capacity generated from new construction.

Based upon these assumptions, the projected tax rate for taxes payable in 2006 is estimated to be 27.110%, a rate increase of 1.015% over last year's rate of 26.095%. The amount levied to individual property owners is calculated by taking the tax capacity of the property times the tax extension rate, which is determined by dividing the annual tax levy by the total City tax capacity. For example, a residential property with a market value of \$100,000, times the classification rate of 1%, equals \$1,000 in tax capacity. The tax capacity times the tax rate of 27.110% results in a gross tax of \$271, which is further reduced by Market Value Homestead Credit to a net tax of \$213.

The table below compares the City's annual net property taxes for various residential properties payable 2005 and 2006.

Market Value	2005 Net Tax	Estimated Net 2006 Tax	Increase
\$ 100,000	\$ 205	\$ 213	\$ 8
\$ 120,000	\$ 260	\$ 271	\$ 11
\$ 130,000	\$ 288	\$ 300	\$ 12
\$ 150,000	\$ 344	\$ 358	\$ 14
\$ 175,000	\$ 415	\$ 430	\$ 15
\$ 200,000	\$ 484	\$ 502	\$ 18

Based upon these calculations, property tax rates for the past three years, as well as the estimated 2006 rate, are as follows:

Year	Tax Rate
2003	29.805%
2004	28.731%
2005	26.095%
2006	27.110%

City's Bond Rating

Moody's Investors Service upgraded Moorhead's credit rating from "A3" to "A2" in 2004, stating that the "A2" rating reflects the City's stable economy and growing tax base; healthy financial operations characterized by conservative management and healthy fund balances. The high debt burden is reflecting growth-related capital needs for the City, as well as overlapping jurisdictions.

The table below depicts the annual debt service to maturity for all current outstanding bonds and notes.

DEBT TO MATURITY

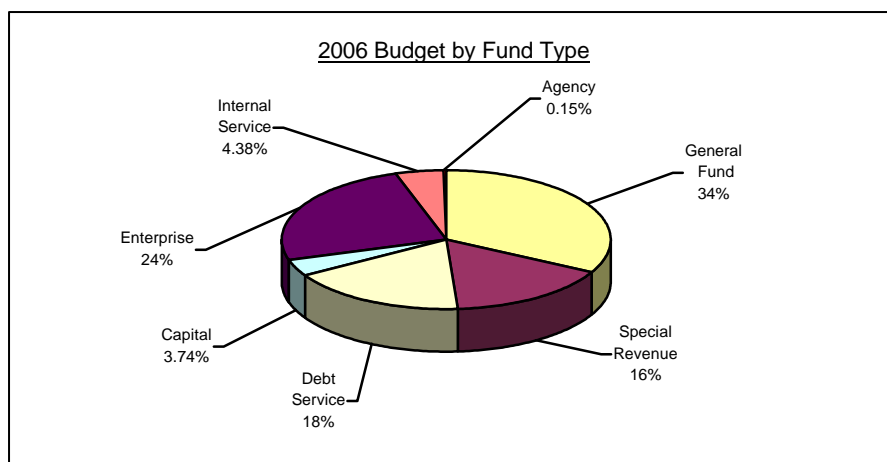
Year ended December 31	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	4,947,225	4,831,075	9,778,300
2007	5,118,590	4,606,763	9,725,353
2008	7,424,741	4,679,736	12,104,477
2009	7,206,320	4,416,612	11,622,932
2010	5,775,134	3,894,470	9,669,604
2011-2015	26,759,432	15,914,228	42,673,660
2016-2020	23,079,524	10,590,228	33,669,752
2021-2025	21,732,000	5,756,314	27,488,314
2026-2030	12,145,000	1,547,678	13,692,678
2031-2033	1,695,000	122,000	1,817,000
	<u>\$ 115,882,966</u>	<u>\$ 56,359,104</u>	<u>\$ 172,242,070</u>

2006 Total Budget

The City of Moorhead budgets activity in Governmental Funds (i.e. General, Special Revenue, Debt Service, Capital Projects), self-supporting Enterprise Funds, Internal Service Funds and Agency Funds. The City's total budget for all funds for 2006 is \$51,605,170, an increase of \$7,424,176 (16.804%) over 2005.

A comparison of the 2006 and 2005 budgets by fund type for the City of Moorhead is as follows:

Fund Type	2005	2006	% Chg
General Fund	15,381,303	16,898,980	9.867%
Special Revenue	5,174,989	8,266,928	59.748%
Debt Service	8,227,402	9,130,684	10.979%
Capital Project	1,593,500	1,927,783	20.978%
Enterprise	11,821,466	12,852,172	8.719%
Internal Service	1,912,074	2,449,578	28.111%
Agency	70,260	79,045	12.504%
Total	44,180,994	51,605,170	16.804%



General Fund

The General Fund is the general operating fund of the City. It is used to account for financial resources except those required to be accounted for in another fund. The General Fund budget of \$16,898,980 is an increase of \$1,517,677 over the previous year. Increases in wages & benefits in the amount of \$677,300 and operating supplies & other charges totaling \$808,510 account for 44% and 53%, respectively, of the overall increase.

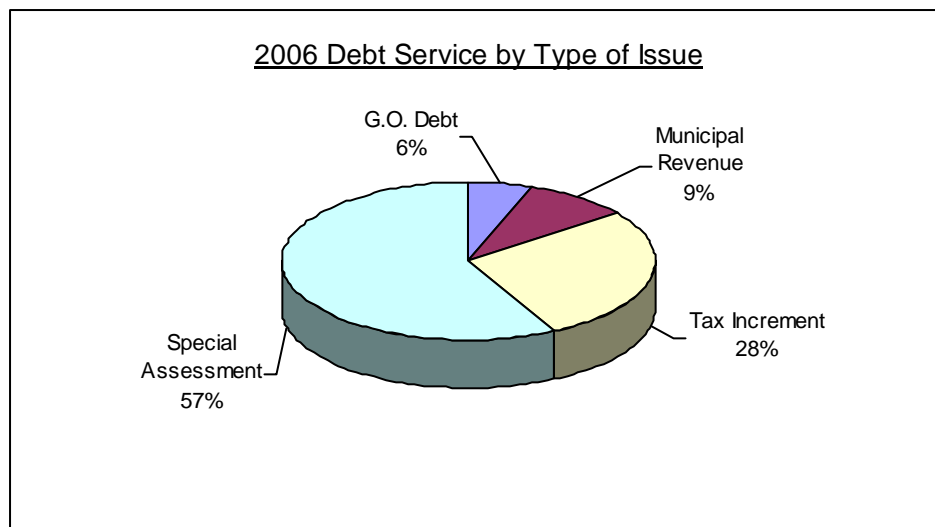
Special Revenue Funds

Special Revenue Funds are used to account for specific revenue sources that are legally restricted to expenditures for particular purposes. The City has nine Special Revenue funds with a combined budget for 2006 of \$8,266,928 a \$3,091,939 increase over the previous year. The increase is primary accounted for in the Mass Transit Fund, \$2,299,333, which is the amount of the City's participation in funding for a joint Mass Transit Facility with the City of Fargo, ND.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources and for the payment of long-term debt principal, interest, and related costs excluding debt retirement provided within the enterprise funds. In 2006, \$7,305,403 is budgeted for the retirement of bond principal and interest, which is an increase of \$1,312,674 over 2005. Debt requirements for special assessment bonding increased \$1,321,054 over last year. The increasing debt service cost over the past couple of years is primarily due to infrastructure construction to provide services to new developments within the City of Moorhead. Below is a comparison of 2005 and 2006 annual principal and interest requirements.

Type of Issue	2005	2006	Increase (Decrease)
G.O. Debt	\$390,822	\$386,450	\$(4,372)
G.O. Municipal Revenue	\$683,336	\$669,000	\$(14,336)
G.O. Tax Increment	\$2,024,319	\$2,034,647	\$10,328
G.O. Special Assessment	\$2,894,252	\$4,215,306	\$1,321,054
Total	\$5,992,729	\$7,305,403	\$1,312,674



Capital Project Funds

Within the Capital Projects funds, 2006 expenditures are budgeted at \$1,927,783, an increase of \$337,783 over 2005. The City's share of the Joint Fargo-Moorhead Mass Transit Facility is \$478,667, of which \$233,333 is from capital improvement fund reserves. Also included is \$165,000 to purchase election equipment needed to comply with the Help America Vote Act of 2002. An itemized list of all projects budgeted for 2006 may be found on page 41.

The five-year Capital Improvement Plan, which is part of this document, identifies future projects for the City that may be financed with either City funds or alternative financing such as bonding. A detailed description of each project may be viewed in the Capital Project Fund section of this document found on page 43.

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. A fee increase of \$.50 per round to fund maintenance costs has been included in the Village Green and Meadows golf courses, which will generate approximately \$15,000 at each course.

The Sanitation Fund has increased the fee for solid waste collection beginning in 2006 due to increased County dumping charges. The fee increase includes \$.50 on residential rates, \$1.20 for apartments, and \$5.00 on commercial container rents. The combined increases will generate approximately \$145,000, which will offset the County charges.

The 2006 Forestry budget includes a rate increased of \$.50, which is expected to generate approximately \$78,000. The funds will be used to add 3 additional employees to increase efforts to control the spread of Dutch Elm disease.

Internal Service Funds

The Internal Service Funds are used to account for the financing of services to departments or agencies of the City on a cost reimbursement basis for Computers, Radios, and Vehicles. These budgets fluctuate from year-to-year because of the various useful lives assigned to the equipment.

Included in the Radio Fund is \$265,000 to fund the scheduled replacement of Mobile Data Computers for the Police and Fire Departments and \$165,000 other communication system replacements. Major scheduled replacements in the Vehicle Fund for 2006 include three snowplow trucks for \$100,000 each, two sanitation transport trailers for \$80,000 each, and two street sweepers for \$120,000 each. The Computer fund has \$100,000 budgeted for the scheduled upgrade of the computer network system.

Agency Funds

Agency Funds are comprised of the Moorhead Community Access Television (MCAT) and Armory funds. The MCAT 2006 operating budget reflects a 3% increase over the previous year. This increase is primarily due to increased costs for contract services, travel, and equipment purchases. The Armory Fund accounts for the collection of taxes for the debt payments on the Armory facility made on behalf of the State of Minnesota. This is a level payment of \$25,000 per year with the final payment due in 2008.

In conclusion, I would like to express a sincere thank you to the Mayor and City Council for its continued strong, positive leadership, direction and support. Truly very few communities reflect as well as Moorhead the spirit, effectiveness and optimism of a healthy, vibrant local representative democracy. I also wish to thank the staff of the City of Moorhead for their continued and tireless dedication and hard work in providing an excellent level of service to our residents and businesses.

Respectfully Submitted,



City Manager

Mission Statement

To provide the Citizens of Moorhead with an ethical and representative local government structure, which ensures the Community’s public safety, health, quality of life, and general welfare in a manner that is both accountable and meaningful to current and future generations.

Goals and Objectives

The City of Moorhead espouses to advance, through implementation of the 2006 Operating and Capital Budget, the following six community and organizational goals:

Advance Public Safety

Increase Housing Availability

Improve Transportation & Infrastructure

Enhance Community Vitality

Promote Economic Development

Foster Good Government

The information contained below is a listing of these Goals and an outline of the specific objectives of the City of Moorhead for the 2006 fiscal and calendar year.

GOALS & OBJECTIVES	PERFORMANCE CRITERIA
Public Safety	
Develop/Pursue Radio Interoperability	<ul style="list-style-type: none"> • Implement recently-approved <i>Interoperability Strategy</i> • Manage and expend \$200,000 Federal grant for interoperable radio communications equipment • Coordinate activities with key regional partners (Fargo, Cass & Clay counties)
Respond to Unbiased Policing Challenges	<ul style="list-style-type: none"> • Undertake analysis of 2005 traffic stop data • Implement indicated policy change and related training initiatives • Meet with Latino and Native American communities
Improve Fire Service through use of new technology	<ul style="list-style-type: none"> • Add Geographic Information System mapping on Mobile Data Computers • Add Tablet field PC's to new fire apparatus • Utilize Tablet PC's for field data entry and computerized inspections
Incorporate New Missions into Fire Department	<ul style="list-style-type: none"> • Work with Neighborhood Services Division to implement new code enforcement protocols • Implement new Rental Housing Code for 16+ unit structures
Management/Supervision Reorganization	<ul style="list-style-type: none"> • Develop and implement succession plan for Police Department • Work with New Police Chief on strategic reorganization
Methamphetamine (METH) Investigations	<ul style="list-style-type: none"> • Prosecute all feasible methamphetamine cases
Animal Control Ordinance	<ul style="list-style-type: none"> • Update Animal Control Ordinance and licensing procedures
Fire Strategic Planning	<ul style="list-style-type: none"> • Complete strategic planning process and devise implementation strategy for Council/community review
Community Vitality	
Develop/Pursue Entry & Corridor Signage & Beautification Plan	<ul style="list-style-type: none"> • Construct two additional Entry Signs • Construct/Replace three neighborhood park equipment sets • Investigate possible creation of Parks Foundation • Support Beautification Task Force and Adopt-A-Park efforts • Continue in 2006 City adoption of I-94 segment
Construction of Rail-related Pedestrian and Bicycle Safety Improvements	<ul style="list-style-type: none"> • Construct Railroad Fencing along both track lines from 4th St east • Develop other East-West alternatives for connecting Red River bike path to 8th Street corridor and further east

Develop Strategy to Counter Aggressive Corporate Challenges to Tax Base	<ul style="list-style-type: none"> Defend City's position in pending trials (anticipating the possibility of substantial expenses for specialized appraisal and legal counsel)
Receive and Review Metropolitan Sports Facility Framework Plan	<ul style="list-style-type: none"> Prioritize final report of the Metropolitan Sports Facility Framework Plan Continue discussions with area partners regarding potential collaboration in implementing Plan's findings Determine timeline and financing options for review by elected leadership
Rental Housing and Property Maintenance Code Enforcement	<ul style="list-style-type: none"> Implement revised Rental Registration Ordinance Hire new Neighborhood Services Specialist and fill current vacancy
Develop Block Clubs and Neighborhood/Business Associations	<ul style="list-style-type: none"> Solicit local business to sponsor block club efforts Attain 80% neighborhood participation for National Night Out Continue Community Policing program Establish one new block club (and maintain existing block clubs)
Transportation & Infrastructure	
Implement Rail-related Vehicular Safety Improvements	<ul style="list-style-type: none"> Finalize Construction & Maintenance agreement with Burlington Northern Santa Fe Railroad Complete MN Department of Transportation funding agreements Complete Documentation for Federal Rail Administration Construct Supplementary Safety Measures and complete <i>Rail Quiet Zone</i> by 12/06
Implement Wastewater Planning & Infrastructure Improvements	<ul style="list-style-type: none"> Complete construction of Wastewater Treatment Plant Headworks and Main Interceptor Projects including pump upgrades at various locations Complete preliminary master plans for future sanitary sewer & storm water service areas and facility plan for wastewater treatment facility
Complete Key Road/Street Management Projects	<ul style="list-style-type: none"> Identify and implement Pavement Management System Implement Agreement with Clay County regarding County Road turn backs and County Road & Bridge funds
Undertake Key Road/Street Improvement Projects	<ul style="list-style-type: none"> Complete Preliminary Engineering and Environmental Assessment Work on 20th/21st St. Underpass Project Complete Preliminary Engineering and Environmental Assessment for Improvements to 34th Street Corridor 30th Ave South - Phase 2 (9th St to 14th St) bid letting in late 2005 and Construction in 2006 Construction of 40th Ave South - Phase 2 (20th St to Westmoor Dr) in 2006
Pursue fourth-year requirements of five-year MS4 storm water permit	<ul style="list-style-type: none"> Implement various best management practices contained in the City's Storm Water Pollution Prevent Program Ordinance implementation, enforcement and public education will receive special emphasis in 2006
Housing	
Promote New Housing Development	<ul style="list-style-type: none"> Install Infrastructure for servicing 1200 lots Review Financial Management practices for possible updating (Special Assessments, Green Acres, Parks, Letter of Credit) Hire three new Engineering personnel to manage construction activities and City projects
Improve/Promote Quality in Existing Housing	<ul style="list-style-type: none"> Evaluate issues regarding and potential solutions to rental housing conversions Continue homebuyer education programs, partnerships Provide at least one lot for Habitat for Humanity and support for at least one Building Better Neighborhoods project Implement Community Development Block Grant Annual Plan
Continue Downtown Mixed Use Redevelopment	<ul style="list-style-type: none"> Work with Developer to complete Main Ave Parking Ramp construction Work with Developer to complete Main Ave mixed-use building
Undertake Neighborhood Planning	<ul style="list-style-type: none"> Develop "Heart of the City" Neighborhood Plan

Promote Public Housing Reinvestment	<ul style="list-style-type: none"> Continue implementation of Public Housing Replacement (Riesenberg Project) and begin Phase II Planning Devise plan of action of High Rise rehabilitation/replacement
Promote Homeowner Reinvestment	<ul style="list-style-type: none"> Solicit funds to continue Neighborhood Investment Program Seek use of CDBG & Minnesota Housing Finance Agency funds
Economic Development	
Undertake Business Retention Outreach	<ul style="list-style-type: none"> Continue marketing efforts with Greater Fargo Moorhead Economic Development Corporation, Chamber of Commerce, Home Builders Assoc. and other business groups Work with City EDA to Develop more formal Ambassador role
Commercial Corridor Redevelopment	<ul style="list-style-type: none"> Undertake for 1st Ave North – Part of implementation of Comprehensive Plan update Complete Environmental testing at approx. 12 Brownfield's sites Update Sign/Billboard Regulations in lieu of moratorium
Primary Sector Business Recruitment/Expansion Efforts	<ul style="list-style-type: none"> Seek two additional JOBZ program recruitments Seek full utilization of available Development and Enterprise Zone programs
Initiate West 4 th Development	<ul style="list-style-type: none"> Complete demolition, remediation and sale of 4th St West block
Implement 2004 Comp. Plan / Zoning Ordinance Updates	<ul style="list-style-type: none"> Prepare draft updates for Council review and approval
Pursue Legislation for Economic Development	<ul style="list-style-type: none"> Proposed Grey Fields & Green Acres Revisions for Border Cities
Good Government	
Integrate Disparate Programs & Data	<ul style="list-style-type: none"> Implement CAMA system, training and utilization
Utilize Technology for Good Government Activities	<ul style="list-style-type: none"> Develop Strategic Knowledge Base - Corporate Intranet Develop City Wiki and BLOG for Executive Leadership Team Create and implement at least one e-commerce activity Refine & Improve Constituent Issues Tracking System
Pursue Integrated City Services Call Center/System	<ul style="list-style-type: none"> Procure Voice Over Internet Protocol Develop protocols & training of employees in coordination with Customer Service Manager
Enhance Employee Training and Support	<ul style="list-style-type: none"> Complete Labor Agreements with all six bargaining and negotiating units Implement findings from Classification/Compensation study Utilize Employee Health Care Committee to develop and prioritize recommendations for 2007 health care program Support Employee training and advancement opportunities
Improve City Records Automation & Tracking	<ul style="list-style-type: none"> Conduct training on Laserfiche system and begin electronic record keeping for active and historical records
Enhance Strategic Partnerships	<ul style="list-style-type: none"> Initiate construction of Joint Maintenance Facility for Transit Participate in Metropolitan Council of Governments (MetroCOG) (Metropolitan Planning Organization) efforts regarding Water & Housing Continue discussions with Clay County, Dilworth and others regarding related service needs and cooperative opportunities

Fund Accounting

For financial reporting purposes, the accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses. The only fund categorized as a major fund is the General Fund. The budgeted funds of the City are grouped into three fund categories as follows:

Governmental Funds - Governmental Funds are used to account for the “governmental-type” activities of the City. The Governmental Funds budgeted by the City are the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

Proprietary Funds - Proprietary Funds are used to account for the “business-type” activities of the City (i.e. activities that receive a significant portion of their funding through user charges). The Proprietary Funds budgeted by the City are the Enterprise Funds and Internal Service Funds. The control, management and operations of the electric and water utility are under the jurisdiction of the Public Service Commission and therefore these Enterprise Funds are not included in the City Budget.

Agency Funds – Agency Funds are used to account for the assets held by the City as a trustee or agent for private organizations or other governments. The Agency Funds budgeted by the City are the Armory Fund and the Moorhead Community Access Television which are budgeted for record keeping purposes only.

Basis of Accounting and Budgeting

All funds are budgeted on a modified accrual basis. Under this method, revenues are recognized when they are measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recognized when a transaction is expected to draw upon current spendable resources, rather than future resources.

The basis of accounting is the same as the basis of budgeting for all governmental funds. In the Proprietary Funds, the basis of budgeting is modified accrual whereas the basis for financial reporting is accrual, resulting in the following differences:

- Depreciation is not included as an expenditure in the operating budget, but is reflected in the financial report.
- Bond principal is included in the budget as an expenditure, whereas, it is reflected in the financial report as a reduction in long term liabilities.
- Capital outlay is also included in the budget as an expenditure, and is an addition to fixed assets on the financial report.

Financial Policies

The City follows City Charter and Policy guidelines in the financial operations of the City of Moorhead.

Operating Budget

- Appropriated expenditures may not exceed the estimated revenues and reserves available to fund such expenditures.
- The level which expenditures may not legally exceed appropriations is at the fund level.
- The budget must show proposed expenditures for current operations.

Capital Budget

- Individual Departments outline their proposed capital expenditures and proposed method of financing
- Capital requests are submitted on a Supplemental Budget Request form and evaluated during the budget review by the City Manager
- The City Manager makes his recommendation to the Mayor and City Council during the budget presentation.
- Final approval is given by the Mayor and City Council along with final approval of the operating budget.

Accounting, Auditing and Financial Reporting

- The City will establish and maintain a high standard of accounting practices.
- The accounting system will be maintained in conformity with generally accepted accounting principles.
- Regular monthly and annual reports will present a summary of financial activity.
- An independent public accounting firm will audit the City records annually and will issue an opinion on the financial statements.

Fund Cash Reserve Requirements

- On June 30th of each year, the General Fund and Park Fund shall each have a cash reserve of 40% of the current year's budget.
- The enterprise funds shall have a 25% cash reserve as of that same date each year.
- In the event such cash reserve is below the required amount, the following year's budget of each such fund shall contain provisions to eliminate the cash reserve deficit.

Investment Policy

- The Investment policy establishes specific guidelines the City will use in the investment of City funds.
- Investment of City funds will be made in a manner that will provide a market-average rate of return while preserving and protecting the capital of the overall portfolio while meeting the daily cash flow demands of the entity and conforming to all State and local statutes governing the investment of public funds.

Long-Term Debt

- The City will confine long-term borrowing to capital improvements or projects that cannot be financed with current revenues.
- When issuing bonds for capital projects, the payback period will not exceed the estimated useful life of the project
- The City will strive to keep the maturity of general obligation bonds to not more than 30 years.
- Whenever possible, the City will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.
- The City will not use long-term debt for current operations.
- The City will maintain good communications with bond rating agencies regarding its financial condition and follow a policy of full disclosure on every financial report and borrowing prospectus.

Revenue Estimation

Revenue estimation is a key component in preparing the City's annual budget. The general intent is to make conservative and objective projections. The City's approach to estimating revenues is to consider each individual revenue source's history of predictability, stability or volatility. The estimation methods used are a combination of trend analysis and forecasting from department heads.

Budget Procedure

The annual budget of the City of Moorhead is prepared in accordance with Chapter 7 (Taxation and Finance) of the City Charter. In addition, Minnesota Statutes mandate a "Truth in Taxation" program for local governments. This process requires local governments to give notice to each property owner regarding their intention on budgets and levies. Each taxing jurisdiction is required to hold a public hearing prior to the adoption of its budget and tax levy. City's are exempt from Truth in Taxation requirements if there is only a nominal increase in the tax levy as determined by a rate set by the state.

The Office of the City Manager and Finance Department are responsible for the development of the annual budget. The city adopts a balanced budget so that the appropriated expenditures do not exceed the estimated revenues and reserves available from prior years. As the budget calendar details, the budget process begins in early April with the distribution of budget request forms to all departments. All departments are responsible for compiling budget figures, which are then reviewed and adjusted by the City Manager during a series of interdepartmental meetings. The budget is reviewed by the City Council beginning in August with final adoption prior to the end of December.

Amending the Budget

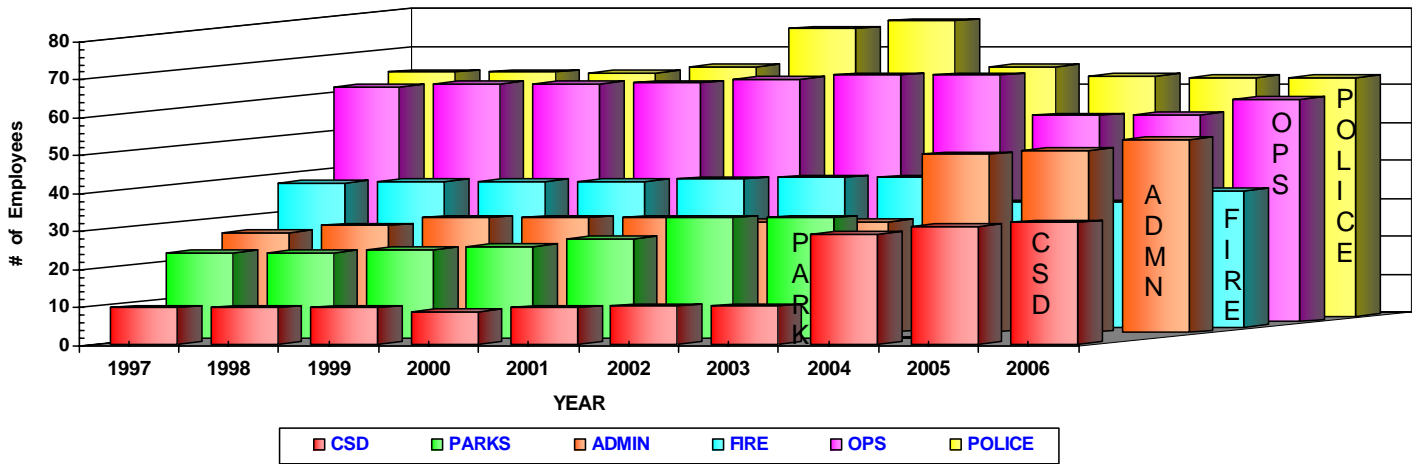
Generally, department heads can make amendments from one expenditure line item to another line item within their department budgets by submitting a completed budget adjustment form to the finance department for approval by the Finance Director. All other shifts from one department budget to another, from one fund to another, reallocating of funds for the purchase of capital outlay, and all unbudgeted expenditures must have approval of the City Council by resolution.

Budget Calendar

The City adheres to the following schedule in establishing budgetary data presented in the budget document in order to comply with State and Charter requirements.

<u>Time Frame</u>	<u>Responsibility</u>	<u>Action</u>
April - May	Finance Department	Budget Forms distributed to Departments.
June	All Department Directors	Department Budget Preparation
July	City Manager All Department Directors	City Manager Departmental Review
August – Sept 1 st	City Manager	Council reviews budget at Committee of Whole meetings and provides input and adjustments. The City Manager submits Proposed Budget to the City Council by Sept 1 st .
On or Before Sept 15 th	City Council	Adopt Proposed Budget, Tax Levy and sets Truth-in-Taxation hearing dates.
October - November	City Manager Finance Department	Prepare budget presentation for Truth-in-Taxation hearings, if required.
Dec 5th & Dec 12th	City Manager City Council	Hold Truth-in-Taxation hearings, if required.
Prior to December 29 th	City Council	Adopt Final Budget and Tax Levy.
Within 90 days after adoption of final budget	City Manager Finance Department	Complete Comprehensive Budget book for submission to GFOA for Distinguished Budget Award.

10-YEAR STAFFING LEVEL HISTORY
(FULL TIME EQUIVALENTS)



DEPT	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
CSD	9.50	9.50	9.50	8.50	9.50	10.00	10.00	29.08	31.08	32.08
PARK	22.50	22.50	23.50	24.25	26.25	31.83	31.83	0.00	0.00	0.00
ADMIN	26.50	28.25	30.38	30.38	30.38	29.38	29.38	47.00	48.00	51.00
FIRE	38.00	38.50	38.50	38.50	39.00	39.50	39.50	33.00	33.00	36.00
OPS	62.00	62.75	62.75	63.00	64.00	65.00	65.00	54.38	54.63	58.63
POLICE	64.25	64.25	64.00	65.75	75.75	77.80	65.80	63.32	62.82	62.82
	222.75	225.75	228.63	230.38	244.88	253.51	241.51	226.78	229.53	240.53

In 2004, the Park Department divisions were reassigned to the Community Services Department (CSD) and the Operations Department (OPS). The Park Recreation division is now a part of CSD and the Park Maintenance functions were assigned to OPS. The following are descriptions of changes in levels of staffing or reorganizations planned for the 2006 budget year by department:

Administration Department:

- Added one full time Civil Engineering
- Added two full time Engineering Technicians
- Reduction of one full time Engineering Inspector
- Added one full time Wastewater Maintenance Mechanic

Fire Department:

- Added three full time Fire Fighters

Community Service Department (CSD):

- Added one full time Neighborhood Service Specialist

Operations Department (OPS):

- Added three full time Park Technicians
- Added one full time Truck Driver

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>CITY WIDE ADMINISTRATION</u>			
<u>City Manager</u>			
City Manager	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00
Executive Secretary/Deputy City Clerk	1.00	1.00	1.00
Data Manager		1.00	1.00
Customer Service Supervisor		1.00	1.00
<u>City Clerk</u>			
City Clerk	1.00	1.00	1.00
Office Specialist	2.00	1.00	1.00
<u>Finance</u>			
Finance Director	1.00	1.00	1.00
Accountant	2.00	2.00	2.00
Accounting Assistant	1.00	1.00	1.00
Accounts Payable Specialist	1.00	1.00	1.00
<u>Human Resources</u>			
Human Resource Director	1.00	1.00	1.00
Human Resource Technician	1.00	1.00	1.00
Payroll Technician	1.00	1.00	1.00
<u>Information Technology</u>			
Information Technology Director	1.00	1.00	1.00
Information Technology Specialist	3.00	3.00	3.00
<u>Engineering</u>			
Director of Public Works			
City Engineer	1.00	1.00	1.00
Assistant City Engineer	1.00	1.00	1.00
Assistant to the City Engineer	1.00	1.00	1.00
Civil Engineering I	1.00	1.00	2.00
Senior Engineering Technician	2.00	2.00	2.00
Engineering Technician	1.00	1.00	3.00
Engineering Inspector	3.00	3.00	2.00
Office Specialist	2.00	2.00	2.00

(Continued)

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>Wastewater Treatment</u>			
Environmental and Regulatory Compliance Director	1.00	1.00	1.00
Process Instrumentation Manager	1.00	1.00	1.00
Process Instrumentation Technician	1.00	1.00	1.00
Civil Engineer I	1.00	1.00	1.00
Maintenance Assistant	4.00	4.00	4.00
Maintenance Mechanic/Foreman	1.00	1.00	1.00
Maintenance Mech/Utility Permit Coord.	1.00	1.00	1.00
Maintenance Mechanic	2.00	2.00	3.00
Facility Operator	2.00	2.00	2.00
Bio Solids Recycle Operator	1.00	1.00	1.00
Office Specialist	1.00	1.00	1.00
Technical Office Specialist	1.00	1.00	1.00
DEPARTMENT TOTAL	<u>47.00</u>	<u>48.00</u>	<u>51.00</u>
<u>COMMUNITY SERVICES DEPARTMENT</u>			
Director of Community Services	1.00	1.00	1.00
<u>Development Services</u>			
Development Services Manager	1.00	1.00	1.00
<u>Building Codes</u>			
Building Official	1.00	1.00	1.00
Building Official - Limited	1.00	1.00	1.00
Building Inspector	1.00	1.00	1.00
Plumbing/Mechanical/Building Inspector	0.50	0.50	0.50
Office Specialist	1.00	1.00	1.00
<u>Planning/Zoning</u>			
Planning & Zoning Administrator	1.00	1.00	1.00
Associate Planner	1.00		
Office Specialist	1.00	1.00	1.00
<u>Assessing/Advisory Services</u>			
City Assessor			
Assistant City Assessor	1.00	2.00	2.00
Office Specialist	1.00	1.00	1.00
<u>Business Services</u>			
Business Development Specialist	1.00	1.00	1.00
Office Specialist	1.00	1.00	1.00
<u>Neighborhood Services</u>			
Neighborhood Service Coordinator		1.00	1.00
Community Development Planner	1.00	1.00	1.00
Technical Office Specialist	1.00	1.00	1.00
Rehab Building Inspector	1.00	1.00	1.00
Neighborhood Services Specialist			1.00

(Continued)

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>Parks and Recreation Services</u>			
Parks and Recreation Services Manager	1.00	1.00	1.00
<u>Recreation Programs</u>			
Golf Course Pro	1.58	1.58	1.58
Recreation Program Supervisor	1.00	2.00	2.00
Volunteer and Promotional Services Coord.	1.00	1.00	1.00
Senior Program Coordinator	1.00	1.00	1.00
<u>Recreation Facilities</u>			
Recreation Facility Specialist	1.00	1.00	1.00
Assistant Recreation Facility Specialist	2.00	2.00	2.00
Custodian	2.00	2.00	2.00
Office Specialist	1.00	1.00	1.00
<u>Mass Transit</u>			
Transit Manager	1.00	1.00	1.00
DEPARTMENT TOTAL	<u>29.08</u>	<u>31.08</u>	<u>32.08</u>
<u>FIRE DEPARTMENT</u>			
Fire Chief	1.00	1.00	1.00
Confidential Office Specialist	1.00	1.00	1.00
<u>Suppression</u>			
Assistant Fire Chief	3.00	3.00	3.00
Fire Lieutenant	3.00	3.00	3.00
Fire Fighter	21.00	21.00	24.00
<u>Training</u>			
Assistant Fire Chief/Training Officer	1.00	1.00	1.00
<u>Environmental Health</u>			
Environmental Health Director	1.00	1.00	1.00
Office Specialist	1.00	1.00	1.00
<u>Prevention</u>			
Assistant Fire Chief/Fire Marshall	1.00	1.00	1.00
DEPARTMENT TOTAL	<u>33.00</u>	<u>33.00</u>	<u>36.00</u>

(Continued)

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>OPERATIONS DEPARTMENT</u>			
Director of Operations	1.00	1.00	1.00
Office Specialist	2.00	2.00	2.00
<u>Parks & Forestry</u>			
Division Manager - Park Maintenance, Forestry & Golf Course	1.00	1.00	1.00
Park Technician	3.00	3.00	6.00
<u>Golf Course Maintenance</u>			
Golf Course Superintendent	2.00	2.00	2.00
Park Technician	2.00	2.00	2.00
Mechanic - Golf Course	1.75	2.00	2.00
<u>Park Maintenance</u>			
Park Technician	5.00	5.00	5.00
<u>Pest Control</u>			
Park Technician	1.00	1.00	1.00
<u>Streets & Sanitation</u>			
Division Mgr -Fleet/Street Mtce/Sanitation	1.00	1.00	1.00
<u>Fleet</u>			
Mechanic	2.00	2.00	2.00
Parts Runner	0.63	0.63	0.63
Custodian	1.00	1.00	1.00
<u>Streets</u>			
Equipment Operator	6.00	6.00	6.00
Truck Driver	5.00	5.00	6.00
Sign Maintenance	1.00	1.00	1.00
<u>Sanitation</u>			
Transfer Plant Operator	1.00	1.00	1.00
Maintenance Technician	1.00	1.00	1.00
Semi-Truck Driver	1.00	1.00	1.00
Refuse Truck Driver	10.00	10.00	10.00
Refuse Carrier	5.00	5.00	5.00
Compost Site Manager	1.00	1.00	1.00
 DEPARTMENT TOTAL	 <u>54.38</u>	 <u>54.63</u>	 <u>58.63</u>

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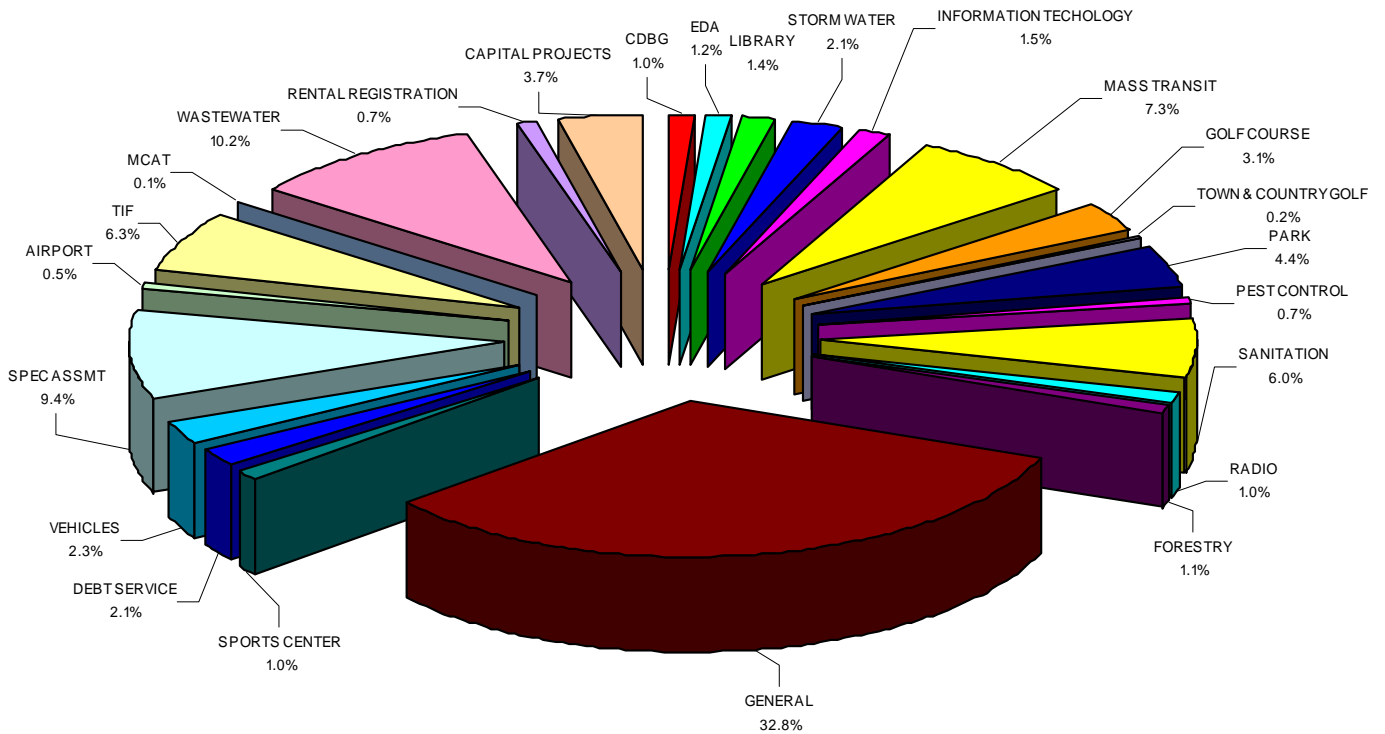
SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>POLICE DEPARTMENT</u>			
<u>Administration</u>			
Chief of Police	1.00	1.00	1.00
Deputy Chief of Police	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00
Office Specialist	8.315	7.815	7.815
<u>Community Police</u>			
Community Service Officer	3.00	2.00	2.00
Crime Prevention Coordinator	1.00	1.00	1.00
Office Specialist	1.00	1.00	1.00
Youth Service Coordinator	1.00	1.00	1.00
<u>Patrol</u>			
Police Lieutenant	3.00	3.00	3.00
Police Sergeant	7.00	7.00	7.00
Police Officer	36.00	37.00	37.00
DEPARTMENT TOTAL	<u>63.315</u>	<u>62.815</u>	<u>62.815</u>
TOTAL FULL TIME EQUIVALENTS	<u>226.775</u>	<u>229.525</u>	<u>240.525</u>

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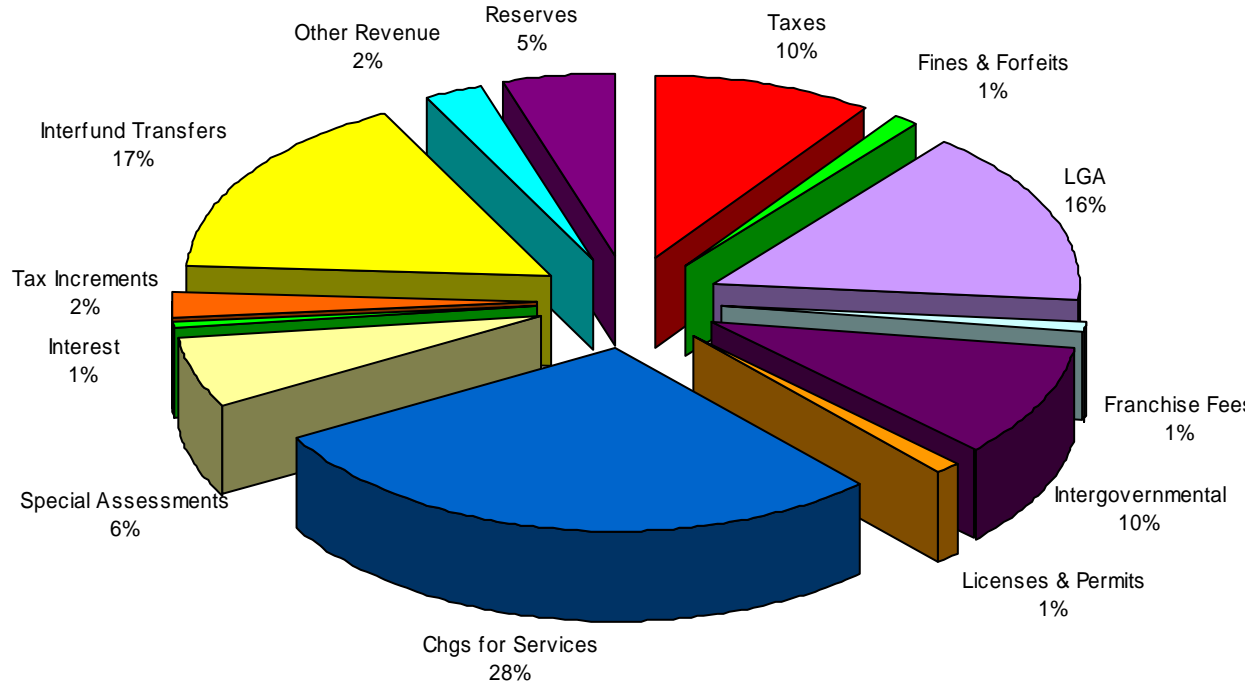
The Consolidated Budget Summary presents all City revenues and other financing sources as well as expenditures and other financing uses by major categories and fund distribution.

2006 BUDGET BY FUND



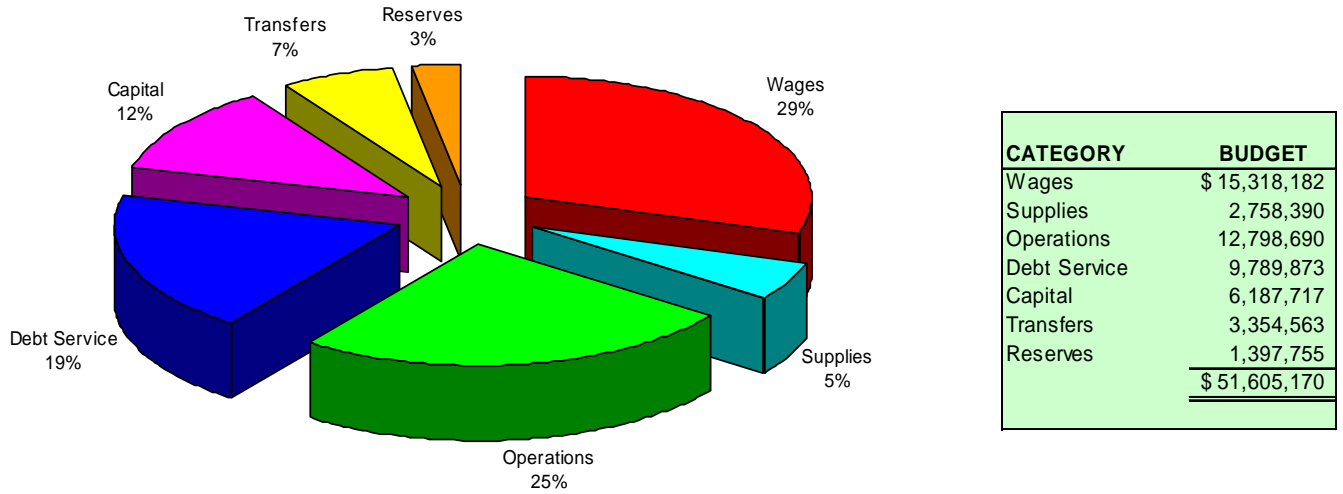
Fund	2005 Budget	2006 Budget	Increase (Decrease)
CDBG	\$ 524,236	\$ 516,658	\$ (7,578)
EDA	580,708	642,325	61,617
LIBRARY	700,508	727,658	27,150
STORM WATER	885,387	1,058,336	172,949
INFORMATION TECHNOLOGY	816,914	770,230	(46,684)
MASS TRANSIT	1,292,636	3,743,759	2,451,123
GOLF COURSE	1,534,044	1,615,231	81,187
TOWN & COUNTRY GOLF	117,300	109,300	(8,000)
PARK	2,076,901	2,266,528	189,627
PEST CONTROL	394,790	376,313	(18,477)
SANITATION	2,977,800	3,094,300	116,500
RADIO	119,160	495,160	376,000
FORESTRY	563,425	543,383	(20,042)
GENERAL	15,381,303	16,898,980	1,517,677
SPORTS CENTER	485,566	525,914	40,348
DEBT SERVICE	1,105,608	1,088,400	(17,208)
VEHICLES	976,000	1,184,188	208,188
SPEC A SSMT	3,590,587	4,831,717	1,241,130
AIRPORT	120,730	255,289	134,559
TIF	3,559,707	3,235,567	(324,140)
MCAT	45,260	54,045	8,785
WASTEWATER	4,742,424	5,274,106	531,682
RENTAL REGISTRATION		370,000	370,000
CAPITAL PROJECTS	1,590,000	1,927,783	337,783
Total	\$ 44,180,994	\$ 51,605,170	\$ 7,424,176

BUDGETED REVENUES – ALL FUNDS BY FUNDING SOURCE



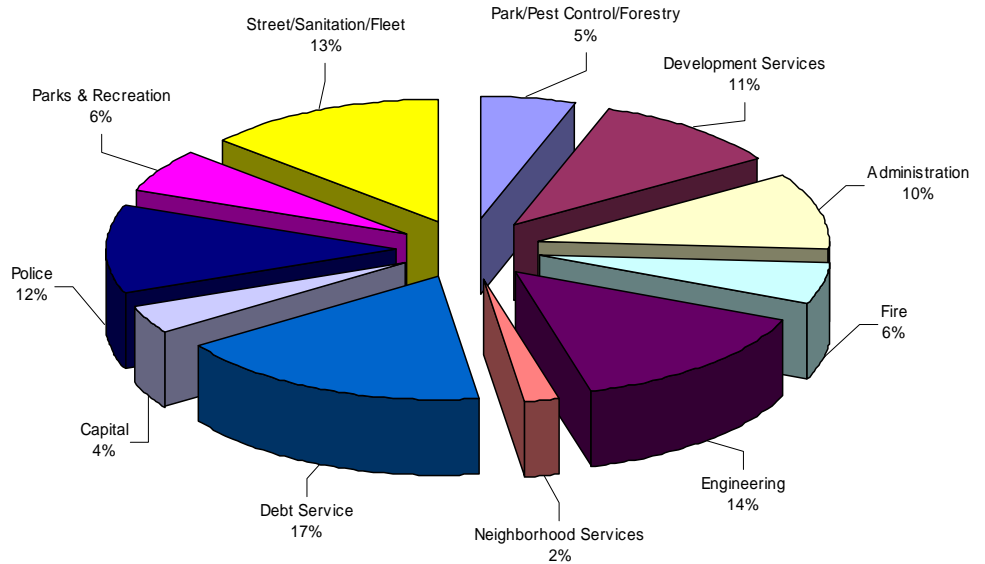
SOURCE	BUDGET
Taxes	\$ 5,040,500
Fines & Forfeits	510,500
LGA	8,059,765
Franchise Fees	506,700
Intergovernmental	5,122,072
Licenses & Permits	476,745
Chgs for Services	14,894,417
Interest	292,042
Special Assessments	3,062,910
Tax Increments	1,195,557
Interfund Transfers	8,627,608
Other Revenue	1,216,797
Reserves	2,599,557
	<u>\$51,605,170</u>

BUDGETED EXPENDITURES – ALL FUNDS BY CATEGORY



BUDGETED EXPENDITURES – ALL FUNDS BY FUNCTION

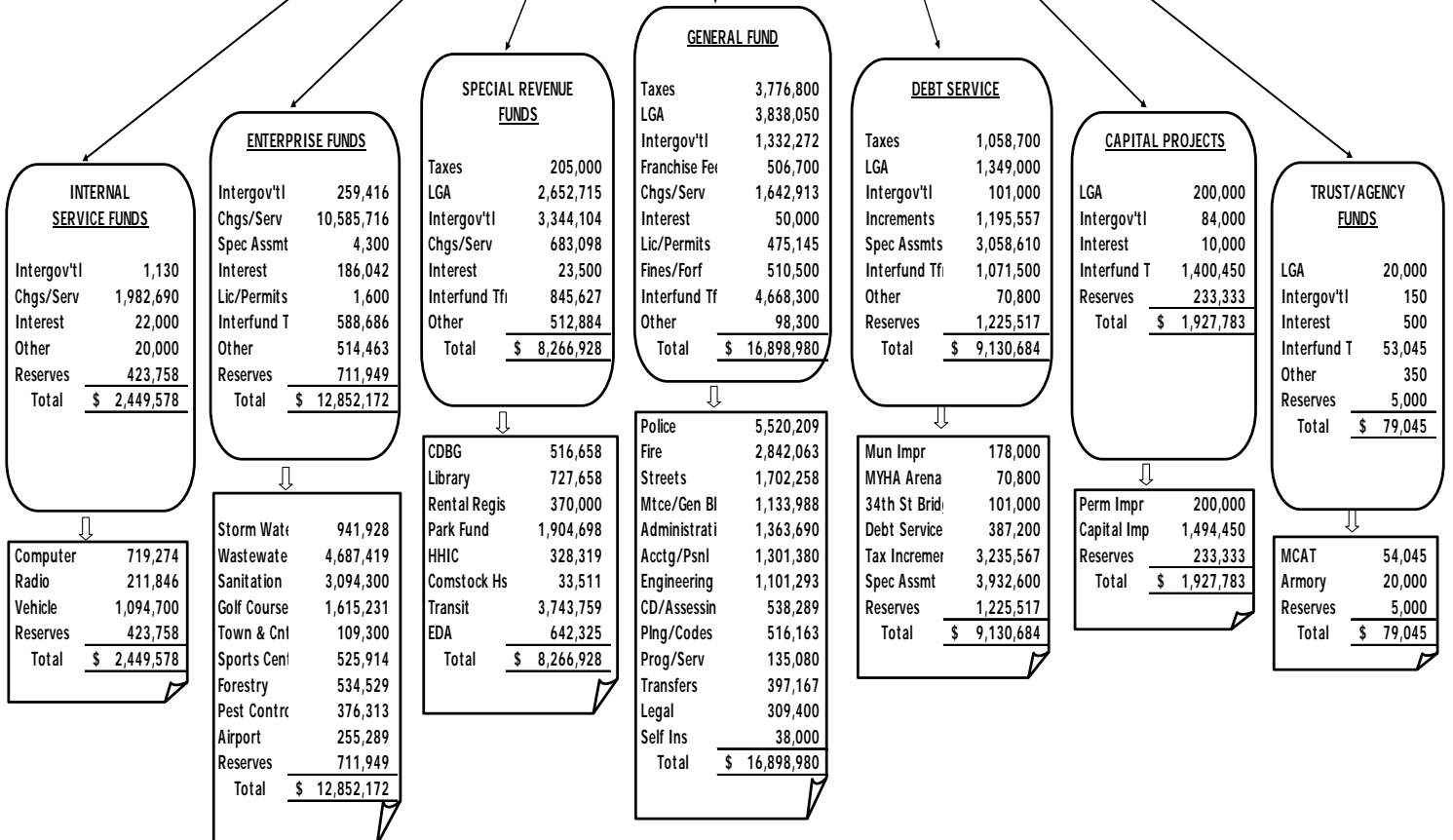
FUNCTION	BUDGET
Park/Pest Control/Forestry	\$ 2,671,811
Development Services	5,559,528
Administration	5,124,150
Fire	2,842,063
Engineering	7,433,735
Neighborhood Services	1,022,955
Debt Service	9,130,684
Capital	1,927,783
Police	6,015,369
Parks & Recreation	2,989,529
Street/Sanitation/Fleet	6,887,563
	<u>\$ 51,605,170</u>



2006 BUDGETED REVENUE - ALL FUNDS
FUNDING SOURCES AND FUND DISTRIBUTION

TAXES \$5,040,500 9.75%	INTERGOV'TL REVENUE \$5,122,072 9.93%	INTEREST \$292,042 0.57%	SPECIAL ASSESSMENTS \$3,062,910 5.94%	FINES & FORFEITS \$510,500 0.99%	INTERFUND TRANSFERS \$8,627,608 16.72%	RESERVES \$2,599,557 5.04%
LGA \$8,059,765 15.62%	CHARGES FOR SERVICES \$14,894,417 28.86%	LICENSES & PERMITS \$476,745 0.92%	TAX INCREMENTS \$1,195,557 2.32%	FRANCHISE FEES \$506,700 0.98%	OTHER REVENUE \$1,216,797 2.36%	

TOTAL SOURCES
\$51,605,170



2006 BUDGETED USES - ALL FUNDS
CATEGORY AND FUND DISTRIBUTION

WAGES & BENEFITS
\$15,318,182
29.68%

SUPPLIES
\$2,758,390
5.35%

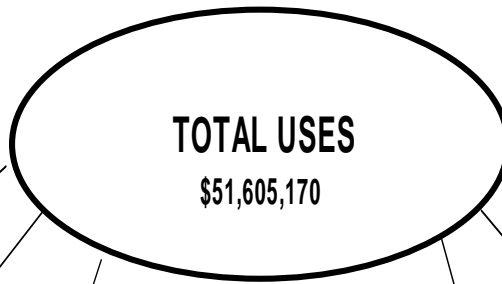
DEBT SERVICE
\$9,789,873
18.97%

CAPITAL OUTLAY
\$6,187,717
11.99%

OTHER
\$12,798,690
24.80%

INTERFUND TRANSFERS
\$3,354,563
6.50%

RESERVES
\$1,397,755
2.71%



INTERNAL SERVICE FUNDS

Wages	322,335
Supplies	38,210
Other	280,015
Capital	1,809,018
Total	\$ 2,449,578

Computer	770,230
Radio	495,160
Vehicle	1,184,188
Total	\$ 2,449,578

ENTERPRISE FUNDS

Wages	3,543,711
Supplies	787,628
Other	4,668,328
Debt	2,339,750
Capital	598,500
Transfers	873,550
Reserves	40,705
Total	\$ 12,852,172

Storm Wat	1,058,336
Wastewater	5,274,106
Sanitation	3,053,595
Golf Course	1,615,231
Town & Cnl	109,300
Sports Cen	525,914
Forestry	543,383
Pest Contr	376,313
Airport	255,289
Reserves	40,705
Total	\$ 12,852,172

SPECIAL REVENUE FUNDS

Wages	1,763,837
Supplies	454,045
Other	3,082,795
Debt	2,450
Capital	2,439,333
Transfers	301,718
Reserves	222,750
Total	\$ 8,266,928

CDBG	516,658
Library	727,658
Rental Regis	370,000
Park Fund	1,904,698
HHIC	308,319
Comstock Hs	33,511
Transit	3,743,759
EDA	439,575
Reserves	222,750
Total	\$ 8,266,928

GENERAL FUND

Wages	9,688,299
Supplies	1,475,507
Other	4,708,657
Debt	1,630
Capital	24,500
Transfers	397,167
Reserves	603,220
Total	\$ 16,898,980

Police	5,520,209
Fire	2,842,063
Streets	1,702,258
Mtce/Gen Bl	1,133,988
Administrati	1,363,690
Acctg/Psnl	1,301,380
Engineering	1,101,293
CD/Assessin	538,289
Plng/Codes	516,163
Prog/Serv	135,080
Transfers	397,167
Legal	309,400
Self Ins	38,000
Total	\$ 16,898,980

DEBT SERVICE

Other	108,100
Debt	7,421,043
Transfers	1,070,461
Reserves	531,080
Total	\$ 9,130,684

Mun Impr	178,000
MYHA Arena	70,800
Pactiv	326,400
34th St Brid	101,000
Debt Service	387,200
Tax Incremer	3,029,287
Spec Assmt	4,506,917
Reserves	531,080
Total	\$ 9,130,684

CAPITAL PROJECTS

Capital	1,216,116
Transfers	711,667
Total	\$ 1,927,783

Perm Impr	200,000
Capital Imp	1,727,783
Total	\$ 1,927,783

TRUST/AGENCY FUNDS

Supplies	3,000
Other	49,295
Debt	25,000
Capital	1,750
Total	\$ 79,045

Armory	25,000
MCAT	54,045
Total	\$ 79,045

REVENUES AND OTHER FINANCING SOURCES – ALL FUNDS

	2004 Actual	2005 Budget	2006 Budget
GOVERNMENTAL FUNDS			
General	16,405,607	15,381,303	16,898,980
Special Revenue	7,322,216	5,174,989	8,266,928
Debt Service	13,535,454	8,227,402	9,130,684
Capital Projects	26,413,868	1,593,500	1,927,783
Agency Funds	128,715	70,260	79,045
Total Governmental Funds	63,805,860	30,447,454	36,303,420
PROPRIETARY FUNDS			
<u>Enterprise</u>			
Wastewater Treatment	4,074,498	4,742,424	5,274,106
Storm Water	796,510	885,387	1,058,336
Sanitation	2,843,664	2,977,800	3,094,300
Golf Course	2,194,801	1,651,344	1,724,531
Sports Center	917,185	485,566	525,914
Pest Control	355,530	394,790	376,313
Forestry	432,840	563,425	543,383
Municipal Airport	196,048	120,730	255,289
<u>Internal Service</u>			
Vehicles & Equipment	1,110,710	976,000	1,184,188
Computer	860,752	816,914	770,230
Radio	128,314	119,160	495,160
Total Proprietary Funds	13,910,852	13,733,540	15,301,750
TOTAL ALL FUNDS	77,716,712	44,180,994	51,605,170

EXPENDITURES AND OTHER FINANCING USES – ALL FUNDS

	2004 Actual	2005 Budget	2006 Budget
GOVERNMENTAL FUNDS			
General	14,788,950	15,381,303	16,898,980
Special Revenue	7,392,928	5,174,989	8,266,928
Debt Service	7,636,288	8,227,402	9,130,684
Capital Projects	24,889,044	1,593,500	1,927,783
Agency Funds	172,367	70,260	79,045
Total Governmental Funds	<u>54,879,577</u>	<u>30,447,454</u>	<u>36,303,420</u>
PROPRIETARY FUNDS			
<u>Enterprise</u>			
Wastewater Treatment	4,708,913	4,742,424	5,274,106
Storm Water	909,314	885,387	1,058,336
Sanitation	3,502,523	2,977,800	3,094,300
Golf Course	1,489,146	1,651,344	1,724,531
Sports Center	713,564	485,566	525,914
Pest Control	237,863	394,790	376,313
Forestry	393,742	563,425	543,383
Municipal Airport	247,469	120,730	255,289
<u>Internal Service</u>			
Vehicles & Equipment	864,720	976,000	1,184,188
Computer	591,863	816,914	770,230
Radio	282,391	119,160	495,160
Total Proprietary Funds	<u>13,941,508</u>	<u>13,733,540</u>	<u>15,301,750</u>
TOTAL ALL FUNDS	<u><u>68,821,085</u></u>	<u><u>44,180,994</u></u>	<u><u>51,605,170</u></u>

The City of Moorhead maintains a number of funds for recording fiscal transactions to meet legal accounting requirements. A summary of the 2006 Governmental Funds revenue and expenditures are provided in the following charts and descriptions.

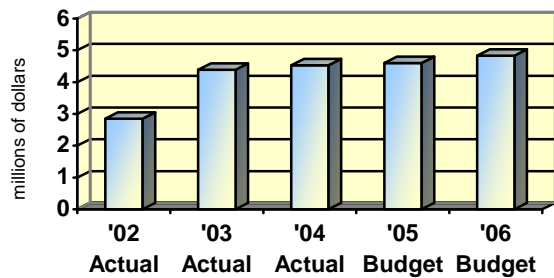
Governmental Fund Revenues

The following charts and descriptions provide a summary of the various Governmental Fund revenues budgeted by the City. The City’s revenue estimates are budgeted conservatively to avoid possible shortfalls due to unanticipated changes in the economy. The charts below show a five-year history of Governmental Fund revenues. The budgeted revenue for 2006 is \$36,303,420 which is \$ 5,855,966 a 19.23% increase over 2005

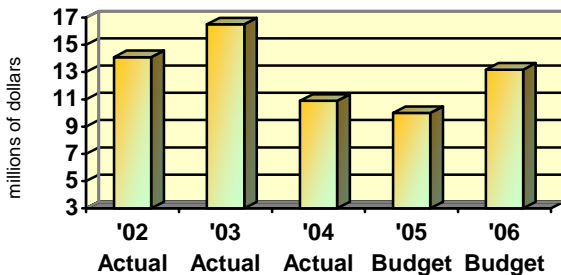
Property Tax Levy

The City relies on property taxes for 13.88% of the total Governmental Funds revenue, supporting such functions as general government, public safety, public works and debt service. The Cities aid formula was revised by the State in 2002 causing a shift from property taxes to Local Government Aid (LGA). The subsequent increases beginning in 2003 are primarily the result of special Tax Increment tax levy legislation. The 2006 tax levy of \$4,835,500 is an increase of \$233,567, which is a 5.0754% over 2005. The City has chosen to keep the 2006 levy at a level that will have a minimal impact on taxpayers.

Property Tax Levy



Intergovernmental Revenue



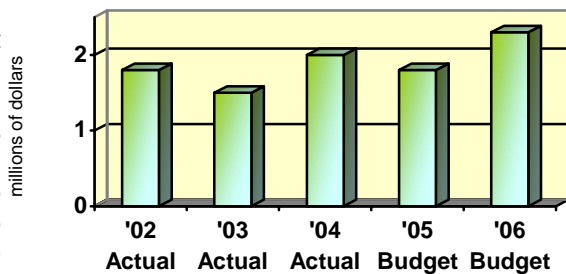
Intergovernmental Revenue

The Intergovernmental Revenue classification consists of grants and aids from Federal and State government. Local Government Aid represents the largest portion of funds in this category and is 22.20% of the budgeted revenues of the Governmental Funds. In 2006, the City is scheduled to receive \$8,059,765, which is an increase of \$474,200 from the previous year. The other cause for the increase in 2006 is a Federal Grant of \$1.9M for funding of the Joint Mass Transit Facility.

Charges for Service

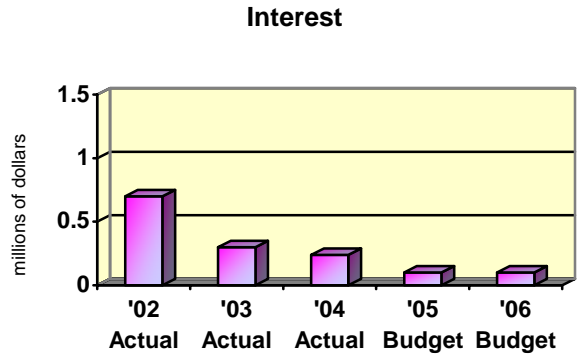
This classification includes user charges for Park programs, Transit, and Engineering. Charges for Services are budgeted at \$2.3M, which is \$575,000 over last year. This is due primarily to projected increases in engineering fees of \$206,000 and Rental Registration fees of \$265,000. The additional engineering fees are due to significant construction projects in the City. Rental Registration fees are being increased to recover the costs to effectively address the planning, policies and enforcement due to the growth of rental housing. The City annually reviews service charges and fees to determine if adjustments are needed due to inflation and other cost increases.

Charges for Service

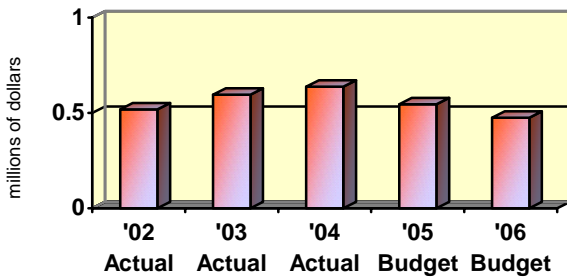


Interest

Interest income is earned on cash and investment balances of the City. All cash and investments, except for those held in segregated accounts used for infrastructure improvements and debt service, are pooled for investment purposes. Since 2002, interest earnings have declined due to market conditions. Rates are anticipated to increase slightly in 2006 however, the City will continue to budget interest income conservatively.



Licenses & Permits



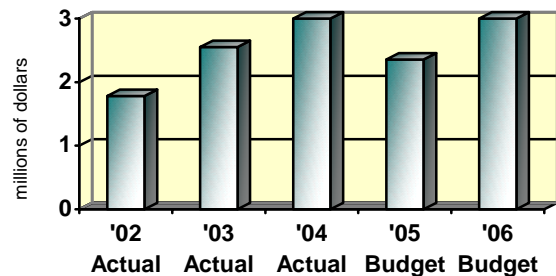
Licenses & Permits

The City is authorized by State statutes and City Charter to charge for regulatory activities by the means of licenses & permits. Liquor licenses, heating, plumbing and building permits are examples of revenue collected by the City for this category. Building permits are the largest revenue source in this category and accounted for \$280,984 in 2004. The City's strong housing market is expected to continue in 2006. A slight reduction in 2006 liquor license revenue is the result of downtown business redevelopment however these revenues are expected to be recovered upon completion of the project.

Special Assessments

A portion of the costs for public improvements is recovered by assessment charges to the benefiting property owners. These collections are used to pay bond principal and interest on the outstanding improvement bonds. The repayment terms of the assessments are over 10, 15 or 20 years depending on the type of improvement. Interest is added at a rate approximately 1.5% to 2% above the bond interest rate. The increase in assessment revenue for 2006 is the result of new assessments coming on line for subdivisions completed in the previous year, which is the result of the strong housing market.

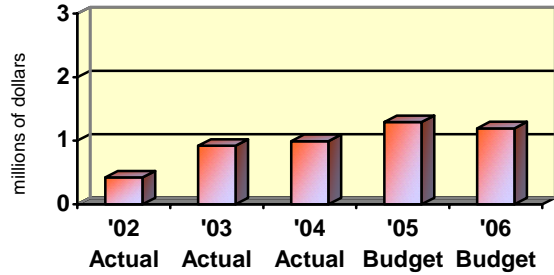
Special Assessments



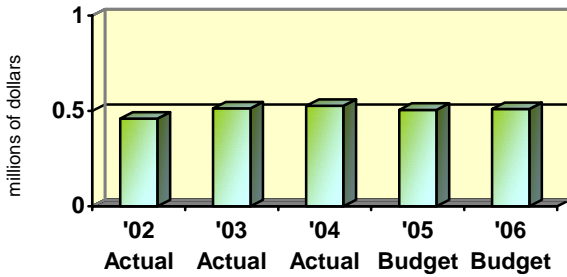
Tax Increments

Tax increments are collected from various tax increment districts for payment of principal and interest on outstanding bonds or to the developer in the case of a pay-as-you-go district. The tax increment is the amount of property tax attributed to the increased market value over the original base market value. Tax increment collections, along with the 3a & 3b tax levy are expected to remain stable and be sufficient to meet debt service requirements.

Tax Increments



Fines & Forfeits



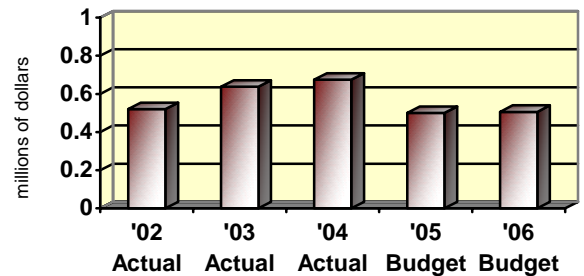
Fines & Forfeits

Court fines and parking violations make up the majority of this category. In the Actual 2004, court fines were \$290,789 and \$233,598 for parking violations. No significant changes are anticipated.

Franchise Fees

The City is authorized by ordinance to receive a franchise fee for the use of public right-of-way by a private concern to operate a public utility. The fee is 5% of the utility's gross revenues. Franchise Fees are collected from the cable TV and natural gas providers, which operate within the City's corporate limits. Market conditions play a major role as to the level of fees that will be received, therefore, revenue projections are conservative.

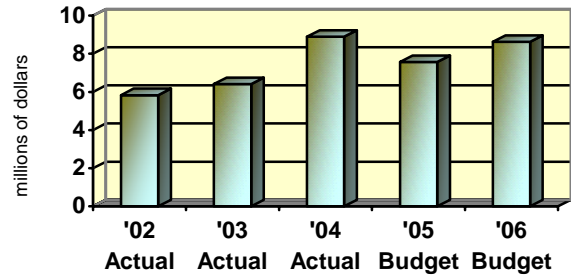
Franchise Fees



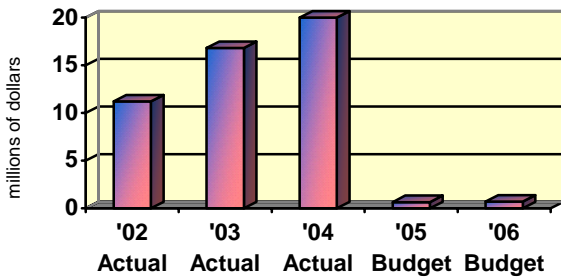
Interfund Transfers

Transfers In is not an outside revenue source, but instead reflects amounts transferred between City Funds. Transfers authorized by City Charter require Enterprise funds to transfer up to 5% of gross revenues to the General Fund except the Electric Utility, which is up to 20%. The Charter also authorizes 5% from the Electric Utility to the Capital Improvement Fund. The largest transfer in this category is the Electric transfer to the General Fund, which is currently at 17% of the Electric Utility gross revenues and will amount to \$3,693,000 in 2006, a 6% increase over 2005.

Interfund Transfers



Other Revenues



Other Revenues

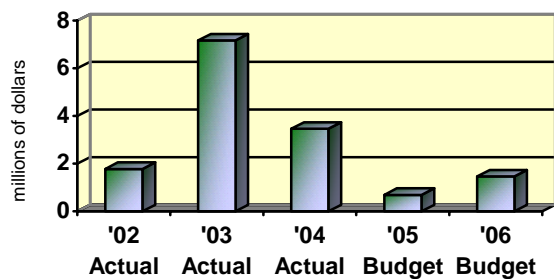
Other revenues include donations, insurance recoveries, commission on phones and sale of maps and publications.

Actual figures include bond proceeds for capital projects, which are not included in the budgeted figures. The Actual amounts for 2002, 2003 and 2004 include bond proceeds for infrastructure improvements in the amounts of \$4,762,224, \$14,490,694 and \$19,124,035 respectively. There is also \$4,745,000 of bond proceeds in 2002 that was used to refund the 1994A TIF bond in 2003.

Reserves

Reserves denote the amount projected to be needed to supplement current revenues for capital outlay, debt service or other uses. The Actual 2003 includes \$4,745,000 of bond proceeds received in 2002 along with reserves of \$1,565,433 to refund the 1994A Tax Increment bond. In 2006 \$233,333 is budget from reserves in Capital Improvement Fund for costs associated with the Joint Mass Transit Facility and \$1,225,517 in the Debt Service funds for debt retirement.

Reserves



Governmental Funds Expenditures

Expenditure Categories

Wages and benefits include wages, benefits for retirement and insurance costs of employees. In an effort to attract and retained highly qualified employees, the City's compensation plan provides for a cost of living adjustment (COLA) of 2%.

Supplies include office supplies, motor fuel and vehicle supplies, clothing and protective gear, street repair materials, and small tool purchases. An increase of less than 3% is estimated for 2006.

Debt service includes the principal and interest paid on bonds used to finance infrastructure and facility improvement projects. The increase in debt service costs is the result of additional debt payments related to infrastructure improvement bonds.

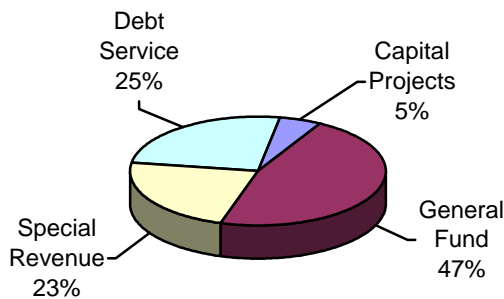
Capital outlay includes purchases of new equipment exceeding \$5,000, facility upgrades and infrastructure improvements. The infrastructure improvements are approved when the projects are bid. That accounts for the difference in prior year actual figures compared to the 2006 budget amount.

Other charges include professional services, contractual maintenance and repair, utilities, memberships, interfund charges, and training and conferences. A small increase of less than 1% is estimated for 2006.

Transfers between funds consist primarily of Enterprise Fund transfers to the General Fund. Under City Charter, all Enterprise Funds transfer 5% of gross revenues except the Electric utility, which transfers up to 20%.

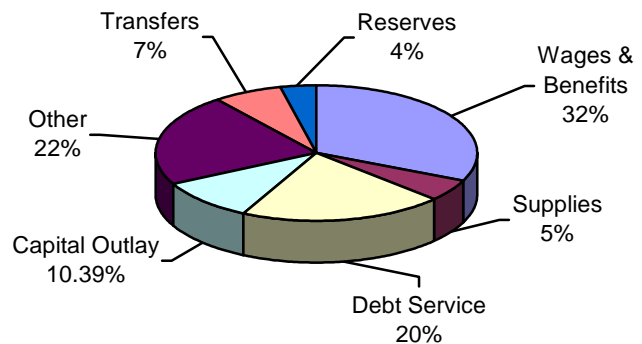
Reserves are used primarily in Debt Service funds where prepayments by property owners are made on assessed projects. These reserve funds are then budgeted along with current revenues to fund annual debt service payments.

Governmental Funds - Expenditures by Fund Type



Fund Type	2006 Budget
General Fund	\$ 16,898,980
Special Revenue	8,266,928
Debt Service	9,130,684
Capital Projects	1,927,783
	<u>\$36,224,375</u>

Governmental Funds - Expenditures by Category



Category	2006 Budget
Wages & Benefits	\$11,452,136
Supplies	1,929,552
Debt service	7,425,123
Capital Outlay	3,679,949
Other	7,899,552
Transfers	2,481,013
Reserves	1,357,050
	<u>\$36,224,375</u>

Governmental Funds Debt

Legal Debt Limit

The State Legal Debt Limit is two percent (2%) of the estimated market value of the City’s tax base. Bond issues covered by this limit are those that are financed by property taxes unless at least twenty percent (20%) of the annual debt service costs are financed by special assessments or tax increments. The difference between the Legal Debt Limit and the bonds outstanding that are covered by the debt limit is referred to as the Legal Debt Margin. The City’s debt limit is \$24,670,410 and the legal debt margin is \$23,008,444.

Computation of Legal Debt Margin – Year Ended December 31, 2004

Estimated Market Value - Real and Personal Property		<u>\$ 1,233,520,500</u>
Debt Limit 2% of Estimated Market Value		24,670,410
Amount of Debt Applicable to Debt Limit		
Total Bonded Debt	\$ 124,627,500	
Less:		
Debt Redemption (General		
Obligation Bonds) Fund Assets	\$	
	1,993,034	
Special Assessment Bonds	46,590,000	
Sewage Disposal Plant Bonds	22,110,420	
Sports Center Facility Bond	385,000	
Golf Course Bond	3,945,000	
Taxable Industrial Development Bond	6,022,080	
Electric Utility Bond	8,636,222	
Water Utility Bonds	13,153,778	
Vehicle Fund Equipment Certificates	65,000	
Municipal Improvement Revenue Bonds	4,905,000	
Tax Increment Bonds	<u>15,160,000</u>	<u>122,965,534</u>
Total Debt Applicable to Debt Limit		<u>1,661,996</u>
Legal Debt Margin		<u>\$ 23,008,444</u>

Summary of Bond Principal and Interest Included Within the 2006 Budget

Fund Description	Principal	Interest	Total
Municipal Improvement Funds			
Municipal Improvement	\$110,000	\$66,500	\$176,500
MYHA Ice Arena	45,000	24,300	69,300
Pactiv		323,700	323,700
Municipal Impr - East Highway 10	70,000	29,500	99,500
Debt Service Fund	325,000	61,450	386,450
Tax Increment Funds			
Tax Increment - Urban Renewal	160,000	43,600	203,600
Tax Increment - Conference Center	800,000	88,500	888,500
Tax Increment - Brookdale Mall	100,000	176,947	276,947
Tax Increment - Regency/Holiday	170,000	495,600	665,600
Special Assessment Funds	1,700,000	2,515,306	4,215,306
Enterprise Funds			
Wastewater Treatment	1,037,200	866,400	1,903,600
Golf Course	150,000	220,400	370,400
Sports Center	45,000	15,750	60,750
Totals	<u>\$4,712,200</u>	<u>\$4,927,953</u>	<u>\$9,640,153</u>

Fund Balance Summary – Governmental Funds

	Estimated	2006 Budget			Estimated
	01/01/2006	Revenues & Transfers In	Expenditures & Transfers Out	Increase or (Decrease)	12/31/2006
	Beginning Fund Balance				Ending Fund Balance
General Fund	10,483,000	16,898,980	16,295,760	603,220	11,086,220
Special Revenue Funds					
Park Fund	994,058	1,904,698	1,904,698	-	994,058
HHIC	151,112	328,319	308,319	20,000	171,112
Comstock House	21,961	33,511	33,511	-	21,961
Library	300,673	727,658	727,658	-	300,673
Community Development	92,130	516,658	516,658	-	92,130
Rental Registration	-	370,000	370,000	-	-
Mass Transit	173,858	3,743,759	3,743,759	-	173,858
Economic Development	564,124	437,325	234,575	202,750	766,874
1995 3-2-1 Housing Program	248,803			-	248,803
1996 3-2-1 Housing Program	104,936			-	104,936
Economic Development Authority Levy Contributions	(6,319)	205,000	205,000	-	(6,319)
Contributions	90,855				90,855
Debt Service Funds					
Tax Increment	3,286,971	3,235,567	3,029,287	206,280	3,493,251
Special Assessment	8,797,806	3,834,100	4,408,417	(574,317)	8,223,489
G.O. Bond	1,993,034	387,200	387,200	-	1,993,034
Municipal Improvement	289,594	178,000	178,000	-	289,594
MYHA Ice Arena Bond	752,738	70,800	70,800	-	752,738
Pactiv Bond	5,441,133		326,400	(326,400)	5,114,733
34th St Bridge Bond	960,633	101,000	101,000	-	960,633
Capital Projects Funds					
Permanent Improvement	(2,027,027)	200,000	200,000	-	(2,027,027)
Special Assessment	6,952,757			-	6,952,757
Capital Improvement	1,730,844	1,494,450	1,727,783	(233,333)	1,497,511
Total Governmental Funds	41,397,674	34,667,025	34,768,825	(101,800)	41,295,874

Capital Improvement Fund

The following table provides a list, by department, of appropriated expenditures for fiscal year 2006 in the Capital Improvement Fund. The primary funding sources are provided by transfers from the Electric Utility and the General Fund in the amounts of \$1,076,000 and \$324,450 respectively. Also in 2006, \$233,333 of Capital Funds reserves is being utilized to fund half of the Mass Transit Facility costs and a State grant of \$84,000 will be used for the purchase of election equipment.

<u>Description</u>	<u>Amount</u>	<u>Description</u>	<u>Amount</u>
<u>Community Services Department</u>		<u>Fire Department</u>	
Replace Light Fixtures Mdws Pkg	4,000	Riding Lawnmower	3,000
Mass Transit Bus Repairs	12,000	New Firefighter gear	12,000
Bldg Codes Computer Equip	15,000		<u>15,000</u>
Airport Payloader & Snowblower	55,000	<u>Operations Department</u>	
Mass Transit Facility	466,667	20-Ton Ramps	600
	<u>552,667</u>	Trash Pump	800
		Ice Machine Install	1,000
		Used Rain Train Sprinklers	1,000
		Air Jack	1,200
		V/G Box Blade	1,400
		V/G Bench Boards	2,000
		NRC Locks	2,500
		V/G Greens Cover Replacement	3,000
		Portable Generator	3,500
		Flood Gates	4,000
		Hockey Boards	5,000
		Core Harvester	5,000
		Reroof NRC's	5,500
		Crane for Sign Truck	6,000
		Garbage Containers	6,000
		V/G Vibratory Roller	7,000
		Bike Path Repair	7,500
		V/G Cart Paths	7,500
		Cart Path	7,500
		Jackets-Oper.	9,450
		Downtown Accessories	10,000
		Pontoon Landing Rip Rap	10,000
		Greens Cover (4)	10,000
		Woodlawn Picnic Shelter	33,000
		Gooseberry Road Repair	45,000
		Park Improvements	100,000
		Snow & Ice Plow Truck	110,000
			<u>405,450</u>
		Total Proposed Projects	<u><u>1,727,783</u></u>
<u>Police Department</u>			
Time/Date Generator	125		
Holligan Tool	175		
Motivation Posters	500		
UV Light	550		
Lighting System Installation	600		
Chairs	700		
Faces 4.0 Licenses & Support	1,350		
Raid Gear	2,625		
Cash Register	3,500		
Raingear	5,760		
Video Equipment	6,000		
Tasers	43,051		
Parking Ticket	50,000		
	<u>114,936</u>		
<u>Administration Department</u>			
Clerk Office Chair	500		
City Hall-Phase 3	10,000		
Industrial Park Land	140,000		
Unallocated	146,230		
Election Equipment	165,000		
Transfer to Municipal Improvement	178,000		
	<u>639,730</u>		

Community Services Department:

The purchase of tablet PC's for use by the building codes serves two purposes. It will save time by helping to eliminate duplication of data entry efforts and provide for more timely availability of inspection data.

The pay loader and snow blower for the airport will be funded 50% by a state grant and the \$55,000 included in the capital improvement fund is the City's 50% match. This will provide for more reliable removal of snow from the runways.

Budgeted within the capital improvement fund is \$466,667 which is the City of Moorhead's local match for 1/3 ownership of a \$7,000,000 Joint Fargo-Moorhead Transit Maintenance Facility. There is also \$2,333,333 included in the Mass Transit Fund for the federal share.

Police Department:

Tasers are currently used by the police department, however, this purchase will allow all officers to have one as part of their standard issued equipment rather than sharing with other officers.

Purchase of new parking ticket software and handheld citation units will result in an annual savings of approximately \$30,000, the amount currently being paid to an outside agency for collection of parking ticket fines.

Fire Department:

The new firefighter gear is to outfit 3 new firefighters anticipated to be added in 2006 as a result of a federal SAFER grant.

Administration Department:

The industrial park land payment is installment 11 of 14 to reimburse the Economic Development Fund for the acquisition of 714.85 acres of industrial park land in 1996. The original purchase price was \$1,823,274.

New election equipment is required in order to comply with the 2002 Help America Vote Act. It is anticipated that federal assistance via a state grant will be available to partially fund the equipment, but an additional \$165,000 will be need in addition to the grant.

In 2001, the City issued bonds to fund construction of a Joint Public Works Facility and improvements to both the Sports Center and Golf Courses. These bonds are funded with an annual transfer from the capital improvement fund through 2016.

Operations Department:

Beginning in 2004, the Moorhead City Council initiated a directive to appropriate \$100,000 annually for either playground equipment for new parks or replacement of existing equipment for 3 neighborhood parks.

The replacement of the Woodlawn picnic shelter is needed as a result of damage caused by the flood of 1997.

The road entering Gooseberry Park is in need of repair due to continued erosion caused by repeated flooding.

Addition of a new snow & ice plow truck along with the addition of another snow removal crew, will allow the street department to meet their goal of clearing all city streets within an 8 hour period after a snow event. This will result in a savings of overtime costs.

Listed below are the capital outlay items included within the operating budgets of the General Fund, Special Revenue Funds and Enterprise Funds.

General Fund

Engineering-2 wheel drive pickup	16,500
Engineering-4 wheel work cart-GPS surveying	8,000
	<u>24,500</u>

Special Revenue Funds

Joint Fargo-Moorhead Mass Transit Facility	2,333,333
Economic Development Authority land installment	106,000
	<u>2,439,333</u>

Impact of Capital Outlay on the Operating Budgets of Governmental Funds

Most of the governmental funds capital outlay purchases are routine items that do not significantly impact operating budgets. The capital replacements provided through the internal service funds using predetermined schedules to annually replace the oldest equipment first keeps maintenance and repair costs stable from year to year.

Enterprise Funds

Storm Water	
Tractor with mower	95,000
Lift Station pump & motor	100,000
Wastewater Treatment	
Sewer Vactor Truck upgrade	150,000
1-ton Truck Crane upgrade	35,000
Sanitation	
Containers	20,000
Hydraulic Tarper for roll-off truck	8,500
Golf Courses	
Uplinks Global Positioning System	50,000
Forestry	
Tree Skidder	25,000
Easy Stopper Skid Steer Attachment	5,000
Municipal Airport	
Payloader	110,000
	<u>598,500</u>

Impact of Capital Outlay on the Operating Budgets of Enterprise Funds

Most of the enterprise funds capital outlay purchases are routine items that do not significantly impact operating budgets. The capital replacements provided through the internal service funds using predetermined schedules to annually replace the oldest equipment first keeps maintenance and repair costs stable from year to year.

Capital Improvement Plan

The City's Capital Improvement Plan projects capital needs for up to five years. These projects are financed by bonds, utility revenues, intergovernmental revenue and property taxes. In the event that a tax levy is required to finance a project, the tax levy available for operating needs of the City may be impacted. Below is a summary of projects included in the City's Capital Improvement Plan along with project start year.

<u>YEAR</u>	<u>COST</u>	<u>DESCRIPTION</u>	<u>YEAR</u>	<u>COST</u>	<u>DESCRIPTION</u>
<u>HHIC FACILITY</u>			<u>ENGINEERING</u>		
2006	2,000,000	Roof & Stave Church Security	2005	<u>902,037</u>	Bridgehead Plaza
2007	132,000	Flat roof replacement			
	26,000	Replace carpet in Oak, Auditorium, Lobby	2006	<u>11,250,000</u>	34th St/I-94 Interchange & 34th St 4-lane from 14th Ave S to 30th Ave S
	10,000	Cabinets in Auditorium remodel			
	5,500	Stave Church Oil	2006	<u>1,834,000</u>	3Rd Street Relocation
	<u>2,173,500</u>				
<u>PARK FUND</u>					
2007	25,000	Park Planning Master and MBJohnson	2006	2,604,502	Rail Safety
	10,000	Additional Disc Golf Course		1,111,111	Rail Safety
	3,500	Picnic Tables - Pontoon Area (6)		98,276	Potential Costs
	4,000	Benches - Hjem/Viking Ship Park		<u>206,900</u>	Engineering
	8,000	1000 G Hauler Utility Truck		<u>4,020,789</u>	
	5,500	Canopy for Log Cabin Deck			
	2,000	Mighty Light tables for festivals (6)	2006	<u>583,530</u>	Railscape
	<u>58,000</u>				
<u>VILLAGE GREEN GOLF COURSE</u>					
2007	3,000	Stain the Clubhouse	2006	1,500,000	20/21 S.E. Main Eng, Site Acq
	3,000	Signage HWY 52		1,000,000	20/21 S.E. Main Eng, Site Acq
	<u>6,000</u>			<u>2,500,000</u>	
<u>MEADOWS GOLF COURSE</u>			<u>OPERATIONS</u>		
2007	<u>5,000</u>	Chairs in basement of clubhouse.	2007	200,000	Compost Site Rehabilitation
			2008	250,000	Public Works Storage Facility
			2009	250,000	MB Johnson Park Renovation
			2009	250,000	Centennial Park parking lot
			2010	250,000	Bike Bridge approach and improvements
				<u>1,200,000</u>	
<u>TOWN & COUNTRY GOLF</u>			<u>AIRPORT</u>		
2007	100,000	Maintenance Shop	2006	<u>30,000</u>	Construct taxiway and prepare 4 private hangar sites (City share of 20% will leverage \$122,000 in Federal and State funds.) Two aircraft owners are already on the waiting list to build in this area.
	100,000	Club House			
	<u>200,000</u>				
<u>MASS TRANSIT</u>			<u>PROJECT YEARS TO BE DETERMINED (TBD)</u>		
2007	50,000	Bus Related Equipment	TBD	<u>FIRE</u>	
2008	68,800	Bus Replacement (1 Paratransit)		600,000	Bay For Hazmat Vehicle
2010	72,700	Bus Replacement (1 Paratransit)		750,000	Training Tower
2010	320,000	Bus Replacement (1 Large)		<u>2,000,000</u>	Propane Burn Building
	<u>511,500</u>			<u>3,350,000</u>	
2007	60,000	Preventive Mtce (Engines & Transmissions)			
2008	60,000	Preventive Mtce (Engines & Transmissions)			
2009	60,000	Preventive Mtce (Engines & Transmissions)			
2010	60,000	Preventive Mtce (Engines & Transmissions)	TBD	<u>SPORTS CENTER</u>	
	<u>240,000</u>			<u>2,500,000</u>	Facility Renovation

Fund Summaries

General Fund

The General Fund provides for the accounting of general governmental functions related to the City's statutory obligations. Those functions include; street maintenance, engineering, human resources, fire services, police services, city council, city administration, finance, and building codes/inspection.

The sources of revenue for the general fund consist of property taxes, intergovernmental revenues, transfers from enterprise funds, fines and forfeits, franchise fees, and charges for services rendered to citizens and to other city functions.

Expenditures for the general fund operations include; wages and benefits, supplies, and other charges, which include utilities, professional services, memberships, and other similar uses of funds. Some capital expenditures may be included.

Fund Summaries

General Fund

Revenues / Sources

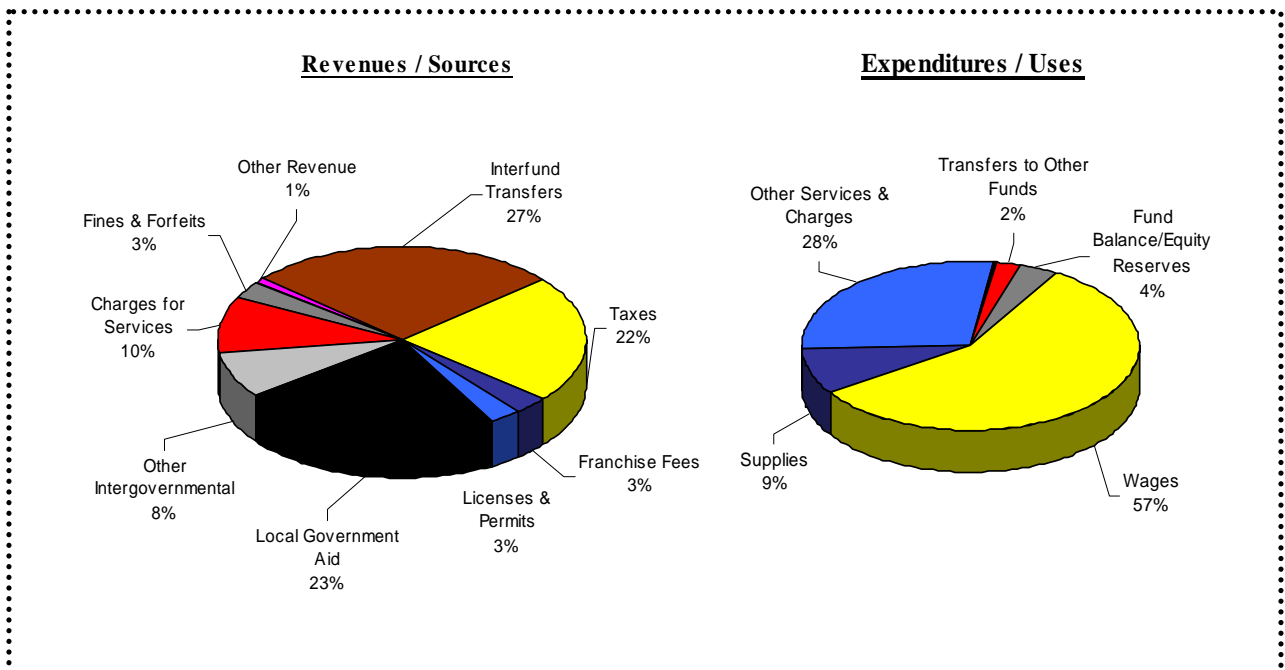
Taxes	3,776,800
Franchise Fees	506,700
Licenses & Permits	475,145
Local Government Aid	3,838,050
Other Intergovernmental	1,332,272
Charges for Services	1,642,913
Fines & Forfeits	510,500
Interest	50,000
Other Revenue	98,300
Interfund Transfers	<u>4,668,300</u>

Total Revenues / Sources 16,898,980

Expenditures / Uses

Wages	9,688,299
Supplies	1,475,507
Other Services & Charges	4,708,657
Capital Outlay	24,500
Debt Service	1,630
Transfers to Other Funds	397,167
Fund Balance/Equity Reserves	<u>603,220</u>

Total Expenditures / Uses 16,898,980



Fund Summaries

General Fund

General Fund Revenues and Other Financing Sources

	2004 Actual	2005 Budget	2006 Budget
Taxes			
Property Taxes	2,457,620	3,324,243	3,776,800
Franchise Fees	614,920	415,600	506,700
	<u>3,072,540</u>	<u>3,739,843</u>	<u>4,283,500</u>
Licenses & Permits	<u>637,735</u>	<u>543,093</u>	<u>475,145</u>
Intergovernmental Revenue			
Federal Grants & Aid	212,705	208,201	383,512
State - Local Government Aid	3,758,614	3,572,805	3,838,050
State - Other Grants & Aid	1,198,032	761,872	877,960
County Grants & Aid	33,669	32,000	32,000
Other Intergovernmental	38,800	44,800	38,800
	<u>5,241,820</u>	<u>4,619,678</u>	<u>5,170,322</u>
Charges for Services			
General Government	135,611	116,890	121,050
Public Safety	368,774	263,129	218,253
Highways & Streets	1,322,499	1,059,000	1,303,610
	<u>1,826,884</u>	<u>1,439,019</u>	<u>1,642,913</u>
Fines & Forfeits			
Court Fines	293,559	266,500	270,500
Parking Fines	233,598	240,000	240,000
	<u>527,158</u>	<u>506,500</u>	<u>510,500</u>
Miscellaneous			
Interest	48,339	50,000	50,000
Rents	79,207	21,800	22,800
Asset Sales	64,853	29,000	36,000
Other Revenue	713,356	40,000	39,500
	<u>905,753</u>	<u>140,800</u>	<u>148,300</u>
Total Revenues	12,211,890	10,988,933	12,230,680
Transfers from Other Funds			
Electric	3,272,000	3,484,000	3,693,000
Water	235,000	245,000	260,000
Wastewater Treatment	201,965	191,000	223,800
Storm Water	37,430	38,000	39,900
Sanitation	364,422	365,530	379,000
Pest Control	55,237	47,140	50,000
Forestry	21,612	21,700	22,600
Capital Improvement	5,760		
Total Revenues and Other Financing Sources	<u>16,405,316</u>	<u>15,381,303</u>	<u>16,898,980</u>

Fund Summaries

General Fund

General Fund Expenditures and Other Financing Uses

	2004 <u>Actual</u>	2005 <u>Budget</u>	2006 <u>Budget</u>
Elected, Officials &			
Citywide Administration			
Mayor & Council	443,859	533,446	639,891
Programs, Services, Activities	143,605	116,270	135,080
City Manager	354,613	462,190	598,653
City Clerk	99,929	96,500	94,646
Elections & Voters	26,894	19,720	30,500
Finance	370,638	533,138	392,325
Legal	278,298	266,500	309,400
Human Resources	266,123	251,392	273,907
Labor Relations	18,194	21,690	31,928
Engineering	831,104	835,524	1,101,293
Unallocated	48,207	38,000	38,000
	<u>2,881,464</u>	<u>3,174,370</u>	<u>3,645,623</u>
Police Department			
Administration	1,641,768	1,426,037	1,458,877
Community Policing	97,073	100,095	55,164
Investigative	545,989	541,652	626,349
Patrol	2,528,739	2,668,663	2,702,381
DARE	34,484	69,390	74,138
Youth Services	54,905	58,350	61,776
Bike Patrol	1,696	4,050	3,920
Tactical Team	12,596	12,880	13,270
K-9	12,974	12,310	17,375
Community Service	161,723	147,604	153,007
Grant Funded Activities	361,423	308,769	353,952
	<u>5,453,370</u>	<u>5,349,800</u>	<u>5,520,209</u>
Fire Department			
Fire Protection	2,022,459	1,996,660	2,234,743
ND HazMat	2,828	10,000	10,000
Fire Training	44,889	78,870	79,883
Fire Prevention	174,236	181,580	138,282
Grant Funded Activities	155,105	131,400	373,155
Civil Defense	1,972	6,000	6,000
	<u>2,401,489</u>	<u>2,404,510</u>	<u>2,842,063</u>

Fund Summaries

General Fund

General Fund Expenditures and Other Financing Uses - Continued

	2004 <u>Actual</u>	2005 <u>Budget</u>	2006 <u>Budget</u>
Operations Department			
General Government Building	194,351	209,450	227,171
Street & Alley	1,141,285	1,074,790	1,203,981
Street Cleaning	202,669	232,180	256,233
Snow & Ice	188,353	147,905	160,301
Traffic Signs	70,879	72,230	81,743
Central Maintenance Shop	920,874	866,140	906,817
	<u>2,718,411</u>	<u>2,602,695</u>	<u>2,836,246</u>
Community Services Department			
Assessing	173,621	236,066	264,452
Planning & Zoning	141,770	134,190	148,021
Community Development	139,139	157,430	137,540
Neighborhood Services			28,184
Building Codes	348,728	379,730	368,142
Rental Registration & Inspection	25,044	1,440	
Environmental Health	90,983	98,222	108,113
	<u>919,285</u>	<u>1,007,078</u>	<u>1,054,452</u>
Total Expenditures	14,374,019	14,538,453	15,898,593
Transfers to Other Funds			
Municipal Airport	150,294	49,350	69,217
Capital Improvement Fund	264,637	250,000	324,450
Special Assessments	3,500	3,500	3,500
To Reserves		<u>540,000</u>	<u>603,220</u>
Total Expenditures and Other Financing Uses	<u>14,792,450</u>	<u>15,381,303</u>	<u>16,898,980</u>

Fund Summaries

Special Revenue Funds

Special Revenue Funds are used to account for specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for particular purposes.

Revenues generally consist of property taxes as well as intergovernmental revenues. Other revenues include fees and charges, donations and other miscellaneous revenues sources.

Expenditures include wages and employee benefits, supplies, and other charges. Some capital expenditures may be included

Park - account for recreational programs offered to the citizens of Moorhead as well as maintenance of neighborhood parks and park facilities.

Hjemkomst Center - account for programs offered to the citizens of Moorhead at the Heritage Hjemkomst Interpretive Center.

Comstock House - account for the operations and maintenance of the historic Comstock House.

Library - account for expenditures relating to the maintenance of the Lake Agassiz Regional Library facility, and the City's share of the Regional Library System.

Community Development Block Grant - account for Federal Community Development Block Grant entitlements.

Rental Registration - account for the administration of the City's Rental Registration program.

Mass Transit - account for the operation of the City bus system.

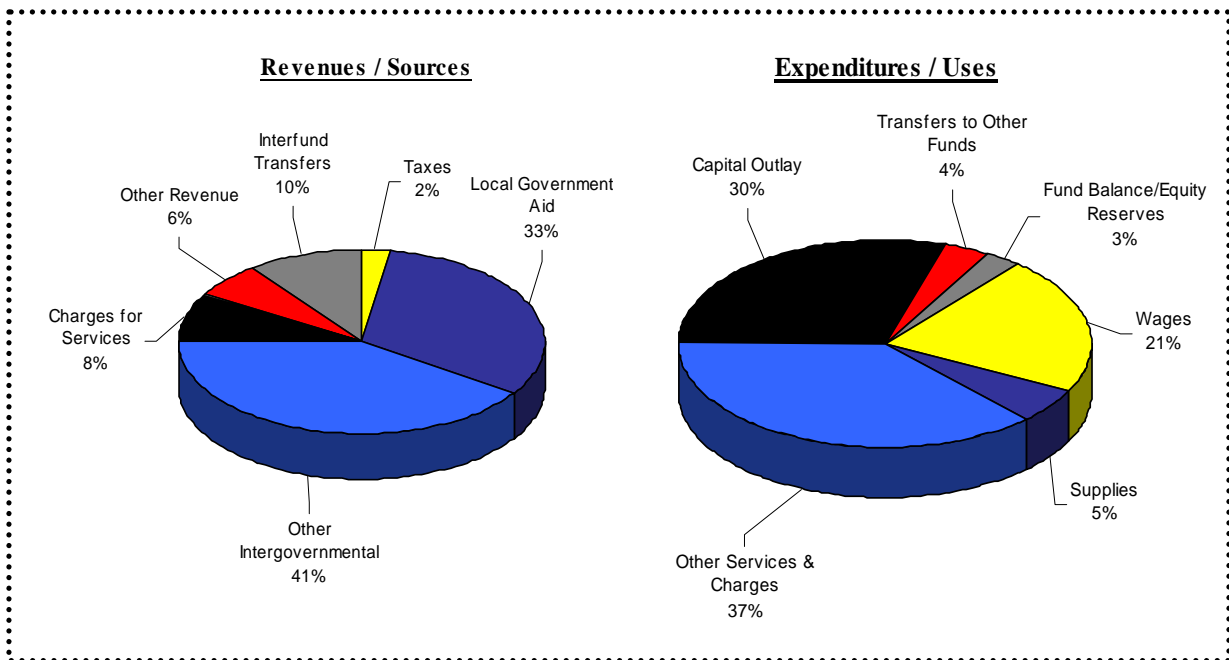
Economic Development - account for marketing and promotional activities relating to commercial and industrial development.

Economic Development Authority Levy – account for commercial marketing land acquisition.

Fund Summaries

Special Revenue Funds

	Park	Hjemkomst Center	Comstock House	Library	Community Development	Rental Registration	Mass Transit	Economic Development	EDA Levy	Total
Revenues / Sources										
Taxes									205,000	205,000
Local Government Aid	1,679,890			726,658			73,592	172,575		2,652,715
Other Intergovernmental	3,160		17,344		320,000		3,003,600			3,344,104
Charges for Services	121,998	3,100	1,500			370,000	186,500			683,098
Interest	10,000	500		1,000				12,000		23,500
Other Revenue	89,650	147,759	14,667		196,658		1,400	62,750		512,884
Interfund Transfers		176,960					478,667	190,000		845,627
Total Revenues / Sources	1,904,698	328,319	33,511	727,658	516,658	370,000	3,743,759	437,325	205,000	8,266,928
Expenditures / Uses										
Wages	936,360	123,205	6,491	40,977	116,384	237,936	120,883	181,601		1,763,837
Supplies	146,625	21,356	2,500	4,850	964	31,475	240,775	5,500		454,045
Other Services & Charges	519,995	162,778	24,520	680,361	399,310	100,589	1,048,768	47,474	99,000	3,082,795
Capital Outlay							2,333,333		106,000	2,439,333
Debt Service		980		1,470						2,450
Transfers to Other Funds	301,718									301,718
Fund Balance/Equity Reserves		20,000						202,750		222,750
Total Expenditures / Uses	1,904,698	328,319	33,511	727,658	516,658	370,000	3,743,759	437,325	205,000	8,266,928



*Fund Summaries***Special Revenue Funds****PARK FUND**

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	531		
Local Government Aid	1,264,828	1,511,265	1,679,890
Other Intergovernmental	3,160	3,160	3,160
Charges for Services	110,261	111,960	121,998
Fines & Forfeits	20		
Interest	5,515	20,000	10,000
Other Revenue	157,731	86,830	89,650
Interfund Transfers	5,000		
Total Revenues / Sources	1,547,046	1,733,215	1,904,698
<u>Expenditures / Uses</u>			
Wages	818,500	846,270	936,360
Supplies	117,443	128,548	146,625
Other Services & Charges	441,592	500,398	519,995
Transfers to Other Funds	117,599	257,999	301,718
Total Expenditures / Uses	1,495,135	1,733,215	1,904,698

HJEMKOMST CENTER

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Charges for Services	1,717	1,000	3,100
Interest	766	500	500
Other Revenue	158,773	142,186	147,759
Interfund Transfers	150,294	166,489	176,960
Total Revenues / Sources	311,550	310,175	328,319
<u>Expenditures / Uses</u>			
Wages	108,269	113,688	123,205
Supplies	18,665	21,275	21,356
Other Services & Charges	156,834	154,186	162,778
Debt Service	1,074	1,026	980
Fund Balance/Equity Reserves		20,000	20,000
Total Expenditures / Uses	284,842	310,175	328,319

Fund Summaries

Special Revenue Funds

COMSTOCK HOUSE

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	31,900	17,344	17,344
Charges for Services	711	1,500	1,500
Other Revenue		14,667	14,667
Total Revenues / Sources	32,611	33,511	33,511
<u>Expenditures / Uses</u>			
Wages	2,408	6,459	6,491
Supplies	692	3,000	2,500
Other Services & Charges	7,551	24,052	24,520
Total Expenditures / Uses	10,650	33,511	33,511

LIBRARY

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	639		
Local Government Aid	679,200	699,508	726,658
Interest	908	1,000	1,000
Other Revenue	430		
Total Revenues / Sources	681,177	700,508	727,658
<u>Expenditures / Uses</u>			
Wages	37,793	39,295	40,977
Supplies	3,400	4,850	4,850
Other Services & Charges	645,021	654,823	680,361
Debt Service	1,612	1,540	1,470
Total Expenditures / Uses	687,826	700,508	727,658

Fund Summaries

Special Revenue Funds

COMMUNITY DEVELOPMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	402,277	339,000	320,000
Charges for Services	29,359	12,000	
Fines & Forfeits	20		
Interest	1,202	130	
Other Revenue	292,650	173,106	196,658
Total Revenues / Sources	725,508	524,236	516,658
<u>Expenditures / Uses</u>			
Wages	169,545	181,262	116,384
Supplies	1,095	200	964
Other Services & Charges	582,746	342,774	399,310
Total Expenditures / Uses	753,386	524,236	516,658

RENTAL REGISTRATION

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Charges for Services			370,000
Total Revenues / Sources			370,000
<u>Expenditures / Uses</u>			
Wages			237,936
Supplies			31,475
Other Services & Charges			100,589
Total Expenditures / Uses			370,000

*Fund Summaries***Special Revenue Fund****MASS TRANSIT**

	2004 Actual	2005 Budget	2006 Budget
Revenues / Sources			
Taxes	173		
Local Government Aid	35,282	43,614	73,592
Other Intergovernmental	2,928,698	1,043,492	3,003,600
Charges for Services	182,811	185,730	186,500
Interest	1,672		
Other Revenue	123	7,400	1,400
Interfund Transfers	160,200	12,400	478,667
Total Revenues / Sources	3,308,958	1,292,636	3,743,759
Expenditures / Uses			
Wages	96,591	116,741	120,883
Supplies	190,677	173,460	240,775
Other Services & Charges	925,697	940,435	1,048,768
Capital Outlay	2,488,630	62,000	2,333,333
Total Expenditures / Uses	3,701,594	1,292,636	3,743,759

ECONOMIC DEVELOPMENT

	2004 Actual	2005 Budget	2006 Budget
Revenues / Sources			
Local Government Aid	168,304	175,218	172,575
Other Intergovernmental	740	740	
Charges for Services	500		
Interest	4,120	12,000	12,000
Other Revenue	53,655	62,750	62,750
Interfund Transfers	190,000	190,000	190,000
Total Revenues / Sources	417,319	440,708	437,325
Expenditures / Uses			
Wages	167,259	160,928	181,601
Supplies	5,667	5,000	5,500
Other Services & Charges	81,047	72,030	47,474
Fund Balance/Equity Reserves		202,750	202,750
Total Expenditures / Uses	253,973	440,708	437,325

Fund Summaries

Special Revenue Funds

EDA LEVY			
	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	103,749	140,000	205,000
Tax Increments	20,329		
Other Intergovernmental	16,585		
Total Revenues / Sources	140,663	140,000	205,000
<u>Expenditures / Uses</u>			
Other Services & Charges	53,148	31,000	99,000
Capital Outlay	108,833	109,000	106,000
Total Expenditures / Uses	161,981	140,000	205,000

*Fund Summaries***Debt Service Funds**

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. In the case of Enterprise Funds, it is anticipated that all amounts required for servicing the debt will be provided from the respective funds' revenues. General Long-Term Debt is financed with revenue from property taxes, special assessments and transfers. The City does not use long-term debt for current operations.

Revenues generally consist of property taxes, tax increments, special assessments and intergovernmental revenues.

Expenditures include bond principal and interest on City bonds as well as fiscal agent fees. The Debt Service Funds in this category do not include debt for Enterprise operations. Enterprise debt is included in the Enterprise Funds budgets.

Tax Increment – account for the accumulation of resources for payment of general obligation bond principal and interest. Tax Increments are received by the City to meet these requirements.

Special Assessment – account for the accumulation of resources for payment of general obligation bond principal and interest. Special assessment collections from benefiting properties and in some instances property taxes are used by the City to meet these requirements.

General Obligation Bond - account for the accumulation of resources for payment of general obligation bond principal and interest. Provisions are made annually within the City's general property tax levy and/or intergovernmental revenue to provide sufficient funds to meet these requirements.

Municipal Improvement - account for the accumulation of resources for payment of municipal improvement bond principal and interest. Transfers are made annually from the Capital Improvement Fund to provide sufficient funds to meet these requirements.

Moorhead Youth Hockey Association (MYHA) Ice Arena – account for the accumulation of resources for payment of general obligation bond principal and interest. Payments from the Moorhead Youth Hockey Association are received by the City to meet these requirements.

Pactiv - account for the accumulation of resources for payment of general obligation bond principal and interest. Annual debt service is met using existing reserve funds.

34th Street Bridge - account for the accumulation of resources for payment of general obligation bond principal and interest. Payments from the County Road & Bridge Fund are received by the City to meet these requirements.

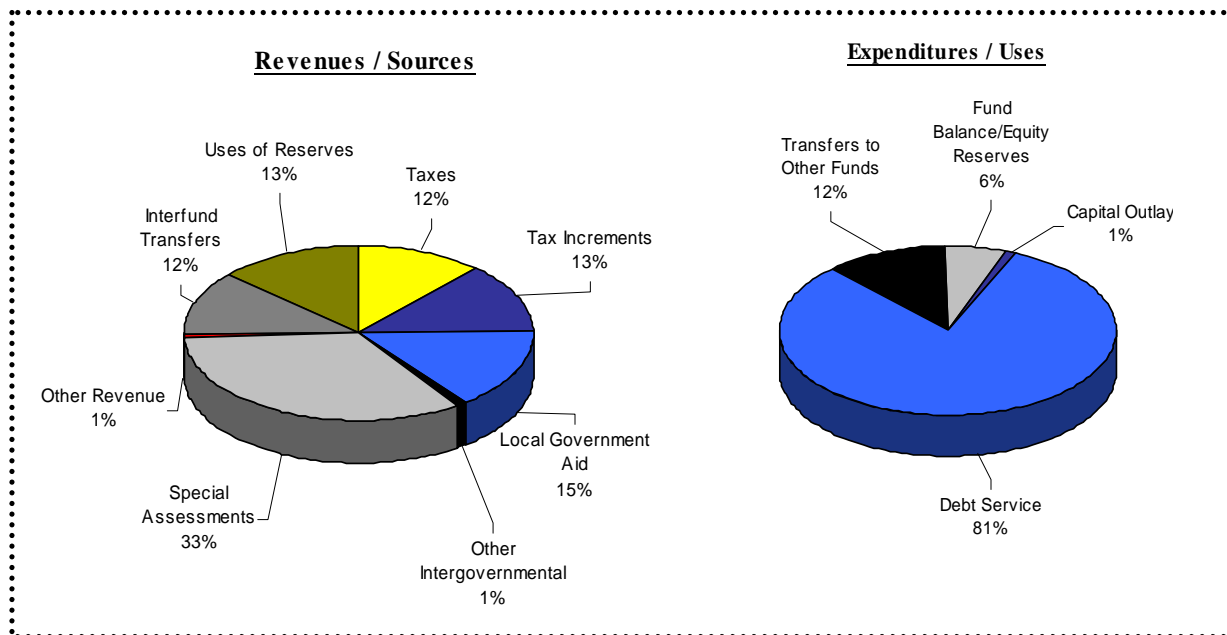
Fund Summaries

Debt Service Funds

	Tax Increment	Special Assessment	G.O. Bond	Municipal Improvement	MYHA Ice Arena	Pactiv	34th St Bridge	Total
Revenues / Sources								
Taxes	1,058,700							1,058,700
Tax Increments	1,195,557							1,195,557
Local Government Aid	32,800	929,000	387,200					1,349,000
Other Intergovernmental							101,000	101,000
Special Assessments	58,510	3,000,100						3,058,610
Other Revenue					70,800			70,800
Interfund Transfers	890,000	3,500		178,000				1,071,500
Uses of Reserves		899,117				326,400		1,225,517
Total Revenues / Sources	3,235,567	4,831,717	387,200	178,000	70,800	326,400	101,000	9,130,684

Expenditures / Uses

Other Services & Charges	9,600							9,600
Capital Outlay		98,500						98,500
Debt Service	2,129,687	4,227,956	387,200	178,000	70,800	326,400	101,000	7,421,043
Transfers to Other Funds	890,000	180,461						1,070,461
Fund Balance/Equity Reserves	206,280	324,800						531,080
Total Expenditures / Uses	3,235,567	4,831,717	387,200	178,000	70,800	326,400	101,000	9,130,684



Fund Summaries

Debt Service Funds

TAX INCREMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	1,716,043	1,277,690	1,058,700
Tax Increments	982,185	1,293,462	1,195,557
Local Government Aid		32,800	32,800
Other Intergovernmental	19,093		
Interest	15,096		
Special Assessments		68,000	58,510
Other Revenue	12,138		
Interfund Transfers	869,911	887,755	890,000
Total Revenues / Sources	3,614,466	3,559,707	3,235,567
<u>Expenditures / Uses</u>			
Other Services & Charges	450,881	57,268	9,600
Debt Service	1,706,144	2,061,684	2,129,687
Transfers to Other Funds	869,911	887,755	890,000
Fund Balance/Equity Reserves		553,000	206,280
Total Expenditures / Uses	3,026,935	3,559,707	3,235,567

SPECIAL ASSESSMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	21,646		
Tax Increments	4,152		
Local Government Aid	483,816	938,783	929,000
Other Intergovernmental	3,434		
Charges for Services	330		
Interest	76,729		
Special Assessments		2,288,648	3,000,100
Other Revenue	265		
Interfund Transfers	3,500	3,500	3,500
Uses of Reserves		359,656	899,117
Total Revenues / Sources	593,872	3,590,587	4,831,717
<u>Expenditures / Uses</u>			
Other Services & Charges	76,714		
Capital Outlay	106,635		98,500
Debt Service	4,188,453	2,905,352	4,227,956
Transfers to Other Funds	413,064	117,610	180,461
Fund Balance/Equity Reserves		564,125	324,800
Total Expenditures / Uses	4,784,866	3,587,087	4,831,717

Fund Summaries

Debt Service Funds

GENERAL OBLIGATION BOND

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	302,081		
Tax Increments	58,169		
Local Government Aid		391,572	387,200
Other Intergovernmental	47,463		
Interest	3,074		
Total Revenues / Sources	<u>410,787</u>	<u>391,572</u>	<u>387,200</u>
<u>Expenditures / Uses</u>			
Other Services & Charges	20,584		
Debt Service	394,630	391,572	387,200
Total Expenditures / Uses	<u>415,215</u>	<u>391,572</u>	<u>387,200</u>

MUNICIPAL IMPROVEMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Interest	2,932		
Interfund Transfers	174,145	176,895	178,000
Total Revenues / Sources	<u>177,077</u>	<u>176,895</u>	<u>178,000</u>
<u>Expenditures / Uses</u>			
Debt Service	174,635	176,895	178,000
Total Expenditures / Uses	<u>174,635</u>	<u>176,895</u>	<u>178,000</u>

MYHA ICE ARENA

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Interest	434		
Other Revenue	73,766	77,357	70,800
Total Revenues / Sources	<u>74,200</u>	<u>77,357</u>	<u>70,800</u>
<u>Expenditures / Uses</u>			
Other Services & Charges	14,994		
Debt Service	75,372	77,357	70,800
Total Expenditures / Uses	<u>90,366</u>	<u>77,357</u>	<u>70,800</u>

Fund Summaries

Debt Service Funds

PACTIV

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Interest	54,237		
Uses of Reserves		326,374	326,400
Total Revenues / Sources	<u>54,237</u>	<u>326,374</u>	<u>326,400</u>
<u>Expenditures / Uses</u>			
Debt Service	324,848	326,374	326,400
Total Expenditures / Uses	<u>324,848</u>	<u>326,374</u>	<u>326,400</u>

34TH STREET BRIDGE

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	112,084	108,410	101,000
Interest	442		
Total Revenues / Sources	<u>112,526</u>	<u>108,410</u>	<u>101,000</u>
<u>Expenditures / Uses</u>			
Other Services & Charges	15,309		
Debt Service	106,669	108,410	101,000
Total Expenditures / Uses	<u>121,978</u>	<u>108,410</u>	<u>101,000</u>

Fund Summaries

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to acquire capital assets or construction of non-assessed infrastructure not financed by Enterprise Funds or Internal Service Funds.

Revenues generally consist of property taxes, intergovernmental revenue and Enterprise Fund transfers.

Expenditures include equipment purchases, buildings, land, and street improvements.

Permanent Improvement Fund – account for non-assessable infrastructure improvements and land purchases. The City does not adopt annual budgets for major improvements such as street reconstruction. These activities are financed largely with State Construction Aid.

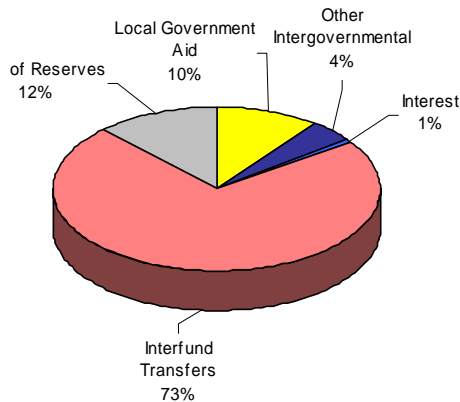
Capital Improvement Fund - account for capital outlay related to City buildings, improvements and equipment.

Fund Summaries

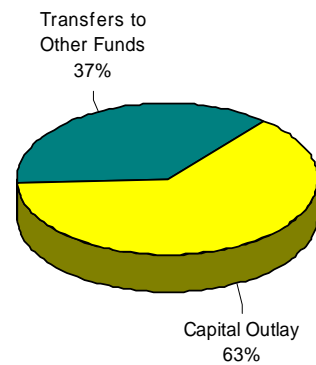
Capital Projects Funds

	Permanent Improvement	Capital Improvement	Total
<u>Revenues / Sources</u>			
Local Government Aid	200,000		200,000
Other Intergovernmental		84,000	84,000
Interest		10,000	10,000
Interfund Transfers		1,400,450	1,400,450
Uses of Reserves		233,333	233,333
Total Revenues / Sources	200,000	1,727,783	1,927,783
<u>Expenditures / Uses</u>			
Capital Outlay	200,000	1,016,116	1,216,116
Transfers to Other Funds		711,667	711,667
Total Expenditures / Uses	200,000	1,727,783	1,927,783

Revenues / Sources



Expenditures / Uses



Fund Summaries

Capital Projects Funds

PERMANENT IMPROVEMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	204		
Local Government Aid	200,000	200,000	200,000
Other Intergovernmental	5,153,198		
Other Revenue	887,100		
Interfund Transfers	275,000	150,000	
Total Revenues / Sources	<u>6,515,502</u>	<u>350,000</u>	<u>200,000</u>
<u>Expenditures / Uses</u>			
Wages			
Supplies	8,472		
Other Services & Charges	1,943,934		
Capital Outlay	6,260,135	200,000	200,000
Transfers to Other Funds	315,093		
Fund Balance/Equity Reserves		150,000	
Total Expenditures / Uses	<u>8,527,634</u>	<u>350,000</u>	<u>200,000</u>

CAPITAL IMPROVEMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental			84,000
Interest	12,018	10,000	10,000
Other Revenue	13,351		
Interfund Transfers	1,255,837	1,230,000	1,400,450
Uses of Reserves			233,333
Total Revenues / Sources	<u>1,281,206</u>	<u>1,240,000</u>	<u>1,727,783</u>
<u>Expenditures / Uses</u>			
Capital Outlay	726,828	1,063,105	1,016,116
Transfers to Other Funds	353,929	176,895	711,667
Total Expenditures / Uses	<u>1,080,757</u>	<u>1,240,000</u>	<u>1,727,783</u>

Fund Summaries

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Revenues are derived primarily from service charges.

Expenditures include wages and employee benefits, supplies, other charges and capital outlay.

Storm Water - account for the operation and maintenance of the City's storm water pumping stations, ditches and water retention system.

Wastewater Treatment - account for the operations and maintenance of the City's wastewater treatment facility, lift stations and collection system.

Sanitation - account for the operation and maintenance of the City's solid waste collection system and recycling.

Golf Courses - account for the operation and maintenance of the City's two 18 hole Golf Courses.

Town & County Golf - account for the operation and maintenance of the City's 9 hole Golf Course.

Sports Center - account for the operation and maintenance of the City's recreation and indoor hockey facility.

Forestry - account for the operation of shade tree and diseased tree control activities.

Pest Control - account for the operation of mosquito abatement and weed control.

Airport - account for the operation and maintenance of the City's airport facility.

Fund Summaries

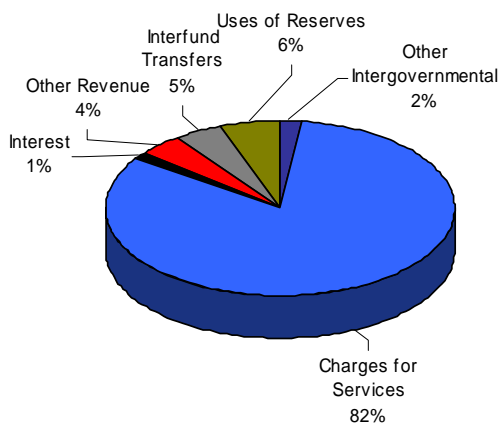
Enterprise Funds

	Storm Water	Wastewater Treatment	Sanitation	Golf Courses	Town & Country	Sports Center	Forestry	Pest Control	Airport	Total
Revenues / Sources										
Licenses & Permits								1,600		1,600
Other Intergovernmental	35,000	3,870	137,646	1,420		520	270	690	80,000	259,416
Charges for Services	796,928	4,583,549	2,883,707	1,239,200	97,000	79,550	530,259	370,523	5,000	10,585,716
Interest	10,000	100,000	17,842	50,000		5,000	2,200	1,000		186,042
Special Assessments							1,800	2,500		4,300
Other Revenue			55,105	84,900	12,300	316,086			46,072	514,463
Interfund Transfers	100,000			239,711		124,758			124,217	588,686
Uses of Reserves	116,408	586,687					8,854			711,949
Total Revenues / Sources	1,058,336	5,274,106	3,094,300	1,615,231	109,300	525,914	543,383	376,313	255,289	12,852,172

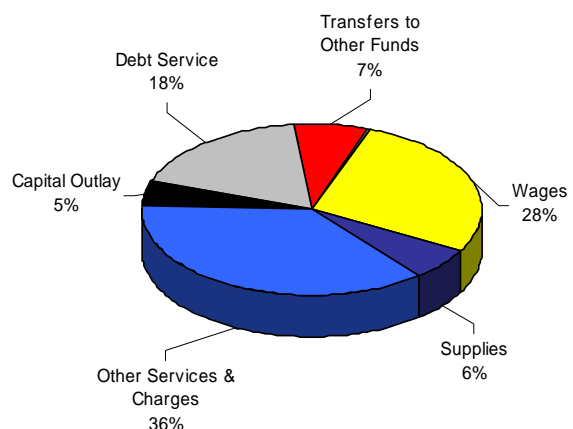
Expenditures / Uses

Wages	187,616	908,541	1,103,851	604,527	74,532	199,322	325,681	139,641		3,543,711
Supplies	11,700	266,162	139,076	159,477	25,091	50,655	56,953	76,514	2,000	787,628
Other Services & Charges	565,870	1,683,503	1,403,168	430,077	9,677	214,437	108,149	110,158	143,289	4,668,328
Capital Outlay	195,000	185,000	28,500	50,000			30,000		110,000	598,500
Debt Service		1,907,100		371,150		61,500				2,339,750
Transfers to Other Funds	98,150	323,800	379,000				22,600	50,000		873,550
Fund Balance/Equity Reserves			40,705							40,705
Total Expenditures / Uses	1,058,336	5,274,106	3,094,300	1,615,231	109,300	525,914	543,383	376,313	255,289	12,852,172

Revenues / Sources



Expenditures / Uses



Fund Summaries

Enterprise Funds

STORM WATER

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	35,536	35,000	35,000
Charges for Services	742,910	749,862	796,928
Interest	5,754	10,000	10,000
Other Revenue	310		
Interfund Transfers	12,000		100,000
Uses of Reserves		90,525	116,408
Total Revenues / Sources	<u>796,510</u>	<u>885,387</u>	<u>1,058,336</u>
<u>Expenditures / Uses</u>			
Wages	153,965	178,645	187,616
Supplies	7,228	11,500	11,700
Other Services & Charges	646,042	488,467	565,870
Capital Outlay		110,525	195,000
Transfers to Other Funds	102,080	96,250	98,150
Total Expenditures / Uses	<u>909,315</u>	<u>885,387</u>	<u>1,058,336</u>

WASTEWATER TREATMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	5,750	3,870	3,870
Charges for Services	3,883,850	4,083,227	4,583,549
Interest	107,235	100,000	100,000
Other Revenue	76,078		
Uses of Reserves		555,327	586,687
Total Revenues / Sources	<u>4,072,913</u>	<u>4,742,424</u>	<u>5,274,106</u>
<u>Expenditures / Uses</u>			
Wages	789,468	839,035	908,541
Supplies	222,264	253,262	266,162
Other Services & Charges	2,398,788	1,694,718	1,683,503
Capital Outlay		25,000	185,000
Debt Service	770,103	1,739,409	1,907,100
Transfers to Other Funds	528,287	191,000	323,800
Total Expenditures / Uses	<u>4,708,910</u>	<u>4,742,424</u>	<u>5,274,106</u>

Fund Summaries

Enterprise Funds

SANITATION

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	133,506	133,500	137,646
Charges for Services	2,567,369	2,586,000	2,883,707
Fines & Forfeits	100		
Interest	18,219	25,000	17,842
Other Revenue	124,469	57,500	55,105
Uses of Reserves		175,800	
Total Revenues / Sources	<u>2,843,662</u>	<u>2,977,800</u>	<u>3,094,300</u>
<u>Expenditures / Uses</u>			
Wages	1,122,847	1,046,436	1,103,851
Supplies	490,357	115,119	139,076
Other Services & Charges	1,296,265	1,240,715	1,403,168
Capital Outlay		210,000	28,500
Transfers to Other Funds	593,052	365,530	379,000
Fund Balance/Equity Reserves			40,705
Total Expenditures / Uses	<u>3,502,522</u>	<u>2,977,800</u>	<u>3,094,300</u>

GOLF COURSES

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Local Government Aid	179,300		
Other Intergovernmental	1,420	1,420	1,420
Charges for Services	902,092	1,199,764	1,239,200
Fines & Forfeits	20		
Interest	32,808	80,000	50,000
Other Revenue	68,707	77,000	84,900
Interfund Transfers	190,910	175,860	239,711
Total Revenues / Sources	<u>1,375,258</u>	<u>1,534,044</u>	<u>1,615,231</u>
<u>Expenditures / Uses</u>			
Wages	543,233	556,872	604,527
Supplies	123,808	144,926	159,477
Other Services & Charges	557,219	416,913	430,077
Capital Outlay		42,000	50,000
Debt Service	238,330	373,333	371,150
Total Expenditures / Uses	<u>1,462,589</u>	<u>1,534,044</u>	<u>1,615,231</u>

Fund Summaries

Enterprise Funds

TOWN & COUNTRY

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Charges for Services	14	106,500	97,000
Other Revenue		10,800	12,300
Total Revenues / Sources	<u>14</u>	<u>117,300</u>	<u>109,300</u>
<u>Expenditures / Uses</u>			
Wages		69,552	74,532
Supplies		23,198	25,091
Other Services & Charges	26,552	13,750	9,677
Fund Balance/Equity Reserves		10,800	
Total Expenditures / Uses	<u>26,552</u>	<u>117,300</u>	<u>109,300</u>

SPORTS CENTER

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Local Government Aid	370,700		
Other Intergovernmental	520	520	520
Charges for Services	90,886	75,950	79,550
Interest	10,156	5,000	5,000
Other Revenue	331,266	312,586	316,086
Interfund Transfers	105,749	91,510	124,758
Total Revenues / Sources	<u>909,277</u>	<u>485,566</u>	<u>525,914</u>
<u>Expenditures / Uses</u>			
Wages	204,233	177,034	199,322
Supplies	47,357	48,700	50,655
Other Services & Charges	448,116	201,300	214,437
Debt Service	19,860	58,532	61,500
Total Expenditures / Uses	<u>719,566</u>	<u>485,566</u>	<u>525,914</u>

*Fund Summaries***Enterprise Funds****FORESTRY**

	2004 Actual	2005 Budget	2006 Budget
Revenues / Sources			
Other Intergovernmental	270	270	270
Charges for Services	426,809	434,000	530,259
Interest	2,255	3,000	2,200
Special Assessments			1,800
Other Revenue	1,710		
Uses of Reserves		126,155	8,854
Total Revenues / Sources	<u>431,044</u>	<u>563,425</u>	<u>543,383</u>
Expenditures / Uses			
Wages	234,204	231,900	325,681
Supplies	53,035	57,620	56,953
Other Services & Charges	84,891	95,205	108,149
Capital Outlay		157,000	30,000
Transfers to Other Funds	21,612	21,700	22,600
Total Expenditures / Uses	<u>393,743</u>	<u>563,425</u>	<u>543,383</u>

PEST CONTROL

	2004 Actual	2005 Budget	2006 Budget
Revenues / Sources			
Licenses & Permits	1,422	1,500	1,600
Other Intergovernmental	690	690	690
Charges for Services	349,855	339,200	370,523
Interest	987	400	1,000
Special Assessments		5,000	2,500
Other Revenue	817		
Uses of Reserves		48,000	
Total Revenues / Sources	<u>353,771</u>	<u>394,790</u>	<u>376,313</u>
Expenditures / Uses			
Wages	119,928	125,542	139,641
Supplies	25,438	62,438	76,514
Other Services & Charges	37,259	102,470	110,158
Capital Outlay		57,200	
Transfers to Other Funds	55,237	47,140	50,000
Total Expenditures / Uses	<u>237,863</u>	<u>394,790</u>	<u>376,313</u>

Fund Summaries

Enterprise Funds

AIRPORT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	108,648	25,000	80,000
Charges for Services	2,196	5,000	5,000
Other Revenue	43,554	41,380	46,072
Interfund Transfers	41,650	49,350	124,217
Total Revenues / Sources	<u>196,048</u>	<u>120,730</u>	<u>255,289</u>
<u>Expenditures / Uses</u>			
Supplies	3,669	1,500	2,000
Other Services & Charges	243,796	119,230	143,289
Capital Outlay			110,000
Total Expenditures / Uses	<u>247,465</u>	<u>120,730</u>	<u>255,289</u>

Fund Summaries

Internal Service Funds

Internal Service Funds are used to account for the financing of services provided to other departments or agencies of the City, on a cost-reimbursement basis.

Revenues consist of equipment rents and service charges collected from other departments.

Expenditures include wages and employee benefits, supplies, other charges and equipment replacement purchases.

Information Technology - account for the accumulation and allocation of costs associated with electronic data processing.

Vehicles & Equipment - account for the rental of motor vehicles and maintenance equipment to other departments.

Radio - account for the accumulation and allocation of costs associated with mobile communications.

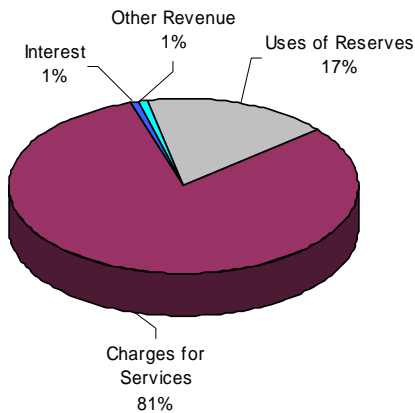
Fund Summaries

Internal Service Funds

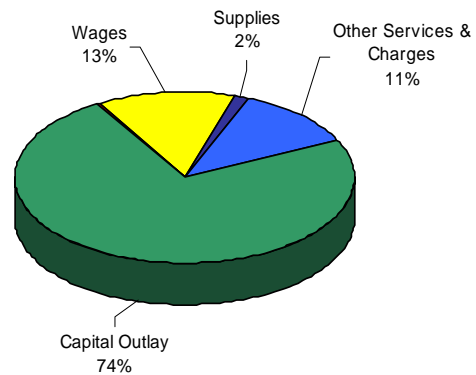
	Information Technology	Vehicles & Equipment	Radio	Total
<u>Revenues / Sources</u>				
Other Intergovernmental	1,130			1,130
Charges for Services	707,144	1,063,700	211,846	1,982,690
Interest	11,000	11,000		22,000
Other Revenue		20,000		20,000
Uses of Reserves	50,956	89,488	283,314	423,758
Total Revenues / Sources	770,230	1,184,188	495,160	2,449,578

<u>Expenditures / Uses</u>				
Wages	322,335			322,335
Supplies	26,400	3,810	8,000	38,210
Other Services & Charges	200,495	12,360	67,160	280,015
Capital Outlay	221,000	1,168,018	420,000	1,809,018
Total Expenditures / Uses	770,230	1,184,188	495,160	2,449,578

Revenues / Sources



Expenditures / Uses



Fund Summaries

Internal Service Funds

INFORMATION TECHNOLOGY

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	1,130	1,130	1,130
Charges for Services	842,352	800,784	707,144
Interest	11,358	15,000	11,000
Other Revenue	9,821		
Uses of Reserves			50,956
Total Revenues / Sources	864,660	816,914	770,230
<u>Expenditures / Uses</u>			
Wages	298,482	318,025	322,335
Supplies	22,822	31,000	26,400
Other Services & Charges	424,717	193,200	200,495
Capital Outlay		274,689	221,000
Total Expenditures / Uses	746,022	816,914	770,230

VEHICLES & EQUIPMENT

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Charges for Services	838,071	931,000	1,063,700
Interest	11,232	25,000	11,000
Other Revenue	37,703	20,000	20,000
Interfund Transfers	232,854		
Uses of Reserves			89,488
Total Revenues / Sources	1,119,861	976,000	1,184,188
<u>Expenditures / Uses</u>			
Supplies	3,296	3,700	3,810
Other Services & Charges	876,587	12,000	12,360
Capital Outlay		858,000	1,168,018
Debt Service	5,985	68,422	
Fund Balance/Equity Reserves		33,878	
Total Expenditures / Uses	885,868	976,000	1,184,188

Fund Summaries

Internal Service Funds

RADIO			
	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Charges for Services	124,860	119,160	211,846
Interest	3,454		
Uses of Reserves			283,314
Total Revenues / Sources	128,314	119,160	495,160
<u>Expenditures / Uses</u>			
Supplies	2,961	8,000	8,000
Other Services & Charges	129,178	67,160	67,160
Capital Outlay		44,000	420,000
Total Expenditures / Uses	132,139	119,160	495,160

Fund Summaries

Agency Funds

Agency Funds are used to account for assets held by the City in a trustee or as an agent for individuals, private organizations, other governments and/or other funds.

Revenues consist of State Aid, Tax Levy and Franchise Fees.

Expenditures include debt service, professional services, supplies and capital outlay.

Moorhead Community Access Television (MCAT) – account for amounts collected from the cable TV franchise agreement to support the cost of providing the local government access channel.

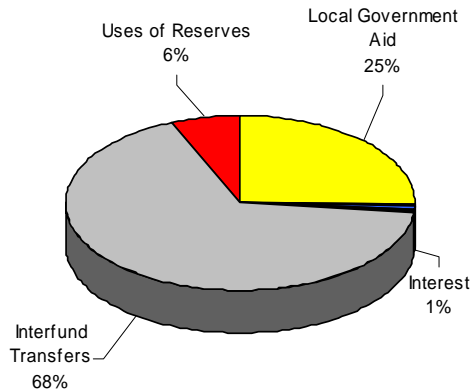
Armory – account for tax levy collections and debt payments for the Armory facility made on behalf of the State of Minnesota.

Fund Summaries

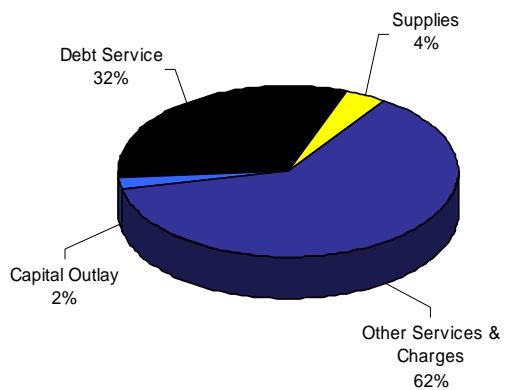
Agency Funds

	<u>MCAT</u>	<u>Armory</u>	<u>Total</u>
<u>Revenues / Sources</u>			
Local Government Aid		20,000	20,000
Other Intergovernmental	150		150
Interest	500		500
Other Revenue	350		350
Interfund Transfers	53,045		53,045
Uses of Reserves		5,000	5,000
Total Revenues / Sources	54,045	25,000	79,045
<u>Expenditures / Uses</u>			
Supplies	3,000		3,000
Other Services & Charges	49,295		49,295
Capital Outlay	1,750		1,750
Debt Service		25,000	25,000
Total Expenditures / Uses	54,045	25,000	79,045

Revenues / Sources



Expenditures / Uses



Fund Summaries

Agency Funds

MOORHEAD COMMUNITY ACCESS TELEVISION

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental		150	150
Interest	650	500	500
Other Revenue		350	350
Interfund Transfers	107,395	44,260	53,045
Total Revenues / Sources	<u>108,045</u>	<u>45,260</u>	<u>54,045</u>
<u>Expenditures / Uses</u>			
Supplies	2,448	3,000	3,000
Other Services & Charges	42,469	42,260	49,295
Capital Outlay	102,450		1,750
Total Expenditures / Uses	<u>147,368</u>	<u>45,260</u>	<u>54,045</u>

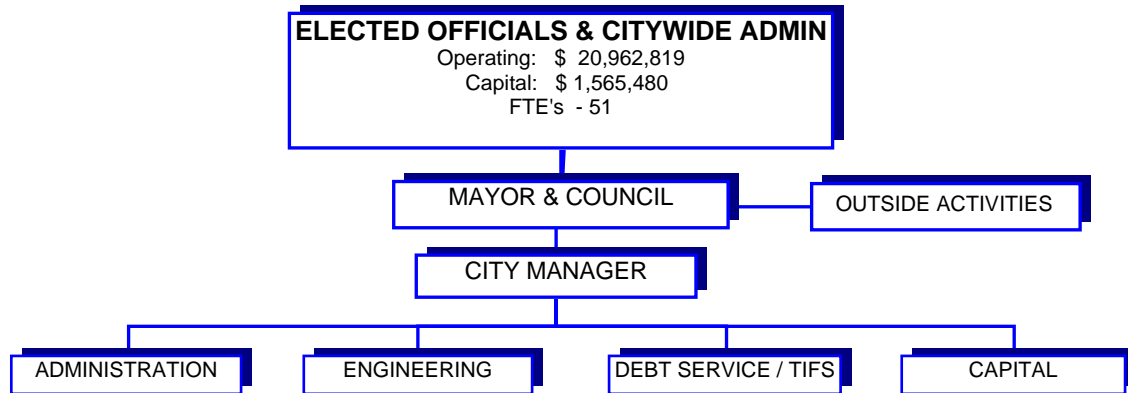
ARMORY

	2004 Actual	2005 Budget	2006 Budget
<u>Revenues / Sources</u>			
Taxes	14,895		
Tax Increments	2,941		
Local Government Aid		20,000	20,000
Other Intergovernmental	2,400		
Interest	434		
Uses of Reserves		5,000	5,000
Total Revenues / Sources	<u>20,670</u>	<u>25,000</u>	<u>25,000</u>
<u>Expenditures / Uses</u>			
Debt Service	25,000	25,000	25,000
Total Expenditures / Uses	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

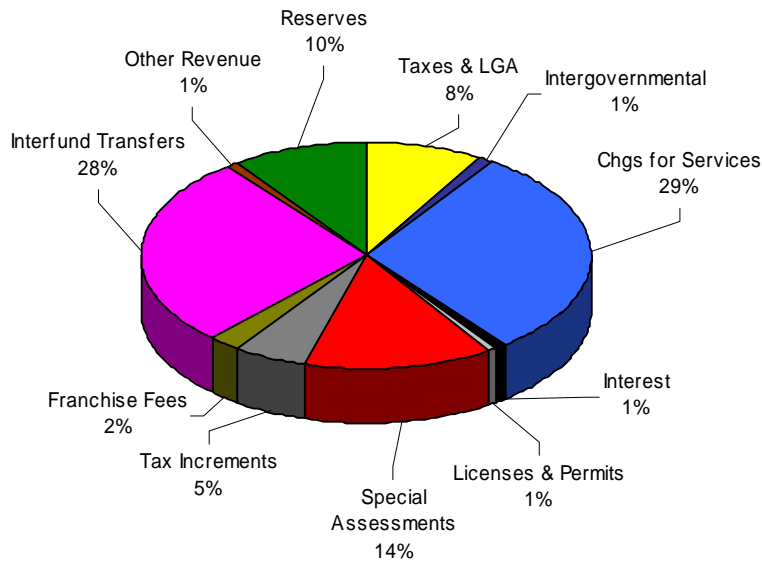
**DEPARTMENTAL
&
DIVISION BUDGETS**

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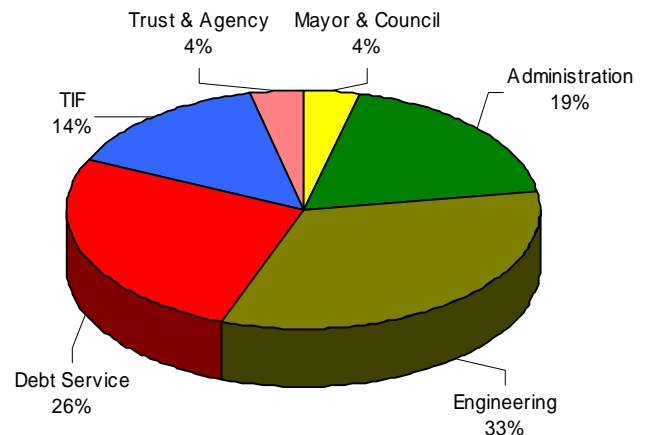
Elected Officials & Citywide Administration



FINANCING PLAN



PROGRAM ALLOCATION



MISSION STATEMENT – It is the mission of the Elected, Official and Citywide Administration to assist the Mayor & Council in formulation of good public policy, to recommend cost effective alternatives, to implement adopted policies, and to exercise general management, financial accountability and short- and long- range planning, design and construction for the provision of quality municipal services to the citizens, residents and businesses of Moorhead.

Elected Officials & Citywide Administration

HIGHLIGHTS: In 2005, the City of Moorhead witnessed the continued expansion of the local economy with record housing starts and new business expansion and development within its borders. These housing and commercial starts, coupled with a new partnership with the Greater Fargo Moorhead Economic Development Corporation, will result in continued growth in 2006 and beyond. New residential development and redevelopment will continue to lead the Moorhead growth strategy in 2006.



The Elected Officials and Citywide Administrative efforts of the City of Moorhead remain focused on the provision of efficient, quality municipal services to a growing and diversifying community.

While older challenges remain, new opportunities have begun to emerge, generated by long-awaited community and neighborhood growth and development, providing for exciting times ahead!

Highlights of the 2006 Budget include:

- Continued pursuit of federal funding for key transportation and transit projects, including completion of funding for the 20th/21st St. grade separation project and a future mid-city grade separate interchange;
- Construction and completion of the Comprehensive Rail Safety Program, including safety measures along the downtown corridor to quiet whistles;
- Implementing marketing and recruitment efforts with the newly constituted Greater Fargo Moorhead Economic Development Corporation;
- Developing strategies and work plans in the Neighborhood Services Division to carry out programs, policies, and processes to effectively manage Moorhead's changing neighborhoods;
- Continuing financial support to valued community agencies and activities; and
- Providing high-quality compensation for City employees, based upon the recently completed Classification and Compensation Study, as well as expected new contracts.



The Right Place... The Right Time.

Elected Officials & Citywide Administration

CHALLENGES & OPPORTUNITIES: 2006 will see the launch and implementation of many new City efforts to address challenges and embrace opportunities in the community. Compared to past budgets, the *Proposed 2006 Budget* better positions the City to meet the demands of a growing metropolitan area that must vision, plan, design, and build its future. While the long-term prospects for Local Government Aid and other funds for municipalities from St. Paul looks bleak, Moorhead is diversifying its revenue stream, reinvesting in its infrastructure, and leading the way for stable, solid growth in the future.

- **Major Infrastructure Projects** – Projects underway include; an improved street maintenance and scheduled replacement program, new plat approvals and master planning for new development and permits, implementation of the next phase of the Comprehensive Rail Safety Program, and planning for emerging growth areas in the community.



Of special note is the \$13 Million authorization the City recently received for completion of its proposed 34th St. & I-94 interchange and partial funding for the 20th St & 21st St Grade Separated Interchange. The support of the Minnesota Congressional Delegation has made this progress possible, and a combination of federal, state, and local funds will help make this project a reality for the citizens of Moorhead, resulting in a safer, more accessible community.

- The 20th/21st Street underpass remains an active, albeit partially funded, project. Work will continue in 2006 to move this project through the appropriate authorization and appropriation steps, and pre-design/planning work will continue.



Elected Officials & Citywide Administration



- Economic Development** – The newly forged partnership with the Fargo-Cass County Economic Development Corporation, resulting in the creation of the Greater Fargo Moorhead Economic Development Corporation, will bring expanded marketing opportunities for the metropolitan area at national conferences and with business site selectors. Growing the commercial tax base of the City remains a high priority despite the recent widespread success in the residential housing sector. JOBZ and Border Cities marketing efforts will continue in 2006 with Moorhead’s EDA as well as the efforts of the GFMEDC.



- Neighborhood Revitalization** – The announcement in 2005 of the Gate City Bank/City of Moorhead Neighborhood Improvement Loan Program was well-received in the community, with nearly \$2 million dollars being borrowed to reinvest in properties throughout the City.
- The Community Development Block Grant program will continue to offer limited resources for housing rehabilitation and assistance. The City will be carefully monitoring legislative and administrative changes to the program that will impact the City of Moorhead.
- Increased efforts of the Neighborhood Services Division will be aimed at addressing property maintenance and rental registration issues across the City.
- Finally, the City will continue to partner with Concordia, MSUM and surrounding neighborhoods, to address the impacts, positive and negative, of off-campus student housing and college activities.



FUTURE ISSUES: With both immediate and long-term opportunities and challenges facing the community, the Elected Officials and Citywide Administrative functions of the City of Moorhead continue to develop long-term strategies to address operational, capital and programmatic objectives. A few such long-range challenges, highlighted on the following page are: *Revenue Diversification, Water & Waste, and Growth Planning.*

Elected Officials & Citywide Administration



Revenue Diversification – The 2003 reductions in State aid represented a permanent reduction in the City’s total aid package. Greater independence from State revenue must continue to be sought, and the housing and commercial growth Moorhead is experiencing will help further diversify the local tax base. Sustained economic expansion and increased revenue diversification must remain top community priorities.

Additionally, private partnerships, such as those between the City and Gate City Bank, will be the hallmarks of the agile and responsive municipal government in the future, as traditional resources become increasingly sparse.

Water & Waste – The City of Moorhead will be engaged in conversations in 2006 regarding future water sources for the metropolitan area and the current methods in which municipal solid waste is disposed of in Moorhead and Clay County.

Regional task forces will comprehensively study the issue of water supply and waste alternatives in 2006. Depending upon the findings and recommendations of these multi-jurisdictional groups, the City may be re-evaluating its long-term strategies in both of these areas.

Growth Planning – The next ring of growth in Moorhead must be appropriately envisioned and planned. With a newly constituted Development Team consisting of Engineering Division and Community Services Department staff, collaboration, coordination, and strategic visioning activities are taking place and will help in the continuing implementation of the City’s 2004 Comprehensive Plan. This team will proactively work with developers and pursue dialogues with City partners on how best to grow the community. Their collective product represents the technical planning and engineering work that grows Moorhead.



Elected Officials & Citywide Administration

2005 – 2006 BUDGET COMPARISON

	<u>2005 BUDGET</u>	<u>2006 BUDGET</u>	<u>INCREASE (DECREASE)</u>
<u>Mayor & Council Division:</u>			
Mayor & Council	393,130	494,270	101,140
Unallocated/Council Discretionary	140,316	145,621	5,305
Programs, Services, Actv.	165,620	204,297	38,677
	<u>699,066</u>	<u>844,188</u>	<u>145,122</u>
<u>Administrative Division:</u>			
City Manager	462,190	598,653	136,463
City Clerk	96,500	94,646	(1,854)
Elections & Voters	19,720	30,500	10,780
Finance	1,323,138	1,319,995	(3,143)
Legal	266,500	309,400	42,900
Human Resources	251,392	273,907	22,515
Labor Relations	21,690	31,928	10,238
General Government	6,000	6,000	-
Library	700,508	727,658	27,150
Information Technology	816,914	770,230	(46,684)
Self Insurance	38,000	38,000	-
	<u>4,002,552</u>	<u>4,200,917</u>	<u>198,365</u>
<u>Engineering Division:</u>			
Engineering	835,524	1,101,293	265,769
Storm Water	885,387	1,058,336	172,949
Wastewater Treatment	4,742,424	5,274,106	531,682
	<u>6,463,335</u>	<u>7,433,735</u>	<u>970,400</u>
<u>Debt Service:</u>			
Debt Service	<u>4,671,195</u>	<u>5,895,117</u>	<u>1,223,922</u>
<u>Tax Increment Districts:</u>			
Tax Increment Districts	<u>3,559,707</u>	<u>3,235,567</u>	<u>(324,140)</u>
<u>Trust & Agency:</u>			
Armory	25,000	25,000	-
MCAT	45,260	54,045	8,785
	<u>70,260</u>	<u>79,045</u>	<u>8,785</u>
<u>Capital: *</u>			
Permanent Improvement	350,000	200,000	(150,000)
CI - Administration	523,835	474,230	(49,605)
CI - City Clerk		165,500	165,500
CI - Engineering	48,000	-	(48,000)
	<u>921,835</u>	<u>839,730</u>	<u>(82,105)</u>
 Total Administration Department	 <u>20,387,950</u>	 <u>22,528,299</u>	 <u>2,140,349</u>

* See the Capital Projects Funds detail on page 42.

Elected Officials & Citywide Administration

Mayor & Council Division

Mayor & Council

Program Description

Authority is vested with the Council to enact ordinances, hold public hearings, approve contracts, establish assessments, and set policy. The Council promotes the health, safety and welfare of the citizens of Moorhead. Council activities are accounted for in the General Fund.

2006 Goals and Objectives

- Continue to pursue Rail Safety Zone
- Commercial Corridor planning
- Implement Downtown Redevelopment
- Solid Waste Disposal Task Force

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	103,609	106,644	109,838	3,194
Supplies & Materials	995	2,426	2,600	174
Other Services & Charges	444,210	540,646	662,533	121,887
Capital Outlay				
Debt Service				
Transfer to Funds	188,944	49,350	69,217	19,867
To Reserves				
Total	737,758	699,066	844,188	145,122

2006 Budget Impact Items

- Increased level of funding for lobbying efforts.
- Membership dues increases.

2004/2005 Achievements

- Adopted a City wide smoking ban in all public facilities.
- Adopted City Comprehensive Plan & related Development Code.

Elected Officials & Citywide Administration

Administrative Division

City Manager

Program Description

The City Manager's office assists the Mayor and Council in the formulation of good public policy, to implement these policies, to recommend cost effective alternatives, and to exercise general management and financial accountability of City resources for the citizens of Moorhead.

2006 Goals and Objectives

- Grow the community and diversify City revenue streams.
- Implement the recommendations of the 2004 Comprehensive Plan.
- Improve customer service skills for all employees.
- Enhance access to information and City programs and resources.
- Implement new CAMA system.
- Continue to pursue collaborative opportunities with outside agencies and organizations.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	282,281	363,217	450,915	87,698
Supplies & Materials	9,010	5,500	9,500	4,000
Other Services & Charges	63,322	93,473	138,238	44,765
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	354,613	462,190	598,653	136,463

2006 Budget Impact Items

- Health care insurance increases.

2004/2005 Achievements

- Major infrastructure projects and service area expansions.
- JOBZ program and economic development efforts.
- Housing growth.
- Completion of the 2004 Comprehensive Plan.

Elected Officials & Citywide Administration

Administrative Division

City Clerk

Program Description

Provides a variety of routine and complex administrative services, inclusive of issuance of licenses, recording of Council meetings, oversees legal publications, codification of ordinances and records management.

2006 Goals and Objectives

- Complete & distribute Council agenda packets.
- Create & maintain accurate minutes.
- Continue to Monitor & improve business license process.
- Codification of ordinances.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	69,283	59,234	63,404	4,170
Supplies & Materials	5,906	5,300	5,700	400
Other Services & Charges	24,739	31,966	25,542	(6,424)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	99,929	96,500	94,646	(1,854)

2006 Budget Impact Items

- Personnel cost include 2.0% COLA on wages and benefits.
- Number of agenda packets prepared/distributed.
- Codification of ordinances & placement on website.

2004/2005 Achievements

- Published legal notices as required by law.
- Administered codification of ordinances.
- Prepared agendas & meeting minutes.
- Maintained resolution/ordinance indexing system.
- Modified Liquor License Renewal Process

Elected Officials & Citywide Administration

Administrative Division

Elections & Voters

Program Description

The City Clerk administers all municipal/school elections and assists with the conduct of the State/Federal elections held in the City of Moorhead. Program activities are accounted for in the General Fund.

2006 Goals and Objectives

- Monitor and implement procedures for Help America Vote Act (HAVA) compliance.
- Plan & coordinate election process with Independent School District #152.
- Comply with educational requirements.
- Monitor and review polling sites.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	74	5,400	600	(4,800)
Other Services & Charges	26,820	14,320	29,900	15,580
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	26,894	19,720	30,500	10,780

2006 Budget Impact Items

- Reduction in budget due to fewer elections & people working.
- Ballot preparation & programming.
- Purchase election equipment to be in compliance with 2002 Help America Vote Act.

2004/2005 Achievements

- Successfully administered elections within the City of Moorhead.
- Successfully negotiated new polling site.
- Completed boundary changes due to annexations.
- Notified affected voters of polling site change.

Elected Officials & Citywide Administration

Administrative Division

Finance

Program Description

Finance provides for the financial operations and is responsible for budget preparation, debt management, and risk management. The activity is accounted for in the General Fund.

2006 Goals and Objectives

- Continue enhancement of financial software departmental utilization.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	311,936	309,724	321,671	11,947
Supplies & Materials	5,375	5,900	6,300	400
Other Services & Charges	53,327	67,514	64,354	(3,160)
Capital Outlay				
Debt Service				
Transfer to Funds	264,637	400,000	324,450	(75,550)
To Reserves		540,000	603,220	63,220
Total	635,275	1,323,138	1,319,995	(3,143)

2006 Budget Impact Items

- Personnel cost include 2.0% COLA on wages and benefits.

2004/2005 Achievements

- Received the GFOA Award for Excellence in Financial Reporting for the 22nd consecutive year.
- First year the City received the GFOA Distinguished Budget Presentation Award for the 2005 City Budget.

Elected Officials & Citywide Administration

Administrative Division

Legal

Program Description

The City Attorney provides legal support and opinions to the City Council, City Manager and staff on all legal issues affecting the City. These services are provided under a contactual professional service agreement. Prosecution services are contracted through the County Attorney's office. The City is also insured through the League of Minnesota Insurance Trust which handles the legal services for insurance related claims.

2006 Goals and Objectives

- Provide the City with quality legal services in order to minimized exposure to litigation.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	278,298	266,500	309,400	42,900
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	278,298	266,500	309,400	42,900

2006 Budget Impact Items

- Increased 14% over previous year level due to increased personnel costs at the Clay County Attorney's office.

2004/2005 Achievements

- N/A

Elected Officials & Citywide Administration

Administrative Division

Human Resources

Program Description

Human Resources is responsible for providing support to other City departments in the areas of job description analysis & compensation and employment recruitment, selection, transfers & promotions, benefit programs, bargaining unit negotiating, education and administers the payroll programs.

2006 Goals and Objectives

- Develop, implement and maintain a variety of training programs.
- Coordinate Wages & Benefits information for all City departments.
- Establish training programs Citywide and for management/supervisors
- Implement a new payroll software program.
- Establish a City wide Committee to develop a Performance Evaluation System
- Implement City wide intranet on web for all City employees for Human Resources related information and on-line forms.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	177,352	175,657	186,762	11,105
Supplies & Materials	9,265	5,450	9,500	4,050
Other Services & Charges	79,505	70,285	77,645	7,360
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	266,123	251,392	273,907	22,515

2006 Budget Impact Items

- Personnel costs include 2.0% COLA on wages and benefits.
- Payroll/Human Resource Software Package.

2004/2005 Achievements

- Initiated a Citywide classification and compensation study.
- Worked on Citywide re-organization.
- Recruited and hired for City positions.

Elected Officials & Citywide Administration

Administrative Division

Labor Relations

Program Description

Labor Relations is a function within Human Resources used to account for contract negotiation activities.

2006 Goals and Objectives

- Negotiate contracts effective January 1, 2006 for all four bargaining units.
- Open communication with the bargaining units.
- Keep number of arbitrations to a minimum.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	26			
Other Services & Charges	18,169	21,690	31,928	10,238
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	18,194	21,690	31,928	10,238

2006 Budget Impact Items

- Maintained 2005 funding levels for 2006.

2004/2005 Achievements

- Implemented Post Health Savings Plan programs for all City employees.
- New labor negotiations subscription service through Flaherty & Hood, P.A.

Elected Officials & Citywide Administration

Administrative Division

Public Library

Program Description

The Library is dedicated to providing a wide range of library services and programs to the residents of Moorhead. The Library offers something for everybody with stories and activities for preschool and school-age children, book discussion groups, educational programs and Internet access.

2006 Goals and Objectives

- Continue to provide high quality library services by improving efficiencies.
- Work with consultant recommendations to develop a viable building program.
- Utilize regional office resources to improve visibility and significance of library in the community.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	37,793	39,295	40,977	1,682
Supplies & Materials	3,400	4,850	4,850	
Other Services & Charges	645,021	654,823	680,361	25,538
Capital Outlay				
Debt Service	1,612	1,540	1,470	(70)
Transfer to Funds				
To Reserves				
Total	687,826	700,508	727,658	27,150

2006 Budget Impact Items

- 3% increased funding appropriation for Regional Library System.

2004/2005 Achievements

- Increased library use significantly -- average of 743 people every day the library is open or 72 people for every hour the library is open! That is as if every single person in the city of Moorhead came to the library 8 times during the year!
- Children's programs -- 9% more programs, 6.5% higher attendance.
- Adult programs -- 35% more programs, 140% higher attendance.
- Meeting room use (non-library) -- 17% more meetings/programs, 67% higher attendance.
- Increased check out of library materials -- 2% more items.
- Public Internet use is close to maximum capacity -- 11+ users per hour for 15 computers (does not factor in the many times when the 10 lab computers are set aside for training!).
- Helped 21,000 customers find information or materials.
- Developed outreach contacts with community agencies such as Head Start, Adult Basic Education, Centro Cultural, Assisted Living Centers, etc. to take the library and its services to those who might not already be aware of them or who are have limited mobility or access.

Elected Officials & Citywide Administration

Administrative Division

Information Technology

Program Description

Information Technology maintains and repairs all computers and information systems for the City of Moorhead and is responsible for planning, development, installation, and implementation of software packages.

2006 Goals and Objectives

- Voice Over Internet Protocol implementation.
- Network Backbone Upgrade.
- Communication Center Implementation.
- Constituent Incident Tracking (CIT) design and implementation.
- AS400 data and software migration.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	298,482	318,025	322,335	4,310
Supplies & Materials	22,822	31,000	26,400	(4,600)
Other Services & Charges	424,717	193,200	200,495	7,295
Capital Outlay		274,689	221,000	(53,689)
Debt Service				
Transfer to Funds				
To Reserves				
Total	746,022	816,914	770,230	(46,684)

2006 Budget Impact Items

- VOIP Server and Hardware.
- Network backbone switch.

2004/2005 Achievements

- Server Room Design and Construction.
- Laserfiche 7 Implementation.
- Web Server/ Portal Implementation.
- Messaging system(digital).
- Network Security Implementation.

Elected Officials & Citywide Administration

Administrative Division

Self Insurance

Program Description

The self insurance fund provides for the aggregate deductible amount for liability claims and the payment of agent fees.

2006 Goals and Objectives

- N/A

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	47,950	38,000	38,000	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	47,950	38,000	38,000	

2006 Budget Impact Items

- Maintained 2005 funding level for 2006.

2004/2005 Achievements

- N/A

Elected Officials & Citywide Administration

Engineering Division

Engineering

Program Description

The Engineering Division provides for the administration, coordination, planning, funding, design, and construction of the City's transportation and utility infrastructure for new and existing development. The Division also provides floodplain management. Activities are funded through the General Fund.

2006 Goals and Objectives

- Construct downtown rail safety (SSM) improvements and railscaping.
- Plan/design/construct infrastructure for new development.
- Complete design for the SE Main Ave/20th St/21st St Railroad Grade Separation Project.
- Complete environmental assessment, design, and groundbreaking for the 34th St/I-94 Interchange.
- Complete 30th Ave S reconstruction and 40th Ave S construction.
- Implement enhancements/improvements to pavement management program.
- Coordinate with local jurisdictions on the TH 336/12th Ave S Corridor Study.
- Complete 4th St S reconstruction and other programmed residential street projects.
- Develop a traffic calming policy.
- Initiate planning for infrastructure improvements necessary to serve Trollwood.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	661,735	651,901	820,966	169,065
Supplies & Materials	22,863	28,582	35,157	6,575
Other Services & Charges	146,507	155,041	220,670	65,629
Capital Outlay			24,500	24,500
Debt Service				
Transfer to Funds				
To Reserves				
Total	831,104	835,524	1,101,293	265,769

2006 Budget Impact Items

- Staffing level and succession/transition planning.
- Pavement management program enhancements/improvements.

2004/2005 Achievements

- Completed infrastructure improvements for over 400 acres of new development.
- Finalized Agreement with BNSF for downtown rail safety improvements.
- Completed a 5-yr transportation capital improvement plan & related assessment policy .
- Completed construction of infrastructure for MCCARA 3rd Addition.
- Completed preliminary engineering and environmental assessment for the SE Main Ave/20th St/21st St Railroad Grade Separation Project.
- Initiated preliminary engineering & environmental assessment for 34th St/I-94 Interchange.
- Completed construction of the Main Ave Bridge plaza.
- Installed traffic signals at TH 75/40th Ave S and 34th St/12th Ave S

Elected Officials & Citywide Administration

Engineering Division

Storm Water

Program Description

The Stormwater utility provides for the administration, planning, funding, engineering, operation, and maintenance of the stormwater collection and treatment systems; including flood control, pollution prevention, and regulatory compliance. Activities are funded through an enterprise fund.

2006 Goals and Objectives

- Coordinate with local jurisdictions and regulatory agencies on the Fargo-Moorhead Fecal Coliform and Regional Turbidity Total Maximum Daily Load (TMDL) studies.
- Continue coordination on Phase 2 of U.S. Army Corp of Engineers (USACE) Fargo-Moorhead & Upstream Feasibility Study to evaluate flood protection.
- Adopt/implement revised rate structure based on impervious area.
- Continue implementation of MS4 permit requirements (year 4 of 5).
- Continue master planning efforts within the context of Growth Area Plans.
- Complete major repairs at three storm lift stations.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	153,965	178,645	187,616	8,971
Supplies & Materials	7,228	11,500	11,700	200
Other Services & Charges	646,042	488,467	565,870	77,403
Capital Outlay		110,525	195,000	84,475
Debt Service				
Transfer to Funds	102,080	96,250	98,150	1,900
To Reserves				
Total	909,315	885,387	1,058,336	172,949

2006 Budget Impact Items

- New ditch maintenance equipment.
- Major repair projects at three at storm lift stations.
- Preventive maintenance for catch basins, storm sewers, and ponds.

2004/2005 Achievements

- Adopted stormwater ordinances in compliance with MS4 permit requirements.
- Conducted education for developers, homebuilders, contractors, and general public.
- Coordinated with local jurisdictions and regulatory agencies to complete the Fargo-Moorhead Turbidity Total Maximum Daily Load study.
- Completed preliminary master plan for future expanded service area.
- Completed Phase 1 of U.S. Army Corp of Engineers Fargo-Moorhead & Upstream Feasibility Study to evaluate flood protection.

Elected Officials & Citywide Administration

Engineering Division

Wastewater Treatment

Program Description

The Wastewater Treatment utility provides for the administration, planning, funding, engineering, operation, and maintenance of the wastewater collection and treatment facilities to protect public health and welfare and maintain regulatory compliance. Activities are funded through an enterprise fund.

2006 Goals and Objectives

- Complete long-range facility plan and initiate design of solids processing/reuse improvements for the Wastewater Treatment Facility.
- Update 20-year capital improvement plan for Wastewater Treatment Facility.
- Relocate/reconstruct Sanitary Lift Station #18 (currently 26th St & Village Green Blvd).
- Renew Wastewater Treatment Facility National Pollutant Discharge Elimination System (NPDES) discharge permit.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	789,468	839,035	908,541	69,506
Supplies & Materials	222,264	253,262	266,162	12,900
Other Services & Charges	2,398,788	1,694,718	1,683,503	(11,215)
Capital Outlay		25,000	185,000	160,000
Debt Service	770,103	1,739,409	1,907,100	167,691
Transfer to Funds	528,287	191,000	323,800	132,800
To Reserves				
Total	4,708,910	4,742,424	5,274,106	531,682

2006 Budget Impact Items

- 6% programmed rate increase for sanitary sewer interceptor and Wastewater Treatment Facility headworks projects.
- Sewer maintenance equipment improvements to address expanding service area.
- Design/financing for solids processing/reuse improvements.
- Preventive maintenance for sanitary sewers and Wastewater Treatment Facility.

2004/2005 Achievements

- Completed the three-year sanitary sewer interceptor and Wastewater Treatment Facility headworks improvement projects.
- Completed preliminary master plan for future expanded service area.
- Completed a Phosphorus Management Plan.
- Received MPCA Commendation for Operation and Maintenance of the Wastewater Facility.

Elected Officials & Citywide Administration

Debt Service

Debt Service

Program Description

Debt Service Funds account for the collection of revenues for the retirement of city debt for which interest, principal payments and other related expenses on outstanding debt is paid (excluding debt service provided for in enterprise and internal service funds.)

2006 Goals and Objectives

- Monitor bond issues for potential refunding opportunities to achieve interest cost savings.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	76,714	3,500		(3,500)
Capital Outlay	106,635		98,500	98,500
Debt Service	4,188,453	3,985,960	5,291,356	1,305,396
Transfer to Funds	413,064	117,610	180,461	62,851
To Reserves		564,125	324,800	(239,325)
Total	4,784,866	4,671,195	5,895,117	1,223,922

2006 Budget Impact Items

- Debt service requirements increased \$ 1,305,396,

2004/2005 Achievements

- Interest cost savings due to refunding of five General Obligation bond issues.

Elected Officials & Citywide Administration

Tax Increment

Tax Increment

Program Description

Tax Increment Funds account for the activities of tax increment districts approved by the City Council to finance development costs of particular projects. The debt payments on bonds issued are secured by tax increments generated by the districts benefiting from the development.

2006 Goals and Objectives

- Continue to make Tax Increment Financing (TIF) available to stimulate development and/or redevelopment of property.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	450,881	57,268	9,600	(47,668)
Capital Outlay				
Debt Service	1,706,144	2,061,684	2,129,687	68,003
Transfer to Funds	869,911	887,755	890,000	2,245
To Reserves		553,000	206,280	(346,720)
Total	3,026,935	3,559,707	3,235,567	(324,140)

2006 Budget Impact Items

- It is anticipated that these funds will be self-supporting from the related tax increment sources.

2004/2005 Achievements

- Decertified Park School Tax Increment District

Elected Officials & Citywide Administration

Trust & Agency

Armory

Program Description

Accounts for the collection of taxes and the payments remitted to the state for debt service on the Armory facility.

2006 Goals and Objectives

- N/A

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges				
Capital Outlay				
Debt Service	25,000	25,000	25,000	
Transfer to Funds				
To Reserves				
Total	25,000	25,000	25,000	

2006 Budget Impact Items

- N/A

2004/2005 Achievements

- N/A

Elected Officials & Citywide Administration

Trust & Agency

MCAT

Program Description

Account for the amounts collected from cable TV franchise to support the cost of providing the local community access channel.

2006 Goals and Objectives

- Provide quality programming and public access to residents of the city.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	2,448	3,000	3,000	
Other Services & Charges	42,469	42,260	49,295	7,035
Capital Outlay	102,450		1,750	1,750
Debt Service				
Transfer to Funds				
To Reserves				
Total	147,368	45,260	54,045	8,785

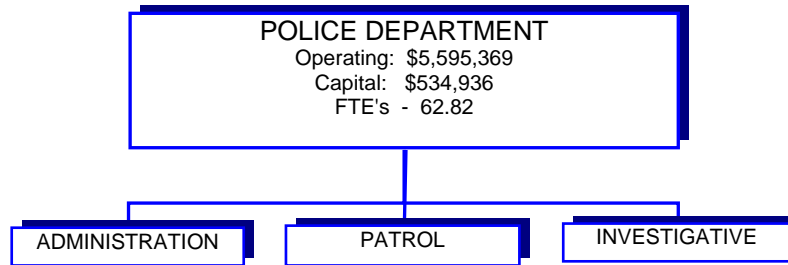
2006 Budget Impact Items

- City funding was increased 3% over 2005 levels.

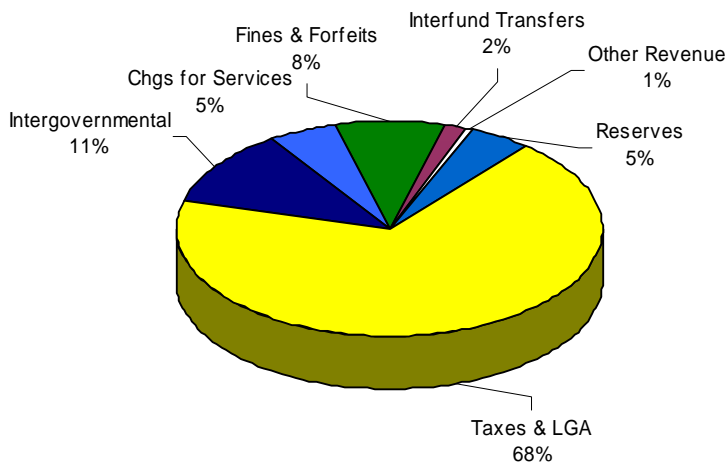
2004/2005 Achievements

- Completed move of operation to offices provided by the School District at the Moorhead High School.

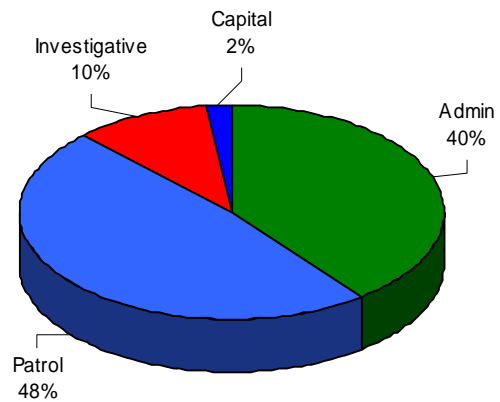
Police Department



FINANCING PLAN



PROGRAM ALLOCATION



MISSION STATEMENT – The mission of the Moorhead Police Department is to maintain peace and order through the provision of police services that are of the highest quality and responsive to the needs of the community. We will contribute to the safety and security of the community by apprehending those who commit criminal acts, by developing partnerships to prevent, reduce or eliminate neighborhood problems, and by providing police services that are fair, unbiased, judicious, and respectful of the dignity of all individuals.

Police Department

DEPARTMENT HIGHLIGHTS: Community partnerships, community policing together with the delivery of professional police services continue to move the department into the future.

- Forensic examination of computers
- Successful major crime investigation and prosecution
- Regional K-9 trials held in Moorhead with the Moorhead team being very successful
- Implementing radio interoperability plan
- Placement of new methamphetamine-oriented investigator



FUTURE ISSUES: The Moorhead Police Department continues to prepare and posture itself for the continued growth of the community. The challenges are many. Highlighted below are a few the department will face.

- Resources needed to combat increasing methamphetamine and other drug crime
- Reorganization and management transition
- Analysis and policy review concerning impartial policing
- Community growth, development, and future annexations
- Internet crimes (identity thefts, luring, harassment, stalking)
- Enhanced electronic data interoperability between mobile units
- Department space requirements/ building restoration upkeep
- Recruitment and retention of quality applicants.



Police Department

HIGHLIGHTED PROGRAM: INVESTIGATIVE DIVISION

The Moorhead Police Department Investigative Division consists of nine employees with seven detectives, one sergeant supervising the unit and one office specialist. Two detectives perform General Investigations dealing with serious adult crimes such as assaults, burglaries, and thefts. Two detectives are Juvenile Investigators working with crimes involving children such as criminal sexual conduct, assaults, child abuse, and

crimes against vulnerable adults. Three detectives are Narcotics Investigators with two working local narcotics enforcement and a third is attached to the Drug Enforcement Administration (DEA) Red River Valley Drug Task Force consisting of Fargo Police, Moorhead Police, Cass County Sheriff, Clay County Sheriff, Minnesota Bureau of Criminal Apprehension (BCA), and DEA Agents working large inter-state drug trafficking and conspiracy cases. There have been several new changes in the division in personnel and technology.

In January 2004, the police department initiated a new program for aggressive supervision of all Predatory Offenders by assigning all officers to perform random quarterly checks on specific Registered Predatory Offenders to determine registration compliance and prosecute those in violation. The program's focus is to bring those out of compliance into custody and deter future similar offenses. Recent national attention on the Joseph Duncan, Idaho kidnapping and murder case, has spotlighted offender supervision by agencies. Duncan himself was a Fargo resident working in Moorhead and due to his employment was registered here. He was subject to our random compliance checks and fortunately chose not to re-offend here.

Early this year, one of our Juvenile Detectives applied for and received a grant from Internet Crimes Against Children (ICAC) for training and equipment. We now have a trained computer forensics expert that is well equipped to examine computer hard drives in child pornography and identity theft cases. We are one of very few in the State of Minnesota and the nation that has this capability. As a part of the grant, we must take on an allotment of cases from other jurisdictions.

Police Department

The technology is rapidly changing in this field and our expert is performing well having just won in a recent court case.

Another area addressed by the division has been in the growing methamphetamine problem in the area. An additional Narcotics/Street Crimes Detective was added. This position's primary attention is narcotics enforcement. Our new narcotics team also collaborates with other area narcotics agents in combating the increasing drug problems including methamphetamine. Further, we maintain contact with our local representatives in an effort to bring about law changes that help us fight and win the war on drugs. In the team's first couple of months, they have seized over \$30,000, 8 automobiles, and over 1300 grams of methamphetamine in 14 search warrants.



The Moorhead Police Investigative Division provides support to the patrol division by assisting in large, complicated, and time-consuming cases to serve our citizens. We believe in our mission in "providing police services that are of the highest quality and are responsive to the needs of the community".

Police Department

2005 – 2006 BUDGET COMPARISON

	2005 BUDGET	2006 BUDGET	INCREASE (DECREASE)
<u>Administrative Division:</u>			
Administration	1,426,037	1,458,877	32,840
Community Policing	100,095	55,164	(44,931)
Youth Services	58,350	61,776	3,426
Grant Funded Activities	308,769	353,952	45,183
Radio	119,160	495,160	376,000
	<u>2,012,411</u>	<u>2,424,929</u>	<u>412,518</u>
<u>Patrol Division:</u>			
Patrol	2,668,663	2,702,381	33,718
DARE	69,390	74,138	4,748
Bike Patrol	4,050	3,920	(130)
Tactical	12,880	13,270	390
K-9	12,310	17,375	5,065
Community Service	147,604	153,007	5,403
	<u>2,914,897</u>	<u>2,964,091</u>	<u>49,194</u>
<u>Investigative Division:</u>			
Investigative	541,652	626,349	84,697
<u>Capital: *</u>			
Capital Improvements	92,465	114,936	22,471
Total Police Department	<u>\$ 5,561,425</u>	<u>\$ 6,130,305</u>	<u>\$ 568,880</u>

* See Capital Improvement Fund detail on page 42.

Police Department

Administrative Division

Administration

Program Description

The Administrative Division provides effective overall administration of the Police Department in the management and direction of its employees. It establishes priorities and directs operations toward the preservation of the public peace, prevention of crime, detection and arrest of offenders of the law, protection of personal and property rights, and the enforcement of all Federal and State laws and City ordinances.

2006 Goals and Objectives

- Reorganization and management transition
- Policy review
- Keeping up to the demands made by unfunded mandates

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	503,229	482,500	560,448	77,948
Supplies & Materials	113,547	97,400	99,030	1,630
Other Services & Charges	1,024,992	846,137	799,399	(46,738)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,641,768	1,426,037	1,458,877	32,840

2006 Budget Impact Items

- Retirements of Chief Weyland, Deputy Chief Arnold and Office Manager Linda Strain
- Ongoing building maintenance and remodeling

2004/2005 Achievements

- Upgrade dictation system

Police Department

Administrative Division

Community Policing

Program Description

Create or enhance communication and cooperation opportunities between the police department and various sectors of the community to prevent crime and address quality of life issues.

2006 Goals and Objectives

- Decrease disorderly behavior in rental property through education, collaboration, and enforcement
- Increase areas of collaboration with Neighborhood Services Division
- Increase use of GIS for crime mapping
- Improve level of information and usefulness provided by police website
- Improve management and efficacy of volunteer program

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	81,844	80,880	43,446	(37,434)
Supplies & Materials	7,279	9,380	4,700	(4,680)
Other Services & Charges	7,950	9,835	7,018	(2,817)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	97,073	100,095	55,164	(44,931)

2006 Budget Impact Items

- Maintain funding levels

2004/2005 Achievements

- Volunteer Program policies and management processes
- Increased collaboration with area colleges to combat underage drinking and disorderly behavior
- Increased cross-departmental collaboration to address quality of life neighborhood problems

Police Department

Administrative Division

Youth Services

Program Description

The Youth services program works with youth in the areas of youth intervention and prevention in our community, supervises youth that are sentenced to Community Service by the courts, works in the area schools to deal with problems that arise as well as mentor youth with certain problems.

2006 Goals and Objectives

- To teach and educate youth in the area of Youth Intervention
- To help juveniles that are sentenced through the courts successfully complete their community service hours
- To help and mentor youth in our area schools
- To work with youth and staff at the Red River Area Learning Center (RRALC) and assist them with any problems that may occur

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	53,616	55,650	57,934	2,284
Supplies & Materials	189	1,500	1,500	
Other Services & Charges	1,100	1,200	2,342	1,142
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	54,905	58,350	61,776	3,426

2006 Budget Impact Items

- To obtain and work with grant funding from the Youth Intervention Program Association. This funding is always in peril in the state legislature

2004/2005 Achievements

- Worked with approximately 300 youth over the past year
- Approximately 75% completion rate for juveniles that were assigned to community service
- 200 youth attended the Moorhead Summer Youth Program
- Many community based service learning projects were completed by youth

Police Department

Administrative Division

Grant - School Resource Officer

Program Description

The School Resource Officers (SRO) work primarily in the Horizon Middle School and Moorhead High School. Duties include teaching the GREAT and DARE programs; interacting with students to provide a positive police role model; and handle investigations and calls for service within the school.

2006 Goals and Objectives

- Work with the schools to insure security
- Serve as a positive role model for students
- Maintain a positive communication link between the police department and staff/students

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	133,351	128,496	135,057	6,561
Supplies & Materials	1,563	14,555	14,555	
Other Services & Charges	798	6,025	6,950	925
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	135,712	149,076	156,562	7,486

2006 Budget Impact Items

- Passive Preliminary Breath Testing (PBT) device to test for alcohol use

2004/2005 Achievements

- Taught DARE and GREAT Program to more than 1,800 students
- Transition from from Moorhead Junior High School to the new Horizon Middle School
- Handled more than 1,000 calls for service and general investigations

Police Department

Administrative Division

Grant - Task Force

Program Description

The primary function of the Task Force is drug enforcement and the goals listed are for the entire Drug Enforcement Agency (DEA) task force.

2006 Goals and Objectives

- 100 arrests
- Train and equip new investigator
- 80 search warrants
- 10 educational talks

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	62,652	61,347	75,466	14,119
Supplies & Materials	3,650	2,988	2,988	
Other Services & Charges	28,647	41,037	43,078	2,041
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	94,949	105,372	121,532	16,160

2006 Budget Impact Items

- Possible loss of Byrne Grant funding
- Minnesota combining Drug and Gang Task forces

2004/2005 Achievements

- Estimated 90 arrests
- Estimated 25 methamphetamine labs
- Estimated 15 educational talks
- Estimated 80 search warrants

Police Department

Administrative Division

Grant - Youth Intervention

Program Description

The Youth Intervention program advocates for youth intervention and prevention programming, as well as educating youth in the Moorhead schools in these areas. Mentoring students with different problems in the schools is also a function of this program.

2006 Goals and Objectives

- Integrate permanent SRO position in the Senior High School
- Teach students about youth intervention and prevention programs
- To help and mentor students at RRALC with different problems that occur at school
- Supervise youth that are assigned community service and teach them a good work ethic

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	2,849	4,580	4,580	
Supplies & Materials	11,187	12,210	12,210	
Other Services & Charges	7,804	19,050	19,050	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	21,840	35,840	35,840	

2006 Budget Impact Items

- Funding to maintain position
- To keep receiving the YIPA grant

2004/2005 Achievements

- Assist with transition of 9th grade students to the Senior High School
- Handled all calls for service and investigations within the school
- All juveniles assigned to community service successfully complete their assigned hours
- 200 youth attend the 2004 Moorhead Summer Youth program

Police Department

Administrative Division

Other Grant Funded Activities

Program Description

This activity encompasses several ongoing grants, including an Edward Byrne Memorial Justice Assistance Grant (JAG), Safe & Sober, Underage Compliance, Safe Communities and both a federal and state grant for bulletproof vests. These grants help ensure the safety of our officers as well as enhance enforcement activities.

2006 Goals and Objectives

- Continue to apply for and receive grants to help defray the cost of compliance related enforcement

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	77,152	12,081	17,064	4,983
Supplies & Materials	6,036	6,400	1,600	(4,800)
Other Services & Charges	25,734		21,354	21,354
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	108,922	18,481	40,018	21,537

2006 Budget Impact Items

- New in 2006, is the Edward Byrne Memorial JAG for crime reduction efforts, enhanced enforcement actions and community wide special events.
- Most of these grants are not 100% grants – they require a match.
- Significant reduction in both the federal and state grants for bulletproof vests.
- Primarily provide for the reimbursement of overtime costs associated with compliance enforcement issues.

2004/2005 Achievements

- A Children's Justice Act Grant in 2005 provided forensics computer equipment to investigate internet crimes involving children

Police Department

Administrative Division

Radio

Program Description

The Police Department provides for the planning, design, operation and construction of the communications system for all City Departments. The radio system also provides services to other non-city agencies for radio access. Activities are funded through an internal service fund.

2006 Goals and Objectives

- Replacement of police and fire mobile data computers
- Design and Build region wide 700 MHz Wide Band Mobile Data Computer Radio System
- Replace analog VHS mobile video recording units in patrol vehicles with digital recording units
- Implement wireless video transfer and digital storage system for Mobile Video Recorder units

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	2,961	8,000	8,000	
Other Services & Charges	129,178	67,160	67,160	
Capital Outlay		44,000	420,000	376,000
Debt Service				
Transfer to Funds				
To Reserves				
Total	132,139	119,160	495,160	376,000

2006 Budget Impact Items

- Replacement of Police and Fire Mobile Data Computer Radios and Infrastructure
- Replacement of Mobile Data Computers
- Replacement of Mobile Video Recorders and Infrastructure

2004/2005 Achievements

- Completed design of Metro-Wide Communications system
- Began acquisition and construction of regional radio sites
- Deployed digital radios to Police and Fire Departments

Police Department

Patrol Division

Patrol

Program Description

The Patrol Division is responsible for providing 24-hour quality police service and protection to the citizens of Moorhead by patrolling the community, traffic enforcement and responding to calls for emergency service.

2006 Goals and Objectives

- Full staffing
- Traffic safety
- Facilitate livability of neighborhoods
- Crime prevention

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	2,228,362	2,352,843	2,302,118	(50,725)
Supplies & Materials	59,523	59,000	70,200	11,200
Other Services & Charges	240,854	256,820	330,063	73,243
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	2,528,739	2,668,663	2,702,381	33,718

2006 Budget Impact Items

- Full staffing of officers
- Continuous training cycle of newly hired officers
- Increased fuel costs
- Providing Electro Muscular Disruption (tasers) devices to all officers

2004/2005 Achievements

- Effective Safe & Sober
- Completion of remodeling of the evidence room
- Collaboratively working with MSUM to stem underage alcohol use

Police Department

Patrol Division

DARE

Program Description

Teach both Drug Abuse Resistance Education (DARE) and Gang Resistance Education and Training (GREAT) to Moorhead 4th, 5th, 6th, 7th and 8th grade students. Produce a positive relationship with community, school, and business members within Moorhead.

2006 Goals and Objectives

- Teach over 2,000 students positive educational programs
- Provide presentations and lectures to the community regarding safe lifestyles
- Continue to be a positive role model for students
- Assist in summer camps and other out of school youth activities

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	23,018	59,898	63,712	3,814
Supplies & Materials	5,478	3,000	3,058	58
Other Services & Charges	5,988	6,492	7,368	876
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	34,484	69,390	74,138	4,748

2006 Budget Impact Items

- Laptop computer with wireless internet service

2004/2005 Achievements

- Graduated 450 DARE Students
- Taught 450 GREAT Students
- Made Approximately 50 Community Presentations
- Officer Swenson certified in GREAT
- Officer Swenson certified in Jr. High DARE

Police Department

Patrol Division

Bike Patrol

Program Description

Bike Patrol is a unit of the patrol division in which 16 patrol officers have received specialized training and certification through the International Police Mountain Bike Association. Their patrol activities are performed for the stealth and approachability of a bicycle.

2006 Goals and Objectives

- Spring Bike Safety Program
- Park , campus and neighborhood patrol
- Anti-theft / vandalism specialized patrol
- Increased traffic enforcement

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	1,374	2,630	2,500	(130)
Other Services & Charges	322	1,420	1,420	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,696	4,050	3,920	(130)

2006 Budget Impact Items

- Training a new instructor for the program
- Replace 4 bicycles
- Training new bike patrol officers

2004/2005 Achievements

- Crackdown on downtown alcohol problems
- Open container enforcement – college campus areas
- Bike Safety Program for kids
- Replaced 4 officers - new bike patrol officers

Police Department

Patrol Division

Tactical Team

Program Description

The Special Weapons and Tactics (SWAT) Team is a designated unit that is specifically trained and equipped to work as a coordinated team to respond to critical incidents.

2006 Goals and Objectives

- Relocate SWAT call out room & equipment to new building
- Train & develop new supervisors for team leadership
- Set up new negotiators vehicle/command post
- Regional patrol officer training on special tactics

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	12,596	12,880	13,270	390
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	12,596	12,880	13,270	390

2006 Budget Impact Items

- Negotiator vehicle purchase
- Building customizing expenses for relocation

2004/2005 Achievements

- New command post/call-out vehicle for SWAT team
- Continued patrol officer tactical trainings
- Negotiator throw phone purchased
- Added bomb unit completely under SWAT

Police Department

Patrol Division

K-9

Program Description

The K-9 program was established and is maintained to augment police services to the community. Because of their superior senses of smell and hearing and their physical capabilities, the trained law enforcement canine is a valuable supplement to police manpower. Highly skilled and trained K-9 teams have evolved from this program and are used to supplement police operations.

2006 Goals and Objectives

- Continue to be active and creative to best serve the community
- Continue to represent the city in a positive manner by maintaining high training standards
- Continue to represent the city in a positive manner by participating in Community Policing events
- Replace open handlers position and attend training at St.Paul Police K-9 Academy

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	3,098	4,000	4,000	
Other Services & Charges	9,876	8,310	13,375	5,065
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	12,974	12,310	17,375	5,065

2006 Budget Impact Items

- Expense of canine and training for officer
- Attendance at National K-9 trials in St. Paul for Officer Lien and Hickok

2004/2005 Achievements

- Officer Lien & "Hickok" completed and graduated basic police K-9 school
- Officer Detloff and "Rowdy" passed PD 1 certification
- 2nd place overall finish on "Criminal Apprehension" at PD 1 trials
- Obtain donations from the VFW & Ladies Auxillary to purchase and train a Police K-9 Unit
- Officer Detloff and Rowdy retire as handler and K-9
- Officer Lien and Hickok certify for PD 1 and are invited to National K-9 trials

Police Department

Patrol Division

Community Service

Program Description

The Community Service program consists of civilian employees that provide parking ticket and animal control service calls, freeing police officers for law enforcement issues.

2006 Goals and Objectives

- Work on improving parking problems in the campus areas
- Continued work on animal control issues to insure the safety of citizens and the humane treatment of animals

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	102,318	83,344	86,703	3,359
Supplies & Materials	6,060	9,300	9,800	500
Other Services & Charges	53,344	54,960	56,504	1,544
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	161,723	147,604	153,007	5,403

2006 Budget Impact Items

- Multiple agency joint venture with the FM Humane Society for an Animal Shelter

2004/2005 Achievements

- City auctions
- Auto Cite-electronic parking tickets
- Updated equipment

Police Department

Investigative Division

Investigative

Program Description

The Investigative Division is responsible for the investigation of all crimes in the City of Moorhead. The primary focus of the investigators is to provide assistance and follow up to the cases, which are originated by the Patrol personnel who are the first responders to all reported crimes.

2006 Goals and Objectives

- Train and equip new investigators
- Get predatory offender GIS system fully operational
- Complete computer forensics training

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	478,266	473,662	549,333	75,671
Supplies & Materials	15,147	12,360	15,330	2,970
Other Services & Charges	52,576	55,630	61,686	6,056
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	545,989	541,652	626,349	84,697

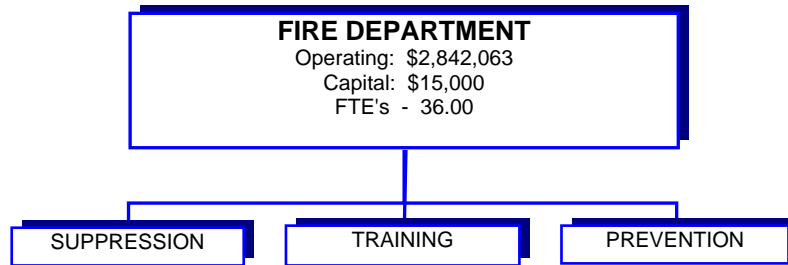
2006 Budget Impact Items

- Training of new investigators
- Moving to digital audio and video recording and storage
- Loss of Steve Kennedy to Minnesota BCA

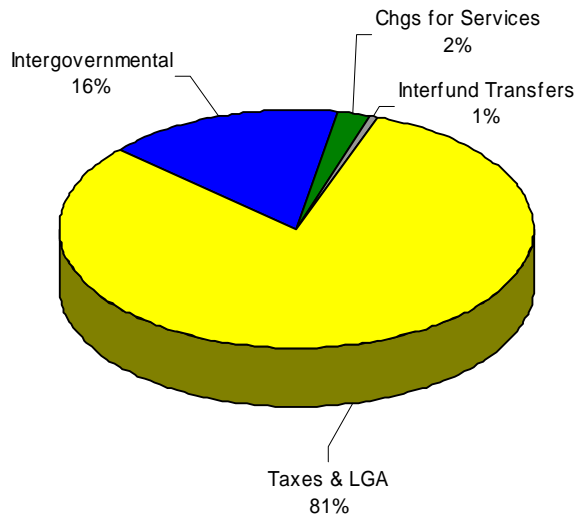
2004/2005 Achievements

- Successfully transitioned Sgt. Monroe into immediate command of the division
- Initiated Predatory Offender Compliance program
- Successfully completed racketeering investigation case

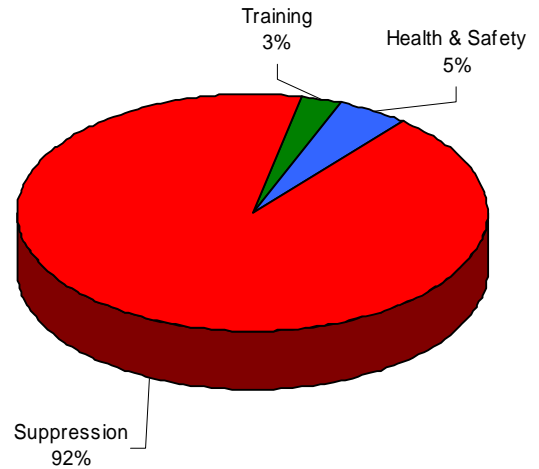
Fire Department



FINANCING PLAN



PROGRAM ALLOCATION



MISSION STATEMENT – The mission of Moorhead Fire & Rescue is to save lives and property from hostile fire, medical emergencies, hazardous material incidents, and natural disasters in the most effective and efficient manner.

Fire Department

DEPARTMENT HIGHLIGHTS: The Moorhead Fire Department continues to improve community and customer services within existing personnel limitations and resourceful budgeting. Highlights from FY 2005 include:

- Conducted Leadership & Incident Command Training
- Reinstated Citizen's Fire Academy
- Received Federal Emergency Management Agency (FEMA) Grant for 24 new Self Contained Breathing Apparatus
- Obtained a Fire Department Chaplain
- Acquired New Turnout Gear
- Awarded Bid for Two New Pumping Engines
- Created Fire Department Honor Guard
- Created "Firelines" Internal web site for real-time department communications
- Received Class A Uniforms for All Firefighter's




Highlights for FY 2006 center upon continued improvements to our human and capital resources; including increased training & leadership opportunities. In 2006 we will computerize field data for Fire, EMS incidents, pre-plans and inspection services in real time. Outfitting with new SCBA, Turnout Gear, and Class A uniforms, and needed station improvements to enhance the work environment for our fire fighters. Two new replacement pumping engine apparatus' ordered in 2005 will be delivered in 2006.



Fire Department

FUTURE ISSUES: As the City prepares itself for future opportunities and growth, the Moorhead Fire Department is developing long-term strategies to address the resultant operational and programmatic challenges. Highlighted below are just a few of the issues likely to face the Department in the future:

- Future SE/SW station locations/ south station upgrades, perhaps including a regional training center
 - Maintaining a proactive approach in fire service delivery to a growing community
 - Integration of technology into fire department services
 - Discovering additional operational and staffing efficiencies
- 
- Aligning fire department services with the neighborhood services philosophy
 - Providing leadership/empowerment/succession training
 - Building additional community partnerships & dialogues



*Fire Department***Highlighted Program****Smoke Detector Placement Program**

Today in the United States over 90% of our homes, have smoke detectors in them. Yet, almost half of home fires and over 60% of home fire deaths occur in homes without a working smoke detector.

The National Fire Protection Agency states that statistics indicate that having a working detector double your chances of surviving a fire in your home. The Moorhead Fire Department is a strong proponent of Home Fire Safety education and working smoke detectors. We have collaborated with our local State Farm Insurance agents who provided us a funding Grant.



This provides us an opportunity to solicit our community for people needing a working smoke detector, which through this partnership can be provided, in addition to having the opportunity to discuss Home Fire Safety.



*Fire Department***2005 – 2006 BUDGET COMPARISON**

	<u>2005 BUDGET</u>	<u>2006 BUDGET</u>	<u>INCREASE (DECREASE)</u>
<u>Suppression Division:</u>			
Fire Protection	1,996,660	2,234,743	238,083
ND HazMat	10,000	10,000	-
Grant Funded Activities	131,400	373,155	241,755
	<u>2,138,060</u>	<u>2,617,898</u>	<u>479,838</u>
<u>Training Division:</u>			
Fire Training	78,870	79,883	1,013
<u>Health & Safety Division:</u>			
Fire Prevention	181,580	138,282	(43,298)
Civil Defense	6,000	6,000	-
	<u>187,580</u>	<u>144,282</u>	<u>(43,298)</u>
<u>Capital: *</u>			
Capital Improvements	92,700	15,000	(77,700)
Total Fire Department Budget	<u>\$ 2,497,210</u>	<u>\$ 2,857,063</u>	<u>\$ 359,853</u>

* See Capital Improvement Fund detail on page 42.

Fire Department

Suppression Division

Fire Protection

Program Description

The Suppression division is staffed with 27 firefighters, 9 firefighters staff each shift. The shift is lead by an Assistant Chief. The Department has on staff two additional Assistant Chiefs, one assigned as the Fire Marshal and one assigned as Training Director. The Department is lead by a Chief, who is assisted by an Administrative Assistant. The division responds to approximately 2,500 calls for services in suppression, EMS, rescue and Hazardous Materials annually.

2006 Goals and Objectives

- Write a 5-year strategic plan
- Continue Leadership Training
- Maintain Proficiency in Bread and Butter operations

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	1,780,787	1,729,440	1,794,772	65,332
Supplies & Materials	29,163	26,630	44,025	17,395
Other Services & Charges	212,509	240,590	395,946	155,356
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	2,022,459	1,996,660	2,234,743	238,083

2006 Budget Impact Items

- Financing Two New Pumping Engines
- Addition of Three Firefighters through the FEMA SAFER Act

2004/2005 Achievements

- Awarded Bid to purchase two Pumping Engines
- Received proposals for a Strategic Plan Facilitator
- Award of a Federal Emergency Management Administration (FEMA) grant for New SCBA's
- Implemented a Disciplined Incident Command System
- Implemented an Initial General Call-Back on working fires protocol

Fire Department

Suppression Division

ND HazMat

Program Description

Moorhead in conjunction with the City of Fargo, North Dakota have staffed a Hazardous Material Team which serves Fargo-Moorhead, northwestern Minnesota and Cass County of North Dakota.

2006 Goals and Objectives

- Continue joint training and operations
- Invest in modern detection equipment

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	462			
Supplies & Materials	2,182	3,000	3,000	
Other Services & Charges	184	7,000	7,000	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	2,828	10,000	10,000	

2006 Budget Impact Items

- These activities are funded in total by revenue received from the City of Fargo

2004/2005 Achievements

- Incident Command Training
- Federal terrorist training

Fire Department

Suppression Division

Grant – MN HazMat

Program Description

This program is entirely funded by the state of Minnesota. The team is composed of members from both the Moorhead and Fargo Fire Departments. We serve a large portion of western and northern Minnesota, our response could include any location in the state if called upon.

2006 Goals and Objectives

- Federal terrorist training
- Maintain skills through drills
- Work with other local communities

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	24,339	15,290	16,800	1,510
Supplies & Materials	9,300	9,100	6,400	(2,700)
Other Services & Charges	40,239	20,610	21,800	1,190
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	73,878	45,000	45,000	

2006 Budget Impact Items

- Increase in State of Minnesota funding

2004/2005 Achievements

- Received New Response Vehicle
- Participated in Unified Command Training
- Received advanced monitoring equipment

Fire Department

Suppression Division

Grant – SAFER

Program Description

Staffing for Adequate Fire and Emergency Response (SAFER) is a grant of the U.S. Department of Homeland Security for the purpose of increasing the City's number of full-time firefighters to assure that there is adequate protection from fire and fire-related hazards.

2006 Goals and Objectives

- Add 3 new firefighters to the current staff

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits			163,675	163,675
Supplies & Materials				
Other Services & Charges				
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total			163,675	163,675

2006 Budget Impact Items

- This grant requires a 5-year commitment during which time the annual funding decreases each year.
- The initial year covers 90% of the wages and benefits up to a maximum of \$36,000 per firefighter.
- There is \$12,000 included within the capital improvements budget to provide gear for these additional firefighters

2004/2005 Achievements

- N/A

Fire Department

Suppression Division

Other Grant Funded Activities

Program Description

There are two grants included in this section of the 2006 budget. They include a State of Minnesota Homeland Security Program grant and a U.S. Department of Homeland Security Assistance to Firefighters grant.

2006 Goals and Objectives

- The goal of the state grant is to enhance the HazMat team's ability to respond to hazardous incidents and to protect first responders.
- The Assistance to Firefighters grant represents a major effort by the federal government to ensure the nation's firefighters continue to have the basic capability they require to do their jobs, improve safety and save lives.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits			3,000	3,000
Supplies & Materials	1,156	86,400	95,500	9,100
Other Services & Charges	805		65,980	65,980
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,961	86,400	164,480	78,080

2006 Budget Impact Items

- State grant includes \$45,000 for equipment and \$5,000 for conducting essential exercises and has no matching requirement.
- Federal grant is in the amount of \$103,032, with a 10% match totaling \$11,448, and is to be used for travel, equipment and other services.

2004/2005 Achievements

- Purchased 30 new Self-Contained Breathing Apparatus (SCBA) in 2005

Fire Department

Training Division

Fire Training

Program Description

The Training Division is charged with delivering all aspects of fire, rescue, emergency and medical service and hazardous materials instruction, certifications and recertifications.

2006 Goals and Objectives

- Firefighter empowerment training
- Incident Command training for all personnel
- Maintain proficiency through weekly training
- Deliver Training through advanced Technology

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	41,530	72,529	72,622	93
Supplies & Materials	2,273	3,850	4,011	161
Other Services & Charges	1,087	2,491	3,250	759
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	44,889	78,870	79,883	1,013

2006 Budget Impact Items

- Officer Incident Command training
- Attendance at State of the Art National Command And Customer Service Training

2004/2005 Achievements

- Formation Of Training Committee
- Received Empowerment/Leadership Personal training
- Promoted New Assistant Chief to Training Division
- Completed 2581 hours of Staff Training

Fire Department

Prevention Division

Fire Prevention

Program Description

Fire Prevention is responsible for fire inspections, plan reviews, fire cause and origin investigations, public fire and safety education, and fire code interpretation.

2006 Goals and Objectives

- Computerize the inspection program
- Provide training to fire fighters on the housing code
- Conduct pre-fire plans
- Augment Fire Suppression Staff on Working Incidents

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	119,958	116,380	122,156	5,776
Supplies & Materials	4,423	4,660	4,610	(50)
Other Services & Charges	49,855	60,540	11,516	(49,024)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	174,236	181,580	138,282	(43,298)

2006 Budget Impact Items

- 2% COLA on wages and benefits.

2004/2005 Achievements

- Award from the State Fire Marshal- No fire deaths in 2003 in Moorhead
- Attendance at the annual open house exceeded five hundred.
- Inspections correcting code deficiencies
- Instituted new permit fees that increased revenue for 2004

Fire Department

Prevention Division

Civil Defense

Program Description

Civil Defense is charged with the protection of life and property from man-made and natural disasters.

2006 Goals and Objectives

- Implementation of monitoring monthly outdoor warning siren tests
- Implementation of a siren maintenance program
- The Training Division is tasked with providing NIMS training to all City employees

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	1,972	6,000	6,000	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,972	6,000	6,000	

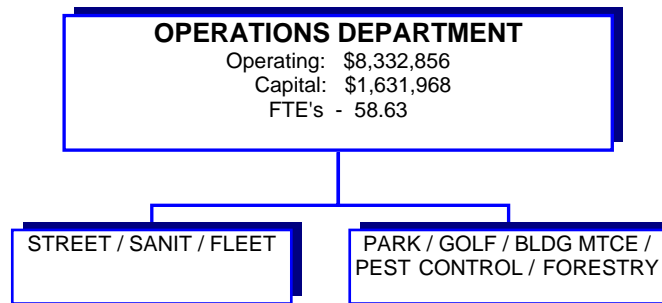
2006 Budget Impact Items

- N/A

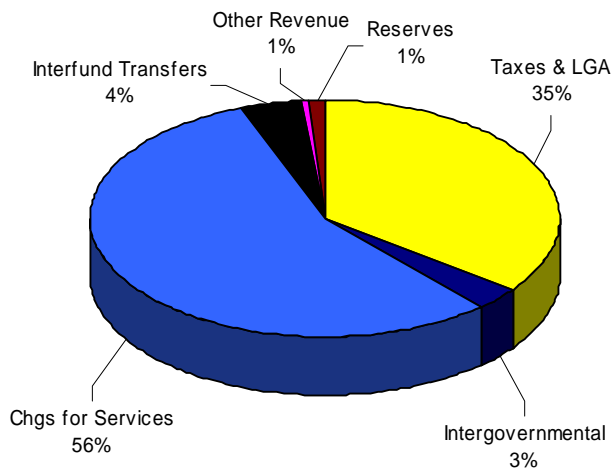
2004/2005 Achievements

- Implemented a Monthly Test Monitoring System
- Implemented a Siren Preventative Maintenance Program

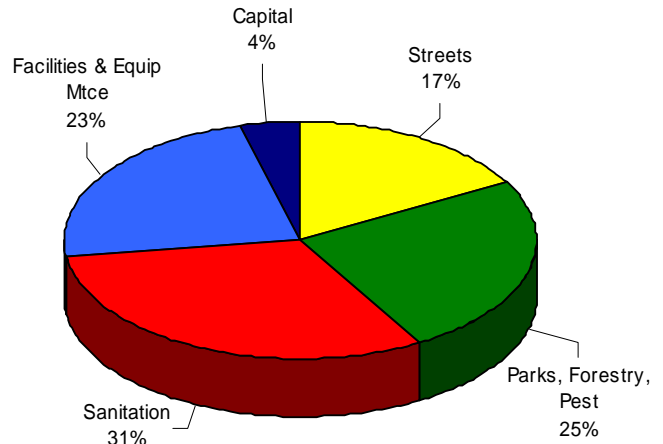
Operations Department



FINANCING PLAN



PROGRAM ALLOCATION



MISSION STATEMENT – The mission of the Operations Department is to provide reliable and professional operations, maintenance, and management of park facilities, City infrastructure, and transportation and sanitation systems in compliance with Federal, State and local regulations, standards, codes and policies.

Operations Department

DEPARTMENT HIGHLIGHTS: The Operations Department continues to improve community services with moderate growth of personnel and budgets. Highlights for FY 2006 include:

- Implementation of improved Downtown maintenance
- Installation of new parks / installation or replacement of park amenities
- Scheduled major repairs of existing park facilities and equipment
- Undertaking internal City capital projects as part of cost saving measures
- Installing Additional City entrance signs
- Piloting flexible work crews concept
- Increase effort to control Dutch Elm Disease
- Increase maintenance of new development streets and services
- Implementing street maintenance crew for crack sealing



FUTURE ISSUES: The Operations Department has a high visibility in the community. We work year round in the public areas that include Parks, Golf Courses, Forestry, Mosquito Control, Sanitation and the Street Department. We are entrusted to provide responsible services to ensure these facilities and capital investments are maintained properly. Highlighted below are just a few of the issues likely to face the Department in the future :



- Providing continued level of services with community growth and modest increases in staffing resources.
- Maintaining vehicle and equipment replacement schedules, adjusted for current budgetary constraints
- Working with the Engineering Department to provide a viable pavement management program and identifying long-term remedies for infrastructure maintenance needs

Operations Department

HIGHLIGHTED PROGRAM: FORESTRY

The Forestry Department is responsible for the initial planting of boulevard trees and maintaining / removal of diseased or damaged trees existing in the boulevard and public areas. This includes initial planting of boulevard trees in new developments. Homeowners may plant the boulevard tree instead of having the City hiring the work out. The homeowner must request a tree-planting permit (218-299-5430) which has a list of appropriate trees for the boulevards. The permit will be reviewed specific to the homeowner's property so the trees are planted in an area that will allow them to grow. The spacing will be checked to assure compliance with the thirty foot spacing requirements. The underground utilities will be verified to assure the tree is not placed over infrastructure. Trees will be planted in new developments after 80% of the development lots are sold, and the year following the installation of the sidewalks. Please call for further details of this program.

If a boulevard tree is replaced, the Forestry department makes sure the stump is ground out, the dirt is replaced and the stump-grinding hole is reseeded. They do the tree trimming of the mature public trees on a rotating basis as well as low limbing the young trees to ensure there is a sight line under the tree foliage.

The Forestry department has made several operational changes to better serve the community.



- Curbside branch chipping that follows the garbage route April – November.
- Replacement of two brush chippers with improved models.
- Replacement of aerial bucket truck with model that has a higher working height.
- Extended boulevard tree-trimming season to cover a larger area.
- Continued boulevard tree planting in new subdivisions and replacement planting of trees lost to Dutch Elm Disease.
- Addition of squirt boom for tree trimming, flag and banner maintenance.

With the growth of the City of Moorhead and a resurgence of Dutch Elm Disease, the Forestry Department recognizes a need to expand the department.

- Revenue increase of \$.50 to the monthly forestry fee.
- Addition of three full-time employees.
- Add a second tree trimming crew to shorten the 10 to 12 year trimming cycle of boulevard trees.
- Continued sanitation of Dutch Elm material.
- Explore alternate means of tree material disposal.

Operations Department

2005 – 2006 BUDGET COMPARISON

	2005 BUDGET	2006 BUDGET	INCREASE (DECREASE)
<u>Street / Sanitation / Fleet Division:</u>			
Street & Alley	1,074,790	1,203,981	129,191
Street Cleaning	232,180	256,233	24,053
Snow & Ice	147,905	160,301	12,396
Traffic Signs	72,230	81,743	9,513
Sanitation	2,977,800	3,094,300	116,500
Central Mtce Shop	866,140	906,817	40,677
Vehicles & Equipment	976,000	1,184,188	208,188
	<u>6,347,045</u>	<u>6,887,563</u>	<u>540,518</u>
<u>Park / Golf / Building Maintenance / Pest Control / Forestry Division:</u>			
General Govt Bldg	206,950	224,671	17,721
Park Mtce	664,010	739,601	75,591
Centennial Complex	45,670	46,900	1,230
Golf Course Mtce	666,715	715,577	48,862
Town & Country Course Mtce	27,598	25,366	(2,232)
Forestry	563,425	543,383	(20,042)
Pest Control	394,790	376,313	(18,477)
	<u>2,569,158</u>	<u>2,671,811</u>	<u>102,653</u>
<u>Capital: *</u>			
CI - General Govt Bldg	58,000	10,000	(48,000)
CI - Street & Alley	-	125,450	125,450
CI - Central Mtce Shop	-	1,800	1,800
CI - Park Mtce	225,000	218,500	(6,500)
CI - Pest Control	30,000	-	(30,000)
CI - Meadows Mtce	76,000	20,900	(55,100)
CI - Village Green Mtce	26,400	28,800	2,400
	<u>415,400</u>	<u>405,450</u>	<u>(9,950)</u>
 Total Operations Department	 <u>\$ 9,331,603</u>	 <u>\$ 9,964,824</u>	 <u>\$ 633,221</u>

* See Capital Improvement Fund detail on page 42.

Operations Department

Street / Sanitation / Fleet Division

Street & Alley

Program Description

Street and Alley personnel are responsible for the maintenance of City streets. This includes pavement management, seal coating, gravel streets, hot and cold patching of asphalt and adjusting manholes.

2006 Goals and Objectives

- Add a full time employee shared with Park Maintenance.
- Add a seasonal crew to do asphalt crack sealing.
- Maintaining new growth areas with existing staff and equipment.

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	420,382	385,838	429,859	44,021
Supplies & Materials	164,669	155,400	225,091	69,691
Other Services & Charges	556,233	533,552	549,031	15,479
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,141,285	1,074,790	1,203,981	129,191

2006 Budget Impact Items

- Add a snow plow truck for new FTE
- Replace two plow trucks
- Moderate growth of operating supplies
- Growth of crack sealing materials

2004/2005 Achievements

- Integrated street maintenance days with garbage routes where practical
- Increased service area (due to City growth) with existing staff and equipment
- Sustaining good service to citizens with budget reductions

Operations Department

Street / Sanitation / Fleet Division

Street Cleaning

Program Description

Street Cleaning is responsible for sweeping and flushing all City streets. This includes spring clean up and fall leaves.

2006 Goals and Objectives

- Maintain sweeping service with lengthened route cycle
- Maintain new growth with existing staff and equipment

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	107,576	161,570	172,421	10,851
Supplies & Materials	14,485	10,540	16,356	5,816
Other Services & Charges	80,608	60,070	67,456	7,386
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	202,669	232,180	256,233	24,053

2006 Budget Impact Items

- Moderate growth of operating supplies
- Replacement of two street sweepers

2004/2005 Achievements

- Lengthened sweeping cycles to reduce operating costs

Operations Department

Street / Sanitation / Fleet Division

Snow & Ice

Program Description

Snow and Ice Control is responsible for maintaining and clearing the City streets of snow and ice.

2006 Goals and Objectives

- Maintain good customer service with existing staff while gaining new areas of responsibilities

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	114,306	81,225	82,427	1,202
Supplies & Materials	32,564	30,000	35,190	5,190
Other Services & Charges	41,483	36,680	42,684	6,004
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	188,353	147,905	160,301	12,396

2006 Budget Impact Items

- Moderate growth of operating supplies
- Replacement of street sander

2004/2005 Achievements

- N/A

Operations Department

Street / Sanitation / Fleet Division

Traffic Signs

Program Description

Traffic Signs is responsible for proper signage of the City streets. This includes installing new signs, as well as, maintaining existing signage.

2006 Goals and Objectives

- Purchase street and avenue signs with permanent improvement funds
- Ensure that new subdivisions have proper signage

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	37,929	44,767	48,626	3,859
Supplies & Materials	25,612	18,313	23,862	5,549
Other Services & Charges	7,338	9,150	9,255	105
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	70,879	72,230	81,743	9,513

2006 Budget Impact Items

- Purchase crane for sign truck
- Growth of seasonal help to assist with added work load in summer
- Moderate growth of operating supplies

2004/2005 Achievements

- Maintained prompt and correct sign replacement

Operations Department

Street / Sanitation / Fleet Division

Sanitation

Program Description

Sanitation is responsible for all garbage services within the City limits, including curbside collection of residential trash, compost and residential recycling. They also collect commercial garbage, demolition materials, commercial cardboard and newsprint recycling. This activity is funded through an enterprise fund.

2006 Goals and Objectives

- Replacement of two transport trailers

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	1,122,847	1,046,436	1,103,851	57,415
Supplies & Materials	490,357	115,119	139,076	23,957
Other Services & Charges	1,296,265	1,240,715	1,403,168	162,453
Capital Outlay		210,000	28,500	(181,500)
Debt Service				
Transfer to Funds	593,052	365,530	379,000	13,470
To Reserves			40,705	40,705
Total	3,502,522	2,977,800	3,094,300	116,500

2006 Budget Impact Items

- Proposed moderate increase of fees

2004/2005 Achievements

- Automated garbage implemented

Operations Department

Street / Sanitation / Fleet Division

Central Maintenance Shop

Program Description

The Central Maintenance Shop is responsible for the repair of fleet vehicles.

2006 Goals and Objectives

- Maintain dependable fleet with longer replacement cycle
- Improve preventative maintenance program

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	156,775	157,004	161,805	4,801
Supplies & Materials	672,735	614,250	658,146	43,896
Other Services & Charges	91,365	94,886	86,866	(8,020)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	920,874	866,140	906,817	40,677

2006 Budget Impact Items

- Update office furniture
- Modest growth in operating funds

2004/2005 Achievements

- Held down operating costs to compensate for drastic reduction of funds available to departments due to reduction of LGA.

Operations Department

Street / Sanitation / Fleet Division

Vehicles & Equipment

Program Description

The Vehicles & Equipment Fund is an internal service fund created to allow for the systematic replacement of fleet vehicles and equipment.

2006 Goals and Objectives

- Maintaining reliable equipment with extended life cycles

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	3,296	3,700	3,810	110
Other Services & Charges	876,587	12,000	12,360	360
Capital Outlay		858,000	1,168,018	310,018
Debt Service	5,985	68,422		(68,422)
Transfer to Funds				
To Reserves		33,878		(33,878)
Total	885,868	976,000	1,184,188	208,188

2006 Budget Impact Items

Building up fund reserve after major purchase of fire trucks

2004/2005 Achievements

- Maintaining current fleet with elongated life cycle to reduce annual expenditures for departments
- Purchase of two replacement fire trucks
- Reevaluating the current average vehicle life of 10 years

Operations Department

Park / Golf / Building Mtce / Pest Control / Forestry Division

General Government Building

Program Description

Provides maintenance and supervision of City building operations. Includes project supervision and direction.

2006 Goals and Objectives

Maintaining good energy efficiencies and reliability of equipment

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	6,927	6,779	7,040	261
Supplies & Materials	16,373	20,800	21,280	480
Other Services & Charges	165,761	180,071	197,221	17,150
Capital Outlay				
Debt Service	1,791	1,800	1,630	(170)
Transfer to Funds	3,500	3,500	3,500	
To Reserves				
Total	194,351	212,950	230,671	17,721

2006 Budget Impact Items

- Energy cost increases

2004/2005 Achievements

- Implement transition to contracting downtown maintenance
- Update elevator control system at City Hall
- Installation of new chiller for City Hall HVAC system
- Major remodel of City Council Chambers
- Remodeling of third and fourth floors in City Hall
- Installation of door security in City Hall

Operations Department

Park / Golf / Building Mtce / Pest Control / Forestry Division

Park Maintenance

Program Description

Park Maintenance is responsible for the upkeep of the City parks, pools and grassy areas.

2006 Goals and Objectives

- Addition of one full time employee shared with Street Department
- Scheduled replacement of park shelter roofs
- Scheduled addition of park amenities to existing and new parks
- Start rotation for painting wading pools

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	395,716	400,326	447,559	47,233
Supplies & Materials	53,122	54,984	65,224	10,240
Other Services & Charges	187,479	208,700	226,818	18,118
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	636,317	664,010	739,601	75,591

2006 Budget Impact Items

- Replace Woodlawn Park shelter
- Modest increase in operating budget

2004/2005 Achievements

- Started replacement of park shelter roofs
- Designed internal remodel of golf maintenance repair shop
- Installed playground equipment at three new parks
 - Replaced bath dividers and roof at the municipal pool

Operations Department

Park / Golf / Building Mtce / Pest Control / Forestry Division

Centennial Complex

Program Description

Provide and maintain athletic fields for youth and adult softball and baseball.

2006 Goals and Objectives

- Add irrigation to Centennial football fields

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	9,418	7,600	7,828	228
Other Services & Charges	35,719	38,070	39,072	1,002
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	45,138	45,670	46,900	1,230

2006 Budget Impact Items

- Modest growth of operating supplies
- Cost of irrigation at Centennial football field is paid by FM Athletics

2004/2005 Achievements

- Replaced all light bulbs on North complex
- Replaced all light bulbs on South complex

Operations Department

Park / Golf / Building Mtce / Pest Control / Forestry Division

Golf Course Maintenance

Program Description

Golf Course Maintenance is responsible for the maintenance and grooming of two 18-hole and one nine-hole public golf courses. The superintendants are responsible for the turf management and playability of the courses. This activity is funded within the Golf Course enterprise fund.

2006 Goals and Objectives

- Operate the newly acquired 9-hole golf course

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	382,046	397,596	417,551	19,955
Supplies & Materials	103,354	116,926	133,077	16,151
Other Services & Charges	270,017	152,193	164,949	12,756
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	755,417	666,715	715,577	48,862

2006 Budget Impact Items

- Continue scheduled replacement of greens covers
- Replacement of irrigation controllers on front nine at Village Green
- Add equipment (greens aerator, vibratory roller and trap groomer)
- Improvement fees to fund specific projects on the courses

2004/2005 Achievements

- Renovation of Village Green Golf Course
- Installation of two foot bridges to speed play around water hazards

Operations Department

Park / Golf / Building Mtce / Pest Control / Forestry Division

Town & Country Maintenance

Program Description

This is a newly acquired 9-hole golf course. 2005 was the first year of municipal operation. Activities will be funded through an enterprise fund.

2006 Goals and Objectives

- Continue aggressive turf management
- Evaluate existing irrigation system
- Replace outdated maintenance equipment

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials		23,098	23,791	693
Other Services & Charges	69	4,500	1,575	(2,925)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	69	27,598	25,366	(2,232)

2006 Budget Impact Items

- Stabilizing operating costs

2004/2005 Achievements

- Late year acquisition
- Close up course, winterize
- Evaluate needs for 2005 season

Operations Department

Park / Golf / Building Mtce / Pest Control / Forestry Division

Forestry

Program Description

The Forestry department is responsible for upkeep and replacement of trees in the boulevards, parks, golf courses and right of ways. Activities are funded through an enterprise fund.

2006 Goals and Objectives

- Establish boulevard trees in new subdivisions
- Expand tree trimming areas to reduce rotation time
- Add two full time employees for curbside branch chipping
- Add one full time employee for tree trimming crew

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	234,204	231,900	325,681	93,781
Supplies & Materials	53,035	57,620	56,953	(667)
Other Services & Charges	84,891	95,205	108,149	12,944
Capital Outlay		157,000	30,000	(127,000)
Debt Service				
Transfer to Funds To Reserves	21,612	21,700	22,600	900
Total	393,743	563,425	543,383	(20,042)

2006 Budget Impact Items

- Addition of three full time staff
- Moderate increase of Forestry fees

2004/2005 Achievements

- Purchase of squirt boom for tree trimming crew
- Implementation of regular curbside branch chipping

Operations Department

Park / Golf / Building Mtce / Pest Control / Forestry Division

Pest Control

Program Description

Pest Control is responsible for mosquito control in the City and weed control of City owned and vacant lots. Pest Control is funded by a monthly fee to residents. Activities are funded through an enterprise fund.

2006 Goals and Objectives

- More aggressive mosquito larviciding program

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	119,928	125,542	139,641	14,099
Supplies & Materials	25,438	62,438	76,514	14,076
Other Services & Charges	37,259	102,470	110,158	7,688
Capital Outlay		57,200		(57,200)
Debt Service				
Transfer to Funds	55,237	47,140	50,000	2,860
To Reserves				
Total	237,863	394,790	376,313	(18,477)

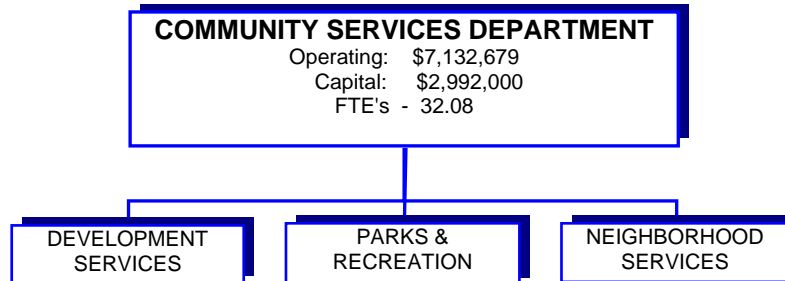
2006 Budget Impact Items

- Building fund reserve to allow for aerial mosquito spraying as needed

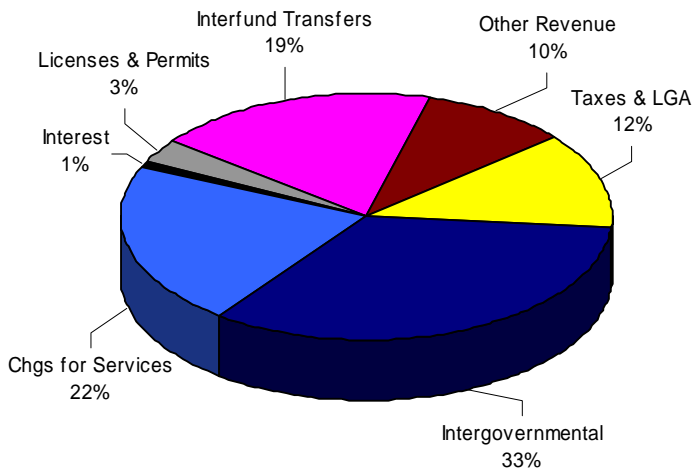
2004/2005 Achievements

- Replacement of mosquito sprayers
- Add dedicated pick-ups to mosquito control fleet
- Increase of Pest Control fee to allow more aggressive mosquito spraying

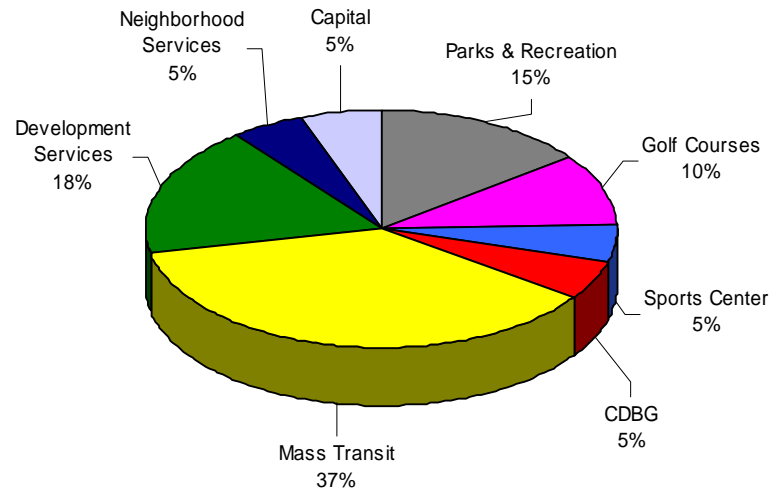
Community Services Department



FINANCING PLAN



PROGRAM ALLOCATION



MISSION STATEMENT – The mission of the Community Services Department is to improve the quality of life for the citizens of Moorhead by providing a comprehensive system of parks, recreation, cultural and human services programs and by assisting residents and businesses in creating a quality living environment through community development and revitalization.

Community Services Department

The Community Services Department (CSD) plays a key role in making Moorhead a community in which people are proud to live, work, invest, learn, and play. CSD programs and projects seek to improve the economic, residential, and aesthetic environment of the community by retaining existing business and attracting new ones, preserving and/or redeveloping aging and blighted areas, ensuring a mix of quality housing choices, supporting and strengthening Moorhead's distinct and diverse neighborhoods and providing exceptional recreational offerings.



DEPARTMENTAL HIGHLIGHTS: 2005 was an exciting growth year for Moorhead Community Services. Among the most visible and measurable outcomes:

- The Neighborhood Services Division was established in January 2005
- Implemented the Property Maintenance Code and Administrative Penalty system for Building Standards, Nuisance, Zoning and Public Health code enforcement.
- In partnership with Gate City Bank, \$2 million was invested in core city neighborhoods through a home improvement loan program.

Community Services Department

- Received federal grant funds for a new Metro Transit Facility
- Completed Alternative Urban Area wide Review
- Downtown Redevelopment Phase I near completion and Phase II commenced
- City awarded a second MN DEED Cleanup Grant (\$595,564) for Downtown
- Created Greater Fargo Moorhead Economic Development Corporation
- Successful transfer of operations of the Comstock House and Town & Country Golf Course to the City of Moorhead.



FUTURE ISSUES: In 2006, the Community Services Department intends to play an equally vital role in positioning Moorhead to achieve continued success. Opportunities for the future include:



- Expand scope and complete Growth Area Plan to include Tract 2
- Conduct a Park Master Plan
- Construct taxiway and prepare four additional hangar sites
- Construction of a new Metro Transit Facility
- Create neighborhood profiles for internal and public use
- Develop targeted, long-range goals for affordable housing creation in existing and developing neighborhoods to support variety in housing type and income levels.

Community Services Department

HIGHLIGHTED PROGRAM

The Neighborhood Services Division is designed to create a strategic partnership between residents, city staff, and public and private resource agencies to preserve and revitalize existing neighborhoods while establishing strong community connections for emerging neighborhoods. Functional areas include *Housing*—homeownership initiatives, preservation of existing single and multi-family properties, rental housing registration and inspection services. *Community Relations*—residential recruitment and marketing, volunteer coordination. *Inspections*—property maintenance, nuisance abatement environmental health and zoning enforcement.

Community Services Department

2005 – 2006 BUDGET COMPARISON

	2005 BUDGET	2006 BUDGET	INCREASE (DECREASE)
<u>Development Services Division:</u>			
Assessing	236,066	264,452	28,386
Planning & Zoning	134,190	148,021	13,831
Community Dev General	157,430	137,540	(19,890)
Building Codes	379,730	368,142	(11,588)
Economic Development	440,708	437,325	(3,383)
Economic Development Authority	140,000	205,000	65,000
Municipal Airport	120,730	255,289	134,559
Mass Transit	1,292,636	3,743,759	2,451,123
	<u>2,901,490</u>	<u>5,559,528</u>	<u>2,658,038</u>
<u>Parks & Recreation Division:</u>			
Park Fund	1,023,535	1,118,197	94,662
HHIC	310,175	328,319	18,144
Comstock House	33,511	33,511	-
Golf Courses-Pro Shops & Debt Srv	867,329	899,654	32,325
Town & Country Operations	89,702	83,934	(5,768)
Sports Center	485,566	525,914	40,348
	<u>2,809,818</u>	<u>2,989,529</u>	<u>179,711</u>
<u>Neighborhood Services Division:</u>			
Neighborhood Services		28,184	28,184
CDBG	524,236	516,658	(7,578)
Rental Reg/Insp	1,440	370,000	368,560
Environmental Health	98,222	108,113	9,891
	<u>623,898</u>	<u>1,022,955</u>	<u>399,057</u>
<u>Capital: *</u>			
CI - Building Codes		15,000	15,000
CI - Park Recreation	13,500	-	(13,500)
CI - HHIC	19,000	-	(19,000)
CI - Mass Transit	12,400	478,667	466,267
CI - Village Green Clubhouse	4,000	-	(4,000)
CI - Meadows Clubhouse	10,000	4,000	(6,000)
CI - Airport	8,700	55,000	46,300
	<u>67,600</u>	<u>552,667</u>	<u>485,067</u>
 Total Community Services Dept	 <u>\$ 6,402,806</u>	 <u>\$10,124,679</u>	 <u>\$ 3,721,873</u>

* See Capital Improvement Fund detail on page 42.

Community Services Department

Development Services Division

Assessing

Program Description

Assessing is responsible for classifying, valuing and equalizing all taxable and exempt property within City limits.

2006 Goals and Objectives

- Implement new geographic information enabled Computer Aided Mass Appraisal (CAMA) system
- Maintain assessment levels of all property classifications within statutory requirements
- Continue high statistical level of assessments (co-efficient of disbursement less than 10%)
- Have all assessment staff work to Senior Accredited Minnesota Assessor (SAMA) designation

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	149,980	194,279	210,098	15,819
Supplies & Materials	5,393	4,900	5,400	500
Other Services & Charges	18,248	36,887	48,954	12,067
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	173,621	236,066	264,452	28,386

2006 Budget Impact Items

- Data management of new Computer Aided Mass Appraisal (CAMA) system
- Conversion of computer systems

2004/2005 Achievements

- The multi-year K-Mart tax case was settled out of court with a very positive outcome for the tax base
- Large market value increases were successfully managed through the equalization process
- Many successful acquisitions and relocations performed in-house

Community Services Department

Development Services Division

Planning & Zoning

Program Description

Performs long range planning, develops and implements zoning and subdivision ordinance, and reviews development proposals.

2006 Goals and Objectives

- Expand scope and Complete Growth Area Plan to include Tract 2
- Undertake neighborhood and planning efforts for "Heart of the City" plan
- Conduct park master plan
- Integrate duties into the new GIS/CAMA/Land Development data management

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	98,372	93,754	93,907	153
Supplies & Materials	10,570	5,000	7,250	2,250
Other Services & Charges	32,828	35,436	46,864	11,428
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	141,770	134,190	148,021	13,831

2006 Budget Impact Items

- Supplemental funding for contractual planning activities

2004/2005 Achievements

- Record levels of residential growth
- Completed Alternative Urban Areawide Review
- Completed Zoning Ordinance update
- Successful integration between Planning and Engineering resulting in a higher level of orderly growth

Community Services Department

Development Services Division

Community Development

Program Description

Resource for housing and neighborhood services.

2006 Goals and Objectives

- Administrative oversight
- Legislative advocacy
- Neighborhood planning & redevelopment activities

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	72,755	122,407	90,308	(32,099)
Supplies & Materials	5,901	3,253	3,253	
Other Services & Charges	60,483	31,770	43,979	12,209
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	139,139	157,430	137,540	(19,890)

2006 Budget Impact Items

- Distribution of resources to Development, Neighborhood, and Recreation divisions

2004/2005 Achievements

- Neighborhood Services division was established
- Hired City Planner

Community Services Department

Development Services Division

Building Codes

Program Description

Regulate and enforce the construction environment for the City of Moorhead.

2006 Goals and Objectives

- Perform plumbing plan review for commercial construction
- Continue efficient and prompt service in response to increased growth
- Implement new State Mechanical Code
- Integrates duties into new system

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	276,801	280,097	277,977	(2,120)
Supplies & Materials	4,485	4,780	6,780	2,000
Other Services & Charges	67,442	94,853	83,385	(11,468)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	348,728	379,730	368,142	(11,588)

2006 Budget Impact Items

- Budget for continued strong growth

2004/2005 Achievements

- Maintain staffing level with record amount of new construction
- Successful adoption of new State Building Code
- Successful move of Codes division from Remley Fire Annex to City Hall offices

Community Services Department

Development Services Division

Economic Development

Program Description

Comprehensive program to enhance the community including building the tax base and creating jobs.

2006 Goals and Objectives

- Support entrepreneurship
- Expand local businesses
- Encourage continued downtown redevelopment

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	167,259	160,928	181,601	20,673
Supplies & Materials	5,667	5,000	5,500	500
Other Services & Charges	81,047	72,030	47,474	(24,556)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves		202,750	202,750	
Total	253,973	440,708	437,325	(3,383)

2006 Budget Impact Items

- Residential choice marketing shifted to Neighborhood Services.

2004/2005 Achievements

- Downtown Redevelopment Phase I (4th Street East and South Main) near completion
- Awarded \$595,564 Minnesota Department of Employment and Economic Development Cleanup Grant.
- Phase II (4th Street West) Downtown Redevelopment commenced
- Several tax increment and four JOBZ projects approved
- Advocated for Greyfields and Venture Capital Legislation

Community Services Department

Development Services Division

Economic Development Authority

Program Description

Separate levy for industrial development.

2006 Goals and Objectives

- Construct MCCARA 3rd Addition industrial park
- Recruit primary sector industries through Greater Fargo Moorhead Economic Development Corporation

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	52,756	31,000	99,000	68,000
Capital Outlay	108,833	109,000	106,000	(3,000)
Debt Service				
Transfer to Funds				
To Reserves				
Total	161,589	140,000	205,000	65,000

2006 Budget Impact Items

- Land payment for MCCARA 3rd Addition
- Primary sector marketing

2004/2005 Achievements

- Created Greater Fargo Moorhead Economic Development Corporation (GFMEDC)
- Infrastructure in MCCARA 3rd Addition completed
- Assisted in downtown redevelopment

Community Services Department

Development Services Division

Municipal Airport

Program Description

Maintain and operate general aviation airport. Operations are funded through an enterprise fund.

2006 Goals and Objectives

- Construct taxiway and prepare four additional hangar sites
- Improve snow removal capacity

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	3,669	1,500	2,000	500
Other Services & Charges	243,295	119,230	143,289	24,059
Capital Outlay			110,000	110,000
Debt Service				
Transfer to Funds				
To Reserves				
Total	246,964	120,730	255,289	134,559

2006 Budget Impact Items

- Revision to Fixed Base Operator (FBO) payment structure
- Improve hangar doors and drainage

2004/2005 Achievements

- Prepared four private hangar sites and constructed two private hangars
- Enhanced FBO operation.

Community Services Department

Development Services Division

Mass Transit

Program Description

Mass Transit provides public transportation in Moorhead with coordination into Fargo through fixed routes and paratransit services.

2006 Goals and Objectives

- Transit Development Plan Update 2007-2011
- Moorhead Service Expansion Study
- Metro College Service Planning Study
- Construction of new Metro Transit Facility
- Garage Maintenance Plan
- Prepare Joint Moorhead-Fargo Request For Proposal for Driver Services

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	96,591	116,741	120,883	4,142
Supplies & Materials	190,677	173,460	240,775	67,315
Other Services & Charges	925,697	940,435	1,048,768	108,333
Capital Outlay	2,488,630	62,000	2,333,333	2,271,333
Debt Service				
Transfer to Funds				
To Reserves				
Total	3,701,594	1,292,636	3,743,759	2,451,123

2006 Budget Impact Items

- Local share for Transit Development Plan and new Metro Transit Facility
- Two months Operating Costs for new Metro Transit Facility
- Capital maintenance of 1997 buses (engines, transmissions, etc.)

2004/2005 Achievements

- Received federal grant funds for new Metro Transit Facility
- Completed planning studies: Metro Capital Cost Sharing, Evening Bus Analysis, Fringe Area Study, Paratransit Service Boundaries Study
- Purchased security cameras for buses, and replaced paratransit bus
- Expanded U-Pass Program to include Minnesota State Community and Technical College
- Created new Metro Transit Advisory Committee

Community Services Department

Parks & Recreation Division

Park Fund

Program Description

Moorhead Parks and Recreation offers the community recreation programs/activities to promote health, fitness and socialization at little or no cost to the public.

2006 Goals and Objectives

- Expand recreational offerings
- Research and apply for grants
- Expand Citywide festivals
- Develop Policy/Procedure Manual for Parks Operations
- Establish a Dog Park

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	422,785	445,944	488,801	42,857
Supplies & Materials	54,903	65,964	73,573	7,609
Other Services & Charges	218,394	253,628	254,105	477
Capital Outlay				
Debt Service				
Transfer to Funds	117,599	257,999	301,718	43,719
To Reserves				
Total	813,680	1,023,535	1,118,197	94,662

2006 Budget Impact Items

- Increased utility costs
- Researching participant fees throughout community

2004/2005 Achievements

- Metropolitan Sports Facility Study
- Additional partnerships secured to finance and manage community festivals
- Evaluation process for programs in place
- Addition of field trips, Detroit Lakes canoe outing and elementary youth volleyball league

Community Services Department

Parks & Recreation Division

Heritage Hjemkomst Interpretive Center

Program Description

Heritage-Hjemkomst Interpretive Center is a City owned and operated unique, multi-use interpretive facility which also houses the Clay County Museum, Clay County Historical Society, and the Fargo-Moorhead Chamber of Commerce.

2006 Goals and Objectives

- Increase room rental revenue
- Complete mosaic wall
- Replace the fabric roof

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	108,269	113,688	123,205	9,517
Supplies & Materials	18,665	21,275	21,356	81
Other Services & Charges	156,834	154,186	162,778	8,592
Capital Outlay				
Debt Service	1,074	1,026	980	(46)
Transfer to Funds				
To Reserves		20,000	20,000	
Total	284,842	310,175	328,319	18,144

2006 Budget Impact Items

- Building repair and maintenance
- Current roof replacement

2004/2005 Achievements

- Maintained/increased room rental revenue
- Three-year contracts secured with Clay County Historical Society and HHIC

Community Services Department

Parks & Recreation Division

Comstock House

Program Description

The Comstock House is a historic property of significance to Moorhead residents and was in danger of closing when, in July, 2004, the City of Moorhead entered into a management agreement with the Minnesota Historical Society to provide management services. This agreement has been renewed for an additional two years.

2006 Goals and Objectives

- Utilize Minnesota Historical Society budget allocation to manage property
- Explore partnerships with schools and organizations to increase tour revenue
- Increase group rentals
- Seek increased funding from the State Historical Society which would be utilized to hire professional staff

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	2,408	6,459	6,491	32
Supplies & Materials	692	3,000	2,500	(500)
Other Services & Charges	7,551	24,052	24,520	468
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	10,650	33,511	33,511	

2006 Budget Impact Items

- Group tour and event revenue can augment budget
- Maintain existing staffing levels

2004/2005 Achievements

- Successful transfer of operations to the City of Moorhead
- Successfully completed a year of operations without utilizing City funds

Community Services Department

Parks & Recreation Division

Golf Course Operations

Program Description

The City operates two 18-hole, full-service public golf courses hosting an average of 30,000 rounds annually. These activities are funded through an enterprise fund.

2006 Goals and Objectives

- Meet budgeted revenue projections
- Increase group outings hosted by each course
- Increase golf education opportunities for youth in an effort to sustain golf base
- Provide a valuable product at a reasonable cost

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	161,187	159,276	186,976	27,700
Supplies & Materials	20,454	28,000	26,400	(1,600)
Other Services & Charges	287,202	264,720	265,128	408
Capital Outlay		42,000	50,000	8,000
Debt Service	238,330	373,333	371,150	(2,183)
Transfer to Funds				
To Reserves				
Total	707,172	867,329	899,654	32,325

2006 Budget Impact Items

- Maintaining course conditions and reasonably priced fees
- Inclement weather

2004/2005 Achievements

- Renovated 9 holes at Village Green to improve playing conditions
- Installation of Global Positioning System at the Meadows golf course

Community Services Department

Parks & Recreation Division

Town & Country Operations

Program Description

Town & Country Golf Course was purchased by the City of Moorhead in September, 2004. Plans for the course and surrounding property include development of a regional park. The golf course will remain as a limited service facility utilized for youth and educational purposes as well as public golf. These activities are funded through an enterprise fund.

2006 Goals and Objectives

- Maintain as a limited service golf facility
- Utilize facility as a teaching/learning center for youth
- Research opportunities to incorporate with national First Tee Program
- Incorporating City systems/technology at this remote site

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits		69,552	74,532	4,980
Supplies & Materials		100	1,300	1,200
Other Services & Charges	26,482	9,250	8,102	(1,148)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves		10,800		(10,800)
Total	26,482	89,702	83,934	(5,768)

2006 Budget Impact Items

- Financing course renovations and/or improvements
- Managing an additional course

2004/2005 Achievements

- Purchase of the property
- Transition from a private to publicly owned and operated facility
- Computerize operations

Community Services Department

Parks & Recreation Division

Sports Center

Program Description

The Sports Center is an indoor ice and sport facility which also houses Parks and Recreation administrative offices. Moorhead High School, Concordia College, Red River Skating Club and Shanley High School all utilize the Center. These activities are funded through an enterprise fund.

2006 Goals and Objectives

- Maintain existing contracts
- Seek out potential new revenue sources
- Identify funding for a building renovation plan
- Develop, review & train on new accounting procedures for invoicing customers

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	204,233	177,034	199,322	22,288
Supplies & Materials	47,357	48,700	50,655	1,955
Other Services & Charges	448,116	201,300	214,437	13,137
Capital Outlay				
Debt Service	19,860	58,532	61,500	2,968
Transfer to Funds				
To Reserves				
Total	719,566	485,566	525,914	40,348

2006 Budget Impact Items

- Retain existing customers and solicit new opportunities
- Building renovation plan and equipment upgrade

2004/2005 Achievements

- Developed building renovation plan
- Completed construction of connecting link, grounds parking lots and school addition interface
- Hosted Midwestern National Figure Skating Championships and increased attendance at Moorhead High School hockey games

Community Services Department

Neighborhood Services Division

Neighborhood Services

Program Description

Coordination, planning and community development support for existing and developing neighborhoods, giving neighborhoods the tools they need to succeed.

2006 Goals and Objectives

- Create profiles of neighborhoods for internal and public use
- Develop targeted, long-range goals for affordable housing creation in existing and developing neighborhoods to support variety in housing type and income levels
- Address impact of increasing single-family home conversions to rental property in existing neighborhoods

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials			775	775
Other Services & Charges			27,409	27,409
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total			28,184	28,184

2006 Budget Impact Items

- As division matures and work is established, programs developed may evolve into added budget expenses

2004/2005 Achievements

- Division established in January, 2005
- Implemented Property Maintenance Code and Administrative Penalty system for Building Standards, Nuisance, Zoning and Public Health code enforcement
- Implemented Vacant Building Registration program and initiated revitalization plans to restore or demolish vacant properties
- Created Neighborhood Impact Program in partnership with Gate City Bank investing \$2 million in 100+ homes in core city neighborhoods

Community Services Department

Neighborhood Services Division

CDBG

Program Description

Community Development Block Grant (CDBG) is a Federal resource received from the US Department of Housing and Urban Development to be used for housing and community development activities.

2006 Goals and Objectives

- Rehabilitate or construct 20 affordable rental housing units
- Rehabilitate or construct 10 homeownership units
- Construct 2 housing units with Habitat for Humanity partnership
- Create homeownership opportunity for 25 households through downpayment or mortgage assistance

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	169,545	181,262	116,384	(64,878)
Supplies & Materials	1,095	200	964	764
Other Services & Charges	582,746	342,774	399,310	56,536
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	753,386	524,236	516,658	(7,578)

2006 Budget Impact Items

- Reduction to annual HUD allocation. Reduction will be partially offset by increased program income.

2004/2005 Achievements

- Established Revolving Fund for rehabilitation Loan programs
- Partnered with Lakes & Prairies and Minnesota State Community & Technical College to build a home for a low-moderate income household. Sale is anticipated in the fall of 2005.
- Provided housing education to over 400 first-time homebuyers and 500 tenants
- Ten additional lots sold in the Elder's 2nd Addition
- Construction of a 38 multi-family unit underway

Community Services Department

Neighborhood Services Division

Rental Registration & Inspection

Program Description

This program requires that all rental properties are registered and inspected. Currently, there are 1,011 registered properties containing 4,616 individual units.

2006 Goals and Objectives

- Preschedule inspection protocol to reduce time spent scheduling inspections
- Institute self-certification protocol
- Resume timely (annual) inspections for all rental units

Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	23,097		237,936	237,936
Supplies & Materials	425	350	31,475	31,125
Other Services & Charges	1,522	1,090	100,589	99,499
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	25,044	1,440	370,000	368,560

2006 Budget Impact Items

- Discontinue Community Development Grant funding; actual net revenue gain when fees considered
- Review of human resource allocation

2004/2005 Achievements

- Property Maintenance Code/Administrative Penalty systems implemented
- Loaned Inspection Protocol-utilizing inspector services from Building Codes and Engineering in their off-peak seasons
- Complaint Inspection Protocol-trained Office Specialist to conduct complaint inspections to ensure complaints are investigated within 48 hours

Community Services Department

Neighborhood Services Division

Environmental Health

Program Description

Environmental Health compliance is enforced by a registered sanitarian who monitors food safety and state health regulations. These inspections are conducted in all commercial establishments that handle food. This Environmental Health Officer also performs inspections in response to nuisance complaints, as well as snow and weed complaints.

2006 Goals and Objectives

- Computerized field inspections
- Incorporate Administrative Penalty Program for enforcement of nuisance complaints


Budget Category	2004 Actual	2005 Budget	2006 Budget	\$ Increase (Decrease)
Wages & Benefits	81,204	87,982	91,389	3,407
Supplies & Materials	2,488	2,150	3,750	1,600
Other Services & Charges	7,291	8,090	12,974	4,884
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	90,983	98,222	108,113	9,891

2006 Budget Impact Items

- Analyze program delivery models

2004/2005 Achievements

- Implemented Minnesota Department of Health software upgrade



**SUPPLEMENTARY
INFORMATION**

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Demographic Information

Population: Moorhead Population 2000 (U.S. Census)..... 32,177
 Moorhead Population 2004 (*U.S. Census Estimate*).. 33,390
 Fargo-Moorhead SMSA Population 2000..... 174,367

Age Distribution: (2000 Census)

<u>Age</u>	<u>Number</u>	<u>Age</u>	<u>Number</u>
0-4	1,870	5-14	4,163
15-19	3,967	20-24	4,737
25-44	7,790	45-54	3,503
55-64	2,043	65-74	1,878
75-84	1,548	85+	678

Median Age - 28.7

Racial Distribution: (2000 Census)

White	29,628	92.0%
Black	247	0.8%
American Indian	410	1.3%
Native Hawaiian & Other Pacific Islander	14	0.0%
Other	676	2.1%
2 or more Races	577	1.8%
Hispanic*	1,439	4.5%

** Not a race, but an ethnic group*

Households: (2000 Census)

Total Family Households.....	7,036
Married Couple Households.....	5,515
Female Headed Households.....	1,148
Persons in Group Quarters.....	3,836
Persons Per Household.....	2.43

Gender: (2000 Census)

Male.....	15,096
Female.....	17,081

Principal Taxpayers

TAXPAYER	TYPE OF PROPERTY	TAX CAPACITY	PERCENTAGE OF TOTAL TAX CAPACITY OF \$14,378,877
Anheuser-Busch	Malting Plant	\$ 352,732	2.5%
American Crystal Sugar	Sugar Processing	241,108	1.7%
Moorhead Hospitality	Hotel & Conference Center	179,250	1.2%
Moorhead Holiday Associates	Strip Mall	163,498	1.1%
HMJ Partnership	Shopping Mall	137,396	1.0%
TRE Investments	Shopping Mall	118,142	0.8%
Xcel Energy	Electric Utility	100,760	0.7%
South Moorhead Associates	Retail - Grocery & Mall	96,038	0.7%
Eventide	Nursing/Retirement Home	93,201	0.6%
Target Corporation	Retail	79,874	0.6%
Total Tax Capacity of Principal Taxpayers		<u>\$ 1,561,999</u>	<u>10.90%</u>

Miscellaneous Statistical Information

Date of Incorporation February 24, 1881

First Charter Adopted 1900

Date Present Charter Adopted September 14, 1983

Form of Government Council-Manager

Area in Square Miles:

1995	11.77
1996	11.83
1997	11.93
1998	11.93
1999	12.19
2000	12.19
2001	13.85
2002	14.06
2003	14.41
2004	16.89

Miles of City Streets:

1995	156.04
1996	159.13
1997	159.13
1998	160.36
1999	161.43
2000	161.43
2001	170.35
2002	174.89
2003	175.47
2004	184.60

Miles of Sewers:

Storm	104.82
Sanitary	125.88
Force Mains	14.12

Fire Protection:

Number of Stations	2
Number of Firefighters	30

Police Protection:

Number of Stations	1
Number of Sworn Officer	49

Permanent Employees (FTE's) 240.525

Glossary

- A* **Account.** A term used to identify an individual asset, liability, expenditure control, revenue control, encumbrance control, or fund balance.

Accounting System. The total structure of records and procedures which record, classify, summarize, and report information on the financial position and results of operations of a government or any of its funds, fund types, or organizational components.

Accrual Basis of Accounting. The method which records revenues when earned (whether or not cash is then received) and records expenditures when goods or services are received (whether or not cash is disbursed at that time).

Ad Valorem Tax. Property taxes calculated as a percentage of the value of real or personal property.

AFSCME. American Federation of State, County, and Municipal Employees labor union.

Appropriation. The authorization by the governing body to make payments or incur obligations for specific purposes.

Appropriated Fund Balance. The amount of surplus funds available to finance operations of that fund in a subsequent year or years.

Assessed Value. A valuation set upon real estate by the City Assessor as a basis for levying real property taxes (Ad Valorem Tax).

Asset. Resources owned or held by a government, which have monetary value.

- B* **Balanced Budget.** Occurs when planned expenditures equal anticipated revenues. In Moorhead, it is a requirement that the budget submitted to the City Council be balanced.

Balance Sheet. The basic financial statement, which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

BLOG WebLog - An easy-to-use web site, where you can quickly post thoughts, interact with people, and more.

Bonds. A written promise to pay a designated sum of money (the principal) at a specific date in the future, along with periodic interest at a specific rate. The payments on bonds are identified as Debt Service. Bonds are generally used to obtain long-term financing for capital improvements.

Bond Rating. A rating (made by an established bond rating company) from a schedule of grades indicating the probability of timely repayment of principal and interest on bonds issued.

Budget (operating). A plan of financial operation embodying an estimate of proposed expenditures for a given fiscal year and the proposed means of financing them (revenue estimates). The term is also used for the officially authorized expenditure ceilings under which a government and its departments operate.

Budgetary Basis. This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

Glossary

Budget Message. A general discussion of the proposed budget written by the City Manager to the City Council.

Budget Schedule. The schedule of key dates that a government follows in the preparation and adoption of the budget.

- C* **Capital Improvement Plan.** A projection of capital (long-lived and significant) expenditures over the coming five years.

Capital Outlay. Fixed assets, which have a value of \$5,000 or more and have a useful economic lifetime of more than one year; or assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset. Expenditures for the acquisition of capital assets such as vehicles, equipment, land, buildings and major improvements.

Capital Project. Major construction, acquisition, or renovation activities, which add value to a government's physical assets or significantly increase their useful life.

COLA - Cost of Living Adjustment. Used to adjust wages and benefits to compensate for annual inflation.

Comprehensive Plan. A defined land use and zoning plan that is developed and placed into the City of Moorhead's ordinances.

COPS - Community Oriented Policing. Federal grant funds to assist in hiring of additional police officers.

- D* **Department.** A major administrative division of the City, which indicates overall management responsibility for an operation or a group of related operations within a functional area. A department usually has more than one program and may have more than one fund.

- E* **EDA - Economic Development Authority.** A statutory housing and redevelopment authority within the City of Moorhead.

Employee Benefits. Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security, state retirement plan and medical, and life insurance plans.

Encumbrance. Commitments of funds for contracts and services to be performed. When encumbrances are recorded, available appropriations are correspondingly reduced.

Expenditure. The cost of goods delivered or services provided, including operating expenses, capital outlays, and debt service. Includes such things as paying salaries of police, fire and others, purchasing materials, electricity, water and gas and making long-term debt payments.

- F* **Final Budget.** Term used to describe revenues and expenditures for the calendar year.

Financial Policy. A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investments.

Fiscal Year. The 12-month period to which the annual budget applies. The City's fiscal year begins January 1st and ends December 31st.

Glossary

Fixed Assets. Assets of long-term character that are intended to continue to be held or used, such as land, building, machinery, furniture, and other equipment.

Franchise Fees. Fees levied by the City in return for granting a privilege, which permits the continual use of public property such as right-of ways.

FTE - Full Time Equivalent. A measure of authorized personnel calculated by dividing the number of hours worked per year for a given position by the total number of hours of work per year.

Fund. An independent fiscal and accounting entity with a self-balancing set of accounts. Funds are established to attain certain objectives or to simply segregate activities.

Fund Balance. The excess of assets over liabilities for a fund. A negative fund balance is sometimes called a deficit.

G **Generally Accepted Accounting Principles (GAAP).** Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

General Fund. The fund that is available for any legal authorized purpose and which is therefore used to account for all revenues and all activities except those required to be accounted for in another fund.

General Obligation Bonds. Bonds for the payment of which the full faith and credit of the issuing government are pledged. In issuing its general obligation bonds, the City of Moorhead pledges to levy whatever property tax is needed to repay the bonds for any particular year. General Obligation Bonds cannot be issued without voter approval and are usually issued with maturities of 10 and 20 years.

GFMEDC - Greater Fargo-Moorhead Economic Development Corporation. An independent corporation focusing exclusively on the retention, expansion and attraction of businesses within Cass County of North Dakota and Clay County of Minnesota.

Grant. A contribution by one governmental unit to another. The contribution is usually made to aid in the support of a specified function, but it is sometimes also for general purposes.

H **HazMat - Hazardous Materials.** State of Minnesota funding to provide equipment and training for the purpose of responding to hazardous material contamination.

HHIC. Heritage Hjemkomst Interpretive Center is a multi-use interpretive facility.

I **Independent School District #152 (ISD).** Moorhead Public School System.

Infrastructure. The physical assets of a government (streets, water, sewer, public buildings and parks).

Inter-fund Transfer. Equity transferred from one fund to another.

Intergovernmental Revenue. Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

J **JOBZ.** Job Opportunity Building Zone is a State program intended to stimulate business activity in Greater Minnesota through various state and local tax incentives.

L **Liabilities.** Debts or other legal obligation arising out of transactions in the past, which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

Glossary

Local Government Aid (LGA). Funds distributed to municipalities by the State of Minnesota.

M **Market Value Homestead Credit.** State aid paid to local governmental units to reduce the property taxes on individual homeowners. The monies for the aid derived from state income and sales taxes.

MCAT - Moorhead Community Access Television. A nonprofit organization providing public cable access partially financed from the use of franchise fees.

Modified Accrual Accounting. A basis of accounting in which revenue is recorded when collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period, and expenditures are recognized when the related liability is incurred.

O **Obligations.** Amounts, which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget. The City's financial plan, which outlines proposed expenditures for the coming fiscal year and estimates the revenues which will be used to finance them.

Operating Revenue. Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earning, and grant revenues. Operating revenues are used to pay for day to day services.

Ordinance. A formal legislative enactment by the City Council of Moorhead.

P **Personal Services.** Expenditures for salaries, wages, and related employee benefits.

Policy. A plan, course of action or guiding principle, designed to set parameters for decisions and actions.

Property Tax. A tax levied on the net tax capacity of real and personal property.

R **Reserve.** An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Revenue. Monies received or collected by the City as income, including such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, shared revenues, and interest income.

Risk Management. The identification and control of risk and liabilities incurred by a local government to conserve resources from accidental loss.

S **SAFER - Staffing for Adequate Fire and Emergency Response.** Federal grant funds to assist in the hiring of additional firefighters.

Special Assessment. A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties. All tax-exempt property in the affected area will also have to pay the special assessment.

T **Tax Base.** Total assessed valuation of real property within the City.

Tax Capacity. Value used to determine property taxes. The assessor determines the estimated market value of property; which is then converted to tax capacity by a formula specified in state law.

Tax Capacity Rate. The property tax rate that is based on the taxes levied as a proportion of the property

Glossary

value. A tax rate of 18.751% produces \$18.75 of taxes on each \$100 of tax capacity that a property is valued at.

Tax Increment. The portion of the property taxes collected on commercial and industrial property within a defined Tax Increment District that is generated from the incremental growth value compared to original base value.

Tax Levy. The total amount to be raised by general property taxes for the purpose stated in the resolution certified to the County Auditor.

Truth-in-Taxation (TNT). Minnesota Statutes mandate "Truth in Taxation" for local governments. This requires local governments to give notice to each property owner regarding their intention on budgets and levies. Each taxing jurisdiction is required to hold a public hearing prior to the adoption of its budget and tax levy, unless the jurisdiction meets certain exemption criteria.

U **Unallocated/Discretionary Account.** An appropriation of funds set aside for unanticipated expenditures. City Council action is required to re-appropriate these funds.

W **Wiki** A piece of server software that allows users to freely create and edit Web page content using any Web browser.

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