

STATE OF THE CITY OF MOORHEAD 2009

2008 was a good year for the City of Moorhead.

There were certainly a lot of challenges, however, on the whole, we had another year of growth and advancement.

I'll give you examples by listing some of the events that happened this past year. They will not be in any particular order, they are simply random .

1. WE HAVE A NEW CITY MANAGER FOR MOORHEAD ...AS WELL AS A NEW PRESIDENT AT MSUM AND A NEW SUPERINTENDANT FOR THE SCHOOL DISTRICT; NEW LEADERSHIP FOR THE CHALLENGES THAT FACE US IN 2009.
2. THE TRAIN WHISTLES ARE FINALLY QUIET
3. THE 34 STREET OVERPASS PROJECT IS UNDERWAY
4. THE 20/21 STREET UNDERPASS IS READY TO BID
5. A NEW CABLE FRANCHISE IS COMING TO TOWN

6. THE HOLIDAY MALL IS GAINING AN ASSISTED LIVING CENTER
7. THE CENTER AVENUE BRIDGE IS REPAIRED AND... THE MAIN AVENUE BRIDGE HAS BEEN DEDICATED TO OUR VETERANS
8. TROLLWOOD IS RISING, HORIZON REGIONAL PARK IS DONE, THE SOUTHSIDE PARK WILL BE READY FOR SOCCER THIS SPRING, AND MB JOHNSON PARK PLANNING IS DONE AND THE REBUILD IS READY TO GO.
9. MOORHEAD HOUSING VALUES STAYED EVEN IN A NATIONALLY SLUMPING ECONOMY AND OUR HOUSING SALES WERE STRONG. THE AVERAGE VALUE OF A HOME IN MOORHEAD IS \$138,200 BASED ON 1,242 SALES THIS PAST YEAR.
10. NEW HOUSING STARTS WERE VERY GOOD
190 NEW HOMES WERE BUILT
235 APARTMENT UNITS WERE STARTED AND
412 TOTAL HOUSING UNITS CONSTRUCTED IN

2008. THE FOURTH BEST YEAR IN OUR HISTORY!

We did had a difficult time getting our 2009 budget built. Over \$1,000,000 was cut from the 2008 general fund budget to arrive at our 2009 figure of \$19 million. This was done without laying off staff or stopping major programs. We did end our year by having the state of Minnesota unallot our 2008 Local Government Aid by \$565,000. This happened with 12 days left in our budget year. We are very fortunate that our city has a long history of maintaining strong reserves and that we are very conservative in our budgeting. Unspent dollars covered most of our LGA losses for the year. Those dollars would have normally gone into reserves for 2009. As a city, we are by ordinance, to keep 40% of our operating budget in reserves.

Sadly, it turns out that Moorhead's 2009 budget may be only a placeholder budget. The state of Minnesota is facing a severe budget crisis and will more than likely be cutting programs like Local Government Aid. We depend

on LGA to keep city services equal with those of other cities in the state. LGA keeps our property taxes competitive. We are considered a property value poor city in Minnesota, hence our LGA payment from the state. The state will also be looking to cut Market Value Homestead Credits and County State Aids, as well as other programs that normally keep down local property taxes, as the legislature struggles to bring the Minnesota budget for 2010-2011 into balance. The city manager and senior staff in Moorhead are already starting to identify ways to lower our budget expenditures for this year in anticipation of the revenue cuts we know are going to come. We know that programs and staffing levels will need to be looked at closely in the next few months as we squeeze an already tight budget.

However, I believe 2009 shows a lot of promise for Moorhead. Despite the problems with the state budget shortfall, we will be able to continue to move Moorhead forward with many exciting plans.

With this state budget problem could come some

positive reform in regards to state program changes. The state could reinvent itself by becoming a partner again with cities and counties to help deliver services rather than their simply issuing mandates to local units of government. Typically, these mandates cause lots of extra work and expense and are rarely funded.

We have a good chance to work with Congress to get funding through their infrastructure stimulus bill. The 20 / 21 Street project is ready to go and could be bid yet this winter and it can be started as early as this spring.

The City of Moorhead has very good sub -divisions with 730 lots at a variety of prices. These lots are fully serviced and ready to build. Given those lots and the good building season we enjoyed last year, 2009 should continue to boom in Moorhead.

Our park system continues to improve. MB Johnson Park has long been a well used but somewhat forgotten gem in our system. Getting bathrooms and basic park amenities into it this year should really enhance its usability by the time Oakport comes into the city. MB

Johnson Park is on the border between Moorhead and Oakport. Remember, 2015 is only 6 years away. The Trollwood building is close to completion and that program will going full blast in south Moorhead this summer.

Soccer teams will be back in a single location in Moorhead at last...and there will be parking! The neighborhood park rehabilitation program will continue this year with another three parks receiving upgraded facilities.

Needed road resurfacing projects on 1 Avenue North and 20th Street should happen by this fall.

Our comprehensive plan will be reworked to keep it fresh and up to date. The Power Plant Study Commission should give us all a glimpse of what could happen with that grand old building by the river.

This year, Moorhead and Fargo will get a report from the Corps of Engineers giving us alternatives on how to protect ourselves from flooding up to a 100 year event. This coupled with the Fargo Southside Protection Plan should give us a map into the future on how we can live with the Red River when it floods.

While I see problems with the Minnesota Budget and its effects on us, I also see that we can and are able to move forward in 2009, continuing to make our city a great place to call home.