



Money in Moorhead Civic University Series April 17, 2008

PREPARED BY:

FINANCE DIVISION

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Fund Accounting

Governmental accounting systems are organized and operated on a fund basis. A "Fund" is defined as a fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities, and changes that are segregated for the purpose of carrying on specific activities or obtaining certain objectives in accordance with special regulations, restrictions or limitations. A "Government Unit" is a combination of several distinctly different entities, each having a separate set of accounts and functioning independently of other funds.

Fund Categories

Governmental Funds - are those funds through which most governmental functions are typically financed. The City's expendable financial resources and the related current liabilities, except those accounted for in the proprietary funds, are accounted for through governmental funds. The governmental fund measurement focus is based upon determination of financial position and changes in financial position rather than upon net income determination. The Statement of Revenues, Expenditures and Changes in Fund Balances is the primary governmental fund operating statement.

Proprietary Funds - used to account for a government's activities, which are similar to the private sector. All assets and liabilities associated with the operation of proprietary funds are included on the balance sheet. The measurement focus is upon determination of net income, financial position and cash flows.

Fiduciary Funds - are used to account for assets held by governmental units in a trustee's capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Fund Types

GENERAL FUND is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The functions reported in the General Fund are Administrative, Police, Fire, Engineering, and Building Codes etc.

SPECIAL REVENUE FUNDS are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

- o Parks, Library, Community Development Block Grants, Mass Transit, and Economic Development.

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.

- Municipal Improvement - To 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 money to meet these requirements.
- Tax Increment - To account for the accumulation of resources for payment of tax increment general obligation bond principal and interest. Tax increments are received by the City to meet these requirements.
- G.O. Bond - To 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 to provide sufficient money to meet these requirements.
- Special Assessment - To account for the accumulation of resources for payment of general obligation bond principal and interest. Special assessment collections from benefiting properties are received by the City to meet these requirements.

CAPITAL PROJECTS FUNDS are used to account for financial resources to be used for the acquisition or construction of capital assets (other than those financed by Proprietary Funds and Trust Funds).

- Capital Improvement - To account for capital outlay related to City buildings, improvements, and equipment.
- Permanent Improvement - Account for the construction of public improvements capital outlay related to City buildings, improvements funded by municipal state aid and other city funds.
- Special Assessment - To account for construction of public improvements or services deemed to benefit the properties against which special assessments are levied.

ENTERPRISE FUNDS 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.

- Wastewater Treatment, Electric, Water, Golf Courses, Sports Center, Pest Control, Airport and Forestry.

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. The City has three Internal Service Funds Vehicle, Radio and Computer.

TRUST & AGENCY FUNDS are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Expendable Trust and Agency Funds. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

- Agency – Examples of agency funds maintained with the City are:
 - Community Access Television
 - Armory

Legal Compliance

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 City of Moorhead employs a target-based budgeting strategy. The budgeting process is initiated early in the year by the City Council’s assessment of the previous year’s accomplishments, and a review of desired goals and objectives, for the upcoming budget.

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 below 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:

Department Directors 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.

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.

Time Frame	Responsibility	Action
April - May	Finance Department	Budget Forms distributed to Departments
June	All Department Directors	Dept 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 3rd & Dec 10th	City Manager City Council	Hold Truth-in-Taxation hearings, if required
Prior to December 28 th	City Council	Adopt Final Budget and Tax Levy
Within 90 days after adoption of final budget	City Manager Finance Department	Complete Comprehensive Budget for submission to GFOA for Distinguished Budget Award

Budgeting Preparation

The preparation of the City Budget covers several major components such as service description, goals & objectives, performance & outcome evaluation, budget targets, staffing requirements, operating needs, repair and maintenance, revenue projections, and capital requirements. The overall focus is to provide core services effectively and efficiently to the Citizens of Moorhead.

The budget process begins with a meeting where by the City Council provides guidance related to budgetary issues to the City Manager. During June and July Department Directors prepare their proposed budgets for review by the City Manager. The City Manager must be mindful to make sure the budget preparation guidelines approved by the City Council are followed. After the City Manager has prepared a proposed budget, meetings are scheduled with the City Council for receive.

The League of Minnesota Cities (LMC) prepares a document to assist city managers, clerks, finance officers, and elected city officials in preparing city budgets. This document covers many of the state and federal laws that can affect city budgeting and highlights changes made by the Minnesota Legislature and by the U.S. Congress.

Essential priorities of the budget process are:

- Identify and prioritize the services to be provided within the community.
- Establishing organizational responsibility and reasonable timeframes for achieving our objectives.
- Allocating the resources necessary for programs and projects to implement our programs effectively and efficiently.
- Departments are responsible to provide their best, reasonable revenue and expenditure estimates based on the provided economic assumptions and trends specific to their programs. This may require departments to change the method of service delivery in order or the current service level in order to live within resource limitations.

KEY AREAS

- Changes to the Local Government Aid (LGA) formula and the impact it may have on the amount of LGA cities receive. Local government aid (LGA) is intended to reduce disparities between cities in both revenue needs and taxable wealth by equalizing cities' ability to provide average-level services with reasonable Property Tax Levies. (*levy limits imposed by the State) Exhibit A

	2002*	2003*	2004*	2005	2006	2007	2008
TAXES	2,847,112	4,391,017	4,533,350	4,601,933	4,835,500	5,062,283	5,891,208
LGA	8,241,938	7,140,044	7,140,044	7,585,565	8,059,765	7,832,982	7,698,569
	11,089,050	11,531,061	11,673,394	12,187,498	12,895,265	12,895,265	13,589,777

➤ Enterprise Fund Transfers

The council may by a vote of six members transfer in any fiscal year to the general revenue fund of the city from the net revenues of a utility or service under the control of the commission and from the net revenues of any city owned utility the following amounts:

- (a) from the electric utility, an amount not to exceed 20 percent of gross revenues,
- (b) from the district heating utility, an amount not to exceed 10 percent of gross revenues,
- (c) from any other city owned utility, an amount not to exceed 5 percent of gross revenues, and
- (d) any amount authorized by law to be so transferred.

The term "gross revenues" means all operating and non-operating revenues of a utility from whatever source derived; the term "net revenues" means gross revenues less current expenses of the operation of the utilities. The amounts of gross revenues and net revenues must be determined by the commission in accordance with generally accepted accounting principles. Transfers made pursuant to this section must be consistent with covenants with bondholders in city resolutions authorizing the issuance of obligations payable from revenues of the utilities

Electric Transfer Exhibit B

➤ Staffing Level

The City's staffing level is 248.455 Full-Time-Equivalents (FTE's) with a total cost for wages and benefits of \$16,979,657.

Exhibit C

➤ Capital Outlay

The City maintains a Capital Improvement Fund used to account for the financial resources to acquire capital assets. Funds are provided by a transfer from the Electric Utility. This transfer is authorized within the City's Charter: Chapter 12 Sec 12.09.

Exhibit D

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.

Exhibit E

➤ Building Permits

YEAR	TOTAL VALUE	SINGLE FAMILY PERMITS	COMMERCIAL	PERMIT REVENUE
2007	\$ 93.1M	225	\$25.3M	\$386,586
2006	\$126.4M	329	\$25.7M	\$518,736
2005	\$108.3M	320	\$13.6M	\$427,234
2004	\$ 76.4M	293	\$19.4M	\$300,426
2003	\$ 94.4M	195	\$32.5M	\$321,792
2002	\$ 72.0M	200	\$25.9M	\$258,025
2001	\$ 48.6M	106	\$17.7M	\$175,234
2000	\$ 27.7M	93	\$ 6.0M	\$116,345

➤ Debt Service

GENERAL OBLIGATION IMPROVEMENT BONDS
ALL OUTSTANDING ISSUES

Fiscal Year Beginning	Cash Collections				Debt Service			Cumulative Cash	2.5% Interest Earnings	Yr-End Cash Balance
	Special Assmts	Other Revenues	Tax Levv	Total	Principal	Interest	Outstanding Balance			
1/1/2006	2,119,611	0	782,957	2,902,568	1,700,000	2,954,754	97,715,000			11,413,083
1/1/2007	4,306,397	574,443	911,510	5,792,350	1,890,000	3,872,997	118,225,000	11,442,436	286,061	11,728,497
1/1/2008	6,810,453	217,300	1,442,666	8,470,419	3,565,000	4,900,502	114,660,000	11,733,414	293,335	12,026,749
1/1/2009	6,611,207	217,300	2,220,090	9,048,597	4,365,000	4,790,052	110,295,000	11,920,294	298,007	12,218,301
1/1/2010	7,413,393	217,300	2,221,637	9,852,330	4,950,000	4,612,851	105,345,000	12,507,781	312,695	12,820,476
1/1/2011	7,169,711	217,300	2,219,455	9,606,466	5,285,000	4,416,237	100,060,000	12,725,706	318,143	13,043,849
1/1/2012	6,926,192	217,300	2,213,095	9,356,587	5,265,000	4,211,760	94,795,000	12,923,677	323,092	13,246,769
1/1/2013	6,688,740	217,300	2,207,722	9,113,762	5,205,000	4,006,420	89,590,000	13,149,111	328,728	13,477,839
1/1/2014	6,420,350	217,300	2,216,101	8,853,751	5,405,000	3,795,256	84,185,000	13,131,335	328,283	13,459,618
1/1/2015	6,433,706	217,300	2,238,554	8,889,560	5,605,000	3,567,418	78,580,000	13,176,761	329,419	13,506,180
1/1/2016	6,147,313	217,300	2,235,861	8,600,474	5,905,000	3,322,210	72,675,000	12,879,445	321,986	13,201,431
1/1/2017	5,898,901	217,300	2,226,331	8,342,532	5,830,000	3,075,551	66,845,000	12,638,412	315,960	12,954,372
1/1/2018	5,623,231	217,300	2,219,629	8,060,160	5,810,000	2,833,455	61,035,000	12,371,078	309,277	12,680,355
1/1/2019	5,397,639	217,300	2,220,463	7,835,402	6,015,000	2,586,124	55,020,000	11,914,633	297,866	12,212,499
1/1/2020	5,154,968	217,300	2,224,596	7,596,864	6,005,000	2,330,912	49,015,000	11,473,452	286,836	11,760,288
1/1/2021	4,912,312	217,300	2,313,159	7,442,771	6,045,000	2,072,533	42,970,000	11,085,527	277,138	11,362,665
1/1/2022	4,688,016	217,300	2,186,792	7,092,108	5,905,000	1,814,944	37,065,000	10,734,829	268,371	11,003,200
1/1/2023	4,354,705	217,300	2,064,875	6,636,880	5,790,000	1,558,396	31,275,000	10,291,684	257,292	10,548,976
1/1/2024	4,112,152	217,300	2,081,245	6,410,697	5,985,000	1,298,526	25,290,000	9,676,147	241,904	9,918,051
1/1/2025	3,698,035	217,300	2,066,200	5,981,535	5,915,000	1,035,785	19,375,000	8,948,801	223,720	9,172,521
1/1/2026	3,223,881	0	1,802,999	5,026,880	5,705,000	772,305	13,670,000	7,722,096	193,052	7,915,148
1/1/2027	2,008,483	0	1,531,852	3,540,335	5,065,000	521,985	8,605,000	5,868,498	146,712	6,015,210
1/1/2028	697,254	0	1,232,622	1,929,876	3,100,000	333,719	5,505,000	4,511,368	112,784	4,624,152
1/1/2029	661,716	0	1,222,732	1,884,448	2,210,000	211,879	3,295,000	4,086,722	102,168	4,188,890
1/1/2030	146,805	0	360,962	507,767	840,000	140,101	2,455,000	3,716,556	92,914	3,809,470
1/1/2031	140,029	0	365,069	505,098	820,000	99,653	1,635,000	3,394,915	84,873	3,479,788
1/1/2032	133,253	0	365,285	498,538	810,000	59,944	825,000	3,108,382	77,710	3,186,092
1/1/2033	126,478	0	0	126,478	825,000	20,100	0	2,467,470	61,687	2,529,157
1/1/2034	119,702	0	0	119,702	0	0	0	2,648,859	66,221	2,715,080

Note: Assumes 2.5% interest earnings on cash balances
Does not include deferred improvements yet to be assessed (green acres etc)
Does not make any assumptions for loss of future interest revenue due to prepayments

➤ Tax Capacity Definition

Tax capacity is the measure of property tax base value. Each taxable parcel has an individual tax capacity. The tax capacity of a property is determined by multiplying its class rate by the property's assessed market value. For example, the tax capacity of a \$131,300 owner-occupied home would be:

$$\$131,300 \times 1 \% = \$1,313$$

Each jurisdiction has a total tax capacity that is the sum of the tax capacities of all the parcels in the jurisdiction. This total property tax base, based on the sum of tax capacities, is used to compute the local property tax.

➤ Tax Rate Calculation

Each year, cities certify a property tax levy for the following year in dollars, not at a specific rate. To compute the city tax rate, the city's certified levy is divided by the city's total tax capacity. The property tax levy should be set at a level to raise adequate revenue for the operating budget when combined with other expected revenues.

2008 TAX RATE

County	School	City	EDA	Watershed	Total Tax Rate
59.084	32.273	25.844	1.218	2.807	121.226

➤ Property Tax Calculation

Market Value	\$131,300
Class Rate	<u>1%</u>
Tax Capacity	\$ 1,313
Tax Rate	121.226%
Property Tax	\$ 1,396

Property Tax Comparison - Exhibit F & G

CITY WIDE BUDGET

The City of Moorhead's 2008 Operating & Capital Budget totaled 58,397,542, which was an increase of \$3,994,007 over 2007. This was due in large part to significant debt service and special assessment infrastructure improvements.

The entire City of Moorhead's Annual budget may be viewed at the City's web site at www.ci.moorhead.mn.us. Click on City Hall then click Budget/Finance.

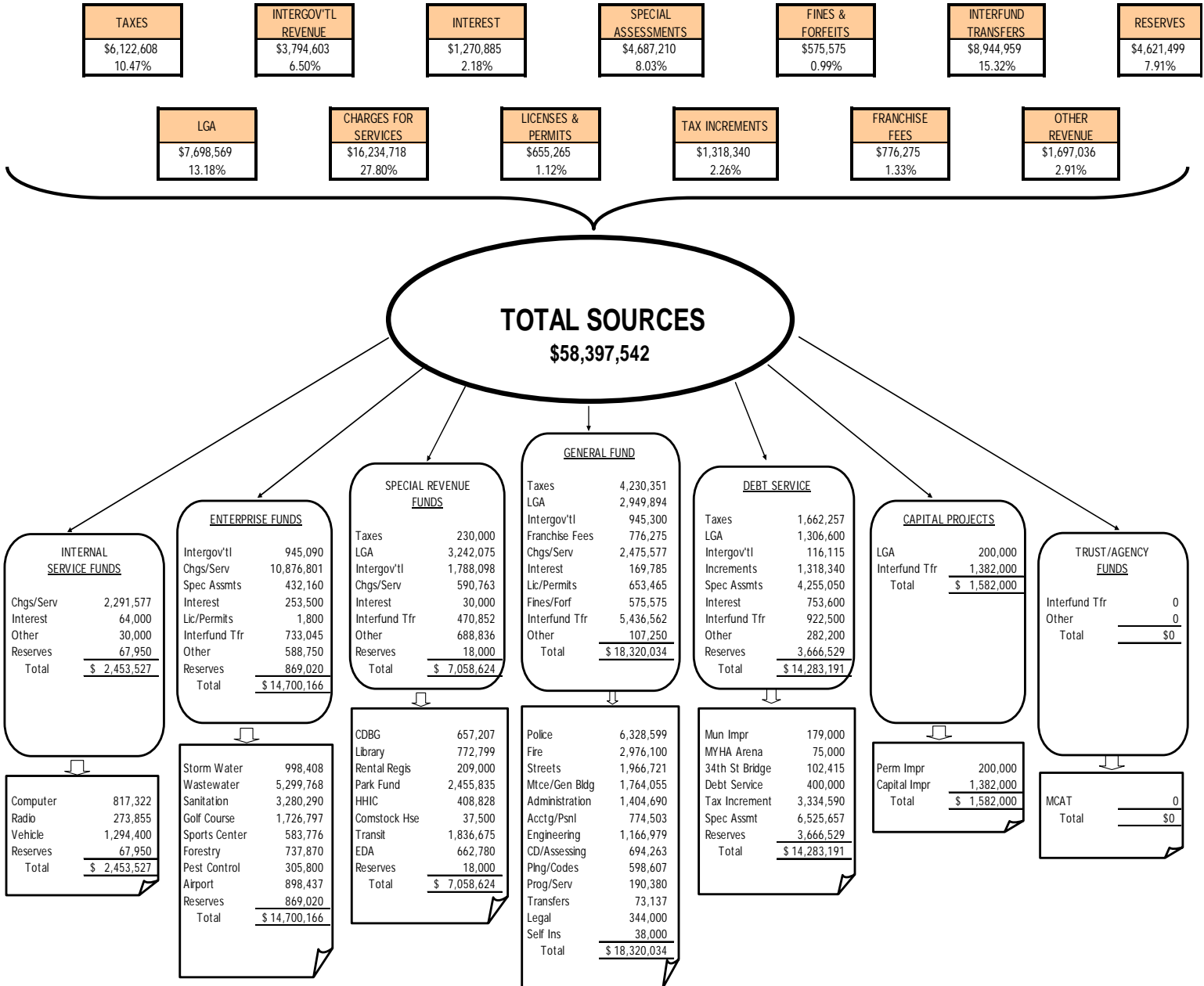
2007 & 2008 BUDGET COMPARISON

Fund	2007 Budget	2008 Budget	Increase (Decrease)
CDBG	\$ 488,310	\$ 657,207	\$ 168,897
EDA	681,019	662,780	(18,239)
LIBRARY	767,487	790,799	23,312
STORM WATER	947,164	1,068,458	121,294
INFORMATION TECHNOLOGY	695,245	885,272	190,027
MASS TRANSIT	1,682,634	1,836,675	154,041
GOLF COURSE	1,673,574	1,726,797	53,223
TOWN & COUNTRY GOLF	91,720	-	(91,720)
PARK	2,655,278	2,902,163	246,885
PEST CONTROL	339,865	350,629	10,764
SANITATION	3,396,157	3,516,665	120,508
RADIO	257,141	273,855	16,714
FORESTRY	611,286	737,870	126,584
GENERAL	17,732,792	18,320,034	587,242
SPORTS CENTER	568,221	583,776	15,555
DEBT SERVICE	1,225,860	2,921,339	1,695,479
VEHICLES	1,212,000	1,294,400	82,400
SPEC ASSMT	6,882,192	8,027,262	1,145,070
AIRPORT	2,060,550	898,437	(1,162,113)
TIF	3,135,010	3,334,590	199,580
MCAT	56,636	-	(56,636)
WASTEWATER	5,430,894	5,817,534	386,640
RENTAL REGISTRATION	212,500	209,000	(3,500)
CAPITAL PROJECTS	1,600,000	1,582,000	(18,000)
	<u>\$ 54,403,535</u>	<u>\$ 58,397,542</u>	<u>\$ 3,994,007</u>

CONSOLIDATED BUDGET SUMMARY

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.

2008 BUDGETED REVENUE - ALL FUNDS FUNDING SOURCES AND FUND DISTRIBUTION



2008 BUDGETED USES - ALL FUNDS CATEGORY AND FUND DISTRIBUTION

WAGES & BENEFITS
\$16,979,657
29.08%

SUPPLIES
\$3,628,289
6.21%

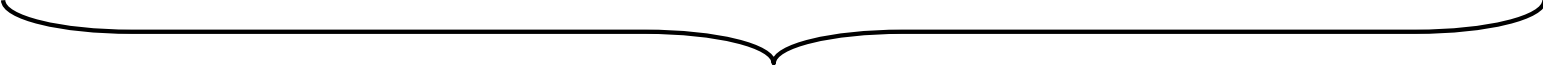
DEBT SERVICE
\$15,196,479
26.02%

CAPITAL OUTLAY
\$4,028,554
6.90%

OTHER
\$14,573,873
24.96%

INTERFUND TRANSFERS
\$2,726,959
4.67%

RESERVES
\$1,263,731
2.16%



TOTAL USES
\$58,397,542

INTERNAL SERVICE FUNDS

Wages	396,402
Supplies	40,652
Other	385,515
Capital	1,555,054
Reserves	75,904
Total	\$ 2,453,527

Computer	885,272
Radio	243,990
Vehicle	1,248,361
Reserves	75,904
Total	\$ 2,453,527

ENTERPRISE FUNDS

Wages	3,755,673
Supplies	1,193,743
Other	5,143,013
Debt	2,845,075
Capital	856,000
Transfers	888,812
Reserves	17,850
Total	\$ 14,700,166

Storm Water	1,068,458
Wastewater	5,817,534
Sanitation	3,516,665
Golf Course	1,726,797
Sports Center	583,776
Forestry	720,020
Pest Control	350,629
Airport	898,437
Reserves	17,850
Total	\$ 14,700,166

SPECIAL REVENUE FUNDS

Wages	1,804,318
Supplies	240,270
Other	3,966,276
Debt	13,000
Capital	182,100
Transfers	629,910
Reserves	222,750
Total	\$ 7,058,624

CDBG	657,207
Library	790,799
Rental Registrat	209,000
Park Fund	2,455,835
HHIC	388,828
Comstock Hse	37,500
Transit	1,836,675
EDA	460,030
Reserves	222,750
Total	\$ 7,058,624

GENERAL FUND

Wages	11,023,264
Supplies	2,153,624
Other	5,062,759
Debt	1,510
Transfers	73,137
Reserves	5,740
Total	\$ 18,320,034

Police	6,328,599
Fire	2,976,100
Streets	1,966,721
Mtce/Gen Bldg	1,764,055
Administration	1,404,690
Acctg/Psnl	774,503
Engineering	1,166,979
CD/Assessing	694,263
Ping/Codes	598,607
Prog/Serv	190,380
Transfers	73,137
Legal	344,000
Self Ins	38,000
Total	\$ 18,320,034

DEBT SERVICE

Other	114,810
Debt	12,336,894
Transfers	890,000
Reserves	941,487
Total	\$ 14,283,191

Mun Impr	179,000
MYHA Arena	75,000
Pactiv	2,021,374
34th St Bridge	102,415
Debt Service	543,550
Tax Increment	2,628,960
Spec Assmt	7,791,405
Reserves	941,487
Total	\$ 14,283,191

CAPITAL PROJECTS

Capital	1,336,900
Transfers	245,100
Total	\$ 1,582,000

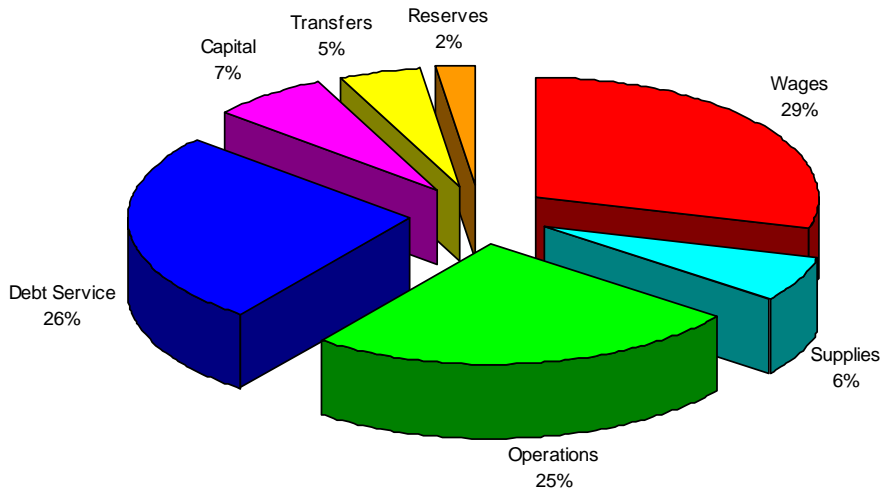
Perm Impr	200,000
Capital Impr	1,382,000
Total	\$ 1,582,000

TRUST/AGENCY FUNDS

Supplies	0
Other	0
Total	\$0

MCAT	0
Total	\$0

BUDGETED EXPENDITURES – ALL FUNDS BY CATEGORY



CATEGORY	BUDGET
Wages	\$ 16,979,657
Supplies	3,634,189
Operations	14,573,873
Debt Service	15,196,479
Capital	4,022,654
Transfers	2,726,959
Reserves	1,263,731
	<u>\$ 58,397,542</u>

BUDGET BUDGETED EXPENDITURES – ALL FUNDS BY FUNCTION

FUNCTION	BUDGET
Park/Pest Control/Forestry	\$ 3,103,989
Development Services	4,427,841
Administration	4,511,111
Fire	2,976,100
Engineering	8,052,971
Neighborhood Services	1,068,591
Debt Service	14,283,191
Capital	1,582,000
Police	6,662,991
Parks & Recreation	3,458,492
Street/Sanitation/Fleet	8,270,265
	<u>\$ 58,397,542</u>

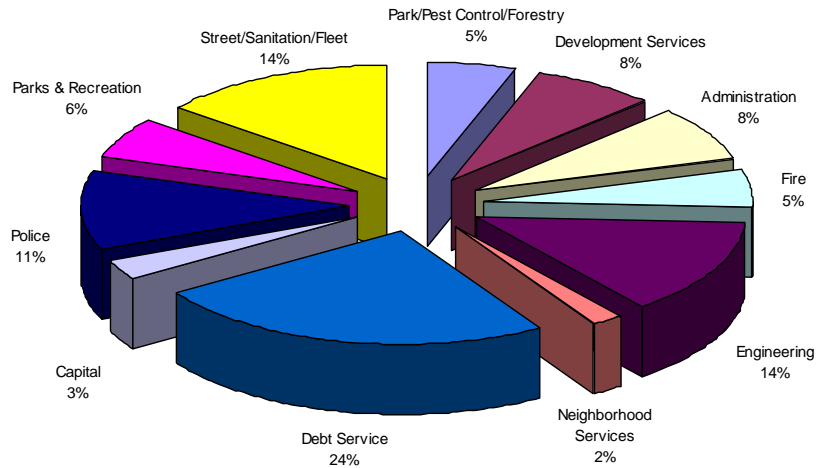


EXHIBIT A

**CITY OF MOORHEAD
COMPARISON OF TAX LEVY & LGA
PAYABLE YEARS 2007 - 2008**

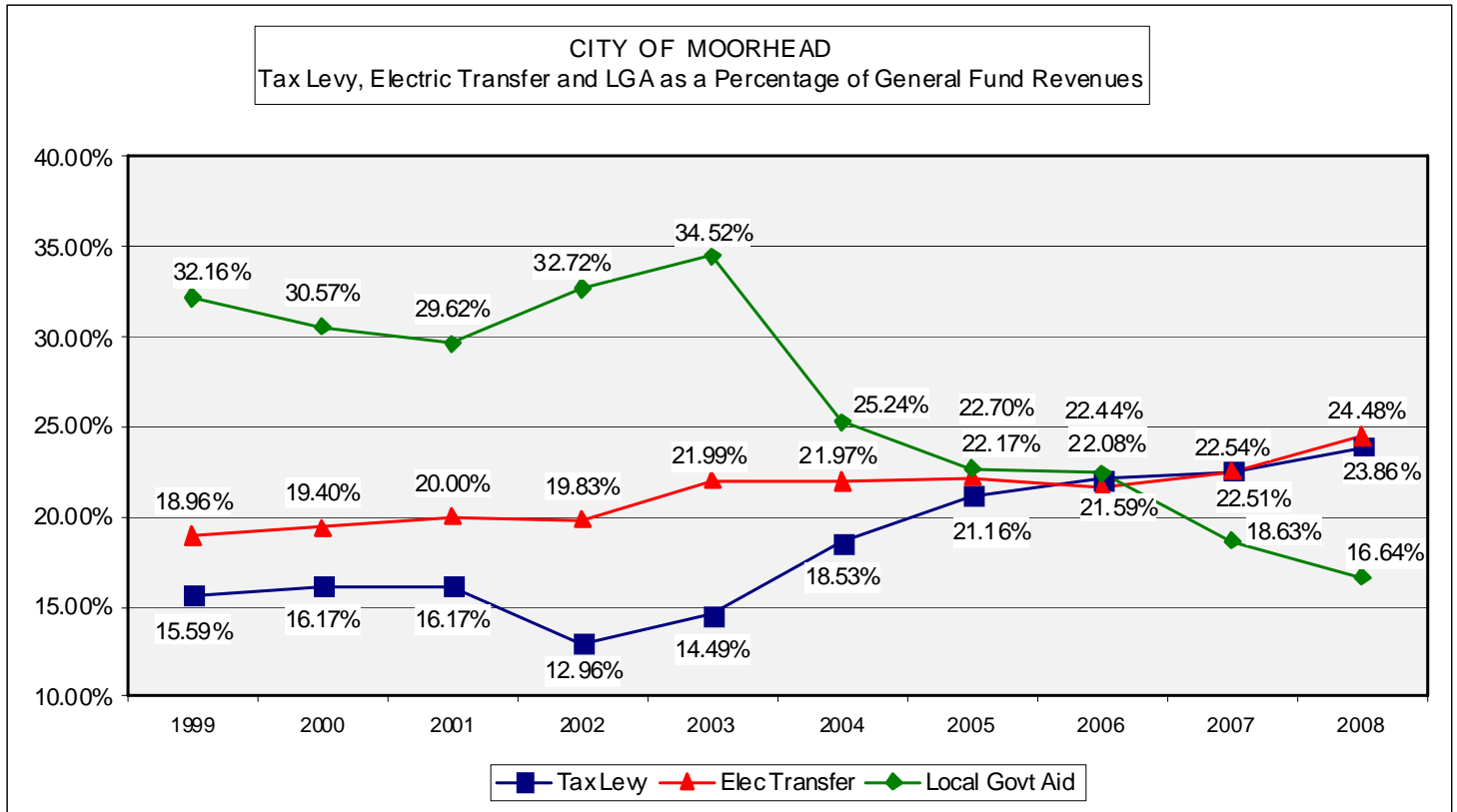
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	2007	2008	Increase (Decrease)	% CHG
OPERATING LEVY				
GENERAL FUND	3,996,308	4,230,351 [▲]	234,043	5.86%
SPECIAL LEVY: 3A/B TIF				
DOWNTOWN	530,965	538,700	7,735	1.46%
BROOKDALE	119,136	130,000	10,864	9.12%
HOLIDAY MALL	415,874	420,900	5,026	1.21%
	<u>1,065,975</u>	<u>1,089,600</u>	<u>23,625</u>	<u>2.22%</u>
DEBT SERVICE:				
DEBT SERVICE		50,000	50,000	100.00%
SPECIAL ASSMTS		521,257	521,257	100.00%
TOTAL PROPERTY TAX LEVY	5,062,283	5,891,208	828,925	16.37%
LOCAL GOVERNMENT AID:				
GENERAL FUND	3,303,597	2,949,894	(353,703)	(10.71%)
PARK FUND	1,995,088	2,213,062	217,974	10.93%
LIBRARY	748,487	771,799	23,312	3.11%
ECON DEVELOP	185,269	154,030	(31,239)	(16.86%)
PERMANENT IMP	200,000	200,000	0	0.00%
SPECIAL ASSMTS	911,324	912,600	1,276	0.14%
TIF #1 PKG RAMP	44,277	44,000	(277)	(0.63%)
MASS TRANSIT	94,940	103,184	8,244	8.68%
DEBT SERVICE	350,000	350,000	0	0.00%
TOTAL LGA	7,832,982	7,698,569	(134,413)	(1.72%)
TOTAL LEVY & LGA	12,895,265	13,589,777	694,512	5.39%
ECON DEV AUTHORITY	230,000	230,000	0	0.00%
TOTAL CITY LEVY, LGA & EDA	13,125,265	13,819,777	694,512	5.29%

SUMMARY OF ELECTRIC FUND TRANSFERS TO GENERAL FUND

Exhibit B

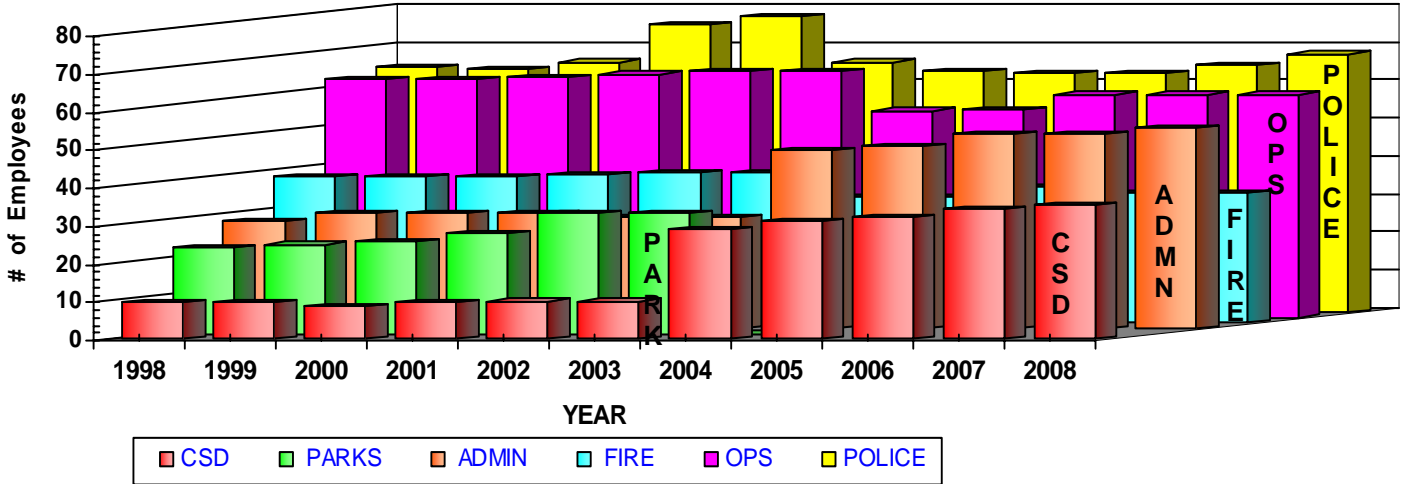
	ACTUAL						
	2002	2003	2004	2005	2006	2007	2008
ELECTRIC REVENUE	17,346,470	18,520,237	19,611,385	20,997,786	22,577,935	25,022,570	27,754,783
AMT OF CHG FROM PRIOR YR	528,216	1,173,767	1,091,148	1,386,401	1,580,149	2,444,635	2,732,213
PERCENT INCREASE	3.14%	6.77%	5.89%	7.07%	7.53%	10.83%	10.92%
ELECTRIC TFR TO: GENERAL FUND	2,986,000	3,156,000	3,272,000	3,484,000	3,693,000	3,991,000	4,341,000
AMT OF CHG FROM PRIOR YR	126,000	170,000	116,000	212,000	209,000	298,000	350,000
PERCENT INCREASE	4.41%	5.69%	3.68%	6.48%	6.00%	8.07%	8.77%
TFR AS A % OF REV	17.21%	17.04%	16.68%	16.59%	16.36%	15.95%	15.64%



	ACTUAL									Budgeted	
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	
Gen Fund Budget	12,263,824	13,399,272	14,300,489	15,060,725	14,350,096	14,890,868	15,711,767	17,105,246	17,732,792	18,320,034	
Revenue Type											
Tax Levy	1,912,320	2,166,573	2,311,763	1,951,902	2,079,368	2,759,530	3,324,243	3,776,800	3,996,308	4,230,351	
Elec Transfer	2,325,000	2,600,000	2,860,000	2,986,000	3,156,000	3,272,000	3,484,000	3,693,000	3,991,000	4,341,000	
Local Govt Aid	3,944,176	4,095,955	4,235,670	4,928,114	4,954,091	3,758,617	3,565,793	3,838,050	3,303,597	2,949,894	
Total	8,181,496	8,862,528	9,407,433	9,866,016	10,189,459	9,790,147	10,374,036	11,307,850	11,290,905	11,521,245	

CITY OF MOORHEAD STAFFING LEVELS FOR THE YEARS 1998 THRU 2008

EXHIBIT C



	<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>	<u>2007</u>	<u>2008</u>
CSD	9.50	9.50	8.50	9.50	10.00	10.00	29.080	31.080	32.080	34.080	35.200
PARKS	22.50	23.50	24.25	26.25	31.83	31.83					
ADMIN	28.25	30.38	30.38	30.38	29.38	29.38	47.000	48.000	51.000	51.000	52.750
FIRE	38.50	38.50	38.50	39.00	39.50	39.50	33.000	33.000	36.000	34.000	34.000
OPERATION	62.75	62.75	63.00	64.00	65.00	65.00	54.380	54.630	58.630	58.630	58.630
POLICE	64.25	64.00	65.75	75.75	77.80	65.80	63.315	62.815	62.815	64.815	67.875
	225.750	228.630	230.380	244.880	253.510	241.510	226.775	229.525	240.525	242.525	248.455

**CITY OF MOORHEAD
CAPITAL IMPROVEMENT FUND
2008 BUDGET**

EXHIBIT D

Description	Amount	Description	Amount
<u>Community Services Department</u>		<u>Fire Department</u>	
Office chair Appraiser	400	Honor Guard Overcoats (12)	3,180
Signage Highway 52	1,500	HQ Bay Heaters Replacement	4,280
Mighty Light Tables	2,000	Capital Training Room Updates	5,650
Replace Light Cans in Clubhouse	2,000	Turnout Gear Lockers	10,985
Mighty Light Tables	3,000	Relocate 3 Sirens in North Moorhead	12,000
28" vacuum	3,000	Various Fire Equipment	17,360
Patio Fence Painting	5,000		53,455
Airport fuel facility improvements	5,000		
Airport improvements runway	5,000	<u>Administration Department</u>	
Security System replacement	6,000	Computer monitor Data Collector	300
Matson Redevelopment Project	10,000	Refrigerator Conference Room	800
Transfer - Mass Transit	12,000	Smaller format scanner	1,200
Cart staging area	12,000	Scanner	4,000
Transfer - Mass Transit	12,400	Color Printer - 3rd Floor City Hall	5,000
M.B. Johnson Master Planning	15,000	Replace 4 Wheeler (ATV)	6,000
Local Funding - crossway runway	31,700	Replacement Mini cargo-van	7,500
Restroom / Shelter on golf course	60,000	Large scanner	15,000
	186,000	Aerial photos	75,000
		Unallocated capital funds	51,989
		Industrial park land	140,000
<u>Operations Department</u>		Transfer to Municipal Imp Fund	179,000
Greens cover replacement	1,000		485,789
Move 4th floor lobby west door	2,000		
Pressure washer	3,000	<u>Police Department</u>	
Install gutter on east storage building	4,000	EoTech Holographic Sights	1,140
Irrigation heads (1st of 3 yrs)	6,000	Butane Lighter Digital Recorder	1,195
Large area turf sprayer	8,500	2 Portable Laptop computers	2,000
Used fairway mower	12,000	X26 Tasers	2,000
Frame Lift, Air Operated	13,000	2.4Ghz camera, VCRs	2,300
Fencing meadows 5th Park	14,000	8 Patrol Digital Cameras	2,500
Hydro Hammer Bobcat	15,000	Echo 6 2-watt Agile Repeater	2,950
Asphalt entrance driveway	15,000	Computer Hardware/software	4,000
Milling Machine Pavement Markings	20,000	Rifles for School Resource Officers	4,800
Emulsion Street Patch Trailer	51,000	Mobile Digital Video Storage	5,133
Regional Park equipment	75,000	Patrol Squad	71,000
City Wide furniture & fixtures	100,000	41 Taser Cam Units	18,238
Park amenities	200,000		117,256
	539,500		
		Total Capital Improvement Fund	1,382,000

**CITY OF MOORHEAD
CAPITAL IMPROVEMENT PLAN
2008 BUDGET**

EXHIBIT E

<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>		
2008	48,000	Replace carpet Oak Rm, Auditorium, Lobby	2008	<u>18,000,000</u>	34th St/I-94 Interchange & 34th St 4-lane from 14th Ave S to 30th Ave S
2009	150,000	Flat roof replacement			
2010	10,000	Remodel Cabinets in Auditorium			
	<u>208,000</u>		2008	9,318,000	New street const/existing street reconstructior
<u>PARK FUND</u>			2008	10,000,000	20/21 S.E. Main Eng, Site Acq
2008	15,000	Additional Disc Golf Couese	2009	19,044,000	New street const/existing street reconstructior
2008	95,000	Horseshoe roof	2009	10,000,000	20/21 S.E. Main Eng, Site Acq
2009	35,000	Southside Dog Park	2010	14,352,000	New street const/existing street reconstructior
	<u>145,000</u>		2011	<u>13,177,000</u>	New street const/existing street reconstructior
<u>VILLAGE GREEN GOLF COURSE</u>				<u>75,891,000</u>	
2008	60,000	Restrooms on course/water/shelter	<u>OPERATIONS</u>		
2008	10,000	Signage on Interstate Hole 16	2008	350,000	Public Works Storage Facility
2009	12,000	Cart Staging Area	2008	700,000	MB Johnson Park Renovation
	<u>82,000</u>		2009	50,000	Riverview Estates Tennis Courts
<u>MEADOWS CLUBHOUSE</u>			2009	50,000	Central lube system in maint shop
2008	10,000	Clubhouse Carpet	2009	100,000	Asphalt milling machine
2008	60,000	Restroom/Shelter on course	2009	150,000	Dog Park (south)
2009	6,000	Security System Replacement	2010	25,000	Storage racking (pallats)
	<u>76,000</u>		2010	50,000	Hansmenn Tennis Courts
<u>MASS TRANSIT</u>			2010	50,000	Asphalt bulk storage area
2008	62,000	Mini-bus Replacement	2010	250,000	Bike Bridge improvements
2009	68,700	Mini-bus Replacement	2010	250,000	Replace NRC at South
2009	16,900	Mini-van Replacement	2011	30,000	Centennial Arena paint and exterior skin
2009	300,000	Bus Rplt (move to 2010-11-12 if needed)	2011	50,000	Alm Tennis Courts
2010	70,700	Mini-bus Expansion	2011	50,000	Additional cold storage at Sanitation
2011	72,800	Mini-bus Replacement	2011	250,000	Replace NRC Morningside
2012	18,400	Mini-van Replacement		<u>2,405,000</u>	
	<u>609,500</u>		<u>POLICE</u>		
<u>PREVENTIVE MAINTENANCE</u>			2008	30,000	Improvements & Repairs to the Firing Range
2008	60,000	Preventive Mtce (engines/transmissions)	2008	200,000	CAD/RMS System
2009	60,000	Preventive Mtce (engines/transmissions)	2009	7,000,000	Renovation of LEC
2010	60,000	Preventive Mtce (engines/transmissions)		<u>7,230,000</u>	
2011	60,000	Preventive Mtce (engines/transmissions)	<u>PROJECT YEARS TO BE DETERMINED</u>		
	<u>240,000</u>		<u>FIRE</u>		
				350,000	2/Mini Rescue Pumpers
				400,000	Renovate Current Headquarters
				6,500,000	Construct New Headquarters
				<u>7,250,000</u>	

**CITY OF MOORHEAD
PROPERTY TAX COMPARISON**

EXHIBIT F

	Actual 2008 5% Mkt Incr	Actual 2008 No Mkt Incr	Actual 2007
1. Taxable Market Value	137,800	131,300	131,300
2. Net Tax Capacity (1 x 1.00%)	1,378	1,313	1,313
3. Residential Market Value Homestead Credit			
a. Initial Cr (1st \$76,000 of Line 1 x 0.40%; Max of \$304)	304	304	304
b. Credit Phase-out if Line 1 Exceeds \$76,000 (0.09% x (Line 1 - \$76,000); Maximum of \$304)	56	50	50
c. Final Credit (3a - 3b)	248	254	254
4. Tax Rates			
a. County Local Tax Rate	59.084%	59.084%	61.321%
b. City/Town Local Tax Rate	25.844%	25.844%	23.169%
c. School District Other Local Levies Local Tax Rate	32.273%	32.273%	33.386%
d. Watershed District	2.807%	2.807%	2.803%
e. Economic Development Authority	1.218%	1.218%	1.333%
f. Total Local Tax Rate	121.226%	121.226%	122.012%
5. Local Taxing District Net Tax Capacity Gross Tax			
a. County Gross Tax	814	776	805
b. City Gross Tax	356	339	304
c. School District Gross Tax	445	424	438
d. School Dist Other Gross Tax Mkt Value Referendum	62	59	67
e. Watershed District	39	37	37
f. Economic Development Authority	16	15	18
g. Total Local Taxing District Gross Tax	1,732	1,650	1,669
6. Homestead and Other Credits - Line 3c	(248)	(254)	(254)
7. Total Local Taxing District Net Tax Capacity Net Tax	1,484	1,396	1,415
8. Local Taxing District Net Tax after MVHC			
a. County	693	652	677
b. City	303	285	256
c. School District	441	415	436
d. Watershed District	33	31	31
e. Economic Development Authority	14	13	15
f. Total Local Taxing District Net Tax	1,484	1,396	1,415
9. Increase (decrease) by Local Taxing District			
a. County		(25)	
b. City	18.359%	29	11.328%
c. School District		(21)	
d. Watershed District		0	
e. Economic Development Authority		(2)	
f. Total Local Taxing District Net Tax		(19)	

2008 TAX RATES BY TAXING JURISDICTION

Taxing District	Payable 2007	Payable 2008	Rate Incr (Decr)	Rate % Incr (Decr)	% of Total 2008 Rate
City of Moorhead	23.169%	25.844%	2.675%	11.546%	21.32%
Clay County	61.321%	59.084%	(2.237%)	(3.648%)	48.74%
School District	33.386%	32.273%	(1.113%)	(3.334%)	26.62%
Watershed	2.803%	2.807%	0.004%	0.143%	2.32%
Econ Dev Authority	1.333%	1.218%	(0.115%)	(8.627%)	1.00%
Total	122.012%	121.226%	(0.786%)	(0.644%)	100.00%

TAX DOLLAR DISTRIBUTION

