



City of
Moorhead, Minnesota

2007
Operating &
Capital
BUDGET



Preserving, Protecting & Promoting

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Guide for Readers

The Fiscal Year 2007 Operating and Capital Budget 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, 2007 through December 31, 2007. 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

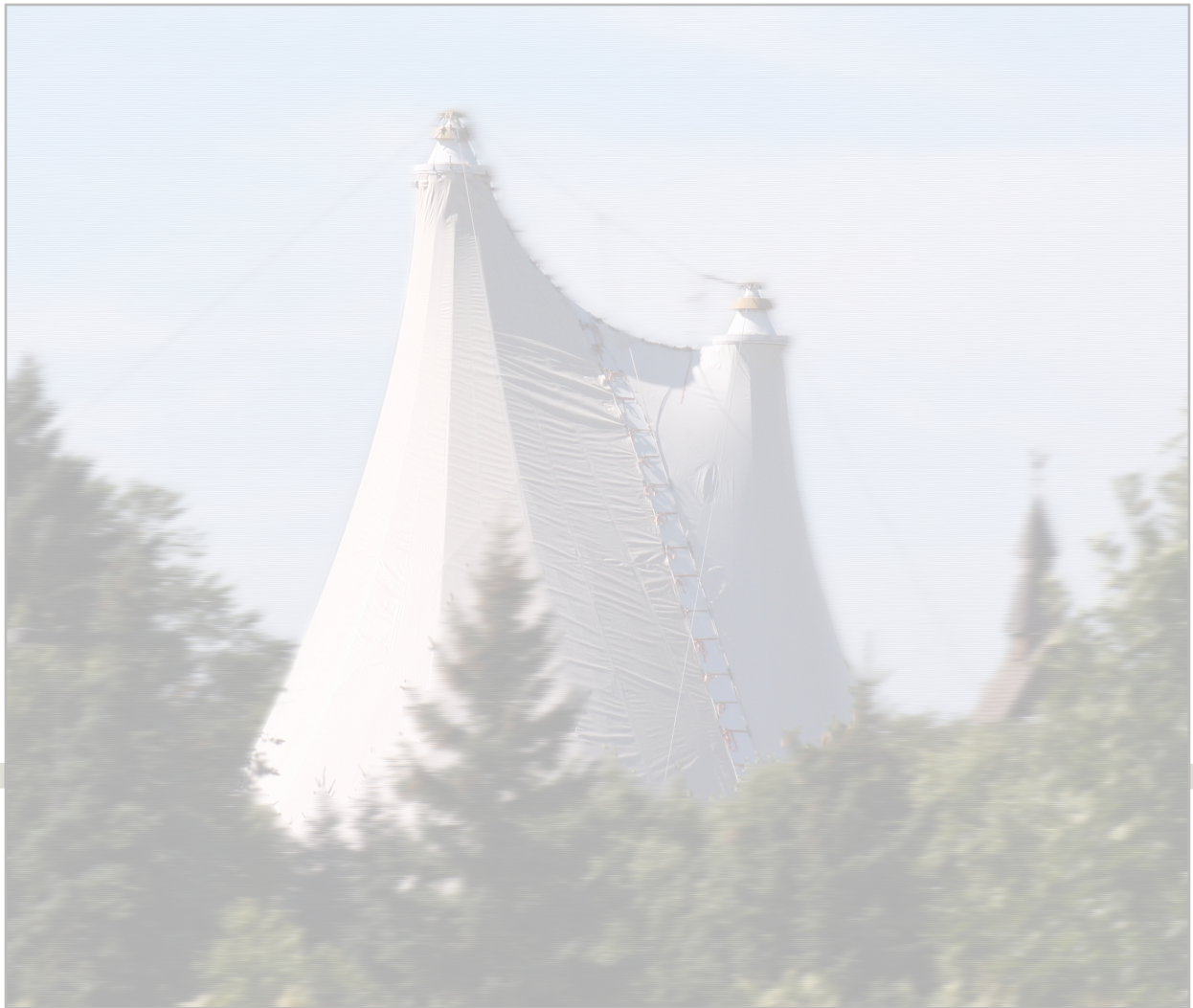
As a communication device, the budget provides summary information to aid the reader in interpreting the document. Charts, graphs, tables and text are included in every section to consolidate the information as much as possible. The budget document also includes a detailed table of contents and a glossary 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, 2006. 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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Introduction

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 Officials

City Council



DAN BOHMER
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



MARK HINTERMEYER
WARD 4



GREG LEMKE
WARD 4

City Administration



BRUCE MESSELT
CITY MANAGER



MIKE REDLINGER
ASSISTANT CITY MANAGER

JOEL HEWITT
FIRE CHIEF

CHAD MARTIN
OPERATION DEPARTMENT
DIRECTOR

SCOTT HUTCHINS
COMMUNITY SERVICES
DIRECTOR

DAVID EBINGER
POLICE CHIEF

BRIAN NEUGEBAUER
CITY ATTORNEY

ROBERT ZIMMERMAN
CITY ENGINEER

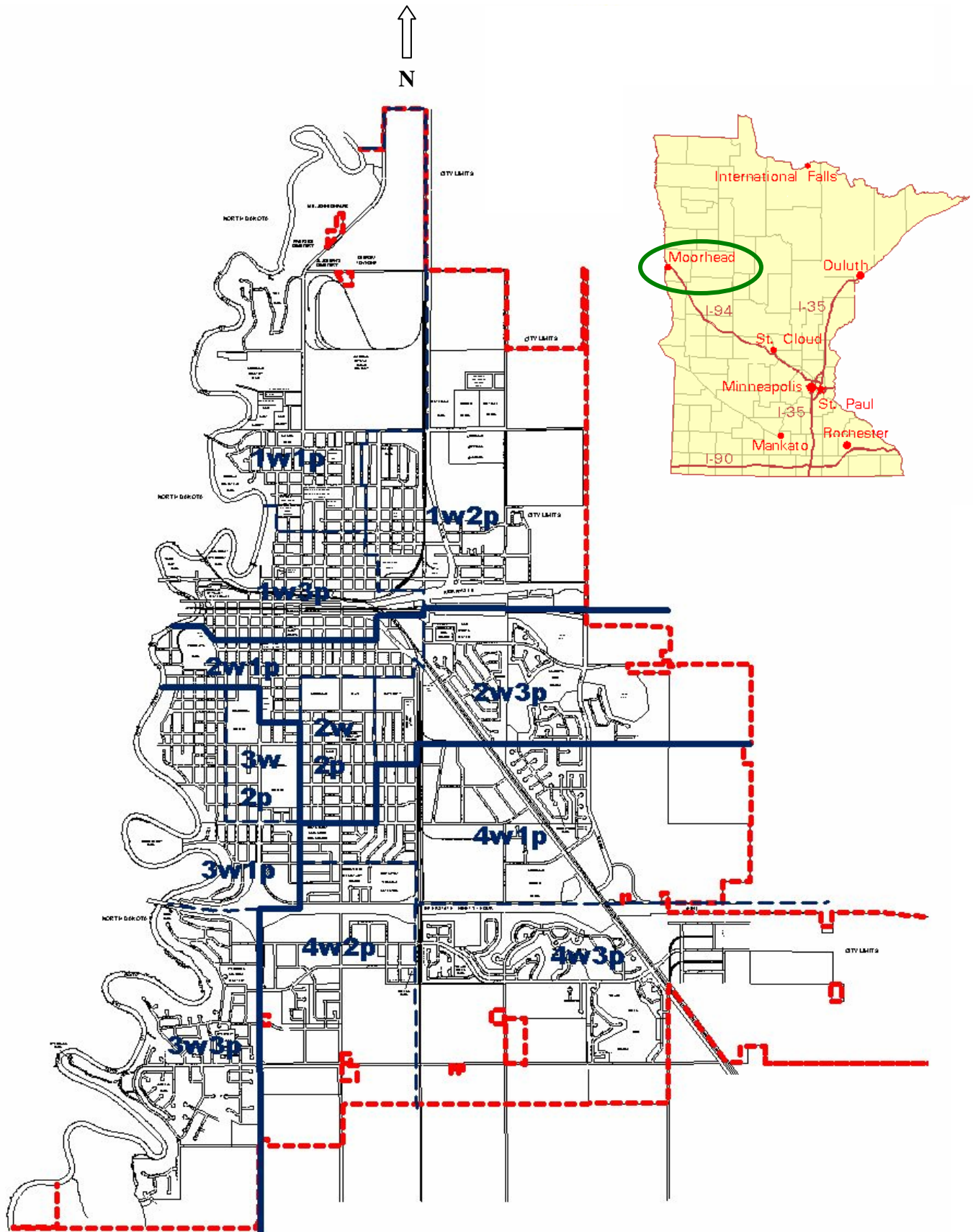
KAYE BUCHHOLZ
CITY CLERK

HARLYN AULT
FINANCE DIRECTOR

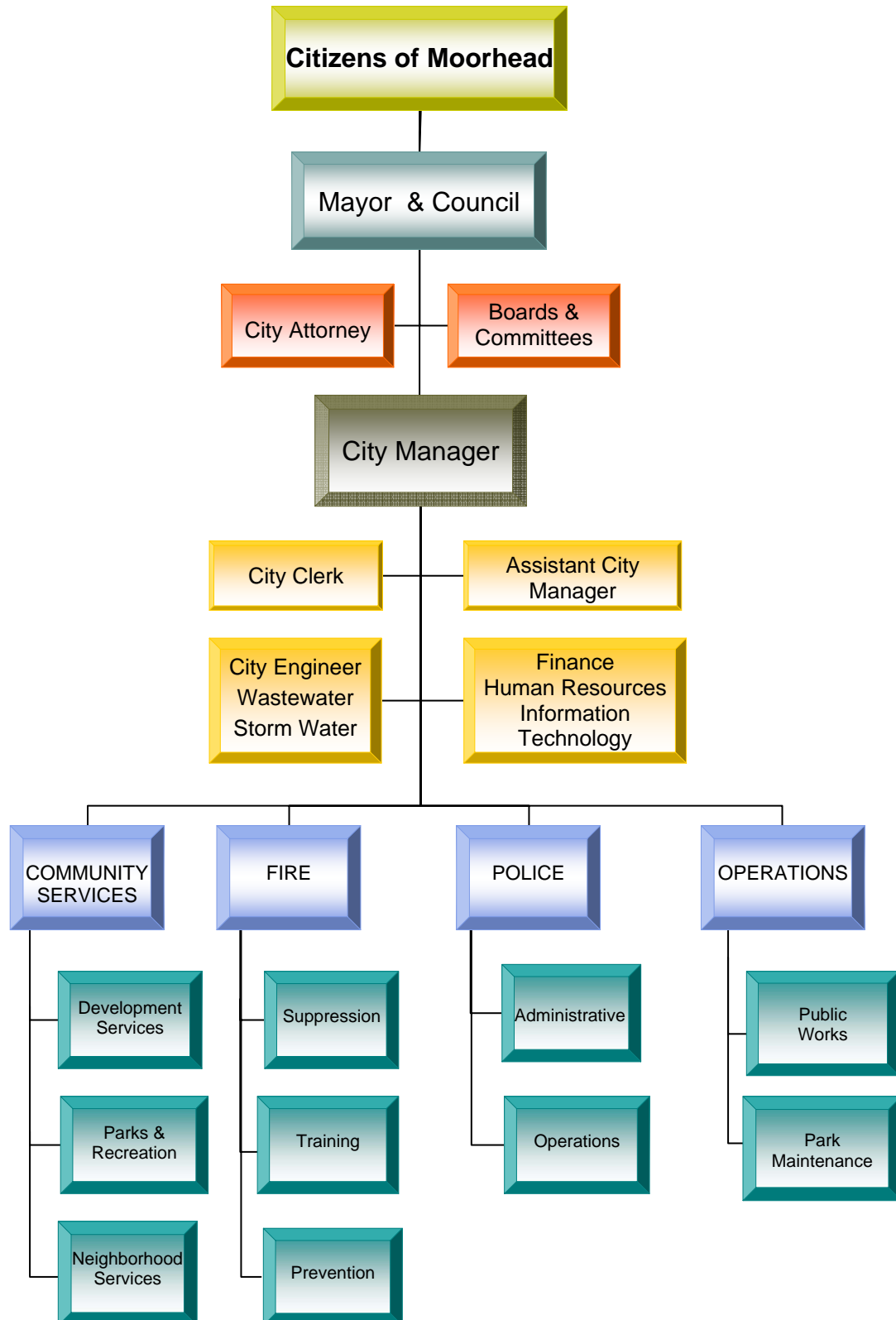
JEAN THOMPSON
HUMAN RESOURCES

DON REDDEN
INFORMATION TECHNOLOGY

Map of Moorhead, MN



Organization Chart



Overview & Summary



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Budget Message

October 16, 2006

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 \$54,403,535 for the fiscal year commencing on January 1, 2007 and ending on December 31, 2007. This budget format is intended to communicate to the Mayor and City Council and citizens of Moorhead the overall operations of the City, the services provided and the funding sources utilized for these programs and activities. Emphasis has been 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.

This year's budgeting theme is one of "**Preserving, Protecting and Promoting,**" especially as it relates to what the City of Moorhead, as well as the community in general, holds as most dear and important. For example, significant emphasis is placed in the final 2007 Budget on issues relating to quality of life; from improving public safety activities to preserving key community assets, such as replacing the distinctive Hjemkomst Center Roof (depicted on the cover), as well as less dramatic but equally important projects to maintain city streets, parks and utility infrastructure.

This focus, however, is not limited to merely maintaining the status quo. Rather, significant emphasis is also placed in the final 2007 Budget on continued promotion of Moorhead as a quality location in which to reside, raise and educate a family, to work and locate one's business, and to play and enjoy the abundant opportunities afforded throughout the Moorhead-Fargo community. Despite significant and ongoing reductions in support from our federal and state partners, economic, community and neighborhood development and redevelopment efforts continue to receive strong budgetary support in 2007, with a special focus on the quality of such growth initiatives, be them regional park improvements, additional housing opportunities for all segments of the community, or increasing and diversifying our local economy through recruitment, retention and expansion of strong, community-minded, businesses and corporate partners.

The City of Moorhead employs a *target-based* budgeting strategy. As such, the 2007 budgeting process was initiated in early 2006 by the City Council's assessment of 2005 accomplishments, review of desired 2006 objectives, and reaffirmation of current strategic priorities for 2007. Under the City's *target-based* budgeting strategy, the budgeting process is comprised of three significant efforts. First, review, modification and ratification by the decision-making body of a *Preliminary Budget*, to be approved by September 15th, 2006, and then a *Final Budget*, to be approved by December 31st, 2006. Second, implementation of the approved Budget through utilization of annual Work Plans and including periodic review and adjustment by the Mayor and City Council. Third, subsequent evaluation as to the success and effectiveness of the budgeting effort, including through formal audits and Council assessments.

The Mayor and City Council's affirmation of projected 2007 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 to a 3% increase over the previous year for non-personnel related expenses and 3.5% for personnel-related expenses, with rising health care costs explaining the 0.5% deviation. Policies limiting personnel costs and capital outlay dictated that no additional requests would be included in the base budget, but rather would be prioritized and considered separately, as *supplemental budget requests*, by the City Manager and then the City Council as part of the generation of the 2007 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.

Budget Message

The City's departments and other business units have worked diligently to recommend a feasible and affordable plan of action for 2007, 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 2006 have also ensured that the 2007 Budget is aligned with the collective will and direction of the decision-making body.

The City's 2007 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 2007 Budget includes the City's Computer, Vehicle, and Radio Internal Service funds. Finally the, 2007 Budget also includes reporting for the City's two agency funds, Armory and Moorhead Community Access Television (MCAT).

2007 Budget Summary

The City of Moorhead's 2007 Operating & Capital Budget is \$54,403,535, a projected increase of \$2,798,365 over the previous year, due in large part to significant anticipated grant funded capital improvement projects and debt service due to recent public improvements. When looking specifically at the tax supported funds (general and special revenue funds), the 2007 budget reflects a decrease of \$945,888 (3.8%) from 2006 levels. Major justification for this increase in both revenues and expenditures are as follows:

Projected Revenues

- Anticipated receipt of major state and federal grants for both capital and operating activities of the City, including for Moorhead Fire Department and the Moorhead Airport;
- A \$226,783 decrease in Local Government Aid (LGA) allocation from the State of Minnesota;
- An increase of \$226,783 in the City's Property Tax Levy to recompense the City for the decrease in LGA, estimated to result in little or no increase in the effective Tax Rate for taxes payable in 2007;
- Modest fee increases in the Storm Water Fund and in some Parks and Recreation programs;
- Reduction in the Pest Control fee of 50¢ per month for mosquito control; and
- Adoption of the fourth of a four-year rate increase in the Wastewater Treatment Fund, pursuant to City Council action taken in 2003.

Projected Expenditures

- \$1,896,000 in capital expenditure for land acquisition and construction of a cross-wind runway at the Moorhead Airport;
- \$1,401,586 in scheduled capital replacements in the Vehicle, Information Technology and Radio Internal Service funds;
- Increased operating expenditures of 3%, plus significant supplemental support for fuel and consumable costs, as well as a citywide 3.5% for employee wages, health care and merit pay;
- Proposed staffing increase of 2 full-time equivalent (FTE) employees in the Moorhead Police Department to address new community growth and development; and
- \$1,249,566 in increased debt service for G.O. Special Assessment Bonds used to provide funding for expanding infrastructure needs (and repaid via Special Assessment collections).

Budget Message

Adjustments made to the 2007 Budget following presentation of the Recommended 2007 Budget in September, include the following:

ORIGINAL 2007 PROPOSED BUDGET	\$ 54,434,293
<u>\$0.50 Reduction in Pest Control Fee:</u>	
Service Charge Revenue	(76,800)
From Reserves	36,480
Increase General Fund Transfer from Pest Control for Animal Control	9,562
ADOPTED 2007 BUDGET	<u>\$ 54,403,535</u>

Challenges for the 2007 Budget

Preparation of the 2007 Operating and Capital Budget has been significantly impacted by a series of both ongoing and one-time challenges. As of publication of this 2007 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. Among the key decisions that will affect the 2007 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 increasing 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 State budget surplus, significant efforts on both sides of the aisle and in both houses of the legislature, and recognition by everyone that the program is under-funded, the State's Local Government Aid (LGA) program received no additional LGA for 2007. The City's 2007 LGA allocation of \$7,832,982 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.
 - **Eminent Domain** – The 2006 Legislative Session saw the authorization of major revisions to the state's Eminent Domain laws, effectively removing this tool for any economic development activities and significantly limiting its use for other public purposes. While the budgetary impact of these decisions remains indeterminate at this time, it is anticipated that costs associated with any eminent domain activities will rise exponentially.

Budget Message

- ❖ **Community Growth and Development** – The 2007 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 continuing its expansion of both geographic service area and population base. With continued equally strong development activity, similar official population increases can be reasonably expected to be confirmed for 2006.
 - **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 two of 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 employee-driven Classification and Compensation Study, for continued satisfactory performance. For the purposes of the 2007 Budget, a 3% economic package is projected to address adjustments for cost of living and merit pay, as well as continued diversion of an additional 0.5% of employee salaries to cover exploding health care costs.

- ❖ **Health Care Costs** – The City's employee-driven, four-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 12% premium increase for 2007 will again force some significant changes to the City's health care plan and its reserve fund.

Budget Message

- ❖ **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 2007 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, the City is budgeting an additional \$336,000 for increases in fuel expenditures in 2007.

2007 Staffing

Primary to the 2007 budget is the continued provision of necessary staffing in those areas that have a high priority for maintaining the ongoing functions of the City, as well as to address 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 2007 budget:

- Continued inclusion of three FTEs for 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;
- Two new FTEs within the Moorhead Police Department, including a new Police Officer, to be partially funded by Minnesota's Gang Strike Force Grant, and an Office Specialist/Power Typist to further reduce the need for contracted transcription services. Also of note is the City's incorporation of General Fund funding for two School Resource Officer positions, previously funded with outside federal grant assistance; and
- Replacement and/or transition of several key employees due to impending retirements, including the Assistant to the City Engineer.

The 2007 Budget includes adding two FTE's to the City. Even when only evaluating the City's FTE total, it should be noted that the 2007 FTE staffing of 242.525 remains less than that of 2001 and 2002 (244.88 and 253.51 respectively).

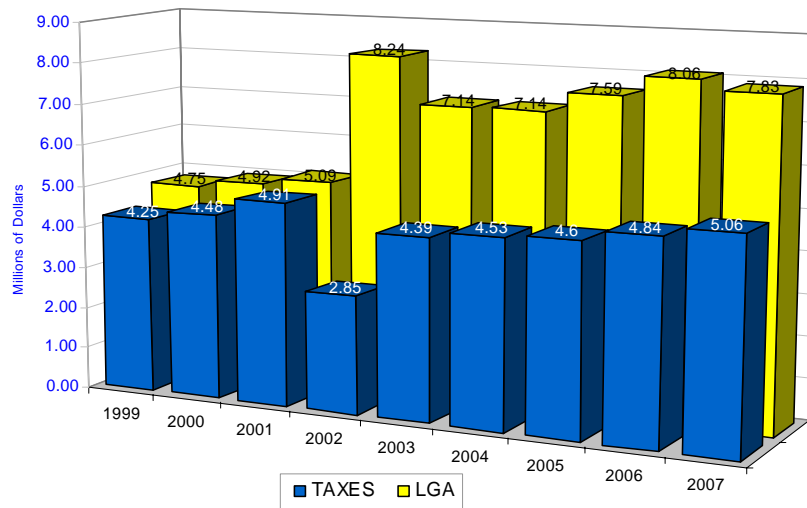
Budget Message

Tax Levy and Local Government Aid

The proposed City Tax Levy to support the 2007 Budget is \$5,062,283, an increase of \$226,783 (4.69%) over 2006 which is well below the Truth-In-Taxation maximum allowable levy increase of 6.4187%. The State of Minnesota’s Department of Revenue has certified the LGA for the City of Moorhead in the amount of \$7,832,982. This is a decrease of \$226,783 (-2.81%) from last year.

The City’s Economic Development Authority (EDA) has a 2007 Budget of \$230,000, a \$25,000 increase over 2006 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 the City Property Tax Levy and Local Government Aid for payable years 1999 thru 2007.



	1999*	2000*	2001	2002*	2003*	2004*	2005	2006	2007
TAXES	4,247,025	4,476,359	4,914,371	2,847,112	4,391,017	4,533,350	4,601,933	4,835,500	5,062,283
LGA	4,745,176	4,916,955	5,087,570	8,241,938	7,140,044	7,140,044	7,585,565	8,059,765	7,832,982
TOTAL	<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>	<u>12,895,265</u>
\$ Change		401,113	608,627	1,087,109	442,011	142,333	514,104	707,767	0
% Change		4.46%	6.48%	10.87%	3.99%	1.23%	4.40%	5.81%	0.00%

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 2007, the 3a & 3b levy for tax increments is \$1,065,975.

Budget Message

Property Tax Rate

The 2006 taxable market value for the City reported by the Clay County Auditor is \$1,574,840,700, an increase of \$198,029,300 over 2005, of which \$69,762,100 is attributable to new construction. Using the State's property classification rates, the market value is converted to a tax capacity, which amounts to \$18,407,175. This is a tax capacity increase of \$2,088,024 (12.8%) over 2005.

Based upon these figures, the projected tax rate for taxes payable in 2007 is estimated to be 24.880%, a decrease of .10% from last year's rate of 24.980%. The amount levied to individual property owners is calculated by multiplying the tax capacity of the property by 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 property classification rate of 1%, equals \$1,000 in tax capacity. The tax capacity times the tax rate of 24.880% results in a gross tax of \$249, which is further reduced by Market Value Homestead Credit to a net tax of \$193.

The table below compares the City's annual net property taxes for various residential properties payable 2006 and 2007.

Market Value	2006 Net Tax	Estimated 2007 Net Tax	Decrease
\$ 100,000	\$ 195	\$ 193	(2)
\$ 120,000	\$ 249	\$ 247	(2)
\$ 130,000	\$ 275	\$ 273	(2)
\$ 150,000	\$ 329	\$ 326	(3)
\$ 175,000	\$ 395	\$ 392	(3)
\$ 200,000	\$ 463	\$ 460	(3)

Property tax rates for the past three years, as well as, the estimated 2007 rate, are as follows:

Year	Tax Rate
2004	28.731%
2005	26.095%
2006	24.980%
Est 2007	24.880%

City's Bond Rating

Moody's Investors Service reaffirmed Moorhead's credit rating of "A2" in 2006, stating that the 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.

Budget Message

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

DEBT TO MATURITY

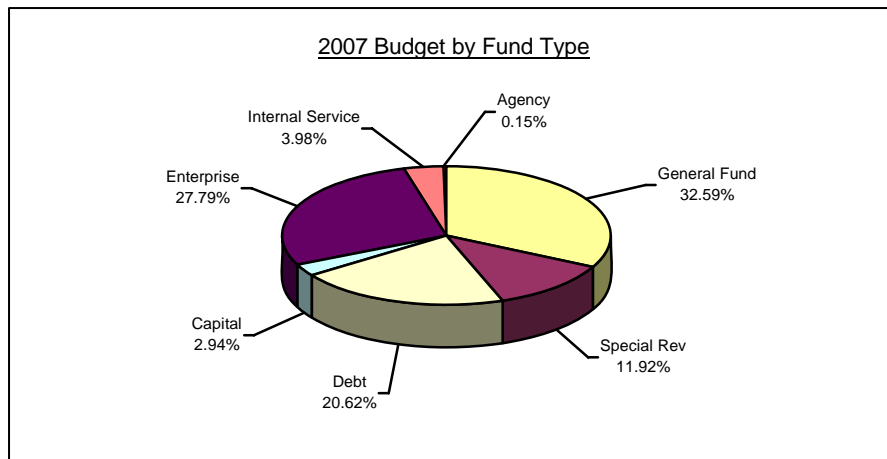
Year ended December 31	Principal	Interest	Total
2006	6,849,117	6,094,320	12,943,437
2007	6,939,073	6,036,189	12,975,262
2008	9,954,556	6,017,188	15,971,744
2009	9,936,795	5,640,989	15,577,784
2010	8,200,196	4,998,377	13,198,573
2011-2015	36,929,883	19,776,238	56,706,121
2016-2020	29,165,524	12,631,527	41,797,051
2021-2025	26,077,746	6,710,161	32,787,907
2026-2030	13,820,000	1,633,178	15,453,178
2031-2033	1,620,000	122,000	1,742,000
	\$ 149,492,890	\$ 69,660,167	\$ 219,153,057

2007 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 2007 is \$54,403,535, an increase of \$2,798,365 (5.423%) over 2006.

A comparison of the 2007 and 2006 budgets by fund type for the City of Moorhead is as follows:

Fund Type	2006	2007	% Chg
General Fund	16,898,980	17,732,792	4.934%
Special Revenue	8,266,928	6,487,228	-21.528%
Debt Service	9,130,684	11,218,062	22.861%
Capital Project	1,927,783	1,600,000	-17.003%
Enterprise	12,852,172	15,119,431	17.641%
Internal Service	2,449,578	2,164,386	-11.642%
Agency	79,045	81,636	3.278%
Total	51,605,170	54,403,535	5.423%



Budget Message

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 \$17,732,792 reflects an increase of \$833,812 over the previous year. This is due to a combination of increases in wages & benefits of \$667,172 and operating supplies & other charges of \$748,275 along with a reduction in the amount directed to reserves of \$563,220.

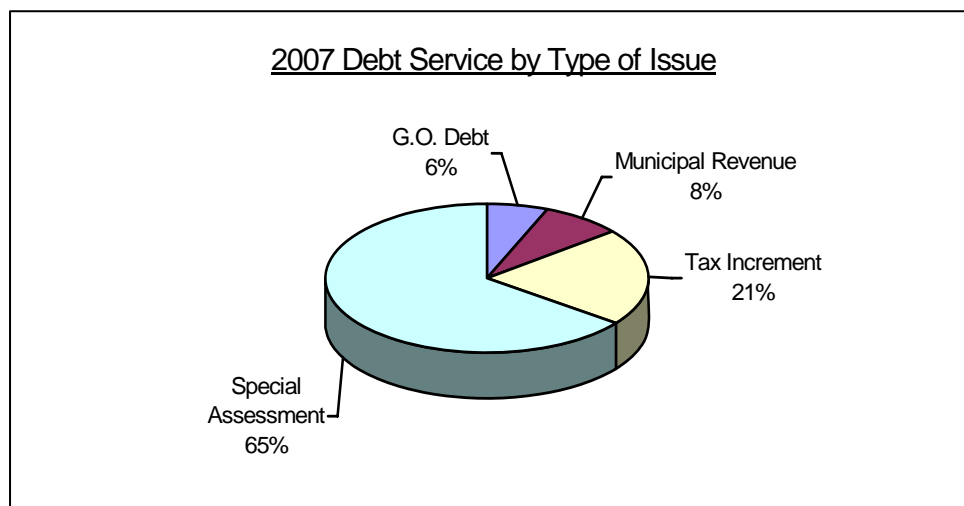
Special Revenue Funds

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 2007 of \$6,487,228 a \$1,779,700 decrease from the previous year. The 2006 budget included \$2,333,333 for the purchase of transit buses, thus accounting for the decrease in the current budget.

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 2007, \$8,435,382 is budgeted for the retirement of bond principal and interest, which is an increase of \$1,129,979 over 2006. Debt requirements for special assessment bonding increased \$1,249,566 over last year. The increasing debt service cost over the past couple of years is primarily due to infrastructure construction for providing services to new developments within the City of Moorhead. Below is a comparison of 2006 and 2007 annual principal and interest requirements.

Type of Issue	2006	2007	Increase (Decrease)
G.O. Debt	\$386,450	\$520,610	\$134,160
G.O. Municipal Revenue	\$669,000	\$672,300	\$3,300
G.O. Tax Increment	\$2,034,647	\$1,777,600	\$(257,047)
G.O. Special Assessment	\$4,215,306	\$5,464,872	\$1,249,566
Total	\$7,305,403	\$8,435,382	\$1,129,979



Budget Message

Capital Project Funds

Within the Capital Projects funds, 2007 expenditures are budgeted at \$1,600,000. An itemized list of all projects budgeted in 2007 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 44.

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.

The Wastewater Treatment Fund includes a 3% rate increase, which is the last of the four year scheduled increases approved in 2004. The 2007 Storm Water Fund budget includes a rate increase of \$.10 per month for all user fees, which will generate approximately \$20,000. A decision was made to reduce the fee in the Pest Control Fund by \$.50 per month resulting in a reduction of service charges in the amount of \$76,800. There is also capital outlay totaling \$1,896,000 in the Municipal Airport Fund for the construction of a crosswind runway.

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 \$155,000 for other communication system replacements. Major scheduled replacements in the Vehicle fund include: \$40,000 roughs mower, \$40,000 tractor broom, \$45,000 utility tractor, \$75,000 recycling truck and trailer, \$150,000 two semi tractors for Sanitation, \$320,000 for two garbage trucks (one rear loader and one auto loader) and \$190,000 for a motor grader. The Information Technology fund has \$86,000 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 2007 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

Goals and Objectives

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 2007 Operating and Capital Budget, the following six community and organizational goals:

- | | | |
|--|---|---|
| <i>Advance Public Safety</i> | <i>Increase Housing Availability</i> | <i>Improve Transportation & Infrastructure</i> |
| <i>Enhance Community Vitality</i> | <i>Promote Economic Development</i> | <i>Foster Good Government</i> |

The information contained below is a listing of these Goals and an outline of the specific objectives of the City of Moorhead for the 2007 fiscal and calendar year.

ADVANCE PUBLIC SAFETY	
OBJECTIVES	PERFORMANCE CRITERIA
Improve Performance Measurement Procedures	<ul style="list-style-type: none"> • Track and measure activities relating to individual assignments • Base performance standards on objective criteria, including comparisons to peer groups • Coordinate with Information Technology to develop technology to ease entry and tracking of data
Review and Update Police Department Operational Procedures	<ul style="list-style-type: none"> • Engage entire Command Staff in review and development • Develop Rules and Regulations which will apply to all police personnel • Develop General Orders which will serve as general procedure and guidelines for all police personnel • Develop Standard Operations Procedures for Patrol, Investigative, and Administration activities
Animal Control Ordinances	<ul style="list-style-type: none"> • Complete the process of updating Animal Control Ordinances and licensing procedures
Increase Fire Department Staffing With Funding From SAFER Grant	<ul style="list-style-type: none"> • Increasing compliance Occupational Safety and Health Administration (OSHA) standards
Devise Implementation Strategies From The Fire Department's Strategic Plan	<ul style="list-style-type: none"> • Begin planning for future fire service, based upon findings from Strategic Planning Process • Begin evaluation of key organizational assumptions, such as fire department funding, medical assistance, etc. based upon findings from the Strategic Planning Process
Implement On-Shift Company Officer Training	<ul style="list-style-type: none"> • Have Company Officer Supervision for each engine, increase staff function with Assistant Chiefs out of the Engine
Automatic External Defibrillator 's (AED) for Each Fire Department Vehicle	<ul style="list-style-type: none"> • Meet National Fire Protection Association (NFPA) 1710 four minute response time criteria to deliver and AED to the scene of a heart incident
Computerize Field Incidents and Pre-Plans	<ul style="list-style-type: none"> • Increase efficiencies in the field and increase the number of completed pre-plans

Goals and Objectives

ENHANCE COMMUNITY VITALITY	
OBJECTIVES	PERFORMANCE CRITERIA
Construction of Rail-related Pedestrian and Bicycle Safety Improvements	<ul style="list-style-type: none"> Complete construction of the Downtown Railscaping Project, including pedestrian crossing improvements and fencing along rail corridors
Improve Neighborhood Vitality	<ul style="list-style-type: none"> Complete Neighborhood Planning Initiative and seek implementation opportunities Continue hazardous building identification and removal Seek additional neighborhood investment partnerships (Neighborhood Impact Program with Gate City Bank)
Conduct Residential Recruitment	<ul style="list-style-type: none"> Market community through public relations (Home Show/Realtor Tours); advertising (image materials, brochures, billboards, housing advertisements); website communication
Enhance Recreation Opportunities	<ul style="list-style-type: none"> Initiate and implement activities identified in the Regional Park Master Plan Continue improvements within the 100-acre Regional Park, Horizon Shores, and Sports Center Conduct planning for MB Johnson and Trollwood Regional Parks

IMPROVE TRANSPORTATION & INFRASTRUCTURE	
OBJECTIVES	PERFORMANCE CRITERIA
Implement Rail-related Vehicular Safety Planning and Improvement Projects	<ul style="list-style-type: none"> Complete construction of the Downtown Rail Safety Project Submit documentation to FRA, MN/DOT, and BNSF ordering implementation of the Downtown Quiet Zone Complete final design and begin construction of the SE Main Ave/20th St/21st St Railroad Grade Separation Project (pending funding) Complete the 11th St Railroad Grade Separation Feasibility Study
Undertake Key Road/Street Improvement Projects	<ul style="list-style-type: none"> Begin construction of the 34th St/I-94 Interchange Project Complete construction of new minor arterial/collector streets (up to 5.25 miles programmed pending development needs) including 15th Ave N (28th St to 34th St) and 28th St (Village Green Blvd to south of 40th Ave S) Complete rehabilitation/reconstruction of 4.5 miles of existing streets including 5th St (12th to 24th Ave S) Complete construction of the Traffic Signal EVP Project Complete infrastructure improvements to serve Trollwood and Menards
Continue Key Road/Street Management and Planning Projects	<ul style="list-style-type: none"> Continue development of the Pavement Management System, including linkage to the City GIS system Continue automated pavement condition index ratings (year 2 of 3) Complete TH 75/20th St Corridor Study
Implement Wastewater Planning and Infrastructure Improvements	<ul style="list-style-type: none"> Begin construction of the solids improvement project at the Wastewater Treatment Facility (WWTF) Complete 9th St N Sanitary Sewer Interceptor Rehabilitation Project
Implement Stormwater Planning, Regulatory Compliance, and Infrastructure Improvements	<ul style="list-style-type: none"> Implement various best management practices programmed for year 1 of the City's 2006-2011 Stormwater Pollution Prevention Program Begin implementation of the new rate structure Continue coordination with regulatory agencies and local jurisdictions on various local and regional Total Maximum Daily Load (TMDL) studies Update the City's Flood Manual and investigate various flood protection projects

Goals and Objectives

INCREASE HOUSING AVAILABILITY	
OBJECTIVES	PERFORMANCE CRITERIA
Promote New Housing Development	<ul style="list-style-type: none"> • Install Infrastructure to service new residential lots
Facilitate New Housing Development	<ul style="list-style-type: none"> • Begin analysis of future growth areas beyond current development activity • Issue Request For Proposal (RFP) for 80 acre land acquisition (Kreps property) • Complete Alternative Urban Area Review (AUAR) for North Moorhead
Facilitate Niche Market Housing Development	<ul style="list-style-type: none"> • Senior housing: recruit additional opportunities for growing market segment • Student housing: seek appropriate alternatives to single family home conversion • High amenity rental: for general population and baby boomer demographic
Facilitate Workforce Housing Development	<ul style="list-style-type: none"> • Seek development partnerships to increase housing opportunities for entry level buyers, including private partners, Minnesota Housing Finance Agency, Greater Minnesota Housing Fund

PROMOTE ECONOMIC DEVELOPMENT	
OBJECTIVES	PERFORMANCE CRITERIA
Increase Downtown Activity and Private Investment	<ul style="list-style-type: none"> • Complete strategic corridor (gateway) concept planning and determine implementation opportunities • Complete 4th Street West Development • Initiate South Main Corridor Development • Complete update to Downtown Master Plan in conjunction with Fargo
Advance Quality Business Growth	<ul style="list-style-type: none"> • Establish Bioscience Zone with Assistance of Minnesota Department of Employment and Economic Development and the West Central Minnesota Initiative • Continue to promote JOBZ and Border City programs and opportunities to potential businesses
Enhance Partnerships with Greater Fargo Moorhead Economic Development Corporation (GFMEDC)	<ul style="list-style-type: none"> • Market joint assets at regional and national level • Cooperate in efforts to transition to high tech economy

FOSTER GOOD GOVERNMENT	
OBJECTIVES	PERFORMANCE CRITERIA
Improve Information Access	<ul style="list-style-type: none"> • Improve/develop data reporting and retention program for citizen access and departmental activity tracking
Continue to Improve and Implement Transit Operational Efficiencies	<ul style="list-style-type: none"> • Complete relocation to new metro maintenance/administration facility • Monitor operations under new contractor, Laidlaw Transit Services • Implement 2007-2011 Metro Transit Plan
Continue Metro Administration and Policy Coordination	<ul style="list-style-type: none"> • Complete new Joint Powers Agreement to incorporate existing agreements and cost allocation • Continue efforts to move Metro Area Transit (MAT) Coordinating Board towards Metro Transit Authority
Improve Internal Business Practices	<ul style="list-style-type: none"> • Conduct City Council long range strategic planning effort • Fine tune new employee payroll system and related Human Resource functions • Improve City Clerk functions / records automation and tracking
Enhance Strategic Partnerships	<ul style="list-style-type: none"> • Explore implementation opportunities from Metropolitan Council of Governments' (MetroCOG) Workforce Housing Study • Continue efforts to advance regional cooperation in areas of economic development, public safety and regional facilities / amenities

Budget Overview

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.

Budget Overview

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 Overview

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.

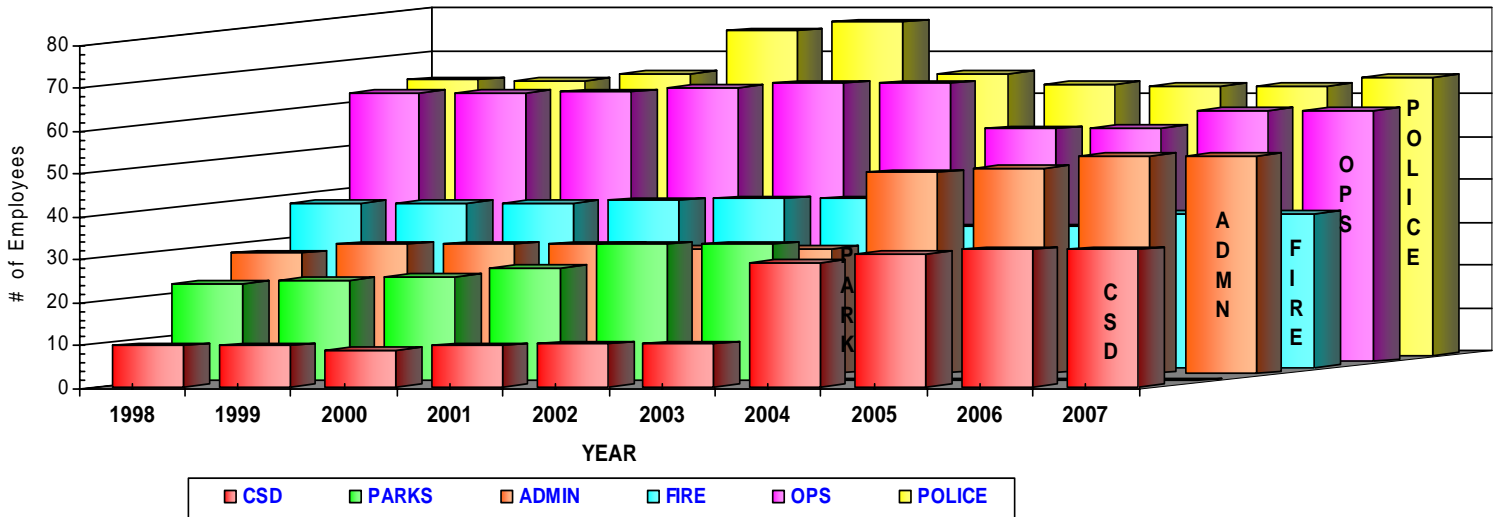
Budget Calendar

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 4th & Dec 11th	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 book for submission to GFOA for Distinguished Budget Award.

Staffing Level

10-YEAR STAFFING LEVEL HISTORY
(FULL TIME EQUIVALENTS)



DEPT	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
CSD	9.50	9.50	8.50	9.50	10.00	10.00	29.08	31.08	32.08	32.08
PARK	22.50	23.50	24.25	26.25	31.83	31.83	0.00	0.00	0.00	0.00
ADMIN	28.25	30.38	30.38	30.38	29.38	29.38	47.00	48.00	51.00	51.00
FIRE	38.50	38.50	38.50	39.00	39.50	39.50	33.00	33.00	36.00	36.00
OPS	62.75	62.75	63.00	64.00	65.00	65.00	54.38	54.63	58.63	58.63
POLICE	64.25	64.00	65.75	75.75	77.80	65.80	63.32	62.82	62.82	64.82
TOTAL	225.75	228.63	230.38	244.88	253.51	241.51	226.78	229.53	240.53	242.53

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 staffing level changes occurred from 2006 to 2007:

Police:

- Added one full time Office Specialist/Power Typist
- Added one full time Gang Strike Force Officer

Staffing Level

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2005</u>	<u>2006</u>	<u>2007</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	1.00
Customer Service Supervisor	1.00	1.00	1.00
<u>City Clerk</u>			
City Clerk	1.00	1.00	1.00
Office Specialist	1.00	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>			
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	2.00	2.00
Senior Engineering Technician	2.00	2.00	2.00
Engineering Technician	1.00	3.00	3.00
Engineering Inspector	3.00	2.00	2.00
Office Specialist	2.00	2.00	2.00

(Continued)

Staffing Level

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	2005	2006	2007
<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	3.00	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	48.00	51.00	51.00
<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
Office Specialist	1.00	1.00	1.00
<u>Assessing/Advisory Services</u>			
Assistant City Assessor	2.00	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

(Continued)

Staffing Level

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Neighborhood Services</u>			
Neighborhood Service Coordinator	1.00	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	1.00
<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	2.00	2.00	2.00
Volunteer and Promotional Services Coor.	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>31.08</u>	<u>32.08</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	24.00	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>36.00</u>	<u>36.00</u>

(Continued)

Staffing Level

SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2005</u>	<u>2006</u>	<u>2007</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 & G	1.00	1.00	1.00
Park Technician	3.00	6.00	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	2.00	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	6.00	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>54.63</u>	<u>58.63</u>	<u>58.63</u>

(Continued)

Staffing Level

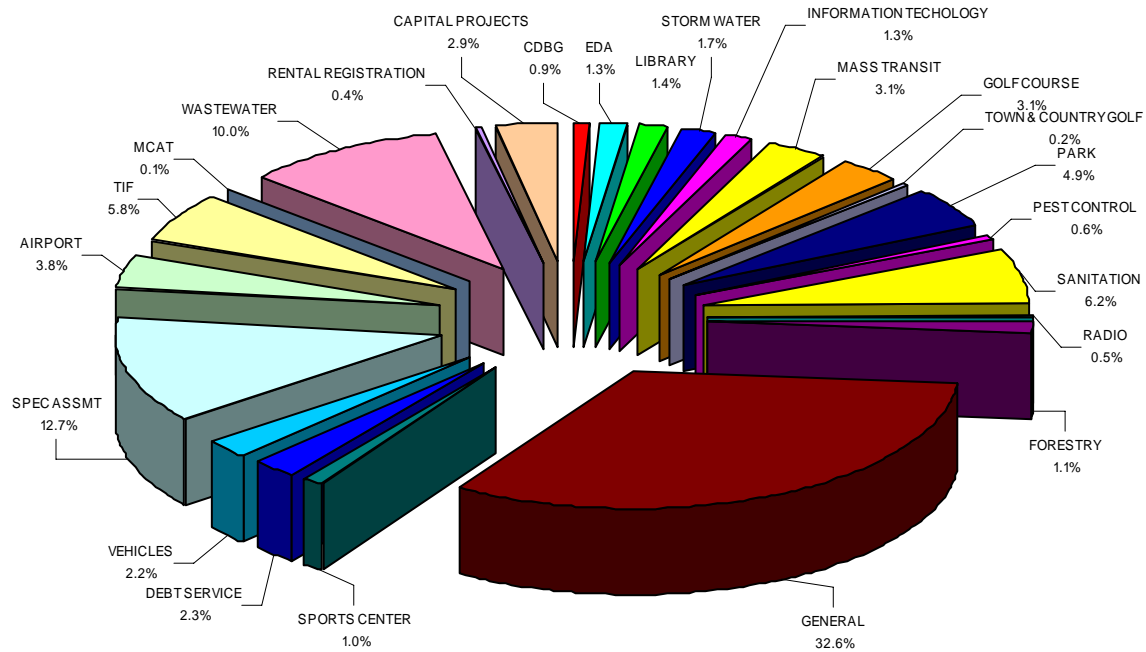
SUMMARY OF DEPARTMENT FULL TIME EQUIVALENT STAFFING LEVEL

	<u>2005</u>	<u>2006</u>	<u>2007</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	2.00
Office Manager	1.00	1.00	1.00
Administrative Assistant			1.00
Office Specialist	7.815	7.815	7.815
<u>Community Police</u>			
Community Service Officer	2.00	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	2.00	7.00
Police Sergeant	7.00	7.00	
Police Officer	37.00	38.00	40.00
DEPARTMENT TOTAL	<u>62.815</u>	<u>62.815</u>	<u>64.815</u>
TOTAL FULL TIME EQUIVALENTS	<u>229.525</u>	<u>240.525</u>	<u>242.525</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.

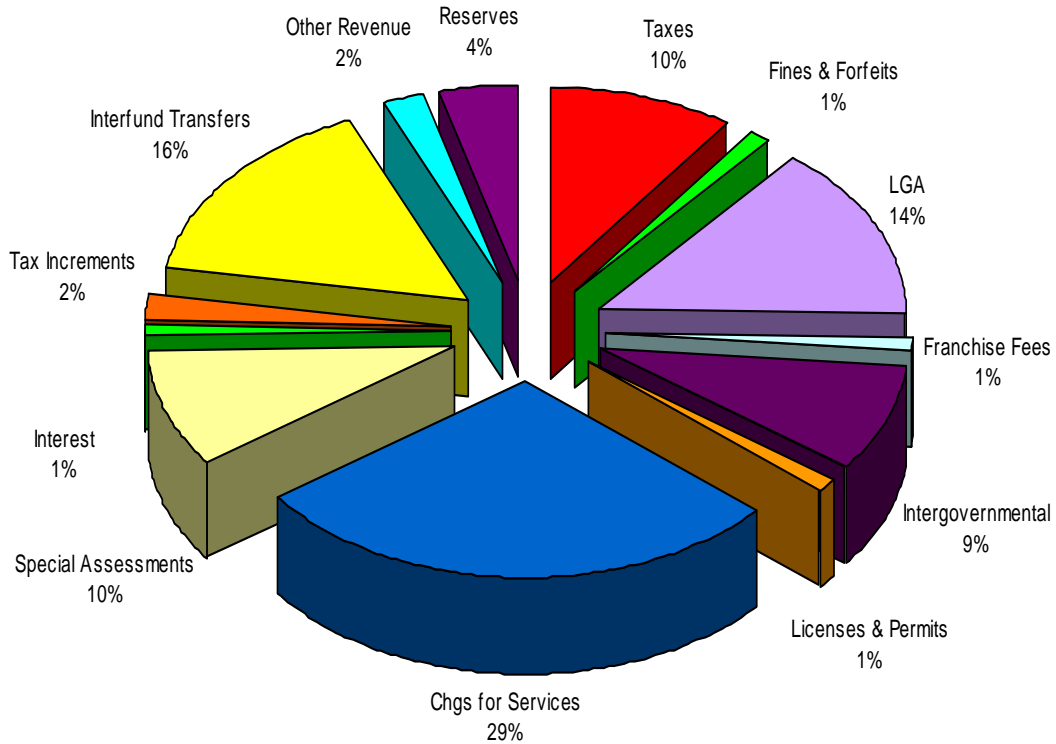
2007 BUDGET BY FUND



Fund	2006 Budget	2007 Budget	Increase (Decrease)
CDBG	\$ 516,658	\$ 488,310	\$ (28,348)
EDA	642,325	681,019	38,694
LIBRARY	727,658	767,487	39,829
STORM WATER	1,058,336	947,164	(111,172)
INFORMATION TECHNOLOGY	770,230	695,245	(74,985)
MASS TRANSIT	3,743,759	1,682,634	(2,061,125)
GOLF COURSE	1,615,231	1,673,574	58,343
TOWN & COUNTRY GOLF	109,300	91,720	(17,580)
PARK	2,266,528	2,655,278	388,750
PEST CONTROL	376,313	339,865	(36,448)
SANITATION	3,094,300	3,396,157	301,857
RADIO	495,160	257,141	(238,019)
FORESTRY	543,383	611,286	67,903
GENERAL	16,898,980	17,732,792	833,812
SPORTS CENTER	525,914	568,221	42,307
DEBT SERVICE	1,088,400	1,225,860	137,460
VEHICLES	1,184,188	1,212,000	27,812
SPEC ASSMT	4,831,717	6,882,192	2,050,475
AIRPORT	255,289	2,060,550	1,805,261
TIF	3,235,567	3,135,010	(100,557)
MCAT	54,045	56,636	2,591
WASTEWATER	5,274,106	5,430,894	156,788
RENTAL REGISTRATION	370,000	212,500	(157,500)
CAPITAL PROJECTS	1,927,783	1,600,000	(327,783)
Total	\$ 51,605,170	\$ 54,403,535	\$ 2,798,365

Consolidated Budget Summary

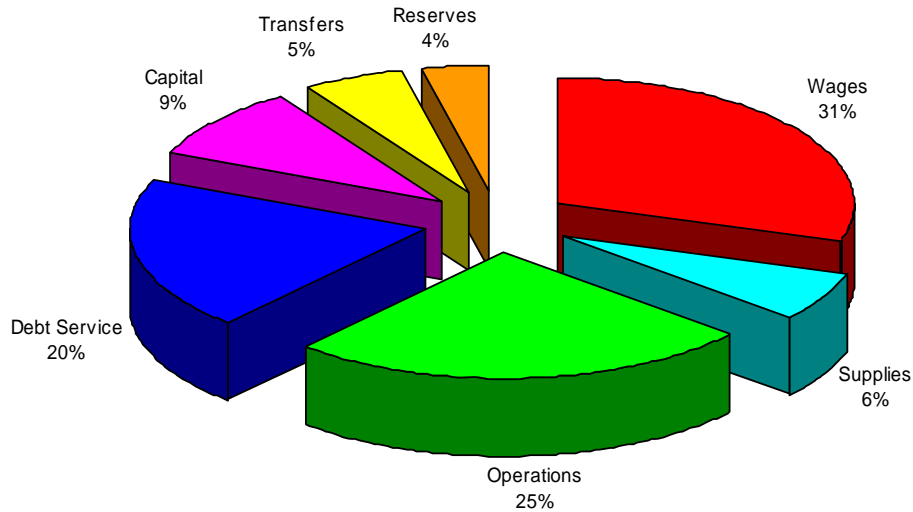
BUDGETED REVENUES – ALL FUNDS BY FUNDING SOURCE



SOURCE	BUDGET
Taxes	\$ 5,292,283
Fines & Forfeits	595,500
LGA	7,832,982
Franchise Fees	631,700
Intergovernmental	4,913,863
Licenses & Permits	595,810
Chgs for Services	15,572,768
Interest	398,772
Special Assessments	5,257,284
Tax Increments	1,218,360
Interfund Transfers	8,579,407
Other Revenue	1,223,687
Reserves	2,291,119
	<u>\$ 54,403,535</u>

Consolidated Budget Summary

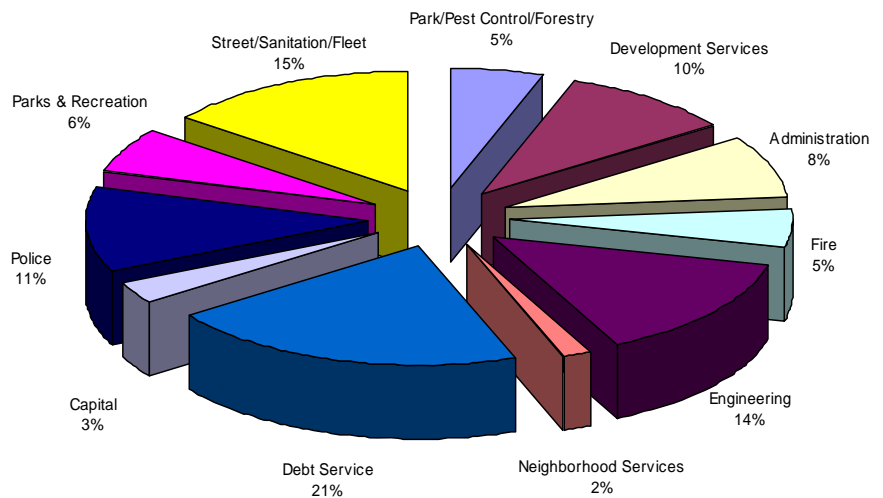
BUDGETED EXPENDITURES – ALL FUNDS BY CATEGORY



CATEGORY	BUDGET
Wages	\$ 16,172,384
Supplies	3,473,763
Operations	13,829,695
Debt Service	10,866,990
Capital	5,146,916
Transfers	2,933,771
Reserves	1,980,016
	<u>\$ 54,403,535</u>

BUDGETED EXPENDITURES – ALL FUNDS BY FUNCTION

FUNCTION	BUDGET
Park/Pest Control/Forestry	\$ 2,900,690
Development Services	5,348,838
Administration	4,584,043
Fire	2,899,066
Engineering	7,539,183
Neighborhood Services	901,240
Debt Service	11,218,062
Capital	1,600,000
Police	6,183,596
Parks & Recreation	3,297,642
Street/Sanitation/Fleet	7,931,175
	<u>\$ 54,403,535</u>

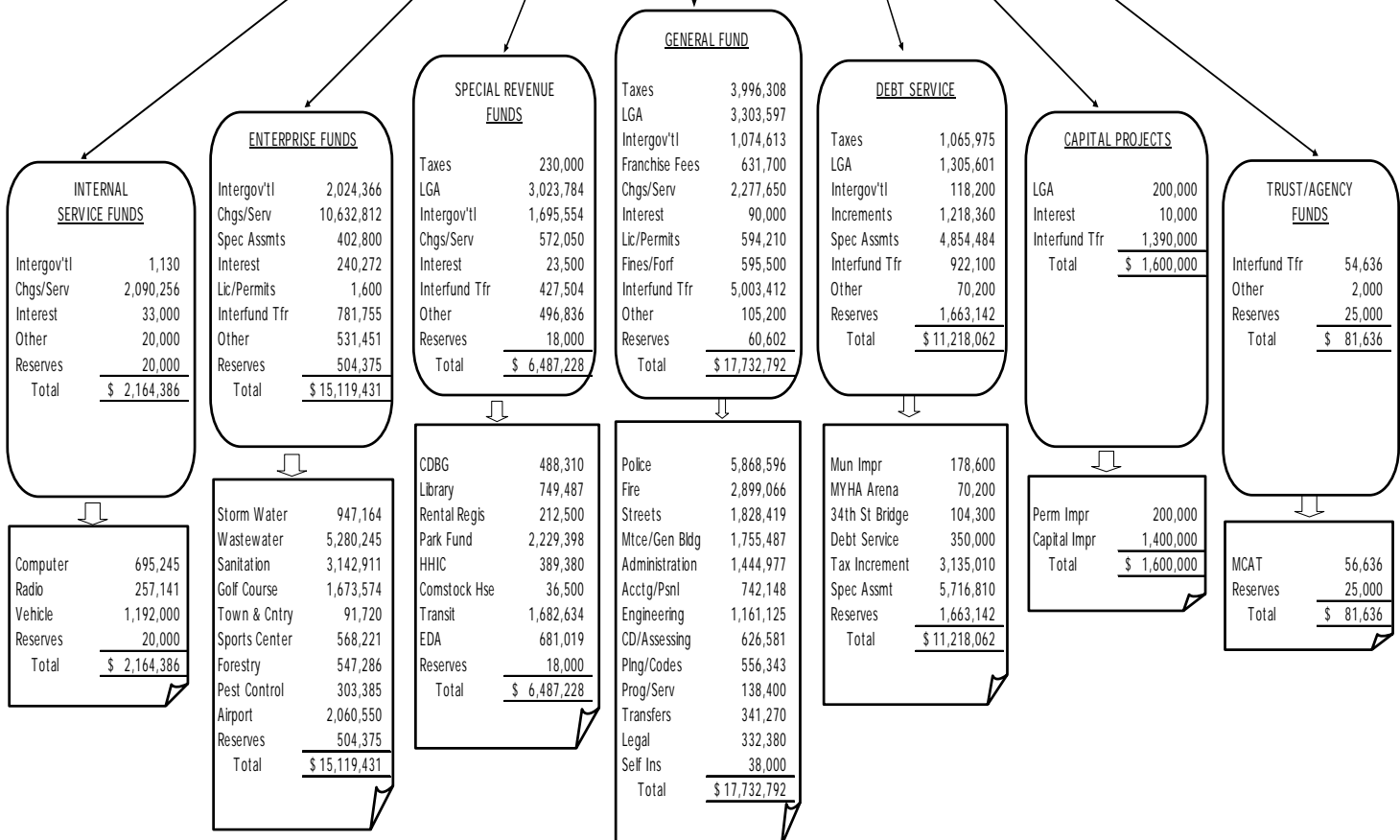


Consolidated Budget Summary

2007 BUDGETED REVENUE - ALL FUNDS FUNDING SOURCES AND FUND DISTRIBUTION

TAXES	INTERGOV'TL REVENUE	INTEREST	SPECIAL ASSESSMENTS	FINES & FORFEITS	INTERFUND TRANSFERS	RESERVES
\$5,292,283 9.73%	\$4,913,863 9.03%	\$396,772 0.73%	\$5,257,284 9.66%	\$595,500 1.09%	\$8,579,407 15.77%	\$2,291,119 4.21%
LGA	CHARGES FOR SERVICES	LICENSES & PERMITS	TAX INCREMENTS	FRANCHISE FEES	OTHER REVENUE	
\$7,832,982 14.40%	\$15,572,768 28.62%	\$595,810 1.10%	\$1,218,360 2.24%	\$631,700 1.16%	\$1,225,687 2.25%	

TOTAL SOURCES
\$54,403,535



Consolidated Budget Summary

2007 BUDGETED USES - ALL FUNDS CATEGORY AND FUND DISTRIBUTION

WAGES & BENEFITS
\$16,172,384
29.72%

SUPPLIES
\$3,473,763
6.39%

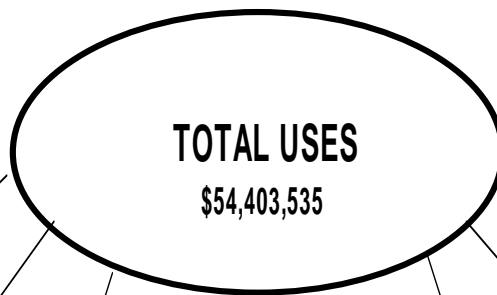
DEBT SERVICE
\$10,866,990
19.97%

CAPITAL OUTLAY
\$5,146,916
9.46%

OTHER
\$13,829,695
25.42%

INTERFUND TRANSFERS
\$2,933,771
5.39%

RESERVES
\$1,980,016
3.64%



INTERNAL SERVICE FUNDS	
Wages	340,415
Supplies	38,724
Other	325,995
Capital	1,401,586
Reserves	57,666
Total	\$ 2,164,386

ENTERPRISE FUNDS	
Wages	3,668,376
Supplies	1,107,487
Other	5,019,173
Debt	2,334,983
Capital	2,154,000
Transfers	835,412
Total	\$ 15,119,431

SPECIAL REVENUE FUNDS	
Wages	1,808,122
Supplies	229,841
Other	3,575,051
Debt	1,395
Capital	134,880
Transfers	515,189
Reserves	222,750
Total	\$ 6,487,228

GENERAL FUND	
Wages	10,355,471
Supplies	2,094,721
Other	4,847,280
Debt	1,550
Capital	52,500
Transfers	341,270
Reserves	40,000
Total	\$ 17,732,792

DEBT SERVICE	
Other	110,400
Debt	8,504,062
Transfers	944,000
Reserves	1,659,600
Total	\$ 11,218,062

CAPITAL PROJECTS	
Capital	1,302,100
Transfers	297,900
Total	\$ 1,600,000

TRUST/AGENCY FUNDS	
Supplies	2,990
Other	50,296
Debt	25,000
Capital	3,350
Total	\$ 81,636

Computer	695,245
Radio	199,475
Vehicle	1,212,000
Reserves	57,666
Total	\$ 2,164,386

Storm Water	947,164
Wastewater	5,430,894
Sanitation	3,396,157
Golf Course	1,673,574
Town & Cntry	91,720
Sports Center	568,221
Forestry	611,286
Pest Control	339,865
Airport	2,060,550
Total	\$ 15,119,431

CDBG	488,310
Library	767,487
Rental Registrat	212,500
Park Fund	2,229,398
HHIC	369,380
Comstock Hse	36,500
Transit	1,682,634
EDA	478,269
Reserves	222,750
Total	\$ 6,487,228

Police	5,868,596
Fire	2,899,066
Streets	1,828,419
Mtce/Gen Bldg	1,755,487
Administration	1,444,977
Acctg/Psnl	742,148
Engineering	1,161,125
CD/Assessing	626,581
Plng/Codes	556,343
Prog/Serv	138,400
Transfers	341,270
Legal	332,380
Self Ins	38,000
Total	\$ 17,732,792

Mun Impr	178,600
MYHA Arena	70,200
Pactiv	326,400
34th St Bridge	104,300
Debt Service	521,360
Tax Increment	2,572,550
Spec Assmt	5,785,052
Reserves	1,659,600
Total	\$ 11,218,062

Perm Impr	200,000
Capital Impr	1,400,000
Total	\$ 1,600,000

Armory	25,000
MCAT	56,636
Total	\$ 81,636

Consolidated Budget Summary

REVENUES AND OTHER FINANCING SOURCES – ALL FUNDS

	2005 Actual	2006 Budget	2007 Budget
GOVERNMENTAL FUNDS			
General	18,029,686	16,898,980	17,732,792
Special Revenue	6,307,741	8,266,928	6,487,228
Debt Service	13,088,398	9,130,684	11,218,062
Capital Projects	6,160,771	1,927,783	1,600,000
Total Governmental Funds	<u>43,586,596</u>	<u>36,224,375</u>	<u>37,038,082</u>
PROPRIETARY FUNDS			
<u>Enterprise</u>			
Storm Water	849,404	1,058,336	947,164
Wastewater Treatment	4,638,006	5,274,106	5,430,894
Sanitation	2,869,198	3,094,300	3,396,157
Golf Courses	1,237,964	1,615,231	1,673,574
Town & Country Golf Course	91,462	109,300	91,720
Sports Center	554,957	525,914	568,221
Forestry	455,141	543,383	611,286
Pest Control	372,028	376,313	339,865
Municipal Airport	119,207	255,289	2,060,550
<u>Internal Service</u>			
Information Technology	891,088	770,230	695,245
Vehicles & Equipment	970,266	1,184,188	1,212,000
Radio	319,561	495,160	257,141
Total Proprietary Funds	<u>13,368,281</u>	<u>15,301,750</u>	<u>17,283,817</u>
AGENCY FUNDS	<u>66,125</u>	<u>79,045</u>	<u>81,636</u>
TOTAL ALL FUNDS	<u><u>57,021,001</u></u>	<u><u>51,605,170</u></u>	<u><u>54,403,535</u></u>

Consolidated Budget Summary

EXPENDITURES AND OTHER FINANCING USES – ALL FUNDS

	2005 Actual	2006 Budget	2007 Budget
GOVERNMENTAL FUNDS			
General	16,515,319	16,898,980	17,732,792
Special Revenue	5,614,890	8,266,928	6,487,228
Debt Service	15,257,032	9,130,684	11,218,062
Capital Projects	6,348,871	1,927,783	1,600,000
Total Governmental Funds	43,736,112	36,224,375	37,038,082
PROPRIETARY FUNDS			
<u>Enterprise</u>			
Storm Water	811,691	1,058,336	947,164
Wastewater Treatment	4,606,182	5,274,106	5,430,894
Sanitation	3,006,733	3,094,300	3,396,157
Golf Course	1,632,361	1,724,531	1,765,294
Sports Center	736,356	525,914	568,221
Forestry	403,096	543,383	611,286
Pest Control	301,411	376,313	339,865
Municipal Airport	284,251	255,289	2,060,550
<u>Internal Service</u>			
Information Technology	796,486	770,230	695,245
Vehicles & Equipment	872,084	1,184,188	1,212,000
Radio	141,846	495,160	257,141
Total Proprietary Funds	13,592,497	15,301,750	17,283,817
AGENCY FUNDS	85,491	79,045	81,636
TOTAL ALL FUNDS	57,414,100	51,605,170	54,403,535

Governmental Funds Overview

The City of Moorhead maintains a number of funds for recording fiscal transactions to meet legal accounting requirements. A summary of the 2007 Governmental Funds revenue and expenditures are provided in the following charts and descriptions.

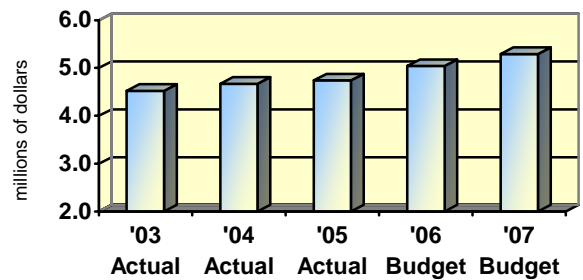
Governmental Fund Revenues

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 2007 budgeted revenue of \$37,028,520 is an increase of \$ 725,100 (2.0%) over 2006

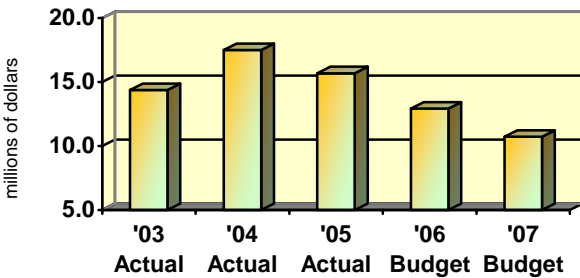
Property Tax Levy

The City relies on property taxes for 14.60% of the total Governmental Funds revenue, supporting such functions as general government, public safety, public works and debt service. The City's 2007 tax levy of \$5,062,283 is an increase of \$226,783, which is a 4.690% over 2006. Included in the 2007 tax levy is a 3a & 3b levy of \$1,065,975 for tax increment debt. The City has chosen to keep the 2007 levy at a level that will have a minimal impact on taxpayers. In addition, the Economic Development Authority has a separate levy for 2007 of \$230,000, which is a \$25,000 increase over the previous year.

Property Tax Levy



Intergovernmental Revenue



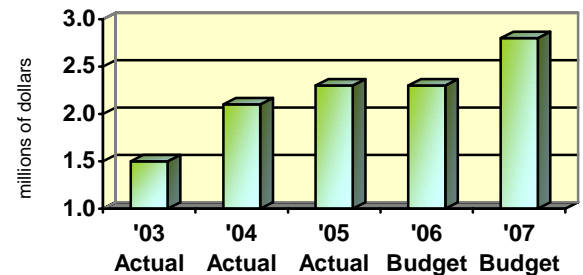
Intergovernmental Revenue

The Intergovernmental Revenue classification consists of grants and aids from Federal and State government. Local Government Aid (LGA) represents the largest portion of funds in this category. LGA represents 21.15% of budgeted revenues in the Governmental Funds. In 2007, the City is scheduled to receive \$7,832,982, which is a decrease of \$226,783 from the previous year. The reduction is partially due to the fact that the LGA appropriation is a set appropriation approved by the legislature of \$484.6 million. If one city receives more LGA due to changes in its formula factors, there is less remaining appropriation for all other cities.

Charges for Service

This classification includes user charges for Park programs, Transit, and Engineering. Charges for Services are budgeted at \$2.8M, which is \$525,000 over last year. This is primarily due to an increase of \$573,490 in charges for motor fuel. These include a combination of charges to other City departments, as well as, Clay County and Independent School District #152. The City annually reviews service charges and fees to determine if adjustments are needed due to inflation and other cost increases.

Charges for Service

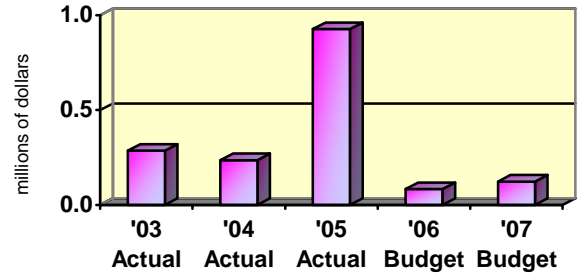


Governmental Funds Overview

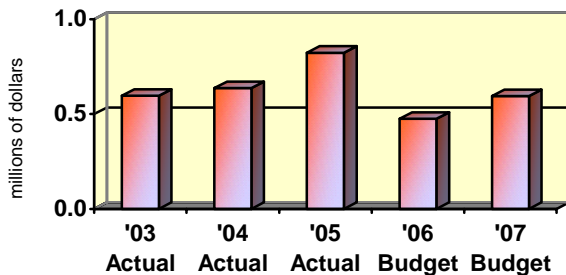
Interest

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. The increase in 2005 interest is primarily due to earnings on construction bond proceeds in the debt service funds and more favorable interest rates. Rates are anticipated to increase slightly in 2007 however, the City will continue to budget interest income conservatively.

Interest



Licenses & Permits



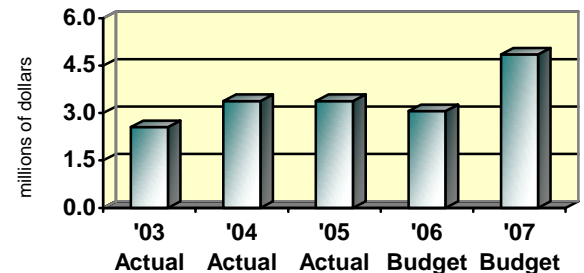
Licenses & Permits

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. In 2005 building permits, the largest revenue source in this category, accounted for \$432,874. Heating, plumbing and plan review revenues were \$54,338, \$71,497 and \$44,757 respectively. The City's strong housing market is expected to continue in 2007.

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. The interest rate on the unpaid assessment balance is approximately 1.5% to 2% above the bond interest rate. The increase in assessment revenue is due to the new subdivisions being assessed for improvement projects completed in prior years.

Special Assessments

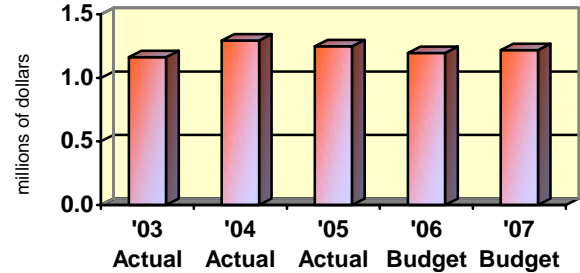


Governmental Funds Overview

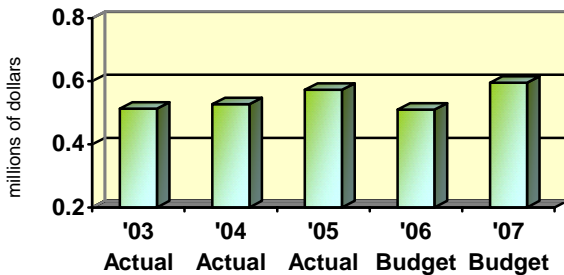
Tax Increments

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 plus the 3a & 3b tax levy is expected to remain stable and be sufficient to meet debt service requirements.

Tax Increments



Fines & Forfeits



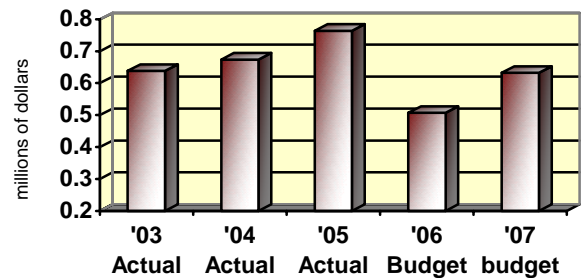
Fines & Forfeits

Court fines and parking violations make up the majority of this category. In 2005, court fines were \$310,839 and \$210,895 for parking violations. The 2007 budget does include an additional \$50,000 for estimated collections on delinquent parking tickets resulting from taking this function back from an outside firm. There is approximately \$250,000 in outstanding delinquent parking tickets resulting from a lack of collection efforts by the contracted party. This function is being resumed by the City in 2007. No other 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

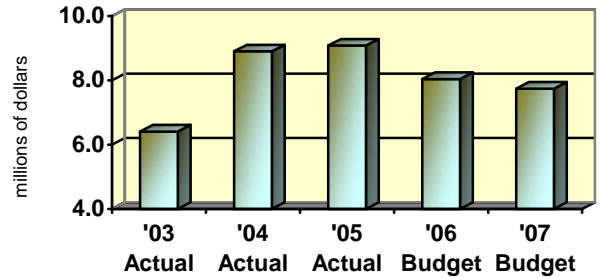


Governmental Funds Overview

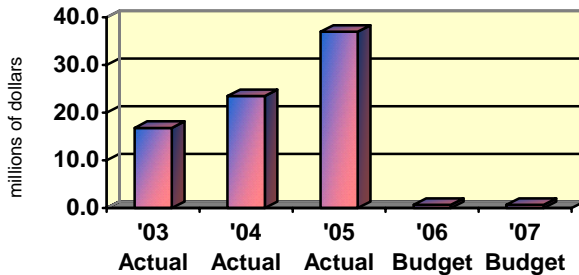
Interfund Transfers

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, and \$3,991,000 for 2007.

Interfund Transfers



Other Revenues



Other Revenues

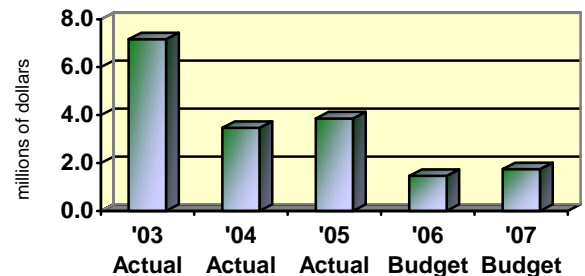
Other revenues include donations, insurance recoveries, commission on phones and sale of maps and publications.

Actual figures include bond proceeds for capital projects, which are not included in the budgeted figures. The actual amounts for 2003, 2004 and 2005 include bond proceeds for infrastructure improvements in the amounts of \$14,490,694, \$19,124,035 and \$37,042,695 respectively.

Reserves

Reserves denote the amount projected to be needed to supplement current revenues for capital outlay, debt service or other uses. 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 2007 \$1,165,382, is budgeted to come from reserves in the G.O. Special Assessment funds for debt retirement. There are also reserves budgeted in 2007 for debt retirement in the G.O. Debt and G.O. Municipal Revenue funds of \$171,360 and \$326,400 respectively.

Reserves



Governmental Funds Overview

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% and a 1% merit increase.

Supplies include office supplies, motor fuel and vehicle supplies, clothing and protective gear, street repair materials, and small tool purchases. An increase of 3% is estimated for 2007 with the exception of motor fuels, which was increased 43% over the 2006 budget.

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.

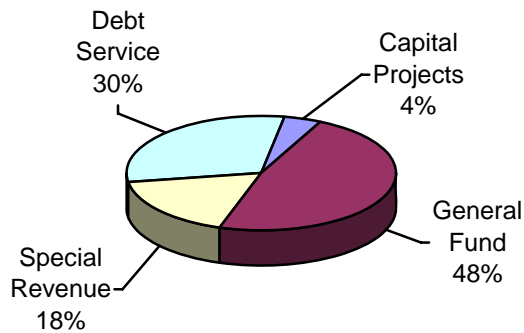
Capital outlay includes purchases of new equipment exceeding \$5,000, facility upgrades and infrastructure improvements. Infrastructure improvements are approved when the projects are bid, which explains the large difference between prior year actual figures and the 2007 budget.

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 2007.

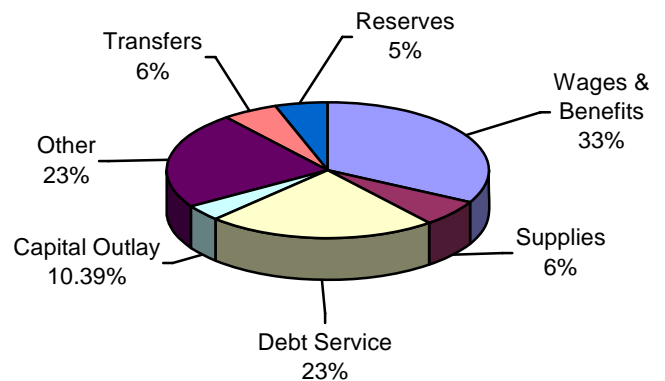
Transfers between funds consist primarily of Enterprise Fund transfers to the General Fund. Under City Charter, all Enterprise Funds transfer 5% of gross revenues except the Electric utility, which may transfer up to 20%.

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

Governmental Funds - Expenditures by Fund Type



Governmental Funds - Expenditures by Category



service payments.

Fund Type	2007 Budget
General Fund	\$ 17,732,792
Special Revenue	6,487,228
Debt Service	11,218,062
Capital Projects	1,600,000
	<u>\$37,038,082</u>

Category	2007 Budget
Wages & Benefits	\$ 12,163,593
Supplies	2,324,562
Debt service	8,507,007
Capital Outlay	1,489,480
Other	8,532,731
Transfers	2,098,359
Reserves	1,922,350
	<u>\$37,038,082</u>

Governmental Funds Overview

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 outstanding bonds subject to the debt limit is referred to as the Legal Debt Margin. The City's debt limit is \$28,108,194 and the legal debt margin is \$26,754,170.

Computation of Legal Debt Margin – Year Ended December 31, 2005

Estimated Market Value - Real and Personal Property		\$ 1,405,409,700
Debt Limit 2% of Estimated Market Value		28,108,194
Amount of Debt Applicable to Debt Limit		
Total Bonded Debt	\$ 149,492,890	
Less:		
Debt Redemption (General		
Obligation Bonds) Fund Assets	\$ 535,976	
Special Assessment Bonds	76,100,000	
Sewage Disposal Plant Bonds	24,342,031	
Sports Center Facility Bond	345,000	
Golf Course Bond	3,800,000	
Taxable Industrial Development Bond	6,165,859	
Electric Utility Bond	8,007,608	
Water Utility Bonds	11,612,392	
Municipal Improvement Revenue Bonds	3,160,000	
Tax Increment Bonds	14,070,000	
	148,138,866	
Total Debt Applicable to Debt Limit		1,354,024
Legal Debt Margin		\$ 26,754,170

Summary of Bond Principal and Interest Included Within the 2007 Budget

Fund Description	Principal	Interest	Total
Municipal Improvement Funds			
Municipal Improvement	\$115,000	\$62,100	\$177,100
MYHA Ice Arena	45,000	23,700	68,700
Pactiv		323,700	323,700
Municipal Impr - East Highway 10	75,000	27,800	102,800
Debt Service Fund	346,093	174,517	520,610
Tax Increment Funds			
Tax Increment - Urban Renewal	170,000	35,700	205,700
Tax Increment - Conference Center	670,000	67,500	737,500
Tax Increment - Brookdale Mall	80,900	75,300	156,200
Tax Increment - Regency/Holiday	190,000	488,200	678,200
Special Assessment Funds	1,890,000	3,097,552	4,987,552
Enterprise Funds			
Wastewater Treatment	1,074,073	824,070	1,898,143
Golf Course	160,000	212,550	372,550
Sports Center	45,000	13,540	58,540
Totals	\$4,861,066	\$5,426,229	\$10,287,295

Governmental Funds Overview

Fund Balance Summary – Governmental Funds

	Estimated	2007 Budget			Estimated
	12/31/2006	Revenues & Transfers In	Expenditures & Transfers Out	Increase or (Decrease)	12/31/2007
	Ending Fund Balance				Ending Fund Balance
General Fund	12,060,601	17,672,190	17,692,792	(20,602)	12,039,999
Special Revenue Funds					
Park Fund	1,123,515	2,229,398	2,229,398	-	1,123,515
HHIC	184,345	389,380	369,380	20,000	204,345
Comstock House	(130)	36,500	36,500	-	(130)
Library	300,758	749,487	767,487	(18,000)	282,758
Community Development	263,211	488,310	488,310	-	263,211
Rental Registration	-	212,500	212,500	-	-
Mass Transit	326,767	1,682,634	1,682,634	-	326,767
Economic Development	377,910	451,019	248,269	202,750	580,660
1995 3-2-1 Housing Program	253,382	-	-	-	253,382
1996 3-2-1 Housing Program	106,995	-	-	-	106,995
Economic Development Authority Levy	7,586	230,000	230,000	-	7,586
Contributions	94,198	-	-	-	94,198
Debt Service Funds					
Tax Increment	2,754,407	3,135,010	2,572,550	562,460	3,316,867
Special Assessment	9,892,243	5,716,810	5,785,052	(68,242)	9,824,001
G.O. Bond	535,976	350,000	521,360	(171,360)	364,616
Municipal Improvement	298,681	178,600	178,600	-	298,681
MYHA Ice Arena Bond	57,690	70,200	70,200	-	57,690
Pactiv Bond	5,274,661	-	326,400	(326,400)	4,948,261
34th St Bridge Bond	72,051	104,300	104,300	-	72,051
Capital Projects Funds					
Permanent Improvement	(1,974,115)	200,000	200,000	-	(1,974,115)
Special Assessment	11,834,601	-	-	-	11,834,601
Capital Improvement	1,020,085	1,400,000	1,400,000	-	1,020,085
Total Governmental Funds	44,865,418	35,296,338	35,115,732	180,606	45,046,024

Capital Outlay

Capital Improvement Fund

The following table provides a list, by department, of appropriated expenditures for fiscal year 2007 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 \$1,140,000 and \$250,000 respectively.

<u>Description</u>	<u>Amount</u>	<u>Description</u>	<u>Amount</u>
<u>Community Services Department</u>		<u>Fire Department</u>	
Sign at Centennial Softball Complex	1,000	SCBA air compressor	5,250
Stave Church security system	1,000	Auto external defibrillator-AED (3)	5,700
Golf ball washers	2,000	Civil defense sirens	31,800
AED machine for Municipal Pool	2,500	Mobile data computers	33,000
Stain Villiage Green Clubhouse	3,000		<u>75,750</u>
HHIC landscaping	3,000		
Additional picnic tables	3,500	<u>Administration Department</u>	
Benches-in various locations (10)	4,000	GPS data collector software	6,000
Chairs for Meadows Clubhouse	5,000	Storm pond design software	10,000
Computer projector at HHIC	5,000	Library - laptop lab & furniture	18,000
Stain Stave Church	5,500	Unallocated	101,145
Second fuel tank at Airport	7,500	Industrial park land	140,000
Relocate ag aircraft facility	8,250	Transfer to Municipal Imp fund	178,600
Storage garage at Airport	15,000		<u>453,745</u>
Automobile - building codes	15,500		
Land for crosswind runway	20,000	<u>Operations Department</u>	
Construction of crosswind runway	63,300	Replacement greenscovers	4,000
	<u>165,050</u>	Replacing of ladies' benches	4,000
		Garbage containers	5,000
<u>Police Department</u>		Park benches	5,000
Video printer	2,000	Storage fence under 34 St bridge	5,000
Firing range improvements	3,000	Small utility cart	7,000
Portable Proxima projectors (2)	3,500	Groomers for Jacobsen tee mower	8,000
Extra evidence storage	4,500	Refurbish Gooseberry restrooms	12,000
MEX tactical illuminators	5,700	Reroof 3 park buildings	16,500
Police bikes (5)	6,000	Meadows mtce shop roof repair	22,000
Detective rifles for vehicles	6,300	Tractor with a deep tine aerator	44,000
Digital 8 video kit & Pro-tech DVR	10,500	Picnic shelters (3)	75,000
Parking citations software	26,455	City wide furniture & fixtures	100,000
	<u>67,955</u>	Additional mowing equipment	130,000
		Park amenities	200,000
			<u>637,500</u>
		Total Capital Improvement Fund	<u>1,400,000</u>

Capital Outlay

Community Services Department:

The construction of a \$1,666,000 crosswind runway at the Municipal Airport will be 95% funded by the Federal Aviation Administration (FAA). The FAA will also fund 70% of a new storage garage, 95% to relocate an agriculture aircraft facility and 50% for a second fuel tank. The City's share for these projects of \$114,050 has been appropriated in the Capital Improvement Fund.

Police Department:

Additional funding for parking citation software is being provided to implement in-house processing of parking tickets.

Fire Department:

First year of a three-year plan to purchase mobile data computers for all fire vehicles.

Administration Department:

The industrial park land payment is installment 12 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.

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. The debt service for this bond, which matures in 2016, is funded by an annual transfer from the Capital Improvement Fund to the Municipal Improvement Fund.

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. Beginning with the 2007 budget an additional \$100,000 has been added for a total annual appropriation of \$200,000.

Funding of \$100,000 has been budgeted to cover the cost of furniture, fixtures and equipment purchases for all departments. The items requested from each department will be evaluated in order to determine those with the highest priority to be funded.

Additional mowing equipment of \$130,000 is being funded in order to maintain additional park acres in newly developed subdivisions.

Capital Outlay

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

General Fund

Fire SCBA Air Compressor	\$	52,500
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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		
4X4 Pickup	\$	30,000
Pumps & motor		50,000
Wastewater Treatment		
Pumps		10,000
Sanitation		
Containers		60,000
Forestry		
Chipper Truck		58,000
Golf Course		
Uplinks GPS Lease		50,000
Municipal Airport		
Crosswind Runway		1,896,000
		1,896,000
	\$	2,154,000

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 Outlay

Capital Improvement Plan

The City's Capital Improvement Plan (CIP) 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. Only after incorporation within successive budgets or as approved separately by the City Council will these items be considered funded.

Purchases or projects are included in the CIP if they are somewhat expected to occur and for which cost estimates can be reasonably obtained. Under current budgetary constraints, the annual budget could not absorb all of the purchases noted in the CIP. Each individual purchase or project will be evaluated at a subsequent date, at which time a determination will be made as to whether or not it is financially feasible.

Many of the items contained in the CIP will require on-going operational costs and in some cases produce operational savings. However, given the speculative nature of latter-year purchases, the exact cost cannot be reasonably quantified beyond next year. The additional annual operating costs resulting from the 2006 roof replacement at the Heritage Interpretive Center is approximately \$45,000.

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>		
2008	132,000	Flat roof replacement	2007	<u>11,250,000</u>	34th St/I-94 Interchange & 34th St 4-lane from 14th Ave S to 30th Ave S
	26,000	Replace carpet Oak Rm, Auditorium, Lobby			
	10,000	Remodel Cabinets in Auditorium	2007	<u>5,500,000</u>	Rail Safety (quiet zone)
	<u>168,000</u>				
<u>PARK FUND</u>			<u>OPERATIONS</u>		
2008	10,000	Additional Disc Golf Course	2007	<u>850,000</u>	Railscape
	8,000	1000 G Hauler Utility Truck	2007	1,500,000	20/21 S.E. Main Eng, Site Acq
	5,500	Canopy for Log Cabin Deck		1,000,000	20/21 S.E. Main Eng, Site Acq
	2,000	Mighty Light tables for festivals (6)		<u>2,500,000</u>	
	<u>25,500</u>				
<u>VILLAGE GREEN GOLF COURSE</u>			<u>OPERATIONS</u>		
2007	<u>3,000</u>	Signage HWY 52	2008	100,000	Compost Site Rehabilitation
<u>TOWN & COUNTRY GOLF</u>			2008	250,000	Public Works Storage Facility
2008	100,000	Maintenance Shop	2008	700,000	MB Johnson Park Renovation
	100,000	Club House	2009	250,000	Centennial Park parking lot
	<u>200,000</u>		2010	250,000	Bike Bridge improvements
<u>MASS TRANSIT</u>				<u>1,550,000</u>	
2008	50,000	Various bus equipment	<u>SPORTS CENTER</u>		
2009	371,600	Bus Replacement	2007	<u>3,125,000</u>	Facility Renovation
2010	70,700	Mini-bus Replacement	<u>PROJECT YEARS TO BE DETERMINED</u>		
2011	72,800	Mini-bus Replacement	<u>FIRE</u>		
2012	18,400	Mini-van Replacement		600,000	Bay For Hazmat Vehicle
	<u>583,500</u>			750,000	Training Tower
2008	60,000	Preventive Mtce (engines/transmissions)		2,000,000	Propane Burn Building
2009	60,000	Preventive Mtce (engines/transmissions)		<u>3,350,000</u>	
2010	60,000	Preventive Mtce (engines/transmissions)			
2011	60,000	Preventive Mtce (engines/transmissions)			
	<u>240,000</u>				

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, community development, neighborhood services 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

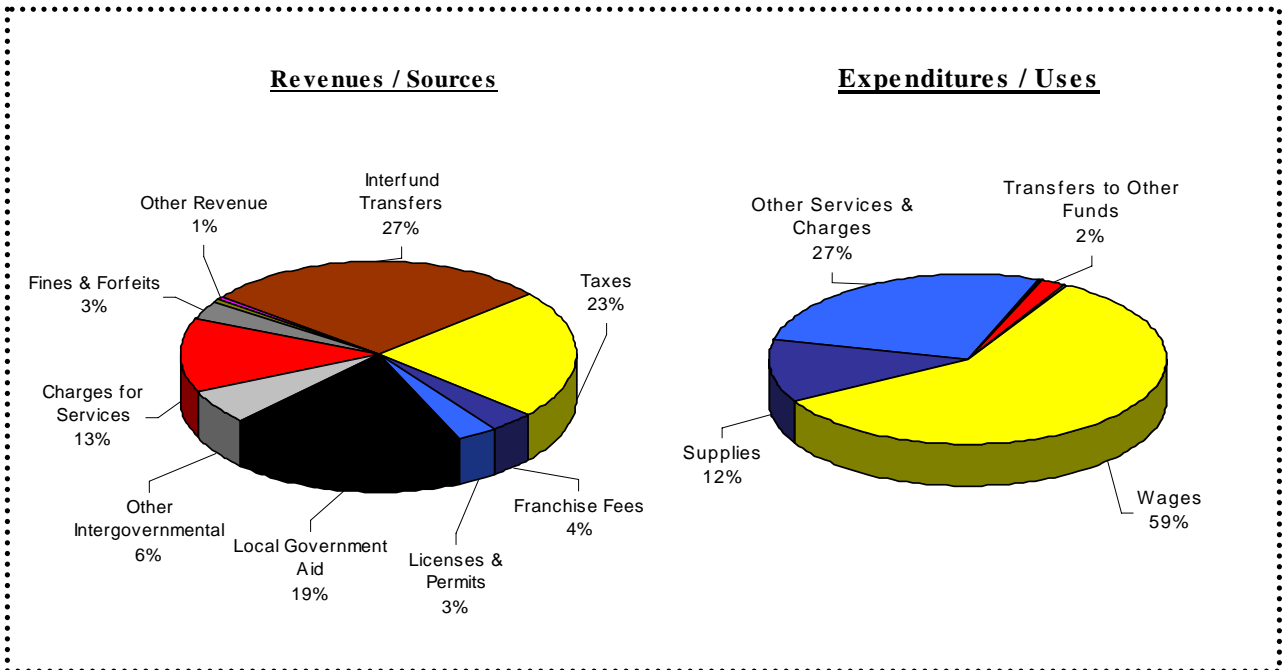
Taxes	3,996,308
Franchise Fees	631,700
Licenses & Permits	594,210
Local Government Aid	3,303,597
Other Intergovernmental	1,074,613
Charges for Services	2,277,650
Fines & Forfeits	595,500
Interest	92,000
Other Revenue	103,200
Interfund Transfers	5,003,412
Uses of Reserves	60,602

Total Revenues / Sources 17,732,792

Expenditures / Uses

Wages	10,355,471
Supplies	2,094,721
Other Services & Charges	4,847,280
Capital Outlay	52,500
Debt Service	1,550
Transfers to Other Funds	341,270
Fund Balance/Equity Reserves	40,000

Total Expenditures / Uses 17,732,792



*Fund Summaries***General Fund****General Fund Revenues and Other Financing Sources**

	2005 Actual	2006 Budget	2007 Budget
Taxes			
Property Taxes	2,973,536	3,776,800	3,996,308
Franchise Fees	764,240	506,700	631,700
	<u>3,737,776</u>	<u>4,283,500</u>	<u>4,628,008</u>
Licenses & Permits	<u>823,636</u>	<u>475,145</u>	<u>594,210</u>
Intergovernmental Revenue			
Federal Grants & Aid	277,100	383,512	182,753
State - Local Government Aid	3,565,791	3,838,050	3,303,597
State - Other Grants & Aid	1,172,190	877,960	815,060
County Grants & Aid	52,859	32,000	32,000
Other Intergovernmental	45,899	38,800	44,800
	<u>5,113,839</u>	<u>5,170,322</u>	<u>4,378,210</u>
Charges for Services			
General Government	163,693	121,050	141,650
Public Safety	346,494	218,253	267,100
Highways & Streets	1,527,008	1,303,610	1,868,900
	<u>2,037,194</u>	<u>1,642,913</u>	<u>2,277,650</u>
Fines & Forfeits			
Court Fines	343,810	270,500	305,500
Parking Fines	229,525	240,000	290,000
	<u>573,335</u>	<u>510,500</u>	<u>595,500</u>
Miscellaneous			
Interest	96,083	50,000	90,000
Rents	94,468	22,800	26,200
Asset Sales	42,575	36,000	36,000
Other Revenue	131,873	39,500	43,000
	<u>365,000</u>	<u>148,300</u>	<u>195,200</u>
Total Revenues	12,650,780	12,230,680	12,668,778
Transfers from Other Funds			
Electric	3,484,000	3,693,000	3,991,000
Water	253,000	260,000	270,000
Wastewater Treatment	230,388	223,800	230,000
Storm Water	38,819	39,900	40,000
Sanitation	367,189	379,000	380,000
Pest Control	55,470	50,000	64,562
Forestry	22,728	22,600	22,600
Capital Improvement	43,600		5,250
Economic Development	14,500		
Park	5,000		
Permanent Improvement	864,212		
From Reserves			<u>60,602</u>
Total Revenues and Other Financing Sources	<u>18,029,686</u>	<u>16,898,980</u>	<u>17,732,792</u>

*Fund Summaries***General Fund****General Fund Expenditures and Other Financing Uses**

	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>2007 Budget</u>
Elected, Officials & Citywide Administration			
Mayor & Council	396,940	639,891	736,011
Programs, Services, Activities	191,146	135,080	138,400
City Manager	576,945	598,653	589,158
City Clerk	86,510	94,646	96,163
Elections & Voters	19,202	30,500	23,645
Finance	368,144	392,325	394,427
Legal	297,640	309,400	332,380
Human Resources	248,478	273,907	275,793
Labor Relations	32,325	31,928	31,928
Engineering	960,851	1,101,293	1,161,125
Unallocated	31,497	38,000	38,000
	<u>3,209,680</u>	<u>3,645,623</u>	<u>3,817,030</u>
Police Department			
Administration	1,522,989	1,458,877	1,531,936
Community Policing	109,342	55,164	58,114
Investigative	636,952	626,349	693,398
Patrol	2,588,797	2,702,381	3,039,922
DARE	74,273	74,138	77,864
Youth Services	59,526	61,776	65,252
Bike Patrol	3,345	3,920	4,920
Tactical Team	12,753	13,270	13,050
K-9	3,851	17,375	14,720
Community Service	144,274	153,007	161,289
Grant Funded Activities	380,450	353,952	208,131
	<u>5,536,551</u>	<u>5,520,209</u>	<u>5,868,596</u>
Fire Department			
Fire Protection	2,098,062	2,234,743	2,374,088
ND HazMat	31,773	10,000	10,000
Fire Training	82,106	79,883	91,621
Fire Prevention	148,571	138,282	151,255
Grant Funded Activities	138,881	373,155	266,102
Civil Defense	2,688	6,000	6,000
	<u>2,502,081</u>	<u>2,842,063</u>	<u>2,899,066</u>

(Continued)

Fund Summaries

General Fund

General Fund Expenditures and Other Financing Uses - Continued

	2005 Actual	2006 Budget	2007 Budget
Operations Department			
General Government Building	223,573	227,171	260,888
Street & Alley	1,146,399	1,203,981	1,296,283
Street Cleaning	206,998	256,233	274,713
Snow & Ice	208,778	160,301	166,861
Traffic Signs	73,900	81,743	90,562
Central Maintenance Shop	1,097,972	906,817	1,494,599
	<u>2,957,621</u>	<u>2,836,246</u>	<u>3,583,906</u>
Community Services Department			
Assessing	245,769	264,452	277,512
Planning & Zoning	147,531	148,021	154,718
Community Development	123,123	137,540	90,780
Neighborhood Services	13,455	28,184	161,766
Building Codes	387,304	368,142	401,625
Rental Registration & Inspection	19,554		
Environmental Health	85,600	108,113	96,523
	<u>1,022,335</u>	<u>1,054,452</u>	<u>1,182,924</u>
Total Expenditures	15,228,268	15,898,593	17,351,522
Transfers to Other Funds			
Municipal Airport	49,350	69,217	87,770
Capital Improvement Fund	250,000	324,450	250,000
Permanent Improvement	987,702		
Special Assessments		3,500	3,500
To Reserves		<u>603,220</u>	<u>40,000</u>
Total Expenditures and Other Financing Uses	<u>16,515,319</u>	<u>16,898,980</u>	<u>17,732,792</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.

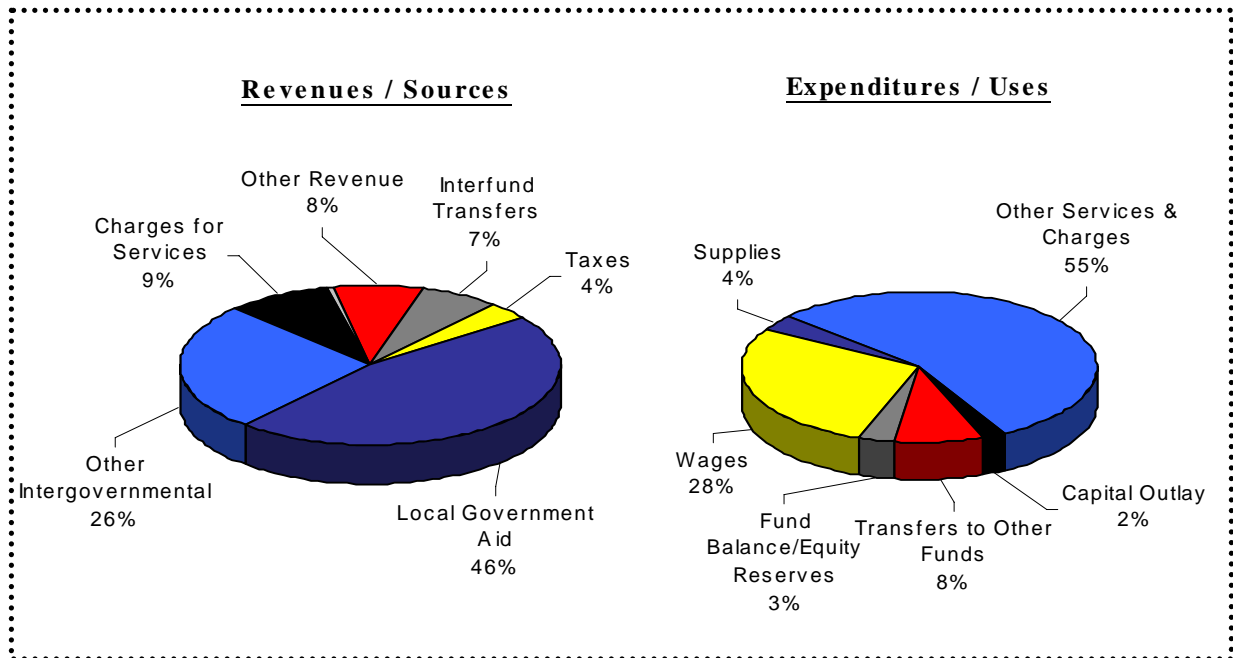
Economic Development - account for marketing and promotional activities relating to commercial and industrial development.

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									230,000	230,000
Local Government Aid	1,995,088			748,487			94,940	185,269		3,023,784
Other Intergovernmental	3,160		35,000		290,000		1,367,394			1,695,554
Charges for Services	135,250	3,100	1,500			212,500	218,700	1,000		572,050
Interest	10,000	500		1,000				12,000		23,500
Other Revenue	85,900	148,276			198,310		1,600	62,750		496,836
Interfund Transfers		237,504						190,000		427,504
Uses of Reserves				18,000						18,000
Total Revenues / Sources	2,229,398	389,380	36,500	767,487	488,310	212,500	1,682,634	451,019	230,000	6,487,228
Expenditures / Uses										
Wages	987,988	132,717	7,005	42,326	158,419	164,083	124,320	191,264		1,808,122
Supplies	178,112	21,989	2,500	5,107	300	14,883	1,450	5,500		229,841
Other Services & Charges	548,109	214,674	26,995	700,659	329,591	33,534	1,556,864	51,505	113,120	3,575,051
Capital Outlay				18,000					116,880	134,880
Debt Service				1,395						1,395
Transfers to Other Funds	515,189									515,189
Fund Balance/Equity Reserves		20,000						202,750		222,750
Total Expenditures / Uses	2,229,398	389,380	36,500	767,487	488,310	212,500	1,682,634	451,019	230,000	6,487,228



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

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Taxes	418		
Local Government Aid	1,511,266	1,679,890	1,995,088
Other Intergovernmental	3,160	3,160	3,160
Charges for Services	127,395	121,998	135,250
Fines & Forfeits	40		
Interest	9,160	10,000	10,000
Other Revenue	181,792	89,650	85,900
Total Revenues / Sources	1,833,231	1,904,698	2,229,398
<u>Expenditures / Uses</u>			
Wages	820,487	936,360	987,988
Supplies	134,004	146,625	178,112
Other Services & Charges	486,285	519,995	548,109
Transfers to Other Funds	262,999	301,718	515,189
Total Expenditures / Uses	1,703,775	1,904,698	2,229,398

HJEMKOMST CENTER

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Charges for Services	4,968	3,100	3,100
Interest	4,039	500	500
Other Revenue	166,099	147,759	148,276
Interfund Transfers	166,489	176,960	237,504
Total Revenues / Sources	341,595	328,319	389,380
<u>Expenditures / Uses</u>			
Wages	113,789	123,205	132,717
Supplies	19,159	21,356	21,989
Other Services & Charges	174,387	162,778	214,674
Debt Service	1,026	980	
Total Expenditures / Uses	308,362	328,319	389,380

*Fund Summaries***Special Revenue Funds****COMSTOCK HOUSE**

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	14,182	17,344	35,000
Charges for Services	967	1,500	1,500
Interest	25		
Other Revenue		14,667	
Total Revenues / Sources	15,174	33,511	36,500
<u>Expenditures / Uses</u>			
Wages	6,922	6,491	7,005
Supplies	1,719	2,500	2,500
Other Services & Charges	28,625	24,520	26,995
Total Expenditures / Uses	37,265	33,511	36,500

LIBRARY

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Taxes	559		
Local Government Aid	699,508	726,658	748,487
Interest		1,000	1,000
Other Revenue	66		
Total Revenues / Sources	700,133	727,658	767,487
<u>Expenditures / Uses</u>			
Wages	38,591	40,977	42,326
Supplies	2,553	4,850	5,107
Other Services & Charges	657,364	680,361	700,659
Capital Outlay			18,000
Debt Service	1,539	1,470	1,395
Total Expenditures / Uses	700,048	727,658	767,487

Fund Summaries

Special Revenue Funds

COMMUNITY DEVELOPMENT

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	392,748	320,000	290,000
Charges for Services	10,490		
Fines & Forfeits	40		
Interest	7,017		
Other Revenue	402,846	196,658	198,310
Total Revenues / Sources	813,141	516,658	488,310
<u>Expenditures / Uses</u>			
Wages	132,435	116,384	158,419
Supplies	1,265	964	300
Other Services & Charges	508,360	399,310	329,591
Total Expenditures / Uses	642,060	516,658	488,310

RENTAL REGISTRATION

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Charges for Services		370,000	212,500
Total Revenues / Sources		370,000	212,500
<u>Expenditures / Uses</u>			
Wages		237,936	164,083
Supplies		31,475	14,883
Other Services & Charges		100,589	33,534
Total Expenditures / Uses		370,000	212,500

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

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Taxes	139		
Local Government Aid	43,614	73,592	94,940
Other Intergovernmental	1,529,568	3,003,600	1,367,394
Charges for Services	212,308	186,500	218,700
Interest	622		
Other Revenue	17,030	1,400	1,600
Interfund Transfers	214,939	478,667	
Total Revenues / Sources	<u>2,018,219</u>	<u>3,743,759</u>	<u>1,682,634</u>
<u>Expenditures / Uses</u>			
Wages	115,652	120,883	124,320
Supplies	230,147	240,775	1,450
Other Services & Charges	953,760	1,048,768	1,556,864
Capital Outlay	565,750	2,333,333	
Total Expenditures / Uses	<u>1,865,310</u>	<u>3,743,759</u>	<u>1,682,634</u>

ECONOMIC DEVELOPMENT

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Local Government Aid	182,230	172,575	185,269
Other Intergovernmental	740		
Charges for Services	1,900		1,000
Interest	11,607	12,000	12,000
Other Revenue	57,902	62,750	62,750
Interfund Transfers	190,000	190,000	190,000
Total Revenues / Sources	<u>444,379</u>	<u>437,325</u>	<u>451,019</u>
<u>Expenditures / Uses</u>			
Wages	154,704	181,601	191,264
Supplies	3,731	5,500	5,500
Other Services & Charges	57,172	47,474	51,505
Transfers to Other Funds	14,500		
Fund Balance/Equity Reserves		202,750	202,750
Total Expenditures / Uses	<u>230,108</u>	<u>437,325</u>	<u>451,019</u>

*Fund Summaries***Special Revenue Funds**

EDA LEVY			
	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Taxes	107,602	205,000	230,000
Tax Increments	17,737		
Other Intergovernmental	16,529		
Total Revenues / Sources	141,868	205,000	230,000
<u>Expenditures / Uses</u>			
Other Services & Charges	18,963	99,000	113,120
Capital Outlay	109,000	106,000	116,880
Total Expenditures / Uses	127,963	205,000	230,000

*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.

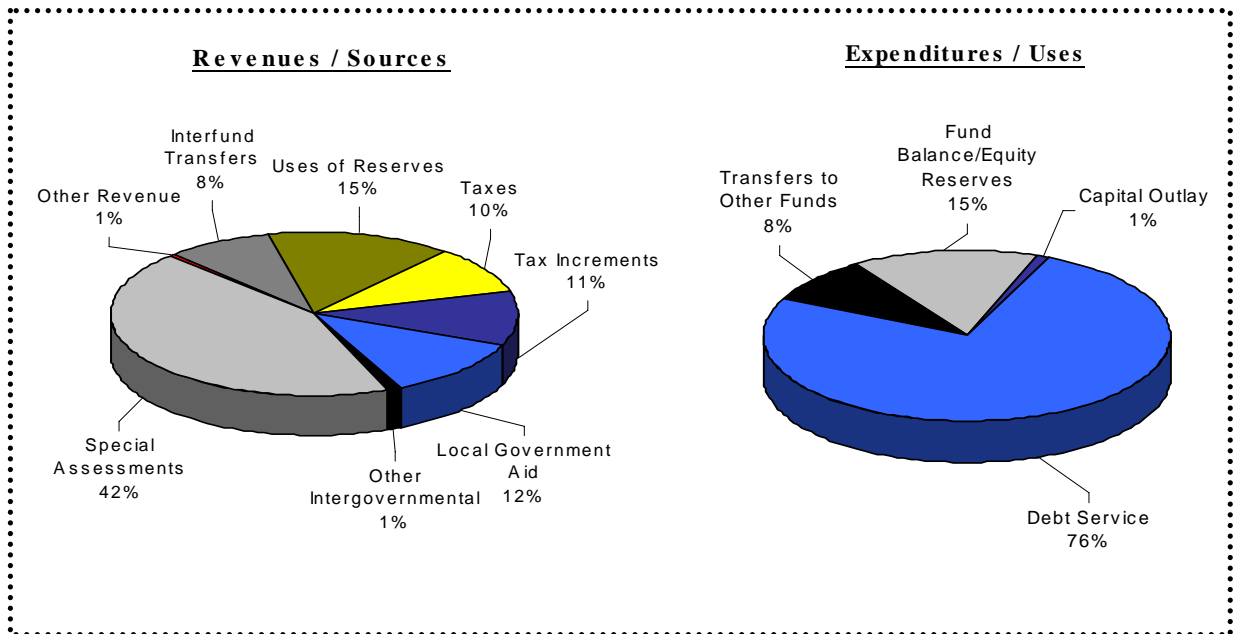
Pactiv - account for the accumulation of resources for payment of general obligation bond principal and interest. Annual debt service is met using existing reserve funds.

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
<u>Revenues / Sources</u>								
Taxes	1,065,975							1,065,975
Tax Increments	1,218,360							1,218,360
Local Government Aid	44,277	911,324	350,000					1,305,601
Other Intergovernmental	13,900						104,300	118,200
Special Assessments	52,498	4,801,986						4,854,484
Other Revenue					70,200			70,200
Interfund Transfers	740,000	3,500		178,600				922,100
Uses of Reserves		1,165,382	171,360			326,400		1,663,142
Total Revenues / Sources	3,135,010	6,882,192	521,360	178,600	70,200	326,400	104,300	11,218,062
<u>Expenditures / Uses</u>								
Other Services & Charges	11,900							11,900
Capital Outlay		98,500						98,500
Debt Service	1,820,650	5,482,552	521,360	178,600	70,200	326,400	104,300	8,504,062
Transfers to Other Funds	740,000	204,000						944,000
Fund Balance/Equity Reserves	562,460	1,097,140						1,659,600
Total Expenditures / Uses	3,135,010	6,882,192	521,360	178,600	70,200	326,400	104,300	11,218,062



*Fund Summaries***Debt Service Funds****TAX INCREMENT**

	2005 Actual	2006 Budget	2007 Budget
Revenues / Sources			
Taxes	1,474,390	1,058,700	1,065,975
Tax Increments	1,143,203	1,195,557	1,218,360
Local Government Aid	32,800	32,800	44,277
Other Intergovernmental	569,103		13,900
Interest	41,920		
Special Assessments	66,541	58,510	52,498
Other Revenue	94,229		
Interfund Transfers	887,755	890,000	740,000
Total Revenues / Sources	<u>4,309,941</u>	<u>3,235,567</u>	<u>3,135,010</u>
Expenditures / Uses			
Other Services & Charges	443,485	9,600	11,900
Capital Outlay	1,321,852		
Debt Service	1,842,696	2,129,687	1,820,650
Transfers to Other Funds	887,755	890,000	740,000
Fund Balance/Equity Reserves		206,280	562,460
Total Expenditures / Uses	<u>4,495,788</u>	<u>3,235,567</u>	<u>3,135,010</u>

SPECIAL ASSESSMENT

	2005 Actual	2006 Budget	2007 Budget
Revenues / Sources			
Taxes	816		
Local Government Aid	938,784	929,000	911,324
Charges for Services	479		
Interest	541,166		
Special Assessments	3,403,703	3,000,100	4,801,986
Other Revenue	513,813		
Bond Proceeds	2,415,808		
Interfund Transfers	39,754	3,500	3,500
Uses of Reserves		899,117	1,165,382
Total Revenues / Sources	<u>7,854,322</u>	<u>4,831,717</u>	<u>6,882,192</u>
Expenditures / Uses			
Other Services & Charges	20,165		
Capital Outlay	844,161	98,500	98,500
Debt Service	5,657,124	4,227,956	5,482,552
Transfers to Other Funds	117,610	180,461	204,000
Fund Balance/Equity Reserves		324,800	1,097,140
Total Expenditures / Uses	<u>6,639,060</u>	<u>4,831,717</u>	<u>6,882,192</u>

*Fund Summaries***Debt Service Funds****GENERAL OBLIGATION BOND**

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Taxes	5,685		
Local Government Aid	391,572	387,200	350,000
Interest	6,607		
Other Revenue	375		
Uses of Reserves			171,360
Total Revenues / Sources	<u>404,239</u>	<u>387,200</u>	<u>521,360</u>
<u>Expenditures / Uses</u>			
Debt Service	1,861,297	387,200	521,360
Total Expenditures / Uses	<u>1,861,297</u>	<u>387,200</u>	<u>521,360</u>

MUNICIPAL IMPROVEMENT

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Interest	10,416		
Interfund Transfers	176,895	178,000	178,600
Total Revenues / Sources	<u>187,311</u>	<u>178,000</u>	<u>178,600</u>
<u>Expenditures / Uses</u>			
Debt Service	178,225	178,000	178,600
Total Expenditures / Uses	<u>178,225</u>	<u>178,000</u>	<u>178,600</u>

MYHA ICE ARENA

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Interest	841		
Other Revenue	73,374	70,800	70,200
Total Revenues / Sources	<u>74,215</u>	<u>70,800</u>	<u>70,200</u>
<u>Expenditures / Uses</u>			
Debt Service	769,263	70,800	70,200
Total Expenditures / Uses	<u>769,263</u>	<u>70,800</u>	<u>70,200</u>

*Fund Summaries***Debt Service Funds****PACTIV**

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Interest	158,307		
Uses of Reserves		326,400	326,400
Total Revenues / Sources	<u>158,307</u>	<u>326,400</u>	<u>326,400</u>
<u>Expenditures / Uses</u>			
Debt Service	<u>324,754</u>	<u>326,400</u>	<u>326,400</u>
Total Expenditures / Uses	<u>324,754</u>	<u>326,400</u>	<u>326,400</u>

34TH STREET BRIDGE

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	98,458	101,000	104,300
Interest	1,605		
Total Revenues / Sources	<u>100,063</u>	<u>101,000</u>	<u>104,300</u>
<u>Expenditures / Uses</u>			
Debt Service	<u>988,645</u>	<u>101,000</u>	<u>104,300</u>
Total Expenditures / Uses	<u>988,645</u>	<u>101,000</u>	<u>104,300</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.

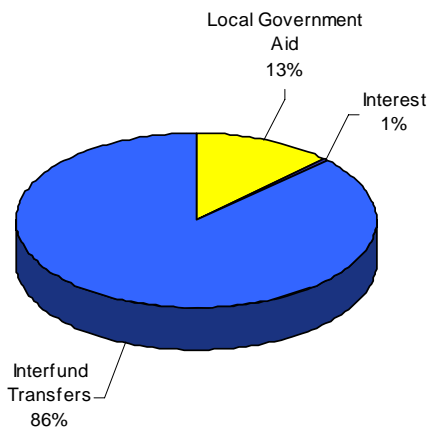
Capital Improvement Fund - account for capital outlay related to City buildings, improvements and equipment.

Fund Summaries

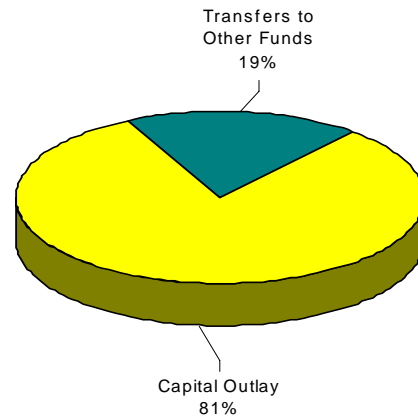
Capital Projects Funds

	<u>Permanent Improvement</u>	<u>Capital Improvement</u>	<u>Total</u>
<u>Revenues / Sources</u>			
Local Government Aid	200,000		200,000
Interest		10,000	10,000
Interfund Transfers		1,390,000	1,390,000
Total Revenues / Sources	200,000	1,400,000	1,600,000
<u>Expenditures / Uses</u>			
Capital Outlay	200,000	1,102,100	1,302,100
Transfers to Other Funds		297,900	297,900
Total Expenditures / Uses	200,000	1,400,000	1,600,000

Revenues / Sources



Expenditures / Uses



Fund Summaries

Capital Projects Funds

PERMANENT IMPROVEMENT

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Taxes	173		
Local Government Aid	200,000	200,000	200,000
Other Intergovernmental	2,413,162		
Other Revenue	163,670		
Bond Proceeds	1,007,500		
Interfund Transfers	987,702		
Total Revenues / Sources	<u>4,772,207</u>	<u>200,000</u>	<u>200,000</u>
<u>Expenditures / Uses</u>			
Other Services & Charges	625,077		
Capital Outlay	2,993,593	200,000	200,000
Transfers to Other Funds	864,212		
Total Expenditures / Uses	<u>4,482,882</u>	<u>200,000</u>	<u>200,000</u>

CAPITAL IMPROVEMENT

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	41,500	84,000	
Interest	28,256	10,000	10,000
Other Revenue	34,808		
Interfund Transfers	1,284,000	1,400,450	1,390,000
Uses of Reserves		233,333	
Total Revenues / Sources	<u>1,388,564</u>	<u>1,727,783</u>	<u>1,400,000</u>
<u>Expenditures / Uses</u>			
Capital Outlay	1,430,555	1,016,116	1,102,100
Transfers to Other Funds	435,434	711,667	297,900
Total Expenditures / Uses	<u>1,865,989</u>	<u>1,727,783</u>	<u>1,400,000</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, compost site 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.

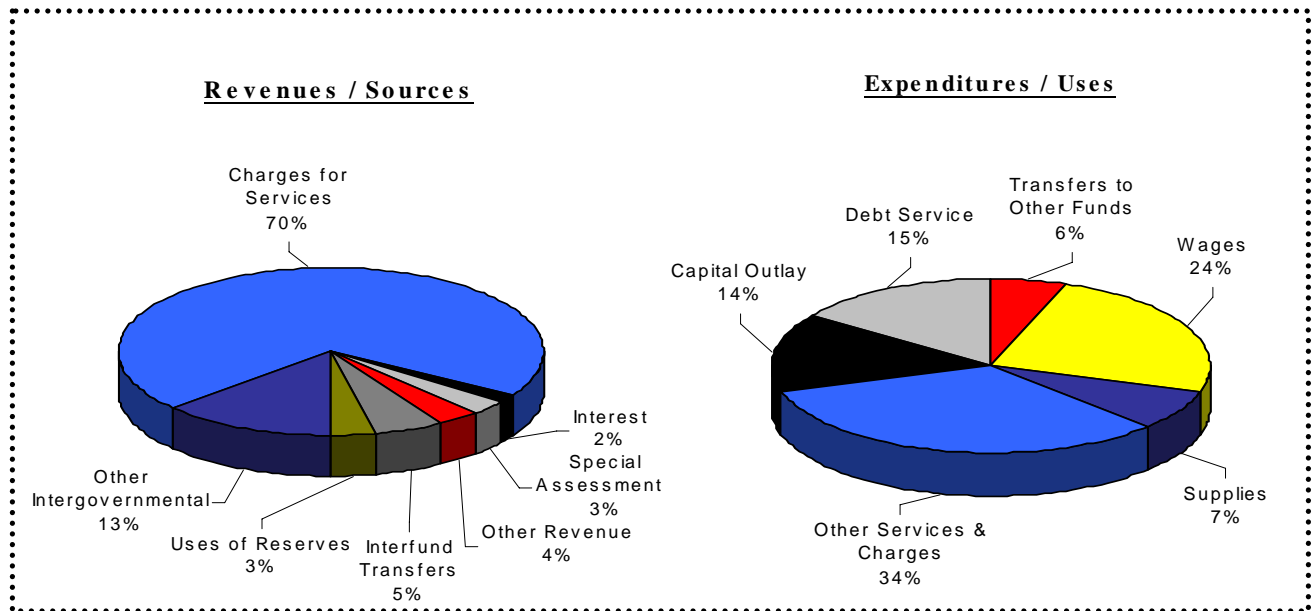
Airport - account for the operation and maintenance of the City's airport facility.

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	73,000	3,870	137,646	1,420		520	270	690	1,806,950	2,024,366
Charges for Services	824,164	4,726,375	2,909,392	1,156,000	79,720	94,350	540,216	297,595	5,000	10,632,812
Interest	10,000	150,000	32,772	15,000		25,000	5,000	2,500		240,272
Special Assessments		400,000					1,800	1,000		402,800
Other Revenue			63,101	89,270	12,000	320,300			46,780	531,451
Interfund Transfers	40,000			411,884		128,051			201,820	781,755
Uses of Reserves		150,649	253,246				64,000	36,480		504,375
Total Revenues / Sources	947,164	5,430,894	3,396,157	1,673,574	91,720	568,221	611,286	339,865	2,060,550	15,119,431

Expenditures / Uses										
Wages	199,165	945,245	1,155,483	603,636	62,747	220,616	345,296	136,188		3,668,376
Supplies	15,498	356,734	313,074	201,566	13,609	58,094	70,234	71,588	7,090	1,107,487
Other Services & Charges	554,251	1,947,272	1,487,600	445,072	15,364	229,471	115,156	67,527	157,460	5,019,173
Capital Outlay	80,000	10,000	60,000	50,000			58,000		1,896,000	2,154,000
Debt Service		1,901,643		373,300		60,040				2,334,983
Transfers to Other Funds	98,250	270,000	380,000				22,600	64,562		835,412
Total Expenditures / Uses	947,164	5,430,894	3,396,157	1,673,574	91,720	568,221	611,286	339,865	2,060,550	15,119,431



*Fund Summaries***Enterprise Funds****STORM WATER**

	2005 Actual	2006 Budget	2007 Budget
Revenues / Sources			
Other Intergovernmental	72,711	35,000	73,000
Charges for Services	767,636	796,928	824,164
Interest	8,567	10,000	10,000
Other Revenue	490		
Interfund Transfers		100,000	40,000
Uses of Reserves		116,408	
Total Revenues / Sources	<u>849,404</u>	<u>1,058,336</u>	<u>947,164</u>
Expenditures / Uses			
Wages	150,065	187,616	199,165
Supplies	10,277	11,700	15,498
Other Services & Charges	554,280	565,870	554,251
Capital Outlay		195,000	80,000
Transfers to Other Funds	97,069	98,150	98,250
Total Expenditures / Uses	<u>811,691</u>	<u>1,058,336</u>	<u>947,164</u>

WASTEWATER TREATMENT

	2005 Actual	2006 Budget	2007 Budget
Revenues / Sources			
Other Intergovernmental	3,870	3,870	3,870
Charges for Services	4,270,403	4,583,549	4,726,375
Interest	187,103	100,000	150,000
Special Assessments	2,394		400,000
Other Revenue	174,235		
Uses of Reserves		586,687	150,649
Total Revenues / Sources	<u>4,638,006</u>	<u>5,274,106</u>	<u>5,430,894</u>
Expenditures / Uses			
Wages	835,917	908,541	945,245
Supplies	265,208	266,162	356,734
Other Services & Charges	2,397,998	1,683,503	1,947,272
Capital Outlay		185,000	10,000
Debt Service	876,672	1,907,100	1,901,643
Transfers to Other Funds	230,388	323,800	270,000
Total Expenditures / Uses	<u>4,606,182</u>	<u>5,274,106</u>	<u>5,430,894</u>

*Fund Summaries***Enterprise Funds****SANITATION**

	2005 <u>Actual</u>	2006 <u>Budget</u>	2007 <u>Budget</u>
<u>Revenues / Sources</u>			
Other Intergovernmental	137,646	137,646	137,646
Charges for Services	2,623,486	2,883,707	2,909,392
Interest	32,396	17,842	32,772
Other Revenue	75,670	55,105	63,101
Uses of Reserves			253,246
Total Revenues / Sources	<u>2,869,198</u>	<u>3,094,300</u>	<u>3,396,157</u>
<u>Expenditures / Uses</u>			
Wages	1,063,807	1,103,851	1,155,483
Supplies	204,513	139,076	313,074
Other Services & Charges	1,371,224	1,403,168	1,487,600
Capital Outlay		28,500	60,000
Transfers to Other Funds	367,189	379,000	380,000
Fund Balance/Equity Reserves		40,705	
Total Expenditures / Uses	<u>3,006,733</u>	<u>3,094,300</u>	<u>3,396,157</u>

GOLF COURSES

	2005 <u>Actual</u>	2006 <u>Budget</u>	2007 <u>Budget</u>
<u>Revenues / Sources</u>			
Other Intergovernmental	1,420	1,420	1,420
Charges for Services	969,784	1,239,200	1,156,000
Fines & Forfeits	40		
Interest	14,598	50,000	15,000
Other Revenue	76,262	84,900	89,270
Interfund Transfers	175,860	239,711	411,884
Total Revenues / Sources	<u>1,237,964</u>	<u>1,615,231</u>	<u>1,673,574</u>
<u>Expenditures / Uses</u>			
Wages	568,880	604,527	603,636
Supplies	138,499	159,477	201,566
Other Services & Charges	588,774	430,077	445,072
Capital Outlay		50,000	50,000
Debt Service	233,611	371,150	373,300
Total Expenditures / Uses	<u>1,529,764</u>	<u>1,615,231</u>	<u>1,673,574</u>

Fund Summaries

Enterprise Funds

TOWN & COUNTRY

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Charges for Services	79,196	97,000	79,720
Fines & Forfeits	60		
Interest	53		
Other Revenue	12,153	12,300	12,000
Total Revenues / Sources	<u>91,462</u>	<u>109,300</u>	<u>91,720</u>
<u>Expenditures / Uses</u>			
Wages	55,116	74,532	62,747
Supplies	9,558	25,091	13,609
Other Services & Charges	37,923	9,677	15,364
Total Expenditures / Uses	<u>102,597</u>	<u>109,300</u>	<u>91,720</u>

SPORTS CENTER

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	520	520	520
Charges for Services	96,292	79,550	94,350
Interest	29,409	5,000	25,000
Other Revenue	337,226	316,086	320,300
Interfund Transfers	91,510	124,758	128,051
Total Revenues / Sources	<u>554,957</u>	<u>525,914</u>	<u>568,221</u>
<u>Expenditures / Uses</u>			
Wages	214,742	199,322	220,616
Supplies	47,943	50,655	58,094
Other Services & Charges	453,738	214,437	229,471
Debt Service	19,933	61,500	60,040
Total Expenditures / Uses	<u>736,356</u>	<u>525,914</u>	<u>568,221</u>

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

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	270	270	270
Charges for Services	445,768	530,259	540,216
Fines & Forfeits	20		
Interest	5,707	2,200	5,000
Special Assessments	1,765	1,800	1,800
Other Revenue	1,611		
Uses of Reserves		8,854	64,000
Total Revenues / Sources	<u>455,141</u>	<u>543,383</u>	<u>611,286</u>
<u>Expenditures / Uses</u>			
Wages	235,457	325,681	345,296
Supplies	59,511	56,953	70,234
Other Services & Charges	85,400	108,149	115,156
Capital Outlay		30,000	58,000
Transfers to Other Funds	22,728	22,600	22,600
Total Expenditures / Uses	<u>403,096</u>	<u>543,383</u>	<u>611,286</u>

PEST CONTROL

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Licenses & Permits	1,560	1,600	1,600
Other Intergovernmental	690	690	690
Charges for Services	364,704	370,523	297,595
Interest	3,561	1,000	2,500
Special Assessments	903	2,500	1,000
Other Revenue	610		
Uses of Reserves			36,480
Total Revenues / Sources	<u>372,028</u>	<u>376,313</u>	<u>339,865</u>
<u>Expenditures / Uses</u>			
Wages	138,645	139,641	136,188
Supplies	59,517	76,514	71,588
Other Services & Charges	47,780	110,158	67,527
Transfers to Other Funds	55,470	50,000	64,562
Total Expenditures / Uses	<u>301,411</u>	<u>376,313</u>	<u>339,865</u>

Fund Summaries

Enterprise Funds

AIRPORT

	2005 <u>Actual</u>	2006 <u>Budget</u>	2007 <u>Budget</u>
<u>Revenues / Sources</u>			
Other Intergovernmental	24,669	80,000	1,806,950
Charges for Services	3,591	5,000	5,000
Other Revenue	41,597	46,072	46,780
Interfund Transfers	49,350	124,217	201,820
Total Revenues / Sources	<u>119,207</u>	<u>255,289</u>	<u>2,060,550</u>
<u>Expenditures / Uses</u>			
Supplies	4,705	2,000	7,090
Other Services & Charges	279,547	143,289	157,460
Capital Outlay		110,000	1,896,000
Total Expenditures / Uses	<u>284,251</u>	<u>255,289</u>	<u>2,060,550</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
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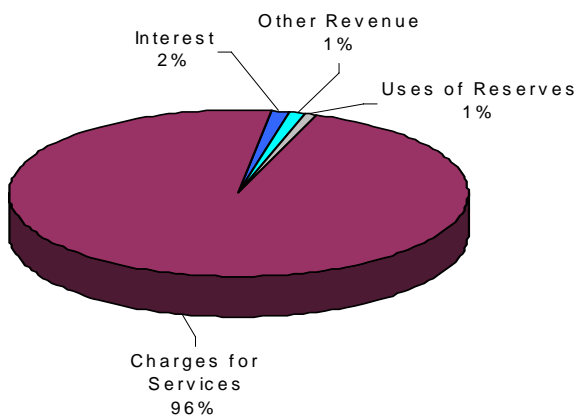
Revenues / Sources

Other Intergovernmental	1,130			1,130
Charges for Services	679,115	1,154,000	257,141	2,090,256
Interest	15,000	18,000		33,000
Other Revenue		20,000		20,000
Uses of Reserves		20,000		20,000
Total Revenues / Sources	695,245	1,212,000	257,141	2,164,386

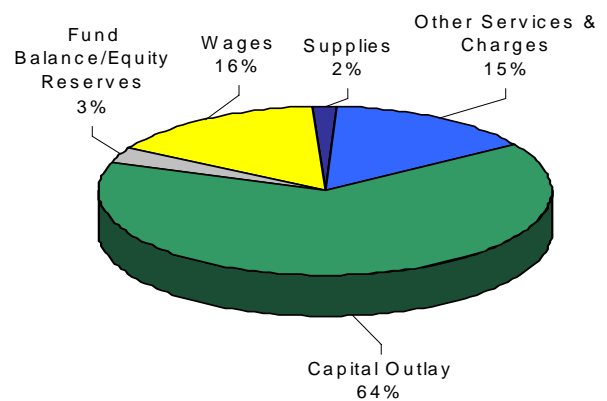
Expenditures / Uses

Wages	340,415			340,415
Supplies	22,800	3,924	12,000	38,724
Other Services & Charges	246,030	12,490	67,475	325,995
Capital Outlay	86,000	1,195,586	120,000	1,401,586
Fund Balance/Equity Reserves			57,666	57,666
Total Expenditures / Uses	695,245	1,212,000	257,141	2,164,386

Revenues / Sources



Expenditures / Uses



*Fund Summaries***Internal Service Funds****INFORMATION TECHNOLOGY**

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	1,130	1,130	1,130
Charges for Services	855,474	707,144	679,115
Interest	28,652	11,000	15,000
Other Revenue	5,833		
Uses of Reserves		50,956	
Total Revenues / Sources	<u>891,088</u>	<u>770,230</u>	<u>695,245</u>
<u>Expenditures / Uses</u>			
Wages	327,009	322,335	340,415
Supplies	32,993	26,400	22,800
Other Services & Charges	436,483	200,495	246,030
Capital Outlay		221,000	86,000
Total Expenditures / Uses	<u>796,486</u>	<u>770,230</u>	<u>695,245</u>

VEHICLES & EQUIPMENT

	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Charges for Services	928,234	1,063,700	1,154,000
Interest	20,233	11,000	18,000
Other Revenue	11,175	20,000	20,000
Interfund Transfers	10,624		
Uses of Reserves		89,488	20,000
Total Revenues / Sources	<u>970,266</u>	<u>1,184,188</u>	<u>1,212,000</u>
<u>Expenditures / Uses</u>			
Supplies	2,830	3,810	3,924
Other Services & Charges	866,059	12,360	12,490
Capital Outlay		1,168,018	1,195,586
Debt Service	3,196		
Total Expenditures / Uses	<u>872,084</u>	<u>1,184,188</u>	<u>1,212,000</u>

Fund Summaries

Internal Service Funds

RADIO			
	2005 Actual	2006 Budget	2007 Budget
<u>Revenues / Sources</u>			
Other Intergovernmental	191,700		
Charges for Services	121,596	211,846	257,141
Interest	6,255		
Other Revenue	10		
Uses of Reserves		283,314	
Total Revenues / Sources	319,561	495,160	257,141
<u>Expenditures / Uses</u>			
Supplies	4,177	8,000	12,000
Other Services & Charges	137,670	67,160	67,475
Capital Outlay		420,000	120,000
Fund Balance/Equity Reserves			57,666
Total Expenditures / Uses	141,846	495,160	257,141

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.

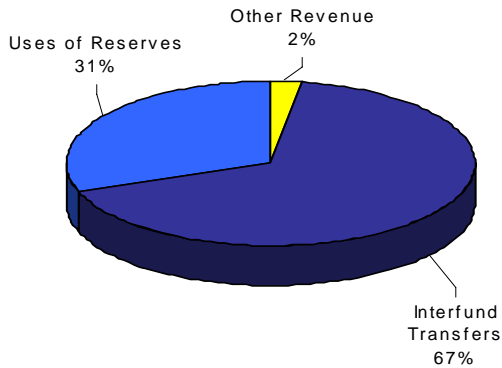
Armory – account for tax levy collections and debt payments for the Armory facility made on behalf of the State of Minnesota.

Fund Summaries

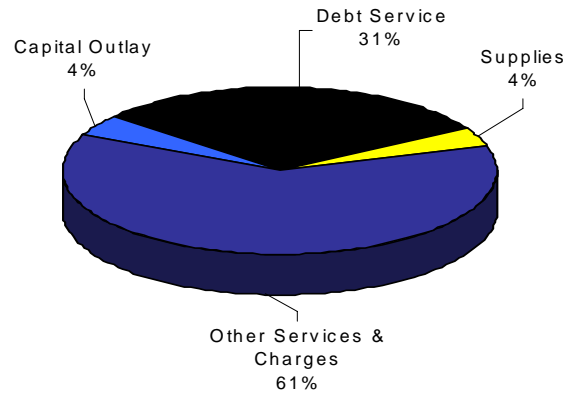
Agency Funds

	<u>MCAT</u>	<u>Armory</u>	<u>Total</u>
<u>Revenues / Sources</u>			
Other Revenue	2,000		2,000
Interfund Transfers	54,636		54,636
Uses of Reserves		25,000	25,000
Total Revenues / Sources	56,636	25,000	81,636
<u>Expenditures / Uses</u>			
Supplies	2,990		2,990
Other Services & Charges	50,296		50,296
Capital Outlay	3,350		3,350
Debt Service		25,000	25,000
Total Expenditures / Uses	56,636	25,000	81,636

Revenues / Sources



Expenditures / Uses



Fund Summaries

Agency Funds

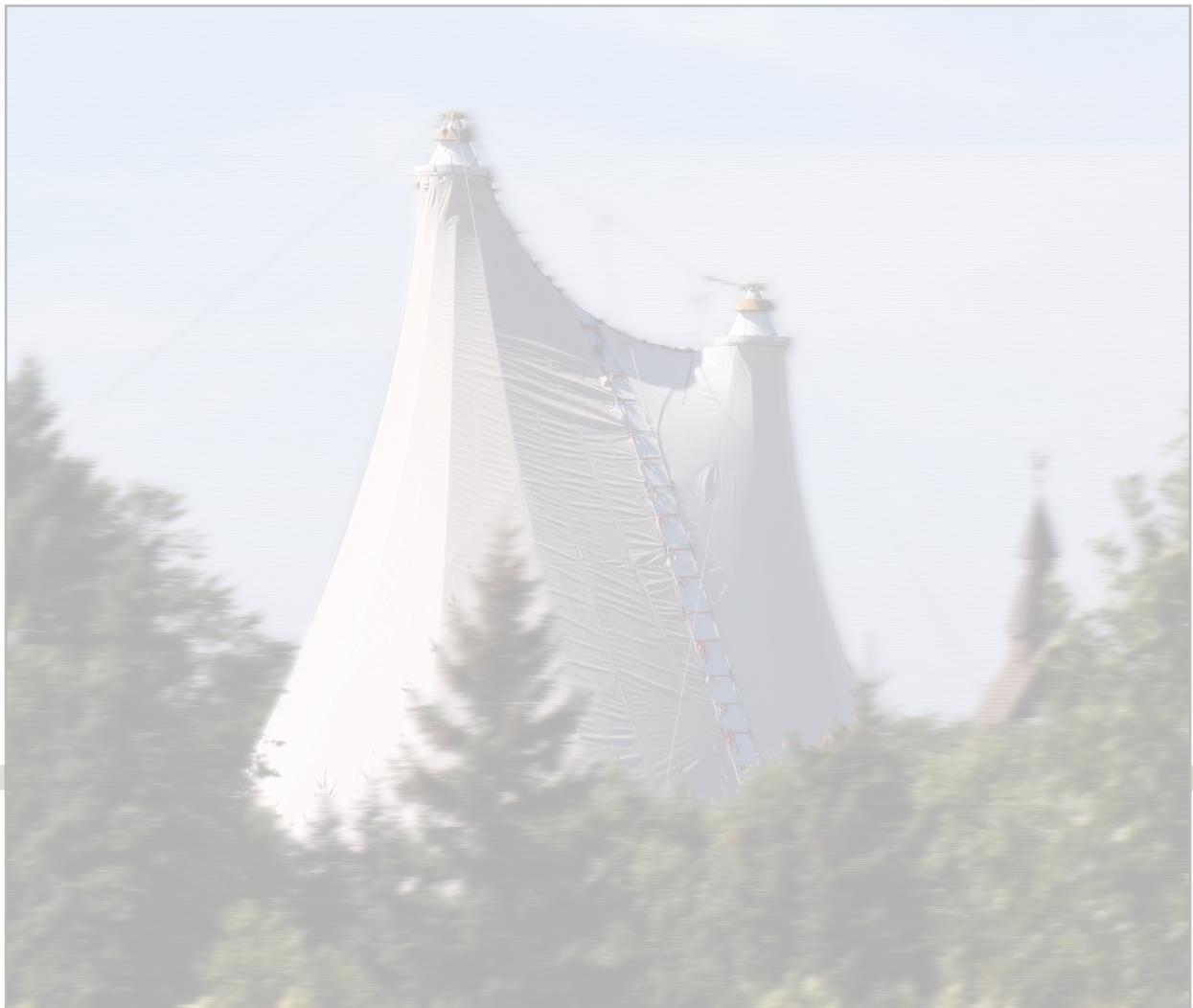
MOORHEAD COMMUNITY ACCESS TELEVISION

	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>2007 Budget</u>
<u>Revenues / Sources</u>			
Other Intergovernmental		150	
Interest	582	500	
Other Revenue	68	350	2,000
Interfund Transfers	44,260	53,045	54,636
Total Revenues / Sources	<u>44,910</u>	<u>54,045</u>	<u>56,636</u>
<u>Expenditures / Uses</u>			
Supplies	2,538	3,000	2,990
Other Services & Charges	35,386	49,295	50,296
Capital Outlay	22,567	1,750	3,350
Total Expenditures / Uses	<u>60,491</u>	<u>54,045</u>	<u>56,636</u>

ARMORY

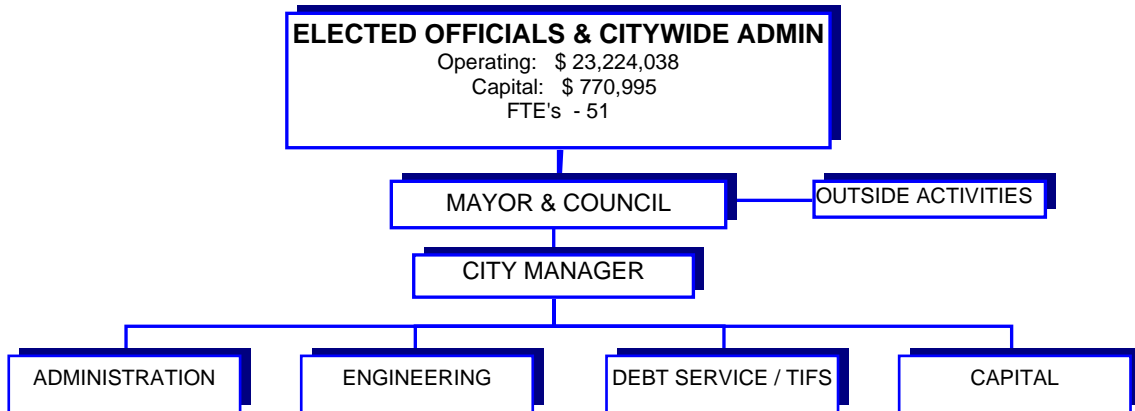
	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>2007 Budget</u>
<u>Revenues / Sources</u>			
Taxes	205		
Local Government Aid	20,000	20,000	
Interest	1,010		
Uses of Reserves		5,000	25,000
Total Revenues / Sources	<u>21,215</u>	<u>25,000</u>	<u>25,000</u>
<u>Expenditures / Uses</u>			
Debt Service	25,000	25,000	25,000
Total Expenditures / Uses	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

Departmental & Division Budgets

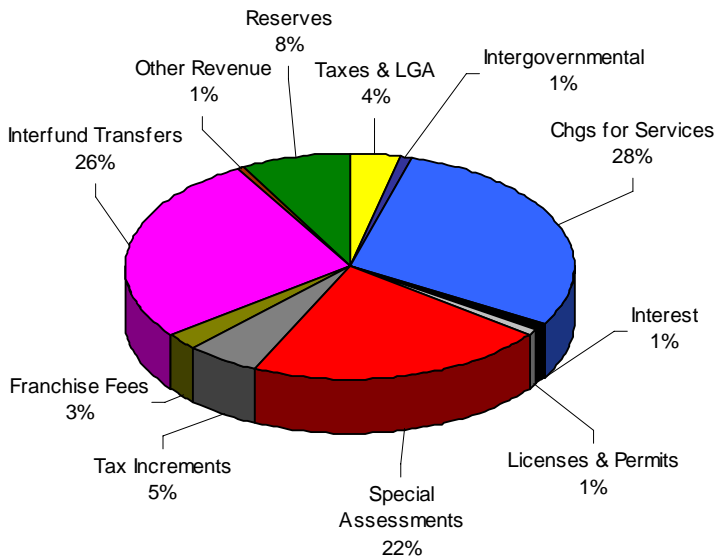


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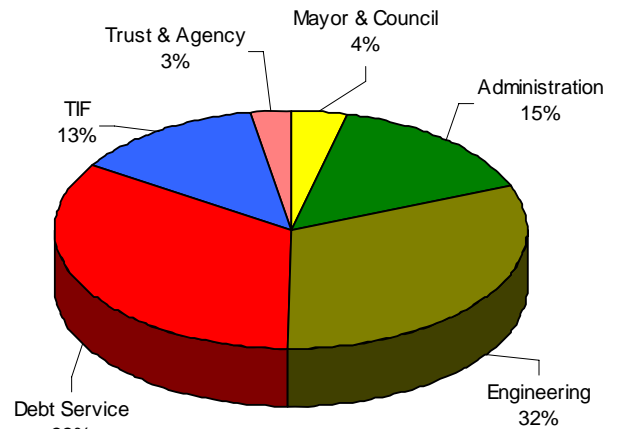
Elected Officials & Citywide Administration



FINANCING PLAN



PROGRAM ALLOCATION



MISSION STATEMENT – It is the mission of the Elected Officials 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: Record growth and housing expansion continues in the City of Moorhead. In the first half of 2006, the number of issued building permits continued to climb, rising to 542 issued permits through July 31st, 2006. Moorhead remains on track to surpass previous growth benchmarks with new housing starts and commercial development through the end of 2006. Additionally, for the first time in 11 years, the Moorhead Area Public Schools saw an increase in student enrollment in 2006 – the first increase since 1995. In partnership with our schools, Moorhead expects to grow its neighborhoods and K-12 educational system into the future.



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.

Community growth and development will continue to shape the work plans and strategies of City staff in 2007.



Highlights of the 2007 Budget include:

- Continued pursuit of federal funding for key transportation and transit projects, including completion of funding for the 34th St. interchange at I-94, the 20th/21st St. grade separation project, and a future mid-city grade separated 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 Greater Fargo Moorhead Economic Development Corporation and partners;
- Developing strategies and work plans in the Neighborhood Services Division to carry out programs, policies, and processes to effectively manage Moorhead's new and existing neighborhoods;

Elected Officials & Citywide Administration



- Continuing financial support to valued community agencies and activities; and
- Providing high-quality compensation for City employees, based upon the Classification and Compensation Study, as well as new contracts for a majority of the City's collective bargaining units.



CHALLENGES & OPPORTUNITIES: Protecting and preserving Moorhead's assets will be critical as the City expands and provides services to new growth areas. Maintaining a robust infrastructure system will require vigilance in the future, and the *Proposed* 2007 Budget meets those challenges. The cracksealing program, reconstituted in 2006, is one example of City investment in addressing deferred maintenance needs. By being proactive and preserving existing assets, the City is positioning its resources for long-term use by the public, thereby increasing value for taxpayers.

Major Infrastructure Projects – Major infrastructure projects will continue in 2007, including:

- Securing funding for the 34th St. interchange and keeping ahead of construction inflation with other City projects;
- Completing Right-of-Way acquisitions and design work for the 20th/21st St. underpass project;
- Implementing the next phases of the the Rail Safety Program, resulting in the quieting of train whistles while increasing pedestrian and vehicular safety in downtown Moorhead; and,



Elected Officials & Citywide Administration

- Pursuing preventative maintenance for existing City assets, including roadways, green spaces/parks, and City buildings.



Economic Development – Commercial growth and development shall continue to be a priority for the City in 2007. Recent successes in housing gains have taken center stage, but very successful efforts to recruit, retain, and expand businesses in Moorhead has also been in occurring in 2006. As the JOBZ program continues to mature and near the end of its legislative authority, Moorhead will continue to seek new tools and packages to compete for economic development in the community.

The recent evolution of the Greater Fargo Moorhead Economic Development Corporation to become the preeminent development organization in the metropolitan area has also assisted in creating a single, unified brand and image for the Fargo-Moorhead Metropolitan Statistical Area (MSA). This positioning is helping Moorhead, in concert with its partners and neighbors, to grow the commercial tax base of the City. New strategies and opportunities will continue to shape and mold Moorhead's economic development strategies in the future.

Energy & Construction Costs – Increases in energy consumables (fuel, natural gas, etc.) will continue to be cost drivers in the *Proposed 2007* City Budget. City infrastructure projects will also face the challenge of rising construction costs. Concrete, steel, and other materials will continue to rise beyond standard inflationary factors, continuing a trend that affects the bottom line cost of improving infrastructure throughout the City of Moorhead.



Elected Officials & Citywide Administration



Human Capital Costs – As the City’s workforce ages and nears retirement, the costs of benefit payouts and recruiting will continue to rise. The City must plan now for expected cost increases due to retirements and the hiring/training of new staff. Opportunities should be extended to the next generation to allow for growth and preparation for increased future job responsibilities in the organization.

FUTURE ISSUES: Appropriately planning and anticipating for growth will be a leading task for the elected body and City staff in 2007 and beyond. Past efforts to ready the community and the organization have been successful, and plans will continue in the future to do the same. The organization remains progressive, forward-thinking, and ready to respond to the needs of the development community and our citizens.

The City will receive fewer Local Government Aid dollars from the State of Minnesota in the future. The strategy of the elected body and City staff, as evidenced by past action, is to grow the housing and commercial tax base so as to neutralize the negative effects of declining aid payments from the State. This is the most effective strategy to position the taxpayers of the City for a financially healthy and viable future.

While challenges remain on the horizon, the City’s robust growth over the past several years remains the predominant theme in the City of Moorhead. With increasing school enrollments, an expanding residential and commercial tax base, and new residents calling Moorhead home for the first time, the City remains on a strong and prudent path to future growth and prosperity.



Elected Officials & Citywide Administration

2006 – 2007 BUDGET COMPARISON

	2006 BUDGET	2007 BUDGET	INCREASE (DECREASE)
<u>Mayor & Council Division:</u>			
Mayor & Council	494,270	564,627	70,357
Unallocated/Council Discretionary	145,621	171,384	25,763
Programs, Services, Actv.	204,297	226,170	21,873
	<u>844,188</u>	<u>962,181</u>	<u>117,993</u>
<u>Administrative Division:</u>			
City Manager	598,653	589,158	(9,495)
City Clerk	94,646	96,163	1,517
Elections & Voters	30,500	23,645	(6,855)
Finance	1,319,995	684,427	(635,568)
Legal	309,400	332,380	22,980
Human Resources	273,907	275,793	1,886
Labor Relations	31,928	31,928	-
General Government	6,000	6,000	-
Transfers			-
Library	727,658	767,487	39,829
Information Technology	770,230	695,245	(74,985)
Self Insurance	38,000	38,000	-
	<u>4,200,917</u>	<u>3,540,226</u>	<u>(660,691)</u>
<u>Engineering Division:</u>			
Engineering	1,101,293	1,161,125	59,832
Storm Water	1,058,336	947,164	(111,172)
Wastewater Treatment	5,274,106	5,430,894	156,788
	<u>7,433,735</u>	<u>7,539,183</u>	<u>105,448</u>
<u>Debt Service:</u>			
Debt Service	<u>5,895,117</u>	<u>8,083,052</u>	<u>2,187,935</u>
<u>Tax Increment Districts:</u>			
Tax Increment Districts	<u>3,235,567</u>	<u>3,135,010</u>	<u>(100,557)</u>
<u>Trust & Agency:</u>			
Armory	25,000	25,000	-
MCAT	54,045	56,636	2,591
	<u>79,045</u>	<u>81,636</u>	<u>2,591</u>
<u>Capital: *</u>			
Permanent Improvement	200,000	200,000	-
CI - Administration	474,230	419,745	(54,485)
CI - City Clerk	165,500	-	(165,500)
CI - Library	-	18,000	18,000
CI - Engineering	-	16,000	16,000
	<u>839,730</u>	<u>653,745</u>	<u>(185,985)</u>
 Total Administration Department	 <u>22,528,299</u>	 <u>23,995,033</u>	 <u>1,466,734</u>

* See the Capital Improvement Fund detail on page 41.

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.

2007 Goals and Objectives

- Maintain growth and development in the community and plan appropriately for resource needs.
- Maintain a responsible and modest approach to growing the City organization.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	106,398	109,838	112,963	3,125
Supplies & Materials	1,681	2,600	3,600	1,000
Other Services & Charges	480,007	662,533	757,848	95,315
Capital Outlay				
Debt Service				
Transfer to Funds	49,350	69,217	87,770	18,553
To Reserves				
Total	637,437	844,188	962,181	117,993

2007 Budget Impact Items

- The increase over 2006 is primarily a result of increased federal lobbying costs.

2005/2006 Achievements

- GFOA Distinguished Budget Award, 2006

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.

2007 Goals and Objectives

- Continue efforts to streamline Council packet creation, utilizing the City website.
- Catalog and prioritize deferred maintenance needs throughout the City, including buildings, parks, and equipment.
- Respond to the development community and adequately allocate resources, time, and energy to growing the City.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	443,185	450,915	457,550	6,635
Supplies & Materials	15,557	9,500	12,100	2,600
Other Services & Charges	118,203	138,238	119,508	(18,730)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	576,945	598,653	589,158	(9,495)

2007 Budget Impact Items

- Fuel and energy costs. These are expected to rise above regular inflationary factors, resulting in increased line items in the 2007 Budget.

2005/2006 Achievements

- GFOA Distinguished Budget Award, 2006

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, oversee legal publications, codification of ordinances and records management.

2007 Goals and Objectives

- Complete and distribute Council agenda packets inclusive of implementation of an automatic process
- Create and maintain accurate minutes
- Codification of ordinances
- Continue to monitor business license process

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	61,099	63,404	65,919	2,515
Supplies & Materials	4,458	5,700	5,800	100
Other Services & Charges	20,954	25,542	24,444	(1,098)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	86,510	94,646	96,163	1,517

2007 Budget Impact Items

- Continuing educational requirements to maintain clerk certification
- Personnel costs include 2% cost of living allowance and 1% merit increase
- Codification of ordinances and placement of such on website
- Acquisition and implementation of an automatic agenda process

2005/2006 Achievements

- Published legal notices as required by law
- Administered codification of ordinances
- Prepared agendas and minutes
- Maintained resolution/ordinance indexing system
- Implemented new 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.

2007 Goals and Objectives

- Plan & coordinate election process with Independent School District #152.
- Comply with educational requirements
- Monitor polling sites to ensure continued compliance with accessibility regulations
- Monitor procedures for Help America Vote Act (HAVA) compliance

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	110			
Supplies & Materials	6,343	600	6,000	5,400
Other Services & Charges	12,749	29,900	17,645	(12,255)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	19,202	30,500	23,645	(6,855)

2007 Budget Impact Items

- Reduction in budget due to fewer elections
- Increase in costs for ballot preparation and programming.
- Increase in supply costs due to implementation of HAVA compliant election equipment

2005/2006 Achievements

- Successfully administered elections within the City of Moorhead
- Acquired new election equipment and implemented procedures for such
- Completed boundary changes due to annexations

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.

2007 Goals and Objectives

- Upgrade of accounting software to achieve enhanced reporting and streamline data input

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	308,822	321,671	331,500	9,829
Supplies & Materials	5,716	6,300	5,800	(500)
Other Services & Charges	53,606	64,354	57,127	(7,227)
Capital Outlay				
Debt Service				
Transfer to Funds	1,237,702	324,450	250,000	(74,450)
To Reserves		603,220	40,000	(563,220)
Total	1,605,846	1,319,995	684,427	(635,568)

2007 Budget Impact Items

- Personnel costs include 2% cost of living allowance and 1% merit increase

2005/2006 Achievements

- Received the GFOA Award for Excellence in Financial reporting for the 23rd consecutive year
- Received the GFOA Distinguished Budget Presentation Award for the 2nd consecutive year

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 contractual 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.

2007 Goals and Objectives

- Provides the City with quality legal services in order to minimize exposure to litigation

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	297,640	309,400	332,380	22,980
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	297,640	309,400	332,380	22,980

2007 Budget Impact Items

- Increased 7% over the previous years level due to increased personnel and operating costs

2005/2006 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, safety and administers the payroll programs.

2007 Goals and Objectives

- Implement new Safety Manual
- Review and update city wide policies and procedures
- Due to anticipated retirements, recruit & hire for key city positions
- Develop a city wide wellness program to assist in decreasing health insurance costs
- Develop, implement and maintain variety of training programs
- Implement city wide intranet on web for city employees for human resources related information and on-line forms

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	175,307	186,762	191,514	4,752
Supplies & Materials	7,057	9,500	9,500	
Other Services & Charges	66,113	77,645	74,779	(2,866)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	248,478	273,907	275,793	1,886

2007 Budget Impact Items

- Personnel costs include 2% cost of living allowance and 1% merit increase

2005/2006 Achievements

- Installed a payroll/human resources software package
- Implement payroll reporting call in system
- Recruited and hired key positions, Police Chief and Economic Development Planner
- Establish a city wide Performance Evaluation System

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.

2007 Goals and Objectives

- Continue ongoing communications with bargaining units

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	32,325	31,928	31,928	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	32,325	31,928	31,928	

2007 Budget Impact Items

- Maintained 2006 funding levels for 2007

2005/2006 Achievements

- Settled 3 year labor contracts with AFSCME and Police Supervisors bargaining units

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.

2007 Goals and Objectives

- Increase library program offerings to meet changing needs of residents.
- Increase attendance at library programs by 25%
- Offer access to new and emerging technologies for residents

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	38,591	40,977	42,326	1,349
Supplies & Materials	2,553	4,850	5,107	257
Other Services & Charges	657,364	680,361	700,659	20,298
Capital Outlay			18,000	18,000
Debt Service	1,539	1,470	1,395	(75)
Transfer to Funds				
To Reserves				
Total	700,048	727,658	767,487	39,829

2007 Budget Impact Items

- Personnel costs include 2% cost of living allowance and 1% merit increase
- Rising fuel costs increase heating and cooling costs
- Aging building increases maintenance costs

2005/2006 Achievements

- Offered movie showings under a license purchased by Friends of the Library
- Participated in Downtown River Arts celebrations during summer and other Moorhead Recreation events
- Children's area of the library received new beanbag chairs, animal floor cushions, floor rockers, and a fish aquarium donated and maintained by the Red River Valley Aquarium Club.
- Provided classes in computer-related topics, genealogy, and much more
- New record set for Summer Reading Program (over 1100 children)
- Rearranged public service desks for increased service and efficiencies
- Offered a new Express! Service for high demand best sellers

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.

2007 Goals and Objectives

- Enhance E-government services
- Custom connector software for current systems
- Increase portal development
- Corporate communication planning and reengineering

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	327,009	322,335	340,415	18,080
Supplies & Materials	32,993	26,400	22,800	(3,600)
Other Services & Charges	436,483	200,495	246,030	45,535
Capital Outlay		221,000	86,000	(135,000)
Debt Service				
Transfer to Funds				
To Reserves				
Total	796,486	770,230	695,245	(74,985)

2007 Budget Impact Items

- Personnel costs include 2% cost of living allowance and 1% merit increase
- Significantly less capital replacements for 2007

2005/2006 Achievements

- Network infrastructure upgrade
- Voice over internet presence research and implementation
- New payroll and timecard system and software
- Computer Aided Mass Appraisal (CAMA) and Land Development Office design and 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.

2007 Goals and Objectives

- N/A

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	30,145	38,000	38,000	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	30,145	38,000	38,000	

2007 Budget Impact Items

- Maintained 2006 funding level

2005/2006 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.

2007 Goals and Objectives

- Begin construction of the 34th St/I-94 Interchange Project and the SE Main Ave/20th St/21st St Railroad Grade Separation Project
- Complete construction of 5.25 miles of new minor arterial and collector streets
- Complete reconstruction/rehab of 4.5 miles of existing streets
- Install emergency vehicle preemption on all City traffic signals
- Complete the 20th St/TH 75 Corridor Study
- Complete parkway master planning and construction of the 40th Ave S ditch extension

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	713,484	820,966	896,858	75,892
Supplies & Materials	21,296	35,157	30,400	(4,757)
Other Services & Charges	210,226	220,670	233,867	13,197
Capital Outlay	15,846	24,500		(24,500)
Debt Service				
Transfer to Funds				
To Reserves				
Total	960,851	1,101,293	1,161,125	59,832

2007 Budget Impact Items

- Personnel costs include 2% cost of living allowance and 1% merit increase
- Fuel price increases

2005/2006 Achievements

- Completed infrastructure for over 487 acres of new development
- Completed the Downtown Rail Safety Project
- Completed a 5-yr transportation capital improvement plan and assessment policy revisions
- Completed environmental assessments for the SE Main Ave/20th St/21st St Railroad Grade Separation Project and 34th St/I-94 Interchange Project
- Installed traffic signals at TH 75/40th Ave S and 34th St/12th Ave S
- Implemented new traffic signal timing plans along 1st Ave N, Center Ave, and Main Ave.
- Completed construction of 3.7 miles of new minor arterial and collector streets
- Completed reconstruction/rehabilitation of 9.0 miles of streets
- Completed the TH 336/12th Ave S Corridor Study

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.

2007 Goals and Objectives

- Coordinate with local jurisdictions and regulatory agencies on the Fargo-Moorhead Fecal Coliform and Regional Turbidity TMDL Studies.
- Continue coordination on Phase 2 of the USACE Fargo-Moorhead & Upstream Feasibility Study to evaluate flood protection.
- Implement revised rate structure based on impervious area.
- Complete storm sewer rehabilitation project on 24th Ave S (11th to 14th St).
- Develop a stormwater pollution prevention program for City operations

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	150,065	187,616	199,165	11,549
Supplies & Materials	10,277	11,700	15,498	3,798
Other Services & Charges	554,280	565,870	554,251	(11,619)
Capital Outlay		195,000	80,000	(115,000)
Debt Service				
Transfer to Funds	97,069	98,150	98,250	100
To Reserves				
Total	811,691	1,058,336	947,164	(111,172)

2007 Budget Impact Items

- Rate increase of \$0.10 per month for all users
- Personnel costs include 2% cost of living allowance and 1% merit increase
- Major pump repair at one storm lift station

2005/2006 Achievements

- Adopted stormwater ordinances to achieve compliance with MS4 permit requirements
- Conducted education for developers, homebuilders, contractors, students, and the public
- Coordinated with local jurisdictions and regulatory agencies to complete the Fargo-Moorhead Turbidity TMDL Study
- Completed a preliminary master plan for future expanded service area
- Completed Phase 1 of the USACE Fargo-Moorhead & Upstream Feasibility Study to evaluate flood protection
- Completed major pump repairs at two storm lift stations
- Initiated stormwater permitting and compliance activities for construction sites
- Coordinated with local jurisdictions on strategies, information sharing, and equity in the management of stormwater requirements

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.

2007 Goals and Objectives

- Begin construction of the solids improvement project at the WWTF.
- Complete rehabilitation of a 30-inch sanitary sewer interceptor on 9th St (1st to 5th Ave N).
- Develop a mercury minimization plan.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	835,917	908,541	945,245	36,704
Supplies & Materials	265,208	266,162	356,734	90,572
Other Services & Charges	2,397,998	1,683,503	1,947,272	263,769
Capital Outlay		185,000	10,000	(175,000)
Debt Service	876,672	1,907,100	1,901,643	(5,457)
Transfer to Funds	230,388	323,800	270,000	(53,800)
To Reserves				
Total	4,606,182	5,274,106	5,430,894	156,788

2007 Budget Impact Items

- 3% programmed rate increase (sanitary sewer interceptor and WWTF head works projects)
- Personnel costs include 2% cost of living allowance and 1% merit increase
- Rehabilitation of a 30-inch sanitary sewer interceptor on 9th St (1st to 5th Ave N)
- Fuel/natural gas cost increases.

2005/2006 Achievements

- Completed the three-year sanitary sewer interceptor and WWTF head works improvements
- Completed preliminary master plan for future expanded service area
- Negotiated a new/re-issued NPDES permit for the WWTF (no phosphorus limits)
- Completed a long-range facility plan and design of solids improvements for the WWTF
- Relocated/reconstructed Sanitary Lift Station #18 (to the 100 Acre Park)
- Received MPCA Commendation for Operation and Maintenance of the WWTF

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.)

2007 Goals and Objectives

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

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	20,165			
Capital Outlay	844,161	98,500	98,500	
Debt Service	9,779,308	5,291,356	6,683,412	1,392,056
Transfer to Funds	117,610	180,461	204,000	23,539
To Reserves		324,800	1,097,140	772,340
Total	10,761,244	5,895,117	8,083,052	2,187,935

2007 Budget Impact Items

- Increase in annual debt service requirements due mainly to the issuance of improvement bond debt

2005/2006 Achievements

- Maintained Moody's Investors Service rating of A2

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.

2007 Goals and Objectives

- Continue to make Tax Increment Financing available to stimulate development and/or redevelopment of property within the City

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	443,485	9,600	11,900	2,300
Capital Outlay	1,321,852			
Debt Service	1,842,696	2,129,687	1,820,650	(309,037)
Transfer to Funds	887,755	890,000	740,000	(150,000)
To Reserves		206,280	562,460	356,180
Total	4,495,788	3,235,567	3,135,010	(100,557)

2007 Budget Impact Items

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

2005/2006 Achievements

- Decertified Old Armory Tax Increment District.
- Created the following Tax Increment Districts in 2005/2006:
 - Easten Townhomes
 - Steeple Court Condominiums
 - Main Avenue Plaza
 - 1st Avenue North

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.

2007 Goals and Objectives

- N/A

Budget Category	2005 Actual	2006 Budget	2007 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	

2007 Budget Impact Items

- No levy required for 2007

2005/2006 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.

2007 Goals and Objectives

- Provide quality programming and public access to residents of the city
- Continue to serve the community needs with the newest video and computer equipment as well as experienced personnel
- Begin broadcasting Clay County Commission meetings in the Fall of 2006 on a tape-delayed basis and then going to live broadcasts sometime in 2007

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	2,538	3,000	2,990	(10)
Other Services & Charges	35,386	49,295	50,296	1,001
Capital Outlay	22,567	1,750	3,350	1,600
Debt Service				
Transfer to Funds				
To Reserves				
Total	60,491	54,045	56,636	2,591

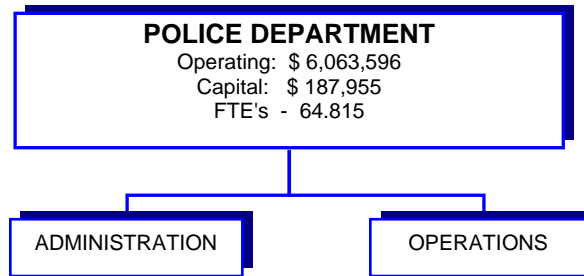
2007 Budget Impact Items

- City funding was increased 3% over 2006 levels

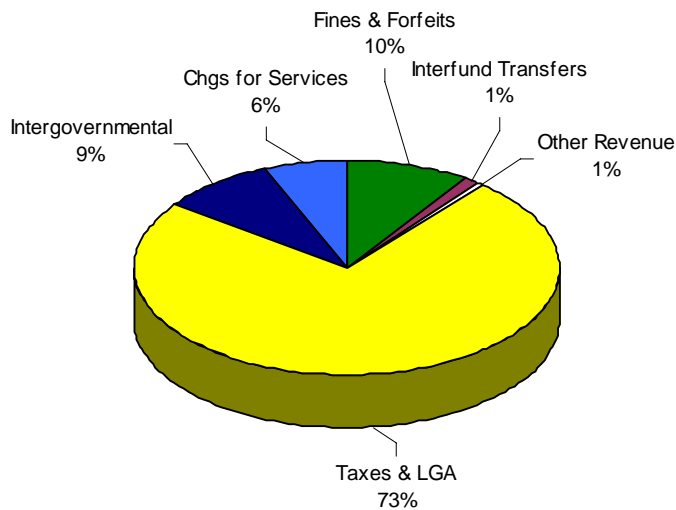
2005/2006 Achievements

- MCAT personnel worked with Moorhead High School classes in an advisory capacity during the '05-'06 school year
- Carried approximately forty hours per week of live broadcasts from the Minnesota Legislature during the 2006 session and expect to continue that service again during the 2007 Legislative session
- Worked with several outside agencies in 2005 to create original, community-based programming such as the 2005 Human Rights Award Ceremony, the League of Women Voters Candidate Forums, and local Issues Forum

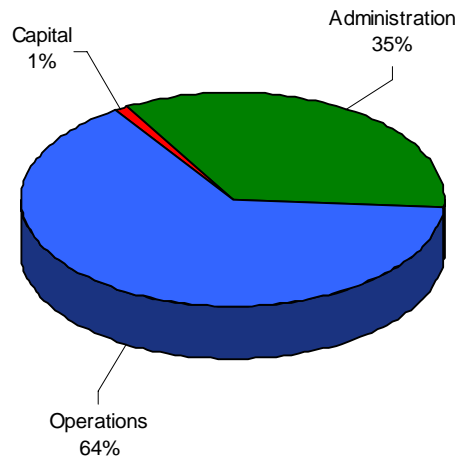
Police Department



FINANCING PLAN



PROGRAM ALLOCATION



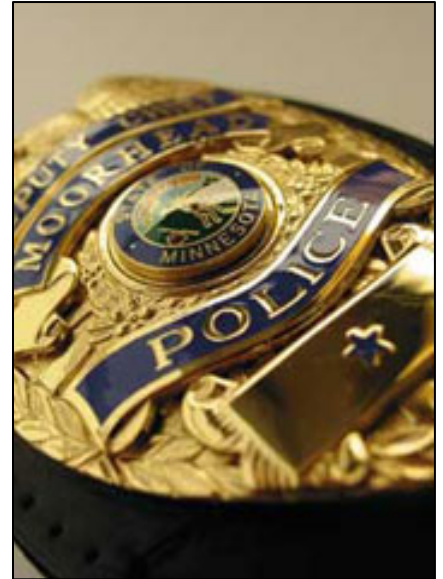
MISSION STATEMENT – The mission of the Moorhead Police Department is to maintain peace and order through the provision of police services that are of the highest quality and responsive to the needs of the community. We will contribute to the safety and security of the community by apprehending those 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.

- Placement of gang investigator
- Successful major crime investigation and prosecution
- New K-9 team activated
- Retirements - Chief of Police, Deputy Chief, and Officer Manager
- Hiring of Chief of Police
- Reorganization of Command Staff



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 departments will face.

- Prompt response to calls for service from the public
- Department space requirements
- Community growth and development
- Continuing policy review regarding impartial policing
- Adjustment to new administration
- Recruitment and retention of quality applicants



Police Department

HIGHLIGHTED PROGRAM: YOUTH & FAMILY SERVICES

Youth and Family Services (YFS) consists of five employees with three officers, one civilian, and a lieutenant who supervises the unit. Two of the officers are trained School Resource Officers (SRO). One SRO is assigned to Moorhead High School and the other SRO is assigned to Horizon Middle School. SRO's are responsible for investigating criminal complaints that occur on or around school property. The SRO will also assist school administrators with public safety issues and crisis planning. The SRO's work closely with social services, school counselors, and families to provide police services to youth in need at any of the Moorhead Schools. The SRO's are very approachable and serve as excellent role models in the school setting.



A Youth Educational Officer is responsible for teaching the Drug Abuse Resistance Education (DARE) and Gang Resistance Education and Training (GREAT) curriculums to grades 4-8. The Moorhead DARE Program began in the fall of 1990 and has been recognized nationally for its consistent success, which is currently stronger than ever. The DARE program is highly visible with a new Chevy SSR complete with DARE logos and functional emergency lights. The funding for the new Chevy SSR came from DUI Seizures. The youth educational officer is responsible for delivering the DARE core curriculum to Moorhead 5th graders and the junior high curriculum to the 7th grade. Students are first introduced to DARE in the 4th grade through a visitation.

Along with the DARE program, the Youth Educational Officer will facilitate the GREAT curriculum. The SRO at Horizon Middle School will assist in delivering the curriculum to the 6th grade students. A GREAT Summer Camp is offered to selected high-risk behavior students. The summer component teaches respect, and ways to avoid behaviors that lead kids to violence.

The Youth Coordinator is a civilian employee who supervises youth that have been sentenced to community services work for offenses committed in Moorhead. In 2005, juvenile offenders performed 2,192 hours of community services. The Youth Coordinator also serves as a liaison between the Moorhead Police Department and the Red River Alternative Learning Center; teaches Red Flag Green Flag to 2nd grade students at Robert Asp Elementary; teaches a Personal and Business Law class to students at Moorhead High; and makes several presentations to students at Horizon Middle School about Youth Intervention.

The YFS team is honored to serve the community of Moorhead. We believe the work we do with the juveniles of Moorhead will help build a stronger community for all in the future. Children are approximately one third of our population but are one hundred percent of our future.

Police Department

2006 – 2007 BUDGET COMPARISON

	<u>2006 BUDGET</u>	<u>2007 BUDGET</u>	<u>INCREASE (DECREASE)</u>
<u>Administrative Division:</u>			
Administration	1,458,877	1,531,936	73,059
Community Service	153,007	161,289	8,282
Grant Funded Activities	353,952	208,131	(145,821)
Radio	495,160	257,141	(238,019)
	<u>2,460,996</u>	<u>2,158,497</u>	<u>(302,499)</u>
<u>Operations Division:</u>			
Community Policing	55,164	115,973	60,809
Investigative	626,349	693,398	67,049
Patrol	2,702,381	3,039,922	337,541
DARE	74,138	77,864	3,726
Youth Services	61,776	65,252	3,476
Bike Patrol	3,920	4,920	1,000
Tactical	13,270	13,050	(220)
K-9	17,375	14,720	(2,655)
	<u>3,554,373</u>	<u>4,025,099</u>	<u>470,726</u>
<u>Capital: *</u>			
Capital Improvements	114,936	67,955	(46,981)
Total Police Department	<u>\$ 6,130,305</u>	<u>\$ 6,251,551</u>	<u>\$ 121,246</u>

* See Capital Improvement Fund detail on page 41.

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.

2007 Goals and Objectives

- Continued transition of new management team
- Policy review and update

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	484,911	560,448	561,131	683
Supplies & Materials	100,814	99,030	108,810	9,780
Other Services & Charges	937,264	799,399	861,995	62,596
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,522,989	1,458,877	1,531,936	73,059

2007 Budget Impact Items

- In-house parking ticket system
- Added staff for dictation and evidence management
- Hiring of a regional radio system coordinator

2005/2006 Achievements

- Replacement of Police Chief
- Lt. Nielsen graduated from the Southern Police Institute Administrative Officers course and was named to the Dean's list

Police Department

Administrative Division

Community Service

Program Description

Community Service Officer (CSO) employees provide parking enforcement and animal control service calls, freeing police officers for law enforcement issues.

2007 Goals and Objectives

- Create awareness among college students of parking restrictions around the campuses and the City of Moorhead.
- Work with the committee to review, revise and update policy and procedure for animal control.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	84,686	86,703	89,196	2,493
Supplies & Materials	7,195	9,800	15,940	6,140
Other Services & Charges	52,393	56,504	56,153	(351)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	144,274	153,007	161,289	8,282

2007 Budget Impact Items

- Possible realization of a multiple joint venture with the FM Humane Society for an Animal Shelter

2005/2006 Achievements

- Assist with the 2006 Spring Auction which realized net proceeds of \$98,000
- Move Community Service Officer staff to the Law Enforcement Center and utilize the Centennial buildings for storage of records, property, and evidence

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 handling of investigations and calls for service within the school, acting as an advisor to school administrators on public safety issues, assisting with the teaching of the GREAT and DARE programs and interacting with students to provide a positive police role model.

2007 Goals and Objectives

- Continue the professional relationship between the schools and the department.
- Work with faculty, staff and students to familiarize all with lock down procedures for Moorhead Schools.
- Secure available federal funding to enhance security features at Moorhead High School and Horizon Middle School.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	136,427	135,057		(135,057)
Supplies & Materials	2,079	14,555		(14,555)
Other Services & Charges	3,440	6,950		(6,950)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	141,946	156,562		(156,562)

2007 Budget Impact Items

- Assumed the funding for both SRO positions. The COPS grant has expired and the COPS office has no future plans for additional funding.

2005/2006 Achievements

- Developed written "lock down" procedures for all schools in the Moorhead District
- Worked with faculty and staff to walk through the emergency policy
- Facilitated training of all officers within the department in an active shooter situation at Horizon Middle School
- Assisted Investigative officers with major child sexual assault and child pornography 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.

2007 Goals and Objectives

- 100 arrests
- 80 search warrants
- 10 educational talks

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	62,431	75,466	86,499	11,033
Supplies & Materials	770	2,988	3,048	60
Other Services & Charges	37,070	43,078	42,136	(942)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	100,271	121,532	131,683	10,151

2007 Budget Impact Items

- Byrne Grant funding

2005/2006 Achievements

- 43 % of all arrests charged in Federal Court
- 100 % of all arrests are felonies
- In federal cases average sentencing is 9 years in prison
- 3 convictions resulting in life imprisonment sentences

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.

2007 Goals and Objectives

- Summer Youth Program to be administered by the Youth Services Coordinator rather than an SRO. SRO's will still be mentors for the Summer Youth Program.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	1,862	4,580		(4,580)
Supplies & Materials	13,520	12,210		(12,210)
Other Services & Charges	6,458	19,050		(19,050)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	21,840	35,840		(35,840)

2007 Budget Impact Items

- Continued support from the State of Minnesota to partially fund through the use of grants

2005/2006 Achievements

- Awarded a \$50,512 Youth Intervention Program grant from the Minnesota Department of Public Safety to continue the Youth Intervention Program

Police Department

Administrative Division

Grant – Gang Strike Force

Program Description

This grant from the State of Minnesota Office of Justice Programs is to fund a position dedicated to gang and gang related narcotics investigation.

2007 Goals and Objectives

- Establish and update gang intelligence system for law enforcement in the Moorhead Metro area.
- Train street officers in identifying and reacting to suspected gang activity.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits			70,073	70,073
Supplies & Materials			3,000	3,000
Other Services & Charges			3,375	3,375
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total			76,448	76,448

2007 Budget Impact Items

- Grant award is \$50,000 with no direct match requirement, however, federal seizure amounts will be used to fully fund this position.

2005/2006 Achievements

- N/A

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.

2007 Goals and Objectives

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

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	1,862	4,580		(4,580)
Supplies & Materials	13,520	12,210		(12,210)
Other Services & Charges	6,458	19,050		(19,050)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	21,840	35,840		(35,840)

2007 Budget Impact Items

- These grants will be included in the 2007 budget when notification is received that the grant has been awarded.

2005/2006 Achievements

- N/A

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 services other non-city agencies. Expenses are funded through an internal service fund.

2007 Goals and Objectives

- Complete Construction and Deployment of Regional Police and Fire Interoperable Communications Network (Fargo Police and Fire, Cass and Clay County systems)
- Expansion of Mobile Data Computer 700 MHz Radio Network

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	4,177	8,000	12,000	4,000
Other Services & Charges	137,670	67,160	67,475	315
Capital Outlay		420,000	120,000	(300,000)
Debt Service				
Transfer to Funds				
To Reserves			57,666	57,666
Total	141,846	495,160	257,141	(238,019)

2007 Budget Impact Items

- Installation of additional high speed radio systems for Mobile Data System
- Explore additional technologies for enhancing Mobile Data Computers
- Improve Low Light capabilities of Digital Video Recorders in Police Patrol Vehicles

2006 Achievements

- Completed Digital Video Recording Upgrade for Police Patrol Division
- Completed installation of Interoperable Digital Radio Systems for Police and Fire
- Completed Installation of first 700 MHz Mobile Data Computer Radio System
- Completed Installation of Automatic Vehicle Location System for Police Patrol Vehicles
- Hired Regional Radio Systems Coordinator for Red River Regional Dispatch Center

Police Department

Operations 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.

2007 Goals and Objectives

- Collaborate with Minnesota State University Moorhead, Concordia College, and Minnesota State Community & Technical College to accomplish the following goals as outlined in the grant: "Moorhead Together", A Tri-Campus/Community Collaboration to Reduce Heavy Episodic (Binge) Drinking of Moorhead College Students:
 - Enhance student and parent awareness of alcohol policies and penalties.
 - Increase enforcement of minimum age drinking laws.
 - Decrease the climate of tolerance for problem behaviors.
 - Reduce by 50% the incidents of disorderly behavior by college students
- Continue to expand community awareness of MPD activities by updating the MPD website and increasing the number of on-line services available.
- Increase the number of MPD volunteers to 25 using various recruitment methods.
- Educate 70-100 landlords in the concepts of the Crime Free Multi-Housing Program.
- Increase National Night Out participation by involving other agencies and businesses.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	88,371	43,446	94,499	51,053
Supplies & Materials	7,355	4,700	8,958	4,258
Other Services & Charges	13,615	7,018	12,516	5,498
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	109,342	55,164	115,973	60,809

2007 Budget Impact Items

- Personnel costs include 2% cost of living allowance and 1% merit increase

2005/2006 Achievements

- Increased collaboration with local colleges to address underage alcohol use
- Trained 44 landlords in the concepts of the MN Crime Free Multi-Housing Program
- Increased participation in National Night Out by 11 neighborhoods
- Increased distribution of Crime Email to over 400 email addresses
- Recruited six new volunteers and expanded the roles of volunteers in the department.

Police Department

Operations 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 cases which originated in Patrol, who are the first responders to all reported crimes.

2007 Goals and Objectives

- Improve video surveillance technologies with wireless systems to provide for improved officer and informant safety and allow for a “put a jury in the room” situation by watching rather than only listening to testimony
- Research financial crimes and analyze how law enforcement works with victims, merchants, banks, and collection agencies. Put planning in place to bring all the entities together to streamline our efforts in pursuing these types of offenders

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	562,343	549,333	606,859	57,526
Supplies & Materials	16,051	15,330	23,557	8,227
Other Services & Charges	58,559	61,686	62,982	1,296
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	636,952	626,349	693,398	67,049

2007 Budget Impact Items

- Personnel costs include 2% cost of living allowance and 1% merit increase
- Increased fuel costs

2005/2006 Achievements

- Using Personal Digital Assistants for scheduling, email and recording statements
- Added digital video recorder to the interview room
- Increased personnel and emphasis on the enforcement of narcotics crimes and will continue in the coming year
- Entered into several new cooperative agreements in effort to maximize our resources. The Red River Children’s Advocacy Center brings into one place, law enforcement, medical care, social services, and counseling services for child crime victims
- Added a new Gang Officer under a grant from the State of Minnesota who works on identifying and tracking gang members and their association with narcotics trafficking

Police Department

Operations 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, providing traffic enforcement and responding to calls for emergency service.

2007 Goals and Objectives

- Full staffing
- Deterring underage alcohol abuse
- Traffic Safety
- Facilitate livability of neighborhoods

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	2,250,870	2,302,118	2,585,287	283,169
Supplies & Materials	74,557	70,200	115,150	44,950
Other Services & Charges	263,369	330,063	339,485	9,422
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	2,588,797	2,702,381	3,039,922	337,541

2007 Budget Impact Items

- Increased fuel costs
- 35% Increase in overtime

2005/2006 Achievements

- Full compliment of Field Training Officers
- Conversion to in squad digital video with automatic downloading
- Transition from shotguns to squad rifles
- 35% increase in the number of traffic enforcement actions taken by patrol officers.
- Handled 22,996 calls for service beyond our enforcement action

Police Department

Operations 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.

2007 Goals and Objectives

- Deliver core curriculum to all 5th grade students in Moorhead.
- Supplement the core training with DARE middle school courses in the 7th grade.
- Make visitations in the early grades to introduce DARE officers to young students.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	28,021	63,712	68,475	4,763
Supplies & Materials	5,453	3,058	4,530	1,472
Other Services & Charges	6,264	7,368	4,859	(2,509)
Capital Outlay	34,536			
Debt Service				
Transfer to Funds				
To Reserves				
Total	74,273	74,138	77,864	3,726

2007 Budget Impact Items

- Maintain funding for program.

2005/2006 Achievements

- Successful graduation of 500 5th Grade students.
- Officer Swenson was chosen to be a DARE Mentor Officer for the State of Minnesota.
- Purchase of a 2005 Chevy SSR for the DARE Program. Funding was from the DUI Seizure account.

Police Department

Operations Division

Youth Services

Program Description

The Youth services program works with youth in the areas of youth intervention and prevention in our community. This position supervises youth who 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, serves as a liaison between the police department and Red River Alternative Learning Center, provides presentations to students on the Red Flag Green Flag protection program at the elementary level and provides presentations to Personal and Business Law students at the high school level. This program also participates in the Summer Youth Program.

2007 Goals and Objectives

- Expansion of Red Flag Green Flag to all second grade elementary students in Moorhead.
- Improved security and students services at Red River Alternative Learning Center.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	55,526	57,934	59,834	1,900
Supplies & Materials	1,784	1,500	1,545	45
Other Services & Charges	2,216	2,342	3,873	1,531
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	59,526	61,776	65,252	3,476

2007 Budget Impact Items

- Continued support from the State of Minnesota to partially fund through the use of grants.

2005/2006 Achievements

- 106 second grade students participated in Red Flag Green Flag at Robert Asp Elementary
- 5 cases referred to the Juvenile Restitution Offender Program for a total of 385 hours, 248 hours completed for a 65% completion rate.
- 106 cases referred to the Community Service Program for a total of 2,403 hours, 2,192 hours completed for a 92% completion rate.

Police Department

Operations 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. The Moorhead Police Bike Patrol Program continues to be an integral portion of the department's commitment to community oriented policing. Officer's patrolling on bikes provide a desired "one on one" contact with the members of our community. Citizens find Officers on bikes to be more approachable, and thus interact freely with them enhancing our community partnership.

2007 Goals and Objectives

- Fully staffed bike program (15 Officers)
- Address neighborhood concerns more aggressively with added staff.
- Become an integral portion of the underage drinking enforcement program with local colleges. Due to shortage of trained officers, this has not been possible for the past couple years but will be by 2007.
- Have all uniforms for bike officers updated with higher visibility, more comfortable riding gear that looks professional.
- Begin replacing bikes that are over 8 years old.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	2,328	2,500	3,000	500
Other Services & Charges	1,017	1,420	1,920	500
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	3,345	3,920	4,920	1,000

2007 Budget Impact Items

- Replacement of 5 bikes

2005/2006 Achievements

- The bike patrol program now has a certified police mountain bike instructor which will allow for conducting classes on a "need be" basis for filling vacancies in the program.

Police Department

Operations 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. This team includes members from Cass & Clay County Sherriff's Department and Moorhead, Fargo and West Fargo Police Departments. The SWAT Command oversees the team, the medics, the negotiators, and the bomb squad.

2007 Goals and Objectives

- Convert from MP5 entry weapon systems, currently used by the team to M4/M16/AR15 entry weapons due to the manufacturer stoppage of production.
- Replace negotiator truck.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	230			
Other Services & Charges	12,524	13,270	13,050	(220)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	12,753	13,270	13,050	(220)

2007 Budget Impact Items

- The SWAT Team budget is based on the Metro COG formula for Cass and Clay County, and Fargo, Moorhead and West Fargo Police Departments.

2005/2006 Achievements

- The Amber Valley Parkway incident was chosen by Special Operations Training Association to be presented at the annual conference in 2006
- The SWAT team moved into a new headquarters co-located with a Fargo fire station in the Fargo industrial park.
- The team made a successful transition in command due to rotation of assignments
- The team hosts an annual Basic SWAT School in May taught by team members which provides training for newcomers and also helps raise some funds that offset costs of the team. This year, there were participants from Western North Dakota to Central Minnesota.

Police Department

Operations 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 department resources. Highly skilled and trained K-9 teams have evolved from this program and are used to supplement police operations.

2007 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 and by participating in Community Policing events

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	2,651	4,000	4,120	120
Other Services & Charges	1,199	13,375	10,600	(2,775)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	3,851	17,375	14,720	(2,655)

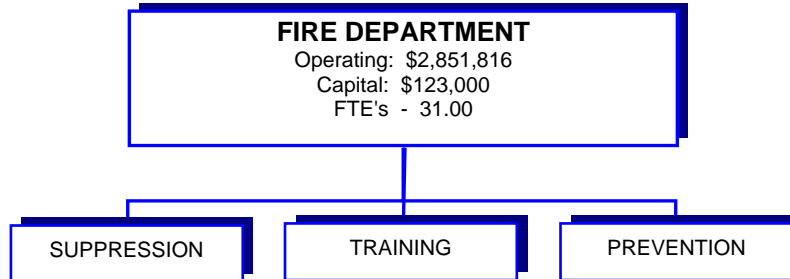
2007 Budget Impact Items

- Training for two teams for Trials, Spring Retraining in St. Paul, Narcotics Recertification, Tracking Recertification.

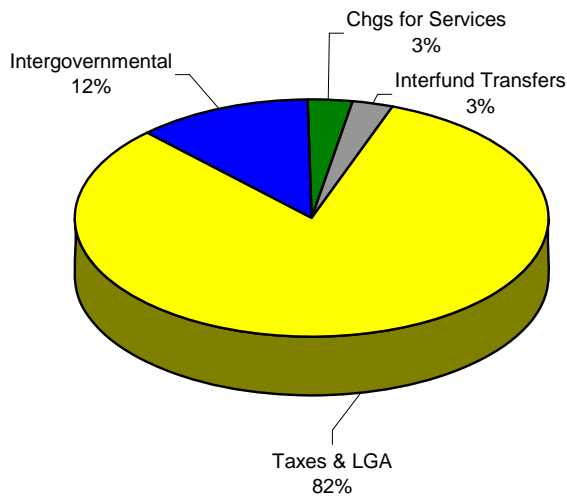
2005/2006 Achievements

- Addition of new canine team
- Officer and K9 graduated from Basic Canine School at St. Paul, MN and passed PD1 certification
- K9 team finished 3rd in the agility portion of Trials and 8th overall out of 80 teams. As a result, the team was invited to attend the National Canine Trials.
- K9 team certified in PD2 Tracking

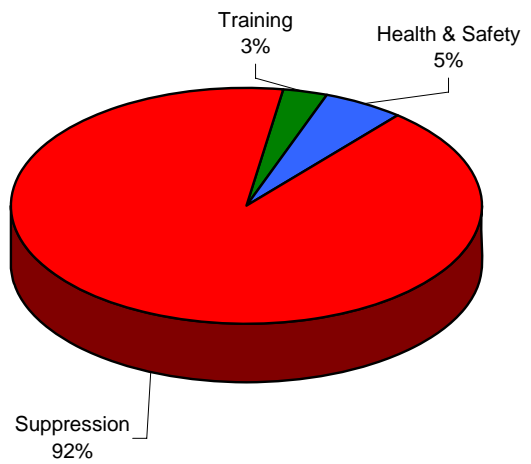
Fire Department



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 with existing personnel limitations and resourceful budgeting.

Highlights from FY 2006 include:

- New mobile and portable radios have been installed. Each seated position on the apparatus now have a radio for each firefighter which complies with NFPA Health & Safety Standard 1500
- Placed two new pumping engines in service
- Conducted a Citizens Fire Academy
- Initiated Pre-Fire Planning
- Completed the Strategic Planning Process
- Conducted over 3,000 Rental Housing Inspections
- Submitted application for three firefighters through the SAFER Federal Grant program
- Submitted application for a new SCBA air filling compressor through the FEMA Firefighters Assistance Grant process
- Conducted Leadership Training with nationally recognized instructor



Highlights for FY 2007:

The department will work with City Council and the City Manager to implement strategies identified by the Strategic Planning Process. In addition, we will look at reorganizing the leadership structure in redefining daily supervision, global department planning, and department projects. This will prepare us for department expansion, and will better utilize our existing personnel in realizing their talents and abilities to improve our department.



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:

- Maintaining quality Fire & Safety Services with City growth
- Creating a Heart Safer Community
- Construction of an additional station house
- Updating and implementation of findings in the Strategic Planning Process
- Developing leadership skills and abilities in current and future department leaders



*Fire Department***HIGHLIGHTED PROGRAM: HONOR GUARD**

In 2005, eleven members of the Fire Department volunteered for the Moorhead Fire Department Honor Guard. These individuals practice four hours quarterly, and their training includes defining policy, practicing turns, movements, and marching, funeral detail, and colors presentation. The members of the Honor Guard donate their time to practice and perform their duties for fallen firefighters and for civic events.

The Honor Guard proudly represents the Fire Department and the City of Moorhead. They have participated in recent events including a City Council Meeting, the Moorhead High School Homecoming football game, City Council Recognition of Sgt. Greg Levendowski, Greater Minnesota's Annual Meeting and provided funeral details for Chief Martin Soeth and Detroit Lakes Fire Department Deputy Chief Dale Nois.

Moorhead Fire Department Honor Guard Members:

Joel Hewitt
Steve LaFlamme
Rob Kari
Jeff Wallin

Jason Dewar
Rich Duysen
Nick Anderson*
Rich Eggert*

Dean Bloch*
Bert McDonough*
Eric Berg*

*Not Pictured



*Fire Department***2006 – 2007 BUDGET COMPARISON**

	<u>2006 BUDGET</u>	<u>2007 BUDGET</u>	<u>INCREASE (DECREASE)</u>
<u>Suppression Division:</u>			
Fire Protection	2,234,743	2,374,088	139,345
ND HazMat	10,000	10,000	-
Grant Funded Activities	373,155	266,102	(107,053)
	<u>2,617,898</u>	<u>2,650,190</u>	<u>32,292</u>
<u>Training Division:</u>			
Fire Training	79,883	91,621	11,738
<u>Prevention Division:</u>			
Fire Prevention	138,282	151,255	12,973
Civil Defense	6,000	6,000	-
	<u>144,282</u>	<u>157,255</u>	<u>12,973</u>
<u>Capital: *</u>			
Capital Improvements	15,000	75,750	60,750
Total Fire Department Budget	<u>\$ 2,857,063</u>	<u>\$ 2,974,816</u>	<u>\$ 117,753</u>

* See Capital Improvement Fund detail on page 41.

Fire Department

Suppression Division

Fire Protection

Program Description

The Suppression Division is staffed with 27 personnel divided into three shifts to provide 24 hour continuous coverage. Each shift consists of seven Firefighters, a Lieutenant and an Assistant Chief. The Department has two additional Assistant Chiefs on staff; one assigned as the Fire Marshal and one assigned as Training Director. The Department is lead by the Fire Chief. There is one Administrative Assistant to assist the Fire Chief. The division responds to approximately 2,500 calls annually for services in suppression, EMS, rescue, and Hazardous Materials.

2007 Goals and Objectives

- Implement findings from the Strategic Plan
- Reorganize Department Command Officer Structure
- Add three Firefighters through SAFER Grant process

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	1,775,664	1,794,772	1,907,348	112,576
Supplies & Materials	33,784	44,025	49,725	5,700
Other Services & Charges	288,614	395,946	417,015	21,069
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	2,098,062	2,234,743	2,374,088	139,345

2007 Budget Impact Items

- Reorganizing Command Officer Structure
- The replacement of a breathing air compressor
- The addition of three Firefighters

2005/2006 Achievements

- The development of a Strategic Plan
- Delivery of two new engines

Fire Department

Suppression Division

ND HazMat

Program Description

Moorhead partners with the Fargo Fire Department to staff a Hazardous Materials Team which serves Fargo-Moorhead and Cass County in North Dakota.

2007 Goals and Objectives

- Continue coordination with Red River Valley SWAT and Cass County Bomb Squad

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	6,732		1,500	1,500
Supplies & Materials	8,893	3,000	3,520	520
Other Services & Charges	16,148	7,000	4,980	(2,020)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	31,773	10,000	10,000	

2007 Budget Impact Items

- None

2005/2006 Achievements

- Continued joint training and operations
- Invested in modern detection equipment

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, but our response could include any location in the state if called upon.

2007 Goals and Objectives

- Increase coordination with Cass and Clay County Emergency Management
- Participate in multiple “mock scenario” drills

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	12,240	16,800	16,800	
Supplies & Materials	2,961	6,400	5,953	(447)
Other Services & Charges	23,947	21,800	22,247	447
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	39,148	45,000	45,000	

2007 Budget Impact Items

- Continued support from the State of Minnesota grant funds

2005/2006 Achievements

- Federal terrorist training
- Maintained skills through drills
- Worked with other local communities

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.

2007 Goals and Objectives

- Addition of Three Firefighters through the FEMA SAFER Grant

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits		163,675	168,602	4,927
Supplies & Materials				
Other Services & Charges				
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total		163,675	168,602	4,927

2007 Budget Impact Items

- This grant requires a 5-year commitment during which time the grant funding annually decreases.
- The initial year covers 90% of the wages and benefits up to a maximum of \$36,000 per firefighter.
- There was \$12,000 included within the 2006 capital improvements budget which will be carried forward into 2007 to provide gear for these additional firefighters

2005/2006 Achievements

- Applied but was not awarded this grant in 2006

Fire Department

Suppression Division

Other Grant Funded Activities

Program Description

This section of the 2007 budget reflects other grants to help ensure the safety of our firefighters as well as enhance public safety activities.

2007 Goals and Objectives

- 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.
- Continue to seek other grant opportunities

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits		3,000		(3,000)
Supplies & Materials	99,541	95,500		(95,500)
Other Services & Charges	192	65,980		(65,980)
Capital Outlay			52,500	52,500
Debt Service				
Transfer to Funds				
To Reserves				
Total	99,733	164,480	52,500	(111,980)

2007 Budget Impact Items

- Use of a FEMA Assistance to Firefighters grant to replace the current SCBA air compressor to deliver the air pressure required by new SCBA's
- The grant amount is \$ 47,250 with a 10% match totaling \$5,250.
- Applied for in 2006 but did not receive a FEMA Assistance to Firefighters Grant in the amount of \$103,032 for SCBA Intercoms and other related costs.

2005/2006 Achievements

- Received a \$50,000 State of Minnesota Homeland Security Grant for equipment and exercises to enhance the HazMat team's ability to respond to hazardous incidents and to protect first responders.

Fire Department

Training Division

Fire Training

Program Description

The Training Division is charged with delivering all aspects of fire, rescue, emergency medical service and hazardous materials instruction, certifications, and recertification. Additionally the Training Division assists with administration and management of the Department as directed by the Fire Chief.

2007 Goals and Objectives

- Integrate company based training into the training schedule
- Introduce in-house training and certification program for officers
- Technological update of the training room

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	70,697	72,622	78,173	5,551
Supplies & Materials	4,627	4,011	6,583	2,572
Other Services & Charges	6,782	3,250	6,865	3,615
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	82,106	79,883	91,621	11,738

2007 Budget Impact Items

- Improvements to Training Room
- Increasing funds for Emergency medical and City First Aid Supplies

2005/2006 Achievements

- Delivered Incident Command training to all personnel
- Introduced computer based audio visuals as a standard for training
- Conducted Firefighter empowerment training

Fire Department

Prevention Division

Fire Prevention

Program Description

The Fire Prevention Division's mission is to reduce the risk of life and property loss for the well being of our community. This is accomplished through fire prevention initiatives including public fire education, code development, inspection services, fire investigation and code compliance. The Fire Prevention Division has one staff person serving as the Fire Marshal and is assisted with inspections and investigations by other staff and on-duty personnel on an as needed basis.

2007 Goals and Objectives

- Computerize inspections
- Create a Citizens Education Corps
- Continue participation in the Minnesota State Fire Chiefs Association (MSFCA) Code Committee
- Achieve Fire Investigator Certification

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	125,767	122,156	127,211	5,055
Supplies & Materials	5,459	4,610	7,375	2,765
Other Services & Charges	17,345	11,516	16,669	5,153
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	148,571	138,282	151,255	12,973

2007 Budget Impact Items

- National Fire Protection Association code reference resources
- Attend education sessions for the International Association of Arson Investigation Conference

2005/2006 Achievements

- Appointed to the Minnesota State Fire Chiefs Association Code Committee
- Implemented and managed Smoke Detector Program
- Worked with Neighborhood Services to assist in resolution of several issues

Fire Department

Prevention Division

Civil Defense

Program Description

Civil Defense is charged with planning, installation and maintenance of alerting devices to aid in the protection of life and property from man-made and natural disasters and WMD incidents.

2007 Goals and Objectives

- Install two additional new outdoor sirens in the east and south locations of the city
- Continue the monthly monitoring of siren tests

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	2,688	6,000	6,000	
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	2,688	6,000	6,000	

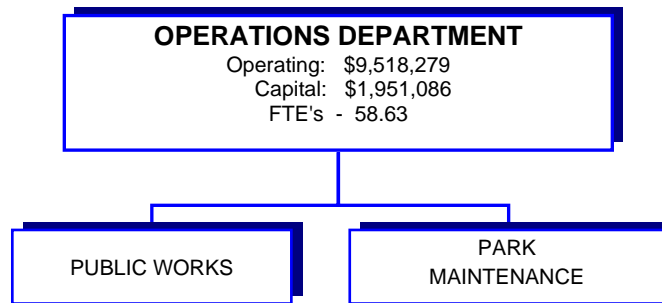
2007 Budget Impact Items

- Acquisition and installation of two new outdoor sirens

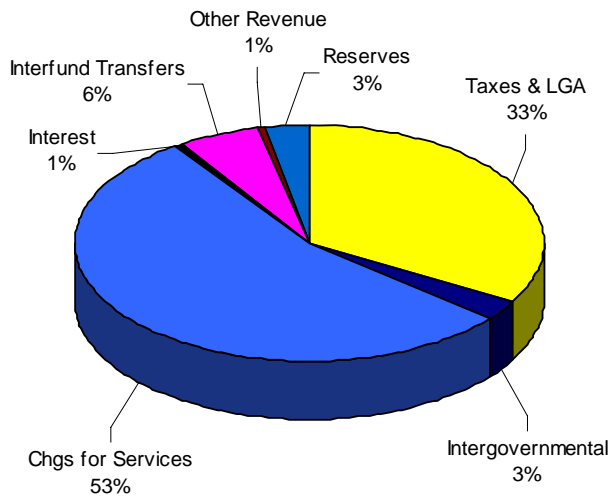
2005/2006 Achievements

- Implemented monthly outdoor warning siren tests
- Provided National Incident Management System (NIMS) training to all City Employees

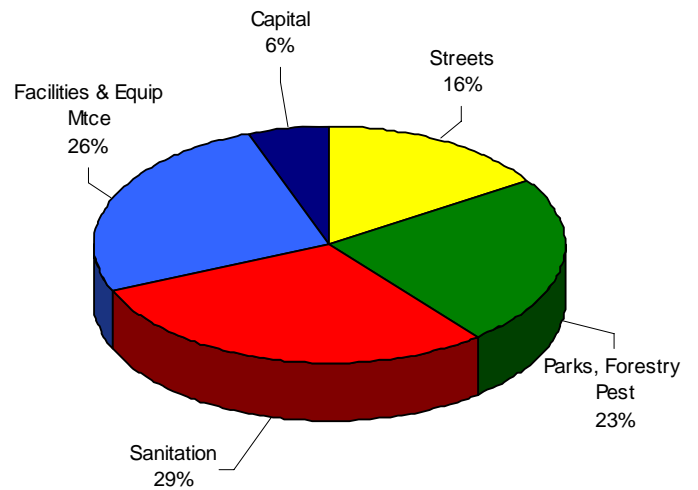
Operations Department



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 budgets. Highlights for FY 2007 include:

- Continued increased street maintenance including crack sealing and spot surface repairs
- Growth of the Downtown maintenance group to include more business owners
- Assist in the development of the 100 acre park and master plan
- Increase contract for street striping
- Install lighted intersection signs at major intersections
- Refurbish the restrooms in Gooseberry Park
- Install shelters in three parks; Arbor, Allyson, Evergreen Meadows
- Increased funding allocated for parks amenities
- Purchase more residential garbage totes due to population growth
- Purchase 20 yard roll off boxes due to increased demand

FUTURE ISSUES: The Operations Department is highly visible in the community. We work year around in public areas including parks, golf courses, forestry, mosquito control, sanitation, and street maintenance. We are entrusted to provide responsible services to ensure that facilities and capital investments are maintained properly. Highlighted below are just a few of the issues likely to face the Department in the future:

- Maintaining existing street signage while growing with the new developments
- Expanding our daily service area to match the City's growth. All of the existing service areas will need to be expanded to allow for a balanced five-day service schedule.
- Installation of new park equipment within the growth area while replacing existing equipment and maintaining over 100 acres of new park areas with existing staff.
- Anticipating rapidly rising supplies, materials and fuel costs
- Replacement of existing parks amenities

*Operations Department***HIGHLIGHTED PROGRAM: TRAFFIC SIGN MAINTENANCE**

The sign maintenance department is responsible for the installation and maintenance of signs within the City limits. These signs include regulatory signs such as stop, yield, curve, no parking etc.



The task is made more difficult when the weather turns cold, as signposts cannot be installed when the ground is frozen. Therefore, some signs are not replaced immediately.

The street and avenue signs are now being included with the developers' costs for a subdivision. These signs are being installed with the street improvements so houses in new subdivisions can be more easily located.

Operations Department

Other duties of the sign maintenance function also include the following:

- Repaint small amounts of parking lot striping and handicap areas
- Paint crosswalks, turning lane arrows, island curbs and some curb lines such as fire lanes
- Install and repair the street and avenue marker posts
- Assist the Police department place barricades for parades, block parties and street closings
- Share responsibilities with the County and State with their respective streets. The Minnesota Department of Transportation maintains highway 10 and 75 through town and the county has a small area of streets to maintain
- After hour's replacement and installation of temporary signs when they are hit by a vehicle or destroyed in some other manner



With the growth of the City of Moorhead, it is a large job to get the minor regulatory signs installed in the new subdivisions. The traffic control signs are installed with the street, but sign maintenance crews are responsible for the installation of the no parking signs and other miscellaneous signs.

Operations Department

2006 – 2007 BUDGET COMPARISON

	2006 BUDGET	2007 BUDGET	INCREASE (DECREASE)
<u>Public Works Division:</u>			
Street & Alley	1,203,981	1,296,283	92,302
Street Cleaning	256,233	274,713	18,480
Snow & Ice	160,301	166,861	6,560
Traffic Signs	81,743	90,562	8,819
Sanitation	3,094,300	3,396,157	301,857
Central Mtce Shop	906,817	1,494,599	587,782
Vehicles & Equipment	1,184,188	1,212,000	27,812
	<u>6,887,563</u>	<u>7,931,175</u>	<u>1,043,612</u>
<u>Park Maintenance Division:</u>			
General Govt Bldg	224,671	258,388	33,717
Park Mtce	739,601	806,012	66,411
Centennial Complex	46,900	52,318	5,418
Golf Course Mtce	715,577	804,067	88,490
Town & Country Course Mtce	25,366	28,754	3,388
Forestry	543,383	611,286	67,903
Pest Control	376,313	339,865	(36,448)
	<u>2,671,811</u>	<u>2,900,690</u>	<u>228,879</u>
<u>Capital: *</u>			
CI - General Govt Bldg	10,000	100,000	90,000
CI - Street & Alley	125,450	-	(125,450)
CI - Central Mtce Shop	1,800	-	(1,800)
CI - Park Mtce	218,500	443,500	225,000
CI - Meadows Mtce	28,800	52,000	23,200
CI - Village Green Mtce	20,900	42,000	21,100
	<u>405,450</u>	<u>637,500</u>	<u>232,050</u>
 Total Operations Department	 <u>\$ 9,964,824</u>	 <u>\$ 11,469,365</u>	 <u>\$ 1,504,541</u>

* See Capital Improvement Fund detail on page 41.

Operations Department

Public Works 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.

2007 Goals and Objectives

- Increased maintenance with crack filling and spot repairs to asphalt streets.
- Increase street striping area

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	378,749	429,859	455,296	25,437
Supplies & Materials	199,121	225,091	270,279	45,188
Other Services & Charges	568,529	549,031	570,708	21,677
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,146,399	1,203,981	1,296,283	92,302

2007 Budget Impact items

- Increased prices in fuel and materials

2005/2006 Achievements

- Established additional crew for crack filling
- Added staff for park and street maintenance

Operations Department

Public Works Division

Street Cleaning

Program Description

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

2007 Goals and Objectives

- Maintaining street sweeping with existing equipment

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	101,273	172,421	172,421	
Supplies & Materials	19,033	16,356	29,397	13,041
Other Services & Charges	86,692	67,456	72,895	5,439
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	206,998	256,233	274,713	18,480

2007 Budget Impact items

- Increased fuel costs

2005/2006 Achievements

- Replacement of two street sweepers

Operations Department

Public Works Division

Snow & Ice

Program Description

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

2007 Goals and Objectives

- Maintaining continued growth areas

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	137,000	82,427	82,793	366
Supplies & Materials	31,919	35,190	41,131	5,941
Other Services & Charges	39,859	42,684	42,937	253
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	208,778	160,301	166,861	6,560

2007 Budget Impact items

- Increased fuel costs

2005/2006 Achievements

- Added snow plow truck and staff to match increased growth

Operations Department

Public Works 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.

2007 Goals and Objectives

- Increase signage and light major intersection signs
- Increased amount budgeted for sign repairs and replacement

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	38,620	48,626	50,378	1,752
Supplies & Materials	24,598	23,862	27,269	3,407
Other Services & Charges	10,682	9,255	12,915	3,660
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	73,900	81,743	90,562	8,819

2007 Budget Impact items

- Increased cost in steel prices

2005/2006 Achievements

- Completed installation of missing street and avenue marker posts

Operations Department

Public Works Division

Sanitation

Program Description

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

2007 Goals and Objectives

- Adding additional autoloading truck
- Purchasing more residential totes due to Cities growth
- Purchasing more roll off boxes due to demand

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	1,063,807	1,103,851	1,155,483	51,632
Supplies & Materials	204,513	139,076	313,074	173,998
Other Services & Charges	1,371,224	1,403,168	1,487,600	84,432
Capital Outlay		28,500	60,000	31,500
Debt Service				
Transfer to Funds	367,189	379,000	380,000	1,000
To Reserves		40,705		(40,705)
Total	3,006,733	3,094,300	3,396,157	301,857

2007 Budget Impact items

- Replacing three rearloading trucks with one rearloader and one autoloader
- Increased fuel costs
- Increased steel costs for containers

2005/2006 Achievements

- Increased use of seasonal help for summer months

Operations Department

Public Works Division

Central Maintenance Shop

Program Description

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

2007 Goals and Objectives

- Reducing life spans of selected equipment

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	154,427	161,805	166,052	4,247
Supplies & Materials	855,984	658,146	1,241,380	583,234
Other Services & Charges	87,561	86,866	87,167	301
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,097,972	906,817	1,494,599	587,782

2007 Budget Impact items

- Fuel and materials costs

2005/2006 Achievements

- N/A

Operations Department

Public Works 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.

2007 Goals and Objectives

Maintaining reliable equipment with extended life cycles

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	2,830	3,810	3,924	114
Other Services & Charges	866,059	12,360	12,490	130
Capital Outlay		1,168,018	1,195,586	27,568
Debt Service	3,196			
Transfer to Funds				
To Reserves				
Total	872,084	1,184,188	1,212,000	27,812

2007 Budget Impact items

- Increased costs with heavy equipment

2005/2006 Achievements

- Reduction of fleet costs by extending life spans of equipment

Operations Department

Park Maintenance Division

General Government Building

Program Description

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

2007 Goals and Objectives

- Replace grate in sidewalk on south side of Moorhead Center Mall

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	6,837	7,040	7,311	271
Supplies & Materials	37,181	21,280	17,836	(3,444)
Other Services & Charges	177,845	197,221	234,191	36,970
Capital Outlay				
Debt Service	1,710	1,630	1,550	(80)
Transfer to Funds		3,500	3,500	
To Reserves				
Total	223,573	230,671	264,388	33,717

2007 Budget Impact items

- Energy cost increases

2005/2006 Achievements

- Elevator renovation
- Chiller replacement in City Hall

Operations Department

Park Maintenance Division

Park Maintenance

Program Description

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

2007 Goals and Objectives

- Continued replacement of existing equipment and growth of new neighborhood parks
- Refurbish Gooseberry Park restrooms
- Complete three year re-roofing project; Riverview Estates, Gooseberry, Matson Concessions
- Purchase additional mowing equipment due to large growth in park areas maintained
- Add three parks shelters; Arbor, Evergreen, Allyson
- Install water and sewer to the Dog Park

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	388,977	447,559	474,715	27,156
Supplies & Materials	63,757	65,224	86,961	21,737
Other Services & Charges	213,752	226,818	244,336	17,518
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	666,486	739,601	806,012	66,411

2007 Budget Impact items

- Additional mowing equipment purchase
- Increased parks amenities to be purchased
- Increased costs for seasonal help
- Increased fuel costs

2005/2006 Achievements

- Installation complete of east welcome to Moorhead sign

Operations Department

Park Maintenance Division

Centennial Complex

Program Description

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

2007 Goals and Objectives

- Implement short term soccer field use

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	8,756	7,828	10,063	2,235
Other Services & Charges	37,654	39,072	42,255	3,183
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	46,409	46,900	52,318	5,418

2007 Budget Impact items

- Utility costs

2005/2006 Achievements

- Dog park open

Operations Department

Park Maintenance Division

Golf Course Maintenance

Program Description

Golf Course Maintenance is responsible for the maintenance and grooming of two 18-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.

2007 Goals and Objectives

Village Green

- Purchase deep tine aerator / tractor for greens
- Continued greens cover replacement
- Replace ladies benches

Meadows

- Reseal the maintenance shop roof
- Purchase additional utility cart
- Build security / storage fence under 34th street underpass
- Purchase groomers for tee mower

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	398,477	417,551	438,199	20,648
Supplies & Materials	121,933	133,077	174,956	41,879
Other Services & Charges	275,101	164,949	190,912	25,963
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	795,511	715,577	804,067	88,490

2007 Budget Impact items

- Chemical cost increases

2005/2006 Achievements

- Greens cover replacement
- Installation of items targeted by improvement fee

Operations Department

Park Maintenance Division

Town & Country Maintenance

Program Description

This is a newly acquired 9-hole golf course in 2005. Activities are funded through an enterprise fund.

2007 Goals and Objectives

- Maintaining quality course while anticipating Trollwood development

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	14,067		14,517	14,517
Supplies & Materials	7,269	23,791	10,903	(12,888)
Other Services & Charges	3,085	1,575	3,334	1,759
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	24,422	25,366	28,754	3,388

2007 Budget Impact items

- Fuel and chemical costs

2005/2006 Achievements

- Increasing quality of turf

Operations Department

Park Maintenance Division

Forestry

Program Description

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

2007 Goals and Objectives

- Upgrade existing Park Technician position to Forester
- Purchase chipper truck
- Continued expansion of trimming areas to reduce rotation of time

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	235,457	325,681	345,296	19,615
Supplies & Materials	59,511	56,953	70,234	13,281
Other Services & Charges	85,400	108,149	115,156	7,007
Capital Outlay		30,000	58,000	28,000
Debt Service				
Transfer to Funds	22,728	22,600	22,600	
To Reserves				
Total	403,096	543,383	611,286	67,903

2007 Budget Impact items

- Cost of upgrading to Forester position
- Increased fuel costs

2005/2006 Achievements

- Replacement of Christmas decorations
- Increased staff by three FTE's
- Added second trimming crew

Operations Department

Park Maintenance Division

Pest Control

Program Description

Pest Control is responsible for mosquito control, animal control and mowing rights of way within the City. Pest Control is funded by a monthly fee to residents and accounted for in an enterprise fund.

2007 Goals and Objectives

- Aggressive mosquito larviciding
- Re-evaluate monthly rates after 1 year of segregated budget activity

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	138,645	139,641	136,188	(3,453)
Supplies & Materials	59,517	76,514	71,588	(4,926)
Other Services & Charges	47,780	110,158	67,527	(42,631)
Capital Outlay				
Debt Service				
Transfer to Funds	55,470	50,000	64,562	14,562
To Reserves				
Total	301,411	376,313	339,865	(36,448)

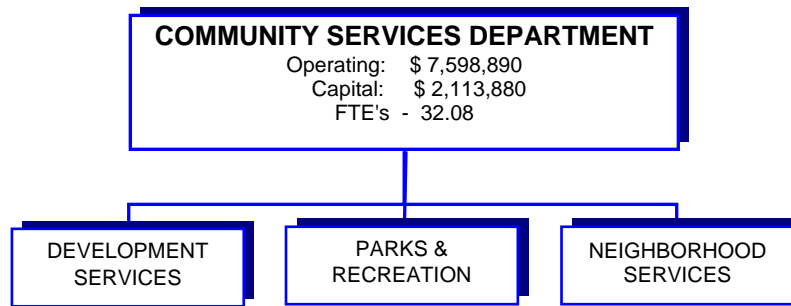
2007 Budget Impact items

- Fuel and chemical cost increases
- Reduced the mosquito control portion of this service fee by \$ 0.50 per month resulting in an annual revenue reduction of \$76,800
- Segregated the 2007 budget by specific activity with the monthly service fee being apportioned \$ 0.75 to mosquito control (after \$ 0.50 reduction), \$ 0.25 for animal control and \$ 0.75 for right of way mowing.

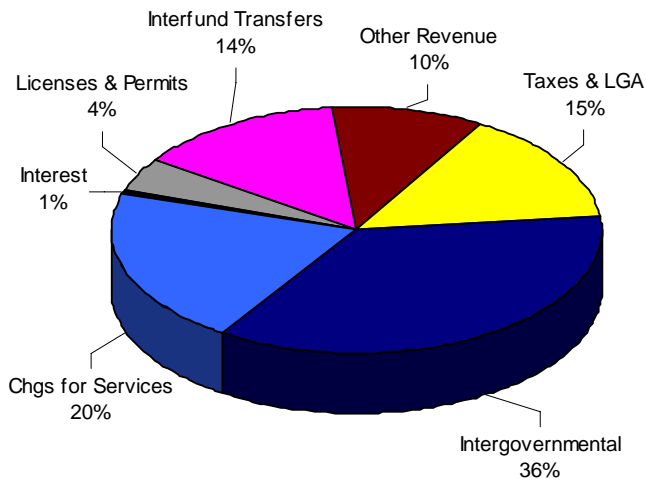
2005/2006 Achievements

- Replacement of all mosquito spraying equipment

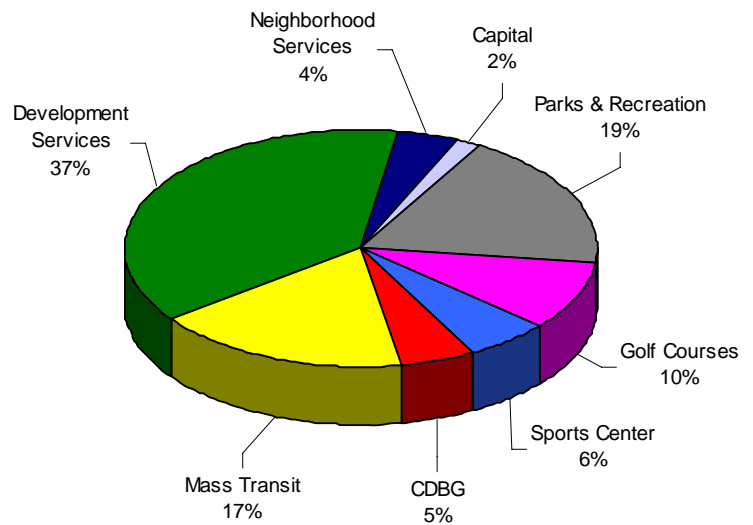
Community Services Department



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: 2006 was an exciting growth year for Moorhead Community Services. Among the most visible and measurable outcomes:

- Construction of a Metro Transit Garage
- Completion of the 2007-2011 Transit Development Plan
- Master Planning of Horizon Shores and 100 Acre Parks
- City of Moorhead opened its first Dog Park for its citizens
- Hjemkomst Center Roof Replacement currently under construction with completion expected in late 2006
- Moorhead Sports Center Renovation project has been approved and will begin planning in August 2006
- Address property maintenance compliance on five hazardous structures. Use of CDBG to acquire and demolish blighted structures for redevelopment (three in 2006)
- Revised rental registration and inspection program implemented, on target to achieve 100% inspection rate in 2006. Need for repeat inspections decreased nearly 300%
- Campus Neighborhood Study Underway
- Development Agreement for the second phase (4th West) of the Downtown Redevelopment completed
- Assembled and sold a 60-acre tract of land to Menards to increase Moorhead's retail opportunities

Community Services Department



FUTURE ISSUES: In 2007, the Community Services Department intends to play an equally vital role in positioning Moorhead to achieve continued success. Opportunities for the future include:

- Implementation of a five-year transit plan to improve service
- Continued development of new parks and renovation of existing parks
- Trollwood Performing Arts School is anticipated to begin construction on their new facility in Moorhead
- Phase I Improvements approved for Horizon Shores
- Construction to begin on New Soccer Complex in the 100 Acre Park
- Redevelopment alternatives and financial incentives for implementation of Campus Neighborhood Study
- Improving Greenwood/Bennett Park neighborhood
- Fee reduction incentives for well-managed rental properties
- Implementation of citywide data management software

Community Services Department

HIGHLIGHTED PROGRAM: MASS TRANSIT



The Mass Transit Division provides public transportation to residents of Moorhead and coordination with Fargo for metropolitan Fixed Route Service and Paratransit service for persons with disabilities.



Public transit plays an important part in the daily lives of many residents by connecting them to jobs, schools, social services, and health facilities.

Public transit allows workers and job seekers to reach places of employment, gives shoppers the opportunity to purchase goods and services, and enables the community to reduce congestion and improve air quality.

Public transit helps elderly people to remain independent and active members of the community, and enables persons with disabilities to access employment opportunities and to lead independent lives.

The recent completion of the Metro Transit Garage leads transit into a new era of coordination with seamless transportation for the community. The 2007-2011 Transit Plan delineates priority service improvements for implementation to meet the growing needs of our residents.

Community Services Department

2006 – 2007 BUDGET COMPARISON

	2006 BUDGET	2007 BUDGET	INCREASE (DECREASE)
<u>Development Services Division:</u>			
Assessing	264,452	277,512	13,060
Planning & Zoning	148,021	154,718	6,697
Community Dev General	137,540	90,780	(46,760)
Building Codes	368,142	401,625	33,483
Economic Development	437,325	451,019	13,694
Economic Development Authority	205,000	230,000	25,000
Municipal Airport	255,289	2,060,550	1,805,261
Mass Transit	3,743,759	1,682,634	(2,061,125)
	<u>5,559,528</u>	<u>5,348,838</u>	<u>(210,690)</u>
<u>Parks & Recreation Division:</u>			
Park Fund	1,118,197	1,371,068	252,871
HHIC	328,319	389,380	61,061
Comstock House	33,511	36,500	2,989
Golf Courses-Pro Shops & Debt Srv	899,654	869,507	(30,147)
Town & Country Operations	83,934	62,966	(20,968)
Sports Center	525,914	568,221	42,307
	<u>2,989,529</u>	<u>3,297,642</u>	<u>308,113</u>
<u>Neighborhood Services Division:</u>			
Neighborhood Services	28,184	161,766	133,582
CDBG	516,658	488,310	(28,348)
Rental Reg/Insp	370,000	154,641	(215,359)
Environmental Health	108,113	96,523	(11,590)
	<u>1,022,955</u>	<u>901,240</u>	<u>(121,715)</u>
<u>Capital: *</u>			
CI - Building Codes	15,000	15,500	500
CI - Park Recreation	-	11,000	11,000
CI - HHIC	-	14,500	14,500
CI - Mass Transit	478,667	-	(478,667)
CI - Village Green Clubhouse	-	3,000	3,000
CI - Meadows Clubhouse	4,000	7,000	3,000
CI - Airport	55,000	114,050	59,050
CI - Sports Center	-	-	-
	<u>552,667</u>	<u>165,050</u>	<u>(387,617)</u>
Total Community Services Dept	<u>\$ 10,124,679</u>	<u>\$ 9,712,770</u>	<u>\$ (411,909)</u>

* See Capital Improvement Fund detail on page 41.

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.

2007 Goals and Objectives

- Transition to the new CAMA system (Novalis).
- Migrate CAMA information to be the baseline information for Land Development Office

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	191,264	210,098	229,626	19,528
Supplies & Materials	9,388	5,400	7,400	2,000
Other Services & Charges	45,117	48,954	40,486	(8,468)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	245,769	264,452	277,512	13,060

2007 Budget Impact Items

- Assessment notices can and should be sent with tax bills via the county; however, if this does not occur, the cost of \$3,000-\$4,000 will be incurred by the City which is not currently included within the 2007 budget.
- Cost of implementing the new CAMA system and Land Development office is unknown.

2005/2006 Achievements

- Good to excellent assessment ratios.
- Successful completion of Kmart lawsuit.
- One-year dismissal of Crystal Sugar lawsuit.
- Over 2,000 parcels inspected and completed on a timely basis, even with record new construction.

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.

2007 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.
- Update zoning ordinance to finalization.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	86,903	93,907	111,847	17,940
Supplies & Materials	3,437	7,250	8,550	1,300
Other Services & Charges	57,190	46,864	34,321	(12,543)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	147,531	148,021	154,718	6,697

2007 Budget Impact Items

- Neighborhood/Corridor/AJAR/GAP – anticipate matches from outside parties such as COG and Oakport Township.

2005/2006 Achievements

- Record levels of residential growth.
- Began process of updating Zoning Ordinance.
- Successful integration between Planning, Engineering, and Building Codes resulting in higher level of orderly growth.

Community Services Department

Development Services Division

Community Development

Program Description

Resource for general administration of the Community Services Department.

2007 Goals and Objectives

- Administrative oversight
- Legislative advocacy
- Redevelopment activities

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	60,623	90,308	46,397	(43,911)
Supplies & Materials	7,080	3,253	3,553	300
Other Services & Charges	55,420	43,979	40,830	(3,149)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	123,123	137,540	90,780	(46,760)

2007 Budget Impact Items

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

2005/2006 Achievements

- Coordination of the divisions of Community Services Department
- Coordination of the Community Services Department with other departments

Community Services Department

Development Services Division

Building Codes

Program Description

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

2007 Goals and Objectives

- Continue efficient and prompt service in response to increased growth.
- Successful migration to Land Development Office increasing inspection efficiencies and making data available to all City staff.
- Continue to assist Neighborhood Services with inspections.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	277,678	277,977	303,742	25,765
Supplies & Materials	6,909	6,780	9,155	2,375
Other Services & Charges	102,717	83,385	88,728	5,343
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	387,304	368,142	401,625	33,483

2007 Budget Impact Items

- Continued strong growth.
- Increases and decreases in building construction – several causing factors are outside the City's control.

2005/2006 Achievements

- Maintained staffing level with record amount of new construction.
- Performed plumbing plan review for commercial construction.
- Implemented new State Mechanical Code.

Community Services Department

Development Services Division

Economic Development

Program Description

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

2007 Goals and Objectives

- Support entrepreneurship.
- Expand local businesses.
- Encourage continued downtown redevelopment and build off recent success of downtown redevelopment.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	154,704	181,601	191,264	9,663
Supplies & Materials	3,731	5,500	5,500	
Other Services & Charges	57,172	47,474	51,505	4,031
Capital Outlay				
Debt Service				
Transfer to Funds	14,500			
To Reserves		202,750	202,750	
Total	230,108	437,325	451,019	13,694

2007 Budget Impact Items

- Acquisition and assemblage for redevelopment is not budgeted but can occur as approved by City Council.

2005/2006 Achievements

- Downtown Redevelopment Phase I (4th Street East and South Main) near completion.
- Downtown Redevelopment Phase II (4th Street West) commenced.
- US EPA Assessment Grant of \$400,000.
- Acquisition of the Halliday Motel site for future development.
- Successful sale of Moorview Soccer Complex to Menards.

Community Services Department

Development Services Division

Economic Development Authority

Program Description

The Moorhead Economic Development Authority has separate taxing powers under MN Statute. This levy funds the EDA's public relations activities to promote industrial development.

2007 Goals and Objectives

- Recruit primary sector industries through Greater Fargo Moorhead Economic Development Corporation.
- Finalize covenants for McCara Third Addition.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials				
Other Services & Charges	17,242	99,000	113,120	14,120
Capital Outlay	109,000	106,000	116,880	10,880
Debt Service				
Transfer to Funds				
To Reserves				
Total	126,242	205,000	230,000	25,000

2007 Budget Impact Items

- Land payment for McCara Third Addition.
- Payment to Greater Fargo Moorhead Economic Development Corporation.

2005/2006 Achievements

- Created Greater Fargo Moorhead Economic Development Corporation (GFMEDC).
- Assisted in downtown redevelopment.
- Acquired property for the construction of McCara Third Addition industrial park.
- Established Development Review Board for McCara Industrial Park.

Community Services Department

Development Services Division

Municipal Airport

Program Description

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

2007 Goals and Objectives

- Construct taxiway.
- Construct storage building for snow blower, courtesy car and other maintenance equipment.
- Move forward with planning and zoning activities needed to construct the crosswind runway.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits				
Supplies & Materials	4,705	2,000	7,090	5,090
Other Services & Charges	279,080	143,289	157,460	14,171
Capital Outlay		110,000	1,896,000	1,786,000
Debt Service				
Transfer to Funds				
To Reserves				
Total	283,784	255,289	2,060,550	1,805,261

2007 Budget Impact Items

- Review the Fixed Base Operator (FBO) contract. Final contract will impact the budget.
- Subsoil cost for additional hangar sites and maintenance building may impact construction cost as specific location and sites not selected and tested.

2005/2006 Achievements

- Prepared four hangar sites – private hangars have been erected on all four sites.
- Purchased large capacity snow removal equipment.

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.

2007 Goals and Objectives

- Transition fleet and administration to new garage
- Implement/monitor new contract with Laidlaw Transit Services for operations
- New Federal requirements for human service planning and coordination

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	115,652	120,883	124,320	3,437
Supplies & Materials	230,147	240,775	1,450	(239,325)
Other Services & Charges	953,760	1,048,768	1,556,864	508,096
Capital Outlay	565,750	2,333,333		(2,333,333)
Debt Service				
Transfer to Funds				
To Reserves				
Total	1,865,310	3,743,759	1,682,634	(2,061,125)

2007 Budget Impact Items

- First year operation of new Metro Transit Garage
- Contract with Laidlaw Transit Services for transit operation – increase of 6%
- College U-Pass revenue increase of 5%
- Capital maintenance of buses \$60,000

2005/2006 Achievements

- Construction of new Metro Transit Garage
- New summer evening bus service and expanded hours at Ground Transportation Center
- Complete 2007-2011 Metro Transit Plan
- Joint RFP with Fargo for Transit Operator
- Security cameras for bus fleet

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.

2007 Goals and Objectives

- Construction to begin on Horizon Shores Park
- Approval of the Policy and Procedure Manual for Parks
- Construction to be completed on the Menards Soccer Complex
- Master Planning for MB Johnson Park

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	431,510	488,801	513,273	24,472
Supplies & Materials	61,491	73,573	81,088	7,515
Other Services & Charges	234,879	254,105	261,518	7,413
Capital Outlay				
Debt Service				
Transfer to Funds	262,999	301,718	515,189	213,471
To Reserves				
Total	990,880	1,118,197	1,371,068	252,871

2007 Budget Impact Items

- Utilities costs continue to rise
- Aging facilities require additional funds for repair and maintenance
- Need to develop parks in new growth areas as well as maintain existing parks and facilities

2005/2006 Achievements

- Dog Park Grand Opening
- Policy and Procedure Manual in progress
- Master Planning of Horizon Shores and 100 Acre Park
- Moorview Soccer Complex sold and planning for the Menards Complex has begun.

Community Services Department

Parks & Recreation Division

Hjemkomst Center

Program Description

The Hjemkomst 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.

2007 Goals and Objectives

- Completion of the Hjemkomst Center Roof Replacement
- Completion and dedication of the Mosaic Wall
- Increase room rental revenue from 2006 levels that have been affected by the construction.
- Seek additional sources of revenue.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	113,789	123,205	132,717	9,512
Supplies & Materials	19,159	21,356	21,989	633
Other Services & Charges	174,387	162,778	214,674	51,896
Capital Outlay				
Debt Service	1,026	980		(980)
Transfer to Funds				
To Reserves		20,000	20,000	
Total	308,362	328,319	389,380	61,061

2007 Budget Impact Items

- Utilities costs continue to rise
- New HVAC equipment installed for the roof will require additional funds set aside for utilities
- Aging facilities require additional funds for repair and maintenance

2005/2006 Achievements

- Hjemkomst Center Roof Replacement Underway
- \$1 Million in funds secured from the State of Minnesota for the Roof Replacement
- \$100,000 in funds secured from the Convention and Visitors Bureau for the roof replacement

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.

2007 Goals and Objectives

- Utilize Minnesota State Historical Society budget allocation to manage the property.
- Explore partnerships with schools and other organizations to improve tour revenue.
- Increase group rentals.
- Maintain the budget to stay within the funds allotted by the State Historical Society.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	6,922	6,491	7,005	514
Supplies & Materials	1,719	2,500	2,500	
Other Services & Charges	28,625	24,520	26,995	2,475
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	37,265	33,511	36,500	2,989

2007 Budget Impact Items

- Group tours and event revenue can augment budget.
- Maintain the budget to stay within the funds allotted by the State Historical Society.

2005/2006 Achievements

- Re-organization of the "Friends" group into a fundraising entity.

Community Services Department

Parks & Recreation Division

Golf Course Operations

Program Description

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

2007 Goals and Objectives

- Meet revenue expectations for GPS Advertising
- Increase golf education opportunities for youth in an effort to sustain golf base
- Evaluate effectiveness of advertising and trade
- Increase outings at Village Green

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	170,402	186,976	165,437	(21,539)
Supplies & Materials	16,566	26,400	26,610	210
Other Services & Charges	313,673	265,128	254,160	(10,968)
Capital Outlay		50,000	50,000	
Debt Service	233,611	371,150	373,300	2,150
Transfer to Funds				
To Reserves				
Total	734,252	899,654	869,507	(30,147)

2007 Budget Impact Items

- Inclement weather
- GPS advertising sales

2005/2006 Achievements

- New Golf Professional hired
- Positive customer response from GPS

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.

2007 Goals and Objectives

- Maintain as a limited service golf facility
- Utilize facility as a teaching/learning center for youth

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	41,049	74,532	48,230	(26,302)
Supplies & Materials	2,289	1,300	2,706	1,406
Other Services & Charges	34,838	8,102	12,030	3,928
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	78,175	83,934	62,966	(20,968)

2007 Budget Impact Items

- Managing an additional golf course
- Trollwood Performing Arts School construction may impact course in 2007
- Inclement weather could affect the ability to reach revenue goals

2005/2006 Achievements

- Increase of junior play and lessons took strain off 18-hole courses

Community Services Department

Parks & Recreation Division

Sports Center

Program Description

The Sports Center is an indoor ice and sports 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.

2007 Goals and Objectives

- Maintain existing contracts
- Seek out potential revenue sources
- Computerize ice schedules and invoicing
- Work with Architects to assist in the design/renovations to the existing facility

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	214,742	199,322	220,616	21,294
Supplies & Materials	47,943	50,655	58,094	7,439
Other Services & Charges	453,738	214,437	229,471	15,034
Capital Outlay				
Debt Service	19,933	61,500	60,040	(1,460)
Transfer to Funds				
To Reserves				
Total	736,356	525,914	568,221	42,307

2007 Budget Impact Items

- Renovations to the existing facility
- Equipment malfunction
- Increased utility costs and an aging facility

2005/2006 Achievements

- Funding for the renovation project secured
- Work with Consultants and Park Advisory Board to identify a cost effective renovation plan

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.

2007 Goals and Objectives

- Complete Neighborhood Planning Study in near downtown/campus neighborhood and develop implementation strategy for associated recommendations
- Continue emphasis on hazardous building clean up and removal

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits			116,503	116,503
Supplies & Materials	1,597	775	1,075	300
Other Services & Charges	11,859	27,409	44,188	16,779
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	13,455	28,184	161,766	133,582

2007 Budget Impact Items

- All residential and community marketing now being managed and funded in Neighborhood Services, supplemented by EDA levy appropriation.

2005/2006 Achievements

- Partnered with other university communities (St. Cloud, Mankato, and Fargo) on joint rental housing best practices study to address increasing conversion of owner-occupied homes to rental units and associated impact on neighborhoods
- Embarking on Neighborhood Planning Study with DSU Consultants in the area south of Main Avenue between the Red River and 20th Street South and around MSUM and Concordia College
- Hazardous building enforcement efforts underway on five properties in 2006; one demolished under court order in 2005

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.

2007 Goals and Objectives

- Continued emphasis on affordable housing preservation and creation, along with capacity building efforts in housing education for tenants and first time homebuyers

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	132,435	116,384	158,419	42,035
Supplies & Materials	1,265	964	300	(664)
Other Services & Charges	508,360	399,310	329,591	(69,719)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	642,060	516,658	488,310	(28,348)

2007 Budget Impact Items

- Continued cuts to federal CDBG award; threatened loss of entitlement status for smaller urban communities including Moorhead.

2005/2006 Achievements

- Purchased 20-acre vacant land tract for future affordable housing development
- Continued successful housing rehabilitation program for lower income households

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 1,019 registered properties containing 4,640 individual units.

2007 Goals and Objectives

- Physical inspection or self-inspection of 100% of all rental units
- Implement incentive program to allow self-inspection and fee reduction for well-managed properties

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	18,155	237,936	116,528	(121,408)
Supplies & Materials	375	31,475	10,825	(20,650)
Other Services & Charges	1,024	100,589	27,288	(73,301)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	19,554	370,000	154,641	(215,359)

2007 Budget Impact Items

- Reduced fee revenue due to incentive fee reduction for high performing rental properties
- Reduced revenue from reinspection and penalty fees (property owners achieving timely compliance)

2005/2006 Achievements

- Program revised to improve owner responsiveness to property maintenance and tenant conduct issues
- Hired Code Compliance Technician (Lynn Brown promoted) to coordinate inspection and registration program
- Fees increased to make program self-supporting and to address impact of loss of CDBG resources previously supplementing program
- Utilized Building Codes, Engineering, and Fire Department staff in off-peak times to achieve inspection goals
- On target to achieve 100% inspection in 2006

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 Practitioner also performs inspections in response to nuisance complaints.

2007 Goals and Objectives

- Conduct 100% required inspection of restaurants, board and lodging facilities, pools, and vending machines.
- Serve as an education and enforcement resource to assure food safety and public health.

Budget Category	2005 Actual	2006 Budget	2007 Budget	\$ Increase (Decrease)
Wages & Benefits	68,727	91,389	82,869	(8,520)
Supplies & Materials	2,668	3,750	3,740	(10)
Other Services & Charges	14,204	12,974	9,914	(3,060)
Capital Outlay				
Debt Service				
Transfer to Funds				
To Reserves				
Total	85,600	108,113	96,523	(11,590)

2007 Budget Impact Items

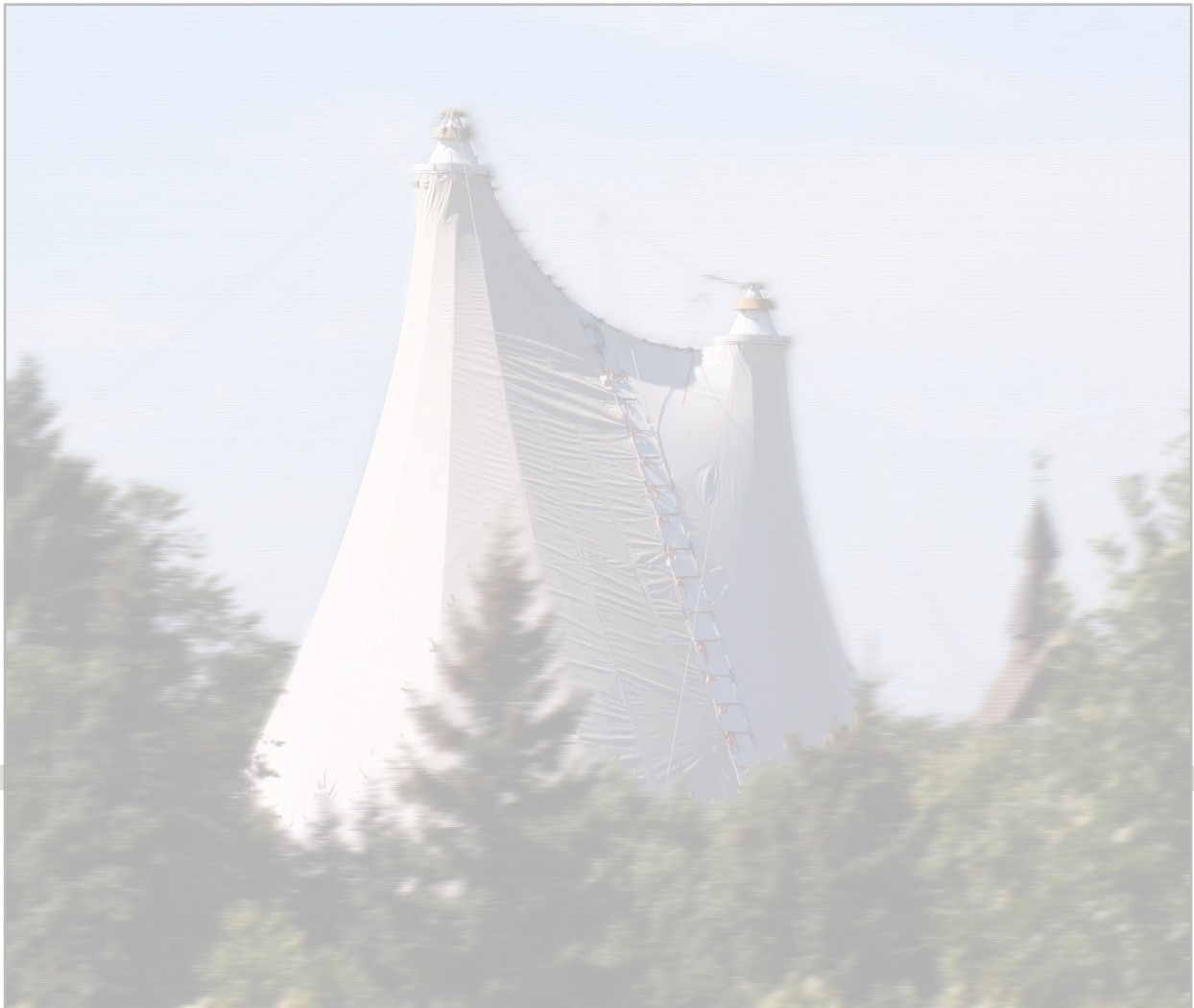
- Fees now consistent with Minnesota Department of Health.

2005/2006 Achievements

- Hired new Environmental Health Practitioner in January 2006.
- Minnesota Department of Agriculture resumed inspection responsibilities for retail food (grocery stores).
- Police volunteers now performing majority of weed and snow code violation inspections with administrative support from Neighborhood Services Office Specialist.

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Supplementary Information



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Demographic Information

Population: Moorhead Population 2000 (U.S. Census)..... 32,177
 Moorhead Population 2005 (*U.S. Census Estimate*).. 34,081
 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 \$16,319,151
Anheuser-Busch	Malting Plant	\$ 363,575	2.2%
American Crystal Sugar	Sugar Processing	254,761	1.6%
Moorhead Hospitality	Hotel & Conference Center	179,250	1.1%
Moorhead Holiday Associates	Strip Mall	168,633	1.0%
Easten LLC	Shopping Mall	143,922	0.9%
TRE Investments	Shopping Mall	121,529	0.7%
Xcel Energy	Electric Utility	105,832	0.6%
Eventide	Nursing/Retirement Home	101,874	0.6%
South Moorhead Associates	Retail - Grocery & Mall	98,990	0.6%
Second Skaff Apts	Apartments	89,688	0.5%
Total Tax Capacity of Principal Taxpayers		<u>\$ 1,628,054</u>	<u>9.80%</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:

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
2005	16.89

Miles of City Streets:

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
2005	197.72

Miles of Sewers:

Storm	113.80
Sanitary	136.73
Force Mains	14.29

Fire Protection:

Number of Stations	2
Number of Firefighters	33

Police Protection:

Number of Stations	1
Number of Sworn Officer	50
Permanent Employees (FTE's)	242.525

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.

- CAMA – Computer Aided Mass Appraisal.** A powerful, yet easy to use property appraisal system that provides government officials with a comprehensive real estate data base containing extensively detailed information on all real property.

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 Deficit.** A situation in which liabilities exceed assets, expenditures exceed income or losses exceed profits.

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.

Depreciation. The systematic allocation of the cost of an asset over its useful life.

- 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.

Enterprise Fund. A fund that accounts for operations which are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing the goods or services to the general public be financed or recovered primarily through user charges.

Glossary

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.

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.

Governmental Funds. Refers to the fund group that is used to account for the City's general operations. These operations are normally supported by taxes and intergovernmental revenues.

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.

Glossary

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.

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.

Merit. Wage increase based on satisfactory job performance.

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.

N **National Incident Management System (NIMS).** A system mandated by Homeland Security Presidential Directive (HSPD)-5, that provides a consistent nationwide approach for Federal, State, local, and tribal governments; the private sector, and nongovernmental organizations to work effectively and efficiently together to prepare for, respond to, and recover from domestic incidents, regardless of cause, size, or complexity. To provide for interoperability and compatibility among Federal, State, local, and tribal capabilities, the NIMS includes a core set of concepts, principles, and terminology. HSPD-5 identifies these as the Incident Command System (ICS); multiagency coordination systems; training; identification and management of resources (including systems for classifying types of resources); qualification and certification; and the collection, tracking, and reporting of incident information and incident resources.

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.

Glossary

- 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 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.