



COMMITTEE OF THE WHOLE AGENDA
May 21, 2012 - 5:30 PM
City Hall Council Chambers

Committee of the Whole Meeting

1. Metro Area Transit (MAT) Presentation & Discussion - U-Pass Program _____
2. Review & Discuss Draft Strategic Plan Framework _____
3. 2013 Operating & Capital Budget Discussion _____
4. City Manager Reports _____

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Mayor and Council Communication

May 21, 2012

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SUBJECT: Metro Area Transit (MAT) Presentation & Discussion - U-Pass Program

RECOMMENDATION: It is respectfully requested that the Mayor and Council affirm the establishment of a Technical Staff Team with membership consisting of City and College staff for the purpose of providing to the City and College recommended transit fees for consideration in their respective budget processes per the following timetable:

- Technical Team develops U-Pass fees and recommendations - June-August 2012
- Recommend fees to City and Colleges – August 2012
 - Apply 2013 portion of 2012-13 fees to City budget (City Manager)
 - Enter into U-Pass contract with Colleges for 2012-13 academic year (City Council & Colleges)
 - Recommend 2013-14 fees for CY2013 & CY2014 City budgets and 2013-14 academic year budget
- Colleges work with students and staff on U-Pass fees – Sept. 2012 - April 2013
- City incorporates recommendations into City fee schedule resolution – Nov. 2012
- City integrates user fee recommendations into the final City budget – Dec. 2012
- Colleges approves academic year budgets – April 2013

BACKGROUND / KEY POINTS: There has been a long-standing partnership with the Moorhead colleges for participation in public transportation for their students. For over 20 years, MSUM and Concordia College provided the local share match for a State grant to provide evening bus service during the academic years.

In 2002, the U-Pass program was expanded into Moorhead and MSUM joined with NDSU in paying an annual fee for the bulk purchase program that provides metro area college students free unlimited access to MATBUS. The program expanded each year thereafter to include Concordia and M|State.

The 2011-12 U-Pass fee is set at \$6.00 per student (and faculty if applicable). Currently, MSUM, M|State, Concordia, and NDSU all participate in U-Pass. With the success of the U-Pass program, MSUM and Concordia discontinued their direct support of evening bus service in Moorhead and increased their financing of the U-Pass. In turn, evening service was expanded to operate year-round and became part of the MATBUS Fixed Route system. U-Pass contributions don't directly support any one part of MATBUS, rather they support overall Fixed route system operations.

For Calendar Year 2011, College Pass contributions made up 32% (\$80,110/\$253,421) of the total farebox revenue for MATBUS in Moorhead. College ridership made up 32% of the total passengers trips on MATBUS in Moorhead as well.

COLLEGE CONTRIBUTION TO MATBUS SERVICE

<u>MSUM</u>	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Evening Service	\$ 16,477	\$10,213	\$ 10,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U-Pass	\$ 11,000	\$22,000	\$ 22,000	\$41,320	\$43,422	\$42,000	\$42,000	\$ 46,000	\$ 46,000	\$ 46,000
Total	\$ 27,477	\$32,213	\$ 32,554	\$ 41,320	\$ 43,422	\$ 42,000	\$ 42,000	\$ 46,000	\$ 46,000	\$ 46,000

<u>Concordia</u>	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Evening	\$ 15,282	\$ 10,138	\$ 10,478	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U-Pass	\$ -	\$ 4,690	\$ 9,380	\$ 17,320	\$ 17,876	\$ 17,876	\$ 19,800	\$ 19,800	\$ 19,650	\$ 19,650
Total	\$ 15,282	\$ 14,828	\$ 19,858	\$17,320	\$ 17,876	\$ 17,876	\$ 19,800	\$ 19,800	\$ 19,650	\$ 19,650

<u>MState</u>		2005 Partial	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
U-Pass		\$ 2,184	\$ 5,520	\$ 8,976	\$ 9,713	\$ 12,500	\$ 12,500	\$ 13,620	\$ 15,300
TOTAL	\$ 42,759	\$47,041	\$ 54,596	\$ 64,160	\$ 70,274	\$ 69,589	\$ 74,300	\$ 78,300	\$ 80,850

During the 2010-11 academic year over 1,800 individual students from Moorhead colleges rode MATBUS using their college I.D. If these individuals chose to drive a car, the additional parking needed on or near campus would be substantially higher than is currently provided. MATBUS Ridership by Moorhead college students has grown by 1000% since the inception of the U-Pass program in 2002. The convenience of using the student's I.D. makes riding MATBUS easy and encourages use.

FINANCIAL CONSIDERATIONS: The five-year Transit Development Plan (TDP) completed in December 2011 analyzed the U-Pass Program, identifying potential methods to compute the applicable rate to be charged in the future. The following principles will be considered by the Technical Team in establishment of fees and services:

- Integration of future transportation demand management principles between the City of Moorhead and Moorhead Area Colleges, with a specific focus on public transportation and campus area parking.
- Develop a set of principles to guide the coordinated implementation of U-Pass rates/fees and other needed City-College investments in public transportation for future academic years.
- Review other parallel strategies regarding campus and campus area parking to ensure decisions regarding transportation in the campus area are coordinated with public transit assets and resources.
- Periodically inform the MAT Coordinating Board of progress regarding its work.

Lori Van Beek, Transit Manager, held meetings with representatives from Moorhead colleges, universities, and Metro COG to discuss the U-Pass. During these meetings, information was

provided on the history of college participation in public transportation, recent and proposed MATBUS service improvements, college ridership data, and the revenue return to the City.

It was determined that the college budgets for the academic year begin in September and October and are finalized by April. The City's budget process begins in May and is finalized by December. The 2012-13 academic year budget process has been completed. MSUM included a 4% increase in their 2012-13 U-Pass commitment. M|State's budget remained at the same level as 2011-12. Confirmation on Concordia's budget has not yet been received.

In order to coordinate the budgetary process and to allow time for review and comment, it was recommended that a Technical Team provide the City Manager a U-Pass budget recommendation consistent with the aforementioned timetable. This timetable will allow the City and Colleges to reach agreement on a rate to be established for the 2013-14 academic year budget, and the 2013 and 2014 City budgets. The colleges also offered to assist in marketing transit services to their students.

VOTING REQUIREMENTS: Not Applicable

Disclaimer: Voting requirements may be subject to changes in the law, parliamentary procedural matters, or other unforeseen issues. The City Attorney provides opinion on questions of voting requirements in accordance with the Moorhead City Code, Minnesota State Statutes, and parliamentary procedure.

Respectfully Submitted:



Michael J. Redlinger
City Manager

Department: Mass Transit
Prepared by: Lori Van Beek, Transit Manager
Attachments: N/A



Mayor and Council Communication

May 21, 2012

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[SUBJECT]: Review & Discuss Draft Strategic Plan Framework

RECOMMENDATION: The Mayor and City Council will review and discuss the *Draft Strategic Plan Framework*, which contains short-, mid-, and long-range planning goals discussed by the Mayor & City Council at City Council Retreat Sessions in January and March 2012 and a Committee of the Whole meeting on April 2, 2012. Feedback from the April 30th Town Hall Meeting will also be reviewed by the Mayor and City Council at the Committee of the Whole meeting.

BACKGROUND / KEY POINTS: The Mayor & City Council previously held City Council Retreat Sessions on the following dates:

- City Council Retreat Session #1: January 20-21, 2012
- City Council Retreat Session #2: March 20, 2012
- Committee of the Whole Meeting: April 2, 2012

A Town Hall Meeting was held at the Hjemkomst Center on April 30, 2012. A brief presentation and summary of comments received at the Town Hall meeting will be reviewed at the May 21st Committee of the Whole meeting. A revised copy of the *Draft Strategic Plan Framework* is attached for Mayor and Council review.

FINANCIAL CONSIDERATIONS: Not Applicable

VOTING REQUIREMENTS: Not Applicable

Disclaimer: Voting requirements may be subject to changes in the law, parliamentary procedural matters, or other unforeseen issues. The City Attorney provides opinion on questions of voting requirements in accordance with the Moorhead City Code, Minnesota State Statutes, and parliamentary procedure.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "Michael J. Redlinger".

Michael J. Redlinger
City Manager

Department: City Manager
Prepared by: Michael Redlinger, City Manager

Attachments: *Draft Strategic Plan Framework* – Revised May 17, 2012

Draft Strategic Plan Framework (v.3)

Mayor & City Council

Revised: 5/17/12

STRATEGIC GOAL / OBJECTIVE	Strategies	Resources	Department
<p>GOAL 1: Improve the City of Moorhead customer service experience for residents, prospective residents, business owners, and the development community.</p>	<ol style="list-style-type: none"> 1. Development Team Training Program with Flint Communications and City Manager 2. "City University" Training Program for all City employees <ol style="list-style-type: none"> a. Moorhead Public Service inclusion 3. Written evaluation and accountability standards for all City employees <ol style="list-style-type: none"> a. Benchmarks b. Dashboards 4. Deploy a citizen survey instrument (e.g. NCS) <ol style="list-style-type: none"> a. Developer survey b. Legislative/OSA 5. Foster a culture of care, consideration, and partnership with all sectors <ol style="list-style-type: none"> a. City Manager brown bag seminars/workshops 6. Invest in technology infrastructure to allow for easier citizen business transactions 	<p><i>Leads:</i> City Manager & Human Resources Director</p> <p><i>Project Principals:</i> Community Services Director & City Engineer</p> <p>Staff time</p> <p>Modest training budget expenditures</p> <p>Future website redesign cost</p> <p>National Citizen Survey</p>	<p>All Departments</p> <p>Moorhead Public Service</p>

STRATEGIC GOAL / OBJECTIVE	Strategies	Resources	Department
<p>STRATEGIC GOAL 2: Promote the long-term, sustainable growth and development of City of Moorhead’s residential, commercial, industrial, and educational sectors. Foster a healthy, positive Moorhead environment.</p>	<ol style="list-style-type: none"> 1. Enhance business outreach efforts through regular, dedicated staff visits and informal discussions 2. Evaluate EDA business outreach contractor to ensure City objectives are being achieved 3. Create regular venues for positive, trust-building interactions with the development community <ol style="list-style-type: none"> a. Annual Builder Summit b. Quarterly coffee meetings / status updates c. FM Realtors 4. Implement HBA infrastructure recommendations 5. Continue strong City-State partnership to protect and enhance Border Cities program 6. Continue City-K-12 marketing partnerships and activities 	<p><i>Lead:</i> Community Services Department</p> <p>Staff time</p> <p>Website redesign fees estimated at approximately \$90,000 - \$125,000</p> <p>Additional marketing, advertising, and neighborhood study funds</p>	<p>Community Services Department</p> <p>Development Services Division</p> <p>Neighborhood Services Division</p> <p>Parks & Recreation Division</p> <p>Information Technology Division</p>

STRATEGIC GOAL / OBJECTIVE	Strategies	Resources	Department
<p>GOAL 2: (continued)</p>	<p>7. Invest in future neighborhood studies and programs</p> <p>8. Commit to regular updates of the Marketing & Communications Plan</p> <ul style="list-style-type: none"> a. Customer service programs b. Investing in City performance culture <p>9. Streamline development process</p> <p>10. Comprehensive City website update</p> <p>11. Promote Moorhead identity, uniqueness, and attributes that set Moorhead apart from other metropolitan communities</p> <p>12. Invite new business owners to City Council meetings and provide them with a “Key to the City”</p>		

STRATEGIC GOAL / OBJECTIVE	Strategies	Resources	Department
<p>GOAL 3: Maintain and invest in the infrastructure, public assets, and appearance of the City of Moorhead.</p>	<ol style="list-style-type: none"> 1. Increase ROW maintenance activities <ol style="list-style-type: none"> a. Potholes and sealcoating b. Plantings c. Business partnerships to enhance beautifications 2. Restore and invest in preventative street maintenance 3. Maintain and enhance welcome signage and key corridors 4. Improve downtown appearance and welcoming issues 5. Evaluate enhancements to the Rental Registration program 6. Evaluate enhancements to the property maintenance code <ol style="list-style-type: none"> a. Pursue more compliance education 7. Residential revitalization and reinvestment incentives 8. Ensure high-quality infrastructure installations (QA/QC) 	<p>Staff time</p> <p>Future funds to improve ROW maintenance activities</p> <p>Potential future legislative work</p>	<p>Neighborhood Services Division</p> <p>Operations Department</p> <p>Stormwater Division</p>

STRATEGIC GOAL / OBJECTIVE	Strategies	Resources	Department
<p>GOAL 4: Enhance and expand opportunities for citizens to engage with, and volunteer for, the City of Moorhead.</p>	<ol style="list-style-type: none"> 1. Engage college students and higher education institutions to participate more fully in City business 2. Identify and reach out to new residents to serve on City committees and boards 3. Rebuild the volunteer ranks of the Moorhead Police Volunteer Program 4. Identify additional citizen volunteer opportunities to assist with special projects, tasks, etc. 5. Volunteer recognition event 6. Create the “Moorhead narrative” and allow citizens to contribute to it 7. Town Hall forums 8. Technology and social media investment 9. Citizen Education / “Civic U” Program 	<p>Staff time</p> <p>Website redesign</p>	<p>Parks & Recreation Division</p> <p>Neighborhood Services Division</p> <p>Police Department</p> <p>City Clerk</p> <p>Moorhead Community Education</p>

STRATEGIC GOAL / OBJECTIVE	Strategies	Resources	Department
<p>RESOLUTION 5: Prepare the City of Moorhead organization, City Council policy agenda, and the Community (<i>capital C</i>) for “Life After Floods.”</p>	<ol style="list-style-type: none"> 1. Complete remaining flood mitigation acquisitions and projects 2. Continue neighborhood outreach and public information efforts <ol style="list-style-type: none"> a. Project information website b. Neighborhood meetings c. Dedicated City technical liaison 3. Participate in Metro COG River Corridor Study and consider recommended projects <ol style="list-style-type: none"> a. Recreation and open space b. Community connectedness c. Bike and pedestrian trails 4. Flood marketing distance 	<p>Staff time</p> <p>Future bond sale proceeds</p> <p>DNR Flood Damage Reduction funds</p> <p>Future Capital Improvement Funds for bike/pedestrian improvements</p>	<p>Engineering Department</p> <p>Stormwater Division</p> <p>Operations Department</p> <p>Community Services Department</p> <p>Neighborhood Services Division</p>

STRATEGIC GOAL / OBJECTIVE	Strategies	Resources	Department
<p>GOAL 6: Transform City of Moorhead governance into a highly efficient, productive, and cohesive Policy Team focused on outcomes and progress for the Community.</p>	<ol style="list-style-type: none"> 1. Encourage respectful, courteous dialogue that is focused on policy outcomes 2. Citizen testimony time limits 3. Commit to regular governance training (NLC/LMC) and check-in points 4. Plan for the short-, mid-, and long-range future of the City of Moorhead <ol style="list-style-type: none"> a. Be ready to seize on opportunities to grow and expand the tax base b. Create a governance environment that positions Moorhead for success in the marketplace 5. Plan for long-range capital priorities, facilities, and equipment <ol style="list-style-type: none"> a. Future City facilities 6. Effective Council-Manager partnership 	<p>City Council efforts/planning</p> <p>Staff time</p>	<p>City Council</p> <p>City Manager</p>

Draft Strategic Plan Framework - Cost & Schedule

Revised 5/17/12

<u>Goal</u>	<u>Strategy</u>	<u>Cost</u>	<u>Schedule by Quarter</u>
Goal #1: Improve the City of Moorhead customer service experience for residents, prospective residents, business owners, and the development community.	1. Development Team Training Program with Flint Communications and City Manager	\$4,000	Q2 - Q4 2012
	2. "City University" Training Program for all City employees	Staff time	Ongoing
	a. Moorhead Public Service inclusion	-	-
	3. Written evaluation and accountability standards for all City employees	Staff time	Ongoing
	a. Benchmarks	Staff time	Ongoing
	b. Dashboards	Staff time	Ongoing
	4. Deploy a citizen survey instrument (e.g. NCS)	\$10,000 - \$15,000	Q1 2013 (if budgeted)
	a. Developer survey	Staff time	When applicable
	b. Legislative/OSA	Staff time	Q3 2012
	5. Foster a culture of care, consideration, and partnership with all sectors	Staff/MCC	Ongoing
	a. City Manager brown bag seminars/workshops	Staff time	Q3 - Q4 2012
	6. Invest in technology infrastructure to allow for easier citizen business transactions	\$100,000	Q1 2013 (if budgeted)
	Goal #2: Promote the long-term, sustainable growth and development of the City of Moorhead's residential, commercial, industrial, and educational sectors. Foster a healthy, positive Moorhead environment.	1. Enhance business outreach efforts through regular, dedicated staff visits and informal discussions	Staff time
2. Evaluate EDA business outreach contractor to ensure City objectives are being achieved		Staff time	Q3 2012
3. Create regular venues for positive, trust-building interactions with the development community		Staff/MCC	Ongoing
a. Annual Builder Summit		\$3,000	Annually
b. Quarterly coffee meetings / status updates		Staff time	Quarterly
c. FM Realtors		Staff time	Q2 - Q3 2012

4. Implement HBA infrastructure recommendations	Staff/MCC	Complete
5. Continue strong City-State partnership to protect and enhance Border Cities program	Staff/Consultant time	Complete 2012 & ongoing
6. Continue City-K-12 marketing partnerships and activities	Staff/Consultant time	Ongoing
7. Invest in future neighborhood studies and programs	TBD	TBD
8. Commit to regular updates of the Marketing & Communications Plan	\$50,000 - \$75,000	Q1 -Q4 2013
a. Customer service programs	\$4,000	Q2 - Q4 2012
b. Investing in City performance culture	Staff time	Ongoing
9. Streamline development process	Staff time	Ongoing
10. Comprehensive City website update	\$100,000	Q1 2013 (if budgeted)
11. Promote Moorhead identity, uniqueness, and attributes that set Moorhead apart from other metropolitan communities	Marketing Team/MCC	Q1 - Q4 2013
12. Invite new business owners to City Council meetings and provide them with a “Key to the City”	Staff/MCC	TBD

Goal #3: Maintain and invest in the infrastructure, public assets, and appearance of the City of Moorhead.

1. Increase ROW maintenance activities	In development	Ongoing
a. Potholes and sealcoating	In development	Ongoing
b. Plantings	In development	Q1 2013
c. Business partnerships to enhance beautifications	In development	Q1 2013
2. Restore and invest in preventative street maintenance	In development	Ongoing
3. Maintain and enhance welcome signage and key corridors	\$5,000	TBD
4. Improve downtown appearance and welcoming issues	In development	TBD
5. Evaluate enhancements to the Rental Registration program	-	City Council report complete
6. Evaluate enhancements to the property maintenance code	-	City Council report complete

	a. Pursue more compliance education	-	City Council report complete
	7. Residential revitalization and reinvestment incentives	Special legislation	2012 Legislative Session complete
	8. Ensure high-quality infrastructure installations (QA/QC)	Staff time	When applicable
Goal #4: Enhance and expand opportunities for citizens to engage with, and volunteer for, the City of Moorhead.	1. Engage college students and higher education institutions to participate more fully in City business	Staff/MCC	Ongoing
	2. Identify and reach out to new residents to serve on City committees and boards	MCC	Ongoing
	3. Rebuild the volunteer ranks of the Moorhead Police Volunteer Program	Staff time	Complete
	4. Identify additional citizen volunteer opportunities to assist with special projects, tasks, etc.	Staff time	Ongoing
	5. Volunteer recognition event	\$2,500	2013
	6. Create the "Moorhead narrative" and allow citizens to contribute to it	\$50,000 - \$75,000	Ongoing
	7. Town Hall forums	\$500/event	Complete/ongoing
	8. Technology and social media investment	\$100,000	Q1 2013
	9. Citizen Education / "Civic U" Program	TBD	Q2 - Q3 2013
Goal #5: Prepare the City of Moorhead organization, City Council policy agenda, and the Community (capital C) for "Life After Floods."	1. Complete remaining flood mitigation acquisitions and projects	DNR \$8.5M	Q4 2013
	2. Continue neighborhood outreach and public information efforts	Staff time	Ongoing
	a. Project information website	Staff time	Complete
	b. Neighborhood meetings	Staff time	Ongoing
	c. Dedicated City technical liaison	Staff time	Complete
	3. Participate in Metro COG River Corridor Study and consider recommended projects	TBD	TBD
	a. Recreation and open space	TBD	TBD
	b. Community connectedness	TBD	TBD
	c. Bike and pedestrian trails	TBD	TBD

Goal #6: Transform City of Moorhead governance into a highly efficient, productive, and cohesive Policy Team focused on outcomes and progress for the Community.

4. Flood marketing distance	Staff/MCC	Ongoing
1. Encourage respectful, courteous dialogue that is focused on policy outcomes	Staff/MCC	Ongoing
2. Citizen testimony time limits	MCC time	Complete
3. Commit to regular governance training (NLC/LMC) and check-in points	MCC time	Ongoing/Q1 2013
4. Plan for the short-, mid-, and long-range future of the City of Moorhead	Staff/MCC	Ongoing/Q1 2013
a. Be ready to seize on opportunities to grow and expand the tax base	Staff/MCC	Ongoing
b. Create a governance environment that positions Moorhead for success in the marketplace	Staff/MCC	Ongoing
5. Plan for long-range capital priorities, facilities, and equipment	Staff/MCC	Q2 - Q4 2012
a. Future City facilities	Staff/MCC	Q2 - Q4 2012
6. Effective Council-Manager partnership	CM/MCC	Ongoing



Mayor and Council Communication

May 21, 2012

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SUBJECT: 2013 Operating & Capital Budget Discussion

RECOMMENDATION: The Mayor and City Council are asked to receive a presentation and report from the City Manager and Finance Director on the *Proposed* 2013 Operating & Capital Budget for the City of Moorhead. No action will be requested of the Mayor and City Council at this meeting.

BACKGROUND / KEY POINTS: The City Manager and Finance Director will provide a presentation on the goals, objectives, and planning parameters for the *Proposed* 2013 Operating & Capital Budget. Handout materials will be provided at the Committee of the Whole meeting. Mayor and City Council comments will be incorporated into the development of the *Proposed* 2013 Operating & Capital Budget, with submission of the document currently scheduled for July 20, 2012.

It is the practice of City staff to conduct early conversations with the Mayor and City Council on budget planning for the upcoming fiscal year in the spring/summer preceding budget adoption. A proposed calendar for the *Proposed* 2013 Operating & Capital Budget is attached.

FINANCIAL CONSIDERATIONS: Not Applicable

VOTING REQUIREMENTS: Not Applicable

Disclaimer: Voting requirements may be subject to changes in the law, parliamentary procedural matters, or other unforeseen issues. The City Attorney provides opinion on questions of voting requirements in accordance with the Moorhead City Code, Minnesota State Statutes, and parliamentary procedure.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "Michael J. Redlinger".

Michael J. Redlinger
City Manager

Department: City Manager
Prepared by: Michael Redlinger, City Manager

Attachments: *Proposed* 2013 Operating & Capital Budget Calendar

City of Moorhead
Proposed 2013 Operating & Capital Budget Calendar

Date/Meeting Type	Description/Action
May 21, 2012 COW	Introduction, Planning Parameters, & Objectives <i>(Budget Session #1)</i>
May – June 2012	City Manager & Finance Director Prepare <i>Proposed</i> 2013 Operating & Capital Budget
July 16, 2012 COW	Budget Preparation Update & Proposed Capital Improvement Plan <i>(Budget Session #2)</i>
July 20, 2012	<i>Proposed</i> 2013 Operating & Capital Budget Document submitted to Mayor & City Council
August 20, 2012 COW	Mayor & City Council Review <i>Proposed</i> 2013 Operating & Capital Budget Document <i>(Budget Session #3)</i>
September 10, 2012 City Council (T-n-T requirement)	Adopt <i>Preliminary</i> 2012 Tax Levy Payable 2013 & <i>Proposed</i> 2013 Operating & Capital Budget <i>(Budget Session #4)</i>
October 15, 2012 COW	Departmental Presentations – Session #1 <i>(Budget Session #5)</i>
October 29, 2012 Special COW	Departmental Presentations – Session #2 <i>(Budget Session #6)</i>
December 3, 2012 Special COW (T-n-T requirement)	Truth-in-Taxation Hearing <i>(Budget Session #7)</i>
December 10, 2012 City Council	Adopt 2012 Tax Levy Payable 2013 & <i>Preliminary</i> 2013 Operating & Capital Budget <i>(Budget Session #8)</i>

Proposed 2013 Operating & Capital Budget Planning

Committee of the Whole Meeting
May 21, 2012

*Michael Redlinger, ICMA-CM
City Manager*



Proposed 2013 Budget Kick-Off

- Budget Session #1 (Handout #1)
- Total of 8 scheduled sessions with the Mayor & City Council (7 month process)
 - Leading to December 10, 2012 adoption
- Early City Council foundation for later policy decisions



Proposed 2013 Budget Kick-Off

- Public Information
 - www.cityofmoorhead.com/budget
- Public Hearings (Truth-in-Taxation)
- City Council budget meetings
- Previous years: -*Budget Forum* on website
 - Public meetings



City Charter Requirements

- City Charter Section 7.04
 - City Manager prepares and submits annual budget
- Moorhead budget process is unique (Handout #2)
 - A hybrid model by practice
 - Timeline/length
 - Reports



Budget Process & Roles

- A priority-based budget and approach
- Mayor & City Council Role:
 - Strategy
 - Policy Outcomes
 - Community focus
 - “Big picture”



Budget Process & Roles

- City Manager Role:
 - Integration of Mayor & City Council strategy
 - Outcomes
 - Organization focus and results
 - Performance
 - Financial reporting and compliance



Other Minnesota Cities

- **Mankato** (39,309)
 - Late August – December
- **Minnetonka** (49,734)
 - Late August – December
- **St. Cloud** (65,842)
 - July 31 – December
- **Woodbury** (61,961)
 - August – December



Biennial Budgeting

- **Plymouth, MN (70,576)**
 - 2012-2013 Biennial Budget
 - *Strategy* drives budget
 - Budget is a tool to achieve desired outcomes
 - “Strengthens forecasts”
 - Handout #3
- More common practice in Washington, Oregon, & California cities



Strategy & Planning

- Strategic planning is story
 - 2011: *Challenge of 5*
 - 5 years of past growth
 - 5,000+ new residents
 - 5 years of mid-range planning for the future
 - A challenge to think and focus on the mid-term
 - Position Moorhead for future growth and distinctiveness in the market
 - Handouts #4 & #5



Strategy & Planning

- 2012: No flood, and several projects underway
 - Mayor & City Council Strategic Planning
 - Marketing
 - Maxfield Research Housing Report
 - Railroad studies
 - Stantec Parking Study
 - Outreach & presentations
 - Growth & Development Summit, Parking Study meetings, Town Hall, bus tour, Rotary presentation, etc.
 - Municipal Redistricting



Strategy & Planning

- Early/mid-2012: *Moving the ball forward*
- Positioning the community for the future
- Budget, like flood, leaves a marketing impression
 - Headlines, articles, and sound bites
 - Tone, clarity, and “big picture”
 - Budget discussions need to support marketing effort and tone



Goals & Objectives

- Mayor & City Council Strategic Plan Priorities:
 1. **Growth & Development**
 2. **Marketing**
 3. **Customer Service**
 4. **Website / Communications**



Goals & Objectives

- 2013 priorities, continued:
 5. **Public Spaces/ROW**
 - River Corridor Study (Metro COG)
 6. **Core Infrastructure**
 7. **Employee retention and investment**
 - Administration staffing



Goals & Objectives

1. Growth & Development

2. Marketing

- Source: General Fund/EDA
- Provide for consistent annual marketing

3. Customer Service

- Source: General Fund
- Extend 2012 customized training to 2013



Goals & Objectives

4. Website/Communications

- Source: General Fund/EDA (est. \$100,000)
- New City website

5. Public Spaces/ROW

- Source: Forestry fee, Pest Control fee, General Fund

6. Core Infrastructure



Goals & Objectives

7. Employee retention and investment

- Source: General Fund & Enterprise Funds
- Phase 2 Classification & Compensation Study (est. \$25,000)
- Implementation costs TBD
- Summary of 2009-2012 employee COLA:

2009	2010	2011	2012
.5%	0%	1%	0%



Next Steps

- ✓ Integration of Mayor & City Council priorities into *Proposed* 2013 Operating & Capital Budget
- ✓ CIP Presentation: July 16, 2012
- ✓ City Manager budget submittal: July 20, 2012
- ✓ Future meetings as outlined



Next Steps

- Shared Governance: Reports & Requests for Information Protocol:
 1. *Requests should be a shared priority of the entire Mayor & City Council*
 - City Manager will ask the question
 2. *Facilitate informed decision-making*
 - Does the information help resolve key levy and budget decisions?
 - Is the report meaningful and add value?
 3. *No reports for the sake of making reports*
 - Reports take investment of staff time



Goals & Objectives

- 1. Are these the high-level, “big picture” priorities of the Mayor & City Council?**
- 2. Should these priorities be integrated into the levy and budget strategy?**
- 3. Is the City Council interested in a biennial budgeting approach?**



Questions/Discussion

Michael Redlinger, ICMA-CM
City Manager
(218) 299-5305
www.cityofmoorhead.com/budget



Goals & Objectives

- 1. Are these the high-level, “big picture” priorities of the Mayor & City Council?**
- 2. Should these priorities be integrated into the levy and budget strategy?**
- 3. Is the City Council interested in a biennial budgeting approach?**



Proposed 2013 Operating & Capital Budget

City Manager Presentation
Committee of the Whole Meeting
May 21, 2012

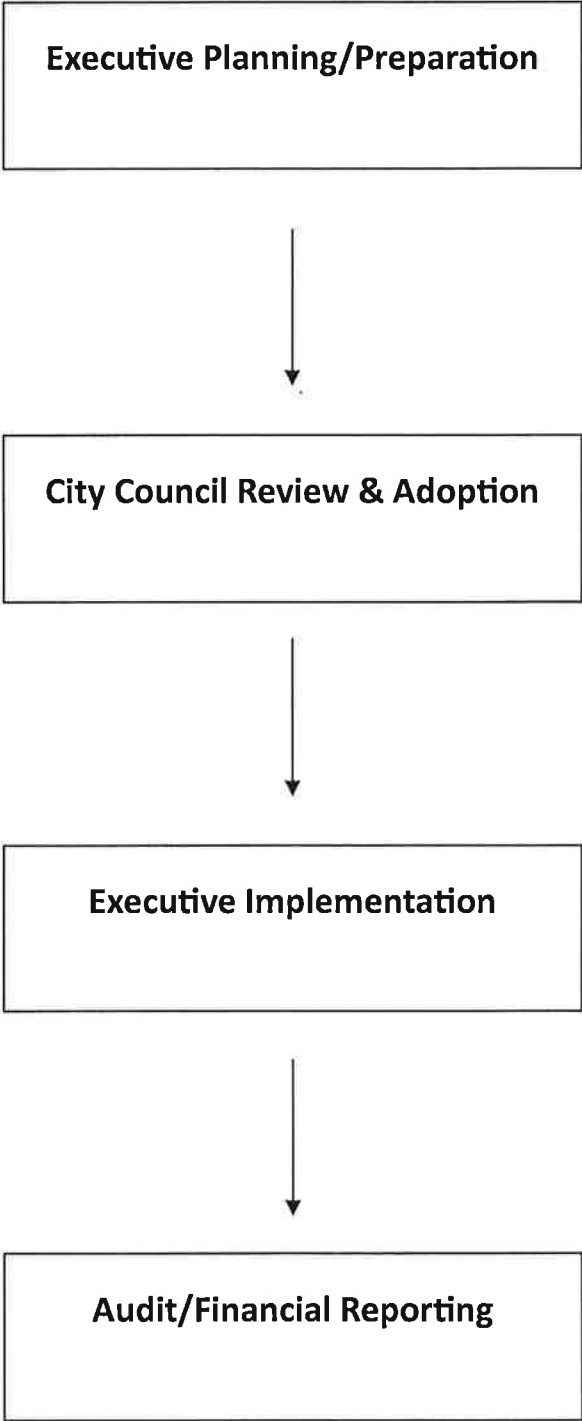
Handout #1

City of Moorhead
Proposed 2013 Operating & Capital Budget Calendar

Date/Meeting Type	Description/Action
May 21, 2012 COW	Introduction, Planning Parameters, & Objectives <i>(Budget Session #1)</i>
May – June 2012	City Manager & Finance Director Prepare <i>Proposed</i> 2013 Operating & Capital Budget
July 16, 2012 COW	Budget Preparation Update & Proposed Capital Improvement Plan <i>(Budget Session #2)</i>
July 20, 2012	<i>Proposed</i> 2013 Operating & Capital Budget Document submitted to Mayor & City Council
August 20, 2012 COW	Mayor & City Council Review <i>Proposed</i> 2013 Operating & Capital Budget Document <i>(Budget Session #3)</i>
September 10, 2012 City Council (T-n-T requirement)	Adopt <i>Preliminary</i> 2012 Tax Levy Payable 2013 & <i>Proposed</i> 2013 Operating & Capital Budget <i>(Budget Session #4)</i>
October 15, 2012 COW	Departmental Presentations – Session #1 <i>(Budget Session #5)</i>
October 29, 2012 Special COW	Departmental Presentations – Session #2 <i>(Budget Session #6)</i>
December 3, 2012 Special COW (T-n-T requirement)	Truth-in-Taxation Hearing <i>(Budget Session #7)</i>
December 10, 2012 City Council	Adopt 2012 Tax Levy Payable 2013 & <i>Preliminary</i> 2013 Operating & Capital Budget <i>(Budget Session #8)</i>

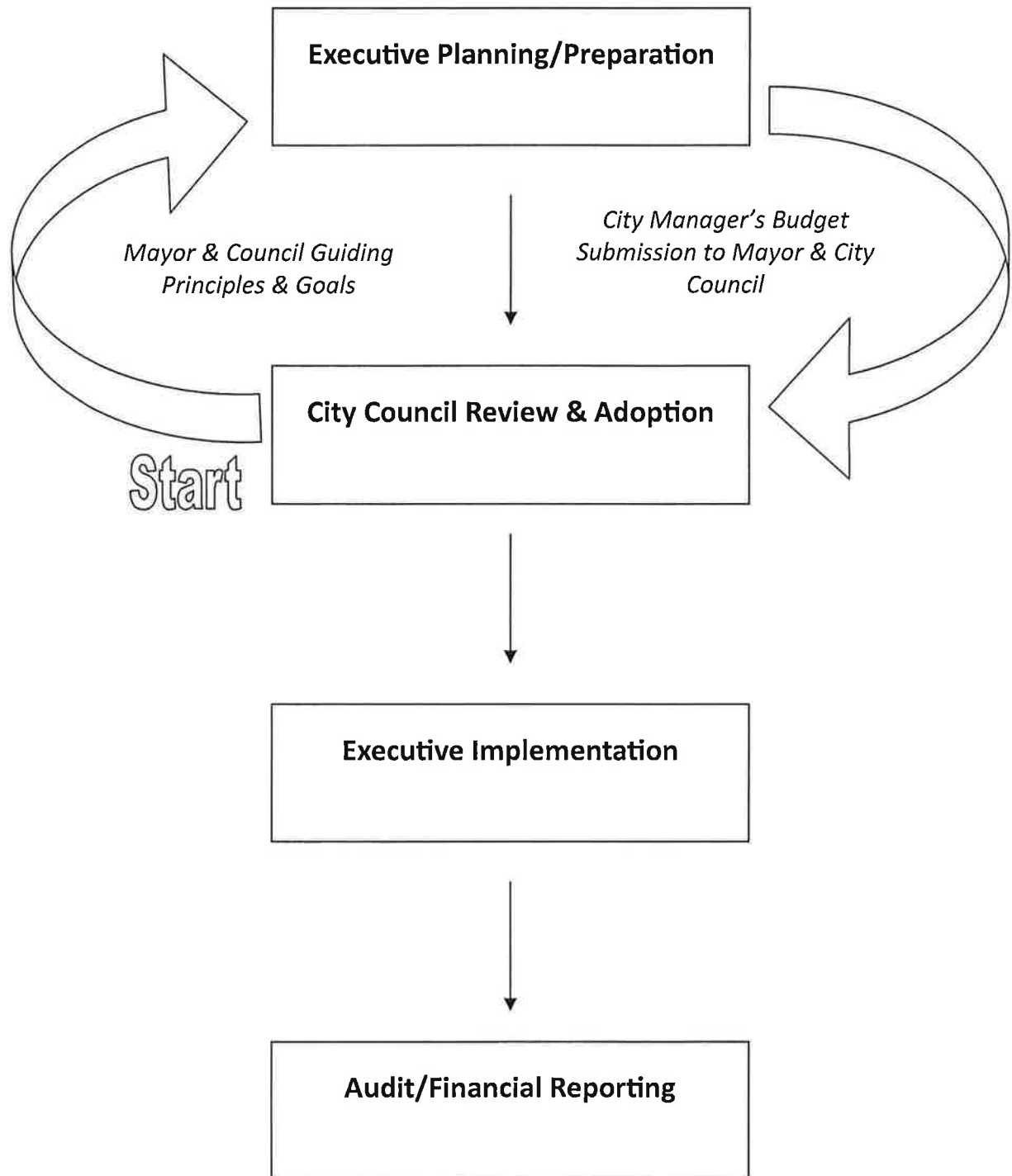
Handout #2

Operating & Capital Budget Adoption Model
Council-Manager Form of Government



Adapted from Bland, Robert L. "A Budgeting Guide for Local Government," 2nd Addition. ICMA Press, 2007.

City of Moorhead Modified Operating Review & Adoption Model



Adapted from Bland, Robert L. "A Budgeting Guide for Local Government," 2nd Addition. ICMA Press, 2007.

Handout #3

Biennial Budget

The City of Plymouth prepares a biennial budget. The two-year budget strengthens forecasts and streamlines the budget development process. Because Minnesota law requires cities to adopt a budget annually, the City Council adopts the first year of the budget and approves the second-year budget in concept. This cycle assists in long-term planning while allowing the City Council to adjust the second year's budget for mandates, unanticipated events or significant changes in the economy.

The City Council holds special budget study sessions throughout the year, and approves the final budget in early December. All budget meetings are open to the public. The City Council also holds a public hearing to receive public comment at a regular council meeting in December.

- [2012 - 2013 Biennial Budget \(PDF\)](#)
- [2011 Approved Amended Budget \(PDF\)](#)
- [2010 - 2011 Biennial Budget \(PDF\)](#)
- [2009 Approved Amended Budget \(PDF\)](#)
- [2008 - 2009 Biennial Budget \(PDF\)](#)

Capital Improvement Program

The Capital Improvement Program is a five-year projection of the capital replacement costs and additional capital needs. It does not give authority to spend, but assists with the preparation of the biennial budget by detailing upcoming capital expenditures by funding source.

- [2012 - 2016 Capital Improvement Program \(PDF\)](#)
- [2011 - 2015 Capital Improvement Program \(PDF\)](#)

Comprehensive Annual Financial Report (CAFR)

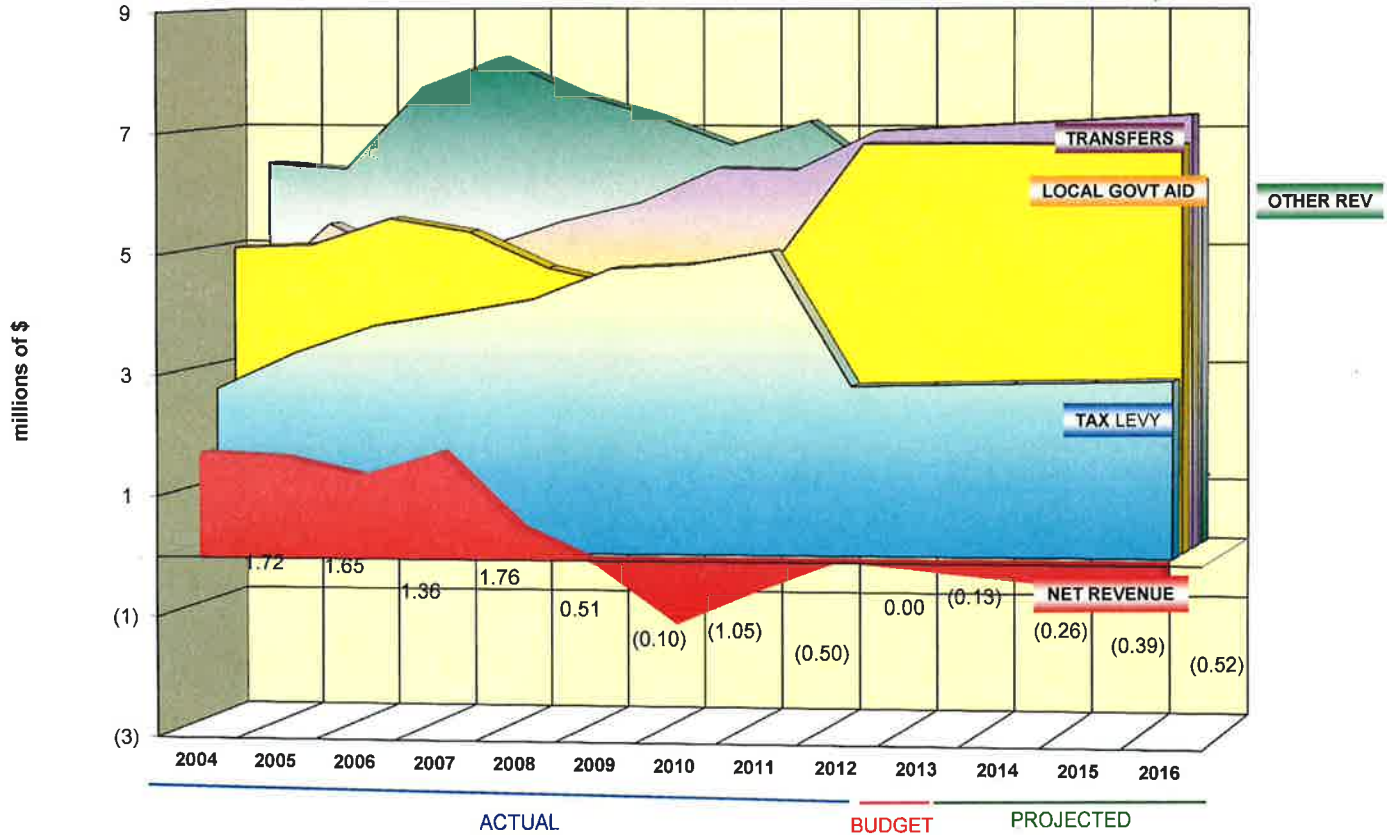
The CAFR provides the City Council, staff, residents and other interested parties with detailed information on the city's financial status and practices. Detailed financial information for the city's Housing and Redevelopment Authority (HRA) is also included in this report.

- [2010 CAFR \(PDF\)](#)
- [2009 CAFR \(PDF\)](#)

- [2010 Management Report \(PDF\)](#)
- [2009 Management Report \(PDF\)](#)

Handout #4

EXPENDITURE FORECAST AND REVENUE SOURCES LGA HELD CONSTANT - 1% INCREASE IN LEVY & TRANSFER General and Park Funds



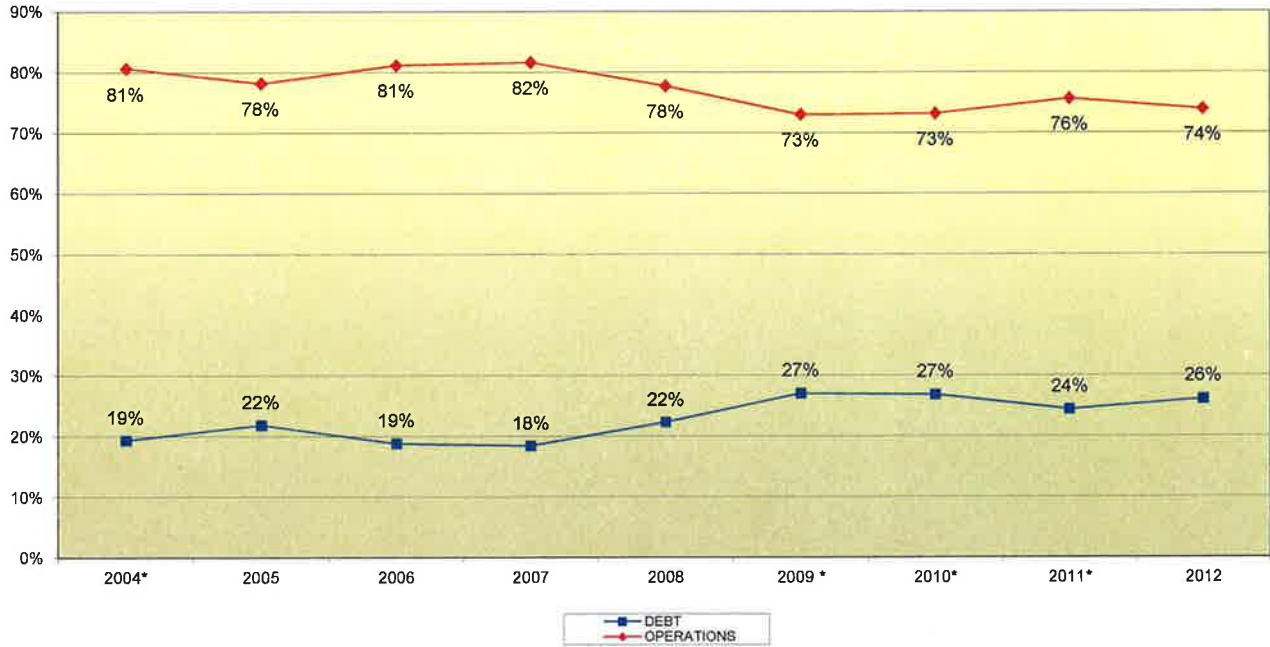
NOTE: Enterprise Fund Transfers have now become the largest source of revenue in the General and Park Funds

YEAR	EXPENSES	LGA	TAX LEVY	ENT FUND TRANSFERS	OTHER REV ⁽¹⁾	NET REV
2004	16,579,576	5,023,444	2,712,560	4,193,426	6,367,388	1,717,242
2005	18,398,219	5,077,058	3,324,243	5,378,906	6,272,991	1,654,979
2006	20,357,137	5,517,940	3,776,800	4,756,118	7,661,381	1,355,102
2007	20,696,081	5,298,685	3,996,308	4,998,162	8,161,086	1,758,160
2008	21,425,317	4,702,180	4,230,351	5,436,562	7,561,775	505,551
2009	22,196,799	4,401,667	4,751,958	5,755,362	7,186,911	(100,901)
2010	23,316,818	4,411,240	4,822,658	6,342,995	6,693,454	(1,046,471)
2011	23,971,316	5,014,980	5,046,734	6,312,512	7,101,403	(495,687)
2012	22,691,848	6,790,628	2,816,466	6,966,530	6,118,224	0
2013	22,918,766	** 6,790,628	2,844,631	7,036,195	6,118,224	(129,089)
2014	23,147,954	** 6,790,628	2,873,077	7,106,557	6,118,224	(259,468)
2015	23,379,434	** 6,790,628	2,901,808	7,177,623	6,118,224	(391,151)
2016	23,613,228	** 6,790,628	2,930,826	7,249,399	6,118,224	(524,151)

** 1% inflation

Handout #5

**CITY OF MOORHEAD
TAX LEVY & LOCAL GOVT AID REVENUE USED FOR OPERATIONS AND DEBT SERVICE
FOR THE YEARS 2004 THRU 2012**



TAX LEVY & LOCAL GOVT AID REVENUE USED FOR OPERATIONS AND DEBT SERVICE									
	2004*	2005	2006	2007	2008	2009 *	2010*	2011*	2012
OPER	\$ 9,415,758	\$ 9,526,652	\$ 10,467,565	\$ 10,523,689	\$ 10,128,254	\$ 10,409,997	\$ 10,416,492	\$ 10,850,936	\$ 10,516,624
DEBT	2,257,636	2,660,846	2,427,700	2,371,576	2,901,007	3,853,915	3,820,381	3,498,214	3,715,840
TOTAL	\$ 11,673,394	\$ 12,187,498	\$ 12,895,265	\$ 12,895,265	\$ 13,029,261	\$ 14,263,912	\$ 14,236,873	\$ 14,349,150	\$ 14,232,464