

General Government Accounts

To budget for services provided on a city-wide basis and not directly associated with an operating department or office.

About the General Government Accounts

What We Do (Description of Services)

The budgets in the General Government Accounts represent necessary spending and financing that exist across the City, and are not necessarily assignable to a specific department. These budgets include:

- Pass through of the employer share of Citywide employee insurance, retiree insurance, pension and other benefit costs, recovered through the fringe benefit allocation system
- Citywide tort liability costs that are not department specific
- Funding for citywide elections,
- Spending related to legal services provided by those other than staff attorneys
- Funding for the Citizen Participation Program, Neighborhood Crime Prevention Program and City Council's Non-profit Performance Contract Program
- Support for the financial forms and reports used by all departments
- Costs of the City's memberships in municipal organizations, such as the League of Cities and the Association of Metropolitan Municipalities,
- Costs for legislative analysis and support for the overall financial good and betterment of the City,
- Fees paid to the State for the citywide financial audit
- Costs of the Charter Commission and the Capital Improvement Budget Committee
- Business parking costs for City Councilmembers and the pass through of employees' payments for the MetroPass Program
- Charges for the maintenance and upkeep of City Hall.

2005-2006 Accomplishments

The following was accomplished in 2005:

- Working with the City's labor union representatives, city staff have managed the financial control of the costs related to city employee fringe benefits, including pensions, insurance, workers' compensation and severance pay.
- The audit of the City's 2005 financial records is complete, and the annual financial report has been prepared, printed and distributed.
- Tort claims levied against the City and approved by the City Council have been managed, and claimants paid from department budgets or the citywide budget.
- The City's interests and share of costs for the operation of City Hall, including security issues in the aftermath of 9/11/01, have been managed.
- The citizen participation program and the neighborhood crime prevention programs were funded.
- Election services to the citizens of Saint Paul were provided.

Statistical Profile

• New Citywide Tort Cases	40
• Citizen Participation District Programs	19
• Neighborhood Crime Prevention Organizations	25
• Participants in the Non-profit Contract Program	35
• City Share of Space in the City Hall Courthouse	35.43%

Key Performance Measures

Performance Objective: Keep the yearly increased cost of retiree health insurance below national health care cost inflation

Performance Indicator: : % change per year

MEASURES:	2004 Actual	2005 Actual	2006 Estimated	2007 Projected
% increase in cost of retiree health insurance	8.60	-8.04	7.24	6.05

Performance Objective: Keep the cost of employee health insurance at or below the national health care cost. (MN State law requires early retirees to be placed in same pool as active employees, which increases the City's average cost, comparatively)

Performance Indicator: Cost per employee (\$)

MEASURES:	2004 Actual	2005 Actual	2006 Estimated	2007 Projected
Cost per employee - City	6,566	7,393	7,435	8,261
Cost per employee - national average (govt)	6,000	6,908	n/a	

General Government Accounts

Department/Office Director: **MATTHEW G SMITH**

		2004	2005	2006	2007	2007	Change from	
		2nd Prior	Last Year	Adopted	Mayor's	Council	Mayor's	2006
		Exp. & Enc.	Exp. & Enc.		Proposed	Adopted	Proposed	Adopted
<u>Spending By Unit</u>								
001	GENERAL FUND	8,324,822	10,655,068	5,340,436	4,637,129	4,837,134	200,005	-503,302
	Total Spending by Unit	8,324,822	10,655,068	5,340,436	4,637,129	4,837,134	200,005	-503,302
<u>Spending By Major Object</u>								
	SALARIES	38,354	22,881	5,078	72,466	167,467	95,001	162,389
	SERVICES	2,562,804	2,510,885	2,688,804	2,927,107	2,802,448	-124,659	113,644
	MATERIALS AND SUPPLIES	41,211	23,423	26,404	26,404	26,404		
	EMPLOYER FRINGE BENEFITS	-33,027	190,890	91,487	112,489	142,147	29,658	50,660
	MISC TRANSFER CONTINGENCY ETC	4,016,094	3,849,211	2,528,663	1,498,663	1,698,668	200,005	-829,995
	DEBT	1,699,384	4,057,778					
	STREET SEWER BRIDGE ETC IMPROVEMENT							
	EQUIPMENT LAND AND BUILDINGS							
	Total Spending by Object	8,324,822	10,655,068	5,340,436	4,637,129	4,837,134	200,005	-503,302
	Percent Change from Previous Year		28.0%	-49.9%	-13.2%	4.3%	4.3%	-9.4%
<u>Financing By Major Object</u>								
	GENERAL FUND	8,324,822	10,655,068	5,340,436	4,637,129	4,837,134	200,005	-503,302
	SPECIAL FUND							
	TAXES							
	LICENSES AND PERMITS							
	INTERGOVERNMENTAL REVENUE							
	FEES, SALES AND SERVICES	2,950	84,860					
	ENTERPRISE AND UTILITY REVENUES							
	MISCELLANEOUS REVENUE	3,544	3,927					
	TRANSFERS							
	FUND BALANCES							
	Total Financing by Object	8,331,316	10,743,855	5,340,436	4,637,129	4,837,134	200,005	-503,302
	Percent Change from Previous Year		29.0%	-50.3%	-13.2%	4.3%	4.3%	-9.4%

2007 Budget Plan

2007 Priorities

- The City Council staff will manage the Non-profit Contract Performance Program and the budget for the Charter Commission.
- The City Attorney's Office will oversee the Tort Liability budget and administer the budget for any use of law firms and expert legal service outside of the City Attorney staff.
- The Citizen Services Office will be responsible for the elections services budget.
- The Office of Financial Services will work with the budgets for pensions, severance pay, the state auditor, the Capital Improvement Budget committee, financial forms, and employee parking and refunds.
- Mayor's Office staff will control the budget for the City's municipal memberships and dues.
- The Real Estate Unit of Public Works will deal with exempt and forfeited property assessments and the service and operations of the City Hall building.
- Human Resources (Risk Management) will lead the citywide effort to control the costs associated with workers' compensation, employee and retiree health insurance, torts and unemployment compensation, and manage the surety bonds budget.
- Planning and Economic Development staff will direct the budget for Citizen Participation and the Neighborhood Crime Prevention program.
- The Intergovernmental Relations function will work with staff from all departments to coordinate city efforts at the State and Federal levels of government.

2007 Budget Explanation

Base Adjustments

The 2006 adopted budget was adjusted to set the budget base for 2007. The base includes the anticipated growth in salaries and fringes for 2007 for employees related to the bargaining process. It also includes 2% inflation growth on some goods and services.

Mayor's Recommendation

The proposed general fund budget for the General Government Accounts for 2007 is \$4,637,129, a decrease of \$703,307, or 13.2%, from the adopted 2006 budget of \$5,340,436. The General Government Accounts have no special fund budgets. The spending reduction target was met with minor changes to several programs. Other changes include the following: centralizing and adding funding for intergovernmental relations activities, including city staff and support costs; providing additional funding for environmental monitoring and cleanup at Pig's Eye Lake; reducing funding for Heritage Preservation intern expenses and shifting that responsibility to special funds; modifying the municipal memberships budget for minor increases in dues; including the normal annual increase in the elections contract with Ramsey County, reducing NPPCP (COPP) funding; and making a one time adjustment of \$1.045 million in the cash flow funding for the General Fund's obligations to the assessment funds. For financing, the 2006 estimates for financing for pension aids were adjusted to bring them to an expected 2007 level.

2007 Budget Plan (continued)

2007 Budget Explanation (continued)

Council Actions

The City Council adopted the General Government Accounts budget and recommendations as proposed by the Mayor, and approved the following changes:

- restored the general fund budget for the Non-profit Contract Performance Program on a one time basis only for 2007,
- shifted some funding between Tort Claims and Tort Liability, and
- created an appropriated contingency reserve for workers' compensation.

The 2007 adopted budget is \$4,837,134 for the general fund.