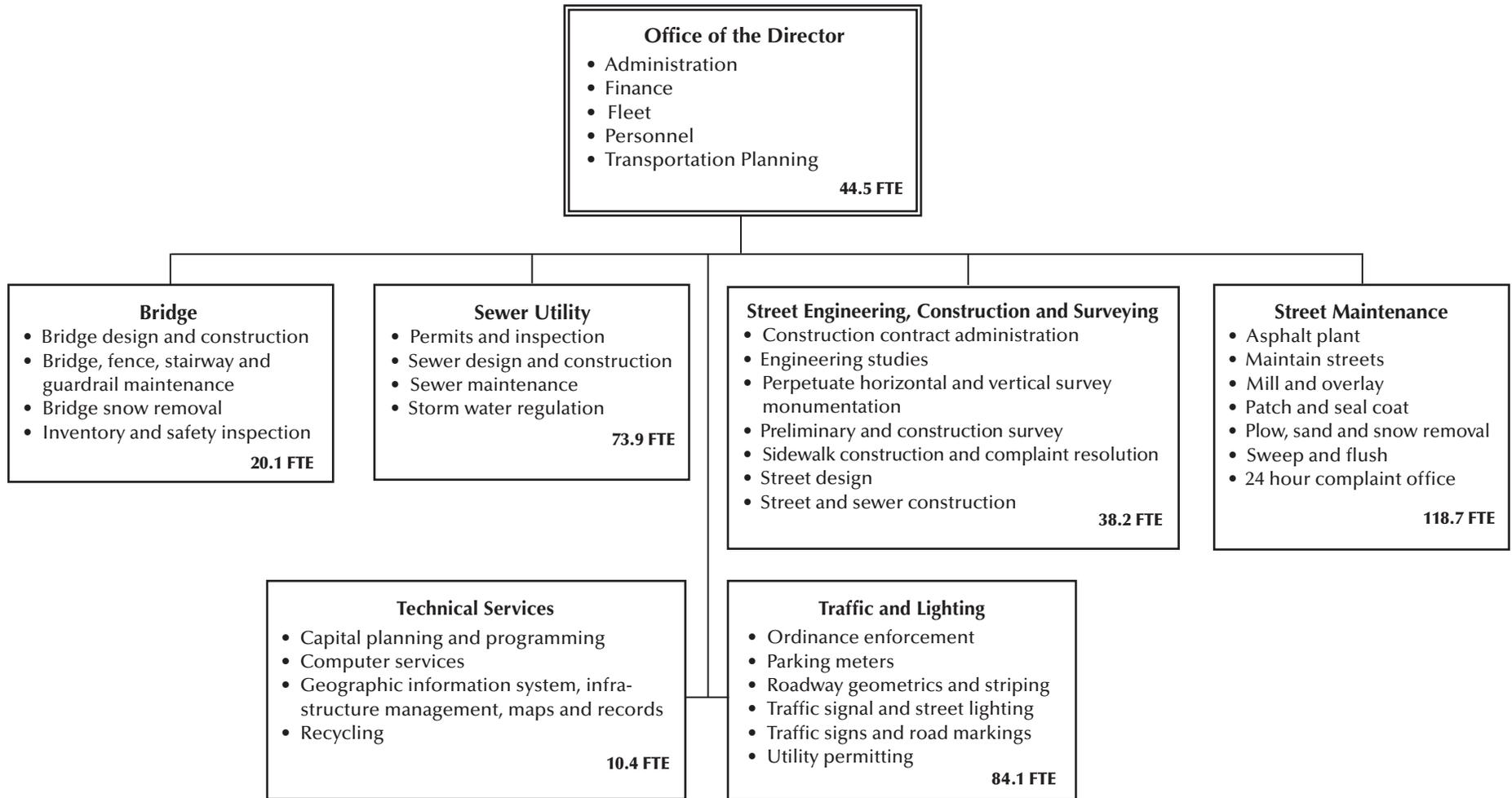


# Public Works

*The Department of Public Works is committed to performing its many services in the most timely, efficient and cost-effective manner possible.*



**(Total 389.9 FTE)**

## 2011 Adopted Budget

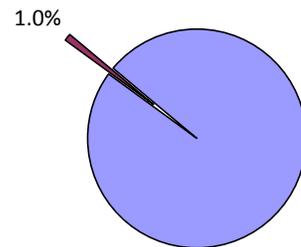
### Public Works

#### Department Description:

The Public Works Department is responsible for preserving and enhancing infrastructure to ensure a safe and livable Capitol City for all by making sure that:

- Streets, alleys, and sidewalks are kept clean, well-lit, clear, safe, and have routine maintenance to the level customers expect;
- Traffic signals are functioning safely and are maintained; traffic signs are in place and maintained;
- Sewers provide the safe transport of waste and storm water for treatment; flood protection levees and pumping facilities are maintained and are prepared for floods;
- Engineering services (design, survey, inspections, administration) are provided for street, sewer, traffic, and bridge construction projects;
- Vehicles and equipment are kept maintained and available for use.

#### **Public Works' Portion of General Fund Spending**



#### Department Facts

- Total General Fund Budget: \$2,204,511
- Total Special Fund Budget: \$129,803,762
- Total FTEs: 389.9
- 863 miles of streets
- 806 miles of sanitary sewers; 450 miles of storm sewers
- 1,011 miles of sidewalks
- 60 city-owned bridges
- 36,010 street light fixtures; 377 signalized intersections
- 504 fleet rental units (vehicles and other equipment)

#### Department Goals

- American Public Works Association (APWA) Best Practices Accreditation
- Maximize Equipment Use
- Succession Planning

#### Recent Accomplishments

- Received recognition from the Minnesota chapter of the Employer Support of the Guard and Reserve for our support given to an employee who was serving in Iraq.
- Retained a AAA bond rating from Standard & Poor's and a Aa2 bond rating from Moody's Investor Service for Sewer Utility revenue bonds.
- Received an award from the Minnesota Environmental Initiative (MEI) for the Arlington Pascal storm water improvement project.
- Installed and began using salt brine-making equipment which reduced winter road salt use.
- Implemented a Safe Routes to School grant for planning and safety education programs at Bruce Vento, Dayton's Bluff, Jackson, John A. Johnson, and North End Elementary schools.
- Implemented a pavement management system and evaluated all streets in the city.
- Completed the design and reconstruction of two Maryland Ave. bridges between Jackson and L'Orient Streets and the Rice St. bridge between Ivy and Cottage Avenue.
- Completed three Residential Street Vitality Projects (RSVP) in 2009: Knapp / Raymond, Cretin / Goodrich, and Earl / McLean.

## 2011 Adopted Budget

### Public Works

#### Fiscal Summary

	<u>2009 Actual</u>	<u>2010 Adopted*</u>	<u>2011 Mayor's Proposed</u>	<u>2011 Adopted</u>	<u>Change from 2010 Adopted</u>	<u>% Change</u>
<b>Spending</b>						
1000: General Fund	6,693,944	2,224,658	2,204,511	2,204,511	(20,147)	-0.9%
2200: Assessment	4,059,447	4,242,873	4,290,728	4,440,728	197,855	4.7%
2250: Right of Way Maintenance	37,472,472	34,668,724	35,995,500	36,148,435	1,479,711	4.3%
6100: Sewer	54,918,019	65,306,997	65,223,766	65,141,357	(165,640)	-0.3%
7100: Central Services Internal	2,941,093	3,241,184	2,424,274	2,424,274	(816,910)	-25.2%
7150: Equipment Services Internal	5,522,619	6,880,113	6,971,026	6,971,026	90,913	1.3%
7200: Services and Supplies	10,387,863	15,313,272	15,846,596	14,677,942	(635,330)	-4.1%
<b>Financing</b>						
1000: General Fund	6,149,783	6,384,140	2,740,274	2,613,953	(3,770,187)	-59.1%
2200: Assessment	3,531,606	4,242,873	4,290,728	4,440,728	197,855	4.7%
2250: Right of Way Maintenance	36,533,141	34,668,724	35,995,500	36,148,435	1,479,711	4.3%
6100: Sewer	46,006,559	65,306,997	65,223,766	65,141,357	(165,640)	-0.3%
7100: Central Services Internal	3,153,470	3,241,184	2,424,274	2,424,274	(816,910)	-25.2%
7150: Equipment Services Internal	6,128,695	6,880,113	6,971,026	6,971,026	90,913	1.3%
7200: Services and Supplies	10,388,341	15,313,272	15,846,596	14,677,942	(635,330)	-4.1%

\*The 2010 General Fund Adopted totals have been adjusted. In previous years, transfers moved resources among funds. Starting in 2011, all affected accounting units are in the general fund, so these transfers are not necessary. The adjusted total more accurately reflects the budget change from 2010-11.

## Budget Changes Summary

	Change from 2010 Adopted	
	Spending	Financing
<b>1000: General Fund</b>		
<u>Mayor's Proposed Changes</u>		
Shift parking revenue to non-department general revenue accounting unit		(3,700,000)
Add 0.7 FTE Civil Engineer III for alternative transportation planning work.	64,249	
Current service level adjustments, including employee expense increases attributable to health care rates and salary steps, removal of one-time contingency spending, and new revenue estimates.	(84,396)	56,134
<u>Adopted Changes</u>		
Revise interest payments for storm sewer service charges and right-of-way assessments based on 2010 billing data.		(59,338)
Revise estimate for parking meter revenue.		(66,983)
	(20,147)	(3,770,187)
<b>2200: Assessment</b>		
<u>Mayor's Proposed Changes</u>		
Move neighborhood clean up costs from Right-of-Way fund into Solid Waste fund to align costs with appropriate revenue source; use fund balance to cover costs.	165,253	165,253
Current service level adjustments, including employee expense increases attributable to health care rates and salary steps, removal of one-time spending and use of fund balance for tree and shrub removal, inflation, and new revenue estimates.	(117,398)	(117,368)
<u>Adopted Changes</u>		
One time transfer of fund balance to the Right-of-Way fund for additional summer litter pick up.	59,000	59,000
One time transfer of fund balance to the general fund to support tree removal and recycling work in the Parks department.	91,000	91,000
	197,855	197,885

## Budget Changes Summary

	Change from 2010 Adopted	
	Spending	Financing
<b>2250: Right of Way Maintenance</b>		
<u>Mayor's Proposed Changes</u>		
Move neighborhood clean up costs from Right-of-Way fund into Solid Waste fund to align costs with appropriate revenue source.	(125,000)	
Fully fund downtown pigeon control.	22,300	
Year one of four-year plan to phase sidewalk replacement out of the capital budget and fully into the Right-of-Way fund.	135,000	
Shift <i>Lighting Infrastructure Improvements</i> and <i>Traffic Sign Refurbishing</i> annual programs out of the capital budget and into the Right-of-Way fund.	325,000	
Increase department capacity for neighborhood plowing on non-Snow Emergency days, and new paving and overlay work for the State and County.	826,622	
Shift assessment (ROW, SSSC, special assessment) costs for properties owned by Public Works to the Right-of-Way fund. These charges were previously treated as exempt and were paid for by the general fund.	20,967	
Transfer from Sewer Utility fund to support street sweeping.		563,490
Current service level adjustments, including employee expense increases attributable to health care rates and salary steps, inflation, and new revenue estimates.	121,887	763,286
<u>Adopted Changes</u>		
Reflect anticipated 2% reduction in right-of-way assessment revenue due to delinquent and uncollectible payments.		(507,211)
Update municipal state aid, county aid and trunk highway revenue estimates to track recent trends.		517,586
Revise estimates for ROW assessment revenue based on latest parcel data.		89,322
Additional summer litter and trash pick up resources funded through one-time transfer of Solid Waste fund balance.	59,000	59,000
Reduce right-of-way assessment interest transfer to general fund based on updated 2010 billing data.	(5,762)	(5,762)
Revise estimate for assessment fees paid for by the Right-of-Way fund for properties owned by Public Works.	19,703	
Reduce transfer to sidewalk replacement capital project.	(250,000)	
Increase funding for snow removal.	329,994	
	1,479,711	1,479,711

## Budget Changes Summary

	Change from 2010 Adopted	
	Spending	Financing
<b>6100: Sewer</b>		
<u>Mayor's Proposed Changes</u>		
Reduce use of bond proceeds to reflect planned \$6 million bond sale.		(3,000,000)
Net change in use of net assets.		2,805,282
Reduce WPA repayment to debt service fund according to repayment schedule.	(2,650,000)	
Transfer to Right-of-Way fund to support street sweeping.	563,490	
Inflationary increase on Metropolitan Council Environmental Services (MCES) wastewater treatment costs.	438,337	
Assist property owners along central corridor route with private sewer repairs through assessment financing.	320,000	
Costs associated with floodwall certification required by FEMA and recommended by Lowertown flood study.	234,100	
Public Works to begin paying assessment (ROW, SSSC, special assessment) costs for properties owned by Public Works. These charges were previously treated as exempt and were paid for by the general fund.	59,743	
Current service level adjustments, including employee expense increases attributable to health care rates and salary steps, inflation, and new revenue estimates.	951,099	111,487
<u>Adopted Changes</u>		
Reduce storm sewer service charge interest transfer to general fund based on 2010 actual payments.	(53,576)	(53,576)
Revise assessment fees paid for by the Sewer fund on properties owned by Public Works.	(28,833)	(28,833)
	<u>(165,640)</u>	<u>29,078</u>

## Budget Changes Summary

	Change from 2010 Adopted	
	Spending	Financing
<b>7100: Central Services Internal</b>		
<u>Mayor's Proposed Changes</u>		
Reduction in IS Specialized Services costs due to new cost allocation methodology.	(741,674)	(741,674)
Current service level adjustments, including employee expense increases attributable to health care rates and salary steps, reduction in internal transfers, and new revenue estimates.	(75,236)	(75,236)
<u>Adopted Changes</u>		
No changes from 2011 Mayor's Proposed budget.	-	-
	<u>(816,910)</u>	<u>(816,910)</u>
<b>7150: Equipment Services Internal</b>		
<u>Mayor's Proposed Changes</u>		
Current service level adjustments, including employee expense increases attributable to health care rates and salary steps, reduction in IS Specialized Services costs, and new revenue estimates.	90,913	90,913
<u>Adopted Changes</u>		
No changes from 2011 Mayor's Proposed budget.	-	-
	<u>90,913</u>	<u>90,913</u>
<b>7200: Services and Supplies</b>		
<u>Mayor's Proposed Changes</u>		
Current service level adjustments, including employee expense increases attributable to health care rates and salary steps, reduction in IS Specialized Services costs, and new revenue estimates.	533,324	533,324
<u>Adopted Changes</u>		
Revise estimates for asphalt plant operations to track with recent history.	(1,168,654)	(1,168,654)
	<u>(635,330)</u>	<u>(635,330)</u>

**CITY OF SAINT PAUL**  
**Department Budget Summary**

Department: PUBLIC WORKS

Budget Year: 2011

		2008	2009	2010	2011	Change From
		Actuals	Actuals	Adopted	Adopted	2010 Adopted
<b>Spending by Fund</b>						
1000	GENERAL FUND	6,635,158	6,693,944	7,225,986	2,204,511	(5,021,475)
2200	ASSESSMENT	3,169,941	4,059,447	4,242,873	4,440,728	197,855
2250	RIGHT OF WAY MAINTENANCE	35,168,903	37,472,472	41,637,320	36,148,435	(5,488,885)
6100	SEWER	48,913,185	54,918,019	65,306,997	65,141,357	(165,640)
7100	CENTRAL SERVICES INTERNAL	5,518,778	2,941,093	3,241,184	2,424,274	(816,910)
7150	EQUIPMENT SERVICES INTERNAL	6,673,464	5,522,619	6,880,113	6,971,026	90,913
7200	SERVICES AND SUPPLIES	11,848,229	10,387,863	15,313,272	14,677,942	(635,330)
<b>TOTAL SPENDING BY FUND</b>		<b>117,927,658</b>	<b>121,995,457</b>	<b>143,847,745</b>	<b>132,008,273</b>	<b>(11,839,472)</b>
<b>Spending by Major Account</b>						
	EMPLOYEE EXPENSE	31,648,598	29,297,731	34,473,782	35,545,367	1,071,585
	SERVICES	17,903,206	20,879,751	21,439,939	23,128,140	1,688,201
	MATERIALS AND SUPPLIES	13,713,670	12,725,858	17,325,737	16,754,895	(570,842)
	OTHER MISCELLANEOUS	15,713,121	16,695,559	19,913,379	20,662,099	748,720
	CAPITAL OUTLAY	1,159,565	359,338	3,601,893	15,536,447	11,934,554
	DEBT SERVICE	7,912,131	7,473,569	5,799,096	6,339,873	540,777
	NON OPERATING EXPENSE	29,877,367	34,563,651	41,293,919	14,041,452	(27,252,467)
<b>TOTAL SPENDING BY MAJOR ACCOUNT</b>		<b>117,927,658</b>	<b>121,995,457</b>	<b>143,847,745</b>	<b>132,008,273</b>	<b>(11,839,472)</b>
<b>Financing by Major Account</b>						
	GENERAL FUND REVENUES	6,288,030	6,149,783	6,384,140	2,613,953	(3,770,187)
	SPECIAL FUND REVENUES					
	TAXES	51,379	32,666	45,000	45,000	
	LICENSE AND PERMIT	1,293,315	1,490,254	1,663,297	1,763,943	100,646
	INTERGOVERNMENTAL REVENUE	6,391,654	6,324,918	6,215,458	6,896,414	680,956
	FEES SALES AND SERVICES	66,731,497	62,647,691	76,305,658	75,637,746	(667,912)
	ASSESSMENT	23,881,359	30,110,824	28,781,862	25,654,155	(3,127,707)
	INVESTMENT INCOME	681,197	287,097	551,651	376,591	(175,060)
	INTEREST EARNED OTHER	46,781	32,766	30,329	30,329	
	MISCELLANEOUS REVENUE	2,303,974	717,815	456,137	459,935	3,798
	OTHER FINANCING SOURCE NON OPERATING INCOME	4,442,827	4,097,781	13,942,451	10,206,652	(3,735,799)
	BUDGET ADJUSTMENTS			8,629,916	8,732,997	103,081
<b>TOTAL FINANCING BY MAJOR ACCOUNT</b>		<b>112,112,013</b>	<b>111,891,595</b>	<b>143,005,899</b>	<b>132,417,715</b>	<b>(10,588,184)</b>

## Glossary – Continued

*Special Revenue Fund:* A fund established to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, and capital projects) that are legally restricted to expenditures for specified functions or activities.

*Spending Plan:* Provides a unit or subunit of an organization with spending authority to pay for the resources required to effectively accomplish the performance plan.

*STAR:* Acronym for sales tax revitalization program. This is also referred to sometimes as cultural sales tax revenue.

*State Aids:* The following are the major types of intergovernmental revenues received by the City of Saint Paul from the State of Minnesota:

*Local Government Aid (LGA):* Begun in 1971, this program was designed to provide indirect property tax relief through the redistribution of income tax and sales tax revenues collected at the state level to local units of government. The amount of funding received by local units of government is based on a distribution formula determined by the Minnesota State Legislature. The distribution formula is based on "need" as well as "capacity". The 2001 State Legislature rolled the Homestead and Agricultural Credit Aid into Local Government Aid.

*Market Value Homestead Credit (MVHC).* The MVHC program reduces the property tax owed on a homestead property by 0.4% of the homestead's market value, up to a maximum per property of \$304. The maximum credit of \$304 occurs at a market value of \$76,000. For homesteads with market values over \$76,000, the credit is reduced by 0.09% of the excess market value. Homesteads with market value of \$413,778 and higher do not receive any credit. On each homeowner's property tax bill, the market value homestead credit is allocated to the local taxing districts according to the share of the total tax rate that each taxing district represents.

*Municipal State Aids (MSA).* This program is financed by motor vehicle related taxes collected at the state level. The state gasoline tax is the largest revenue source and the dollars collected are constitutionally dedicated for expenses related to MSA routes. The revenues are redistributed back to municipalities of 5,000 or more residents to be used for construction and maintenance of their MSA designated routes.

*Tax Increment District:* A tax increment district is a designated geographical area where a city is undertaking redevelopment or development activity. Any increase in assessed valuation due to new development activity is captured by the district. Property taxes levied against those captured values are used to finance the public improvement costs incurred to induce the private development activity. Public improvement costs can be financed by issuing bonds or by a pay-as-you-go plan.