

MUNICIPAL BUILDING COMMISSION

MISSION

The Municipal Building Commission was created by state statute in 1904 and given exclusive care and control of the Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain, and preserve this historic landmark building and ensure a safe and functional environment for City and County government employees, citizens, and elected officials.

BUSINESS LINES

Care for Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for maintaining the building operating systems including mechanical, electrical and elevators. In addition, the MBC is responsible for providing custodial, utility, repair and maintenance services.

Control of Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for administrative functions including serving as staff to the MBC Board, implementing Board directives, space assignment and coordinating City and County tenant needs as well as planning, emergency preparedness, communications, human resources, labor relations, contract services, information technology, finance, accounting, payroll and operating and capital budgeting activities.

Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse Building:

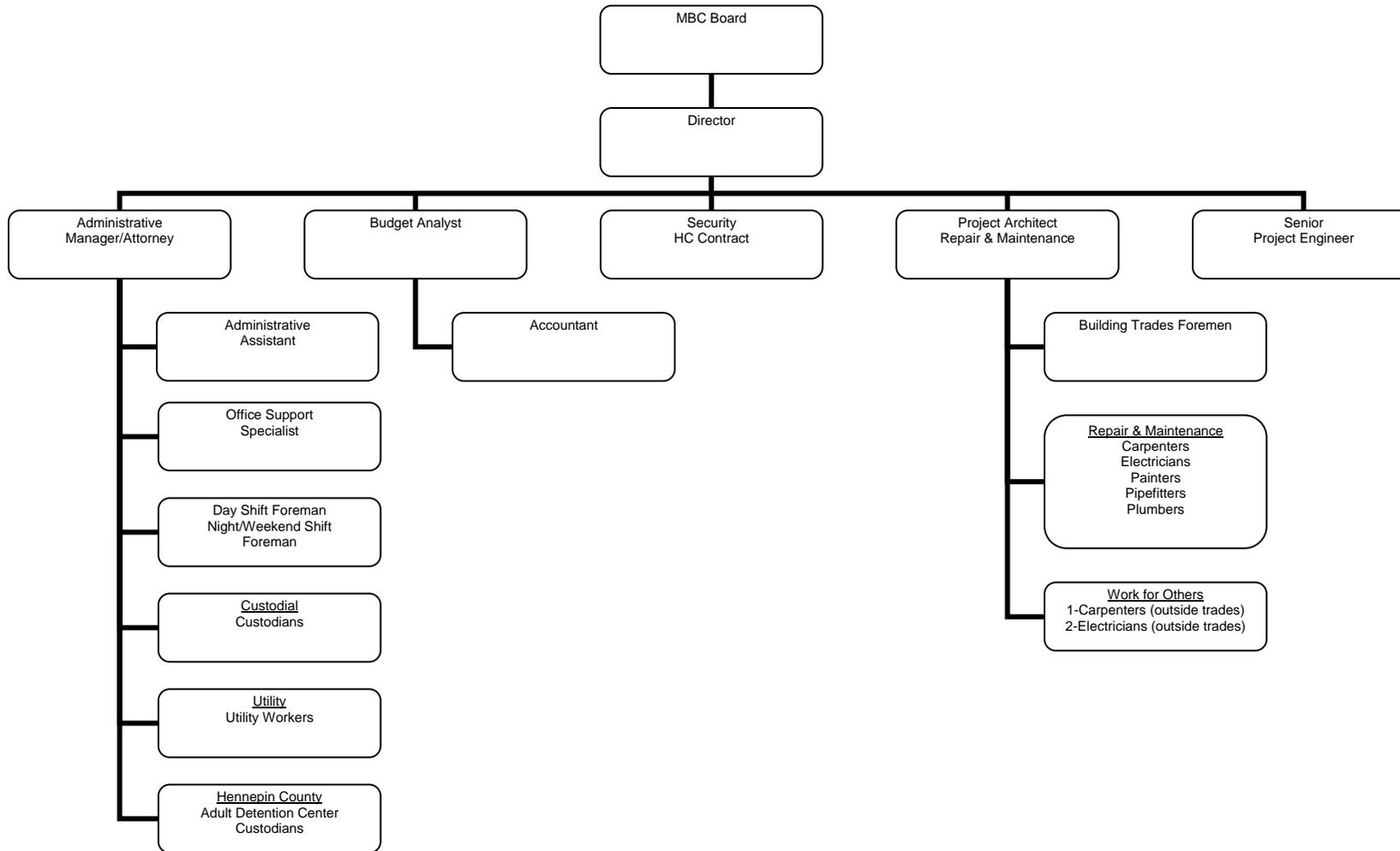
The MBC is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activity both operating and capital in keeping with the agency's mission to provide effective and efficient services to operate, maintain, and preserve the historic landmark City Hall and Courthouse Building and ensure a safe and functional environment for City and County government employees, citizens and elected officials.

Significant Budget Changes

The 2012 budget is essentially flat compared to the 2011 budget. There are major changes however within the details of this budget. MBC security was eliminated and security services are being contracted with Hennepin County in 2011. Some of those MBC security officers have since been reinstated. The 2012 budget will reflect a reduction in personnel costs and an increase in contractual services due to this change. There is no cost savings projected through these contracted security services. A reduction of 6.0 FTEs corresponds with this change. Another significant change is the addition of a supplemental payment to replenish the MERF pension fund. This multi-year payment plan commences in 2012 at an amount of \$292,000 to MBC and will continue at similar amounts over the next 20 years. There is also a \$480,000 payoff of MERF bonds that will be paid out of MBC fund balance (60%) and from Hennepin County (40%).

The inclusion of the MERF supplemental payment in 2012 results in the MBC reducing its operating budget which will be saved through utility savings and other miscellaneous reductions in spending.

2011 MBC Organization Chart



EXPENSE

The full expense budget for MBC is \$8.0 million, a 2.4% increase from 2011. The \$292,000 supplemental payment to replenish MERF comes directly out of the operating budget. Without that, MBC would show a 1.3% reduction in expenses. Personnel make up 52% of the budget, with contractual expenses and operating expense making up the remaining 48%.

REVENUE

The revenue budget of \$8.2 million is a 2.4% increase from the 2011 Adopted Budget. The entire increase (\$192,000) comes from a one-time property tax increase from Hennepin County earmarked to pay their portion of the MERF debt service payoff. The Board will receive nearly all revenue from charges for service.

MAYOR'S RECOMMENDED BUDGET

The Mayor recommended that MBC use fund balance to pay MERF debt service.

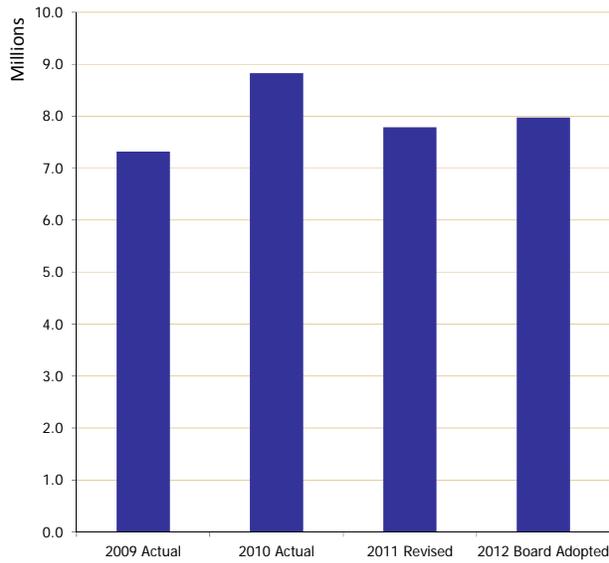
COUNCIL ADOPTED BUDGET

Council approved the Mayor's recommendation.

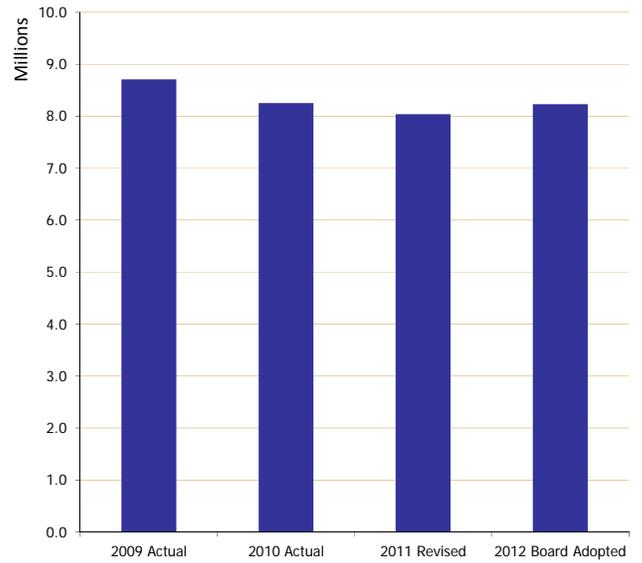
MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

EXPENSE	2009 Actual	2010 Actual	2011 Revised	2012 Board Adopted	Percent Change	Change
AGENCY						
OPERATING COSTS	(1,282,391)	676,549			0.0%	0
TOTAL AGENCY	(1,282,391)	676,549			0.0%	0
SPECIAL REVENUE						
CAPITAL	13,717				0.0%	0
CONTRACTUAL SERVICES	3,666,826	3,413,060	2,426,959	3,063,674	26.2%	636,715
FRINGE BENEFITS	1,164,586	1,302,359	1,422,121	1,253,772	-11.8%	(168,349)
OPERATING COSTS	789,800	528,120	451,738	742,638	64.4%	290,900
SALARIES AND WAGES	2,968,113	2,906,530	3,486,771	2,914,704	-16.4%	(572,067)
TOTAL SPECIAL REVENUE	8,603,042	8,150,070	7,787,589	7,974,789	2.4%	187,200
TOTAL EXPENSE	7,320,651	8,826,618	7,787,589	7,974,789	2.4%	187,200
REVENUE						
SPECIAL REVENUE						
CHARGES FOR SALES	1,489		6,000	6,000	0.0%	0
CHARGES FOR SERVICES	8,268,308	7,997,198	3,640,597	8,224,959	125.9%	4,584,362
OTHER MISC REVENUES	335	758			0.0%	0
PROPERTY TAXES			4,199,300		-100.0%	(4,199,300)
RENTS	89,019	109,501			0.0%	0
STATE GOVERNMENT	352,533	145,889	192,755		-100.0%	(192,755)
TOTAL SPECIAL REVENUE	8,711,683	8,253,346	8,038,652	8,230,959	2.4%	192,307
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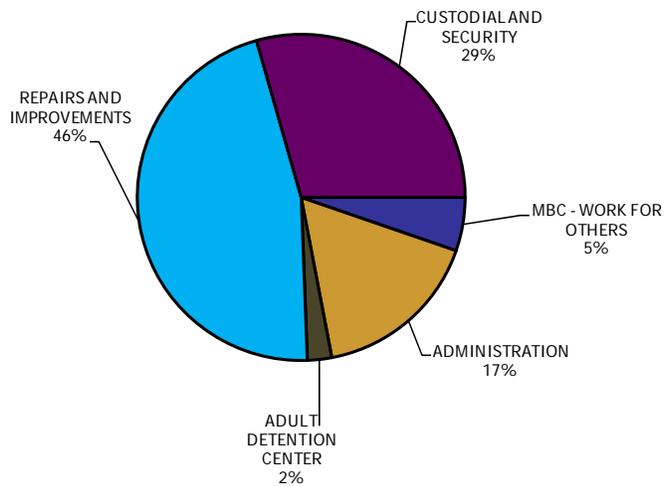
Expense 2009-2012



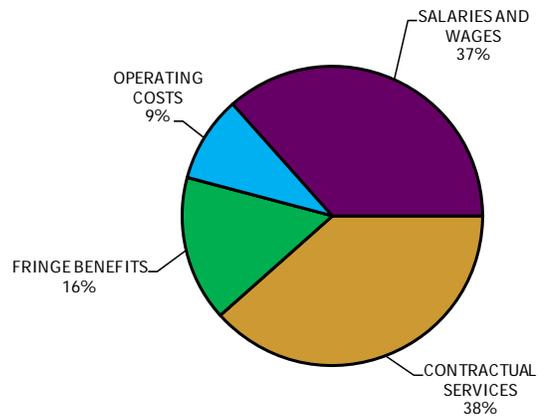
Revenue 2009 - 2012



Expense by Division



Expense by Category

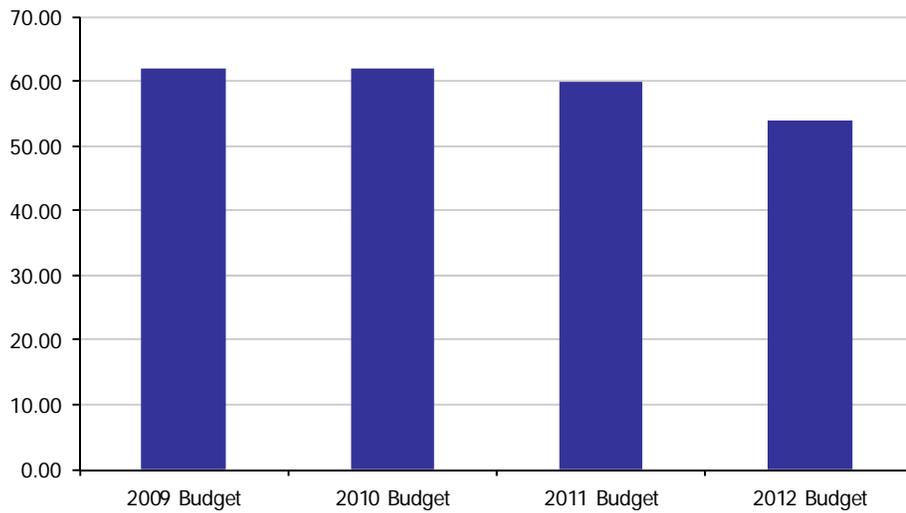


MUNICIPAL BUILDING COMMISSION

Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Budget	% Change	Change
REPAIRS AND IMPROVEMENTS	16.00	17.00	15.00	15.00	0.0%	
ADMINISTRATION	7.00	7.00	6.00	6.00	0.0%	
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	
CUSTODIAL AND SECURITY	34.00	33.00	34.00	28.00	-17.6%	(6.00)
TOTAL	62.00	62.00	60.00	54.00	-10.0%	(6.00)

Positions 2009-2012



Positions by Division

