

Port Authority

2015-16 Proposed Budgets

Chart of Port Authority Funds

Port Flowchart

Overview of Port Authority Funds

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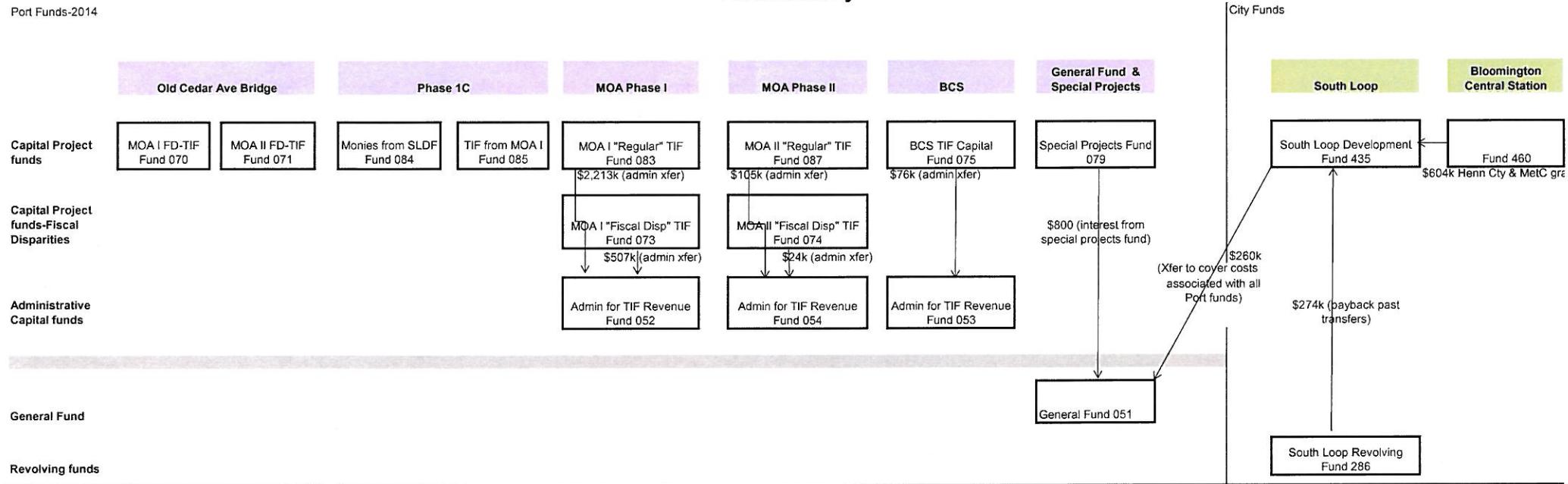
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Port Authority

Port Funds-2014



Transfers and Loans

Old Cedar Ave Bridge-Fiscal Disparities TIF revenues were received in the Capital Project funds 070 (MOA I) and 071 (MOA II). These monies are constrained by statute to be used only on the Old Cedar Ave Bridge.

Phase 1C-Funds was transferred in March of 2014 from the South Loop Development Fund and the MOA I TIF capital projects fund to be set aside for committed public improvements associated with Phase 1C.

MOA Phase I-"Regular" TIF revenues are received into the Capital Projects fund 083. Fiscal Disparities TIF revenues are received into the Capital Projects fund 073. Yearly a transfer is made of a portion of the TIF monies to the Administrative Capital Fund 052 based on TIF regulations.

MOA Phase II-"Regular" TIF revenues are received into the Capital Projects fund 087. Fiscal Disparities TIF revenues are received into the Capital Projects fund 074. Yearly a transfer is made of a portion of the TIF monies to the Administrative Capital Fund 052 based on TIF regulations.

BCS-TIF revenues are received into the Capital Project fund 075. Yearly a transfer is made of a portion of the TIF monies to the Administrative Capital fund 053 based on TIF regulations and the Redevelopment Contract.

General Fund-A transfer is made from the City's South Loop Development Fund to cover expenditures.

Special Projects-The Special Projects fund 079 is funded with the recovered funds from the North Pad retaining wall and is obligated for MOA related public improvements.

South Loop-The South Loop Development Fund is funded with a portion of the Liquor and Lodging payments made to the City. The South Loop Development Fund 435 made transfers to the South Loop Revolving Fund 286 and the City's Bloomington Central Station Project Fund 460. In addition transfers are made to the Port's General fund 051.

Bloomington Central Station Capital Project-Received it's funding initially via a loan from the South Loop Development fund. Loans, including interest, are paid back to South Loop Development Fund when bonds are sold, typically two years after the construction.

OVERVIEW OF PORT AUTHORITY FUNDS

The following summary of the Port Authority funds is provided as a general overview of the purpose, revenues, and expenditures of the funds. Further details of each fund are included with the narratives for each fund budget.

GENERAL FUND

The general fund of the Port accounts for expenses that are not specific to individual projects or TIF district. This fund receives the majority of its revenue from the City's South Loop Development Fund (SLDF). The Port Authority does have the ability to levy property taxes but has never exercised this right.

SPECIAL REVENUE FUND

The special revenue fund has and continues to account for Mall of America (MOA) funds received for the value of structures that were previously paid for using tax increment financing (TIF) and were later destroyed to make way for new development (Destroyed Value). In 2011, the Radisson Blu development made a Destroyed Value payment for the two-level parking area which was the South Pad site that was razed to make way for the new hotel and parking structure. In 2013, Destroyed Value funds were received from the Phase 1C project related to a portion of the retaining wall constructed as part of the Lindau Lane lowering project, which was removed to allow for the development of Phase 1C. Use of these funds are normally governed by the redevelopment contract for a particular MOA phase.

OLD CEDAR AVENUE BRIDGE FUNDS

The two funds in this category account for the Fiscal Disparities TIF payments from the MOA I-C and I-G TIF districts in 2014. Per legislation, the use of these funds is limited the Old Cedar Avenue Bridge Project.

PHASE 1C NORTH PAD DEVELOPMENT of the MALL OF AMERICA

The two funds in this category were set up to account for the monies from the South Loop Development Fund (SLDF) and the MOA 1-C TIF fund for the Phase 1C-North Pad development. Specifically, the funds are paying for the parking that is being built below and in support of the hotel, retail and office components of Phase 1C. Any funds not needed for the 1C development will be transferred back into the MOA 1-C TIF fund to be used for future public improvements as approved.

MOA I CAPITAL PROJECTS FUNDS

The three funds in this category are: Administrative, "Regular" Tax Increment Financing (TIF) and Fiscal Disparities TIF (FD-TIF) for capital projects. MOA I and II TIF can be spent anywhere in the Industrial Development District (IDD #1). The funds will stay open until all monies are expended however the revenue will cease in 2034 when the Fiscal Disparities TIF ends.

The Administrative fund pays for expenditures that are related to a MOA TIF district but are not part of a capital project. The amount of expenditures is limited to 10% of budgeted expenditures per the TIF plan. The monies in this fund come primarily from a transfer of 10% of the gross TIF received. If at any time the balance in this fund becomes excessive a transfer can be made back into the capital project funds.

The "Regular" TIF capital projects fund includes the TIF funds as originally established in the TIF plan approved in 1984, (and as amended). This source of funding will be ending in 2016 with the "Regular" TIF flowing *normally* to the School District, Hennepin County and the City. Expenditures made from this fund have included the construction of the parking ramps at the Mall of America, the ramp under the Radisson Blu, the ramp under the Phase 1C development and part of the Lindau Lane grade separation project.

The Fiscal Disparities TIF (FD-TIF) capital projects fund accounts for the funding that the state legislature approved in 2013. The primary revenue is the fiscal disparities TIF that will start coming into this fund in 2015 and will continue until 2034. This fund will be used for capital projects similar to the ones that have been completed with the "Regular" TIF monies. Statutorily, this is TIF money and is governed by the same rules that govern the original MOA TIF; as such the MOA TIF districts will be kept open while the traditional sources of TIF will receive taxes as if the district was closed.

MOA II CAPITAL PROJECTS FUNDS

The three funds in this category are: Administrative, "Regular" Tax Increment Financing (TIF) and Fiscal Disparities TIF capital projects, and operate the same as MOA I except the "Regular" TIF fund will cease recovering money in 2018.

BLOOMINGTON CENTRAL STATION (BCS) CAPITAL PROJECTS FUNDS

The two funds in this category are: Administrative and TIF capital projects.

The Administrative fund is used to pay for expenditures that are BCS TIF district related, but are not part of a capital project. The amount of expenditures is limited to 10% of budgeted expenditures per the TIF plan. The monies in this fund come primarily from a transfer of 10% of the gross TIF received. It is typical for the administrative fund to have a negative balance at the beginning of a development as there are many costs incurred that are needed to establish the TIF district and negotiate the development that are not part of a capital project.

The TIF capital projects fund includes the TIF as originally established in the TIF plan approved in 2005. This source of funding will now end in 2039, as amended by the state legislature in 2013. Expenditures paid out of this fund have been for public improvements needed for the Reflection condominium towers, the demolition of buildings on the site, and recently for public improvements associated with the hotel.

Fund 051, Port General Fund

The Port's General Fund supports administrative and other activities not eligible for funding through tax increment administrative capital funds. In 2014, professional services were for legal counsel, Foreign Trade Zone membership, Greater MSP Partnership, and other consulting services.

Revenues:

Budgeted interest revenue is \$100 for both 2015 and 2016.

Expenditures:

The General Fund pays for professional services costs, including legal expenses, financial advisory services and audit fees, associated with planning and studies not otherwise related to a specific TIF district.

Materials, Supplies and Service expenditures are estimated at \$86,700 in 2015 and \$88,434 in 2016 for expenses such as the Foreign Trade Zone membership, Greater MSP Partnership and the City's contribution to the regional site locator website, and contracted services for work on district wide projects. Support Services/Space and Occupancy are budgeted for \$73,495 in 2015 and \$76,529 in 2016. Staff time will be allocated to the General Fund for projects that have district wide benefit. Salaries, Wages and Benefits are budgeted for \$95,000 in 2015 and \$97,850 in 2016.

Other Financing Sources (Uses):

The Budgeted transfer in from Fund 079 is \$800 in 2015 and 2016. The budgeted transfer from the South Loop Development Fund is \$260,000 in 2015 and \$290,000 in 2016.

**Port Authority
General Fund #051 - General Fund**

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned	157			-	-	0.00%	-	0.00%
Other Revenues	5,005	3,810	-	-	100	0.00%	100	0.00%
Total Revenues	<u>5,162</u>	<u>3,810</u>	<u>-</u>	<u>-</u>	<u>100</u>		<u>100</u>	
Expenditures:								
Salaries, Wages and Benefits	81,100	90,238	99,225	89,586	95,000	-4.26%	97,850	3.00%
Materials, Supplies and Services	60,941	87,203	85,000	98,856	86,700	2.00%	88,434	2.00%
Support Services/Space and Occupancy	34,035	58,981	69,000	65,472	73,495	6.51%	76,529	4.13%
Total Expenditures	<u>176,076</u>	<u>236,422</u>	<u>253,225</u>	<u>253,914</u>	<u>255,195</u>		<u>262,813</u>	
Other Financing Sources (Uses):								
Transfer In from fund #079					800	0.00%	800	0.00%
Transfer In from City SLDF	120,000	220,000	240,000	240,000	260,000	8.33%	290,000	11.54%
Total Financing Sources (Uses)	<u>120,000</u>	<u>220,000</u>	<u>240,000</u>	<u>240,000</u>	<u>260,800</u>		<u>290,800</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	<u>(50,914)</u>	<u>(12,612)</u>	<u>(13,225)</u>	<u>(13,914)</u>	<u>5,705</u>		<u>28,087</u>	
Beginning Fund Balance	83,229	32,315	19,703	19,703	6,478		12,183	
Fund Balance Adjustments								
Ending Fund Balance	<u><u>32,315</u></u>	<u><u>19,703</u></u>	<u><u>6,478</u></u>	<u><u>5,789</u></u>	<u><u>12,183</u></u>		<u><u>40,270</u></u>	

Fund 079, Capital Projects Fund – Special Projects

This fund was created for the purpose of accounting for Destroyed Value payments from the MOA Parking Decks for the Radisson Blu project and the retaining wall destroyed to construct Phase 1C. Destroyed Value is public money spent once, and then “destroyed” to make way for a new project, which is repaid by the developer. The funds for the North Pad retaining wall (Phase 1C) were received in July of 2014 and are obligated for MOA - related public improvements.

Revenues:

Interest made on the funds held is the only revenue in this fund. Interest is budgeted for \$800 in both 2015 and 2016. No destroyed value payments are budgeted for 2015 or 2016.

Other Financing Sources (Uses):

A transfer of \$800 from interest earning made will be made in 2015 and 2016 to the Port's General Fund.

**Port Authority
Special Projects Fund
Capital Fund #079**

<u>Description</u>	2012 Actuals	2013 Actuals	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request
Revenues:							
Interest Earned	5,005	3,810			800	0.00%	800
Recovered Funds-Destroyed Value				159,913		0.00%	-
Total Revenues	<u>5,005</u>	<u>3,810</u>	<u>-</u>	<u>159,913</u>	<u>800</u>		<u>800</u>
Expenditures:							
Lindau Lane Separation Prj 13-302		826,000				0.00%	
Total Expenditures	<u>-</u>	<u>826,000</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
Other Financing Sources (Uses):							
Transfer Out to fund #051	(5,005)	(3,810)			(800)	0.00%	(800)
Total Financing Sources (Uses)	<u>(5,005)</u>	<u>(3,810)</u>	<u>-</u>	<u>-</u>	<u>(800)</u>		<u>(800)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses:	<u>-</u>	<u>(826,000)</u>	<u>-</u>	<u>159,913</u>	<u>-</u>		<u>-</u>
Beginning Fund Balance	826,000	826,000	-	-	159,913		159,913
Ending Fund Balance	<u>826,000</u>	<u>-</u>	<u>-</u>	<u>159,913</u>	<u>159,913</u>		<u>159,913</u>

Fund 052, Administrative Capital Fund - Mall of America I (MOA I)

This fund accounts for up to 10% of the administrative costs associated with the TIF district that encompasses MOA I. The balance in this fund can be used in the future for TIF district 1-G (MOA II) administrative costs. The portion of the TIF district 1-C (MOA I) north of the existing MOA I building has become part of the 1-G TIF district due to legislation passed in 2013.

Revenues:

The only revenue source for the Port Authority's Administrative Capital Fund 052 is the interest earned on the fund's pooled cash and investments. Budgeted interest revenue in 2015 is \$1,200 and \$2,309 in 2016.

Expenditures:

Administrative Capital Fund 052 pays for professional services, including legal expenses, financial advisory services, remarketing fees, audit fees, administration fees and City staff related costs associated with the MOA I capital activities.

Proposed professional services expenses are \$130,000 in both 2015 and 2016. Salaries, Wages and Benefits are anticipated at \$200,000 for 2015 and \$206,000 in 2016.

Other Financing Sources (Uses):

In 2015 and 2016 the MOA Capital Projects Fund 083 and the MOA I Fiscal Disparities TIF Fund 073 will receive TIF revenues. The annual transfer of 10% of TIF will be made from both the MOA I Capital Projects Fund 083 and the MOA I Fiscal Disparities TIF Fund 073. TIF guidelines allow the Port Authority to utilize 10% of the total TIF expenditures for administrative expenses. The proposed transfer from Fund 083 in 2015 is \$2,207,109 and \$1,355,800 in 2016. The transfer in 2015 from Fund 083 is higher than the 10% allowed due to the fact that in 2014 we are unable to take an administrative transfer from the Fiscal Disparities TIF that is going to Old Cedar Ave Bridge Capital Project Fund. The proposed transfer from Fund 073 in 2015 is \$818,800 and \$967,100 in 2016. Legislation allows the MOA I district to pay for needs in the MOA II district; in 2015 and 2016 there is no transfer budgeted.

**Port Authority
Administrative Capital Fund #052 - MOA I**

<u>Description</u>	2012 Actuals	2013 Actuals	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned	4,384	(1,568)	500	(600)	1,200	140.07%	2,309	92.34%
Total Revenues	<u>4,384</u>	<u>(1,568)</u>	<u>500</u>	<u>(600)</u>	<u>1,200</u>		<u>2,309</u>	
Expenditures:								
Salaries, Wages and Benefits	235,148	167,113	230,000	137,342	200,000	-13.04%	206,000	3.00%
Materials, Supplies and Services	56,755	184,974	130,000	99,475	130,000	0.00%	130,000	0.00%
Total Expenditures	<u>291,903</u>	<u>352,087</u>	<u>360,000</u>	<u>236,817</u>	<u>330,000</u>		<u>336,000</u>	
Other Financing Sources (Uses):								
Transfer Out to Administrative Capital Fund #054	(1,000,000)		(50,000)	-	-	-100.00%	-	0.00%
Transfer In from Capital Projects Fund #083	854,650	1,091,821	1,107,000	1,197,153	2,207,109	99.38%	1,355,800	-38.57%
Transfer In from Capital Projects Fund #073					818,800	0.00%	967,100	0.00%
Total Financing Sources (Uses)	<u>(145,350)</u>	<u>1,091,821</u>	<u>1,057,000</u>	<u>1,197,153</u>	<u>3,025,909</u>		<u>2,322,900</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	<u>(432,869)</u>	<u>738,166</u>	<u>697,500</u>	<u>959,736</u>	<u>2,697,109</u>		<u>1,989,209</u>	
Beginning Fund Balance	1,197,640	764,771	1,502,937	1,502,937	2,200,437		4,897,546	
Fund Balance Adjustments								
Ending Fund Balance	<u><u>764,771</u></u>	<u><u>1,502,937</u></u>	<u><u>2,200,437</u></u>	<u><u>2,462,673</u></u>	<u><u>4,897,546</u></u>		<u><u>6,886,755</u></u>	

Fund 083, Capital Projects Fund – Mall of America I (MOA I)

This fund accounts for capital projects associated with Mall of America phases in TIF district 1-C. Prior to 2014 this fund received property tax increment not needed for debt service from the Mall of America Debt Service Fund 063 on February 1 of each year. Since the MOA I debt has been defeased, starting in 2014, property taxes received go directly into this fund. Counted value payments are made out of this fund for eligible expenditures for approved public improvement projects. A transfer out to the MOA I Administrative Capital Fund 052 for administrative costs is made each year. The portion of the TIF district 1-C (MOA I) north of the existing MOA I building has become part of the 1-G due to legislation passed in 2013. This fund will receive its final TIF payment in 2016.

Revenues:

The primary source of revenue for this fund is the semi-annual Hennepin County Tax Increment Financing (TIF) receipts for the Mall of America TIF District #1359 1-C budgeted at \$12,289,000 for 2015 and increases by \$1,269,000 in 2016 to \$13,558,000. Interest earnings on is budgeted at \$45,400 in 2015 and \$98,781 in 2016.

Expenditures:

In 2015 and 2016, there is no budgeted expenditure for counted value payments to the Mall. Various MOA projects are being considered but a specific amount is not being budgeted at this time. As projects are brought forth by the Mall they will be presented to the Board and a budget adjustment will be requested.

Other Financing Sources (Uses):

The MOA I Capital Projects Fund 083 can transfer to the MOA I Administrative Capital Fund 052 up to 10% of total TIF revenues per TIF guidelines. The proposed transfer in 2015 is \$2,207,109. The transfer in 2015 to Fund 052 is higher than the 10% allowed due to the fact that in 2014 we are unable to take an administrative transfer from the Fiscal Disparities TIF that is going to the Old Cedar Ave Bridge Capital Project Fund. It is allowable to take the 10% out of the TIF in 2015. The 2016 administrative transfer is \$1,355,800.

Port Authority
MOA (Stadium) 1-C TIF District #1359
Capital Projects Fund #083

<u>Description</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Projected</u>	<u>2015 Request</u>	<u>% Change 2014/2015</u>	<u>2016 Request</u>	<u>% Change 2015/2016</u>
Revenues:								
Interest Earned	320,222	185,917	100,000	35,038	45,400	-54.60%	98,781	117.58%
Property Tax Increment		845	11,070,000	11,971,526	12,289,000	11.01%	13,558,000	10.33%
Total Revenues	<u>320,222</u>	<u>186,762</u>	<u>11,170,000</u>	<u>12,006,564</u>	<u>12,334,400</u>		<u>13,656,781</u>	
Expenditures:								
Project Costs-Lindau Ln Grade Separation	2,083,485	8,550,308	8,894,649	8,894,649		-100.00%		0.00%
Counted Value Payment - South Pad Hotel		15,336,282				0.00%		0.00%
Total Expenditures	<u>2,083,485</u>	<u>23,886,590</u>	<u>8,894,649</u>	<u>8,894,649</u>	<u>-</u>	<u>-100.00%</u>	<u>-</u>	<u>0.00%</u>
Other Financing Sources (Uses):								
Transfer In from Fund 063 for:								
Property Tax Increment	5,607,204	(2,103,774)						
Transfer Out to Fund 052 MOA I Admin		(1,091,821)	(1,107,000)	(1,197,153)	(2,207,109)	99.38%	(1,355,800)	-38.57%
Transfer Out to Fund 085 North Pad			(28,000,000)	(28,188,385)		-100.00%		0.00%
Transfer In Close of Fund 063		16,536,503				0.00%		0.00%
Total Other Financing Sources (Uses)	<u>5,607,204</u>	<u>13,340,908</u>	<u>(29,107,000)</u>	<u>(29,385,538)</u>	<u>(2,207,109)</u>		<u>(1,355,800)</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	<u>3,843,941</u>	<u>(10,358,920)</u>	<u>(26,831,649)</u>	<u>(26,273,623)</u>	<u>10,127,291</u>		<u>12,300,981</u>	
Beginning Fund Balance	47,941,489	51,785,428	41,426,507	41,426,507	14,594,856		24,722,145	
Fund Balance Adjustments								
Lindau Lane Loan								
Ending Fund Balance	<u>51,785,428</u>	<u>41,426,507</u>	<u>14,594,856</u>	<u>15,152,883</u>	<u>24,722,145</u>		<u>37,023,124</u>	

Fund 073, Capital Projects Fund – Fiscal Disparities TIF Mall of America I (MOA I)

In 2013, legislation was passed that allowed the fiscal disparities paid by the Mall of America TIF District 1-C to come back to the Port Authority as TIF. This fund accounts for capital projects associated with the Mall of America phases in TIF district 1-C paid with the Fiscal Disparities Tax Increment. Counted value payments are made out of this fund for eligible expenditures. A transfer out to the MOA I Administrative Capital Fund 052 for administrative costs is made each year.

Revenues

The primary source of revenue for this fund is the Fiscal Disparities Tax Increment Financing (TIF) receipts for the Mall of America TIF District budgeted at \$8,188,000 in 2015 and \$9,671,000 in 2016. Interest earnings on the fund are budgeted at \$12,000 in 2015 and \$36,862 in 2016.

Expenditures:

In 2015 and 2016, there is no budgeted expenditure for counted value payments to the Mall. Various MOA projects are being considered but a specific amount is not being budgeted at this time. As projects are brought forth by the Mall they will be presented to the Board and a budget adjustment will be requested.

Other Financing Sources (Uses):

The MOA I Fiscal disparities Fund 073 can transfer to the MOA I Administrative Capital Fund 052 up to 10% of total TIF revenues per TIF guidelines. The proposed transfer in 2015 is \$818,000 and in 2016 is \$967,100.

Port Authority
General Fund #073 - Fiscal Disparties TIF - MOA I

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned				-	12,000	0.00%	36,862	207.18%
Property Tax Increment				-	8,188,000	0.00%	9,671,000	18.11%
Total Revenues	-	-	-	-	8,200,000		9,707,862	
Expenditures:								
Project Costs				-		0.00%		0.00%
Total Expenditures	-	-	-	-	-		-	
Other Financing Sources (Uses):								
Transfer Out to Fund 052 MOA I Spec Rev					(818,800)	0.00%	(967,100)	18.11%
Total Financing Sources (Uses)	-	-	-	-	(818,800)		(967,100)	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	-	-	-	-	7,381,200		8,740,762	
Beginning Fund Balance		-	-	-	-		7,381,200	
Fund Balance Adjustments								
Ending Fund Balance	-	-	-	-	7,381,200		16,121,962	

Fund 070, Fiscal Disparities, Old Cedar Avenue Bridge-District 1-C (MOA I)

As required by 2013 legislation, Fiscal Disparities TIF (FD-TIF) for 2014 from the Mall of America is to be set aside in a fund for use solely on the Old Cedar Avenue Bridge (OCAB) project. This fund accounts for the FD-TIF from MOA TIF District 1-C. FD-TIF funds from MOA I and MOA II, combined with state bonding and other grants will fund the OCAB project which is scheduled to be constructed in 2015 and 2016.

Revenues:

Revenue for this fund is the Fiscal Disparities tax payments from MOA TIF District 1-C (MOA I). Interest earned in 2015 is \$46,400 and \$6,300 in 2016.

Expenditures:

Projected expenditures in this fund are for project costs for the Old Cedar Avenue Bridge project. In 2015, the amount budgeted for this project is \$8,000,000 and in 2016 of 1,224,000 coming from this fund.

Port Authority
General Fund #070 - Old Cedar Ave Bridge MOA I

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned				50	46,400	0.00%	6,300	-86.42%
Property Tax Increment			9,724,000	9,782,090		-100.00%		0.00%
Total Revenues	-	-	9,724,000	9,782,140	46,400		6,300	
Expenditures:								
Project Costs			500,000	500,000	8,000,000	1500.00%	1,224,000	-84.70%
Total Expenditures	-	-	500,000	500,000	8,000,000		1,224,000	
Other Financing Sources (Uses):								
Transfer In						0.00%		0.00%
Total Financing Sources (Uses)	-	-	-	-	-		-	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	-	-	9,224,000	9,282,140	(7,953,600)		(1,217,700)	
Beginning Fund Balance		-	-	-	9,224,000		1,270,400	
Fund Balance Adjustments								
Ending Fund Balance	-	-	9,224,000	9,282,140	1,270,400		52,700	

Fund 085, MOA I Phase 1C North Pad Parking Ramp

This fund was created to account for the monies that were transferred from the MOA I Capital Projects Fund 083 for project costs associated with the Phase 1C- North Pad Parking Ramp and related public improvements. A transfer of \$28,188,385 was made into this fund in March, 2014. It is anticipated that this fund will be eliminated once the public improvements have been completed. Unused funds at the end of the project will be transferred back to MOA I Capital Projects Fund 083.

Revenues:

Budgeted interest earnings are \$200 in 2015.

Expenditures:

There are budgeted expenditures for 2015 of the balance in the fund of \$6,188,585.

Port Authority
Fund 85 Phase 1C -MOA I TIF Contribution

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned				-	200	0.00%		-100.00%
Other Revenues				-		0.00%		0.00%
Total Revenues	-	-	-	-	200		-	
Expenditures:								
Project Costs				22,000,000	6,188,585	0.00%		-100.00%
Total Expenditures	-	-	-	22,000,000	6,188,585		-	
Other Financing Sources (Uses):								
Transfer In				28,188,385		0.00%		0.00%
Total Financing Sources (Uses)	-	-	-	28,188,385	-		-	
Excess (deficiency) of revenues and other sources over expend- itures and other uses:	-	-	-	6,188,385	(6,188,385)		-	
Beginning Fund Balance		-	-	-	6,188,385		-	
Fund Balance Adjustments								
Ending Fund Balance	-	-	-	6,188,385	-		-	

Fund 054, Administrative Capital Fund – Mall of America II (MOA II)

This fund accounts for the up to 10% of the administrative costs associated with the TIF district that encompasses Mall of America Phase II District 1-G. Funds can be transferred from the Mall of America Phase I administrative capital fund, as allowed by legislation. A portion of the old TIF district 1-C (MOA I) north of the Mall of America I building is now part of the 1-G (MOA II) district allowed by 2013 legislation.

Revenues:

The only revenue for the Port Authority's Administrative Capital Fund 054 is interest earned on the fund's pooled cash and investments. In 2015 the budgeted interest earnings is \$300, budgeted interest is \$1,080 in 2016.

Expenditures:

The Administrative Capital Fund 054 pays for professional services, including legal expenses, financial advisory services, audit fees, administration fees and City staff related costs associated with planning and studies for MOA II. The budget for materials, supplies and services 2015 and 2016 is \$5,000. Salaries, wages and benefits are budgeted for \$25,000 in 2015 and will increase by \$750 in 2016 to \$25,750. These amounts are budgeted for costs associated with building of future development in district 1-G.

Other Financing Sources (Uses):

The MOA II Capital Projects Fund 087 and the MOA II Fiscal Disparities TIF Fund 074 transfer to the MOA II Administrative Capital Fund 054 up to 10% annually of the TIF revenue received in the prior year. TIF guidelines allow the Port Authority to utilize 10% of the total TIF expenditures for administrative expenses if incurred. The MOA II Capital Projects Fund 087 budgeted a transfer of \$106,637 in 2015 into this fund which is higher than the 10% allowed because of we are unable to take an administrative transfer from the Fiscal Disparities TIF that is going to Old Cedar Ave Bridge Capital Project Fund in 2014. In 2016 the administrative transfer from Fund 087 is budgeted at \$161,900. A transfer of \$38,700 is budgeted in 2015 and \$115,500 in 2016 from the Fiscal Disparities TIF Fund 074. There is no transfer from the MOA I Administrative Capital Fund in 2015 and 2016.

**Port Authority
Administrative Capital Fund (MOA II) #054**

<u>Description</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Projected</u>	<u>2015 Request</u>	<u>% Change 2014/2015</u>	<u>2016 Request</u>	<u>% Change 2015/2016</u>
Revenues:								
Interest Earned		(1,225)	-	(50)	300	0.00%	1,080	260.21%
						0.00%		0.00%
Total Revenues	-	(1,225)	-	(50)	300		1,080	
Expenditures:								
Salaries, Wages and Benefits **	45,921	17,239	50,000	2,157	25,000	-50.00%	25,750	3.00%
Materials, Supplies and Services	17,225	5,269	20,000	1,994	5,000	-75.00%	5,000	0.00%
Total Expenditures	63,146	22,508	70,000	4,151	30,000		30,750	
Other Financing Sources (Uses):								
Transfer In from Administrative Capital Fund #052	1,000,000		50,000	-		-100.00%		0.00%
Transfer In from Capital Proj Fund #074					38,700		115,500	
Transfer In from Capital Proj Fund #087	30,717	46,679	53,300	57,564	106,637	100.07%	161,900	51.82%
Total Financing Sources (Uses)	1,030,717	46,679	103,300	57,564	145,337		277,400	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	967,571	22,946	33,300	53,363	115,637		247,730	
Beginning Fund Balance	(913,062)	54,509	77,455	-	110,755		226,392	
Fund Balance Adjustments								
Ending Fund Balance	54,509	77,455	110,755	53,363	226,392		474,122	

Fund 087, Capital Projects Fund – Mall of America II (MOA II)

This fund accounts for capital projects associated with the Mall of America Phase II. The fund receives its revenues from the TIF district 1-G that encompasses the MOA II area. Prior to the 2013 legislation IKEA was the only development in this TIF district. The portion of the TIF district 1-C (MOA I) north of the existing MOA I building has become part of the 1-G due to legislation passed in 2013. This fund will receive its final TIF payment in 2018.

Revenues:

The revenues for this fund are the property tax increment received semi-annually and the interest earned on the cash and investments held by the fund. Proposed TIF for 2015 is \$596,000 and in 2016 TIF increases by \$1,023,000 to \$1,619,000 due to the addition of the new hotel, office building and retail shopping on the north side of the existing MOA. Budgeted interest earnings are \$29,100 in 2015 and \$31,554 in 2016.

Expenditures:

In 2015 and 2016, there is no budgeted expenditure for counted value payments to the Mall. Various MOA projects are being considered but a specific amount is not being budgeted at this time. As projects are brought forth by the Mall they will be presented to the Board and a budget adjustment will be requested.

Other Financing Sources (Uses):

The MOA II Capital Projects Fund 087 transfers to the MOA II Administrative Capital Fund 054 up to 10% annually of the TIF revenue received in the prior year. TIF guidelines allow the Port Authority to utilize 10% of the total TIF expenditures for administrative expenses if incurred. The MOA II Capital Projects Fund 087 has budgeted a transfer of \$106,637 in 2015 into this fund which is higher than the 10% allowed because we are unable to take an administrative transfer from the Fiscal Disparities TIF that is going to Old Cedar Ave Bridge Capital Project Fund in 2014. In 2016, the administrative transfer is budgeted at \$161,900.

Port Authority
MOA II (Kelley/Met Center) 1G TIF District #1369
Capital Projects Fund #087

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned	28,931	(9,504)	15,000	-	29,100	94.00%	31,554	8.43%
Property Tax Increment	307,165	466,790	533,000	575,638	596,000	11.82%	1,619,000	171.64%
Total Revenues	<u>336,096</u>	<u>457,286</u>	<u>548,000</u>	<u>575,638</u>	<u>625,100</u>		<u>1,650,554</u>	
Expenditures:								
Project Costs		-				0.00%		0.00%
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	
Other Financing Sources (Uses):								
Transfer Out to Fund 054	(30,717)	(46,679)	(53,000)	(57,564)	(106,637)	101.20%	(161,900)	51.82%
Total Financing Sources (Uses)	<u>(30,717)</u>	<u>(46,679)</u>	<u>(53,000)</u>	<u>(57,564)</u>	<u>(106,637)</u>	101.20%	<u>(161,900)</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	<u>305,379</u>	<u>410,607</u>	<u>495,000</u>	<u>518,074</u>	<u>518,463</u>		<u>1,488,654</u>	
Beginning Fund Balance	4587213	4,892,592	5,303,199	5,303,199	5,798,199		6,316,662	
Fund Balance Adjustments								
Ending Fund Balance	<u><u>4,892,592</u></u>	<u><u>5,303,199</u></u>	<u><u>5,798,199</u></u>	<u><u>5,821,273</u></u>	<u><u>6,316,662</u></u>		<u><u>7,805,317</u></u>	

Fund 074, Capital Projects Fund – Fiscal Disparities TIF Mall of America II (MOA II)

In 2013, legislation was passed that allowed the fiscal disparities paid by the Mall of American TIF District 1-G to come back to the district as TIF. This fund accounts for capital projects associated with the Mall of America phases in TIF district 1-G paid for by the Fiscal Disparities Tax Increment. Counted value payments are made out of this fund for eligible expenditures. A transfer out to the MOA II Administrative Capital Fund 054 for administrative costs is made each year.

Revenues

The primary source of revenue for this fund is the Fiscal Disparities Tax Increment Financing (TIF) receipts for the Mall of America TIF District budgeted at \$387,100 in 2015 and \$1,155,000 in 2016. Interest earnings on the fund are budgeted at \$940 in 2015 and \$1,749 in 2016.

Expenditures:

In 2015 and 2016, there is no budgeted expenditure for counted value payments to the Mall. Various MOA projects are being considered but a specific amount is not being budgeted at this time. As projects are brought forth by the Mall they will be presented to the Board and a budget adjustment will be requested.

Other Financing Sources (Uses):

The MOA II Fiscal disparities Fund 074 can transfer to the MOA II Administrative Capital Fund 054 up to 10% of total TIF revenues per TIF guidelines. The proposed transfer in 2015 is \$38,700 and in 2016 is \$115,500.

Port Authority
General Fund #074 - Fiscal Disparties TIF - MOA II

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned				-	940	0.00%	1,749	86.09%
Property Tax Increment				-	387,000	0.00%	1,155,000	198.45%
Total Revenues	-	-	-	-	387,940		1,155,000	
Expenditures:								
Project Costs				-	-	0.00%	-	0.00%
Total Expenditures	-	-	-	-	-		-	
Other Financing Sources (Uses):								
Transfer Out-Admin 052					(38,700)		(115,500)	
Total Financing Sources (Uses)	-	-	-	-	(38,700)		(115,500)	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	-	-	-	-	349,240		1,039,500	
Beginning Fund Balance		-	-	-	-		349,240	
Fund Balance Adjustments								
Ending Fund Balance	-	-	-	-	349,240		1,388,740	

Fund 071, Fiscal Disparities, Old Cedar Avenue Bridge-District 1-G (MOA II)

As required by 2013 legislation, Fiscal Disparities TIF (FD-TIF) for 2014 from the Mall of America is to be set aside in a fund for use solely on the Old Cedar Avenue Bridge (OCAB) project. This fund accounts for the FD-TIF from MOA TIF District 1-G. FD-TIF funds from MOA I and MOA II, combined with state bonding and other grants, will fund the OCAB project, which is scheduled to be constructed in 2015 and 2016.

Revenues:

Revenue for this fund is the Fiscal Disparities tax payments from MOA TIF District 1-C (MOA I). The amount budgeted for Fiscal Disparities TIF beyond 2014 is not allocated to this fund.

Expenditures:

Projected expenditures in this fund are for project costs for the Old Cedar Avenue Bridge project. In 2015, project cost is anticipated to be \$470,372. In 2016, there is no allocated project cost.

Port Authority
General Fund #071 - Old Cedar Ave Bridge MOA II

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned				-		0.00%		0.00%
Other Revenues			472,000	470,372		-100.00%		0.00%
Total Revenues	-	-	472,000	470,372	-		-	
Expenditures:								
Project Costs			472,000	-	470,372	-0.34%		-100.00%
Total Expenditures	-	-	472,000	-	470,372		-	
Other Financing Sources (Uses):								
Transfer In from fund #063 (MOA-DS)						0.00%		0.00%
Transfer In from fund #079								0.00%
Transfer In						0.00%		0.00%
Total Financing Sources (Uses)	-	-	-	-	-		-	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	-	-	-	470,372	(470,372)		-	
Beginning Fund Balance		-	-	-	470,372		-	
Fund Balance Adjustments								
Ending Fund Balance	-	-	-	470,372	-		-	

Fund 053, Administrative Capital Fund – Bloomington Central Station (BCS)

This fund was established to account for the 10% administrative costs associated with the TIF district 1-I that encompasses Bloomington Central Station (BCS). For financial reporting purposes this fund is combined with the Bloomington Central Station Capital Projects Fund 075.

Revenues:

The only revenue for the Port Authority's Administrative Capital Fund 053 is the interest earned on the fund's pooled cash and investments. Due to this fund having a negative cash balance interest is negative. The anticipated interest earnings in 2015 is \$(2,200) and in 2016 is \$(2,800).

Expenditures:

The Administrative Capital Fund 053 pays for professional services, including legal expenses, financial advisory services, audit fees, administration fees and City staff related costs associated with planning and studies for Bloomington Central Station. Budgeted costs include materials, supplies and services of \$42,840 in 2015 and \$43,697 in 2016. Salaries, wages and benefits in 2015 are budgeted at \$81,600 and \$84,048 in 2016.

Other Financing Sources (Uses):

The BCS Capital Projects Fund 075 transfers to the Administrative Capital Fund 053 up to 10% of the annual TIF revenue received in the prior year. TIF guidelines allow the Port Authority to utilize 10% of the total TIF revenues for administrative expenses. The budgeted transfer in 2015 is \$75,800 and \$79,500 in 2016.

Fund Balance:

The Administrative Capital fund will run a negative fund balance until development in the Capital Projects fund generated exceeding those amounts spent earlier in the district, as costs are typically higher to set up a district.

**Port Authority
Bloomington Central Station
Administrative Capital Fund #053**

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned		(517)	-	(200)	(2,200)	0.00%	(2,800)	27.23%
Total Revenues	-	(517)	-	(200)	(2,200)		(2,800)	
Expenditures:								
Salaries, Wages and Benefits **	28,380	47,843	80,000	47,458	81,600	2.00%	84,048	3.00%
Materials, Supplies and Services	39,458	33,429	42,000	9,000	42,840	2.00%	43,697	2.00%
Interest due on loan to 435	19,216					0.00%		
Total Expenditures	87,054	81,272	122,000	56,458	124,440		127,745	
Other Financing Sources (Uses):								
Transfer In from Capital Proj Fund #075	50,007	51,326	75,000	86,443	75,800		79,500	
Total Financing Sources (Uses)	50,007	51,326	75,000	86,443	75,800		79,500	
Excess (deficiency) of revenues and other sources over expend- itures and other uses:	(37,047)	(30,463)	(47,000)	29,785	(50,840)		(51,044)	
Beginning Fund Balance	(408,173)	(445,220)	(475,683)	(475,683)	(522,683)		(573,523)	
Fund Balance Adjustments								
Ending Fund Balance	(445,220)	(475,683)	(522,683)	(445,898)	(573,523)		(624,568)	

The Administrative Capital fund will run a negative fund balance until such time as development in the Capital Projects fund generates the 10% of TIF revenue needed to fund the administrative costs in the district.

Fund 075, Capital Projects Fund – Bloomington Central Station (BCS)

This fund was set up in 2005 to account for the Tax Increment Financing district for Bloomington Central Station (1-I). The TIF district was established to redevelop these parcels as an integrated mixed use, transit oriented development, maximizing the benefits of the light rail for residents, hotel guests and office workers. The Port Authority purchased 4.85 acres of land at the NE Quadrant of Bloomington Central Station in the amount of \$5,273,000 on October 27, 2005. The Port Authority borrowed the money from the City's South Loop Development Fund to purchase the land. The interest that accrues on the loan due to the South Loop Development Fund is 4% per annum. Bloomington Central Station LLC is contractually required to repurchase the land before the tenth anniversary of the Port's purchase. The loan will be paid back to the City South Loop Development at the time the land is purchased by Bloomington Central Station LLC. This fund has an asset called "Land held for resale" and a liability called "Due to the City of Bloomington" that will appear on the Port Authority's Statement of Net Assets. A 394 unit residential project is planned in 2014/2015 which will eliminate the land loan. Legislation in 2013 extends this TIF district to 2039 and makes other changes to allow this project to develop in phases and be financially viable.

Revenues:

The TIF revenue projection for 2015 is \$758,000 and \$795,000 in 2016. This is an increase from prior years due to changes in how the base value is calculated. There is interest revenues budgeted in this fund of \$100 in 2015 and 2016 based on cash balances in the fund.

Expenditures:

The Redevelopment Contract between the City and Bloomington Central Station LLC, allows 90% of the gross TIF receipts to be available to the developer to the extent they fall under the public to private ratio. The remaining 10% of TIF receipts are available for Port Authority administrative costs and will be transferred to the BCS Administrative Capital Fund 053.

The developer began construction of a 302 room hotel in September of 2014. An apartment building are planned to start construction in 2015. This hotel would be funded, in part, through advance payments of TIF revenue. The counted value disbursement in 2015 is \$650,243 and \$630,948 in 2016.

Other Financing Sources (Uses):

Since 2006 this fund borrowed from the South Loop Development Fund the interest payment due on the land purchase. A legal opinion in early 2012 changed this practice and interest previously borrowed was paid back to the South Loop Development Fund. Ten percent of TIF revenues will be transferred to BCS Administrative Capital Fund 053 to cover administrative costs for the BCS district. In 2015, \$75,800 is transferred out to administrative fund 53 and in 2016 \$79,500 will be transferred out.

Port Authority
Bloomington Central Station TIF District #1375
Capital Projects Fund #075

<u>Description</u>	2012 Actual	2013 Actual	2014 Budget	2014 Projected	2015 Request	% Change 2014/2015	2016 Request	% Change 2015/2016
Revenues:								
Interest Earned	1,338	4,898	-	-	100	0.00%	100	0.00%
Property Tax Increment	500,151	513,260	750,000	864,430	758,000	1.07%	795,000	4.88%
Total Revenues	<u>501,489</u>	<u>518,158</u>	<u>750,000</u>	<u>864,430</u>	<u>758,100</u>		<u>795,100</u>	
Expenditures:								
Interest on loan from Fund 435	210,920	210,920	50,000	200,000	-	0.00%	-	0.00%
Counted Value disbursement	708,130	688,835	625,000	669,538	650,243	-100.00%	630,948	0.00%
Total Expenditures	<u>919,050</u>	<u>899,755</u>	<u>675,000</u>	<u>869,538</u>	<u>650,243</u>		<u>630,948</u>	
Other Financing Sources (Uses):								
Transfer In from Capital Prj Fund #435						0.00%		0.00%
Transfer Out to Admin Fund #053	(50,007)	(51,326)	(75,000)	(86,443)	(75,800)	1.07%	(79,500)	4.88%
Total Financing Sources (Uses)	<u>(50,007)</u>	<u>(51,326)</u>	<u>(75,000)</u>	<u>(86,443)</u>	<u>(75,800)</u>		<u>(79,500)</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses:	<u>(467,568)</u>	<u>(432,923)</u>	<u>-</u>	<u>(91,551)</u>	<u>32,057</u>		<u>84,652</u>	
Beginning Fund Balance	244,817	(222,751)	(655,674)	(655,674)	(655,674)		(623,617)	
Fund Balance Adjustments								
Ending Fund Balance	<u>(222,751)</u>	<u>(655,674)</u>	<u>(655,674)</u>	<u>(747,225)</u>	<u>(623,617)</u>		<u>(538,965)</u>	